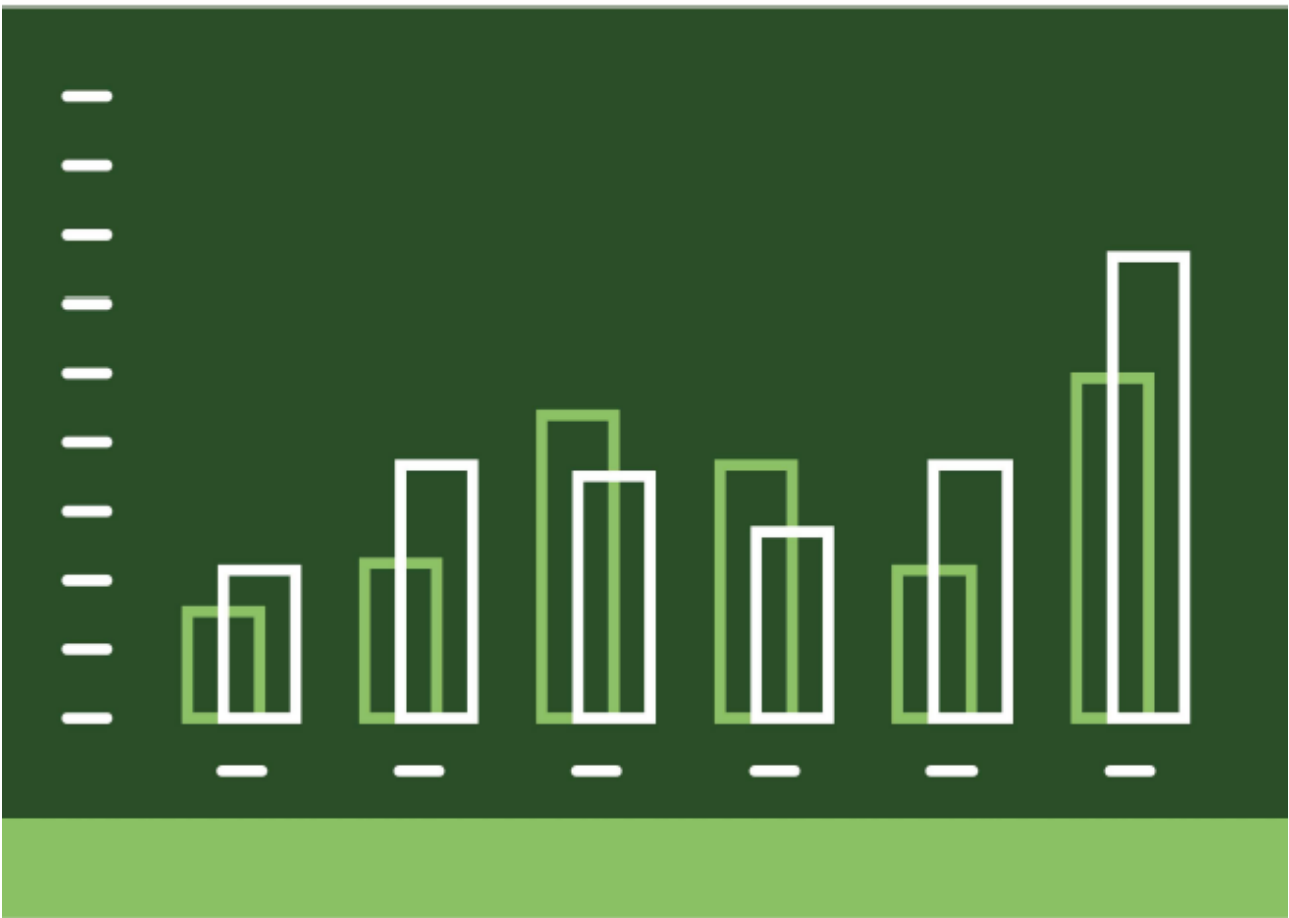


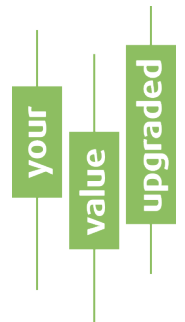
# Bittnet Group

## Universal Registration Document



# Annual Report for FY2024

Financial year	01.01.2024 – 31.12.2024
Company name	BITTNET SYSTEMS S.A.
Headquarters	Bucharest, Sector 5, Serg. Ion Nuțu Street, no. 44, One Cotroceni Park, Building A and Building B, Floor 4
Legal address	Bucharest, Sector 5, Serg. Ion Nuțu Street, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, 050691
Telephone/fax number	021.527.16.00 / 021.527.16.98
Unique registration code at the Trade Register Office	21181848
Serial number in the Trade Register	J40/3752/2007
The market on which the issued securities are traded	Bucharest Stock Exchange, Main Segment, Standard Category
Subscribed and paid-up share capital	RON 63,417,671.40
The main characteristics of the securities issued by the company	634,176,714 shares at a face value of RON 0.10 per share
Trading Symbol	BNET – shares BNET26E, BNET27A, BNET28, BNET28A – bonds
ISIN code for shares	ROBNETACNOR1
Contact	<a href="mailto:investors@bittnet.ro">investors@bittnet.ro</a>



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# Key Information

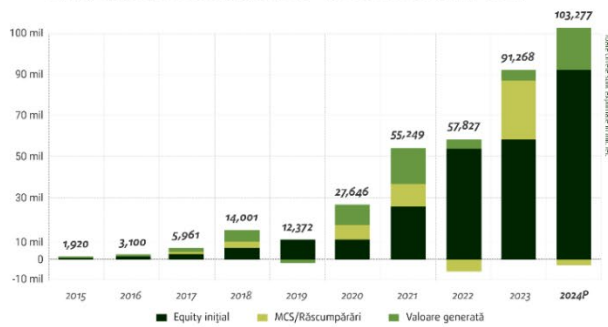
## Key results, historical, thousands ron

Year	Revenue	Operational Profit <sup>[1]</sup>	Net profit	CashFlow from Operations	Assets	Cash	Capital	Market Cap.	ROE Op.Profit	ROE Net Profit
2014	8,180	582	115	394	5,428	813	865	7,896		
2015	9,993	1,608	889	471	8,253	3,008	1,920	8,108	186%	102%
2016	13,667	1,929	870	-1,768	10,446	2,355	3,100	21,418	100%	45%
2017	27,682	2,743	1,206	373	30,898	11,060	5,961	31,941	88%	39%
2018	47,891	1,319	4,408	3,397	59,069	13,048	14,001	55,530	22%	74%
2019	99,750	838	-4.458	8,502	88,462	20,824	12,372	112,717	6%	-32%
2020	109,192	5,930	1,025	8,120	102,353	24,873	27,646	157,586	48%	8%
2021	112,591	3,879	13,021	4,242	133,961	23,405	55,249	161,907	14%	47%
2022	192,156	8,372	-2,192	17,995	220,596	42,300	57,494	155,902	15%	-4%
2023*	359,089	12,772	823	60,766	293,881	73,013	81,292	174,398	21%	1%
2024*	404,113	15,137	9,118	21,999	335,160	73,355	77,195	96,368	15%	10%
CAGR	48%	39%	55%	50%	51%	57%	57%	28%	19%	11%
Yoy	13%	19%	1008%	-69%	14%	1%	-5%	12%		
Main Market	270%	155%	790%	171%	227%	195%	179%	38%		

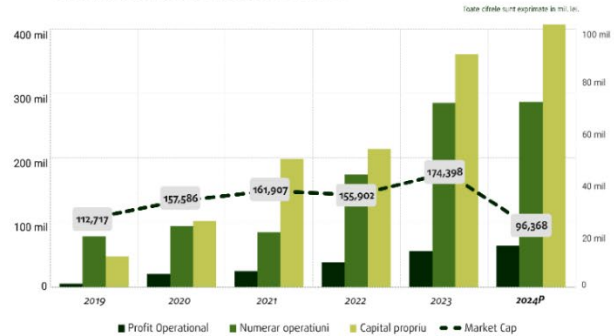
\*At the request of the Group's auditor, KPMG Audit, the financial results of the Cybersecurity pillar (companies: FORT SA, GRX-Advisory SRL and ISEC Associates SRL), a business pillar sold in December 2024, were removed from the consolidated financial statements for FY2024 and FY2023. For yoy comparability, the results of the Cybersecurity pillar were also removed from the results FY2023.

As every year, in the attached table we summarize the essence of our operating model that we have followed so far and our investment thesis proposal. The table presents the evolution of consolidated revenues, assets, operating profit and market cap, providing a visual perspective on our performance and strategic direction.

Equity inițial vs. Valoare generată ROE mediu la 9 ani: +46%



Evoluție de la listarea pe Main Market



Evoluție Profit Operațional & Cifra de Afaceri vs. Market Cap



Evoluție Cifra de Afaceri vs. Market Cap



## NOTE TO INVESTORS

According to EU Regulation 1129/2017, Article 9, paragraph (12): The Universal Registration Document (“Document”) filed with or approved by the competent authority is made public no later than four months after the end of the financial year and contains the information to be disclosed in the annual financial report referred to in Article 4 of Directive 2004/109/EC, the issuer have fulfilled its obligation to publish the annual report provided for in that Article, if:

- a) include in the universal registration document a cross-reference list indicating where the universal registration document for each item required to be included in the annual and semi-annual financial reports can be found;
- b) lodge the universal registration document in accordance with Article 19(1) of Directive 2004/109/EC and make it available to the designated official mechanism referred to in Article 21(2) of that Directive;
- c) include in the universal registration document a statement of responsibility under the conditions set out in Article 4(2)(c): statements by the responsible persons within the issuer, clearly identified by name and function, confirming that, in their opinion, the financial statements drawn up in accordance with the applicable body of accounting standards give a fair view of the assets and liabilities, the financial position and the financial result of the issuer and the undertakings involved in the consolidation, and that the management report presents a true and fair view of the development and results of the undertaking and of the situation of the issuer and the undertakings involved in the consolidation, as well as a description of the main risks and uncertainties facing them.

This Document has been prepared to serve both as an Annual Report for the financial year 2024 in accordance with the above points, as well as as a reference source regarding the Issuer and the group to which it belongs, providing investors and analysts with the minimum information necessary to make an informed decision regarding the activity, financial position, earnings and prospects, governance and shareholder structure of the Company as of the date of its preparation. This Document has also been prepared for its use for the purpose of future public offers of securities, regardless of their type or class, which may take place on a regulated market if completed with the amendments, as applicable, as well as with a securities note and a summary approved in accordance with Regulation (EU) 2017/1129. By submitting for approval and publishing this Document, Bittnet Systems SA aims to maintain the status of Frequent Issuer of securities in accordance with Regulation (EU) No. 2017/1129.

The information contained in this Universal Registration Document presents the situation of the Issuer and the group to which it belongs, as of the date of the Document within the limits of the documents and information selected, except where another date or source is expressly mentioned.

The information contained in this Document is provided by the Issuer or comes from public sources, as indicated in the Registration Document. No other natural or legal person, other than the Issuer, has been authorized to provide information or documents.

The information in this Document is for informational purposes only and shall not be considered as legal, financial or tax advice. Nothing in this Registration Document shall be construed as a recommendation to invest or an opinion on the situation of the Issuer or the group to which it belongs, or as legal, tax, financial or professional business advice. Potential investors should be aware of the risk factors to which the Issuer is subject, both in terms of the industry in which it operates and the individual risks specific to the Issuer. The risks identified by the Issuer are presented in this Document: **Section 3 - Risk Factors**.

Regulation (EU) 2019/980 on the prospectus has created the framework for a new document, known as the ‘Universal Registration Document’, designed to speed up the prospectus approval process for frequent issuers of financial instruments. Under the EU Regulation, frequent issuers are encouraged to draw up their

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prospectuses as separate documents, as this reduces the cost of compliance and allows them to react quickly to market opportunities. Therefore, issuers whose financial instruments are admitted to trading on regulated markets or on the SMT markets have the possibility to draw up and publish, in each financial year, a universal registration document containing legal, commercial, financial, accounting and shareholder information and providing a description of the issuer for that financial year. The preparation of a Universal Registration Document allows the issuer to update information and prepare a prospectus when market conditions become favorable for a public offer of financial instruments or an admission to trading on a regulated market, by adding a note on the presentation of the instruments (shares / bonds) and a summary. The Universal Registration Document is used as a reference source on the Issuer, providing investors and analysts with the minimum information necessary to make an informed decision on the company's business, financial situation, earnings and prospects, governance and shareholder structure.

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## Statement on the Perspectives

This Document contains forward-looking statements within the meaning of the laws governing financial instruments (securities) in certain jurisdictions. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including statements preceded by, followed by or including the words "may", "will", "would", "should", "expects", "intends", "estimates", "anticipates", "projects", "believes", "attempts", "plans", "foresees", "continues", "commits", "obligates", "expected", or, in each case, negative forms thereof or other variations or similar terminology or discussions of future strategies, plans, objectives, policies, goals, events and intentions. These forward-looking statements appear in several places throughout this document.

Forward-looking statements include statements of current intentions, beliefs or expectations regarding, among other things, the results of operations, vision, growth, dividend strategy and policy or the industry in which the Issuer and the group of which it is a part operate. The forward-looking statements contained in this document speak as of the date of this document. The Company undertakes no obligation to release any updates or revisions to any such forward-looking statements contained in this Document to reflect any change in the Company's expectations therewith or any change in the events, conditions or circumstances on which any such statements are based, except as required by applicable law.

Forward-looking statements involve known and unknown risks, uncertainties and other important factors that are beyond the Company's control and that could cause its actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the Company's current and future business strategies and the environment in which it will operate in the future.

Important factors that could cause the Company's actual results or performance to differ materially from those expressed in these forward-looking statements include the factors described in the "Risk Factors" section of the Universal Registration Document, as well as in other sections of this Document. These factors include, but are not limited to, fluctuations in interest rates; delays in deliveries by manufacturers or distributors caused by various overlapping global crises, the economic and social situation in Romania, affected by corruption and money laundering. These risks and the remaining information described in the "Risk Factors" section are not exhaustive. Other sections of this Document describe other factors that could adversely affect the Company's results of operations, financial position and the development of the industry in which the Company operates. From time to time, new risks may arise that affect the Group's operations and business, and it is not possible for the Company to foresee all of these risks, nor can it assess the impact of all of these risks or the extent to which any such risks, or a combination of these risks and other factors, could cause actual results to differ materially from those contained in any forward-looking statements.

When reading forward-looking statements, investors should carefully consider the above factors and other uncertainties or events, particularly in light of the political, economic, social and legal environment in which the Company operates.

**Given these risks and uncertainties, investors should not rely on forward-looking statements as a prediction or a guarantee of actual results.**

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# Annex 1: Cross-references - Annual Report according to Regulation no. 5/2018 vs. Universal Registration Document

The requirement of Regulation No. 5/2018	This document
The report includes the administrators' report, as well as, where applicable, the consolidated administrators' report, prepared in accordance with the applicable accounting regulations, and includes, in the case of the regulated market, also:	
II. Corporate governance statement, as well as, where applicable,	Section 14.4
III. Non-financial statement regarding environmental, social and personnel aspects, respect for human rights and combating corruption and bribery.	it is not the case
<b>1. Analysis of the issuer's activity</b>	
a) Description of the issuer's core business	Point 5.1.1
b) Specifying the date of establishment of the issuer	Point 4.3
c) Description of any significant merger or reorganization of the issuer, its subsidiaries or controlled companies, during the financial year	Point 6.2
d) Description of asset acquisitions and/or disposals	Point 5.7
e) Description of the main results of the assessment of the issuer's activity:	
1.1.1. General evaluation elements:	
a) profit;	Point 5.3
b) revenue;	Point 5.3
c) export;	Point 5.2 and 5.3
d) costs;	Point 5.3
e) % of market held;	Point 5.2
f) liquidity (available in the account, etc.).	Point 7.1
1.1.2. Evaluation of the issuer's technical level	
Description of the main products manufactured and/or services provided, specifying:	
a) the main markets for each product or service and the distribution methods;	Point 5.2
b) the share of each category of products or services in the issuer's revenues and total revenue for the last 3 years;	Point 5.2
c) the new products envisaged for which a substantial volume of assets will be allocated in the next financial year, as well as the stage of development of these products.	Point 5.7.1.D
1.1.3. Evaluation of technical and material supply activity (indigenous sources, imported sources)	
Specifying information on the security of supply sources and prices of raw materials and the size of stocks of raw materials and materials	Point 5.8
1.1.4. Evaluation of sales activity	
a) Description of the evolution of sales sequentially on the domestic and/or foreign market and of the medium and long-term sales prospects	Point 5.2 and 5.3
b) Description of the competitive situation in the issuer's field of activity, the market share of the issuer's products or services and the main competitors	Section 5.2
c) Description of any significant dependence of the issuer on a single customer or group of customers whose loss would have a negative impact on the issuer's company's revenues	Section 5.9
1.1.5. Assessment of issues related to the issuer's employees/personnel	
a) Specifying the number and level of training of the issuer's employees, as well as the degree of unionization of the workforce	Section 15.1
b) Description of the relationships between the manager and employees, as well as any conflicting elements that characterize these relationships	

1.1.6. Evaluation of aspects related to the impact of the issuer's core activity on the environment A brief description of the impact of the issuer's core activities on the environment, as well as any existing or anticipated litigation regarding the violation of environmental protection legislation	Point 5.7.4
1.1.7. Evaluation of research and development activity Specifying the expenses in the financial year, as well as those anticipated in the following financial year for research and development activity	Section 7.3
1.1.8. Evaluation of the issuer's risk management activity. Description of the issuer's exposure to price, credit, liquidity and cash flow risk Description of the issuer's risk management policies and objectives	Section 3
1.1.9. Perspective elements regarding the issuer's activity	
a) Presentation and analysis of trends, elements, events or uncertainty factors that affect or could affect the issuer's liquidity compared to the same period of the previous year	Point 5.3, Section 10
b) Presentation and analysis of the effects of capital expenditures, current or anticipated, on the issuer's financial situation compared to the same period last year	Point 5.3, Section 10
c) Presentation and analysis of events, transactions and economic changes that significantly affect revenues from the core activity	Point 5.3, Section 10
2. The issuer's tangible assets	
2.1. Specification of the location and characteristics of the main production capacities owned by the issuer	Point 5.7.1. B
2.2. Description and analysis of the degree of wear and tear of the issuer's properties	Point 5.7.1. C
2.3. Specification of potential issues related to ownership of the issuer's tangible assets	Point 5.7.1.C
3. Market for securities issued by the issuer	
3.1. Specification of the markets in Romania and other countries on which the issued securities are traded	Point 9.2
3.2. Description of the issuer's dividend policy. Specification of dividends due/paid/accumulated in the last 3 years and, if applicable, the reasons for any decrease in dividends during the last 3 years	Point 9.3, Point 9.4, Point 18.5
3.3. Description of any activities of the issuer to acquire its own shares	Point 9.5
3.4. If the issuer has subsidiaries, specifying the number and nominal value of shares issued by the parent company held by the subsidiaries	Point 9.6
3.5. If the issuer has issued bonds and/or other debt securities, a description of how the issuer pays its obligations to the holders of such securities	Point 9.7
4. Issuer management	
4.1. Presentation of the list of the issuer's administrators and the following information for each administrator:	Section 12
a) CV (surname, first name, age, qualification, professional experience, position and length of service);	
b) any agreement, understanding or family relationship between the respective administrator and another person due to which the respective person was appointed administrator;	
c) the administrator's participation in the issuer's capital;	
d) list of persons affiliated with the issuer.	
4.2. Presentation of the list of members of the issuer's executive management For each, the following information must be presented:	Section 12, Point 14.1
a) the term for which the person is part of the executive management;	
b) any agreement, understanding or family relationship between the person concerned and another person due to which the person concerned was appointed as a member of the executive management;	
c) the participation of the respective person in the issuer's capital.	
4.3. For all persons presented in points 4.1 and 4.2, specification of any litigation or administrative procedures in which they have been involved, in the last 5 years, relating to their	Section 12

activity within the issuer, as well as those concerning the capacity of the respective person to perform their duties within the issuer.	
5. Financial and accounting situation	
Presentation of an analysis of the current economic and financial situation compared to the last 3 years, with reference to at least:	Section 7, Point 8.2
a) balance sheet items: assets representing at least 10% of total assets; cash and	
b) other liquid assets; reinvested profits; total current assets; total current liabilities;	
c) profit and loss account: net sales; gross income; cost and expense items with a share of at least 20% in net sales or gross income;	
d) risk provisions and for various expenses; reference to any sale or cessation of a segment of activity carried out in the last year or to be carried out in the following year;	
e) dividends declared and paid;	
f) Cash flow: all changes in the cash level within the core activity, investments and financial activity, the cash level at the beginning and end of the period.	
The annual report shall be accompanied by copies of the following documents:	
a) the constituent documents of the issuer, if they have been amended in the year for which the report is made;	Point 19.2
b) resignation/dismissal documents, if there were such situations among members of the administration, executive management, censors;	Point 14.1
c) list of the issuer's subsidiaries and entities controlled or controlling the issuer.	Section 6

## DEFINITIONS

In this Universal Registration Document, unless otherwise expressly provided, the following capitalized terms shall have the following meanings, applicable to both the singular and plural forms:

"The Constitutive Act"	The Articles of Association of the Issuer, in force and applicable as of the date of this Universal Registration Document
"Shares", "Existing Shares" or "Company Shares"	All shares issued by the Company on the date of approval of this Document
"AGM"	General Meeting of Shareholders of the Company
"AGEA"	Extraordinary General Meeting of Shareholders of the Company
"AGOA"	Ordinary General Meeting of Shareholders of the Company
"ASF"	Financial Supervisory Authority
"NACE"	Classification of Activities in the National Economy
"Company" and/or "Issuer" and/or "Company" and/or "Bittnet SA" and/or "Bittnet", "BNET"	Bittnet Systems SA, the issuer of the Shares presented in this Registration Document
"Board of Directors" / "Board of Directors"	On 29.01.2020, the General Meeting of Shareholders approved the amendment of the Company's articles of incorporation in order to manage it by a Board of Directors consisting of 3 members. On 27.04.2023, the General Meeting approved the expansion of the Board of Directors to 5 members, given the current size of the issuer and the group to which it belongs, and elected the two new members whose mandates were aligned with the existing members on the date of the Meeting, respectively until 29.01.2024. On 25.01.2024, the General Meeting elected the new composition of the Board of Directors, for a 4-year mandate, starting with 30.01.2024.
"Central Depository"	Depozitarul Central SA, headquartered at Bulevardul Carol I no. 34 - 36, floors 3, 8 and 9, sector 2, postal code 020922, Bucharest, Romania, is the institution that provides services for the storage, registry, clearing and settlement of transactions with financial instruments, as well as other operations related to them as defined in the Capital Market Law.
"Investors"	Persons interested in the shares/bonds of the Issuer.
"Law 24/2017" "Issuers Law"	Law No. 24/2017 on issuers of financial instruments and market operations, published in the Official Gazette Part I No. 213 of 29 March 2017
"Companies Law"	Companies Law no. 31/1990, republished in the Official Gazette no. 1066 of 17.11.2004, with subsequent amendments and supplements
"Leu"/"Lei" or "Ron" or "RON"	The official currency of Romania
"SMT Market"	The multilateral trading system (MTS) operated by the Bucharest Stock Exchange, the MTS market, known as the AeRO-SMT market.
"Regulated Market"	The regulated market administered by the Bucharest Stock Exchange. The market on which the issuer's shares and bonds are traded.
"Universal Registration Document"/ "Registration Document / "the document"	This Universal Registration Document of Bittnet Systems SA
"Trade Register"	Database containing registers and registration of traders and other entities provided for by law (ONRC – Oficiul Național al Registrului Comerțului)

"Regulation 5/2018"	ASF Regulation No. 5/2018 on issuers and transactions with securities, as subsequently amended and supplemented
"Regulation 1129/2017"	REGULATION (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
"Delegated Regulation (EU) 2019/979"	Delegated Regulation (EU) 2019/979 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of the prospectus, publication and classification of prospectuses, securities marketing communications, prospectus supplements and the notification portal and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.
"Delegated Regulation (EU) 2019/980"	Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to the format, content, verification and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Commission Regulation (EC) No 809/2004
"Working day"	Any day on which both the Romanian interbank market and the trading systems of the Bucharest Stock Exchange and the clearing-settlement systems of the Central Depository are open for business

The information used in the preparation of this Universal Registration Document regarding the Issuer and its activity was provided by BITTNET SYSTEMS SA, a company with its registered office in Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, telephone 021.527.16.00, fax 021.527.16.98, website <http://investors.bittnet.ro/>, unique registration code: RO21181848, registration number at the Trade Register J40/3752/2007 (the "Issuer" / the "Company" or "the Group").

The persons responsible for the information contained in this Document, on behalf of the Issuer:

Mihai Logofătu – General Manager;

#### Statements of responsible persons:

The Issuer's Representative declares that, after taking all reasonable measures in this regard, the information regarding the Issuer included in this Universal Registration Document is, to the best of his knowledge, in accordance with reality and does not contain omissions likely to significantly affect its content.

## Section 1: Responsible persons, third party information, expert reports and competent authority approval

### 1.1- 1.2 RESPONSIBLE PERSONS AND STATEMENT OF RESPONSIBLE PERSONS

1.1. All persons responsible for the information or certain parts thereof included in the document shall be identified, indicating, in the latter case, the parties concerned. Where the persons responsible are natural persons, including members of the administrative, management or supervisory bodies of the issuer, their names and positions shall be indicated; in the case of legal persons, their name and registered office shall be indicated.

The information used in this Universal Registration Document regarding the Issuer and its activity was provided by BITTNET SYSTEMS S.A., a company with its registered office in Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, telephone 021.527.16.00, fax 021.527.16.98, website <http://investors.bittnet.ro/>, unique registration code RO 21181848, registration number with the Trade Register J40/3752/2007 ("Issuer"), represented by Mihai Logofătu – General Manager.

1.2. A declaration by the persons responsible for the document stating that the information included in the document is, to the best of their knowledge, in accordance with reality and that the registration document does not contain any omissions likely to affect its significance.

Bittnet Systems SA, company with registered office in Bucharest, Sector 5, Serg. Ion Nuțu Street, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, telephone 021.527.16.00, fax 021.527.16.98, website <http://www.bittnet.ro/>, unique registration code RO 21181848, registration number with the Trade Register J40/3752/2007, as Issuer of the Shares, declares that after carrying out all reasonable checks to ensure that this statement is correct, all information included in this Universal Registration Document is, to the best of its knowledge, in accordance with reality and the Document does not contain omissions likely to affect its significance.

To the best of the Issuer's knowledge, the information contained in the Universal Registration Document is correct as of the date of preparation of the Document, as stated on the first page, unless otherwise expressly stated in this Document. The Issuer's business and financial situation and the information contained in the Document may change after this date. Except as expressly stated in the applicable legal framework, the Issuer undertakes no obligation to update or revise the information contained in this Document.

1.3. Where the document contains a statement or report attributed to a person acting as an expert, the following details of the person concerned shall be indicated: (a) name; (b) work address; (c) qualifications; (d) where applicable, significant interest in the issuing company.

This is not the case, the universal registration document does not contain statements or reports attributed to a person acting as an expert.

1.4. Where the information originates from a third party, a confirmation shall be provided that the information in question has been reproduced accurately and that, to the best of the issuer's knowledge and to the extent that it can confirm having regard to the data published by the third party in question, no facts have been omitted which would render the information reproduced incorrect or misleading. The source(s) of the information in question shall also be stated.

Not applicable, not applicable. The information contained in this document does not come from a third party.

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1.5. A statement that: (a) the document has been approved by the Financial Supervisory Authority, as the competent authority under Regulation (EU) 2017/1129; (b) the Financial Supervisory Authority approves this document only in terms of meeting the standards of completeness, comprehensibility and consistency required by Regulation (EU) 2017/1129; (c) such approval should not be considered as an approval of the issuer that is the subject of this document.

Given that the Financial Supervisory Authority (ASF) approved for two consecutive financial years, the Universal Registration Document of the Issuer, by Decisions no. 867 of 15.07.2020 and no. 591 of 06.05.2021, starting with 2022, a prior approval of the Document by the ASF was no longer required, in accordance with Article 9, paragraph (2) of Regulation EU2017/1129. Thus, the Issuer published on the BVB and submitted to the ASF, in May 2022, the Universal Registration Document in order to maintain the status of frequent issuer. The Document was amended in December 2022, by an Amendment, given that it intended to use it as part of a Prospectus for a capital increase with new cash contributions, an operation carried out in Q1 2023.

In April 2023, the Issuer published on the BVB news feeds and on its own website and submitted to the ASF the Universal Registration Document for the extension of the status of frequent issuer of financial instruments. Based on this document, the Issuer prepared a presentation note and a summary, submitting the Prospectus consisting of separate documents prepared for the conduct of a corporate bond offering conducted in May-June 2023 under the issue symbol BNET27A.

In November 2023, the Issuer prepared and published an Amendment to the Universal Registration Document together with its consolidated form with updated information in order to be able to use it within a Prospectus of a new corporate bond offering conducted in December under the issue symbol BNET28. In the spring of 2024, the Issuer conducted a new corporate bond offering – based on an offering prospectus consisting of separate documents, approved by the ASF. The broadcast symbol was BNET28A.

In April 2024, the Issuer published on the BVB news feeds, on its own website and submitted to ASF – the updated Universal Registration Document, for the maintenance and extension of the status of frequent issuer of financial instruments.

Therefore, the Issuer will not submit this document for approval in 2025 either – unless it will be part of a Prospectus for a public offering of financial instruments. In this case, the Issuer will submit the Prospectus for approval to the ASF as part of a public offering, and if this Prospectus receives the approval visa from the ASF, the following statements also apply to this document:

(a) The document has been approved by the Financial Supervisory Authority (FSA), as the competent authority under Regulation (EU) 2017/1129;

(b) The Financial Supervisory Authority approves this Registration Document only from the point of view of meeting the standards of completeness, intelligibility and coherence imposed by Regulation (EU) 2017/1129;

(c) Such approval should not be considered as an approval of the issuer that is the subject of this Document;

To the best of the Issuer's knowledge and applicable at the date of drafting this document, Bittnet Systems is the first and only issuer listed on the Bucharest Stock Exchange that publishes annually, starting with 2020, the Universal Registration Document, thus obtaining and maintaining the status of frequent issuer of financial instruments.

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1.5.1. A statement that the universal registration document may be used for the purposes of a public offer of securities or the admission of securities to trading on a regulated market if supplemented with amendments, as applicable, as well as a securities note and a summary approved in accordance with Regulation (EU) 2017/1129.

The Issuer declares that this Universal Registration Document may be used for the purpose of a future public offer of financial instruments (securities), regardless of their type or class, which may take place on a regulated market if it is supplemented with amendments, as applicable, as well as with a securities note and a summary approved in accordance with Regulation (EU) 2017/1129.

**At the date of drafting this document, the Issuer does not consider to issue new securities.**

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## Section 2: Statutory Auditors

2.1. The names and addresses of the issuer's auditors for the period covered by the historical financial information (together with details of their membership of a professional body).

For the year 2024, the Issuer's financial auditor is KPMG AUDIT SRL, headquartered in Bucharest, Bucharest - Ploiești Road no. 89A, Sector 1, registered with the Bucharest Trade Register under no. J40/4439/2000, with CUI 12997279, a company authorized by the Chamber of Financial Auditors of Romania with authorization no. 9/2001, opinion issued by ASF no. 48/11.02.2016.

On December 16, 2024, the issuer's shareholders voted to revoke the mandate of the auditor LIONLINK AUDIT SRL, given the expiration of the audit contract and the appointment of the auditor KPMG AUDIT SRL to audit the individual financial statements of the Issuer and the consolidated financial statements of the group of which it is a part, for the year 2024. The GMS also approved the election of KPMG Audit to audit the individual and consolidated financial statements for the fiscal years 2025 and 2026.

The most recent financial audit report was prepared in March 2025 and is based on the financial statements for 2024 and was published on the issuer's website as a supporting document to the agenda of the General Meeting of 28.04.2025.

For the year 2023, the Issuer's financial auditor was LIONLINK AUDIT SRL, headquartered in Cluj Napoca Municipality, Avram Iancu Square no. 15, Cluj County, registered with the Bucharest Trade Register under no. J12/1894/2009, with CUI 26097382, a company authorized by the Chamber of Financial Auditors of Romania with authorization no. 944/04.12.2009, ASPAAS authorization no. FA944.

On October 30, 2023, the issuer's shareholders voted to revoke the mandate of the auditor BDO Audit and appoint the auditor Lionlink Audit to audit the individual financial statements of the Issuer and the consolidated financial statements of the group of which it is a part, for the year 2023.

The opinion of the Group's auditor - LionLink Audit - regarding the consolidated financial statements for the financial year ended 31.12.2023 contains a reservation, strictly referring to the comparative figures for the financial year ended 31 December 2022. The audit opinion expressed on the consolidated financial statements of the Group for the financial year ended 31 December 2022 (from which the corresponding amounts of the financial year 2022 were derived and are included in the consolidated financial statements of the Group for the financial year ended 31 December 2023), was maintained in the audit report for the financial year ended 31 December 2023 due to the impact on the comparative figures, respectively the impact on the figures for the financial year ended 31 December 2022.

The auditors' opinion on the Issuer's individual financial statements in 2022 and 2023 is unqualified.

For the financial years ended 2020, 2021 and 2022, the Issuer's financial auditor was BDO AUDIT SRL, headquartered in Bucharest, Str. Învingătorilor no. 24, et. 1-4, Sector 3, registered with the Bucharest Trade Register under no. J40/22485/1994, with CUI 6546223, a company authorized by the Chamber of Financial Auditors of Romania with authorization no. 18/2001.

The Group's financial statements for the year ended December 31, 2022 were audited by BDO Audit, which expressed a modified opinion on these statements on March 27, 2023. BDO Audit's opinion was modified due to the auditor's inability to determine whether adjustments were necessary to the income and expenses in the consolidated financial statements for the financial year ended December 31, 2022, in accordance with the provisions of International Financial Reporting Standard 15, "Contracts with Customers", regarding the revenue recognition policy in transactions in which the Group acts on its own behalf (Eng. "principal") or acts as an intermediary (Eng. "agent") in the case of the resale of software licenses, as these accounting policies are

described in Note 7 Revenue from contracts with customers and Note 29 Significant accounting policies in the Group's consolidated financial statements.

The BDO Audit reservation for the Group's financial statements for the year ended December 31, 2022 had no impact on the profit and net accounting assets (equity), but referred to the presentation of income from the perspective of IFRS15 (Principal vs Agent), as we detailed and explained at the time. The management position regarding the auditor's opinion with reservations for the year 2022 was published as early as 27.03.2023 as a supporting document for the agenda of the Ordinary General Meeting of Shareholders, on the Issuer's website dedicated to the AGM of 27.04.2023, respectively at the following link: <https://investors.bittnet.ro/intalniri-ale-actionarilor/aga-27-aprilie-2023/>

Up to and including the financial statements for 2019, the auditor was ACE CONSULT SRL, headquartered in Sibiu, Sos. Constantin Noica, no. 3, registration number with the Trade Register J32/159/2002, CUI RO14469555.

**2.2. If the financial auditors have resigned, been dismissed or not been re-elected during the period covered by the historical financial information, detailed information about these situations shall be provided, if the information in question is material.**

At the General Meeting of Shareholders on December 16th , 2024, also taking into account the expiration of the previous audit contract, the shareholders voted to dismiss the previous auditor and appoint the new auditor, according to article 2.1 above.

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## Section 3: Risk factors

A description of the material risks that are specific to the issuer, in a limited number of categories, in a section entitled 'Risk factors'. Within each category, the most material risks in the assessment made by the issuer, the offeror or the person asking for admission to trading on a regulated market shall be identified first, taking into account the adverse impact on the issuer and the likelihood of their occurrence. The risks shall be corroborated according to the content of the registration document.

We remind investors that investing in Bittnet shares or bonds involves certain risks, some of which we list below.

### Risks related to the Issuer's activity and the industry in which it operates:

#### The risk associated with implementing the business development plans

The company's strategic objective is to continuously develop customer relationships. It cannot be ruled out that the Bittnet group will not be able to expand its current customer base or that the relationship with existing customers will deteriorate. There is also a risk that the company will not be able to fulfill other elements of the strategy it has defined, namely: expanding the sales force, establishing a local office in one of the main cities of the country, consolidating its leading position on the IT Training market in Romania, expanding the customer base in the country and abroad and providing training to a larger number of potential customers, and the development and creation of strategic partnerships with companies with similar or complementary profiles will not prove successful. In order to reduce this risk, the company intends to expand the offer of products and services and improve marketing activities as much as possible.

#### The risk associated with M&A transactions

Most studies and articles dedicated to the subject of M&A (acquisitions and mergers of other companies/businesses) show an unpromising statistic for acquiring companies: overwhelmingly M&A processes destroy value for both companies (especially for the acquirers). This element takes on an even more negative dimension when, within the framework of acquisitions, companies pay with shares of the acquiring company, as is the case with our group. There is a significant risk that the processes we carry out will have the same negative consequences in the long term. Management tries to build each investment with a high degree of safety ("margin of safety") and to align the interests of the participants through payment formulas and mechanisms. However, there is no guarantee that we will be able to continue to identify such solutions, and that future mergers and acquisitions processes will be profitable for our group.

#### The risk associated with making financial forecasts

The Company's financial forecasts assume the successful implementation of the growth strategy based on existing resources and business units. However, there is risk associated with the achievement of financial forecasts. The forecasts have been created with diligence, but they are forecasts. Actual data reported in future periodic reports may differ from the forecasted values as a result of factors that were not foreseen in the Company's environment.

This chapter deserves a more detailed discussion. Each year the company submits a Revenue and Expenditure Budget to shareholders for approval. Management builds this BVC using a "bottom-up" approach - starting from assessments of ongoing projects (the sales pipeline available at the time of producing the BVC), sales statistics from previous years, marketing and sales actions already committed / planned and sales targets assumed by each member of the sales team. In other words, the BVC is built in a prudent manner.

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On the other hand, what we track and measure in relation to the sales team and any partner is the commercial GROSS MARGIN and not the amount of sales. Thus, every year, when publishing the BVC, management must answer the question "if we have a reasonable confidence that we will be able to generate 100 ron of gross margin, from how many ron of sales will we obtain this margin?" It must be borne in mind that sales achievements are measured and appreciated EXCLUSIVELY according to the volume of gross margin generated. In other words, 100 eur of margin generated from sales of 200 eur of courses is equally valuable to the company and is, therefore, rewarded in the same way as 100 eur of margin generated from sales of 500 eur of communications solutions.

In order to answer the question "how many ron of sales are needed to produce the committed margin of 100 ron", we must, therefore, answer the question "what will be the average gross margin percentage recorded by the company?" According to the principle of prudence, management applies small reductions to the gross margin percentages already recorded, in order to find the answer to this question.

The unexpected result of these cautious estimates is that if we apply a lower margin percentage, then we are actually assuming that we will have to "work" more for the same ron of gross margin, so the forecasts (the BVC) related to the company's revenues are HIGHER.

However, the company only tracks gross margin and not sales volume, so during the budget exercise it is much more likely that revenue (revenue) forecasts will be wrong, and that the company's profitability forecasts will be more accurate. In other words, management does not target, track, or reward the achievement of any revenue targets, and, consequently, investors should not track and evaluate the company's achievement of revenue (revenue) indicators, but profitability indicators.

### Delivery capacity risk

The Company's success depends to a certain extent on its ability to continue to attract, retain and motivate qualified personnel. The Bittnet Group's business relies on highly qualified and commensurately compensated engineers, who are in short supply and may receive offers from competitors. If the Company fails to optimally manage its personnel needs, this may have a material adverse effect on its business, financial conditions, operating results or prospects. The Company offers attractive compensation packages and dynamic career development paths to attract, retain and motivate experienced and potential personnel. This risk continues to be one of the most important risks 'threatening' our company and, accordingly, management will continue to attach particular importance to this aspect.

In 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023, the General Assembly approved a share-based incentive plan for key individuals, with the aim of better aligning their interests with the long-term interests of the Company. On the other hand, taking into account the overheating of the labor market and the greater entry into the workforce of the "Millennials" generation, we consider that this risk - related to the ability to deliver on promises to customers - is a significant one for the company, accompanied by the continuous increase in the financial demands of team members and collaborators (a continuous increase in fixed costs).

Perhaps the biggest risk in this regard, however, is posed by the company's shareholders, whose continued vote is needed to continue the existence of long-term incentive plans. Although these plans have always been built in such a way as to reward employees only and only if the shareholders have earned money during the analyzed period, when the debt to key individuals is settled, messages of dissatisfaction appear from some shareholders, complaining that 'employees receive cheaper shares', or that 'this gives them the chance to sell in the market and make a profit'.

This approach, in our opinion, is the biggest risk to society in the field of human resources. If we can no longer continue to use methods of attraction and retention based on what makes us special

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– listing on the stock exchange, and the mechanisms for sharing the value thus generated, the only alternative will be for us to enter a global battle for human resources, having nothing to offer but money.

### Legislative/regulatory risk

Changes in the legal and fiscal regime in Romania may affect the Company's economic activity. Changes related to the adjustments of Romanian legislation to European Union regulations may affect the legal environment of the Company's business activity and its financial results. The lack of stable rules, legislation and cumbersome procedures for obtaining administrative decisions may also restrict the Company's future development.

Given that the legislation increasingly leaves the interpretation of the application of tax rules to the discretion of the tax authority, combined with the lack of funds in the state budget and the attempt by any means to bring these funds, we consider this risk a major one for the company, because it cannot be addressed in any way in a preventive, real and constructive manner.

### The risk of business commoditization – loss of technological relevance of sold IT solutions

A special case related to the rapid evolution of the IT industry is the trend for each technology to become 'commodity' (very widespread, very widely adopted) and to be very well understood by customers. In such a business environment, the added value of the "reseller" companies is very small, so such a scenario leads to a decrease in commercial margins for the business lines that are affected by commoditization. All technologies face this risk, as their degree of adoption increases. The most eloquent example is the Microsoft licensing business, where most projects are invoiced to customers with very small commercial margins: 0-2%. As other technologies gain the same spread and adoption, their resale also becomes unprofitable.

The company aims to position itself as a value consultant, not as a reseller of commodity "boxes". Following technological trends and positioning itself as a 'first mover' helps the company to offer added value through the services provided (consulting, building technical solutions, installation and implementation, optimizations, maintenance).

### The risk of unfair competition

Commoditized businesses with low margins are prone to unfair competition, especially through dumping prices. In particular, in Dendrio's activity, this risk materializes when competitors often offer customers sales prices that are substantially below the purchase price of the respective licenses. This type of business approach is very difficult and expensive to demonstrate, but can create prejudice to the Issuer by losing contracts or reducing profitability. The Issuer has not identified any solution to prevent this risk. The Issuer aims to address new types of customers, as well as customers for whom the added value of the solutions is not represented by price reductions, but by the functionality of the solutions offered. The more widespread and adopted the business line is, the less added value that can be offered by an integration partner.

The Issuer is in constant competition with other participants in the IT market, competition that is expected to intensify. High competition may encourage current and potential customers to use the services and products of the Issuer's competitors and, therefore, negatively affect the Issuer's revenues and profitability. Strong competition may result in increased pressure on the Issuer in relation to the prices of products and services offered to customers, which may have a significant impact on the Issuer's ability to increase or maintain its profitability. The Issuer's competitiveness in the current competitive environment depends largely on its ability to adapt quickly to new developments and market trends. To the extent that the Issuer will not be able to compete effectively with its competitors, whether it is a local or international group, this may have a negative effect on the Issuer's business, financial condition, results of operations and prospects.

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## Risk of reputation

Reputational risk is inherent in the Issuer's business. The ability to retain and attract new customers depends in part on the Issuer's brand recognition and its reputation for quality services. Negative public opinion about the Issuer could result from actual or perceived practices in the IT market in general, such as negligence in the provision of products or services or even from the way in which the Issuer conducts or is perceived to conduct its business.

Although the Issuer makes every effort to comply with applicable regulations and to enhance the positive perception of customers and potential customers regarding its services, negative publicity and negative public opinion could affect the Issuer's ability to retain and attract customers.

## Litigation risk

In the context of day-to-day operations, the Company and the Group of which it is a part are subject to litigation risk, among others, as a result of changes and developments in legislation. In addition, the Group may be affected by other contractual claims, complaints and litigation, including from counterparties with which it has contractual relationships, customers, competitors or regulatory authorities, as well as any negative publicity it may attract. The Group's management believes that these litigations will not have a significant impact on the Group's operations and financial position.

### File 30598/3/2021 – Bucharest Mall Development and Management litigation

During 2021, the Group became aware of the existence of file 30598/3/2021 on the docket of the Bucharest Court, in conflict with the owner of the former office space - București Mall Development and Management SRL ("Anchor" or "Owner").

During February 2022, the Group (or "Tenant") took note of the content of this file and the value of the claims, as follows:

- i) 267,214.96 Ron representing rent, service tax and utilities;
- ii) 100,109.95 Ron representing late payment penalties related to the principal amount; and
- iii) 3,632,709.91 Ron representing compensatory damages (criminal clause).

The court ruled on 04.08.2023. The solution in short: "Partly admits the request, as specified. Obliges the defendant to pay the plaintiff the amount of 102,627.51 ron, as late payment penalties. Rejects the other claims as unfounded. Partially compensates the legal costs due to each party and, consequently, Obliges the defendant to pay the plaintiff the amount of 3,203.92 ron, as legal costs. With appeal within 30 days from notification. The appeal is filed with the Bucharest Court - 6th Civil Section."

On 04.11.2024, the decision was communicated to the parties, with the right to appeal within 30 days of communication. The plaintiff filed an appeal request registered on 09.12.2024, which is the subject of file no. 30598/3/2021 (250/2025) pending before the Bucharest Court of Appeal, Fifth Civil Section. The appeal request was communicated on 24.02.2025 and the Group responded in favor on 10.03.2025. The Court is to set the first trial date.

The Group recorded a provision of 105,831.42 ron in the financial statements as of 31.12.2023, this being the best estimate of a cash outflow following this dispute.

### File 665/88/2020 – Fraher Distribution litigation

By the application registered on the docket of the Tulcea Court - Civil Section, for administrative and fiscal litigation on June 04, 2020 under no. 665/88/2020, the plaintiff FRAHER DISTRIBUTION SRL, in contradiction with the defendant ELIAN SOLUTIONS SRL, requested that the termination of Contract no. 201/29.12.2017 be declared, with the consequence of restoring the parties to the previous situation, by the defendant returning

the amount of 541,490.08 ron; to be declared the termination of Contract no. 202/29.12.2017, with the consequence of restoring the parties to the previous situation, by the defendant returning the amount of 344,886 ron and obliging the defendant to pay the contractual penalties for delay, as well as the amount of 129,103.38 ron as damages; to declare the termination of Contract No. 240/21.03.2019 and to order the defendant to pay the amount of 33,868.59 ron, as damages; to order the defendant to pay the court costs.

On 14.02.2024, the Bucharest Court of Appeal by Decision No. 251/2024 admitted the appeal as follows:

- It partially changes the appealed sentence in the sense that it orders the partial termination of contract no. 201/29.12.2017 and obliges the respondent to pay the amount of 186,137 ron in favor of the appellant plaintiff.
- It upholds the remaining provisions of the appealed judgment.
- Admits the request of the judicial expert and orders the increase of his fee by the amount of 5,000 ron. Establishes the obligation of the appellant plaintiff to pay the expert fee in the amount of 5,000 ron.
- It obliges the respondent to pay the amount of 15,925 ron as legal costs in favor of the appellant-plaintiff, of which the amount of 5,000 ron under the condition that the appellant-plaintiff proves the payment of the increased fee of the judicial expert.
- Orders the appellant plaintiff to pay the amount of 5,672 ron as legal costs in favor of the respondent defendant. Partially compensates the legal costs up to the amount of 5,672 ron.
- With appeal within 30 days from the communication. The request for exercising the appeal is submitted to the Bucharest Court of Appeal, 6th Civil Section.

On 10.03.2025, the sentence was communicated to the parties, with a term of 30 days from the communication for the parties to appeal.

The Group recorded a provision of 186,137 ron in the financial statements as of 31.12.2023, this being the best estimate of a cash outflow following this dispute.

#### **File 19985/3/2024 – litigation General Inspectorate of Border Police**

During June 2024, the Group became aware of the existence of file 19985/3/2024 pending before the Bucharest Court, Administrative and Fiscal Litigation Section, in conflict with the General Inspectorate of Border Police ("IGPF"), as follows:

Subject: litigation regarding public procurement.

Complainant: General Inspectorate of Border Police ("IGPF")

Defendant: The association formed by Dataware Consulting SRL - leader ("Dataware") and Idemia Identity & Security France ("Idemia").

Details of the action are presented below:

The court action was filed regarding Public Procurement Contract No. 281/2021, for:

- i) payment of penalties in the amount of 4,296,351.84 ron; and
- ii) repair of the alleged damage in the amount of 4,844,605 ron, consisting of the loss of non-reimbursable external funding as a result of the non-delivery of 409 mobile EES control devices;

At the first deadline of 21.08.2024 in file 19985/3/2024 (subject payment of penalties in the amount of 4,296,351.84 ron and reparation of the alleged damage in the amount of 4,844,605 ron), to which file 22473/3/2024 was also connected (subject annulment of the termination of contract no. 281/2021 with IGPF), the court postponed the case at the request of Idemia, who requested the introduction into the case and the communication of the IGPF action, in order to file a response. The next deadline set was 04.10.2024, when the court postponed the trial in order to take note of the documents submitted to the file. On the deadlines of



15.11.2024 and 21.11.2024, the court postponed the ruling. On the deadline of 29.11.2024, the court admitted the exception of the lateness of the counterclaim filed by IGPF in the related file (no. 22473/3/2024) and found that IGPF is deprived of the right to file the counterclaim; also, the court rejected the exception of the substantive right to action invoked by IGPF by responding to the related claim (appeal together with the merits). On the deadlines of 06.12.2024 and 07.02.2025, the case was postponed due to the lack of an expert report. The next trial date is 11.04.2025.

Given the current status of the proceedings at the date of this report (March 2025) and the complexity of the evidence, the Group's Management does not consider that a cash outflow is likely as a result of this dispute and as such no provision was recorded in the financial statements for 2024.

### **Competition Council investigation into the Romanian IT market**

On 05.06.2024 Bittnet Systems SA informed investors about the initiation of an investigation by the Competition Council regarding possible anti-competitive practices committed by participants in the Romanian IT market. The investigation also involves the companies Dendrio Solutions SRL (Dendrio) and Dataware Consulting SRL - currently called Dendrio Innovations SRL (Dataware) - companies part of the Bittnet group.

Following the unannounced inspection carried out between July 4-5, 2024 at the headquarters of Dendrio and Dataware, each of the companies submitted its point of view regarding the confidential information contained in the documents seized by the competition inspectors, and this point of view represents a standard stage in the investigation procedure.

Thus, up to the date of this report, no investigation report or official position of the Competition Council has been communicated to Dendrio or Dataware, the competition authority being still in an early stage of analyzing the information selected during the unannounced inspections. In the absence of an official position issued by the competition authority in the form of an investigation report, there is no presumption regarding a potential violation of competition rules.

Usually, the Competition Council's investigations are of longer duration (on average between 2 and 4 years, depending on the number of parties involved and the volume of information that needs to be processed by the investigation team), so the investigation team's analysis is not expected to be completed earlier than the end of 2025.

The litigation situation is detailed in the notes to the consolidated financial statements, namely in Note 31 – "Contingent liabilities".

### **Credit risk**

Credit risk is the risk that the company's debtors will not be able to honor their obligations when they fall due, due to the deterioration of their financial situation. The Company and the Group of which it is a part are less exposed to this risk, due to the specific nature of the products and services sold, which are aimed at companies of certain sizes, with a particular financial situation.

The management of the Company and the Group of which it is a part analyzes new customers using specialized tools (sites specifically for analyzing customer creditworthiness) and has a strict procedure regarding the documentation of orders and the provision of services or delivery of goods.

However, the company has not identified a solution that can completely eliminate credit risk, which is one of the most important risks for a company of our size.

The company also carefully monitors "soft-collection" processes and decides relatively quickly to switch to hard-collection procedures, which has brought us historical success in debt recovery.

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Automated IT systems alert both the sales team and managers to customers with outstanding payments, which are “tracked” by the sales team for 1 month, so that we prioritize maintaining a good commercial relationship. Instead, after 1 month of failed efforts, we move on to involving an experienced lawyer (and a positive “track record”) in debt recovery.

### Counterparty risk

The failure by third parties to fulfill their obligations to the Issuer, including in connection with the implementation of certain investment projects contemplated by the Issuer, or the risk of insolvency in connection with them, may affect the achievement of the Issuer's business objectives or its activity or financial situation and, implicitly, its ability to fulfill its obligations in connection with the Bonds.

A specific example is the situation where companies from the Issuer's group participate in public procurement procedures and the suppliers do not fulfill their obligations. This scenario may result in the issuance of a 'negative certificate' in the name of the company that participated in the public tender procedure, which would mean exclusion from future procedures, thus eliminating a potential to generate income.

### Interest rate risk

The company is exposed to the risk of interest rate increases, having contracted credits and loans. Any increase in the interest rate will be reflected in the increase in financial costs. The company regularly monitors the market situation to forecast the risk associated with the interest rate and maintains contact with as many credit institutions as possible in order to ensure an “arbitrage” between their offers. Bank financing has entirely variable interest rates, such as “ROBOR+a fixed margin”, which additionally exposes us to the risk of interest rate fluctuations. Currently, the companies in the Bittnet group have contracted various types of credit products from Banca Transilvania, ProCredit Bank, BRD, ING Bank and Unicredit Bank.

In addition to investment loans or loans for financing current activity contracted from bank creditors, Bittnet has 4 active corporate bond issues, offered for subscription to investors through capital market mechanisms and which are tradable on the regulated market, the segment dedicated to bonds, under the symbols: BNET26E, BNET27A, BNET28, BNET28A.

During 2022, the Issuer carried out a bond issue (BVB trading symbol: BNET26E), denominated in euro, with a cost of over 10% - higher than the cost of the bonds previously issued in the period 2016 - 2019 (which carried a fixed interest of 9% for issues in ron). The BNET26E issue has a total nominal value of 2,059,600 eur and a fixed interest of 9% per annum, maturing in June 2026. The interest is paid quarterly.

In the first semester of 2023, the issuer carried out a public offering of corporate bonds through which it raised committed financing of 5,000,000 ron (BVB trading symbol: BNET27A), with a fixed interest of 10% per annum payable quarterly and maturing in June 2027.

In December 2023, the issuer conducted a new public offering of corporate bonds through which it raised from BVB investors the amount of 10,000,000 ron (BVB trading symbol: BNET28) at an interest rate of 9.6% per annum and maturity of 4.5 years.

In April 2024, Bittnet launched a new corporate bond offering, conducted through capital market mechanisms, through which it raised a committed financing from BVB investors of 6,624,900 ron. The offering was sold at a price of 96 ron/instrument, respectively at 96% of the nominal value. The BNET28A bonds carry a fixed interest of 9% per annum, payable quarterly through the Central Depository, similar to all bond issues issued by the issuer.

As of the date of this document, the issuer is current with all coupon payments for bondholders.

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### The risk associated with the war in Ukraine

The Russian Federation's invasion of Ukraine and the subsequent global response to these military actions could have a significant impact on some companies, particularly those with physical operations in Ukraine, Russia and Belarus, as well as entities with indirect interests (e.g., suppliers and customers, investors and creditors with operations in these countries). Sanctions imposed on the Russian government, Russian entities and individuals with Russian citizenship in many jurisdictions could also affect companies, such as through loss of access to financial resources and trade, as well as through the collateral effects of sanctions on global prices (e.g., oil, natural gas and other petroleum products). The effects of the conflict are widespread and rapidly evolving.

Companies that do not have operations in Russia and Ukraine, such as the companies in the Bittnet group and the Issuer, could still be affected by the conflict, the effects of which include, but are not limited to:

- Destruction, confiscation or abandonment of tangible and intangible assets;
- Sanctions imposed on a company that may affect its ability to operate (e.g., access to funds, banking systems, etc.);
- Sanctions imposed on a company's customers, which may affect its ability to sell goods and services and collect debts;
- Sanctions imposed on a company's suppliers, which may affect its ability to obtain raw materials, goods and services, or which may indirectly increase the costs of obtaining these elements from alternative sources;
- Sanctions imposed on an entity's creditors and/or banks, which may limit its ability to access funds and credit;
- Changes in customer and consumer attitudes towards companies with ties to Russia, Belarus or other jurisdictions related to the Russian Federation, which could reduce demand for the products of those companies;
- Changes in risk appetite that may lead to creditors and investors withdrawing their financial support for companies with ties to Russia, resulting in increased liquidity risk and/or doubts about the continuity of the activities of those companies;
- Volatility of prices of financial instruments and assets, including oil, natural gas, other petroleum products and minerals, as well as volatility of foreign exchange rates.

Based on the information available to date, the Company's Management has not identified any potential concrete risks related to the Russia-Ukraine conflict and thus, at this time, no significant, direct impact is expected in terms of current operations. There is no direct exposure of the Company or the companies part of the Bittnet group to third parties affected by the sanctions imposed since the conflict began (customers, suppliers, banking institutions with which the Company collaborates, which were directly affected by the sanctions).

Indirect exposure (customers, suppliers with whom the Company collaborates, with links to third parties affected by sanctions, as well as risks related to future volatility of commodity prices or foreign exchange rates) is unquantifiable, as the Company's Management has not received any indication of any significant impact on the Company's activity to date.

### Environmental, social, governance (ESG) risk

The term ESG refers to the analysis of a company's environmental, social and governance practices, their impact and the company's progress against benchmarks (not universal, but industry-specific) and is a form of risk management. The environmental component refers to the reduction of carbon emissions and other greenhouse gas emissions or, in general, protecting the environment. Social criteria analyze how the company

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interacts with its stakeholders: employees, customers, the community where it operates, while governance refers to the way in which the company is organized and how it respects the principles of diversity, from the company's employees to the management team, including the fair remuneration part. ESG ratings are built on the basis of comparative rankings, at the industry level, and not on the basis of universal standards.

The pressure from European supervisory institutions to integrate ESG risks into companies' internal processes has increased exponentially in recent months/years. Bittnet Group is preparing to report under ESG standards, starting with the 2025 financial year, with publication in early 2026, this declaration being mandatory for companies listed on a capital market within the European Union.

### Risk related to business seasonality

The Issuer's operating results may vary significantly from one reporting period to another and may be unpredictable, which could cause the market price of the shares to experience increased volatility. Even though revenues, gross margin, operating profit and operating expenses have historically increased from one year to another, they may vary as a result of a number of factors, many of which are beyond the Issuer's control and may be related to: the national, regional and global economic environment, seasonality and budget execution of customers, the profile of customers, their sector of activity, etc.

### Risks specific to financial instruments:

#### The risk associated with a direct investment in financial instruments

Investors should be aware of the risk associated with a direct investment in shares or bonds, a much higher risk than that associated with an investment in government securities or participations in investment funds, mainly due to the volatility and unpredictable evolution of both the instrument and the business of the company issuing it, their prices, both in the short and long term, but also their liquidity once they are listed on the main market of the Bucharest Stock Exchange. The price of shares and bonds and the liquidity of transactions depend on the number and size of purchase and sale orders placed by investors. There can be no guarantee on the price and no guarantee on their liquidity in the absence of a market maker. It cannot be guaranteed that an investor who buys the financial instruments issued by the Company will be able to sell them at any time at a satisfactory price.

#### Specific bonds risks

While the nominal interest rate of the Bonds is fixed for the duration of the issue of the respective bonds, the current interest rate on the capital market for issuers with the same maturity (the market interest rate) typically changes daily. As the market interest rate changes, the price of the bonds also changes, in the opposite direction. If the market interest rate increases, the price of the Fixed Interest Bonds typically decreases until their yield is approximately equal to the market interest rate. If the market interest rate decreases, the price of the Fixed Interest Bonds typically increases until their yield is approximately equal to the market interest rate. If the holder of the Fixed Interest Bonds holds the respective Bonds until maturity, changes in the market interest rate are not relevant to such holder, since the bonds will be redeemed at their nominal value.

#### Solvency risk

Solvency refers to the risk of loss due to the Issuer's inability to meet its payment obligations. The bonds issued are subject to the Issuer's credit risk, and the credit spread may adversely affect the market value of the bonds issued. Investors are dependent on the Issuer's ability to pay the amounts due under the bonds issued and, therefore, investors are subject to the Issuer's credit risk and changes in market perception of the Issuer's

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creditworthiness. The bonds issued constitute general and unsecured contractual obligations of the Issuer and only of the Issuer and rank pari passu with all other unsubordinated and unsecured obligations of the Issuer. They are subordinate to senior obligations, including those arising as a consequence of the application of laws. Furthermore, the Issuer is not rated by any rating agency. Any potential investor must form his or her own opinion regarding the Issuer's ability to meet its obligations in connection with the bonds issued.

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## Section 4: Information about the Issuer

### 4.1. Legal name and trade name of the issuer:

**BITTNET SYSTEMS SA**(Company, Society and/or Issuer)

### 4.2. Place of registration of the issuer, its registration number and legal entity identifier (RON).

The Issuer is registered as a commercial company at the Trade Register attached to the Bucharest Court of Justice with number J40/3752/2007, unique identification code: 21181848, LEIcode: 315700VUUQHM9VEDRO36

### 4.3. Date of establishment and duration of existence of the issuer, unless the period is indefinite.

The issuer's establishment date is 22.02.2007.

### 4.4. The registered office and legal form of the issuer, the legislation under which the issuer operates, the country of registration, the address, telephone number of the registered office (or of the principal office, if different from the registered office) and the issuer's website, if applicable, together with a disclaimer stating that the information on the website is not part of the document, unless such information is incorporated by reference into the document.

The Issuer is a joint-stock company duly established and validly operating in accordance with the laws of Romania, with its registered office in Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, registered with the Trade Register attached to the Bucharest Court under number J40/3752/2007, unique identification code: 21181848. The issuer's office is located in Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691 Telephone: (+40 21) 527 16 00 Fax: (+40 21) 527 16 98. The issuer's website: [www.bittnet.ro](http://www.bittnet.ro) and <https://investors.bittnet.ro>

The Issuer declares that the information on the website is not part of the document, unless such information is incorporated by reference into the document.

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## Section 5: Overview of activities

### 5.1. Main activities

5.1.1. A description of the nature of the operations carried out by the issuer and its principal activities, including the key factors relating thereto, with an indication of the principal categories of products sold and/or services provided in each financial year of the period covered by the historical financial information;

The Issuer operates on the Information Technology market, with the segments of Network Infrastructure and IT Systems, Cybersecurity, IT Training/Education and ERP Product Implementation having the highest share in consolidated revenue.

In 2017, the first mergers and acquisitions transaction took place through the full purchase of GecadNET SRL (later rebranded as: Dendrio Solutions), followed in 2018 by the joining of the newly formed group of the companies, Elian Solutions (through a direct investment in the acquisition of 51.02%), Equatorial Gaming (through the takeover of 99%) and the completion in December 2018 of the negotiations for the transfer of the IT&C integration business from Crescendo International to Dendrio Solutions. Thus, Dendrio became, as of 2018, one of the most important IT systems integrators on the Romanian IT market and the only company in the field with multi-cloud capabilities.

In 2021, the Issuer diversified its IT services area through M&A investments (mergers and acquisitions of new companies) in the cybersecurity area, by acquiring majority stakes in Fort SA (formerly known: Global Resolutions Experts. Together with the subsidiary GRX Advisory) and ISEC Associates SRL, thus creating a cybersecurity competence center within the Group's technology division. The Issuer also expanded its investments in the software development area in 2021 by acquiring a 61% stake in Nenos Software and 60% in Nonlinear SRL. Along with the 2 areas – cybersecurity and software development – the Issuer also completed in 2021 the acquisition of a 50.2% stake in the IT managed services company – ITPrepared SRL (rebranded in the meantime under the name: Optimizor). Also in 2021, the issuer purchased 100% of the shares of a competitor in the IT education area: Computer Learning Center SRL – focused on cybersecurity training.

In Semester 2, 2022, the Issuer completed the 2 new M&A transactions that involved the takeover of TopTech SRL and 2NET Computer SRL, two IT product and solution integrators with businesses predominantly in the Transylvania region. Thus, the Bittnet group strongly diversified its businesses in the central and western areas of the country.

During 2023, the group abandoned the organization structure into two divisions (Education and Technology) and moved to a group structure with four pillars (business units): Digital & Cloud Infrastructure, Education, Cybersecurity, Platforms/Business Applications & software.

In 2023, Bittnet Group fully acquired, within the Digital Infrastructure pillar, the Dataware Consulting SRL company, and within the Platforms & Software pillar, the Kepler Management Systems SRL company. At the end of 2023, Bittnet Group reached a number of 16 companies, organized into 9 commercial brands and 4 business pillars.

Throughout 2024, the Bittnet group went through a process of integration and simplification of both the group structure and the internal teams within the companies and business pillars, as well as through two merger processes. Following the merger processes, the companies in the Education pillar area, Computer Learning Center and Equatorial Training were absorbed into Equatorial Gaming, and the company 2Net Computer was absorbed into TopTech. Also within the declared strategy of simplification and re-organization of the group of companies, but also of recognition and strengthening of commercial brands, the companies TopTech and

Dataware were rebranded into Dendrio Technology, respectively Dendrio Innovations and fully owned by Dendrio Solutions. The 3 companies were thus organized under a common management, with common teams and procedures, the Dendrio sub-group becoming one of the largest integrators of IT products, solutions, services and systems in Romania.

Following the integration strategy accommodated at the group level, Kepler Management Systems was rebranded Elian Development Systems and fully integrated under the Elian Solutions company, resulting in one of the most important partners for implementing the Microsoft Dynamics 365 ERP solution in Romania.

Also in 2024, in December, the Bittnet group gave up one of its 4 business pillars, by selling Fort SA (together with its subsidiaries GRX Advisory and ISEC Associates) – the cybersecurity pillar of the group to alternative investment funds: Agista Investments and Impetum Investments. In May 2024 – Fort SA began its journey as a public company, listed on the AeRO-SMT market managed by the Bucharest Stock Exchange.

At the date of writing this document, the Bittnet Group comprises 10 companies, divided into 5 commercial brands and organized, starting with the end of 2024, into 3 pillars of activity (business units):

1. **Digital Infrastructure – organized around Dendrio**, remains focused on IT integration services and solutions for complex IT infrastructures and IT systems. This activity has a shared portfolio of products, services and solutions and an extended team that allows for a larger volume of work, both from a technical and sales point of view. This business unit offers complex IT solutions to clients in the corporate, large corporate, enterprise and public sector segments throughout the country but also abroad (especially CEE and the USA). The solutions offered start from physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems and continue with the design and implementation of complex IT architectures of data center/hybrid or cloud type, enterprise networking, cyber security platforms and the implementation of related software platforms, including collaboration platforms (modern workplace type). The services offered are both in a classic regime (project-based) and in a "managed services" format, the managed ones being delivered mainly to clients in mature markets, Europe and the United States. It is the largest pillar of the group, with over 85% of consolidated revenues resulting from projects implemented by the companies within this pillar.
  2. **Education:** This pillar consists of the IT training segment, organized under the Bittnet Training brand, which is the market leader, as well as in the soft skills/human skills training area. This business unit offers training to adults in two areas: IT/Technical Skills and Human Skills both in classic, face-to-face, Virtual Remote, as well as instructor-led or eLearning formats. The trainings offered allow experts access to technology by teaching IT skills, from the basic ones (e.g.: Microsoft Office Suite) to the most advanced (Cloud, DevOps, Cybersecurity). The business training portfolio includes project management, IT service management, business intelligence, CRM, ERP, Agile, etc.
  3. **Platforms/Business Applications & software:** Companies in this pillar focus on 2 activities: implementation, development and support of the ERP (enterprise resource planning) solution Microsoft Dynamics 365 Business Central through which clients coordinate their entire operational and financial business flow; and solutions custom software development, with a focus on Artificial Intelligence and Machine Learning (AI/ML).
- **Cybersecurity:** provides cybersecurity services to corporate, large corporate, enterprise and public sector clients from all over the country and abroad. The pillar was organized around FORT SA (together with its wholly-owned subsidiaries: GRX Advisory and ISEC Associates) and was sold at the end of 2024. Fort SA together with its subsidiaries were deconsolidated from the group's results in December
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2024, according to IFRS15. For comparability, also the results of the cybersecurity pillar in 2023 were deconsolidated.

bittnet  
groupBusiness Pillars  
Jan 2025Your Value.  
Upgraded.

## Digital Infrastructure

Dendrio Solutions  
dendrio.com

dendrio®

Optimizer  
optimizer.comOptimizer  
Enhanced IT Services

## Education

Bittnet Training  
bittnet.robittnet  
Your skills. Upgraded.

## Digital Platforms

Elian Solutions  
elian-solutions.roELIAN  
a bittnet companyNenos Software  
nenos-software.ronenos  
software

The Group currently has approximately 297 employees and collaborators, who work for one of the companies within the consolidation perimeter (holdings over 50% of the share capital and voting rights). The Group is made up of 10 companies organized under 5 commercial brands and in 3 business units.

### Digital Infrastructure Pillar:

- **Dendrio Solutions SRL** (CUI 11973883), owned by Bittnet Systems in a proportion of 96.501%, is the only multi-cloud integrator in Romania, a partner certified to the highest standards by Cisco, Microsoft, Google, Amazon Web Services, but also by many other vendors, is the company that brings together the IT&C integration activities from Bittnet, Gecad Net and Crescendo.
- **Dendrio Innovations SRL (formerly Dataware Consulting SRL)** (CUI 27895927) – is 100% owned by Dendrio Solutions. The company implements technological solutions such as data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and security solutions. The company has partnerships with major manufacturers in the field, such as Fujitsu, Cisco, Brocade and M-Files. Dataware offers clients IT services starting from the consultancy, analysis and design phase to implementation, support and testing, especially for complex projects.
- **Dendrio Technology (formerly Top Tech SRL)** (CUI 2114184), 100% owned by Dendrio Solutions is a company with a 30-year history, which integrates IT infrastructures (communications, data processing, physical security systems) from vendors such as Dell, HP, Xerox or Microsoft, with a regional presence, having 6 branches in Transylvania and Banat and a team of over 86 specialists. At the end of 2024, Dendrio Technology absorbed its sister company: zNet Computer. The decision was made considering the profile of the two companies and the geography in which they operate.
- **Optimizer – ITPrepared SRL** (CUI 35456175), 50.2% owned by Bittnet Systems, is an entrepreneurial managed services company established in 2016, providing IT support services primarily to the US



market. Optimizor's client portfolio is primarily based on US companies, but also contains a number of local clients.

As in previous years, in 2024, the Digital Infrastructure business unit (Cloud & Infrastructure) generates over 85% of the group's consolidated revenues.

#### Education Pillar:

- **Bittnet Systems SA**(CUI 21181848): the parent company of the group, listed on the Regulated Market of the Bucharest Stock Exchange. It carries out the holding activity for the entire group of companies plus the IT Training activity, being the undisputed leader of this market in Romania.
- **Bittnet Training SRL (formerly Equatorial Gaming SRL)**(CUI 30582237), currently 100% owned by Bittnet, is a game-based learning company, which offers soft skills training for the IT industry, both in classic and gamified formats. At the end of 2024, Equatorial Gaming absorbed the group companies, Computer Learning Center and Equatorial Training.
- **The ELearning company SA**(CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. ELC is not within the scope of financial consolidation except for minority interests.

At the end of 2024, the merger process was completed, whereby the companies Computer Learning Center and Equatorial Training were fully absorbed into Equatorial Gaming. In March 2025, as part of the group-wide simplification process, Equatorial Gaming's name was changed in the Trade Register to Bittnet Training. The rest of the identification data remained unchanged.

#### Platforms/Business Applications & software development:

- **Business solutions (ERP)**
  - **Elian Solutions SRL**(CUI: 23037351), led by Iulian Motoi, is a company founded in 2008 and owned by Bittnet Systems SA in a proportion of 61.6878%. The percentage of ownership increased from 51% following a share capital increase through the conversion of certain liquid and due receivables resulting from the transfer of Bittnet's ownership in Kepler Management to Elian. Elian is a Gold certified partner by Microsoft for ERP solutions.
  - **Elian Development Systems SRL (formerly Kepler Management Systems)**(CUI: 21562125) is a company with a similar field of activity and business to Elian, which joined the Bittnet group at the end of 2023. It is 100% owned by Elian.
- **Software development**
  - **Nenos Software SRL**(CUI: 29612482), founded and led by Toader Toporău, is a company owned by Bittnet in a proportion of 61% (the rest by the founder) is a custom software development company, with a focus on the field of Artificial Intelligence and Machine Learning (AI/ML).
  - **Nonlinear SRL**(CUI: 37758005) is an SPV established to access European financing, 60% owned by Bittnet and led by Mr. Toporău. The activity is one of product-based software development, focused on developing a platform for digitizing and automating processes within small and medium-sized companies using low code/no code and machine learning technologies.

**Cybersecurity – pillar sold at the end of 2024.**

▪ **Cyber Security**

- **FORT SA**(formerly Global Resolution Experts SA) (CUI 34836770), 58.86% owned by Bittnet, is a professional services company in the cybersecurity area, offering penetration testing, as well as design, implementation and maintenance of cybersecurity solutions.
- **GRX Advisory SRL**(CUI 43813325) wholly owned by FORT SA, offers professional services in the cybersecurity area, offering penetration tests, as well as design, implementation and maintenance of cybersecurity solutions.
- **ISEC Associates SRL**(CUI: 23037351), wholly owned by FORT SA, is a company that provides professional services in the area of cybersecurity, offering audit, consultancy and testing (penetration testing) services in classic and "managed services". The company holds numerous certifications (ASF, NBR, CISA, CISM, CEH, CISSP, OSCP, CDPSE, ISO 27701, etc.).

5.1.2. All significant new products and/or services launched on the market and, to the extent that the development of new products or services has been made public, their stage of development shall be indicated.

The Issuer continuously develops products and services in each of its lines of activity, in line with customer requirements. This is "regular business" and does not represent significant efforts, significant resources allocated, but only a decision to pay attention to customer needs.

**5.2. Main markets**

A description of the principal markets in which the issuer competes, including a breakdown of total revenues by business segment and geographic market, for each financial year of the period covered by the historical financial information.

The group operates mainly in the IT&C integration services market (consulting and trade services regarding technological solutions / IT systems) and in the adult education market, especially with a focus on IT training. The division of revenues between the areas of activity is strongly influenced by the higher size of the IT&C market, taking into account that on the one hand it is populated by more clients, with larger budgets, and on the other hand it also contains trade in goods that represent technological solutions (hardware and software), not only the own services provided by the market players. Historically, the division of revenues between the two divisions of the group is as follows:

*YEAR	2018	2019	2020	2021	2022	2023	2024
<b>IT&amp;C integration/systems</b>	83%	87%	88%	87%	90%	86%	87%
<b>Cybersec, training, erp &amp; software</b>	17%	13%	12%	13%	10%	14%	13%

\*an annual breakdown of income.

The main market for the products and services offered by the companies in the Bittnet group is, as in previous years, thefrom Romania. Exports represent less than 10% of total revenue. Even so, in 2024 the Bittnet group delivered projects in approx. 30 countries: in the European Union, Great Britain, Singapore, the Republic of Moldova, Israel and the United States.

## Market share

Due to the lack of independent reports on the IT training market in Romania, the Company relies on its own estimates regarding its market share. The Company has the widest, but also the most in-depth coverage of the training market, by having unique expert-level human resources. Bittnet positions itself as a market leader in the IT training area, justifying this by the following:

Focusing on the IT&C integration market (IT professional services) – the wide range of services offered by the companies in the Bittnet group makes it impossible to establish the percentage of market share held. According to the independent study “Software and IT Services in Romania” conducted by Pierre Audoin Consultants at the request of ANIS - the Employers' Association of the Software and Services Industry, the Romanian IT market had a value of 3.08 billion eur in 2015 (21% more than in 2014), this being estimated in the respective study for 2016 at 3.6 billion eur (a 17% increase compared to 2015):

Based on the estimate of the total IT&C market, the market share in the area of IT solution integration (hardware, software and services) is insignificant, registering a value of less than 1% of the market.

However, it must be taken into account in this market analysis that estimates for the total IT market also include purchases of equipment such as PCs, mobile phones, tablets, printers, etc., by both the population and companies.

Analyzing the company's competitive position, it must be broken down by business lines. Thus, Bittnet positions itself as a market leader in the IT training area, justifying this by the following:

- It operates in most segments of the IT training market (vendors, technologies, level of depth, national coverage, etc.);
- It does not compete with the same competitors in more than 2 market segments, being either the market leader or the second largest supplier in each market segment. For example:
  - for official Oracle trainings, there are 3 authorized providers for Romania (Bittnet, EtazU, Jademy)
  - For official Microsoft trainings there are 5-6 authorized providers
- There are market segments for which Bittnet has no competitors (example: sole training partner for Amazon Web Services, Cisco, Citrix, etc.).

The addition of Equatorial Gaming and The eLearning Company to this landscape improves the competitive position of our group, essentially having a broader product offering for our customers.

Focusing on the integration market (IT professional services), the wide range of services offered by companies in the Digital Infrastructure pillar makes it impossible to establish the percentage of market share held. In the IT solutions and systems integration market, there are hundreds of competitors of various sizes, focused on market niches, customer segments, technologies, etc.

Within the activities carried out by the Digital Infrastructure business unit, the competitive landscape is very fragmented, with no significant concentration on activity segments. We affirm that Dendrio is the first multi-cloud solutions provider in Romania (integrating both the Amazon Web Services offer, as well as Microsoft Azure and Google Apps) - a very advantageous competitive position that aims to bring to fruition the same 'value proposition' for customers as the one highly appreciated in the training business: "one stop shop" for IT infrastructure needs. Also, at its current size, Dendrio is in the top 3 integrators of IT solutions and services in Romania.

### 5.3. Important events in the evolution of the issuer's activities

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## Digital Infrastructure (Cloud & Infrastructure)

This pillar contains 4 companies that offer complex IT solutions to clients in the corporate, large corporate, enterprise and public sector segments from all over the country but also from abroad (especially the European Union and the USA).

The solutions offered start from physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems and continue with the design and implementation of complex IT architectures such as data center/hybrid or cloud, enterprise networking, cybersecurity platforms and the implementation of related software platforms, including collaboration platforms (modern workplace).

The services offered are both project-based and managed services, with managed services being delivered primarily to clients in mature markets, Europe and the United States. The companies currently part of this pillar are:

- **Dendrio Solutions SRL**(CUI 11973883), owned by Bittnet Systems in a proportion of 96.501%, is the only multi-cloud integrator in Romania, a partner certified to the highest standards by Cisco, Microsoft, Google, Amazon Web Services, but also by many other vendors, is the company that brings together the IT&C integration activities from Bittnet, Gecad Net and Crescendo.
- **Dendrio Innovations SRL (formerly Dataware Consulting SRL)**(CUI 27895927) – is 100% owned by Dendrio Solutions. The company implements technological solutions such as data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and security solutions. The company has partnerships with major manufacturers in the field, such as Fujitsu, Cisco, Brocade and M-Files. Dataware offers clients IT services starting from the consultancy, analysis and design phase to implementation, support and testing, especially for complex projects.
- **Dendrio Technology (formerly Top Tech SRL)**(CUI 2114184), 100% owned by Dendrio Solutions is a company with a 30-year history, which integrates IT infrastructures (communications, data processing, physical security systems) from vendors such as Dell, HP, Xerox or Microsoft, with a regional presence, having 6 branches in Transylvania and Banat and a team of over 86 specialists. At the end of 2024, Dendrio Technology absorbed its sister company 2Net Computer. The decision was made considering the profile of the two companies and the geography in which they operate.
- **Optimizador –ITPrepared SRL** (CUI 35456175), 50.2% owned by Bittnet Systems, is an entrepreneurial managed services company established in 2016, providing IT support services primarily to the US market. Optimizador's client portfolio is primarily based on US companies, but also contains a number of local clients.

Digital Infrastructure	December 31, 2024	December 31, 2023	Evolution
Revenue from contracts with customers	365,377,443	323,154,211	13.1%
Service provision	57,278,630	57,519,297	-0.4%
Sale of goods	308,098,813	265,634,914	16.1%
<b>Cost of sales</b>	<b>305,196,693</b>	<b>273,751,861</b>	<b>11.5%</b>
Goods/materials	264,428,421	236,849,695	11.6%
Services	20,762,969	19,466,316	6.7%
man-hours	20,005,303	17,435,850	14.7%

Gross margin	60,180,750	49,402,350	21.8%
Other income	2,180,246	1,509,928	44.4%
Selling/distribution expenses	14,980,333	11,343,858	32.1%
man-hours	13,074,453	9,939,070	31.5%
Advertising and other sales expenses	1,905,879	1,404,788	35.7%
<b>Administrative expenses, of which:</b>	<b>32,948,458</b>	<b>23,533,786</b>	<b>40.0%</b>
man-hours	16,098,871	10,904,729	47.6%
amortization	6,892,531	5,721,166	20.5%
Other third-party services	4,044,698	3,898,655	3.7%
miscellaneous	5,912,359	3,009,236	96.5%
<b>Operating profit (excluding one-offs)</b>	<b>14,432,205</b>	<b>16,034,635</b>	<b>-10%</b>
<b>EBIT</b>	<b>14,432,205</b>	<b>16,034,635</b>	<b>-10%</b>
<b>EBITDA</b>	<b>21,324,735</b>	<b>21,755,801</b>	<b>-2%</b>

In 2024, the group's Digital Infrastructure pillar continued the integration and consolidation process, while maintaining an accelerated pace of business growth and optimization of operational activities. With a consolidated revenue of almost 370 million ron at the end of 2024, we can say that the Digital Infrastructure pillar is in the top 3 players in the industry, being extremely well positioned to maintain the growth rate in the coming years.

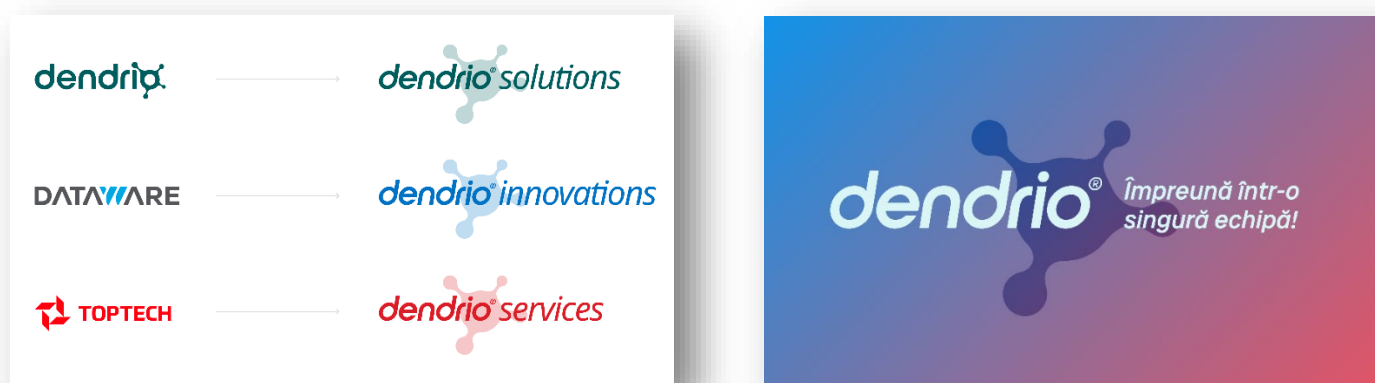
### Organizational structure

At the organizational structure level, we focused on simplifying it both in terms of ownership within the companies, but also in the number of companies/subsidiaries operated within the pillar:

- We simplified the organizational structure, by fully absorbing zNet Computer (Braşov) into Dendrio Technology (formerly TopTech). In December 2024, at the end of this process, the Braşov team became an integral part, thus joining the rest of the cluster's subsidiaries.
- The cluster structure at national level was also simplified, by closing the Dendrio Technology branches in Mediaş and zNet in Covasna and taking over the operations of the respective entities in Sibiu and Braşov respectively. Following this process, the group's branches at national level are: Bucharest, Alba-Iulia, Braşov, Cluj-Napoca, Deva, Galaţi, Iaşi, Sibiu and Timişoara.

### Common brand structure

The brand structure at the pillar level has been significantly simplified. In this sense, the cluster has moved from a structure based on 5 distinct brands: Dendrio Solutions, Dataware, TopTech, znet and Optimizor to a brand structure based on only two brands: DENDRIO and OPTIMIZOR.



We propose that from now on, when we refer to the Digital Infrastructure cluster, we will only refer to these two brands: Dendrio and Optimizor.

The companies under the Dendrio brand deliver “Professional services” projects – high value-added services delivered on the basis of complex projects – while Optimizor focuses on delivering recurring services, “Managed Services”. Since the end of 2023, we have aimed to gradually have as many technology clients as possible use the services offered by both entities and, in the long term, by the entire group structure.

The implications of this brand simplification are multiple, bringing more clarity to the entire pillar ecosystem: aligning internal teams, simplifying communication with partners, simplifying the relationship with customers and, why not, simplifying communication with the group's shareholders.

## Operational

In 2024, we continued to unify and simplify processes at the pillar level:

1. We started the year with a broad process of reorganization and restructuring of the teams in the country, from a structure focused on autonomous branches (each regional branch with its own operational structure), to unified teams at national level. Thus, we currently have a unified structure for sales, technical, project-management, finance, people & culture, marketing and logistics.
2. We unified the entire leadership structure of the pillar
3. We have established a new department, “Business Process & Integration”, dedicated to the digitalization pillar. Its main objective is to harmonize processes within member companies, as well as to implement solutions that ensure a better allocation of costs, both human and material. Another essential role of the department is to manage the integration of acquired companies, both from a process and team perspective.
4. We are in the process of increasing the level of automation by implementing AI technology in everyday business flows.
5. Aligned processes at the pillar level – in 2024 we conducted an extensive analysis of processes and workflows and aligned the processes in Dendrio Technology (formerly TopTech) with those existing in the Bittnet group (sales, pre-sales, delivery, project-management office, etc.)

6. Optimizor placed a strong emphasis on standardizing the way they work, which allowed for rapid and smooth implementations of Microsoft solutions for new customers. By adopting efficient methodologies and well-defined processes, the team was able to improve delivery times and reduce the risks associated with complex IT implementations.

## Business

In 2024, over 2,200 unique clients were served at the pillar level – an increase of over 40% compared to 2023 (clients to whom we successfully delivered projects). From the perspective of projects delivered, during 2024 we delivered over 11,300 projects, also an increase of approximately 40% compared to 2023. This increase was due to a structured way of approaching projects (team coordination, focus on execution/delivery), capitalizing on existing opportunities at the market level. Projects were also delivered at the national level, financed by the World Bank, projects in the area of Smart City solutions, but also the first Agentic AI solutions, in collaboration with the company Nenos Software, within the group.

In 2024, we focused on increasing revenue through cross-selling between pillar companies, delivering over 10 large-scale projects (over 1 million ron) with at least 2 companies involved. Also, over 309 joint projects were delivered throughout the year.

The year 2024 was one of growth and consolidation for Optimizor, both in terms of market presence, operational efficiency and team development. To support the sales process and increase brand visibility, Optimizor launched a new website in 2024, modernized and optimized to provide clear information about the company's solutions and services. Optimizor also participated in multiple reference conferences in the Tech and Banking fields, where it had the opportunity to interact with potential clients and partners, thus strengthening its brand identity and market position. In 2024, Optimizor signed 15 new collaborations, both for one-off projects and for subscription contracts with monthly support. This growth reflects the trust of clients in the expertise and quality of services offered by Optimizor and confirms the success of the strategy adopted by the company.

## IT Education/Training

This business pillar contains 2 companies, which offer training to adults in two areas: Technical Skills and Human Skills, both in classic, face-to-face, Virtual Remote but instructor-led format or in eLearning format. These are:

- **Bittnet Systems SA**(CUI 21181848): the parent company of the group, listed on the BVB Regulated Market. It carries out the holding activity and additionally the IT Training activity, being the undisputed leader of this market in Romania.
- **Bittnet Training SRL (formerly Equatorial Gaming SRL)** (CUI 30582237), currently 100% owned by Bittnet, is a game-based learning company, which offers soft skills training for the IT industry, both in classic and gamified formats. At the end of 2024, Equatorial Gaming absorbed the group companies, Computer Learning Center and Equatorial Training. In March 2025, the name change was carried out at the Trade Register, waiving the Equatorial brand.

**The eLearning company SA – ELC** –(CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. ELC is not within the financial consolidation perimeter except for minority interests.

The results of the Education pillar in 2024 were as follows:

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Education	December 31, 2024	December 31, 2023	Evolution
Revenue from contracts with customers	10,537,664	13,612,094	-22.6%
Cost of sales	5,107,320	7,157,491	-28.6%
Cost of goods sold	261,488	898,331	-70.9%
Services	4,014,466	4,834,075	-17.0%
man-hours	831,366	1,425,085	-41.7%
Gross margin	5,430,343	6,454,603	-15.9%
Other income	86,076	(815,935)	-110.5%
Selling/distribution expenses	3,764,201	4,712,228	-20.1%
man-hours	3,088,967	3,851,982	-19.8%
Advertising and other sales expenses	675,234	860,247	-21.5%
Administrative expenses, of which:	3,258,939	6,095,753	-46.5%
man-hours	604,363	3,190,349	-81.1%
amortization	1,637,959	1,698,164	-3.5%
Other third-party services	702,303	1,413,580	-50.3%
miscellaneous	314,313	(206,339)	252.3%
Operating profit (excluding one-offs)	(1,521,503)	(5,169,314)	-70.6%
EBIT	(1,521,503)	(5,169,314)	-70.6%
EBITDA	131,239	(3,471,150)	103.8%

The year 2024 was still challenging from the perspective of education budgets “frozen” by clients, but it was a year in which the optimization of the training division’s working model reached a final formula with which we will operate in the coming years. We optimized the division’s total costs, restructured the team and the way we do business, and have a stable blueprint. The largest recurring clients in the education area slowed down and, some of them, even completely stopped their training budgets in 2024. This situation implied the following things from the pillar:

- We had to replace 1.2 million eur of “frozen” budgets from recurring clients
- The profile of the buying customer in 2024 has changed
- The average value of an opportunity has decreased from 5,100 eur to 2,900 eur, which means we work almost twice as hard to close the same 1,000 eur and have more open opportunities won, with lower value.

In 2024, the Product Development team expanded the course portfolio and strengthened partnerships with vendors. Video learning programs were developed, we expanded the offer in the areas of Agile, Scrum and Project Management and concluded strategic partnerships with Certiport and ECDL for training and certifications in digital literacy, such as AGRC for compliance and governance courses. Two academic programs were launched for Full Stack Web Developers and Python Developers, and the cybersecurity offer was strengthened through the CyberShield program. Campaigns and webinars attracted over 2,500 participants,



and projects developed with vendors generated revenues of 436,000 eur. At the same time, regional partnerships with LLPA contributed 150,000 eur to the company's revenues.

During 2024, Marketing efforts were focused on optimizing conversions and reducing the impact caused by the implementation of the Digital Markets Act at the European Union level. The implemented strategies included SEO, SEM, email marketing, UX/UI web design, PR, online and offline events, all of which were correlated with cost optimizations. Summary of the final situation for 2024: 674 MQL (+47% compared to 2023), 364 SQL (+41% compared to 2023), pipeline generated of 1.0 million eur (+10% compared to 2023), 264K eur earned from generated SQL (+33% compared to 2023), the largest active pipeline in history, approximately 500K eur (+150% compared to 2023), with which we enter 2025.

In the Inbound team, we focused our activities on converting 364 SQL (Sales Qualified Leads) from the 674 MQL (Marketing Qualified Leads – sourced from Marketing) to the sales team, achieving a conversion of 54% qualified leads, keeping us within the objective set at the beginning of the year. In the Outbound team, we continued the touchpoints to prospects and doubled the number of companies proactively approached from industries such as IT, Banking & Finance and Automotive compared to 2023. The final result was translated into 98 identified business opportunities.

We ended 2024 with a total of 601 sales opportunities won, 25% more than the previous year, and the number of active customers was 152, up 10% compared to 2023. Against the backdrop of a market where IT training demand was affected due to canceled budgets, the sales team's forces were focused on attracting new customers and maintaining the existing customer portfolio. For 2025, the goal is to increase both the number of active customers and revenue by 20% compared to the previous year, by delivering IT training with emerging technologies.

The BID Department strengthened its position in the public sector, following a strategy focused on tenders and accessing projects with European funding. During the year, the team focused on identifying and participating in relevant tenders, accessing projects financed through PNRR and other European funds, as well as optimizing the bidding process to reduce delivery costs. In 2024, we analyzed and applied for a number of 25 strategic tenders. As a result of this effort, we closed projects with a total value of 297,000 eur. Optimizing delivery costs contributed to increasing the competitiveness of offers and improving the success rate in tenders, thus strengthening the team's position.

In 2024, the Training Delivery team's activity was focused on increasing delivery capacity and continuously improving the quality of the delivery methodology. The team expanded delivery capacity with 30 new trainers, 12 of whom have already delivered courses, and the focus was on optimizing processes through coaching sessions, continuous feedback and the activities of the Trainers Academy. Final results for 2024: 396 classes delivered, with 3,293 learners, and management of over 550 requests. In addition, the quality of delivery was confirmed by the success achieved following the external audit of education management systems, in which the team was appreciated for the well-implemented processes. These actions contributed to generating revenue and reducing costs, with a significant performance throughout the year.

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## Platforms & Software Development

Currently, this business unit includes the following companies:

- **Elian Solutions SRL** (CUI: 23037351), led by Iulian Motoi, is a company founded in 2008 and owned by Bittnet Systems SA in a proportion of 61.6878%. The percentage of ownership increased from 51% following a share capital increase through the conversion of certain liquid and due receivables resulting from the transfer of Bittnet's ownership in Kepler Management to Elian. Elian is a Gold certified partner by Microsoft for ERP solutions.
- **Elian Development Systems SRL (formerly Kepler Management Systems)** (CUI: 21562125) is a company with a similar field of activity and business to Elian, which joined the Bittnet group at the end of 2023. It is 100% owned by Elian Solutions.
- **Nenos Software SRL**(CUI: 29612482), founded and led by Toader Toporău, is a company owned by Bittnet in a proportion of 61% (the rest by the founder) is a custom software development company, with a focus on the field of Artificial Intelligence and Machine Learning (AI/ML).
- **Nonlinear SRL**(CUI: 37758005) is an SPV established to access European financing, 60% owned by Bittnet and led by Mr. Toporău. The activity is one of product-based software development, focused on developing a platform for digitizing and automating processes within small and medium-sized companies using low code/no code and machine learning technologies.

### Elian & Kepler

In 2024, the consolidated revenue of Elian Solutions, together with the Kepler subsidiary – rebranded in February 2025 Elian Development Systems – was 25.4 million ron. The revenue is composed of the same 3 traditional types of income:

1. Licensing revenue: 35%
2. Revenue from implementation services: 33%
3. Support and maintenance revenue: 32%

In 2024, Elian's focus was concentrated, as we announced in the previous period, on new Microsoft technologies and SaaS (Software as a service) licensing. This effort is reflected in the figures achieved from licensing: if at the end of 2023, SaaS licensing meant 9 customers, with a total of 148 users, 2024 was closed with 32 customers licensed in SaaS and a total of 507 users. Revenues generated from SaaS licensing meant 20% of total licensing revenues in 2024.

In the services area, the focus was on delivering large-scale projects, with a large number of users and licensing on the new technology (reflected in the dynamics presented above). The team delivered 41 projects for 38 clients, of which 29% were for Elian's own solutions (Localization, Logistics/Transport Solution, WMS Solution (warehouse management), Retail Solution, PJ e-invoice for 250 companies, e-transport solution and PF e-invoice). Also, 25% of the projects delivered were upgrade projects of existing solutions (solutions in older system versions) to the latest Microsoft technology, with a share of 80% SaaS licensing. The difference of 46% were analysis and implementation projects (with licensing in a proportion of approx. 70% in SaaS).

In the support area, the team continued to provide maintenance services for the client portfolio, generating annual revenues of 8.2 million ron. In addition to the maintenance and user assistance service, the support department delivered solutions to adapt client systems to the requirements and legislative changes valid in

2024 (PJ e-invoice for 250 companies, SAFT, e-invoice for PF – solution finalized in 2024 to enable its delivery without delay in 2025, from the entry into force of this legislative provision).

The 2024 revenue represented a 39% increase compared to the 2023 result. The result comes from increasing delivery capacity, increasing the customer portfolio by focusing on large projects with a large number of users (and a majority licensing in SaaS), as well as by adding the customer portfolio and resources of Kepler Management Systems.

For the coming period, we aim to accelerate the portfolio upgrade process and migration to the latest Microsoft technologies, in particular Dynamics 365 Business Central SaaS, as well as increase the number of new projects delivered. We are focusing on large projects and new business verticals (e.g. IFN, law firms, construction, infrastructure modernization and maintenance, energy infrastructure).

## Nenos & Nonlinear

In a constantly changing market environment, in 2024 Nenos Software and Nonlinear continued their strategic transition from outsourcing to in-house product development, focusing on scalable and efficient solutions. This reorientation aimed to provide concrete value and real impact through the products delivered.

### Products and Technological Developments:

- **Context:** One of the most important products developed by Nenos, Kontext, has continued to evolve. This framework allows the creation of production-ready AI agents, capable of collecting and analyzing complex data, generating reports, and optimizing organizational processes. The focus remains on automating business processes without requiring major changes to the customers' software infrastructure.
- **DeDupe for SharePoint:** The publication in the Azure marketplace confirmed the demand for this file deduplication solution, especially from large enterprises. In 2025, Nenos' priority is to eliminate installation complexity by launching the SaaS version, facilitating customer adoption of the solution.

### Challenges and Opportunities

- **Market and Competition:** In a context where companies are migrating to more accessible markets, such as South Africa and South America, Nenos is adapting its sales and distribution strategies.
- **Tax Regulations:** The legislative changes that eliminated tax incentives require the identification of new methods of financial optimization and the prioritization of projects with high scaling potential.

For 2025, Nenos and Nonlinear are focused on developing and implementing solutions based on Agentic AI, with an emphasis on automating repetitive tasks through specialized virtual agents, transforming DeDup for SharePoint into a SaaS solution accessible directly from the Azure marketplace, and increasing Kontext adoption in various industries, through new partnerships and expanding AI functionalities.

**Nenos Academy** continued to offer industry-relevant training programs. In collaboration with Bittnet Training, the initiative will become a self-sustaining project, covering the costs of organization and promotion. The support provided to local hackathons and technology competitions demonstrates Nenos' commitment to the development of the tech community.

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The year 2024 has reinforced Nenos Software's commitment to delivering innovative AI solutions and adapting the business to market realities. By developing our own products and optimizing internal processes, we aim to maintain a competitive advantage and provide real value to our customers.

#### Results for 2024, at pillar level:

Digital platforms & Software development	December 31, 2024	December 31, 2023	Evolution
<b>Revenue from contracts with customers</b>	<b>28,197,937</b>	<b>22,322,883</b>	<b>26.3%</b>
Service provision	21,381,148	15,252,331	40.2%
Sale of goods	6,816,789	7,070,552	-3.6%
<b>Cost of sales</b>	<b>19,698,648</b>	<b>15,166,994</b>	<b>29.9%</b>
Cost of goods sold	5,616,961	4,625,295	21.4%
Services	(63,943)	426,332	-115.0%
man-hours	14,145,629	10,115,367	39.8%
<b>Gross margin</b>	<b>8,499,289</b>	<b>7,155,889</b>	<b>18.8%</b>
<b>Other income</b>	<b>95,999</b>	<b>29,672</b>	<b>223.5%</b>
<b>Selling/distribution expenses</b>	<b>1,305,215</b>	<b>1,188,173</b>	<b>9.9%</b>
man-hours	871,729	734,998	18.6%
Advertising and other sales expenses	433,486	453,175	-4.3%
<b>Administrative expenses, of which:</b>	<b>5,062,849</b>	<b>4,090,285</b>	<b>23.8%</b>
man-hours	3,198,253	1,580,082	102.4%
amortization	1,023,266	673,233	52.0%
Other third-party services	139,494	665,516	-79%
miscellaneous	701,835	1,171,454	-40%
<b>Operating profit (excluding one-offs)</b>	<b>2,227,224</b>	<b>1,907,103</b>	<b>16.8%</b>
<b>EBIT</b>	<b>2,227,224</b>	<b>1,907,103</b>	<b>16.8%</b>
<b>EBITDA</b>	<b>3,250,491</b>	<b>2,580,336</b>	<b>26%</b>

## Cybersecurity - FORT

All 3 companies that constituted the Cybersecurity pillar (Fort SA, GRX-Advisory SRL and ISEC Associates SRL) were deconsolidated at the balance sheet level on 31.12.2024, and at the profit and loss account level in 2023 and 2024, following the full sale of the Group's participation to the alternative investment funds Agista Investments and Impetum Investments.

The results of the Cybersecurity pillar are prepared according to international financial reporting standards - IFRS, in order to obtain consolidated IFRS results for the Bittnet group of companies. The Issuer Fort SA will publish, according to the financial calendar, consolidated and individual results prepared according to Romanian Financial Reporting Standards - RAS, which will differ from the results of the Cybersecurity pillar according to IFRS, mainly due to the different treatment of goodwill and long-term lease contracts.

Cybersecurity – FORT*	December 31, 2024	December 31, 2023	Evolution
<b>Revenue from contracts with customers</b>	<b>14,497,445</b>	<b>16,442,991</b>	<b>-11.8%</b>
Service provision	11,187,524	11,923,496	-6.2%
Sale of goods	3,309,921	4,519,495	-26.8%
<b>Cost of sales</b>	<b>9,374,620</b>	<b>13,313,054</b>	<b>-13.9%</b>
Cost of goods sold	2,827,966	4,311,584	-33.4%
Services	1,733,018	1,658,987	4.5%
man-hours	4,813,636	7,342,483	-2.1%
<b>Gross margin</b>	<b>5,122,825</b>	<b>3,129,937</b>	<b>-7.8%</b>
<b>Other income</b>	<b>92,832</b>	<b>3,206,770</b>	<b>-91.7%</b>
<b>Selling/distribution expenses</b>	<b>914,800</b>	<b>810,266</b>	<b>13.3%</b>
man-hours	447,925	356,302	25.7%
Advertising and other sales expenses	466,875	453,964	3.5%
<b>Administrative expenses, of which:</b>	<b>3,299,823</b>	<b>2,868,087</b>	<b>25.5%</b>
man-hours	1,438,639	1,125,734	42.1%
amortization	474,498	418,717	30.8%
Other third-party services	1,048,839	911,049	24.5%
miscellaneous	337,847	412,587	-17.7%
<b>Operating profit (excluding one-offs)</b>	<b>1,001,034</b>	<b>2,658,354</b>	<b>-69.1%</b>
<b>EBIT</b>	<b>1,001,034</b>	<b>2,658,354</b>	<b>-69.1%</b>
<b>EBITDA</b>	<b>1,475,532</b>	<b>3,077,071</b>	<b>-59.1%</b>

\*deconsolidated from the Group's financial statements

## Costs allocated to the group

In addition to the daily operational flows generated by the current activity of the companies that make up the consolidation perimeter, the group also incurs expenses specific to the holding-type organization as well as from M&A activity or expenses related to maintaining the trading of financial instruments issued on the BVB systems.

Costs allocated to the group	December 31, 2024	December 31, 2023	Evolution
<b>Income</b>	-	-	-
Service provision	-	-	-
Sale of goods	-	-	-
<b>Cost of sales</b>	-	-	-
Cost of goods sold	-	-	-
Services	-	-	-
man-hours	-	-	-
<b>Gross margin</b>	-	-	-
<b>Other income</b>	-	-	-
<b>Selling/distribution expenses</b>	-	-	-
man-hours	-	-	-
Advertising and other sales expenses	-	-	-
<b>Administrative expenses, of which:</b>	<b>2,453,987</b>	<b>3,212,111</b>	<b>-23.6%</b>
man-hours	8,027	1,077,262	-
amortization	692,474	536,056	29.2%
Other third-party services	1,631,993	1,431,023	14.0%
miscellaneous	121,493	167,770	-27.6%
<b>Operating profit (excluding one-offs)</b>	<b>(2,453,987)</b>	<b>(3,212,111)</b>	<b>-23.6%</b>
<b>EBIT</b>	<b>(2,453,987)</b>	<b>(3,212,111)</b>	<b>-23.6%</b>
<b>EBITDA</b>	<b>(1,761,513)</b>	<b>(2,676,055)</b>	<b>-34.2%</b>

### 5.4. Strategy and objectives

A description of the issuer's business strategy and objectives, both financial and non-financial (if any). This description takes into account the issuer's future challenges and prospects.

According to the National Institute of Statistics, in 2024, compared to the previous year, the revenue from market services provided mainly to companies, in gross series, decreased as a result of the decrease recorded in the activities of [computer services and information technology by -4.1%](#). INS specifies that net revenue (excluding VAT) was calculated by summing up invoiced revenues resulting from sales of goods, sales of merchandise, execution of works and provision of services, less rebates, discounts and other discounts granted to customers. Therefore, in the context of a general contraction of the IT market in which we also operate, in 2024 the Bittnet group recorded an increase in revenues by 11%, compared to the previous year, the 17th year of continuous growth, and for 2025 it aims to maintain the growth of 11% yoy even in the conditions in which it has alienated one of the business verticals, the Cybersecurity pillar. The strategy of the company and the group of which it is part is to continue the organic growth of the business.

On the other hand, Gartner & IDC (one of the largest IT industry research and analysis companies in the world) assessed the Romanian IT market at over 4 billion USD in 2020, divided according to the graph below. The

Digital Infrastructure pillar, which contributes the most to the group's consolidated revenue – up to 86% in 2024 – is present in all the main 'branches'/areas of the IT industry (less in Outsourcing Services). Moreover, the National Institute of Statistics (INS) estimates that the share of the IT industry increased spectacularly in 2021, [reaching 6.7% of gross domestic product by the end of the year](#) of Romania, (meaning EUR 14.6 billion).

According to multiple media sources, Romania has come to have the third largest base of IT&C specialists in Central and Eastern Europe, but specialists in Romania represented less than 3% of the total number of employees at the national level in 2022, placing our country in the penultimate place in the EU in this regard. However, Romania ranks 5th in the EU in terms of the share of university graduates and IT training courses. On the other hand, our country has the lowest density of software and IT services companies in Central and Eastern Europe and has a rather low performance in terms of innovation, having the lowest share of research and development spending in the EU GDP.

The Romanian IT industry is one of the largest contributors to GDP growth in the last 20 years and a central element in economic growth. Data from ANIS (the employers' association of the Romanian software and IT services industry) shows that in 2022, for example, of the 4.8 percent GDP growth, approximately 1.3% was contributed by the IT industry. It is estimated that in 2023, the IT industry represented almost 8% of the national GDP and the potential is still significant, with forecasts of 10% of GDP by the end of 2025.

Starting with 2023, the IT industry in Romania was also affected by the wave of layoffs that began in the United States and Europe. At the level of our Group, this was felt especially in the software development area but also in the Education business unit where cutting training budgets by clients had a negative impact on the recorded performances.

## Only in Romania

\$4B



\$2B

Digital Transformation

\$1B

Servicii integrate

\$0.5B

Outsourcing

\$1B

HW

\$0.3B  
SW

bittnet  
group

We continue to believe that the acceleration of the digitalization of states and entrepreneurial companies is the engine of economic development in Central and Eastern Europe and we want to have a decisive role in this process. That is why the Bittnet group's strategy is to become a professional services platform in the field of technology and education, starting from our traditional, core competencies, where we have competitive advantages, combining access to human resources with access to customers and access to financing through capital market mechanisms.

This business strategy is based on the following directions:

1. Continuous development of the portfolio of products and services offered, in line with global technological and socio-economic trends. We pursue this approach both at the level of individual companies, by continuously adapting the services offered to market requirements (adding new products and services, eliminating products or services that are no longer of interest to customers, adding new ways to consume our products and services) and at the group level, through national and regional expansion, based on mergers and acquisitions (M&A) activities.
2. Continuous strengthening of the financial position, both through the organic development of the group companies, with the capitalization of profits, and through the expansion of borrowed capital, in order to have a more solid financial base available, which positions the issuer and the Group as a main alternative both for clients and for other companies in the field, who wish to join a representative IT platform for Romania, CEE or (in the more distant future) Europe.
3. Developing strategic partnerships. This takes the form of participating in associations of companies with common interests and activities, searching for partners to distribute our products and services to their customers, searching for partners from whom to purchase 'in bulk' products and services to resell to our customers and partners, searching for investment partners with whom to increase the capacity to carry out M&A projects.

Looking ahead, we believe that there will be a period of several years with unprecedented acceleration of digital processes across the economy and we are confident that we will continue to record significant increases in revenues. In recent years, the importance of the IT industry has grown in all directions and its contribution to GDP formation has exceeded the 7% threshold and is set to reach 10% by the end of 2025.

According to the DESI index, which measures the degree of digitalization among EU countries, Romania ranks last both in the chapter that measures the level of digital maturity among private and public companies and in the pillar that measures the level of basic and advanced digital skills among employees in companies.

The IT market has officially passed the 240,000 threshold, according to press sources citing several studies, a number double that of 10 years ago; the industry's perspective is that in the next 10 years the need for labor in these areas will lead to a doubling of the number of specialists.

Both areas detailed above give us confidence that we are "operating in the right industry", and indicate the market potential for the four pillars of the Bittnet group for the coming period:

- **for the Education pillar**, as employees, in order to better meet market needs, are in a continuous process of professional reconversion and the need for IT specialists is still urgent on the labor market.
- **for the Digital Infrastructure pillar**, because organizations (both public and private) continue their path towards digitalization, forced by adaptation to the new context with funding coming either from their own resources or from accessing government programs supported by EU funds.
- **for the Platforms/Business Applications & software pillar**: The digitalization process involves more and more developments that simplify and automate processes in companies and society.

We continue to aim for profitable, sustainable and accelerated growth and this can be achieved by focusing on customer segments where we already have a high win rate, correlated with a higher profitability percentage and with a permanent focus on delivering a higher share of services, not just on implementing hardware and software solutions. In 2024, revenues from IT services amounted to 89 million ron at the consolidated group level, approximately 22% of revenues from customer contracts at the consolidated level.

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## Growth through mergers and acquisitions (M&A) projects

Throughout our history as an issuer listed on the Bucharest Stock Exchange, we have always successfully turned to capital market mechanisms to finance our organic growth but, mainly, for accelerated development through mergers and acquisitions (M&A) projects.

In 2024 - but also forecast for 2025 - we focused on integrating the companies acquired in the 2022-2023 period, their restructuring, rebranding under the group's flagship companies, reorganizing the group structure, establishing a strategy regarding business plans and business development through cross-selling between companies within business verticals and delivering complex joint projects involving 2 or even 3 of the group's companies.

Starting in 2024, Bittnet has made public the management's new strategy to simplify the group structure along with current operations, through merger projects of existing companies within the consolidation perimeter, or through the sale of subsidiaries (companies) and/or business pillars (business verticals).

At the same time, the Bittnet group's strategy is to consolidate operations and businesses around the IT&C solutions and services integrator Dendrio Solutions SRL, given the profile of this type of integrator of complex, multi-vendor and multi-cloud IT projects. In this regard, Bittnet took several actions in 2024, organizing the entire Digital Infrastructure pillar around Dendrio Solutions both in terms of the pillar's management and the structure of the Dendrio subgroup: Bittnet transferred its holdings in Dataware and Top Tech to Dendrio Solutions - which ended up owning, at the end of April 2024, 100% of the companies with a similar profile to Dendrio, part of the Digital Infrastructure pillar: Dataware, Top Tech. And 2Net Computer was merged in 2024 into Top Tech.

Following the consolidation process, both in terms of branding and legal entities at the Dendrio sub-group level, in September it was decided that Dataware Consulting and Top Tech would change their names to Dendrio Innovation and Dendrio Technology, respectively. The changes were also implemented at the Trade Register level, so the two companies now operate under the Dendrio name and brand.

Equally, Bittnet's ambition is to make Dendrio a regional/European player capable of delivering digitalization projects and focused on complex multi-vendor IT infrastructures – accompanied by services with a high degree of expertise from the technical teams. In this regard, Bittnet's intention is to list the Dendrio sub-group (Digital Infrastructure pillar) on the Swedish capital market, through a reverse listing procedure by taking over an already listed Swedish issuer (reverse-listing). The initial capitalization targeted for the Dendrio listing is between 37.5 million eur and 40 million eur.

Compared to 2024, in which we did not sign any new M&A projects and the group's management focused on integration and simplification, 2023 was an active year from the perspective of M&A projects, just like the previous years 2021-2022. We completed 2 investments, a significant one that strengthened and consolidated the Digital Infrastructure pillar (by joining the Dataware Consulting company) and a strategic one for the Platforms & software pillar (the acquisition under Elian Solutions of the company with a similar field of activity Kepler Management, rebranded in 2024 under Elian).

In recent years, we have learned a lot from the difficult and intense process of consolidation through acquisitions and organic growth of the Bittnet Group in a highly fragmented IT&C market and we are aware of the opportunity we currently have by diversifying the geographical presence and the areas in which we operate, while increasing the revenue generation power at the group level and optimizing costs. The increase achieved in 2024 of 11.5% in revenues from customer contracts, which comes after a doubling in the previous year (2023, which comes after another doubling in 2022) including through acquisitions of the total annual revenue generation power at the size of our group, represents an answer to the strategic questions that constantly concern us.

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Our focus remains on generating consistent and sustainable long-term value added, year after year, for shareholders. It is important to remember that generating consistent positive results for any acquired company (in any field, not just within our group) involves a period of approximately 18-24 months necessary for integration, optimization, leveraging synergies and scaling the business. We believe we are on the right track.

After the largest acquisitions we closed in 2022 and 2023 through an extensive M&A investment program, for the next period we aim to consolidate the current portfolio of solutions and services but also expand to CEE markets and to areas such as software development, AI and managed services.

**5.5. To the extent that they have a significant influence on the issuer's business or profitability, summary information on the extent to which the issuer is dependent on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes.**

Not applicable. The issuer is not dependent on patents or licenses, industrial, commercial or financial contracts, new manufacturing processes such that they have a significant impact on the commercial activities or profitability of the issuer or the group to which it belongs.

The Issuer delivers technology solutions (IT&C) but also training courses based, in general, on partnerships with major IT&C technology manufacturers, such as Microsoft, Cisco, Amazon Web Services, Oracle, etc. Each of these manufacturers maintains specific partner authorization and certification policies – the “partner channel” (both for IT&C solution integration activities and for IT training). If such a manufacturer were to decide that the entities in the Bittnet group no longer have the right to continue to resell part of the solutions of that manufacturer, this would have a significant influence on the group’s revenues. We believe that the certifications that the companies in the group have from manufacturers are useful to us by increasing our ability to attract customers and record profitability (including through rebates from manufacturers). Similarly, losing the relationship with a manufacturer (losing the right to market certain solutions (especially from major partners such as Cisco or Microsoft) would generate a problem for the Issuer.

In the case of Nenos & Nonlinear, there is no patent dependency. In the case of e-Learning Company (“ELC”), a company in which the group has a minority stake of 23%, the majority of its revenues derive from its relationship with the global eLearning course manufacturer Skillsoft. The loss of this partnership would have a significant negative impact on ELC’s revenues. ELC is not within the scope of financial consolidation.

In the case of ISEC and FORT, companies that are in the cybersecurity pillar sold at the end of 2024, but which were part of the consolidation perimeter in 2024, there is no patent dependency, as they are two companies that offer professional services in the area of cybersecurity. The services provided are in the form of audit, consultancy and penetration testing services, both in the classic regime and in “managed services”. The two companies hold certifications in the field (ASF, NBR, CISA, CISM, CEH, CISSP, OSCP, CDPSE, ISO 27701, etc.).

**5.6. The elements on which any statement by the issuer regarding its competitive position is based.**

The Issuer bases its statements regarding the competitive position on its own estimates, constructed either by analyzing the data available from the Ministry of Public Finance (regarding the businesses of companies considered competitors), or on the feedback received by the sales team from interactions with existing and potential customers.

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## 5.7. Investments

5.7.1. A description of the issuer's significant investments (including their value) for each financial year of the period covered by the historical financial information, up to the date of the document.

Since the date of publication of the last financial statements, the Issuer has not initiated or carried out any significant investment program. At the end of the financial year, the consolidated statement of fixed assets was as follows:

Year	2019	2020	2021	2022	2023	2024	Explanation Variation
(1) Goodwill	17,701,643	21,082,977	40,771,174	57,528,189	79,079,083	67,950,004	Goodwill acquisition M&A transactions
(2) Other intangible assets	6,425,725	8,820,959	9,219,368	9,077,001	9,653,554	8,661,920	Intangible assets include mainly the Bittnet brand
(3) Tangible assets	6,742,571	5,444,104	2,352,513	27,808,467	32,699,563	29,470,909	Registration as ONE office asset – according to IFRS16, layout, technical installations and equipment
(4) Equivalent securities	1,236,738	8,527,500	1,999,840	2,918,940	2,797,885	1,271,853	the holding portion (23%) of the net loss realized by E-Learning Company
(5) Other financial assets (securities) at fair value	1,107,049	7,483	2,041,467	2,426,167	11,356,744	5,710,669	Softbinator Technologies Holding Evaluation

The decrease in goodwill, at the level of 2024, is due to the fact that the part of the goodwill acquired from the acquisition of Fort SA, GRX-Advisory and ISEC was derecognized, following the sale of the Cybersecurity pillar, as well as the part of the goodwill related to Dataware Consulting, corrected on the opening balance sheet (details in Note 35 to the consolidated financial statements - attached to this report).

For more details, please refer to Note 16 – Goodwill – of the 2024 consolidated financial statements.

5.7.1.B Specify the location and characteristics of the main production capacities owned by the company.

The specifics of the Company's activity do not require the possession of significant tangible assets. The Company owns computing equipment (laptops, servers, mobile phones), office furniture, multifunction printers and networking equipment organized in the form of lecture laboratories and demonstration laboratories for technological solutions.

Most of the company's tangible assets are located at its headquarters in Bucharest, the ONE Cotroceni Park office building. In addition to the headquarters in One Cotroceni, the group companies have various offices and presence in cities across the country:

- Dendrio Technology – 5 work points, one in each of the cities of Sibiu, Timișoara, Cluj-Napoca, Deva and Alba Iulia
- Nenos Software – a work point in Galati municipality
- Dataware Consulting – a work point in Galați, next to the one in Bucharest.

#### 5.7.1.C Description and analysis of the degree of wear and tear of the company's properties.

The IT equipment owned by the company has a degree of physical wear and tear specific to office activity – low. With the move to the new headquarters in 2022, but also with the expansion of the group, the company gradually began to renew the IT equipment used by employees and students, opting for a 'pay as you use' approach - renting equipment and not directly investing in tangible assets - according to the mandate granted in the AGM. In addition to IT equipment, Dendrio Technology, part of the Bittnet group, also owns a car fleet, with an average age of 7 years, with various degrees of natural wear and tear. We consider these assets as non-core, and as they are taken out of use, they will be replaced with rental contracts (operational leasing).

#### 5.7.1.C. Specifying potential issues related to ownership of the company's tangible assets.

The fixed assets recognized under IFRS 16 are not owned by the Issuer, but are leased by it from their owners. This is not a “problem” but a “feature” of contracts of this type (operating lease or long-term rental).

#### 5.7.1. New products considered for which a substantial volume of assets will be allocated in the next financial year as well as the stage of development of these products.

The development plan of the company and the group of which it is a part includes main pillars, which have as a component the addition of new products and services. Each new product or service that is added to the Bittnet group's offer at a given time starts from a specific demand, in volume, in the market, among our customers. Thus, there are no new products for the development of which substantial resources will be allocated, each addition being made under "breakeven" conditions. For the year 2025, in terms of CAPEX (investment in product development), the maximum proposed budget (which we do not intend to consume) is a maximum of 10,000,000 ron.

In the Digital Infrastructure pillar, we mainly aim to develop existing products and services, as well as optimize workflows. We will focus on increasing the volume of recurring projects, cloud and security solutions, and managed services. For this purpose, we will use existing platforms (CRM, Project Planning, and integrations with large platforms Cisco, Microsoft AWS), without the need for investment in new platforms.

During 2017-2023, our investments in the IT field took the form of M&A – partially or fully buying companies with products and services in the main areas of interest. We believe that in the future this type of investment will also be the one that will consume more significant capital resources, compared to launching new products and services 'in house'. In the September 2021 the GMS, shareholders approved an M&A investment budget of RON 200 million for the coming years. This does not mean that we will spend this money on M&A projects in a certain period of time, but represents a maximum ceiling for this type of investment. As of 2024, no M&A project was signed, the acquisition of the 11.7% stake in Dendrio, not being considered a new project, but being part of the declared strategy to strengthen the Digital Infrastructure pillar around Dendrio.

#### 5.7.2. A description of the issuer's significant investments in progress or for which firm commitments have already been made, including information on the geographical distribution of these investments (nationally and abroad) and their sources of financing (domestic or external).

The Issuer continuously invests in the development of IT systems, technological platforms for information access, internal management, but also in IT applications that can be offered to customers. None of these

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investments exceed the limit of 20% of total fixed assets, imposed by law, and they fall within the investment budget approved by the AGM each year. The sources of financing for investments in the development of internal IT systems and technological platforms are internal. In the AGM of September 2021, shareholders approved an M&A investment budget of RON 200 million for the following years.

**5.7.3. Information on joint ventures and undertakings in which the issuer holds a proportion of the share capital likely to have a significant impact on the valuation of the issuer's assets and liabilities, financial position or profits and losses.**

The continuous evolution process of the group, both through the marketing of new products and services and through continuous acquisitions, has led to the current situation in which the activity is organized in centers (“cells”) as independent as possible, in areas of interest (“development pillars”) or (“business groups”), which represent subdomains of activity in the IT&C Services area. Bittnet is today a conglomerate that offers investors exposure to the entire IT&C industry in Romania. Each pillar (Business Group/Business unit) will be able to have direct and independent financing from the capital market, cooperating with the other companies in the group to offer greater added value to both our clients and employees/partners. The group was composed at the time of writing of this document, of 10 companies divided into 5 commercial brands and organized into 3 pillars:

### Digital Infrastructure:

- **Dendrio Solutions SRL**(CUI 11973883), owned by Bittnet Systems in a proportion of 96.501%, is the only multi-cloud integrator in Romania, a partner certified to the highest standards by Cisco, Microsoft, Google, Amazon Web Services, but also by many other vendors, is the company that brings together the IT&C integration activities from Bittnet, Gecad Net and Crescendo.
- **Dendrio Innovations SRL (formerly Dataware Consulting SRL)**(CUI 27895927) – is 100% owned by Dendrio Solutions. The company implements technological solutions such as data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and security solutions. The company has partnerships with major manufacturers in the field, such as Fujitsu, Cisco, Brocade and M-Files. Dataware offers clients IT services starting from the consultancy, analysis and design phase to implementation, support and testing, especially for complex projects.
- **Dendrio Technology (formerly Top Tech SRL)**(CUI 2114184), 100% owned by Dendrio Solutions is a company with a 30-year history, which integrates IT infrastructures (communications, data processing, physical security systems) from vendors such as Dell, HP, Xerox or Microsoft, with a regional presence, having 6 branches in Transylvania and Banat and a team of over 86 specialists. At the end of 2024, Dendrio Technology absorbed its sister company 2Net Computer. The decision was made considering the profile of the two companies and the geography in which they operate.
- **Optimizer – ITPrepared SRL** (CUI 35456175), 50.2% owned by Bittnet Systems, is an entrepreneurial managed services company established in 2016, providing IT support services primarily to the US market. Optimizer's client portfolio is primarily based on US companies, but also contains a number of local clients.

### Education:

- **Bittnet Systems SA**(CUI 21181848): the parent company of the group, listed on the BVB Regulated Market. It carries out the holding activity and additionally the IT Training activity, being the undisputed leader of this market in Romania.
- **Bittnet Training SRL (formerly Equatorial Gaming SRL)**(CUI 30582237), currently 100% owned by Bittnet, is a game-based learning company, which offers soft skills training for the IT industry, both in classic and

gamified formats. At the end of 2024, Equatorial Gaming absorbed the group companies, Computer Learning Center and Equatorial Training.

- **The eLearning company SA**(CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. ELC is not within the scope of financial consolidation except for minority interests.

## Platforms/Business Applications & software

- **Eliau Solutions SRL** (CUI: 23037351), led by Iulian Motoi, is a company founded in 2008 and owned by Bittnet Systems SA in a proportion of 61.6878%. The percentage of ownership increased from 51% following a share capital increase through the conversion of certain liquid and due receivables resulting from the transfer of Bittnet's ownership in Kepler Management to Eliau. Eliau is a Gold certified partner by Microsoft for ERP solutions.
- **Eliau Development Systems SRL (formerly Kepler Management Systems)**(CUI: 21562125) is a company with a similar field of activity and business to Eliau, which joined the Bittnet group at the end of 2023. It is 100% owned by Eliau Solutions.
- **Nenos Software SRL** (CUI: 29612482), founded and led by Toader Toporău, is a company owned by Bittnet in a proportion of 61% (the rest by the founder) is a custom software development company, with a focus on the field of Artificial Intelligence and Machine Learning (AI/ML).
- **Nonlinear SRL** (CUI: 37758005) is an SPV established to access European financing, 60% owned by Bittnet and led by Mr. Toporău. The activity is one of product-based software development, focused on developing a platform for digitizing and automating processes within small and medium-sized companies using low code/no code and machine learning technologies.

## Investments in listed companies

In addition to the companies listed above, in which we have significant positions, which are accounted for under IFRS consolidation rules, our group owns and holds investments in listed companies, based on the philosophy of "buy stock in businesses that you would like to own yourself". We believe that it is more useful to own a smaller portion of a company that we like than to own nothing.

Instead, IFRS consolidation standards require us to account for these holdings through the income statement, as if we were actually buying the shares at the beginning of each quarter and selling them on the last day of the quarter, repeatedly, every quarter. In other words, these fluctuations are recorded in our accounting "benefiting" from the capital market-specific multipliers. Sometimes these fluctuations will increase the gross result and sometimes they will decrease it from the quarterly revaluation of these mark to market holdings. What is important to keep in mind is that our ability to stay with the companies in which we have invested for the long term will provide us with more opportunities to actually mark profit from these investments than losses over this long term. At the level of 2025, the company has a single mark to market investment in the company Softbinator Technologies SA (trading symbol CODE). On 31.12.2024, the investment in CODE shares was revalued using the weighted average trading price on the AeRO-SMT market, the market on which CODE shares are listed, price from the last trading day of the year. At the level of 2024, the Bittnet group recorded a non-cash loss from the mark-to-market revaluation of approx. 4 million ron.

### 5.7.4. A description of any environmental issues that may affect the issuer's use of its tangible assets.

Not applicable. Not applicable.



## 5.8 Specifying information regarding the security of supply sources and the prices of raw materials and the size of stocks of raw materials and materials.

Within the Digital Infrastructure pillar, for the “IT solutions integration” business line, the company “procures” IT equipment and licenses (hardware and software) - which are resold as goods to customers. The supply of goods is made from importers / distributors - companies with a presence in Romania. For none of the types of equipment or licenses sold, there are no 'sole importer' situations, so the security of supply does not depend on the relationship with a specific supplier. The Issuer maintains commercial relations with several distributors, having significant revenue with each of them.

For the “Education” business line, the group “sourcing” course manuals and access to official virtual laboratories from multiple global external partners or directly from manufacturers, but also with subcontracted services from partners: either companies or independent subcontractors (freelancers). In this field too, there are no 'single supplier' situations, Bittnet maintaining relationships with several partners in each area of activity.

All the previously described relationships are created based on partnerships with IT manufacturers (Cisco, Microsoft, Oracle, Amazon Web Services, ITIL, VMware, Dell, HP, etc.). These partnerships provide Bittnet with access to the manufacturers' bidding and discount systems, and distributors/importers 'transfer' the price conditions obtained from the manufacturers. Relationships with IT solution manufacturers are maintained by periodically renewing our company's competencies and certifications. Each of these relationships is important for Bittnet and every year we carry out the necessary activities to maintain the "status" in the relationship with these vendors.

The vast majority of products and services delivered by Bittnet that require sourcing from manufacturers are not subject to price risk, as the price lists of major manufacturers are published for a year in advance, and these companies have the size and processes necessary to support prices during the fiscal year. At the same time, Bittnet places orders with suppliers only based on customer orders, so the period of time in which the price could fluctuate is very short (maximum 1 week). In conjunction with the previous explanation, we consider that price fluctuations in raw materials and supplies are not a risk factor for the company.

As a basic rule, the Issuer does not operate with inventories, sending orders to suppliers based on firm orders from customers.

## 5.9 Description of any significant dependence of the company on a single customer or group of customers whose loss would have a negative impact on the company's revenues.

In describing the sales structure, the concentration of revenue and the risk of losing significant customers, several considerations must be taken into account, applicable to the vast majority of revenue (over 70%)

- The company does not have contracts with multiple, recurring deliveries. The type of products and services delivered are more suitable for the “framework contract with one-off orders” approach.
- Customer recurrence, the fact that they return and buy again from the companies in the Bittnet group is the result of the combination of two factors: our technical capacity to deliver products and services with a high degree of specialization and the demonstrated quality level at which we provide these services.

Due to these factors, over time, the relationships with our “reseller” partners, but also with our customers, are solidifying, Bittnet gaining more and more trust in their eyes, which leads them to involve us in more and larger projects. On the other hand, as we have increased both the number of customers served and the type of products, their concentration has decreased significantly compared to the first years as a listed company. All the more so by expanding the number of companies in the group, the dependence at the group level on a single customer can be considered insignificant today. Even if in any of the companies we will be able to identify 1 or 2 customers who have a higher share than the rest of the customers of that company, we believe

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that the value given by the consolidated size of the group is also found in the fact that the Group itself will not experience problems if one of the companies loses one of the customers with a higher share of deliveries within the sales of that company.

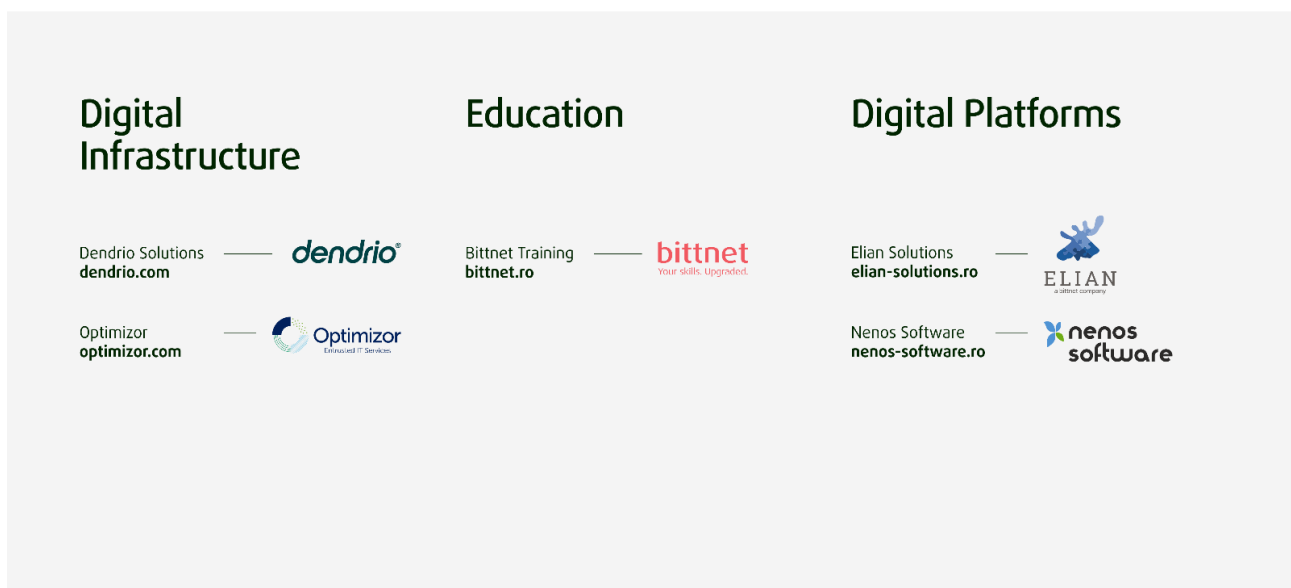
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## Section 6: Structure

6.1. If the issuer is part of a group, a brief description of the group and the issuer's position within it. This may take the form of an organisational chart or may be accompanied by such an organisational chart, where this helps to clarify the structure.

Bittnet is today a conglomerate that offers investors exposure to the entire IT&C industry in Romania. Each pillar (Business unit) will be able to have direct and independent financing from the capital market, cooperating with the other companies in the group to offer greater added value to both our customers and employees / partners.

bittnet  
groupBusiness Pillars  
Jan 2025Your Value.  
Upgraded.

6.2. A list of the issuer's significant subsidiaries, including their name, their country of incorporation, their share of equity and, if different, the percentage of voting rights held by the issuer.

At the date of writing this document, Bittnet Systems SA holds stakes in the share capital of other companies as follows:

- **Dendrio Solutions SRL** (CUI 11973883), owned by Bittnet Systems in a proportion of 96.501%, is the only multi-cloud integrator in Romania, a partner certified to the highest standards by Cisco, Microsoft, Google, Amazon Web Services, but also by many other vendors, is the company that brings together the IT&C integration activities from Bittnet, Gecad Net and Crescendo.
- **Dendrio Innovations SRL (formerly Dataware Consulting SRL)** (CUI 27895927) – is 100% owned by Dendrio Solutions. The company implements technological solutions such as data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and security solutions. The company has partnerships with major manufacturers in the field, such as Fujitsu, Cisco, Brocade and M-Files. Dataware offers clients IT services starting from the consultancy, analysis and design phase to implementation, support and testing, especially for complex projects.

- **Dendrio Technology (formerly TopTech SRL)** (CUI 2114184), 100% owned by Dendrio Solutions is a company with a 30-year history, which integrates IT infrastructures (communications, data processing, physical security systems) from vendors such as Dell, HP, Xerox or Microsoft, with a regional presence, having 6 branches in Transylvania and Banat and a team of over 86 specialists. At the end of 2024, Dendrio Technology absorbed its sister company 2Net Computer. The decision was made considering the profile of the two companies and the geography in which they operate.
- **Optimizor –ITPrepared SRL** (CUI 35456175), 50.2% owned by Bittnet Systems, is an entrepreneurial managed services company established in 2016, providing IT support services primarily to the US market. Optimizor's client portfolio is primarily based on US companies, but also contains a number of local clients.
- **Bittnet Training SRL (formerly Equatorial Gaming SRL)** (CUI 30582237), currently 100% owned by Bittnet, is a game-based learning company, which offers soft skills training for the IT industry, both in classic and gamified formats. At the end of 2024, Equatorial Gaming absorbed the group companies, Computer Learning Center and Equatorial Training.
- **The ELearning company SA** (CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. ELC is not within the scope of financial consolidation except for minority interests.
- **Eliau Solutions SRL** (CUI: 23037351), led by Iulian Motoi, is a company founded in 2008 and owned by Bittnet Systems SA in a proportion of 61.6878%. The percentage of ownership increased from 51% following a share capital increase through the conversion of certain liquid and due receivables resulting from the transfer of Bittnet's ownership in Kepler Management to Eliau. Eliau is a Gold certified partner by Microsoft for ERP solutions
- **Eliau Development Systems SRL (formerly Kepler Management Systems)** (CUI: 21562125) is a company with a similar field of activity and business to Eliau, which joined the Bittnet group at the end of 2023. It is 100% owned by Eliau.
- **Nenos Software SRL** (CUI: 29612482), founded and led by Toader Toporău, is a company owned by Bittnet in a proportion of 61% (the rest by the founder) is a custom software development company, with a focus on the field of Artificial Intelligence and Machine Learning (AI/ML).
- **Nonlinear SRL**(CUI: 37758005) is an SPV established to access European financing, 60% owned by Bittnet and led by Mr. Toporău. The activity is one of product-based software development, focused on developing a platform for digitization and automation of processes within small and medium-sized companies using low code/no code and machine learning technologies

In terms of the group structure, at the date of writing this document, the structure is with three divisions: Digital Infrastructure, Education, Platforms/Business Applications & software. There were no significant mergers or reorganizations of the issuer, its subsidiaries or controlled companies during the previous financial year. In 2024, Bittnet decided to sell the cybersecurity pillar previously organized around FORT SA.

## Section 7: Financial Situation

### 7.1. Financial situation

To the extent that it is not included elsewhere in the document and to the extent that this is necessary for an understanding of the issuer's business as a whole, a fair examination of the development and performance of the issuer's business and its position for each financial year and each interim period for which historical financial information is required, including the reasons for significant changes. This examination is a balanced and comprehensive analysis of the development and performance of the issuer's business and its position, correlated with the size and complexity of the business. To the extent that this is necessary for an understanding of the development of the issuer's business, performance or position, the analysis contains financial and, where appropriate, non-financial key performance indicators relevant to the specific business of the company. The analysis includes, where appropriate, references to the amounts reported in the annual financial statements and further explanations in this regard.

The full financial report (including the financial statements with notes) can be consulted both on the issuer's own website, dedicated to investor relations, and on the BVB website, the issuer's BNET page. The financial statements with notes can be consulted on the issuer's website dedicated to investor relations.

Regarding the P&L account, there were changes in total income due to various adjustments according to international financial reporting standards for FY2024, as follows:

- According to the requirements of IFRS 5 “Non-current assets held for sale and discontinued operations”, the Group completely deconsolidated the results of the Cybersecurity pillar (Fort SA and its subsidiaries GRX-Advisory and ISEC Associates SRL), both from the 2023 and 2024 financial statements, thus the consolidated revenue at group level in 2024, after this operation, was 404 million ron.
- At the request of the statutory auditor, for the year 2023, the balance of the consolidated goodwill position related to the acquisition of Dataware Consulting was restated and reduced to the initial value of 16,961,891 ron – the amount recognized at the time of the initial acquisition of 70% (without recognizing additional goodwill/goodwill, at the time of the acquisition of the difference of 30% of the Dataware company). The corresponding adjustment was recognized as an adjustment of the prior period, with the impact of reducing the position Other equity items, for the comparative period ended 31.12.2023.

In accordance with IFRS3 “Business Combinations”, the subsequent acquisition of a non-controlling asset should be accounted for as a transaction with direct impact through equity and should not lead to the recognition of additional goodwill. However, in December 2023, the Group erroneously recognized additional goodwill in the amount of 10,319,371 ron upon the acquisition of the 30% difference in Dataware Consulting. To correct this error, the following adjustments were made to the comparative financial statements as of December 31, 2023: The additional goodwill of 10,319,371 ron, recorded in December 2023, was eliminated. Consequently, the balance of the consolidated goodwill balance sheet item related to the acquisition of Dataware Consulting was restated and reduced to the initial value of 16,961,891 ron – the amount recognized at the time of the initial acquisition at a percentage of 70%. The corresponding adjustment was recognized as a prior period adjustment, with a reduction impact on the Other equity position, for the comparative period ended 31.12.2023.

- Consequently, this adjustment also impacted the goodwill balance recognized as of 31.12.2024.
- The final, audited financial results for 2024 differ slightly from the preliminary financial results published by the Issuer at the end of February 2025, in terms of the assets and liabilities.

The main indicators from the 2024 final, consolidated, audited financial statements are presented as follows versus the preliminary consolidated results published in February 2025:

- Revenue: 404 million ron (vs 418 million ron)
- Gross margin: 74.1 million ron (vs 79 million ron)
- Operating profit: 15.1 million ron (vs 13.8 million ron)
- Net profit (total comprehensive result): 9.1 million ron (vs 9.2 million ron)
- Goodwill: 67.9 million ron (vs 93.9 million ron)
- Total equity: 77.1 million ron (vs 103 million ron)

**Key elements at the end of 2024, financial results presented according to IFRS standards, consolidated financial statements, audited:**

- Revenue: 404 million ron (+12.5% vs 2024)
- Gross margin: 74.1 million ron (+17.6% vs 2024)
- Operating profit: 15.1 million ron (+32% vs 2024)
- Gross profit: -853 thousand ron\*
- Profit tax: -1.5 million ron
- Profit from continuing activities/discontinued activities: -2.37 million ron\*
- Net profit from discontinued operations: 11.4 million ron\*
- Net profit (total comprehensive result): 9.11 million ron\*
- Cash position as of December 31, 2024: 73 million ron
- Equity: 77 million ron

\*Compared to previous years, in 2024 the first exit (sale of a business pillar/business generating units) was made. Thus, two new elements appeared, respectively Profit from continuing activities and Profit from discontinued operations, according to the requirements of IFRS5 "Non-current assets held for sale and discontinued operations", which requires the deconsolidation of discontinued operations to ensure the clarity and relevance of the financial statements. By separating the results of operations that are no longer part of the continuing activity, a more accurate picture of the entity's future performance is provided, thus avoiding the distortion of financial results by including elements that will no longer contribute to future profitability.

### Consolidated Financial Position

Fixed assets had a significant fluctuation in 2024, given the adjustment to goodwill (resulting from M&A activities) which led to the decrease of this position from the value of 79 million ron in 2023 (according to the restatement from the time of the Dataware acquisition - explanations in Note 35 to the consolidated financial statements) to the value of 67.9 million ron.

Another notable adjustment resulted from the testing of the holding in E-Learning Company and the Equatorial Gaming brand, a negative adjustment of -2 million ron. At the end of 2024, fixed assets were 136 million ron (-2% vs 2023). Thus, total fixed assets stood at the end of 2024 at a value of 111.8 million ron, down 13% compared to the value recorded in 2023 (129 million ron)

Current assets recorded an appreciation of 35% yoy, an increase mostly influenced by the increase in trade receivables from customers and other receivables +70% yoy which stood at the end of 2024 at 124 million ron. The inventory position remained relatively constant, 4.8 million ron at 31.12.2024 compared to 4.2 million ron at 31.12.2023. On December 31, 2024, cash and equivalents were 73.3 million ron (vs 70 million ron at 2023). Thus, total current assets rose at the end of last year to 223 million ron, +35% (vs 165 million ron at 2023). The Total Assets position rose to 335 million ron (+14% yoy).

\*In consolidating the financial statements both at the balance sheet level, in 2024 and at the profit and loss account level, in both FY2024 and FY2023, the values recorded by the companies part of the Cybersecurity pillar, FORT SA, GRX-Advisory SRL and ISEC Associates SRL (which were sold of at the end of 2024) were not taken into account – according to the requirements of the international accounting standard "IFRS 5 Non-current Assets Held for Sale and Discontinued Operations". Thus, IFRS 5 requires the deconsolidation of discontinued operations to ensure the clarity and relevance of the financial statements. By separating the results of operations that are no longer part of the ongoing activity, a more accurate picture of the entity's future performance is provided, thus avoiding the distortion of financial results by including elements that will no longer contribute to the future profitability of the following years.

Trade receivables from customers plus the value of the inventory balance plus cash in banks (approximately 217 million ron) cover short-term trade liabilities at a rate of 257%. By comparison, this rate was covered last year at a rate of “only” 145%. And trade receivables plus the value of inventory and cash cover total short-term liabilities (trade plus current) at a rate of 105%.

Short-term debts: this category of debts increased by 35% as a result of the increase in trade debts by a similar percentage (31%) – along with the growth of the group's business and receivables from customers. Also, an element that contributed to the increase in short-term debts are the draws on credit lines from the main bank creditors – amounts that we used to finance the deliveries of specific projects to customers. Thus – the short-term bank loan element had an increase of 87% yoy, up to the value of 15.9 million ron. These amounts were partially reimbursed throughout Q1 2025, along with the collection of projects from customers. In this context, total short-term debts amounted to 197 million ron at the end of 2024 (+35% vs 2023).

Long-term debts decreased by 12% from 67.5 million ron to 60 million ron, mainly due to the decrease in bank debts through the monthly repayment of installments on investment loans for M&A projects in 2022 and 2023.

Thus, total debts increased by 21% yoy from 212 million ron on 31.12.2023 to 257 million ron on 31.12.2024.

Equity decreased as of 31.12.2024 – as a result of the sale of subsidiaries and the merger of sister companies, as well as the adjustments imposed by auditors on goodwill – standing at 77.1 million ron (versus 81 million ron)

#### Consolidated profit and loss account\*

Bittnet group (consolidated situation excluding Fort results)	December 31, 2024	December 31, 2023	Evolution
<b>Revenue from contracts with customers</b>	<b>404,113,044</b>	<b>359,089,188</b>	12.5%
Revenue from the provision of services	89,146,640	85,712,233	4%
Sale of goods	314,966,404	273,376,955	15.2%
<b>Cost of sales</b>	<b>330,002,661</b>	<b>296,076,346</b>	11.5%
Cost of goods/materials sold	293,472,428	263,411,826	11.4%
Services	1,547,935	3,688,219	-58%
man-hours	34,982,298	28,976,301	20.7%
<b>Gross margin</b>	<b>74,110,382</b>	<b>63,012,842</b>	17.6%
<b>Other income</b>	<b>2,362,321</b>	<b>1,962,994</b>	20.4%
<b>Selling/distribution expenses</b>	<b>20,049,749</b>	<b>17,622,267</b>	18%
man-hours	-17,849,545	14,526,049	20%
Advertising and other sales expenses	2,200,204	3,096,218	8.6%
<b>Administrative expenses, of which</b>	<b>-44,453,039</b>	<b>40,248,756</b>	14.2%
man-hours	19,224,604	16,752,421	14.8%
amortization	10,261,013	8,628,619	18.9%

Other third-party services	6,171,550	7,030,766	-12.2%
miscellaneous	10,295,850	7,836,950	31.4%
<b>Operating profit (excluding one-offs)</b>	<b>15,137,925</b>	<b>12,772,424</b>	<b>32.7%</b>
<b>EBIT</b>	<b>15,137,925</b>	<b>12,772,424</b>	<b>32.7%</b>
<b>EBITDA</b>	<b>21,455,974</b>	<b>20,864,987</b>	<b>26.1%</b>

\*At the request of the Group's auditors, the results of the Cybersecurity division (Fort SA together with its subsidiaries) were deconsolidated from the financial statements, even though it was part of the group until the end of December 2024. For comparability, this deconsolidation was also made on the column corresponding to the results of 2023. At the end of December 2024, the Group sold all participation in Fort SA and its subsidiaries, GRX Advisory and ISEC Associates (see Note 17 to the consolidated financial statements)

The consolidated revenue recorded was 12% higher in 2024 compared to the previous year, marking for the first time for the Bittnet group, exceeding the 400 million ron milestone in revenues from customer contracts. Almost a quarter of the revenue (22%) was generated from revenues from the provision of IT services – this component reaching 89 million ron at the end of 2024. The cost of sales increased in line with the revenue but at a lower rate than this. The gross margin increased by 17% in 2024 vs 2023, reaching the level of 74.1 million ron.

Administrative expenses increased with the growth of business, up to 45.9 million ron (+14% yoy). In the analysis of administrative expenses, we consider their weighting in revenue relevant – a weighting that decreased from 12.5% (in 2022) to 10.7% (in 2023) and then a slight increase in 2024: to 11.2%. We continue to be attentive to any increase in administrative expenses and aware of the importance of keeping them under control at all times.

Consolidated operating profit increased by 32%, registering 15.1 million ron – while the EBITDA indicator reached 21.4 million ron (+26% vs 2024)

## 7.2. Operating Profit, Operating Profit, Financial Profit and Gross Profit

Bittnet group (consolidated situation excluding Fort results)	December 31, 2024	December 31, 2023	Evolution
<b>EBITDA</b>	<b>21,455,974</b>	<b>20,864,987</b>	<b>26.1%</b>
<b>Operating profit (excluding one-offs)</b>	<b>15,137,925</b>	<b>12,772,424</b>	<b>32.7%</b>
One-off result	-	-	
<b>EBIT</b>	<b>15,137,925</b>	<b>12,772,424</b>	<b>32.7%</b>
SOP adjustment	(1,043,509)	(1,073,576)	-2.8%
Equatorial brand impairment and ELC minority ownership	(2,078,990)	-	-
Pre-acquisition M&As costs	(45,510)	(689,691)	-93.4%
Gain/loss on equity-accounted securities	(39,095)	(121,055)	-67.7%
Income/expenses from securities valuation	(4,024,130)	(2,167,698)	85.6%
Other financial income	314,995	306,901	-52%
Financial expenses	(5,973,702)	(6,368,179)	-6.6%
<b>Gross profit</b>	<b>(853,853)</b>	<b>(775,732)</b>	-
Income tax	(1,523,249)	(615,392)	-
Profit from continuing operations*	(2,377,102)	(1,391,124)	-
Net profit from discontinued operations*	11,495,927	2,214,786	-
<b>Net profit</b>	<b>9,118,826</b>	<b>823,662</b>	-

\*according IFRS 5 "Non-current assets held for sale and discontinued operations"

Between operating profit and gross profit, the elements that had the greatest impact are non-cash – the adjustment related to SOP, approx. 1 million ron – similar in value recorded on 31.12.2023 and the revaluation of the holding in companies listed on the AeRO-BVB market (Softbinator Technology SA – ticker: CODE) revaluations carried out quarterly according to market quotations. At the level of FY2024, this non-cash negative adjustment was worth -4 million ron, given the negative evolution of the CODE share. By comparison, the non-cash adjustment with the revaluations of holdings in listed companies, at the level of 2023, was -2.1 million ron.

Another non-cash adjustment is the one with the testing of goodwill, brands and holdings according to IFRS standards (impairment tests) which required the recording of a negative value at the end of 2024: -2 million ron – due to the impairment for the investment in the holding of ELearning Company (-1.4 million ron) as well as the impairment of the Equatorial Gaming brand (-650 thousand ron) according to IAS36.

The financial result is composed of the cost of financing (actual interest paid) of 6.6 million ron, non-cash adjustments of 7 million ron, and financial profit (cash) from the sale of Fort of 11 million ron.

Compared to previous years, in 2024 the first exit (sale of a business pillar/business generating units) was made. Thus, two new elements appeared, respectively Profit from continuing activities and Profit from discontinued operations, according to the requirements of the \*IFRS 5 standard "Non-current assets held for sale and discontinued operations", which requires the deconsolidation of discontinued operations to ensure the clarity and relevance of the financial statements. By separating the results of operations that are no longer part of the continuing activity, a more accurate picture of the entity's future performance is provided, thus avoiding the distortion of financial results by including elements that will no longer contribute to future profitability.

In this context, the consolidated gross profit was -853 thousand ron, while, impacted by the elements described above, the consolidated net profit stood at 9.1 million ron.

**7.2.1. Information on significant factors, including unusual or rare events, or new developments, that significantly affect the issuer's operating income, indicating the extent to which they are affected.**

After the overlapping global crises of 2020-2022 (Covid19 pandemic, global transport/supply chain problems, semiconductor crisis, war in Ukraine), we can say that we are operating in a scenario that, even if far from ideal, is stable but in a difficult market context in 2023-2024 (the IT industry was affected in Western Europe and the United States by the wave of layoffs, the contraction of the IT market in Romania in 2024, etc.). 2025 certainly remains a year full of challenges.

**7.2.2. If the historical financial information shows significant changes in sales or net income, a description of the reasons that generated these changes shall be included.**

There have been no significant changes in sales or revenues other than normal in the activity carried out in the market in which the issuer operates.

**7.3. Evaluation of research and development activity. Specification of expenses in the financial year, as well as those anticipated in the following financial year for research and development activity**

This is not the case, the Issuer and the group to which it belongs do not carry out research and development activities.

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## Section 8: Capital Resources

### 8.1. Information on the issuer's capital resources (short-term and long-term).

The Issuer's equity exceeds, at the end of 2024, the value of 100 million ron (the highest historical value).

In addition to the capital resources attracted in capital increase operations, the issuer has other financing mechanisms on the capital market (bond issues) as well as short and long-term bank lending - to finance current activity and the M&A investment program in 2022 - 2023.

At the time of writing this Universal Registration Document, the Company has 4 bond issues, issued in 2022, 2023, and 2024 in euro and RON, tradable on the main market dedicated to fixed income instruments of the BVB (symbols: BNET26E, BNET27A, BNET28 and BNET28A) in the total amount of 2 million eur (BNET26E) and 21.6 million ron (BNET27A, BNET28 and BNET28A). All borrowed capital resources from the bond issues have long-term maturity (June 2026 – June 2028).

### 8.2. An explanation of the sources and amount of the issuer's cash flows and a description of the cash flows.

In 2023, we said that the significant percentage of large projects with strict annual budget execution with public sector beneficiaries, combined with the terms agreed with suppliers, generated a historic operating cash flow at that time. This was further adjusted during 2024 – on December 31, operating cash flow stood at 18.9 million ron – and net cash generated from current activities was 16.9 million ron.

The sale of the cybersecurity pillar, corroborated with the acquisition of the 11.7% stake in Dendrio Solutions at the end of 2024, were the main elements that fluctuated in the cash flows from investing activities. The most important elements of the cash flows from financing activities were the sale of treasury shares in January 2024 (2.8 million ron) corroborated with the share buyback activity carried out starting with August 2024 (approx. 766k ron), the payment of interest paid to bank creditors and bondholders (5.2 million ron) as well as the proceeds from the BNET28A bond issue (approx. 6.2 million ron).

In this context, the net increase in cash during the period is 3.3 million ron, and cash and cash equivalents at the end of 2024 were 73.4 million ron – similar to 2023 e). We note that part of this cash position was used in Q1 2025 to balance the trade balance (trade payables versus customer receivables)

### 8.3. Information regarding the issuer's credit conditions and financing structure.

The group's bank lending structure is predominantly made up of revolving overdrafts aimed at short-term financing of specific projects and current activities. As of the date of this report, the Group has loans for financing current activities from the following financial institutions: ProCredit Bank, Banca Transilvania (BT), BRD – Societe Generale, ING Bank and Unicredit Bank, as well as several non-cash ceiling products for issuing various types of bank guarantee letters contracted from Procredit Bank and Banca Transilvania.



All values in RON				31-Dec-24		31-Dec-23	
Banking product	Currency	Interest rate	Maturity	Borrowed value	Balance as of date	Borrowed value	Balance as of date
ProCredit (DEND)	RON	6M+3%	2026	4,500,000	2,524,818	4,500,000	3,940,619
BT investment credit (DEND)	RON	ROBOR 3M+2.5%	2029	9,724,885	5,795,836	9,724,885	7,016,012
ProCredit investment loan (DEND)	RON	ROBOR 6M+2.5%	2030	10,000,000	8,241,818	10,000,000	9,381,614
BT short-term loan (DEND)	than EUR	EURIBOR 6M+2.15%	2024	-	-	1,800,000	3,610,154
ING credit line (DEND)	RON	ROBOR 1M+2.2%	2025	5,000,000	1,446,666	-	-
BRD IMM Invest/short term (TT)	RON	ROBOR 3M+1.5%	2024	10,000,000	59,548	3,000,000	2,406,335
BT short term credit (DTW)	RON	ROBOR 3M+2.75%	2025	15,000,000	9,082,867	17,000,000	-
Raiffeisen credit line (2NET)	RON	6M+2%	2025	2,500,000	1,347,667		905,351
Raiffeisen IMM Invest (2NET)	RON	6M+2%	2024	2,000,000	-		258,621
<b>Total bank debts:</b>					<b>28,499,222</b>		<b>27,518,706</b>
Long term:					12,525,113		18,976,363
Short term:					15,974,109		8,542,343

### ProCredit Bank

In July 2023, Dendrio Solutions SRL signed the conversion of the revolving credit line worth 4.5 million ron (contracted since 2019 from ProCredit Bank) into a loan with monthly repayments. The repayment will be made over a period of 36 months – until July 2026 – and the interest rate is: ROBOR6M+3%. At the same time, the cash collateral deposit immobilized for this product was released.

Also, in December 2020, the Group informed shareholders about the signing of a bank loan agreement by Dendrio Solutions with ProCredit Bank. The total value of the facility was 5,000,000 ron, and the purpose of the loan is to finance the working capital and current activity of Dendrio Solutions. The maturity of the product was 36 months, and the interest rate was ROBOR 3M + 3% per annum. The guarantee established for this loan product was: cash collateral deposit for 10% of the value of the facility. The last installment for this product was paid in December 2023.

In May 2023, Dendrio Solutions contracted an investment loan from ProCredit Bank in the amount of 10,000,000 ron, for a period of 7 years, with monthly repayments of principal and interest for the acquisition of the majority stake in the company Dataware Consulting SRL (fully acquired by Dendrio Solutions and rebranded in the meantime as Dendrio Innovations). The annual interest rate is ROBOR6M+2.50%. The guarantees provided are: movable mortgage on the accounts of Dendrio Solutions – the borrower – opened at ProCredit Bank, movable

mortgage on the acquired shares, guarantee from Bittnet Systems SA as co-debtor and guarantee issued by the European Investment Fund in the proportion of 60% of the loan value.

In May 2023, Dendrio Solutions contracted a non-cash ceiling banking product from Procredit Bank for a maximum amount of 2,300,000 ron. The validity period is 36 months. The product is intended for the issuance of various types of SGBs (letters of bank guarantee for participation in bidding procedures; letters of guarantee for good execution, etc.). Dendrio uses this revolving product in order not to immobilize its own cash in the issuance of SGBs. In September 2024, this banking product was supplemented by the amount of 1 million ron, up to the value of 3,300,000 ron.

In October 2023, Dendrio Technology SRL (formerly Top Tech SRL) contracted a non-cash product from ProCredit Bank, in the maximum amount of 1,400,000 ron for a period of 12 months with the possibility of extension. The ceiling is used in the current activity for the establishment of bank guarantees for participation in bidding procedures or for good execution for commercial contracts that require such banking instruments. Dendrio Technology uses this revolving product, in order not to immobilize its own cash in the issuance of SGBs.

### **Transilvania Bank (BT)**

On 06.09.2022, Dendrio Solutions contracted a credit product in the form of a ceiling - investment loan - from Banca Transilvania in a maximum amount of 11,000,000 ron for the financing of 75% of the price of share acquisition transactions of the companies Top Tech SRL (rebranded in 2024 into Dendrio Technology SRL) and zNET Computer SRL (company merged at the end of 2024 into Dendrio Technology SRL).

The investment loan was contracted for a period of 7 years and the repayment method is monthly, through constant annuities. The annual interest rate is variable and consists of the 3-month ROBOR index, to which is added the Bank's fixed margin of 2.50%. The guarantees established for this loan product are a movable mortgage on Dendrio Solutions accounts opened at Banca Transilvania, a movable mortgage on the acquired shares, a guarantee from Bittnet Systems as co-debtor, a guarantee issued by the European Investment Fund. Dendrio Solutions made 2 withdrawals from this ceiling, during 2022, after signing the closing documents with the selling shareholders of the two target companies, Top Tech and zNET Computer, paying the equivalent value of the shares. The 2 withdrawals were in the amount of 9,724,885 ron, out of the maximum ceiling of 11 million, and the reimbursement of the amount used is made over a period of 7 years - until September 2029.

On 20.10.2022, the issuer informed investors about the signing of a credit agreement with Banca Transilvania. The agreement was in the form of a ceiling/line of credit - revolving overdraft - in the amount of EUR 1,800,000 and was intended to finance the working capital and current activity of Dendrio Solutions. The maturity was initially set at 12 months with the possibility of extension and the interest rate was EURIBOR 6M + 2.15% per annum. The Group's management chose in 2022 to explore the opportunity to borrow in foreign currency given the evolution of monetary policy interest rates in RON, since that time, which led to an increase in interest costs on RON loans in the period 2020-2022, a trend that tended to correct itself with the 3rd quarter of 2023, but also in 2024. In October 2023, Dendrio Solutions decided to put on the schedule, for a period of 12 months, the balance that it had used/drawn from this ceiling at that time (approx. 900,000 eur) by signing in this regard the additional act amending the product with Banca Transilvania. The last installment of this use of the ceiling was paid in September 2024.

In December 2024, the extension (and resizing) of the credit product contracted by Dendrio Innovations SRL (formerly Dataware Consulting) from Banca Transilvania was signed – for the amount of 15,000,000 ron. This banking product is used by Dendrio Innovations for the punctual financing of commercial contracts with clients. The guarantees are: mortgage on bank accounts opened at Banca Transilvania, assignment of receivables

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resulting from financed contracts/with assigned debtors and guarantee from the sole associate of Dendrio Innovations, respectively Dendrio Solutions. The interest for this product is ROBOR3M+2.75% applied to the actual balance used from the maximum ceiling of 15 million ron. The period of use of the ceiling is 12 months from signing with the possibility of extension, and the validity period is 24 months from the date of drawdown. The product is used revolving, through successive withdrawals and reimbursements at the time of project receipt. Dendrio Innovations uses this ceiling to ensure the project pre-financing component - where applicable - for contracts with a long implementation cycle and which involve the delivery of complex IT&C integration solutions involving both the delivery of equipment and the provision of configuration, installation and commissioning services.

Also in December 2024, Dendrio Innovations signed an addendum with Banca Transilvania to supplement the non-cash ceiling for issuing bank letters of guarantee up to the limit of 7,000,000 ron. The product is used in the current, revolving activity, for the establishment of bank guarantees for participation in bidding procedures or for the proper execution of commercial contracts that require such guarantee instruments. The company requested the bank to supplement the existing non-cash ceiling so as not to need to block its own cash in the guarantee instruments.

Under similar conditions, in December 2024, Dendrio Solutions also signed a contract with Banca Transilvania for a non-cash ceiling for the issuance of bank letters of guarantee up to the limit of 7,000,000 ron. The product is used in the current, revolving activity, for the establishment of bank guarantees for participation in bidding procedures or for the proper execution of commercial contracts that require such guarantee instruments. The company requested the bank to supplement the existing non-cash ceiling so as not to need to block its own cash in the guarantee instruments.

Also in December 2024, Dendrio Technology signed the addendum for the extension of a non-cash product from Banca Transilvania, in a maximum amount of 3,000,000 ron for a period of 12 months with the possibility of extension. The ceiling is used in the current activity, revolving, for the establishment of bank guarantees for participation in bidding procedures or for good execution for commercial contracts that require such instruments. Dendrio Technology uses this product in order not to immobilize its own cash in the issuance of SGBs.

### **OTP Bank**

In July 2023, the addendum for the extension of the revolving overdraft credit product for working capital financing was signed between Dataware Consulting and OTP Bank. The total value of the facility is 1,500,000 ron, the maturity is 12 months and the interest rate is ROBOR3M +2.5%. The product was fully repaid at maturity - July 2024.

### **Unicredit Bank**

In February 2023 Elian Solutions signed addendum for the extension and supplementation of the credit product –of the revolving type overdraftfor working capital financing – contracted from Unicredit Bank. The agreement was extended at that time, for a period of 12 months and the ceiling was increased from 800.000ron to 1,600,000 ron under the same conditions as the additional extension act signed in 2022, namely: interest rate: ROBOR3M+3%; product destination: financing of working capital and current activity. The structure of the guarantees consists of a movable mortgage on the accounts of Elian Solutions SRL opened at Unicredit Bank, assignment of receivables and a Corporate Letter of Guarantee issued by the majority shareholder Bittnet Systems SA. This product was extended in February 2025 for a period of 12 months, the current maturity being February 2026.

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### **Raiffeisen Bank**

In November 2023, the additional act was signed to extend the credit facility that zNet Computer had contracted from Raiffeisen Bank. The new maturity is 12 months. The extension was made under the same conditions as the initial agreement. The value of the facility is 2,500,000 ron and is intended to finance the working capital and current activity of the borrower. Given the merger process by absorption of zNet into Dendrio Technology, this credit product was fully reimbursed.

### **BRD – Societe Generale**

At the end of August 2024, Dendrio Technology signed the addendum to supplement the revolving-overdraft ceiling credit line contracted from BRD - Groupe Societe Generale. Thus, the credit ceiling was supplemented from the amount of 6,000,000 ron to the amount of 10,000,000 ron. The product can be used both for non-cash withdrawals for the issuance of letters of guarantee, and for cash withdrawals for the financing of working capital and current activity as well as for the financing of current and future projects carried out by Dendrio Technology. The credit and guarantee conditions remained unchanged according to the initial agreement, the period of use is 12 months with the possibility of extension and the interest is ROBOR3M+1.5% per annum, calculated on the actual balance used in the line.

### **ING BANK**

In October 2024, the Issuer informed investors about the signing of a credit agreement by Dendrio Solutions SRL with ING Bank NV Amsterdam – Bucharest Branch. The agreement involves the provision to the borrower of a revolving-overdraft ceiling credit line for financing working capital and current activity in the amount of 5,000,000 ron. The guarantees for this loan are constituted at the level of Dendrio Solutions – general assignment of receivables and mortgage on the accounts opened by Dendrio at ING Bank. The interest rate for the use of this product is ROBOR1M+2.2% per annum.

In addition to the bank lending resources detailed above, the Issuer financed its activity, but especially the M&A expansion, through capital market instruments. During 2023, the Issuer repaid three bond issues at maturity (BNET23C, BNET23 and BNET23A), bringing the total to 5 issues repaid at maturity or early. Also in 2023, Bittnet launched for the first time on the Romanian capital market two public offerings of corporate bonds (BNET27A and BNET28) which were particularly successful: oversubscription of over 1.5x, investor diversity and remarkable liquidity after listing. Following the 2 offerings, two committed financings were obtained in a total amount of 15 million ron. The Company also has a bond issue denominated in euro worth 2 million eur, tradable on the BVB under the symbol BNET26E. Also, in the period March-April 2024, Bittnet conducted a new round of financing through a public offering of corporate bonds (under the symbol BNET28A) raising the amount of 6.35 million ron from BVB investors – by issuing a number of 66,249 bonds sold at the price of 96 ron/bond. The nominal value is 100 ron/bond, the interest rate is 9% per year and the maturity is April 2028.

All bond issues have long-term maturity (2026 - 2028 period). The annual interest rates at which the issuer borrowed through these capital market instruments are: 9% (BNET26E), 9.6% (BNET28), 10% (BNET27A) and 9% (BNET28A) depending on the market context, monetary policy rates or inflation situation at the time of the financing round.

The issuer is up to date with all coupon payments to bond investors.

### **8.4. Information on any restriction on the use of capital resources that has influenced or may significantly influence, directly or indirectly, the issuer's operations.**

Not applicable. There are no restrictions imposed on the issuer regarding the use of capital resources

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#### 8.5. Information on the sources of financing estimated to be necessary to meet the commitments set out in point 5.7.2.

The income and expenditure budget for 2025 provides for a maximum amount of 10 million ron for investments, but which will be allocated by management to investments only if management considers that the respective investments will not generate a cashflow problem for the Issuer. None of the investments already started raise financing/repayment problems for the Issuer, as they are easily supported from existing/generated cash availability.

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## Section 9: Regulatory framework: the market on which stocks and bonds are traded

9.1. A description of the regulatory framework in which the issuer operates and which may significantly affect its business, together with information about any policy or factor of a governmental, economic, budgetary, monetary or political nature that has affected or could significantly affect, directly or indirectly, the issuer's operations.

The Issuer is governed by Romanian Law. The regulatory framework within which the Issuer operates includes national legislation as well as specific EU legislation, including but not limited to:

- Law 31/1990 on companies, republished, with subsequent amendments and supplements;
- Law 24/2017 on issuers of financial instruments and market operations;
- ASF Regulation No. 5/2018 regarding issuers and securities operations;
- EU Regulation No. 1129/2017;
- Delegated Regulation (EU) 2019/979;
- Delegated Regulation (EU) 2019/980;
- REGULATION (EU) No 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 April 2014 on market abuse (market abuse regulation).

9.2. Specification of the markets in Romania and other countries on which the securities issued by the company are traded.

Starting with June 3, 2020, the shares issued by the company are traded on the Bucharest Stock Exchange, on the Regulated Market, Standard category, trading symbol BNET, ISIN code ROBNETACNOR1. Prior to this date, BNET shares were traded on the AeRO-SMT market, administered by BVB starting with 15.04.2015.

The increased liquidity of BNET shares meant that, only 3 months after the promotion on the BVB Main Market, our group's shares were included in several indices: BET-XT, BET-XT-TR, BET-BK, as well as in the extended 'basket' of the main BET index - BETPlus.

In 2024, the last financial year closed prior to the publication of this document, the average daily value of transactions with BNET shares amounted to approximately 60 thousand ron per trading session – 14.89 million ron in the regular market and another 4.36 million ron in the deals market. During 2024, a volume of almost 84 million BNET shares was traded, which represents approximately 13% of the total shares registered as of December 31, 2024. Currently, the number of Bittnet shareholders remains at over 5,000 individuals and legal entities, institutional investors. At the end of 2024, the market capitalization of the Bittnet group amounted to 97.6 million ron, down 43% compared to the end of 2023.

For comparison, in 2023, the average daily value of transactions with BNET shares amounted to approximately 90 thousand ron per trading session – 21.4 million ron in the regular market and another 974 thousand ron in the deals market. A volume of almost 78.6 million BNET shares was traded, which represents 12.4% of the total shares registered as of December 31, 2023. During the most recent General Meeting, in January 2023, the number of shareholders registered in the shareholders' register as of the registration date exceeded 5,000 individuals and legal entities (from approximately 4,300 shareholders registered at the beginning of the year). At the end of 2023, the market capitalization of the Bittnet group amounted to 174 million ron.

**Bond issues: BNET26E, BNET27A, BNET28 and BNET28A during 2024:**

At the end of 2022, Bittnet conducted a private placement of corporate bonds denominated in euro (the first of its kind in the issuer's history) as a result of which it raised the amount of 1,961,144 eur from 53 individual, legal and professional investors. The maturity of the BNET26E issue is in June 2026. Starting from 07.03.2023, the BNET26E bonds are tradable on the Regulated Market administered by BVB.

2,550 BNET26E bonds changed hands in 2024, i.e. 12% of the total volume of the issue at an average price of 103% of the nominal value and a total transaction value of 262 thousand eur (approx. 1.31 million ron). The interest for BNET26E bonds is 9% per annum payable quarterly through the Central Depository.

In May-June 2023, Bittnet conducted a public bond offering (the first such offering on BVB) and raised 5 million ron from BVB investors. The issue was carried out under the symbol BNET27A, and starting with 19.07.2023 it is traded on the BVB regulated market.

In 2024, 14,065 bonds (i.e. 28% of the total issue) were traded at an average price of 103% of the nominal value, summing up total transactions worth 1.46 million ron. The interest is 10% per year, payable quarterly through the Central Depository. The maturity of the BNET27A issue is in June 2027.

In December 2023, Bittnet launched a new bond issue – BNET28, through the public offering and price range mechanism (similar to BNET27A) as a result of which the issuer raised the amount of 10 million ron. The issue date of the BNET28 bonds was 15.12.2023, and the maturity date will be 15.06.2028. The interest is 9.6% per annum, payable quarterly through the Central Depository. Starting with 02.02.2024, the BNET28 bonds are tradable on the BVB Regulated Market. From listing until the end of 2024, a number of 29,181 BNET28 bonds changed hands (29% of the total issue) at an average price of 101% of the nominal value, meaning transactions worth 2.96 million ron.

During March-April 2024, Bittnet conducted a new round of financing through a public offering of corporate bonds (under the symbol BNET28A) raising 6.35 million ron from BVB investors – by issuing a number of 66,249 bonds sold at a price of 96 ron/bond. The nominal value is 100 ron/bond – the same as in the other issues conducted by Bittnet, the interest rate is 9% per annum and the maturity is April 2028. Since the listing on 23.05.2024 and until the end of the year, a number of 27,070 BNET28A bonds changed owners (40% of the total BNET28A issue) at an average price of 96.7% of the nominal value, meaning transactions worth 2.61 million ron.

The issuer is up to date with the payment of all coupons related to bond issues.

**9.3. Description of the company's dividend policy**

The General Meeting of Shareholders annually adopts the decision on the allocation of profits. However, the Company's intention is not to pay dividends in the next financial years. Bittnet operates in a very dynamic field - Information Technology. So far, we have managed to record significant growth rates, always being profitable both in terms of EBITDA and operating profit.

On the other hand, the current size of the company, combined with the consolidation trend present in all industries in the global economic landscape, makes us feel that the only direction we can go is "all the way up." In this sense, we intend to continue investing all available resources in the development of the Company.

From the shareholders' point of view, the policy of reinvesting profits also means a 'no dividend' policy. We intend to propose to the Shareholders' Meeting this reinvestment policy as long as the Company's growth forecasts are stronger than those of the market in general. In the long term and in general, the value that the Company generates will be reflected in the Company's own valuation - the share price. Management believes that it can continue to maintain a growth rate above that of the market in general for a significant period of time.



Our current operational capacity is such that we can extract profits from accelerating revenue growth. This is the management's intention: to continue to grow revenue in conditions of profitability expressed in gross margin and operating profit. Thus, the Company will generate more cash to cover a generally fixed cost structure, in essence the 'additional gross margin' contributing almost entirely to the Company's gross profit.

Even in this context in which we aim to grow the group's business and extract a higher degree of profitability - in line with the strategy announced in 2024 to focus on simplification and profitability, we have started a share buyback program with the declared purpose for the buyback shares to be canceled. The program started in August 2024. This program involves the daily buyback of a volume of BNET shares directly from the spot market within the limits of the legal daily volume provisions. By the end of 2024, the issuer had bought back a number of 4,000,000 shares. Bittnet's intention is to continue the current buyback program in 2025, by the date of writing this document, the issuer buying back 5,369,000 shares. In parallel, the company's management is considering proposing to shareholders a public buyback offer conducted in accordance with ASF regulations, through which it could acquire a larger volume of its own shares in a shorter period.

#### **9.4 Specification of dividends due/paid/accumulated in the last 3 years and, if applicable, the reasons for any decrease in dividends during the last 3 years.**

According to the dividend policy, in 2016, 2017, 2018, 2019, 2020 and 2021 the general meeting decided to reward shareholders by capitalizing the company's profits and granting free shares - one operation each year. No similar operations were carried out in the period 2022 - 2024.

#### **9.5. Description of any activities of the company to acquire its own shares.**

During the EGMS of April 2024, the opportunity to carry out share buyback operations from the market was submitted for approval and the Board of Directors was mandated to determine the opportunity and timing of such operations and to take the necessary steps. In August 2024 – the Board of Directors of Bittnet established the start of a share buyback program, through daily buybacks from the market. The maximum number of shares to be bought back will be 10,000,000 ordinary, registered, common, dematerialized shares, with an individual nominal value of 0.1 ron, within the limit of a maximum budget allocated for this operation of 2,000,000 ron.

The intermediary through which this market operation is carried out is BRK FINANCIAL GROUP SA and the maximum daily volume repurchased is within the limit of 25% of the average daily quantity of shares traded on the market, calculated according to the applicable legislation, according to art. 3 paragraph (3) letter b) of the EU Delegated Regulation 2016/1052.

The price at which the redemptions are made is within the range established by the EGMS Decision no. 04 of 25.04.2024 and the Board of Directors Decision of August 2024: the minimum redemption price 0.1 RON/share (respectively the nominal value), and the maximum redemption price 0.25 RON/share. The implementation of the redemption program is carried out from own sources.

By the end of 2024, a volume of 4,000,000 treasury shares had already been repurchased, and by the date of writing this document, the threshold of 5,369,000 BNET shares. The issuer informs weekly, every Monday, through current reports published on the issuer's page at BVB and on the website dedicated to investor relations regarding the number of shares repurchased to that point.

#### **9.6. If the company has subsidiaries, specifying the number and nominal value of shares issued by the parent company held by the subsidiaries.**

None of the companies in the group own shares or bonds issued by Bittnet.

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9.7. If the company has issued bonds and/or other debt instruments, a presentation of how the company pays its obligations to the holders of such securities.

The company is up to date with the payment of coupons to bondholders, for all bond issues, coupon distributions are made through the standardized system of the Central Depository. During the period 2016 - 2025, since the issuance of the first bond issue, the company paid over 14 million ron to more than 2,000 bondholders, according to the payment calendars for each of the bond issues.

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## Section 10: Information about trends

### 10.1. A description of:

(a) the main trends affecting production, sales and stocks, costs and selling prices since the end of the last completed financial year and up to the date of the registration document;

Starting with 2020, the Issuer has felt the effect of the following socio-economic trends:

1. **Increasing competition for human resources** ("heating of the labor market"). This trend has been going on for several years and is particularly evident in the IT industry, in which the Issuer operates. Particularly in the case of the IT services industry, any person can provide services from wherever they are for clients from any other part of the world. This makes the Romanian market for IT experts one with global competition. Thus, there are multinational companies that have headquarters in Romania, but also freelancing platforms that accept Romanian citizens as members of the platform. Both alternatives generate more options for qualified personnel to choose from to offer their services, resulting in an increase in the price of human resources. From an accounting point of view, in the case of the Issuer and the companies in the group this translates into an increase in personnel and subcontractor costs. From an operational point of view, this reality translates into increasing difficulties in finding and attracting qualified personnel, but also in the need to devote time, attention and material resources to creating a pleasant and attractive workplace. These are internal management priorities.
2. **Commoditization of IT services.** This trend leads to lower selling prices for the Issuer's products and services, which combined with the increase in the cost of human resources generates pressure on the gross margin (revenue minus direct costs). Additionally, this induces customers to prefer to pay only for what they consume, moving away from subscriptions or major upfront investments.
3. **Gig Economy ("uberization").** The emergence and development of this trend has partially eased the Issuer's pressure on fixed costs (since the personal income recorded by the Issuer's employees comes from several sources, so there is no pressure for us), but it has also increased the need to develop operations on a larger scale, so that we can take advantage of this trend. We consider it essential that in the coming years we continue the policy of accelerated growth of the Issuer's size, in order to ensure access to sufficient human resources.

b) any significant change in the financial performance of the group since the end of the last financial year for which financial information has been published up to the date of the registration document, or an appropriate negative statement.

Not applicable. No significant changes have been identified in the group's financial performance since the end of the last financial year until the publication of this Document.

10.2. Information on any known trend, uncertainty, requirement, commitment or event that is reasonably likely to materially affect the issuer's prospects, at least for the current financial year.

That's not the case.

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## Section 11: Profit forecasts or estimates

Where an issuer has published a profit forecast or estimate (which is still in force and valid), that forecast or estimate shall be included in the document. Where a profit forecast or estimate has been published and is still in force but is no longer valid, a statement to that effect and an explanation of the reasons why that forecast or estimate is no longer valid shall be provided.

Not applicable. The Issuer does not make any profitability forecasts. The Issuer operates annually with a Revenue and Expenditure Budget (REB) approved by the General Meeting of Shareholders. The REB for 2025 will be submitted to shareholders for approval at the general meeting scheduled for April 28, 2025.

BITTNET CONSOLIDATED GROUP	Indicative budget 2025E
Revenue from contracts with customers	446,650,107
Direct expenses (COSTS OF SALES)	363,091,501
Gross Margin	83,558,606
Gross Margin %	18.7%
Indirect expenses	57,999,055
<i>Selling/distribution expenses</i>	21,038,217
<i>Human Resources - indirect costs</i>	23,434,915
<i>Other Administrative expenses</i>	13,525,923
EBITDA	25,559,551
%EBITDA	5.7%
<i>amortization</i>	10,824,357
EBIT	14,735,194
<i>SOP &amp; M&amp;A costs</i>	935,412
<i>Financial Result</i>	(5,989,797)
Gross Profit	7,809,984
<i>Current income tax</i>	1,249,597
Net profit	6,560,387
%Net profit	1.5%

In all documents published by companies listed on capital markets around the world, regarding the "Income and Expense Budget", it is stated that the figures presented do not represent a promise or guarantee, and the company cannot be held liable for failure to achieve the objectives.

When a company establishes its income and expense budget for a given year, it takes into account the internal and external factors that it knows at the time of establishing this budget. The last five years have brought companies into extremely difficult situations, in which they have had to adapt and which could not be predicted both domestically and internationally.

Therefore, the new reality, in which the problems are not only related to the domestic kitchen of a country, generates the following dilemma for all managers: we set goals that seem difficult to achieve at first glance, but for which at the time of setting them we base our goals on indicators and estimates consistent with the reality of that moment, or we publish an extremely moderate budget, which we know we can exceed, but at the same time brings the company into a situation of entering a comfort zone and greatly reducing its chances for a more prosperous future for all those involved.

At Bittnet group, we have always preferred to set bold targets, built on the conservative assumption that it will be harder for us to produce the same dollars next year as this year – so we will have to work harder. Every

year, some activities or companies exceed plans and others are affected by various elements beyond the control of management, and as a result, they do not reach the targets published at the beginning of the year.

We will continue this approach, as it has allowed us to grow continuously, at various rates well above the industry average, even if not always consistently and easily predictable. Perhaps the most relevant example is 2020, followed by 2021. In 2019, we recorded our only year with a net loss in history, due to the difficulties generated in H1 by the efforts to integrate the largest acquisition to date – Crescendo. In 2020, a year marked by lockdowns and company closures, the other companies in the BET-XT index recorded decreases in revenues and a halving of profits. Bittnet recorded an increase in revenues and profits, from minus 4 million to plus 1 million ron. Since the revenue target contained an additional 1 million ron of margin (and therefore profit), the perception of investors was that Bittnet did not deliver what it published in the budget and not the fact that the group recorded an increase in profit by 5 million ron, in an extremely difficult year. This situation was repeated in 2021, when the operating profit continued to grow, and the financial profit doubled. In this situation, the perception was that there was too much financial profit versus operating profit.

For 2025, the indicative budget is 446 million ron in revenue and 14.7 million ron in Operating profit (25.5 million ron in EBITDA). This increasing budget was budgeted in this way even though the cybersecurity pillar was sold at the end of 2024 – the results of which will no longer be included in the consolidation of the group's results in the financial year 2025.

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## Section 12: Administrative, Management and Supervisory Committees and Senior Management

12.1 The names, work addresses and positions within the issuing company of the following persons and the main activities carried out by them outside the issuing company, if the activities in question are significant for the issuing company.

According to Law 24/2017, art. 94, letter (b) manager means “any member of the board of directors, as well as any director, in the case of the unitary management system, respectively any member of the supervisory board, as well as of the directorate, in the case of the dual management system, according to Law no. 31/1990, republished, with subsequent amendments and completions, including in all cases in which he was appointed, the general manager and, if this position exists, the deputy general manager”

Thus, the Issuer has determined that the following roles and persons meet the conditions of the law:

- Members of the board of directors, including the chairman
- General Manager (CEO)
- Financial Manager (CFO)

These people are listed below:

### Board of Directors (BoD) of the Issuer

The Issuer's management, during the first 4 months of the fiscal year 2023, was carried out by a Board of Directors (BoD) consisting of 3 members, elected by the General Meeting of Shareholders on 29.01.2020 for a 4-year term. The management by a BoD consisting of 3 members was carried out until the General Meeting of Shareholders on 27.04.2023. After this date, the Issuer's management was carried out by a Board of Directors consisting of 5 members, by adding two new non-executive directors, following the elections. The mandates of the two new members were aligned with the mandates of the members elected at the AGM in January 2020, respectively until January 2024. Thus, at the end of the fiscal year 2023, as well as for the first month of 2024, the Company's management was carried out by the following directors:

- Ivylon Management SRL through its legal representative, Mr. LOGOFATU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board of Directors;
- Mr. ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors;
- Mr. LOGOFATU CRISTIAN ION – non-executive administrator;
- Dynamic Data Drawings SRL through its legal representative, Mrs. MANIȚIU ANCA – non-executive administrator;
- Mr. VIZENTAL RUDOLF PAUL – non-executive director.

On 25.01.2024, the General Assembly voted on the composition of the New Board of Directors, given the approaching expiration of the mandates at the end of January. Following the elections, the new Board of Directors is composed of the following members, elected for a 4-year mandate - until January 2028:

- Ivylon Management SRL through its legal representative, Mr. LOGOFATU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board of Directors;
  - Mr. ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors;
  - Eccleston Square Capital Limited represented by Mr. CIUCU BOGDAN-ANDREI – non-executive director
  - Mr. CONSTANTINESCU GABRIEL-CLAUDIU – non-executive director
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- Quercus Solutions SRL represented by Mr. MICHEȘ PAUL – non-executive director

Both at the end of 2024 and at the date of drafting this document, the Issuer's administration is carried out by the Council, which includes members elected by the General Assembly of 25.01.2024.

#### Executive directors:

The executive management of the Issuer is delegated to the directors, according to the articles of association and the decision of the Board of Directors, as follows:

- LOGOFĂȚU Mihai Alexandru Constantin – General Manager – for a new 4-year term starting on 16.03.2024
- STĂNESCU Adrian Victor – Financial Director – for a new 4-year term that began on 16.03.2024.

#### Chairman of the Board and General Manager

The Board of Directors appointed the Chairman of the Board, namely Ivylon Management SRL (Romanian legal entity with registered office in Bucharest, Drumul Sării no. 45, room 1, sector 6, registered in the Trade Register Office attached to the Bucharest Court with order no. J40/7852/2019, unique registration code 41260660), a company with the object of activity "management and business consulting". The company was elected by the shareholders as a member of the Board of Directors considering the CV of Mr. LOGOFĂȚU MIHAI-ALEXANDRU-CONSTANTIN - Romanian citizen.

On 25.01.2024, given the approaching expiration of the mandates of the Board members elected by the General Meetings of 29.01.2020 and 27.04.2023, respectively, the General Meeting elected the composition of the New Board of Directors in accordance with the details in point 12.1. above. In the first meeting in which the new Board of Directors met, namely on 30.01.2024, the members of the Board of Directors elected the Chairman of the Board, namely Ivylon Management SRL (a Romanian legal entity with its registered office in Bucharest, Drumul Sării no. 45, room 1, sector 6, registered in the Trade Register Office attached to the Bucharest Tribunal with order no. J40/7852/2019, unique registration code 41260660), a company with the object of activity "management and business consultancy". The company was elected by the shareholders as a member of the Board of Directors considering the CV of Mr. LOGOFĂȚU MIHAI-ALEXANDRU-CONSTANTIN - Romanian citizen

The workplace address of the Chairman of the Board of Directors is the correspondence address of the Issuer, Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. Mr. Logofățu Mihai is a co-founder of the Issuer and at the date of drafting this document held 8.7754% of the shares issued by the Issuer and a number of 300 BNET26E bonds, representing 1.45% of the total issue. At the same time, Mr. Mihai Alexandru Constantin LOGOFĂȚU also performs the function of General Manager.

The Issuer declares that Mr. LOGOFĂȚU MIHAI-ALEXANDRU-CONSTANTIN, who holds the position of Chairman of the Board of Directors and General Manager:

- i. has not been a member of an administrative, management or supervisory body or a limited partner, at any time in the last 5 years, within another company;
- ii. has not been convicted of fraud within the last five years at least;
- iii. has not been associated, within the last five years, with matters relating to any bankruptcy, receivership or liquidation proceedings; and
- iv. has not been incriminated and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.

- v. The General Manager does not carry out other activities outside the Issuer that would have a significant impact on the issuing company.

The Chairman of the Board of Directors carries out his activity based on a mandate contract according to the GMS Decision of 25.01.2024.

**Education:**

- 2012 PhD in Management – University of Craiova
- 2009 Master in Computer Networks – University of Bucharest
- 2007 Bachelor's Degree in Management – Academy of Economic Studies – Bucharest

**Professional experience:**

- 2007 – Present: Bittnet Systems, CEO, Founder
- 2003 – Present: Academia Credis Bucharest, Manager
- 2001 – 2003 Cisco Academy of the University of Bucharest, Instructor

**Vice President and Independent Board Member**

Mr. ANGHEL LUCIAN CLAUDIU – Romanian citizen – was elected Vice President of the Board of Directors.

The work address of the Vice-President of the Board of Directors is the correspondence address of the Issuer, Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. At the date of drafting this document, Mr. Anghel holds 0.8622% of the issuer's shares and 2.04% of the BNET26E bonds, as well as 11.1360% of the BNET27A bonds and 5.941% of the BNET28 bonds.

The Issuer declares that Mr. ANGHEL LUCIAN CLAUDIU, who holds the position of Vice-President of the Board of Directors:

- i. has not been convicted of fraud within the last five years at least;
- ii. has not been associated, during the last five years, with matters relating to any bankruptcy, seizure or liquidation proceedings; and
- iii. has not been indicted and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.
- iv. Mr. Anghel was Chairman of the Board of Directors of the Bucharest Stock Exchange between January 2012 and January 2020.

Currently, Mr. Lucian Anghel is Vice President of Libra Bank and non-executive member of the Board of Directors of Teraplast SA. In 2024, Mr. Anghel also held the position of non-executive member of the company FORT SA (member of the Bittnet Group in 2024).

Mr. Anghel does not carry out other activities that would have a significant impact on the issuing company.

**Education:**

- 2006, HEC Montreal: Business Administration and Management, General
  - 2003, Georgetown University: Postgraduates Program, Field Of Study Bank Risk Management
  - 2003, Bucharest Academy of Economic Studies: Doctor of Philosophy – PhD, Managerial Economics
  - 1997, Bucharest Academy of Economic Studies: Master's degree, Information Technology
  - 1996, Bucharest Academy of Economic Studies: Bachelors Degree Information Sciences and Support Services
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**Professional experience:**

- 2023 – present – Vice President, Board Member, Libra Bank
- 2020 – 2022: CEO, Board Member, Banca Romaneasca
- 2012 – 2020 : President, Bucharest Stock Exchange
- 2015 – 2019: Acting CEO, BCR Housing Bank
- 2012 – Present: University Professor at the Faculty of Management, ASE Bucharest
- 2012 – 2015: Acting CEO, BCR Pensions
- 1996 – 2012: BCR, various positions, including Chief Economist

The Vice President of the Board of Directors carries out his activity based on a mandate contract according to the GMS Decision of 25.01.2024.

**Independent member of the Board**

The independent member of the Issuer's Board of Directors is Eccleston Square Capital Limited (a legal entity registered in the United Kingdom of Great Britain and Northern Ireland) represented by Mr. CIUCU BOGDAN-ANDREI, a citizen with dual Romanian and British citizenship.

The work address of Mr. Ciucu Andrei is the correspondence address of the Issuer, namely Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. At the date of writing this document, Mr. Ciucu does not hold financial instruments issued by Bittnet Systems SA.

The Issuer declares that Mr. Ciucu, who holds the quality of member of the Board of Directors:

- In the last 5 completed financial years, he has not been a member of the board of directors or supervisory board of other companies.
- has not been convicted of fraud within the last five years at least;
- Has not been associated, during the last five years, with matters relating to any bankruptcy, seizure or liquidation procedure;
- has not been indicted and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.

Mr. Ciucu does not carry out other activities that would have a significant impact on the issuing company.

**Education:**

- 2022-2023: Harvard Medical School: Leading Transformation in Healthcare – postgraduate studies
- 2005-2006: The London School of Economics & Political Sciences: Master's Degree in Finance and Accounting
- 2002 – 2005: Ecole Normale Supérieure de Cachan, Paris: Diploma des Grandes Ecoles (in Finance and Economics)
- 1999 – 2002: Academy of Economic Studies, Faculty of Finance, Insurance, Banking and Stock Exchanges, Bucharest – Bachelor's degree in Finance

**Professional experience:**

- Oct 2023–present: CEO Dental Elite (co-founder in 2018)
  - Feb 2015–Sep 2023 Portfolio Manager at Chenavari Investment Managers, London
  - Sep 2011–Feb 2015 – Senior Investment Analyst at Chenavari Investment Managers, London
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- July 2006–Aug 2011 – Associate at Financial Entrepreneurs Group (M&A and Leveraged Finance), Citi Investment Banking, London
- Oct 2004–Sep 2005 – Analyst at EuroTitrisation (BNP Paribas, Calyon), Paris

Eccleston Square Capital Limited through Mr. Ciucu carries out its activity based on a mandate contract according to the AGM Decision of 25.01.2024.

### Independent member of the Board

The independent member of the Issuer's Board of Directors is Mr. CONSTANTINESCU GABRIEL-CLAUDIU, a Romanian citizen.

Mr. Constantinescu's work address is the Issuer's correspondence address, namely Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. At the date of this document, Mr. Constantinescu does not hold financial instruments issued by Bittnet Systems SA.

The Issuer declares that Mr. Constantinescu, who holds the quality of member of the Board of Directors:

- In the last 5 completed financial years, he has not been a member of the board of directors or supervisory board of other companies.
- has not been convicted of fraud within the last five years at least;
- Has not been associated, during the last five years, with matters relating to any bankruptcy, seizure or liquidation procedure;
- has not been indicted and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.

Mr. Constantinescu does not carry out other activities that would have a significant impact on the issuing company.

### Education:

- 2006, Bucharest Academy of Economic Studies, PhD: Economic Data Cryptography and Polymorphic Engines
- 1999, Bucharest Academy of Economic Studies, Master: Information Systems for Management
- 1998, Bucharest Academy of Economic Studies, Bachelor's Degree: Economic Informatics

### Professional experience:

- 2022 – Present: Qinshift Czechia, SVP Delivery Operations
  - 2018 – 2022: Endava (NYSE: DAVA), Regional Manager CE
  - 2016 – 2018: Endava (NYSE: DAVA), Delivery Unit Manager Bucharest & Pitesti
  - 2012 – 2016: Endava (NYSE: DAVA), Delivery Manager & Head of Project Management Bucharest
  - 2008 – 2012: Kepler Engineering, CEO 2004 – 2007: Kepler Rominfo, Project Director (Energy Business)
  - 2002 – 2004: Danubius, Software Development Director
  - 2001 – 2002: Totalsoft, Project Manager
  - 1999 – 2001: Beler Soft / Crinsoft, Project Manager & Programmer Analyst
  - 1998 – 1999: Kepler Rominfo, Programmer Analyst 1997 – 1998: Eastern Duty Free, Programmer Analyst
  - 1994 – 1997: Various, Programmer / IT Specialist
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Mr. Constantinescu carries out his activity based on a mandate contract according to the GMS Decision of 25.01.2024.

### Independent member of the Board

The independent member of the Issuer's Board of Directors is Quercus Solutions SRL, through its permanent representative Mr. MICHEȘ PAUL, a Romanian citizen.

Mr. Micheș's work address is the Issuer's correspondence address, namely Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. At the date of this document, Mr. Micheș does not hold financial instruments issued by Bittnet Systems SA.

The Issuer declares that Mr. Micheș, who holds the quality of member of the Board of Directors:

- In the last 5 completed financial years, he has not been a member of the board of directors or supervisory board of other companies.
- has not been convicted of fraud within the last five years at least;
- Has not been associated, during the last five years, with matters relating to any bankruptcy, seizure or liquidation procedure;
- has not been indicted and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.

Mr. Micheș does not carry out other activities that would have a significant impact on the issuing company.

### Education:

- Master of Business Administration program – Open University Business School, UK
- Bachelor's degree in Electronics at the Faculty of Electronics and Telecommunications, Politehnica University of Bucharest

### Professional experience:

- March 2021 – present: Board Member & Strategic Consultant – Quercus Solutions
- October 2010–October 2020: Country General Manager – Tech Data/Avnet Romania
- November 2009–September 2010: General Manager – ScopComputers SRL, Romania
- June 2007 – November 2009: EMEA Business Development Manager – Microsoft Ltd., UK
- January 2006 – June 2007: EMEA Sales & Marketing Manager – Microsoft Ltd., UK
- December 1996 – January 2006: SMS&P Sales Director – Microsoft Romania & South East Europe
- June 1994 – December 1996: Senior Sales Representative – Arexim SA
- April 1992 – June 1994: Technical Support Director – A&C International

Quercus Solutions SRL through Mr. Micheș carries out its activity based on a mandate contract according to the AGM Decision of 25.01.2024.

### Financial Manager

The Issuer's Chief Financial Officer is Mr. Stanescu Adrian Victor, a Romanian citizen.

The work address of Mr. Stanescu Adrian is the correspondence address of the Issuer, Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. As of the date of this document, Mr. Stanescu holds 0.7018% of the shares issued by the Issuer.

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The Issuer declares that Mr. STANESCU ADRIAN VICTOR, who holds the position of Financial Manager:

- i. In the last 5 completed financial years, Mr. Adrian Stanescu was a member of the board of directors or supervisory board of the following companies: Nectcity Telecom SA, Certsign SA, UTI Grup SA
- ii. has not been convicted of fraud within the last five years at least;
- iii. Has not been associated, during the last five years, with matters relating to any bankruptcy, seizure or liquidation procedure;
- iv. has not been indicted and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.

Mr. Stanescu does not carry out other activities that would have a significant impact on the issuing company.

#### Education:

- 2013 - CFA Program (Chartered Financial Analyst), CFA Level III
- 2008 – Bachelor's Degree, Faculty of Electronics, Telecommunications and Information Technology ('ETTI'), Politehnica University, Bucharest
- 2008 – Bachelor's Degree, Faculty of Finance, Insurance, Banking and Stock Exchanges (,FABBV'), Academy of Economic Studies (,ASE'), Bucharest

#### Professional experience:

- 2018 – present: CFO, Bittnet Group;
- 2014 – 2018: Economic Director / CFO, UTI Grup SA
- 2012 – 2014: Deputy Economic Director, UTI Grup SA
- 2012 – Treasury Manager, UTI Grup SA
- 2008 - 2012 – Customer Relations Manager, BCR, 'Group Large Corporates' Department

Currently, Mr. Stanescu Adrian is working under a 4-year mandate contract, starting from 16.04.2024.

#### 12.2. Conflicts of interest at the level of administrative, management and supervisory bodies and senior management

Not applicable. There is no conflict of interest between the obligations towards the Issuer of any of the persons mentioned in point 12.1 and their private interests and other obligations. No information regarding any understanding or agreement with the main shareholders, customers, suppliers or other persons, pursuant to which any of the persons referred to in point 12.1 was elected as a member of an administrative, management or supervisory body or a member of senior management. There was no restriction accepted by the persons referred to in point 12.1 regarding the disposal, within a certain period of time, of the issuer's securities held by them.

Until 29.01.2024, Mr. Logofătu Cristian Ion, co-founder of the Issuer, was a member of the Board of Directors of the Issuer. Messrs. Logofătu Cristian Ion and Logofătu Mihai Alexandru Constantin, the founders of the company, are brothers.

#### 12.3 Statement on disputes regarding leaders

None of the persons mentioned in section 12 has been involved in the last 5 years in litigation or administrative proceedings, litigation relating to their activity within the Issuer, as well as those concerning the capacity of the respective person to perform their duties within the Issuer.

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## Section 13: Remuneration and benefits

For the last completed financial year and for all persons referred to in points (a) and (d) of the first paragraph of point 12.1, the amount of remuneration paid (including any conditional or deferred remuneration) and benefits in kind granted by the issuer and its subsidiaries for services of any kind rendered for their benefit by the person concerned. This information shall be provided individually, unless the issuer's home country does not require the communication of individualised information and it is not otherwise published by the issuer.

According to Law 24/2017, art. 91<sup>^</sup>2, letter (b) manager means “any member of the board of directors, as well as any director, in the case of the unitary management system, respectively any member of the supervisory board, as well as of the directorate, in the case of the dual management system, according to Law no. 31/1990, republished, with subsequent amendments and completions, including in all cases in which he was appointed, the general manager and, if this position exists, the deputy general manager”

Thus, Bittnet Systems SA (hereinafter referred to as the Company, Issuer or Company) has determined that the following roles and persons meet the conditions of the law:

- Members of the board of directors, including the chairman
- General Manager (CEO)
- Financial Manager (CFO)

In the case of the Bittnet group, Mr. Mihai Logofătu, one of the company's founders, is Bittnet's general manager and representative of the chairman of the board of directors.

### Board of Directors (BoD) of the Issuer

The Issuer is managed by a Board of Directors consisting of 5 members elected by the shareholders in the General Meeting of January 2024. The mandates of the Board members are 4 years from the date of their appointment by the General Meeting:

- Ivylon Management SRL through legal representative LOGOFĂTU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board;
- ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors;
- CONSTANTINESCU CLAUDIU GABRIEL – non-executive director;
- ECCLESTON SQUARE CAPITAL LIMITED through legal representative CIUCU BOGDAN ANDREI – non-executive director;
- QUERCUS SOLUTIONS SRL through legal representative MICHEȘ PAUL

### Fixed remuneration of members of the Board of Directors (BOD)

The fixed remuneration of the members of the Board of Directors is approved annually by the ordinary general meeting of the Company's shareholders. The members of the Board of Directors may be paid, in addition to the fixed remuneration presented above, other amounts for participation in the Company's advisory committees, subject to the general limit of all remuneration as approved annually by the ordinary general meeting of the Company's shareholders.

In 2024, no additional amounts were paid for participation in advisory committees for members of the Board of Directors.

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The General Assembly of 25.04.2024 also voted on the remuneration policy, and it was implemented as follows:

**In 2024, the members of the Board of Directors were paid their remuneration according to the remuneration policy, all payments were made in accordance with the remuneration policy:**

Ivylon Management SRL through legal representative LOGOFĂTU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board	240,000 ron gross income
ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors	200,000 ron gross income
CONSTANTINESCU CLAUDIU GABRIEL – non-executive director	183,300 ron gross income
ECCLESTON SQUARE CAPITAL LIMITED through legal representative CIUCU BOGDAN ANDREI – non-executive director	183,300 ron gross income
QUERCUS SOLUTIONS SRL through legal representative MICHEȘ PAUL – non-executive administrator	183,300 ron gross income

### Variable remuneration

Both the members of the Board of Directors and the Directors benefit from a variable remuneration linked to performance which has two components, namely a cash component and a component based on participation in the Company's share capital (Long-term Incentive Plan). The performance criteria that must be met to benefit from variable remuneration include consolidated EBITDA, consolidated Revenue (total sales to customers) and the Company's market capitalization. The expiration of the options under the long-term incentive plan is the period May-June 2026<sup>1</sup>.

For the year 2024, Mr. Logofătu Mihai Alexandru Constantin, as legal representative of Ivylon Management SRL, Chairman of the Board, was included in the incentive plan with options with a percentage of 0.25%.

For the year 2024, Mr. Anghel Lucian Claudiu, as non-executive director and vice-chairman of the Board of Directors, was included in the incentive plan with options with a percentage of 0.15%.

For the year 2024, Mr. Constantinescu Claudiu Gabriel, as a non-executive director, was included in the incentive plan with options with a percentage of 0.15%.

For the year 2024, Mr. Ciucu Bogdan Andrei, as legal representative of ECCLESTON SQUARE CAPITAL LIMITED, non-executive director, was included in the incentive plan with options with a percentage of 0.15%.

For the year 2024, Mr. Micheș Paul, as legal representative of Quercus Solutions SRL, non-executive director, was included in the incentive plan with options with a percentage of 0.15%.

The long-term incentive plan has a duration of 3 years and was approved by the General Meeting in April 2023 (the settlement period being May-June 2026). The plan does not include requirements for the shares to be

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<sup>1</sup>The company proposed on the EGMS agenda of 28.04.2025 the cancellation of the long-term incentive plan approved in April 2023

unavailable after the final award. The company proposed on the agenda for the EGMS of 28.04.2025 the cancellation of the incentive plan.

The assessment of the fulfillment of the performance criteria and the establishment of the variable remuneration due is carried out by the Board of Directors based on the recommendation and analysis of the Remuneration Committee.

### **Additional benefits for Board members**

None. The members of the Board of Directors will be reimbursed for expenses incurred for representing the Company and for the proper performance of their duties within the Board of Directors or advisory committees. The Company pays “D&O liability” policies for the members of the Board of Directors.

According to the remuneration policy, members of the Board of Directors may be paid additional amounts, in addition to the fixed remuneration presented above, for participation in the company's advisory committees, depending on the number of meetings or the number of committees in which they participate.

In 2024, no additional amounts were paid for participation in advisory committees for members of the Board of Directors.

### **Participation in the boards of directors of companies part of the group**

During 2024, Ivylon Management, represented by Mr. Mihai Alexandru Constantin Logofătu, held the position of member of the board of directors of Fort SA (formerly Global Resolution Experts (GRX/Fort) for which he received a total gross compensation of 243,750 ron.

During 2024, Ivylon Management, represented by Mr. Mihai Alexandru Constantin Logofătu, held the position of sole administrator of GRX Advisory SRL (fully owned by Fort SA) for which he was not remunerated.

During 2024, Ivylon Management, represented by Mr. Mihai Alexandru Constantin Logofătu, held the position of sole administrator of ISEC Associates SRL (fully owned by Fort SA) for which he was not remunerated.

During 2024, Mr. Lucian Anghel held the position of member of the board of directors of Fort SA (formerly Global Resolution Experts (GRX/Fort) for which he received a total gross compensation of 120,000 ron.

During 2024, Ivylon Management, represented by Mr. Mihai Logofătu, held the position of administrator of Top Tech SRL (rebranded at the end of the year into Dendrio Technology SRL) for which he received a total gross compensation of 404,300 ron.

During 2024, Ivylon Management, represented by Mr. Mihai Logofătu, held the position of administrator of zNET Computer SRL for which he received a total gross compensation of 256,650 ron.

Expenses related to the exercise of the functions of the Board of Directors, as well as the representation of the group by the members of the Board, are not included in this report as they are not considered benefits. These are current expenses such as those for communications and IT equipment (laptop, mobile phone) or mobile phone subscriptions.

### **The General Manager:**

Taking into account the fact that Mr. Mihai Logofătu, founder of the company, also serves as General Manager and Chairman of the Board of Directors, Mr. Logofătu benefited in 2024 from a remuneration related to the position of General Manager in the amount of 216,000 ron. For 2024, Mr. Logofătu Mihai was included in the incentive plan with options with a percentage of 0.5%.

The company pays “D&O liability” policies for executive directors.

The benefit received as General Manager is access to a car rented under operational leasing – Toyota Camry – worth 500 eur per month. There are no other benefits.

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**Financial Manager:**

For the fiscal year 2024, Mr. Adrian Stănescu received a total gross remuneration of 621,513 ron. Starting with September 2024, Mr. Stănescu also holds the position of member of the Board of Directors of Dendrio Innovations SRL (formerly Dataware Consulting) for which he received a gross remuneration, related to the 3rd quarter of 2024, in the amount of 102,562 ron.

For the year 2024, Mr. Adrian Stănescu was included in the incentive plan with options with a percentage of 0.4%.

The benefit received as Financial Director is access to a car rented under operational leasing – Volvo XC60 – worth 800 eur per month. There are no other benefits.

The remuneration report is submitted for approval in the OGMS of 28.04.2025. In 2024, there was no case for paying additional amounts to the members of the Board of Directors or to the directors for participation in the meetings of the Board or Committees, other than the approved fixed remunerations. Thus, the proportion of fixed remuneration represented 100% of the total remuneration paid to the members of the Board of Directors and directors. The remuneration policy and the approved remunerations contribute to the long-term performance of the Issuer.

## Section 14: Functioning of the administrative and management bodies

For the issuer's last completed financial year, unless otherwise specified, the following information shall be provided for each of the persons referred to in point (a) of the first paragraph of item 12.1.

14.1. The date of expiration of the current mandate of the person in question, as applicable, and the period during which he held the respective position.

On 25.01.2024, the General Assembly voted on the composition of the new Board of Directors, given the approaching expiration of the mandates. Following the elections, the new Board of Directors is composed of the following members, elected for a 4-year mandate, respectively until 29.01.2028:

- Ivylon Management SRL through its legal representative, Mr. LOGOFATU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board of Directors;
- Mr. ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors;
- Eccleston Square Capital Limited represented by Mr. CIUCU BOGDAN-ANDREI – non-executive director
- Mr. CONSTANTINESCU GABRIEL-CLAUDIU – non-executive director
- Quercus Solutions SRL represented by Mr. MICHEȘ PAUL – non-executive director

The General Manager was appointed by the Board of Directors and carries out his activity based on a 4-year mandate contract, until 16.03.2028.

The Financial Director was appointed by the Board of Directors and carries out his activity based on a 4-year mandate contract, until 16.03.2028.

Prior to 2024, the Issuer's Board of Directors had a different composition: On January 29, 2020, the General Meeting approved the amendment of the company's articles of association in order to manage it by a Board of Directors consisting of 3 members for a 4-year term. Management by a Board of Directors consisting of 3 members was carried out until the General Meeting of Shareholders of April 27, 2023. After this date, the



Issuer's management was carried out by a Board of Directors consisting of 5 members, by adding two new non-executive directors, following the elections. The mandates of the two new members were aligned with the mandates of the members elected at the AGM of January 2020, respectively until January 29, 2024. Thus, at the end of the 2023 fiscal year, the Company was managed by the following directors:

- Ivylon Management SRL through its legal representative, Mr. LOGOFATU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board of Directors;
- Mr. ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors;
- Mr. LOGOFATU CRISTIAN ION – non-executive administrator;
- Dynamic Data Drawings SRL through its legal representative, Mrs. MANIȚIU ANCA – non-executive administrator;
- Mr. VIZENTAL RUDOLF PAUL – non-executive director.

On 19.01.2024, Mr. Vizental Rudolf notified the issuer, and the issuer notified the capital market, regarding the letter of resignation from the position of member of the issuer's board of directors.

**14.2. Information on service contracts concluded between members of the administrative, management and supervisory bodies and the issuer or any of its subsidiaries, which provide for the granting of benefits upon expiry of the contract, or an appropriate statement indicating that there are no such benefits.**

The administrators carry out their activity according to the mandate contracts approved by the General Meeting of Shareholders in January 2024. There are no clauses regarding the granting of benefits upon the expiration of the administrator contract or upon the expiration of the director contracts (general, financial).

**14.3. Information on the issuer's audit committee and remuneration committee, including the names of the members of these committees, and a summary of the mandate under which the committees operate.**

Currently, the Audit Committee is functioning and is composed of the following persons:

- Mr. Lucian Anghel
- Mr. Cristian Logofatu
- Mr. Micheș Paul

The Audit Committee has the mandate to assist the Board of Directors of BITTNET SYSTEMS SA in the efficient supervision of aspects related to the risk management and internal control system at the Company level. Thus, the main responsibilities of the Audit Committee are to formulate recommendations addressed to the Board regarding:

- Financial reporting: The Committee examines and verifies the accuracy of the Company's annual and interim consolidated financial statements and any other financial reporting, before they are submitted to the Board for approval.
  - Financial audit: The Committee analyzes and makes recommendations to the Board regarding the appointment, reappointment and dismissal of financial auditors, which must be approved by shareholders, periodically evaluates the efficiency, independence and objectivity of financial auditors;
  - Internal audit and internal control: The Committee approves the organization and functioning of the Internal Audit department, analyzes the Internal Auditor's report, as well as the implementation status of his recommendations, and makes recommendations to the Board regarding the appointment or dismissal/dismissal of the Internal Auditor.
  - Compliance, Conduct and Conflicts of Interest: The Committee ensures that the Company's policies and practices comply with local and international laws and regulations, with the recommendations of regulatory authorities and with best practices, and reviews the implementation of the policy on conflicts of interest.
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- Risk management: The Committee informs the Board about the main risks assumed by the Company, monitors these risks and ensures that they are managed effectively.

Currently, the Nomination and Remuneration Committee is composed of the following persons:

- Mr. Picheș Paul
- Mr. Constantinescu Gabriel-Claudiu
- Mr. Ciucu Andrei Bogdan

The Nomination and Remuneration Committee has the mandate to assist the Board of Directors of the Issuer in the development and implementation of the remuneration policy of the management structure. To this end, the Committee:

- develops the remuneration policy of the management structure, taking into account the long-term interests of shareholders, the strategy, business plan and performance of the Company, best practices in the field, a balanced mix of incentives to attract and retain the personnel that the Company needs for its operations;
  - formulates proposals for the attention of the Council and, through the Council, for the attention of the general meeting of shareholders, as the case may be, regarding share award programs and/or share purchase options;
  - reviews the annual remuneration report, which presents how the remuneration policy for members of the management structure was implemented during the annual period under review.
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14.4. A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. If the issuer does not comply with such a regime, a statement to that effect shall be included, as well as an explanation of the reasons why the issuer does not comply with such a regime.

The provisions of the Code	Respect	Does not comply partially or complies	Reason for non-compliance
A.1 All companies must have internal Board regulations that include the terms of reference/responsibilities of the Board and the key management functions of the company, and that apply, among other things, the General Principles in Section A.	YES		
A.2 Provisions for the management of conflicts of interest should be included in the Board's rules of procedure. In any case, Board members must notify the Board of any conflicts of interest that have arisen or may arise and refrain from participating in the discussions (including by non-attendance, unless non-attendance would prevent a quorum) and from voting on a decision on the matter giving rise to the conflict of interest.	YES		
A.3 The Board of Directors or Supervisory Board must consist of at least five members.	YES		
A.4 The majority of the members of the Board of Directors must not hold an executive position. At least one member of the Board of Directors or the Supervisory Board must be independent in the case of companies in the Standard Category. In the case of companies in the Premium Category, no less than two non-executive members of the Board of Directors or the Supervisory Board must be independent. Each independent member of the Board of Directors or the Supervisory Board, as the case may be, must submit a declaration at the time of his nomination for election or re-election, as well as when any change in his status occurs, indicating the elements on the basis of which he is considered independent in terms of his character and judgment and following the criteria of the code.	YES		
A.5 Other relatively permanent professional commitments and obligations of a Board member, including executive and non-executive positions on the Board of non-profit companies and institutions, must be disclosed to shareholders and potential investors prior to nomination and during his or her term of office.	YES		
A.6 Any member of the Board must disclose to the Board any relationship with a shareholder who directly or indirectly holds shares representing more than 5% of all voting rights. This obligation refers to any relationship that may affect the member's position on matters decided by the Board.	YES		

The provisions of the Code	Respect	Does comply partially complies	not or	Reason for non-compliance
A.7 The company must appoint a Board Secretary responsible for supporting the work of the Board.	YES			
A.8 The corporate governance statement shall state whether a Board review has taken place under the chairmanship or the nomination committee and, if so, shall summarise the key measures and changes resulting from it. The company shall have a Board review policy/guideline setting out the purpose, criteria and frequency of the review process.	YES			
A.9 The corporate governance statement must contain information on the number of meetings of the Board and committees during the last year, the participation of directors (in person and in absentia) and a report of the Board and committees on their activities.	YES			
A.10 The corporate governance statement must include information on the exact number of independent members of the Board of Directors or the Supervisory Board.	YES			
A.11 The Board of Premium Category companies must establish a nomination committee consisting of non-executive members, which will lead the nomination process for new members to the Board and make recommendations to the Board. The majority of the members of the nomination committee must be independent.	YES			The Nomination and Remuneration Committee was established and operates within the Board of Directors, although the Company does not have this obligation, not being included in the Premium category.
B.1 The board must establish an audit committee of which at least one member must be an independent non-executive director. The majority of the members, including the chairman, must have demonstrated that they have appropriate qualifications relevant to the functions and responsibilities of the committee. At least one member of the audit committee must have proven and appropriate audit or accounting experience. In the case of companies in the Premium Category, the audit committee must consist of at least three members and the majority of the members of the audit committee must be independent.	YES			
B.2 The chairman of the audit committee must be an independent non-executive member.	YES			
B.3 As part of its responsibilities, the audit committee must conduct an annual assessment of the internal control system.	YES			
B.4 The assessment should consider the effectiveness and coverage of the internal audit function, the adequacy of the risk management and internal control reports presented to the Board's audit committee, the promptness and effectiveness with which executive management addresses deficiencies or weaknesses identified by internal control and the presentation of relevant reports to the Board.	YES			

The provisions of the Code	Respect	Does comply partially complies	not or	Reason for non-compliance
B.5 The audit committee must assess conflicts of interest in connection with the transactions of the company and its subsidiaries with related parties.	YES			
B.6 The audit committee must evaluate the effectiveness of the internal control system and the risk management system.	YES			
B.7 The audit committee should monitor the application of legal standards and generally accepted internal audit standards. The audit committee should receive and evaluate the reports of the internal audit team.	YES			
B.8 Whenever the Code mentions reports or analyses initiated by the Audit Committee, these must be followed by periodic (at least annually) or ad hoc reports that must be subsequently submitted to the Board.	YES			
B.9 No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements concluded by the company with shareholders and their affiliates.	YES			
B.10 The Board must adopt a policy to ensure that any transaction of the company with any of the companies with which it has close relationships whose value is equal to or greater than 5% of the company's net assets (according to the latest financial report) is approved by the Board following a binding opinion of the Board's audit committee and properly disclosed to shareholders and potential investors, to the extent that these transactions fall within the category of events subject to reporting requirements.	YES			
B.11 Internal audits should be performed by a structurally separate division (internal audit department) within the company or by engaging an independent third party entity.	YES			The internal audit function is outsourced to a specialized firm.
B.12 In order to ensure the performance of the core functions of the internal audit department, it should report functionally to the Board through the audit committee. For administrative purposes and within the framework of management's obligations to monitor and mitigate risks, it should report directly to the CEO.	YES			The internal audit function is outsourced to a specialized firm.

The provisions of the Code	Respect	Does comply partially complies	not or	Reason for non-compliance
<p>C.1 The company must publish the remuneration policy on its website and include in the annual report a statement on the implementation of the remuneration policy during the annual period under review.</p> <p>[...]</p> <p>The remuneration report must present the implementation of the remuneration policy for the persons identified in the remuneration policy during the annual period under review.</p> <p>Any essential change in the remuneration policy must be published in a timely manner on the company's website.</p>	YES			
<p>D.1<sup>2</sup>The company must organize an Investor Relations service – indicating to the general public the responsible person(s) or organizational unit. In addition to the information required by legal provisions, the company must include on its website a section dedicated to Investor Relations, in Romanian and English, with all relevant information of interest to investors, including:</p>	YES			
<p>D.1.1 Main corporate regulations: articles of association, procedures regarding general meetings of shareholders;</p>	YES			
<p>D.1.2 Professional CVs of the members of the company's management bodies, other professional commitments of the members of the Board, including executive and non-executive positions on boards of directors in companies or non-profit institutions;</p>	YES			
<p>D.1.3 Current reports and periodic reports (quarterly, semi-annual and annual) – at least those provided for in point D.8 – including current reports with detailed information regarding non-compliance with this Code;</p>	YES			
<p>D.1.4 Information regarding general meetings of shareholders: agenda and information materials; procedure for electing members of the Board; arguments supporting the proposals for candidates for election to the Board, together with their professional CVs; shareholders' questions regarding the items on the agenda and the company's responses, including the decisions adopted;</p>	YES			

<sup>2</sup>Compliance with provision D.1. means that the company complies with all its sub-points (D.1.1, D.1.2, etc.).

The provisions of the Code	Respect	Does comply partially complies	not or	Reason for non-compliance
D.1.5 Information on corporate events, such as the payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of a shareholder's rights, including the deadlines and principles applied to such operations. Such information shall be published in a time frame that allows investors to make investment decisions;	YES			
D.1.6 Name and contact details of a person who will be able to provide, upon request, relevant information;	YES			
D.1.7 Company presentations (e.g., investor presentations, quarterly results presentations, etc.), financial statements (quarterly, half-yearly, annual), audit reports, and annual reports.	YES			
D.2 The company shall have a policy on the annual distribution of dividends or other benefits to shareholders, proposed by the General Manager or the Board of Directors and adopted by the Board, in the form of a set of guidelines that the company intends to follow with regard to the distribution of net profit. Principles of the annual distribution policy distribution to shareholders will be published on the company's website.	YES			
D.3 The company will adopt a policy regarding forecasts, whether they are made public or not. Forecasts refer to quantified conclusions of studies aimed at establishing the overall impact of a number of factors regarding a future period (so-called assumptions): by its nature, this projection has a high level of uncertainty, actual results may differ materially from the forecasts initially presented. The policy on forecasts will establish the frequency, period considered and content of forecasts. If published, forecasts may only be included in annual, semi-annual or quarterly reports. The policy on forecasts will be published on the company's website.	YES			
D.4 The rules of general meetings of shareholders must not limit the participation of shareholders in general meetings and the exercise of their rights. Amendments to the rules shall enter into force, at the earliest, with the next general meeting of shareholders.	YES			
D.5 The external auditors shall be present at the general meeting of shareholders when their reports are presented at such meetings.	YES			

The provisions of the Code	Respect	Does comply partially complies	not or	Reason for non-compliance
D.6 The Board will present to the annual general meeting of shareholders a brief assessment of the internal control and management systems of significant risks, as well as opinions on issues subject to the decision of the general meeting.		PARTIAL		The company provides its shareholders with supporting notes included on the agenda of the general meetings. An overall assessment of the internal control and significant risk management systems will be made available after the formalization of the entire control system at the Company level.
D.7 Any specialist, consultant, expert or financial analyst may attend the shareholders' meeting upon prior invitation from the Board. Accredited journalists may also attend the general shareholders' meeting, unless the Chairman of the Board decides otherwise.	YES			
D.8 Quarterly and semi-annual financial reports will include information in both Romanian and English regarding the key factors influencing changes in sales levels, operating profit, net profit and other relevant financial indicators, both from one quarter to another and from one year to another.	YES			
D.9 A company shall hold at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions shall be published in the investor relations section of the company's website on the date of the meetings/conference calls.	YES			
D.10 If a company supports various forms of artistic and cultural expression, sports activities, educational or scientific activities and considers that their impact on the innovative character and competitiveness of the company is part of its mission and development strategy, it will publish the policy regarding its activity in this field.	N/A			

A.8 The corporate governance statement shall state whether a Board review has taken place under the chairmanship or the nomination committee and, if so, shall summarise the key measures and changes resulting from it. The company shall have a Board review policy/guideline setting out the purpose, criteria and frequency of the review process.

For the activity carried out in 2024, under the leadership of the President, the evaluation process of the Board of Directors was carried out, based on the Guide for evaluating the performance and efficiency of the Board of Directors adopted by the Company; following the self-evaluation, the Board established the following key areas of interest that will be addressed in the coming period:

1. Improving the corporate governance of the Bittnet Group – in line with the new Governance Code
2. Redefining the role and involvement of the members of the Board of Directors' advisory committees in the new stage of development of the Bittnet Group

A.9 The corporate governance statement must contain information on the number of meetings of the Board and committees during the last year, the participation of directors (in person and in absentia) and a report of the Board and committees on their activities.

#### Corporate governance:

In 2024, Bittnet shareholders met in 3 general meetings:

Ordinary General Meeting of Shareholders of 25.01.2024: for the election of the New Board of Directors, given the approaching expiration of the mandates of the old members of the Board of Directors.

Ordinary General Meeting of Shareholders dated 25.04.2024 for: approving the financial statements for 2023, individual and consolidated at group level and the method of profit distribution, the income and expense budget for the 2024 financial year, the Annual Report (in the form of a Universal Registration Document) and the Remuneration Report for 2023;

Extraordinary General Meeting of Shareholders of 16.12.2024 for: dismissal of the auditor LION LINK Audit considering the expiration of the mandate contract and the election of the auditor of the issuer's individual and consolidated financial statements of the group, in the person of the auditor KPMG Audit for the financial year 2024, as well as for the period 2025 - 2026.

The documents of the Bittnet General Meetings of Shareholders are available on our website: <https://investors.bittnet.ro/intalniri-ale-actionarilor/>

The Company's Articles of Association were amended during 2024, its current form being available on the Company's website at:

<https://investors.bittnet.ro/despre-bittnet/guvernanta-corporativa/>

#### Board of Directors

The framework for carrying out the Council's activity is regulated by the Regulation of the Board of Directors of Bittnet System, a document that can be consulted on the Company's website at:

<https://investors.bittnet.ro/despre-bittnet/guvernanta-corporativa/>

During 2024, the Bittnet Board of Directors met in 17 meetings, with the physical presence of the members or through remote communication means. The participation of the members in the Board meetings was unanimous.

The main topics debated by the Council were:



- Approval of the preliminary, unaudited consolidated financial statements for the financial year 2023, accompanied by the preliminary Annual Report for the year 2023;
- Convening ordinary and extraordinary general meetings of shareholders and materials related to the agenda items for presentation to shareholders;
- Consolidated and individual interim financial reporting for the 6 months ended June 30, 2024 and the Semi-Annual Report for the 1st semester of 2024, prepared in accordance with ASF Regulation no. 5/2018;
- Approval of contracting various types of loans and credits;
- Approval of the development and issuance of a new corporate bond issue – BNET28A
- Approval of the implementation of a BNET share buyback program
- Approval of the sale of the cybersecurity pillar – FORT and approval of the purchase of an 11.7% stake in the Dendrio Solutions subsidiary

### Activity of the Advisory Committees

The Advisory Committees are established, by decision of the Board of Directors of the Company, based on the provisions of art. 140 of the Companies Law no. 31 /1990 republished, with the amendments and additions to date and of art. 19.11 of the Articles of Association.

The purpose of the Advisory Committees is to conduct investigations and develop recommendations for the Council, in the specific field of each committee.

At the Company level, the following Consultative Committees operate, established by decisions of the Council:

- Audit Committee;
- Nomination and Remuneration Committee.

For detailed information on the specific terms of reference for each Advisory Committee, visit our website at <https://investors.bittnet.ro/despre-bittnet/guvernanta-corporativa/>

### Audit Committee

The role of the Audit Committee is to assist the Board of Directors in the efficient supervision of aspects related to the risk management and internal control system at the Company level, in fulfilling the Board's responsibilities in the field of financial reporting, internal control and risk management.

The Audit Committee at the issuer level was established by the decision of the Board of Directors in March 2020. During 2024, its composition underwent changes, following the election of a new Board of Directors. Thus, both on 31.12.2024 and on the date of drafting this document, the Audit Committee was composed of the following persons:

<b>Mr. Lucian Claudiu ANGHEL</b>	Chairman of the Audit Committee, Vice President of the Board of Directors (independent non-executive director)
<b>Mr. Cristian Ion LOGOFĂTU</b>	Member of the Audit Committee
<b>Mr. Micheș Paul</b>	Member of the Audit Committee, Member of the Board of Directors (independent non-executive director)

During 2024, the Audit Committee met in 5 meetings, attended by all members of the Committee.

The topics debated during the Audit Committee meetings, for which it made recommendations to the Board of Directors, where applicable, were the following:

- Adoption of the preliminary, unaudited consolidated financial statements for the financial year 2023, accompanied by the preliminary Annual Report for the year 2023
- Adoption of the individual and consolidated annual financial statements for the financial year 2023
- Approval of the Board of Directors' Report (in the form of a Universal Registration Document) for the year 2023
- Presentation of the Independent Auditor's Report for 2023
- Adoption of profit distribution proposals for 2023
- Adoption of the Revenue and Expenditure Budget for the 2024 financial year
- Independent auditor's report for 2023
- Quarterly report for quarter 1 - 2024, prepared in accordance with ASF Regulation no. 5/2018, which also includes the consolidated, unaudited financial results for quarter 1, 2024
- Adoption of the consolidated and individual interim financial reporting for the 6 months ended June 30, 2024 and the Semi-Annual Report for semester 1/2024, prepared in accordance with ASF Regulation no. 5/2018
- The action plan and the status of their implementation following the recommendations received from the external auditor and the internal auditor
- Selection of the financial auditor for auditing the individual and consolidated financial statements of the companies part of the Bittnet group for the period 01.01.2024 – 30.04.2027
- Budget Execution
- Bond financing
- Self-evaluation of the activity carried out

### Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee is to assist the Board of Directors in developing and implementing the remuneration policy, the management structure and the nomination of candidates for the Board.

The composition of the Nomination and Remuneration Committee underwent changes in 2024, following the election of the new composition of the Board of Directors in January 2024, being composed of the following persons at the end of last year, as well as at the date of drafting this document:

<b>Mr. Paul Micheş</b>	Chairman of the Nomination and Remuneration Committee Member of the Board of Directors
<b>Mr. Claudiu Constantinescu</b>	Member of the Nomination and Remuneration Committee Chairman of the Board of Directors, as representative
<b>Mr. Bogdan Ciucu</b>	Member of the Nomination and Remuneration Committee, Vice President of the Board of Directors

During 2024, the Nomination and Remuneration Committee met in 2 meetings, attended by all members of the Committee. Thus, the Nomination and Remuneration Committee discussed the following topics:

- Adoption of the Remuneration Report for the year 2024
- Adoption of the Remuneration Policy
- Approval of candidate proposals for positions on the Board of Directors

D.7 Any specialist, consultant, expert or financial analyst may attend the shareholders' meeting upon prior invitation from the Board. Accredited journalists may also attend the general shareholders' meeting, unless the Chairman of the Board decides otherwise.

All AGM meetings of the issuer are transmitted through the online application for exercising and participating in general meetings - EVote.

14.5. Potential significant effects on corporate governance, including future changes to the composition of the board of directors and committees (to the extent that this has already been decided by the board and/or the shareholders' meeting).

Not the case.

## Section 15: Employees

15.1. The number of employees at the end of the period covered by the historical financial information or the average number of employees for each financial year of the period up to the date of the document (and any changes in these figures, if material) and, if possible and if such information is material, a breakdown of employees by main categories of activity and geographical location. Where the issuer uses a significant number of temporary employees, information on the average number of temporary employees for the most recent financial year shall also be included.

During 2024, the average number of employees of the group was 292. The following table shows the division by functional departments at the end of the fiscal years. The figures do not include the situation of the ELearning Company employees at all. The figures only include the companies within the consolidation perimeter at the end of each year.

Department	2017	2018	2019	2020	2021	2022	2023	2024
Sales	4	5	14	16	25	51	48	52
Technical	4	5	23	25	27	122	215	149
Marketing	2	1	2	4	9	7	7	6
Deliveries/administrative	1	3	8	14	16	60	73	79
Management	4	4	3	2	2	10	14	11

The Company outsources part of its activities to independent subcontractors. At the end of 2024, the Issuer cooperated with approx. 100 contractors.

The overwhelming majority of the company's employees are university graduates. The company's employees are not organized into unions. In the company's history, there have been no conflict situations between management and employees.

As a specific feature of the IT industry, it should be mentioned that employees and collaborators (freelancers) in the field are characterized by a high level of education, a continuous desire to learn and increased independence. The type of work environment and professional activity is one characterized by joviality, youth, a desire to work and to 'demonstrate' professional value.

It should also be noted that we operate in the digital economy, and we fully benefit from the advantages of the so-called 'gig economy' but also from the problems it raises. Thus, the company actively pursues positioning itself as a platform that brings together experts on various subjects with relevant clients for the respective services.

Each of the companies in the group has its own organizational charts, specific to the current, historical and future activity. The group is managed in a very decentralized manner, benefiting from only a few functions 'grouped' at the 'shared services' level, at the level of marketing, operations, finance and accounting, investor relations activities.

**15.2. Shareholdings and share options - The most recent possible information on the holdings in the issuer's equity and any options on the issuer's shares by each of the persons referred to in point 12.1, first paragraph, letters (a) and (d).**

#### **SOP 2022**

By Decision No. 7 of the EGMS of April 20, 2022, the Company's shareholders voted for an incentive plan with options for key personnel with a duration of 2 years, worth a maximum of 5% of the total shares of the Company. In May 2024, the key personnel did not exercise their purchase option given the execution conditions of the plan, so the SOP2022 plan expired unexercised.

#### **SOP 2023-2026 (Long-Term Incentive Plan through Participation in the Company's Capital)**

By Decision No. 11 of the EGMS of April 27, 2023, the shareholders approved an incentive plan for key personnel based on options for participation in the company's capital. Compared to previous incentive plans, this one assumes a duration of 3 years and a value of 7.5% of the total shares of the Company.

The company's management proposed in the AGM of April 2025 the cancellation of the long-term incentive plan. With the cancellation of this program, the Issuer no longer has other active incentive programs with options through which employees or management can participate in the company's share capital.

#### **15.3. A description of any agreement providing for employee participation in the issuer's capital**

The Company's shareholders approved incentive plans with options for key individuals during the general meetings of April 2021, April 2022 and April 2023. Under these incentive plans of the stock option type, individuals from the Issuer's management as well as other individuals who can positively influence the group's results may receive the right to purchase shares of the Issuer at preferential prices, as follows:

- 1) The GMS of April 2023 approved a Long-term Remuneration Plan with participation in the company's capital, for key persons not named at the time of approval: maximum 7.5% of the total shares of the Company. Exercise Period: May-June 2026. Exercise price per share corresponding to the Issuer's capitalization on April 21, 2022. The company's management proposed in the AGM of April 2025 the cancellation of the long-term incentive plan.
  - 2) GMS of April 2022: Incentive plan for key individuals not named at the time of approval: maximum 5% of the total company shares. Exercise Period: May-June 2024. Exercise price per share corresponding to the Issuer's capitalization on April 11, 2022. This incentive plan expired unexercised according to point 15.2. above.
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## Section 16: Major Shareholders

16.1. To the extent that this information is known to the issuer, the name of any person who is not a member of any administrative, management or supervisory body of the issuer and who holds, directly or indirectly, a percentage of the issuer's share capital or voting rights that must be notified under the domestic law applicable to the issuer, as well as the value of the holding in question, as at the date of the document, or, in the absence of such persons, an appropriate statement that there are no such persons.

The Issuer is aware of a group of shareholders who have declared themselves to be acting in concert and who together hold a percentage of approx. 30% of the Company's capital, according to the notification sent to the Issuer and ASF: [https://m.bvb.ro/Infocont/RaportariActionari/BSE/BNET\\_20230424\\_Notif\\_detineri\\_BNET\\_Agista\\_Impetum.pdf](https://m.bvb.ro/Infocont/RaportariActionari/BSE/BNET_20230424_Notif_detineri_BNET_Agista_Impetum.pdf).

Shareholders with holdings over 10% of the share capital and voting rights are:

Shareholders and ownership	%	Dec 31, 2024	Dec 31, 2023
IMPETUM INVESTMENTS SA		13.33%	13.33%
AGISTA INVESTMENTS SRL		13.75%	13.75%

16.2. Information indicating whether the issuer's main shareholders have different voting rights or an appropriate statement indicating that there are no such voting rights.

This is not the case, the main shareholders of the issuer have the same voting rights as the rest of the shareholders. 1 share grants 1 voting right at the General Meetings of Shareholders.

16.3. To the extent that this information is known to the issuer, it shall be stated whether the issuer is owned or controlled, directly or indirectly, and by whom, and the nature of the control and the measures adopted to ensure that such control is not exercised abusively shall be described.

The issuer is not directly or indirectly owned or controlled.

16.4. A description of agreements, known to the issuer, the application of which may result, at a later date, in a change of control over the issuer.

This is not the case. There is no agreement known to the Issuer that could generate a change of control over the Issuer.

## Section 17: Related Party Transactions

17.1. Details of related party transactions (which, in this respect, are those set out in the standards adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council ( 2 )) entered into by the issuer during the period covered by the historical financial information up to the date of the document in accordance with the relevant standard adopted under Regulation (EC) No 1606/2002, if applicable, must be disclosed. If the standards in question do not apply to the issuer, the following information must be disclosed: (a) the nature and amount of all transactions which, individually or in the aggregate, are material to the issuer. If the related party transactions were not carried out on market terms, the reasons must be explained. In the case of outstanding loans, including guarantees of any kind, the amount of the outstanding balance; (b) the amount or percentage of the issuer's revenue represented by related party transactions.

If the International Financial Reporting Standards adopted in accordance with Regulation (EC) No 1606/2002 apply to the issuer, the information set out in points (a) and (b) need only be disclosed for transactions carried out since the end of the last financial year for which audited financial information has been published.

In accordance with the provisions of art. 108 of Law 24/2017 republished, the Issuer made available to investors and interested parties the report on the status of intragroup transactions carried out between companies within the Issuer's group during 2024, transactions that exceeded 5% of the issuer's net assets.

In this regard, in the natural course of the current activity, but also due to the group structure of which the issuer is a part, there are various transactions between the companies of the Bittnet group. In general, the Company tries to keep this volume of intragroup transactions (transactions with affiliates) at a minimum level, but does not refuse to deliver the relevant technological solutions to the group's clients if they generate transactions between affiliated parties. In the past, transactions between 2 of the companies of the group were reported, according to the provisions of the capital market legislation, namely between Bittnet Systems SA, the parent company of the group, and Dendrio Solutions SRL, a subsidiary company, at that time only the transactions between these two entities exceeded 5% of the net assets of the Issuer and were, therefore, subject to the reporting obligation.

With the expansion of the group's structure and the increase in its business, as well as the size of the projects in which the group companies are involved, intragroup transactions with a value exceeding 5% of the Issuer's net assets were carried out between 4 of the Bittnet group companies during 2024. These transactions were generated between the following entities:

1. Bittnet Systems SA and Dendrio Solutions SRL;
2. Dendrio Solutions SRL and Dendrio Innovations SRL (formerly Dataware Consulting SRL);
3. Dendrio Solutions SRL and ITPrepared SRL;

The transactions subject to reporting have been published, together with the auditor's opinion. Transactions with affiliated parties were executed at market price and are presented in the current report no. 14/2025, direct link here:

[https://m.bvb.ro/infocont/infocont25/BNET\\_20250212173521\\_Report-auditor-KPMG---Bittnet-RO-EN-anexa-CR14.pdf](https://m.bvb.ro/infocont/infocont25/BNET_20250212173521_Report-auditor-KPMG---Bittnet-RO-EN-anexa-CR14.pdf)

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## Section 18: Financial information regarding the assets, liabilities, financial position and profits and losses of the Issuer

### 18.1. Historical financial information

#### 18.1.1. Audited historical financial information for the last three financial years (or for any shorter period since the issuer has been in operation) and the audit report corresponding to each year.

According to the provisions of Art. 19 of EU Regulation 2017/1129, taking into account that annual and interim financial information, as well as audit reports, are part of the information that can be included in the registration document by reference, if they have been previously published, we list below the internet address where the audited annual results are available, in IFRS format (accompanied by the audit report):

- The financial results in IFRS format for fiscal year 2022 were made available to investors as supporting documents for the OGMS of 27.04.2023, together with the audit report at:<https://investors.bittnet.ro/ro/intalniri-ale-actionarilor/aga-27-aprilie-2023/>
- The financial results in IFRS format for fiscal year 2023 were made available to investors as supporting documents for the OGMS of 25.04.2024, together with the audit report at:<https://investors.bittnet.ro/ro/intalniri-ale-actionarilor/aga-25-aprilie-2024/>
- The financial results in IFRS format for fiscal year 2024 were made available to investors as supporting documents for the OGMS of 28.04.2025, together with the audit report at:<https://investors.bittnet.ro/ro/intalniri-ale-actionarilor/aga-28-aprilie-2025/>

#### 18.1.2. Change of accounting reference date

If the issuer has changed its accounting reference date during the period for which historical financial information is requested, the audited historical information will cover at least 36 months or the entire period during which the issuer has been active, whichever is the shorter.

This is not the case, the Issuer has not changed the accounting reference date in the period for which historical financial information is requested.

#### 18.1.3. Accounting standards

The financial information must be prepared in accordance with International Financial Reporting Standards as adopted in the Union on the basis of Regulation (EC) No 1606/2002. Where Regulation (EC) No 1606/2002 does not apply, the financial information must be prepared in accordance with: (a) the national accounting standards of a Member State for issuers in the EEA, in accordance with Directive 2013/34/EU; (b) the national accounting standards of a third country equivalent to Regulation (EC) No 1606/2002 for issuers in third countries. If the national accounting standards of that third country are not equivalent to Regulation (EC) No 1606/2002, the financial statements shall be restated in accordance with that Regulation.

The financial information is prepared in accordance with the International Financial Reporting Standards IFRS and based on the Order of the Ministry of Public Finance No. 2844/2016 of December 12, 2016 for the approval of the Accounting Regulations in accordance with the International Standards.

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#### 18.1.4. Change in accounting framework

The latest audited historical financial information, containing comparative information for the preceding year, must be presented and prepared in a form consistent with the accounting framework to be adopted in the issuer's next published annual financial statements, taking into account the accounting standards and policies and the legislation applicable to those annual financial statements. Changes in the accounting framework applicable to an issuer do not require the audited financial statements to be restated solely for the purpose of the document. However, if the issuer intends to adopt, in its next published financial statements, a new accounting framework, at least a complete set of financial statements (as defined in IAS 1 Presentation of Financial Statements, as set out in Regulation (EC) No 1606/2002, including comparative figures, must be presented in a form consistent with that to be adopted in the issuer's next published annual financial statements, taking into account the accounting standards and policies and the legislation applicable to those annual financial statements.

The Issuer's most recent audited financial information, namely those related to the financial year 2024, were published as supporting documents for the OGMS of April 28, 2025 and are included in the 2024 Annual Report, published on the issuer's website in the investors section as well as on the BVB website on the BNET symbol page.

Starting with the 2019 financial year, financial information is prepared in accordance with International Financial Reporting Standards IFRS based on Regulation (EC) No 1606/2002.

Historical financial results in IFRS format have been published by the Issuer, together with the audit reports, starting with November 2019 on the website dedicated to investor relations, at:

<https://investors.bittnet.ro/ro/rezultate-financiare/>

18.1.5. Where audited financial information is prepared in accordance with national accounting standards, it shall include at least the following elements: (a) balance sheet; (b) profit and loss account; (c) a statement of all changes in equity or changes in equity other than those resulting from capital transactions with owners or distributions to owners; (d) cash flow statement; (e) accounting policies and explanatory notes.

Not applicable. The issuer prepares and reports financial statements in accordance with IFRS.

#### 18.1.6. Consolidated financial statements

If the issuer prepares both stand-alone and consolidated annual financial statements, at least the consolidated annual financial statements shall be included in the document.

#### 18.1.7. Date of financial information

The balance sheet of the last financial year for which the financial information has been audited must have ended no later than: (a) 18 months before the date of the document, if the issuer includes audited interim financial statements in the document; (b) 16 months before the date of the document, if the issuer includes unaudited interim financial statements in the document

The last financial year for which the financial statements were audited is 2024.

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## 18.2. Interim financial information and other financial information

18.2.1. If the issuer has published quarterly or half-yearly financial information since the date of the last audited financial statements, that financial information must be included in the document. If the quarterly or half-yearly financial information has been audited or reviewed, the review or audit report must also be included. If the quarterly or half-yearly financial information is not audited or has not been reviewed, this must be stated. If it has been prepared more than nine months after the date of the last audited financial statements, the document must contain interim financial information, which may be unaudited (in which case this must be stated), for at least the first six months of the financial year. Interim financial information prepared in accordance with the requirements of Regulation (EC) No 1606/2002. For issuers not subject to Regulation (EC) No 1606/2002, interim financial information must include comparative statements for the same period of the previous financial year, except that the requirement for comparative information in the balance sheet may be met by presenting the year-end balance sheet in accordance with the applicable financial reporting framework.

Prior to the annual financial results for 2024, during the calendar year 2024, the financial reports for each quarter of 2024 were published, the quarterly financial statements being unaudited. The reports are available both on the Issuer's website and on the BVB website, the page dedicated to the symbol BNET.

## 18.3. Auditing historical annual financial information

18.3.1. The historical annual financial information shall be independently audited. The audit report shall be drawn up in accordance with Directive 2014/56/EU of the European Parliament and of the Council ( 3 ) and Regulation (EU) No 537/2014 of the European Parliament and of the Council ( 4 ). Where Directive 2014/56/EU and Regulation (EU) No 537/2014 do not apply: (a) the historical annual financial information shall be audited or accompanied by a statement indicating whether, for the purposes of the document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard; (b) if the audit reports on the historical financial information have been rejected by the statutory auditors or if they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter paragraph, those qualifications, modifications, disclaimers or emphasis of matter shall be reproduced in full and the reasons for them shall be given.

According to the provisions of Art. 19 of EU Regulation 2017/1129, taking into account that annual and interim financial information, as well as audit reports, are part of the information that can be included in the document by reference, if they have been previously published, we list below the internet addresses where the audited annual results, in IFRS format (accompanied by the audit report), and the unaudited half-yearly results (the Issuer not having the obligation to audit the interim results) are available.

The financial results in IFRS format for the period 2016-2018, 2019, 2020, 2021, 2022, 2023 and 2024 were published by the Issuer, together with the audit reports starting with November 2019 on the website dedicated to investor relations, at:

<https://investors.bittnet.ro/ro/rezultate-financiare/>

## 18.3.2. Indication of other information in the document that has been audited by the auditors.

That's not the case.

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18.3.3 If the financial information in the document has not been extracted from the issuer's audited financial statements, its source and the fact that the information is not audited shall be stated.

Not the case.

#### 18.4. Pro forma financial information

In the case of a significant change in gross values, a description of how the transaction would have affected the issuer's assets, liabilities and profit or loss if the transaction had occurred at the beginning of the reporting period or at the date indicated shall be included. This requirement will normally be met by the inclusion of pro forma financial information. Pro forma financial information must be presented in accordance with Schedule 20 and must include all the data specified in that Schedule. The pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.

Not the case.

#### 18.5. Dividend distribution policy.

18.5.1. A description of the issuer's policy on the distribution of dividends and any restrictions on such distribution. If the issuer does not have such a policy, an appropriate negative statement shall be included.

The issuer's dividend policy is described in detail at:

<https://investors.bittnet.ro/politicile-corporative/politica-de-dividend/?lang=ro>

18.5.2. For each financial year within the period covered by the historical financial information, the amount of dividends per share, possibly adjusted to allow comparisons to be made, if the number of shares of the issuer has changed.

The Issuer has not paid dividends from the results of the historical financial years. The General Meeting of Shareholders annually adopts the decision on the allocation of profits. The Issuer's intention is not to pay dividends in the following financial years, unless preference shares bearing priority dividends are issued under the terms of the Articles of Association. Bittnet operates in a very dynamic field - Information Technology. So far, Bittnet has managed to record significant growth rates. On the other hand, the current size of the company, corroborated with the consolidation trend present in all industries, makes us feel that the only direction we can go is "all the way up". In this sense, we intend to continue investing all available resources in the development of the Company. From the shareholders' point of view, the policy of full reinvestment of profits also means a 'no dividend' policy.

We intend to propose to the Shareholders' Meeting this reinvestment policy as long as the Company's growth prospects are stronger than those of the market in general. In the long term and in general, the value that the Company generates will be reflected in the Company's own valuation - the share price. Management believes that it can continue to maintain a growth rate above that of the market in general for a significant period of time.

Our current operational capacity is such that we can extract profits from accelerating revenue growth. This is the management's intention: to continue to grow revenue under similar conditions of profitability expressed in gross margin. Thus, the Company will generate more cash to cover a generally fixed cost structure, in essence the 'additional gross margin' contributing almost entirely to the Company's gross profit.

According to the dividend policy, in 2016, 2017, 2018, 2019, 2020, 2021, 2022 the general meeting decided to reward shareholders by capitalizing the company's profits and granting free shares - one operation each year.

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In 2022, taking into account the current share price and the already existing liquidity, no new distribution of free shares was proposed, but only the already 'patented' operation of distributing a free share, which shareholders can opt to leave at the company's disposal in order to settle future obligation plans, being rewarded with a cash distribution. Thus, at the EGMS of April 2022, the increase in the share capital under the conditions mentioned above and the cash distribution per treasury share at a higher value than previously, namely 0.15 ron, were approved.

No dividend distributions were made in 2023 and 2024, and it is estimated that no such distributions will be made in 2025. Starting in 2024, the issuer has initiated a share buyback program, with the ultimate goal of canceling the shares. The buyback program continues in 2025.

#### 18.6. Judicial and arbitration proceedings

Information on any governmental, judicial or arbitration proceedings (including any such proceedings pending or potential of which the issuer is aware) for at least the past 12 months which may have or have recently had a material effect on the financial position or profitability of the issuer and/or the group, or an appropriate negative statement.

The issuer declares that there are no governmental, judicial or arbitration proceedings that have had a significant effect on the financial results in the last 12 months.

#### 18.7. Significant changes in the issuer's financial position

18.7.1. A description of any significant change in the financial position of the group that has occurred since the end of the last financial year for which audited financial statements or interim financial information have been published, or an appropriate negative statement.

Not applicable. There have been no significant changes in the group's financial position since the end of the last financial year for which audited financial statements or interim financial information have been published.

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## Section 19: Additional information

19.1. Share capital The information from items 19.1.1-19.1.7 of the historical financial information as of the date of the most recent balance sheet:

19.1.1. Amount of issued capital and, for each category of shares:

(a) the total authorised share capital of the issuer;

At the date of writing this document, the value of the authorized share capital is 240,000,000 common shares and 120,000,000 preferred shares.

At the date of drafting the Universal Registration Document, the Issuer's subscribed and paid-up share capital is 63,417,671.40 ron, divided into 634,176,714 ordinary, registered, common, dematerialized shares, with a nominal value of 0.1 ron.

(b) the number of shares issued and fully paid and the number of shares issued but not fully paid;

The number of shares issued and fully paid is 634,176,714.

The number of shares issued but not fully paid is 0.

(c) the nominal value of a share or the fact that the shares have no nominal value; and

The nominal value of a BNET share is 0.1 ron.

(d) a reconciliation of the number of shares outstanding at the opening and closing dates of the financial year. It shall be stated whether more than 10 % of the share capital has been paid up in assets other than cash during the period covered by the historical financial information.

Date modified	Registration date	process	Initial number of shares	Final number of shares
26.03.2021	21.05.2020	Share capital increase – with cash contribution through the issuance of only 18,178,550 new shares	229,049,725	247,228,275
22.07.2021	21.07.2021	Share capital increase with free shares, 6:10	247,228,275	395,565,240
10.09.2021	21.07.2021	Share capital increase with free shares, 1:10	395,565,240	420,288,068
21.10.2021	N/A	Share capital increase according to EGMS Decisions no. 12/25.04.2018; EGMS no. 4/26.11.2020; EGMS no. 5/26.11.2021; Board of Directors Decision no. 7/18.08.2020; Board of Directors Decision no. 10/17.12.2020;	420,288,068	455,669,736
10.11.2021	N/A	Share capital increase according to EGMS Decisions no. 2 and no. 3/27.04.2021; Board of Directors Decision of 06.07.2021 and EGMS Decision no. 17/07.09.2021;	455,669,736	480,436,904
12.08.2022	21.07.2022	Share capital increase with free share issue, (1:10) according to EGMS Decision no. 2/20.04.2022	480,436,904	528,480,595
20.04.2023	13.10.2022	Share capital increase with new cash contributions and conversion of receivables according to Board of Directors Decision of 16.09.2022	528,480,595	634,176,714

During the period covered by the historical financial information, no part of the share capital was paid in through assets other than cash.

19.1.2. The number and main characteristics of shares that do not represent capital, if any.

That's not the case.

19.1.3. The number, book value and nominal value of the issuer's shares held by the issuer or on behalf of the issuer or by its subsidiaries.

At the date of writing this document, the Issuer does not hold any of its own shares in the company's treasury.

19.1.4. The amount of convertible, exchangeable or warrant-backed securities, indicating the conditions and procedures for conversion, exchange or subscription.

Not the case.

19.1.5. Information about any acquisition right and/or obligation related to the authorized but unissued capital, or about any commitment to increase the share capital, as well as their conditions.

The Extraordinary General Meeting of Shareholders of September 2021 granted the Issuer's management the authorization to increase the share capital by a maximum number of 240,000,000 common shares, respectively 120,000,000 preferential shares.

19.1.6. Information on the share capital of any member of the group that is the subject of an option or a conditional or unconditional agreement providing for the granting of options on the capital and details of those options, including the identity of the persons to whom they relate.

The Company's shareholders approved incentive plans with options for key personnel during the general meetings of April 2022 and April 2023. Under these stock option plan type incentive plans, individuals from the Issuer's management as well as other individuals who can positively influence the group's results may receive the right to purchase shares of the Issuer at preferential prices, as follows:

- 1) The AGM of April 2023 approved a Long-term Remuneration Plan with participation in the company's capital, for key individuals not named at the time of approval: maximum 7.5% of the total shares of the Company. Exercise Period: May-June 2026. Exercise price per share corresponding to the Issuer's capitalization on April 21, 2022.

The company's management proposed in the AGM of April 2025 the cancellation of the long-term incentive plan. With the cancellation of this program, the Issuer no longer has other active incentive programs with options through which employees can participate in the company's capital.

- 2) AGM of April 2022: Incentive plan for key individuals not named at the time of approval: maximum 5% of the total company shares. Exercise Period: May-June 2024. Exercise price per share corresponding to the Issuer's capitalization on April 11, 2022. This incentive plan expired unexercised according to point 15.2. above.

19.1.7. The evolution of the share capital during the period covered by the historical financial information, highlighting any changes that have occurred.

The figures in the table below are presented in ron, and represent those capital increase operations decided between 2021 and 2024:

Date modified	Registration date	process	Initial number of shares	Final number of shares
26.03.2021	21.05.2020	Share capital increase – with cash contribution through the issuance of only 18,178,550 new shares	229,049,725	247,228,275
22.07.2021	21.07.2021	Share capital increase with free shares, 6:10	247,228,275	395,565,240

<b>10.09.2021</b>	21.07.2021	Share capital increase with free shares, 1:10	395,565,240	420,288,068
<b>21.10.2021</b>	N/A	Share capital increase according to EGMS Decisions no. 12/25.04.2018; EGMS no. 4/26.11.2020; EGMS no. 5/26.11.2021; Board of Directors Decision no. 7/18.08.2020; Board of Directors Decision no. 10/17.12.2020;	420,288,068	455,669,736
<b>10.11.2021</b>	N/A	Share capital increase according to EGMS Decisions no. 2 and no. 3/27.04.2021; Board of Directors Decision of 06.07.2021 and EGMS Decision no. 17/07.09.2021;	455,669,736	480,436,904
<b>12.08.2022</b>	21.07.2022	Share capital increase with free share issue, (1:10) according to EGMS Decision no. 2/20.04.2022	480,436,904	528,480,595
<b>20.04.2023</b>	13.10.2022	Share capital increase with new cash contributions and conversion of receivables according to Board of Directors Decision of 16.09.2022	528,480,595	634,176,714

## 19.2. Articles of Association and Statute

19.2.1. Where applicable, the register and registration number in the register, a description of the issuer's object of activity and the place where it is provided for in the articles of association and statute.

The updated articles of association of the Issuer are available on the Issuer's website in the investors section and can be accessed here: <https://investors.bittnet.ro/despre-bittnet/quvernanta-corporativa/>

The issuer's main activity is 6202 - Information technology consultancy activities. This class includes the planning and design of computer systems that integrate hardware, software and communications technologies and consultancy services that may also include user training.

The object of activity is provided in "Art. 5 - Object of activity of the company" of the Issuer's updated Articles of Association.

19.2.2. If there is more than one class of shares in existence, a description of the rights, preferences and restrictions attached to each class.

This is not the case. Although the Issuer's Articles of Association provide for the possibility of issuing Preferred Shares, at the time of writing this document there are only common/ordinary shares.

19.2.3. A brief description of any provision in the articles of association, bylaws, charter or regulations that could have the effect of delaying, suspending or preventing a change of control over the issuer.

Not the case.

## Section 20: Important contracts

20.1. A summary of each material contract (other than those entered into in the ordinary course of business) entered into by the issuer or any other member of the group during the two years immediately preceding the publication of the registration document. A summary of any other contract (other than those entered into in the ordinary course of business) entered into by any member of the group and containing provisions which assign to any member of the group an obligation or commitment that is material to the group as a whole, as at the date of the registration document.

According to the mandate granted by the GMS of September 2021, the Issuer could sign in 2022 and the following 2 years M&A acquisitions up to the total value of 200 million ron. During 2023, the Issuer signed and integrated into the group structure two M&A transactions with Dataware Consulting and Kepler Management Systems according to the current investor information reports submitted on the BVB news feeds. At the date of writing this document, the company has not signed any new M&A transaction and is not in any advanced negotiations regarding the completion of another transaction.

## Section 21: Available documents

21.1. A statement confirming that, during the validity period of the document, the following documents may be consulted, as appropriate:

- (a) the issuer's updated memorandum and articles of association;
- (b) all reports, correspondence and other documents, valuations and statements made by an expert at the request of the issuer, parts of which are included or referred to in the registration document. Indication of the website on which the documents can be consulted.

During the validity period of the document, they can be consulted on the Issuer's website in the investors section (<https://investors.bittnet.ro/>) Updated Articles of Incorporation, Universal Registration Document, as well as all relevant documents for shareholders. \_\_\_\_\_

BITTNET SYSTEMS SA, through Mihai Alexandru Constantin Logofătu, General Manager and legal representative of the President of the Board of Directors, legal entity Ivylon Management SRL.

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## Annex 2 – “Alternative Performance Measurements” about alternative performance indicators

ESMA guidelines require us to explain any indicator we use in assessing the company's financial or non-financial results, if this indicator is not found in the IFRS or XBRL standards published by ESEF. In the case of our financial reports, we use the following indicators:

Indicator	Definition / Calculation method	Why is it relevant?
<b>Operating Profit</b>	<p>It's about the profit of the core business, the business of serving our customers.</p> <p>It takes into account all income and expenses associated with current activity and ignores financial income and expenses, or those related to holding-type activity (of the group, our existence as a listed company).</p> <p>It is obtained by eliminating from the results of each business line the income and expense items (cash or non-cash) that are not related to the current activity.</p> <p>The most significant adjustments (differences between gross profit and Operating Profit) are:</p> <ol style="list-style-type: none"> <li>1. Elimination of the financial result (adding expenses to gross profit and subtracting financial income)</li> <li>2. Elimination of IFRS non-cash adjustments related to the Stock Option Plan</li> <li>3. Elimination of other income and other expenses (non-repeatable items, unrelated to the core activity)</li> <li>4. In the case of 2021 statements, restated in 2023, with the application of the new conceptual framework regarding IFRS 3 business combinations - the costs related to successful M&amp;A, which were previously capitalized, were derecognized from assets through P&amp;L - this retroactive restatement was excluded from the calculation of operating profit</li> </ol>	<p>Operating activity (also called 'current' or 'core') represents the company's business.</p> <p>This is how business performance and activity are measured versus competition, regardless of the tax environment, the accounting reporting framework, or the company's financing method (the mix of equity and debt, the costs of maintaining the stock market share, etc.).</p> <p>In other words, this is the result that the company (or each business segment) would have if it operated as a company financed entirely from its own sources (from "equity" - shareholders' capital).</p>
<p><b>"Gross Margin",</b> or <b>"gross margin",</b> or <b>"GM"</b> or <b>"margin"</b></p>	<p>The calculation formula for this indicator is "Revenue MINUS direct expenses" ("revenue minus COGS (cost of goods sold)").</p> <p>Thus, from the invoices issued to customers, the value of the expenses directly associated with those projects (obtaining those revenues) is deducted. In the case of software license resale projects, we buy a license for 90 ron and sell it to the customer for 100 ron. The difference is the "Gross Margin".</p> <p>If we bill a client for cloud project implementation services, the gross margin represents the difference between the revenue billed to the client and the cost of the man-hours required for the implementation, regardless of whether the engineer performing the implementation is our employee or a subcontractor.</p>	<p>This indicator is the company's "GDP", it is the "added value" that we produce for our partners.</p> <p>This indicator reflects not only what value we bring to customers, but, looking inside the company, it reflects the amounts of money we have available to cover fixed expenses.</p>



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## Annex 3- BNET Investment Thesis

*Invest in BNET shares for the medium and long term if you want exposure to the Romanian IT&C industry, a field of accelerated growth, alongside a management team that not only has skin in the game but has also demonstrated, in over 17 years, better results than the industry average, both operationally and in terms of capital management.*

Each of the decisions we make aims at building an antifragile group, so that we have the most powerful force – time – by our side (“Time is the friend of the wonderful business, the enemy of the mediocre”). The second element is the combination of 'good operations' and capital management capability, as described as the 'secret of success' in the book “The outsiders – 8 outstanding CEOs”. Some arguments for each of the components of this investment thesis:

- Choosing an industry with favorable prospects is a decision that makes both the work of investors much easier and reduces the importance of choosing competent management: “a rising tide lifts all boats.” There has been no industry in the last 20 years with a more accelerated continuous growth than the IT&C industry.
- The existence of a management team with 'significant skin in the game' solves the 'principal – agent' problem so much complained about by investors on the Romanian capital market. If the management's well-being comes from the same sources, through the same mechanisms as that of small shareholders, the most important conflict is eliminated. Thus, in our case, the value of BNET shares represents for the management both the largest part of personal wealth and the largest part of income (unlike salary, the compensation policy based on options aligns management's income with the wealth brought to shareholders).
- Proven track record from an operational point of view: in addition to numerous international recognitions (Deloitte Top 50 in Tech, Financial Times Top 1000 Fastest Growing Companies, EY Entrepreneur of the Year finalists, etc.)
- Proven track record in terms of capital management: the growth rate of equity capital historically attracted, through capital market mechanism, is over 20% (given an average annual return of 28% in the last 5 years - on the regulated market), which also strengthens our confidence in the adopted financial model, which we intend to continue to apply as long as the results continue to be visibly better than the market average.

Of course, some investors may consider that any of the components of the investment thesis described above does not fit their investment style. However, we would like our shareholders to understand what the “bet” is that they are making when investing in the shares of the Bittnet group: that the vision of accelerated growth towards a revenue of 500 million ron generates a special opportunity in the medium and long term and that the evolution of quarterly, half-yearly or annual results will continue to fluctuate. We, the management team, are here to clarify these fluctuations and guide our group’s journey towards developing the group’s businesses in conditions of increased profitability and simplifying the structure, the share price being not under our control, but decided by investors and the context of the capital market in general. We will focus mainly in the coming years on extracting profit from the new size of the group built in the last decade and which is approaching the critical mass that we set out to achieve. However, we are convinced that in the long term, the company's value will reflect the business results and the cumulative investments in the companies acquired and integrated over the years.

**We conclude this chapter by reminding you that no investment in a company's shares is without risks, and we ask that before deciding to invest, you carefully read the chapters on Risks in the universal registration document, or on the website dedicated to Investor Relations.**

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## Management statement

The undersigned Logofătu Mihai Alexandru Constantin, as legal representative of the Chairman of the Board of Directors, confirm, based on the data in our possession, that the consolidated and individual financial statements of the Issuer, prepared in accordance with the applicable accounting standards, provide a true and fair view of the financial position of the Group as well as of the Issuer, the financial performance and cash flows for the year ended December 31, 2024 and that the Directors' Report (Annual Report) - presented in the form of a Universal Registration Document - provides a true and fair view of the development and performance of the Group's activity, as well as a description of the main risks and uncertainties related to the expected development of the Group.

The Annual Report of the Board of Directors of BITTNET SYSTEMS SA, for the financial year 2024, was signed by Mr. Mihai Alexandru Constantin Logofatu as the legal representative of the Chairman of the Board of Directors.

**Chairman of the Board – Ivylon Managemnt SRL, represented by Mihai Alexandru Constantin Logofătu**

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# Consolidated and Individual Financial Statements for the year 2024, accompanied by notes and Auditors' Report 2024

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