

Conducting a Initial Public Offering for bonds

This note has been prepared in order to support items 3 and 4 on the agenda of the Extraordinary General Meeting of Shareholders (EGMS), concerning the approval of a corporate, non-convertible bond issuance program, as well as the authorization of the Board of Directors to implement such program, in accordance with the applicable legal provisions, including Law no. 24/2017 on issuers of financial instruments and market operations, as well as the regulations of the Financial Supervisory Authority. The Issuer has previously conducted similar transactions during the period 2016–2023.

In the context of the need to diversify funding sources and optimize the capital structure, it is proposed to approve the launch of a corporate, non-convertible bond issuance program, denominated in EUR, under the following main terms and key parameters:

- initial total (face) value of up to EUR 5,000,000, with the possibility to increase up to a maximum of EUR 15,000,000, depending on investor demand;
- maturity date: June 30, 2031;
- fixed interest rate of 10.6% per annum, payable semi-annually;
- nominal value per bond: EUR 100;
- minimum subscription success threshold: EUR 500,000;
- flexible subscription mechanism, including both cash contributions and the possibility to convert existing bonds previously issued by the Company and traded on the Bucharest Stock Exchange, this mechanism representing a potential first in Romania (exchange offer);
- possibility to extend the offer in case of oversubscription, in order to avoid significant pro-rata allocations.

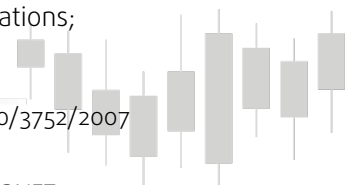
The proposed structure allows the adjustment of the issuance to market conditions and investor demand, contributing to an efficient capital raising process. At the same time, the inclusion of a conversion mechanism for existing bond issues (traded under the symbols BNET27A, BNET28 and/or BNET28A) aims to optimize the Issuer's debt maturity profile by extending maturities and shifting the balance sheet structure from short-term to long-term debt.

The funds raised will be used in accordance with the Company's financial strategy, and may include, without limitation:

- financing the current activity and working capital of the Issuer and its group;
- early repayment of existing bond issuances;
- early repayment of credit facilities;
- implementation of share buyback programs, in accordance with applicable law.

In order to align with capital market practices and enhance the attractiveness of the issued instruments, the bond program includes the following elements:

- the possibility to establish security over participations held in group companies;
- early redemption (call) options under predefined conditions;
- the possibility to carry out partial buybacks through market operations;



- admission of the bonds to trading on the regulated market operated by the Bucharest Stock Exchange.

Authorization of the Board of Directors:

Considering the complexity of structuring, launching and conducting a public bond offering, as well as the need to adapt to market conditions, it is proposed to authorize the Board of Directors, until December 31st, 2030, to:

- determine the final terms and conditions of the issuance(s);
- structure the issuance in one or more tranches;
- select and appoint the intermediaries of the offering;
- prepare, approve and execute the documentation related to the offering and admission to trading;
- fulfill all necessary formalities in relation to the Financial Supervisory Authority, the Bucharest Stock Exchange S.A. and the Central Depository S.A.;
- carry out all actions required for the implementation of the EGMS resolution;
- determine the timing and market opportunity for executing the transaction.

This authorization is necessary in order to ensure operational flexibility and to capitalize on market opportunities.

