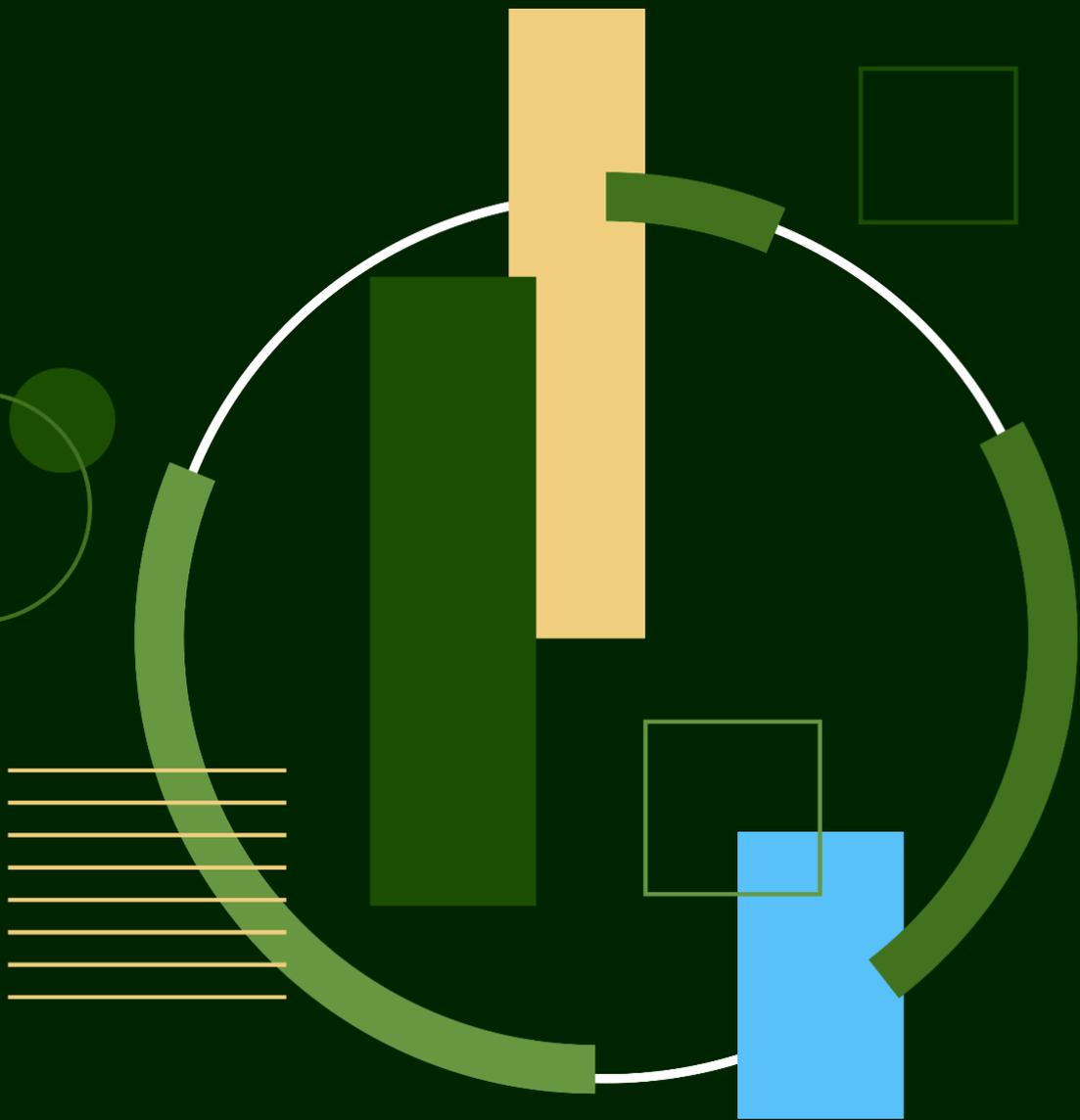


Bittnet Group — Annual Preliminary Results **BNET 2025**



Bittnet group – Preliminary financial results FY2025

For the financial year	01.01.2025 - 31.12.2025
Report date	February 27th, 2026
Company name	BITTNET SYSTEMS SA
Headquarters	44 Sergent Ion Nuțu Street, One Cotroceni Park, Building A and Building B, 4th floor, sector 5, Bucharest
Mailing address / Work location	44 Sergent Ion Nuțu Street, One Cotroceni Park, Building A and Building B, 4th floor, sector 5, Bucharest
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	J2007003752404
European Unique Identifier (EUID)	ROONRC.J2007003752404
CAEN code (main activity)	6290 - Other technology service activities information
The regulated market on which the issued financial instruments are traded	Bucharest Stock Exchange (BVB), Main Market / Standard Category
LEI code (Legal Entity Identifier)	315700A2302615467069
Share capital	63,417,671.40 RON
The main characteristics of the financial instruments issued by the company	634,176,714 shares at a face value of RON 0.10 per share
BSE Trading Symbol	BNET - shares BNET26E, BNET27A, BNET28, BNET28A – bonds
ISIN code shares	ROBNETACNOR1
Contact	investors@bittnet.ro



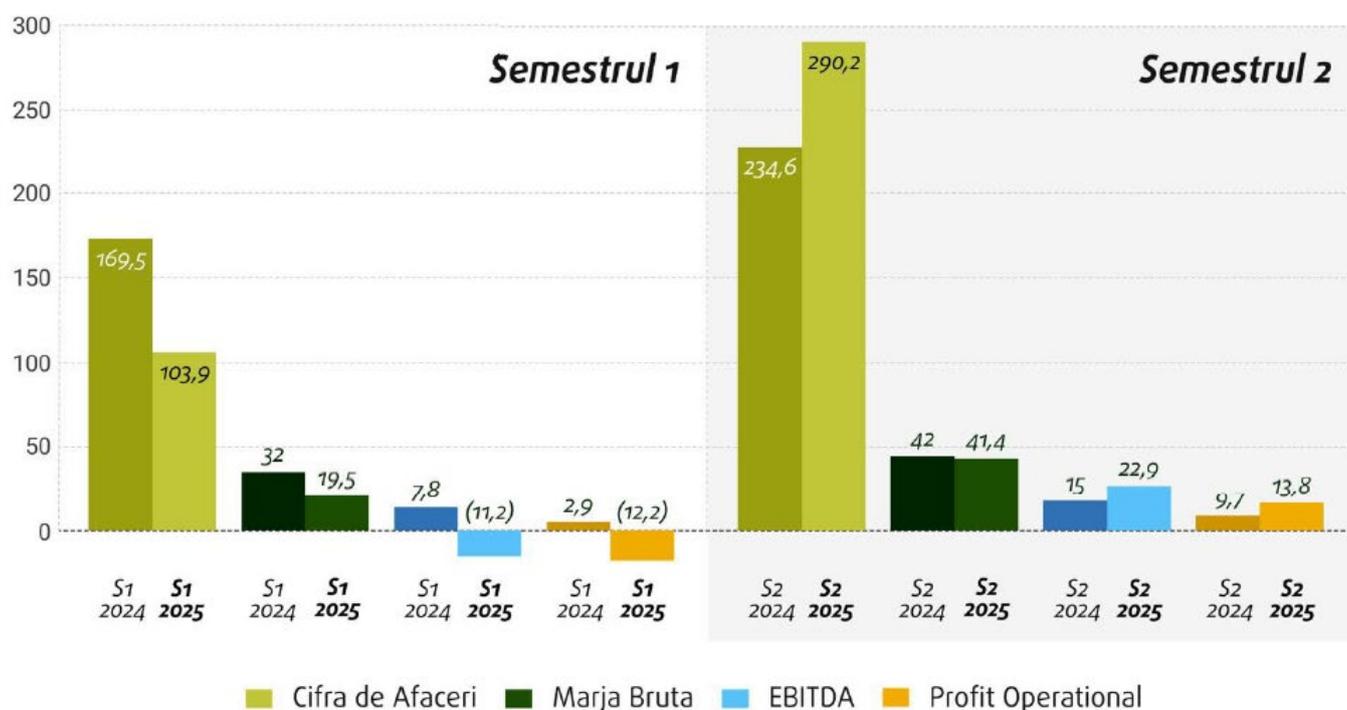
Key Information

Fiscal Year*	Revenue	Operational Profit	Net Profit	Operational CashFlow	Assets	Cash (31.dec)	Share Capital	Market Cap.(31.dec)	Operational ROE
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%
2016	13,667	1,929	870	-1,768	10,446	2,355	3,100	21,418	100%
2017	27,682	2,743	1,206	373	30,898	11,060	5,961	31,941	88%
2018	47,891	1,319	4,408	3,397	59,069	13,048	14,001	55,530	22%
2019	99,750	838	-4,458	8,502	88,462	20,824	12,372	112,717	6%
2020	109,192	5,930	1,025	8,120	102,353	24,873	27,646	157,586	48%
2021	112,591	3,879	13,021	4,242	133,961	23,405	55,249	161,907	14%
2022	192,156	8,372	-2,192	17,995	220,596	42,300	57,494	155,902	15%
2023	359,089	9,560	1,466	60,989	293,881	73,013	81,292	174,398	21%
2024	404,113	12,684	9,118	21,999	335,160	73,355	77,195	96,368	14%
2025 Preliminary.	394,256	1,600	-5,205	62,490	384,811	116,384	66,475	72,296	2%
CAGR	42%	10%	-241%	58%	47%	57%	48%	22%	42%
Year-on-year	-2%	-87%	-157%	184%	15%	59%	-14%	-25%	
MainMARKET	261%	-73%	-607%	670%	276%	368%	140%	-36%	

*amounts are expressed in thousands, RON

As every year, we begin the report by presenting the table with the main financial indicators. In the this chart above, we have summarized the essence of our operating model. The chart presents the consolidated evolution of revenues (turnover), assets, market capitalization and operating profit, providing a visual perspective on our performance and strategic direction.

Below we offer a graphical perspective for each of the two semesters of 2025, an atypical year in many perspectives. In the first semester (S1), the lack of revenues combined with the rigidity of fixed expenses generated the largest semi-annual operating loss. In contrast, 2nd semester (S2) with a gross margin similar to previous years, but combined with the reduction of expenses, generated an operating profit of almost 14 million ron, the highest recorded in Semester 2.

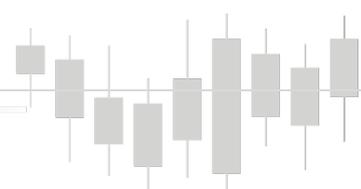


*all values in million, RON



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Letter from the CEO

In 2025, our group achieved consolidated revenues of 394 million ron, -2% compared to previous year. Gross margin was 61 million ron, -17% compared to 2024, and EBITDA recorded a value of 11.7 million ron, half the value in 2024, which leads to an operating profit of +1.6 million ron compared to +12.6 million in 2024.

The financial result is a loss of -7.1 million ron, which includes, as in previous years, mark to market adjustments of our holding in Softbinator shares, amounting to -2 million ron, as well as -1 million ron FX differences. Thus, the consolidated gross result of the Bittnet group, at the end of the year, is a loss of -5.9 million ron, while the net loss was -5.2 million ron.

Last year was undoubtedly one of the most difficult years in our history. It was a year of external pressures, postponed decisions and budgets, and high volatility in both the IT&C sector and the entire national economy. In the first half of the year, the prolonged electoral cycle, the instability caused by the negotiations for the formation of a new governing coalition, discussions on the sovereign rating, and delays in the implementation of projects with PNRR financing, contributed to a sudden stop in investments, as well as significant fluctuations felt at the economy level: from pressures on the exchange rate to increasing costs of capital and reluctance to obtain financing for new projects development.

All these elements contributed to the postponement in signing of new contracts, delays in procedures already started, and payment delays for projects already delivered, directly affecting both revenues and the balance sheet. The good news is that these delays did not turn into cancellations and starting with the third quarter we observed a gradual 'defreezing' and a resumption of investment plans, both in the public and private sectors.

Thus, the usual seasonality in our activity was even more pronounced than in previous years: if historically the 4th quarter brought approximately a third of revenue and gross margin, in 2025 major deliveries moved to the final part of the year, with the 4th quarter representing 56% of the year's revenues.

In the first half, consolidated revenues were significantly affected, and operating results reflected the inelasticity of fixed expenses, generating an operating loss of 12.2 million ron. In contrast, the second half generated margins similar to previous years, which combined with the fixed cost reduction that we implemented, led to an operating profit in H2 of almost 14 million ron. In other words, if we had had a first H1 just similar to the previous ones, the operating profitability would have been in line with the planned one.

Of course, that's not how things work, and the result for the year records the lowest operating profit since we've been on the main market, equal to that of 2015 when we were a company with revenues of 10 million ron. On the other hand, the good news is that significant fixed cost reductions, combined with postponing projects, and not canceling them, lead us at the beginning of 2026 to the largest sales pipeline in history – over 490 million ron – combined with a fixed cost structure even lower than that of 2023.

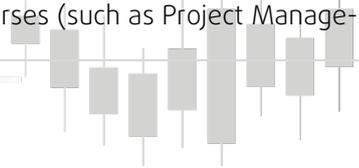
We intend to continue measures to optimize the business structure, not just as reactions to the specific economic context of 2025, but as a continuous process of making the organization more agile, more disciplined and more profitable in the long term.

Beyond the pipeline, we continue to have a significant backlog component, across all business lines. Some of the signed contracts were announced through the BSE news feeds, in accordance with capital market regulations:

- two significant contracts in amount of **23.5 million ron** for the delivery of IT courses (contracts won by the Education pillar and signed by the issuer). The majority of the revenues from these agreements will be recorded in 2026, once the courses are delivered;
- a framework agreement worth **143 million ron** for the provision of IT storage equipments and configuration services, through Dendrio Solutions (of which approximately half was delivered in 2025).

Business evolution in 2025

While the **Digital Infrastructure cluster (Dendrio)** experienced the strongest bottlenecks in 2025, but also the largest recovery in Q4, the other business pillars demonstrated resilience and recorded positive and growing developments versus the previous year: At the **IT Education pillar, Bittnet Training**, we managed to expand into the cybersecurity courses area, focused on the delivery of DevOps courses and started delivering new courses (such as Project Manage-



ment). We also signed new strategic partnerships (APMG, ServiceNow) and accelerated deliveries in ADR projects with European funding, which led to a 44% increase in revenues in 2025 versus 2024;

At the **Digital Platforms & Software** pillar level, **Elian** closed the year with a growing turnover (+22% vs 2024) as well as a significant multiplication of the operating profit. In 2025, Elian consolidated the recurring revenue base from support services as well as from upgrades to the newest version of Business Central made to existing customers. The focus of the year was on delivering implementations in new contracts to large customers with a significant number of users.

For **Nenos**, 2025 represented the acceleration of the product-first direction and the launch of new AI Agents already implemented in projects, in addition to obtaining AWS competency in GenAI Services, the first of its kind obtained by a company in Romania. The major projects delivered covered clients from various industries (energy, pharma, insurance, horeca, FMCG, public sector), and the focus was on automating critical processes, reducing operational times and increasing the quality of decisions.

Simplifying the group structure and leveraging the portfolio

In 2025, we continued the process of simplifying the group, reducing organizational complexity and leveraging portfolio assets (sale transaction of the holding in Optimizor). The full repayment of the loan granted to Impetum (for the acquisition of tranche 3 of Fort SA in 2024) was made by contributing 20 million BNET shares to an SPV that was transferred to the issuer. We are in the phase where the BNET shares will be transferred from the SPV to the issuer, thus becoming treasury shares that will be canceled at the next General Meeting (probably in April 2026) after receiving the necessary authorizations.

In October 2025, we held elections for the vacant positions on the Board of Directors. The new Board of Directors has the mandate to continue the plans to capitalize on the assets in the portfolio and direct the resources thus obtained towards rewarding shareholders through share buybacks and/or dividend distributions, within a prudent and sustainable framework for the core business.

Solid foundations for 2026

If we had to summarize 2025 in one idea, it would be: We navigated a year marked by a difficult economic context without compromising strategic directions. We adjusted costs and restructured teams without blocking activity through a period of pressure, but we also laid the solid foundations for the years to come.

The effects of efficiency are easy to see now, analyzing the difference between the first and second semesters of last year, compared to similar periods in 2024 (the year with the highest operational and financial profitability): From the same gross margin, by decreasing indirect expenses, we obtained, in 2nd semester 2025, a 52% higher EBITDA value and a 42% higher operating profit value compared to 2nd semester 2024.

BITTNET GROUP	H1 2025	H1 2024	Evolution	S2 2025	S2 2024	Evolution
Revenue from contracts with customers	103,983,209	169,505,875	-38.7%	290,272,925	234,607,169	23.7%
Gross margin	19,564,528	32,037,169	-38.9%	41,451,396	42,073,213	-1.5%
Selling/distribution expenses	10,466,452	9,950,413	5.2%	9,153,399	10,848,084	-15.6%
Personnel expenses	8,423,498	8,078,485	4.3%	7,354,185	9,358,474	-21.4%
Advertising and other sales expenses	2,042,954	1,871,927	9.1%	1,799,214	1,489,610	20.8%
Administrative expenses, of which:	26,272,886	22,647,772	16.0%	14,771,830	23,305,245	-36.6%
Personnel expenses	10,012,515	9,318,394	7.4%	6,906,769	9,906,210	-30.3%
Amortization	5,138,631	4,926,794	4.3%	4,971,190	5,334,220	-6.8%
Other third-party services	3,149,427	2,859,766	10.1%	3,080,174	3,311,784	-7.0%
Miscellaneous	3,895,666	5,542,818	-29.7%	3,890,344	4,753,032	-18.2%
Operating profit (excluding one-offs)	(12,279,560)	2,936,562	-518.2%	13,880,157	9,747,377	42.4%
EBITDA	(11,217,576)	7,863,356	-242.7%	22,927,993	15,081,596	52.0%
Gross profit	(20,558,139)	(3,868,387)	-431%	14,653,405	13,687,790	7.1%
Net profit	(17,813,773)	(4,533,063)	-293%	12,608,244	12,829,21	-1.7%



Mihai Logofătu
CEO and Co-Founder
Bittnet Group

We look towards 2026 with confidence: we have already contracted a consistent backlog of projects to deliver this year (approx.118 million ron) and an active pipeline for the next period,of over 490 million ron, a leaner cost structure and clear plans to continue this operational improvement, along with a clear mandate to attract strategic partners in all our businesses, to return cash to shareholders.

Thank you for your trust and patience during a difficult year. We continue to build for the long term, with caution, discipline and the ambition to turn each difficult cycle into an inflection point for the next stage of growth.



Group structure

The current structure of the Group contains 9 companies organized into 4 commercial brands (**Bittnet, Dendrio, Elian and Nenos**) and 3 business pillars/verticals (business units)

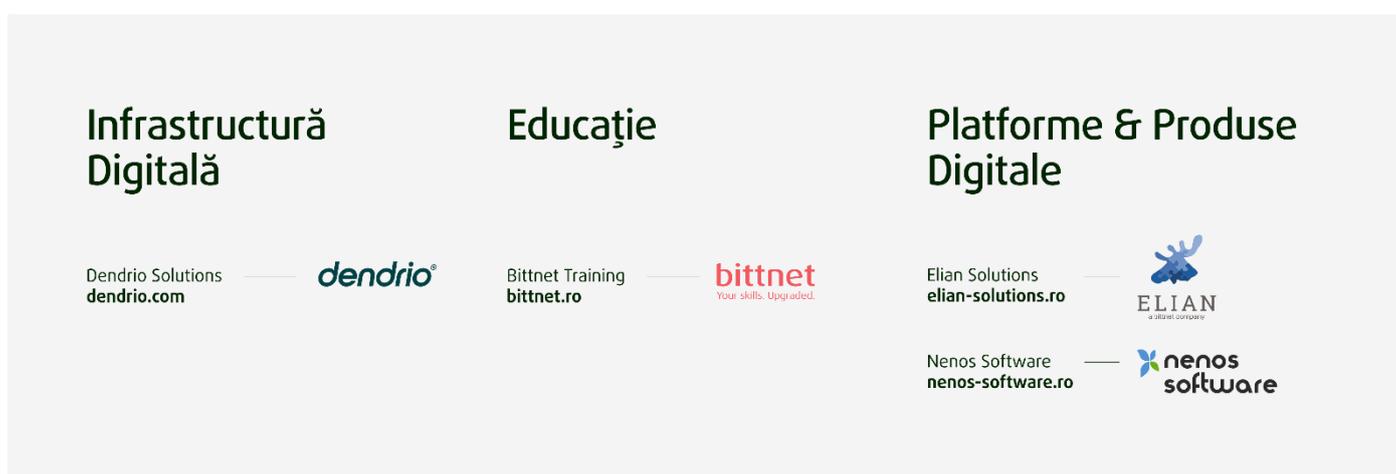
1. The **Education** Pillar carries out its commercial activity under Bittnet Systems SA, the group's parent company and the BVB listed entity, as well as through Bittnet Training SRL (formerly Equatorial Gaming).
2. The **Digital Infrastructure** Pillar contains the companies Dendrio Solutions SRL, Dendrio Innovations SRL (formerly Dataware Consulting) and Dendrio Technology SRL (formerly TopTech)
3. The **Digital Platforms & Software** pillar is currently made up of the companies Elian Solutions SRL and Elian Development Systems SRL (formerly Kepler Management Systems and fully owned by Elian Solutions), Nenos Software SRL and Nonlinear SRL.

Currently, the group structure is as follows:

bittnet
group

Piloni de business
Decembrie 2025

Your Value.
Upgraded.



Analysis of the activity and performance of business segments

The Group's continuous evolution process, both through the launch of new products and services and through continuous acquisitions, has led to the current size in which the activity is organized in centers ("cells") as independent as possible, in areas of interest "development pillars" or "business units", 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 unit) has access to direct and independent financing either from the capital market or the banking industry, cooperating with the other companies in the group to provide greater added value to both customers and employees or group partners. Starting with the end of 2023, we began efforts to simplify the group structure by analyzing the reduction of the total number of companies through absorption/merger processes. The first such processes were completed in 2024 and the simplification and optimization of the group structure continued in 2025.

Digital Infrastructure Pillar

This pillar currently contains 3 companies that offer complex IT&C solutions to clients in the corporate, large corporate, enterprise and public sector segments from all over the country but also from abroad (especially CEE).

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, cyber security platforms and the implementation of related software platforms, including collaboration platforms (modern workplace).

The companies that are part of this pillar today 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 the main international technology vendors and 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 branches in the main cities of Transylvania and Banat. At the end of 2024, Dendrio Technology absorbed its sister company zNet Computer from Braşov. The decision was made considering the profile of the two companies and the geography in which they operate.

Being one of the largest integrators in the IT&C market in Romania (according to Ziarul Financiar), **Dendrio** - the brand under which the entire digital infrastructure cluster of Bittnet Group operates - is built on three main pillars:

Large projects, significant, national: these are strategic, benchmark projects for the IT market. They are projects delivered with large teams, assuming high complexity. The beneficiaries of these projects are extremely mature organizations in terms of internal IT resources and expectations towards selected suppliers. In this segment, the know-how of the technical delivery teams, the ability to manage challenging deadlines and the ability to manage project risks are mandatory requirements.

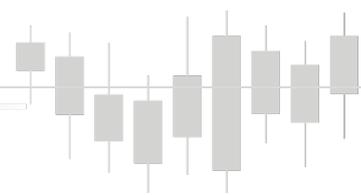
Medium projects: the segment of private companies and local public sector entities. Although these projects can have high complexity (similar to strategic ones) the main challenge lies in the ability to deliver a high number of projects in parallel. Organizational efficiency, resource planning and their mobility play an extremely important role in economies of scale.

Innovative projects: are those projects for which we implement a new technology for the first time. They are the projects in which the technology producers and our teams are in permanent contact and the technological depth, the obsession to see things through to the end and the passion for technology are the elements that make the difference between a successful project and a failed one.

As in previous years, the business generated by the Dendrio cluster represents the largest share of the group's total revenues (approx. 87% in 2025).

Digital Infrastructure (Dendrio)	December 31, 2025	December 31, 2024	Evolution
Revenue from contracts with customers	344,359,463	365,377,443	-5.8%
Service provision	47,790,815	57,278,630	-16.6%
Sale of goods	296,568,649	308,098,813	-3.7%
Cost of sales	301,258,365	305,196,693	-1.3%
Goods/materials	262,525,334	264,428,421	-0.7%
Services	21,971,829	20,762,969	5.8%
Man-hours	16,761,203	20,005,303	-16.2%
Gross margin	43,101,098	60,180,750	-28.4%
Other income	1,126,182	2,180,246	-48.3%
Selling/distribution expenses	14,830,226	14,980,333	-1.0%
Man-hours	12,278,284	13,074,453	-6.1%
Advertising and other sales expenses	2,551,942	1,905,879	33.9%
Administrative expenses, of which:	29,436,489	32,948,458	-10.7%
Man-hours	13,689,672	16,098,871	-15.0%
Amortization	6,323,223	6,892,531	-8.3%
Other third-party services	3,499,811	4,044,698	-13.5%
Miscellaneous	5,923,783	5,912,359	0.2%
Operating profit (excluding one-offs)	(39,434)	14,432,205	-100.3%
EBIT	(39,434)	14,432,205	-100.3%
EBITDA	6,283,789	21,324,735	-70.5%

The Digital Infrastructure Pillar was most affected by the generalized economic lockdown in the first half of 2025.



From a broader perspective, 2025 was very unpredictable for Dendrio: the regional and local context created a waiting effect among the Romanian IT market. This postponement effect manifested itself differently within the customer segments and the type of projects that Dendrio implements.

Looking from the perspective of Dendrio's three development pillars, 2025 was a year of contrasts:

- We delivered one of the largest integration projects in Romania in Q4 – part of a framework agreement;
- Revenues from these large projects with a national footprint increased by 25% compared to 2024 – the best year in Dendrio's history.
- On the other hand, the private sector (and also entities in the Local Public Sector) reacted extremely quickly to the instability in the first part of the year (budgets adopted very late and fiscal correction measures felt particularly in the private sector) contributed on regional and global instability. In this context, the volume in projects delivered to this segment decreased significantly compared to 2024 – a decrease of over 40%
- Private companies have also significantly reduced their investments in innovative projects, focusing (trend that we believe will continue in 2026) on reducing operational costs.
- Another aspect to remember – the seasonality of business: If Dendrio's classic seasonality assumed the achievement of 40% of revenues in the first 6 months and 60% of revenues in the 2nd semester (years 2023, 2024), this was replaced by a totally atypical revenue structure: the companies in the cluster achieved 22% of the entire year's revenues in the first 6 months, respectively 78% of revenues in the second semester, mainly in the 4th quarter (motivated largely by the expansion of large projects, which have this seasonality corroborated with the contraction of medium-sized projects); In this context, the last quarter contributed 62% of the entire year's revenues.
- Last but not least, this pressure on the business environment has led to a significant increase in the competitive environment. The emergence of new players in the IT&C integration segment has led to a significant decrease in operating margins, by almost 4 percentage points.

Although we managed to maintain annual revenue at levels similar to the best year in Dendrio's history - 2024 - the gross margin and operating profit decreased significantly, which led to Dendrio's net profit entering negative territory.

Operational / structure

We want to constantly optimize the way we operate the integration structure, which is why, amid market pressure on Dendrio's margins, we have implemented a fixed cost reduction plan.

Although this optimization may seem modest in the economic context, we believe that years of growth are ahead for the Romanian IT&C market – with the main growth engine being the implementation of the infrastructures necessary for AI projects and their security – which is why we decided to strengthen the sales and presales teams but also to maintain a top team in the technical area. We believe that in the long term, companies that invest in increasing performance and eliminating inefficiencies are the ones that will make a difference in the market.

From an operational point of view, the integration cluster already operates under a unitary brand (Dendrio) with a unitary management and operating structure.

Last but not least, at the end of 2025 Dendrio - through Dendrio Technology - obtained the ANRE (National Energy Regulatory Authority) type A and type B certificates necessary for the design and implementation of electricity supply systems and installations, thus opening the opportunity to complement IT&C infrastructure projects with projects regarding this type of energy supply.

Business

Maintaining the growth outlook for the coming years, even amid operational efficiency improvements, we continued to invest in sustained communication to the market – organizing over 30 events, nationally, with the help of technology partners. Among these, the largest Dendrio-branded event, Transilvania IT Forum, attracted over 220 participants.

And in 2025 we continued to deliver an impressive number of projects. Even though down 11% compared to 2024 (comparison made without Optimizor, which left the consolidation perimeter during 2025), we managed to successfully deliver 8,800 projects, for a number of over 1,800 clients.

In 2025, we also delivered a first national-scale project in the area of implementing complex AI systems, while laying the foundations for a new project to be delivered in 2026.

Also at the end of 2025, we delivered our first large-scale project to a company in the financial and banking sector in the Republic of Moldova. We continued the development process in this direction, currently having two active colleagues and pursuing accelerated development in the Republic of Moldova.



Education Pillar

This business pillar contains 3 companies, which offer training to adults in two areas: Technical Skills and Human Skills both in classic, face-to-face format, Virtual Remote but instructor-led or in elearning format. These are:

- **Bittnet Systems SA** (CUI 21181848): the parent company of the group, listed on the BSE 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** (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, Bittnet Training 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.

Education	December 31, 2025	December 31, 2024	Evolution
Revenue from contracts with customers	15,218,905	10,537,664	44.4%
Cost of sales	8,431,753	5,107,320	65.1%
Cost of goods sold	358,091	261,488	36.9%
Services	6,376,672	4,014,466	58.8%
Man-hours	1,696,990	831,366	104.1%
Gross margin	6,787,152	5,430,343	25.0%
Other income	37,506	86,076	-56.4%
Selling/distribution expenses	3,135,279	3,764,201	-16.7%
Man-hours	2,328,439	3,088,967	-24.6%
Advertising and other sales expenses	806,839	675,234	19.5%
Administrative expenses, of which:	2,655,815	3,273,722	-18.9%
Man-hours	(14,512)	604,363	-102.4%
Amortization	1,857,721	1,652,742	12.4%
Other third-party services	560,177	702,303	-20.2%
Miscellaneous	252,429	314,313	-19.7%
Operating profit (excluding one-offs)	1,033,564	(1,521,503)	167.9%
EBIT	1,033,564	(1,521,503)	167.9%
EBITDA	2,891,285	131,239	2103.1%

The year 2025 was a year of growth and stabilization for the Education division of the Bittnet group. Revenues from IT training activity increased from 10 million ron in 2024 to 15.2 million ron and we concluded contracts worth a total of 8 million euro. The highest value in contracts signed by the Education division in a single year.

This is the first year that the division has integrated and operated under an OKRs (Objective - Key Results) system, which has led to strategic decisions and a stabilization of the way of working. The Product Department has supported the scaling of the company by expanding the portfolio and developing strategic areas of competence, generating over 400 thousand euro from collaborations with technology vendors and initiatives and attracting over 19 thousand euro in marketing funds from vendors.

In parallel, new directions such as Project Management, compliance (NIS2 and DORA) and ServiceNow were launched, supported by the consolidation of the four strategic hubs: AI, DevOps, CyberSecurity and Project Management. The Marketing Department was aligned with the objective of sustainable growth through measurable OKRs, with a focus on increasing the quality of conversions and consolidating the commercial pipeline, generating direct financial impact. The strategy integrated high-performance digital tactics (SEO & GEO, SEM, automation, PR, email marketing, events), optimized for maximizing conversion with a scaling plan in 2026.

In 2025, the Demand Generation team directly contributed to achieving growth objectives by coordinating multi-channel campaigns and through continuous optimization. It also contributed to accelerating the conversion of 1,036 MQL (+54%) into 480 SQL (+33%). Through integrated collaboration with the Marketing and Sales (BDM) teams, Demand Generation supported the expansion of the pipeline to approximately 1.3 million euro (+30%) and the increase in the value of SQL earned to 484 thousand euro (+86%) with a direct impact on financial performance.

The B2B Sales team demonstrated solid commercial execution, resulting in 428 projects won and a turnover of over 1.45 million euros, reflecting the efficiency of the sales process and the discipline in prioritizing high-potential opportunities. The results obtained validate the strategic alignment between pipeline, conversion and contract execution, with a direct impact on the company's operational performance.



The B2G Sales Team (BID) won 23 projects, signing contracts worth approx. 900 thousand euros. Beyond these results, it was important for us that the projects delivered had a concrete impact on education in the public sector. We aimed to implement relevant, applicable and truly useful initiatives for the beneficiaries. Overall, 2025 was a solid year for the BID team, both in terms of financial performance and the contribution made in areas essential for the development of the communities in which we operate.

The Training Delivery team delivered nearly 500 classes/courses for over 6,000 participants, contributing to sustainable business growth by developing learning journeys and co-creation projects, integrating gamification into course delivery, and optimizing collaboration with trainers and partners, including by generating revenue from trainer rental and international projects.

2026 has already started with intense activities in the area of course deliveries contracted since the end of last year. We are currently engaged in the delivery of two significant contracts involving a total of 141 self-paced, virtual and in-class classes, significant projects won and announced at the time of their signing on the BVB news feeds.

Digital Platforms & Software Development Pillar

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 61.68%. Elian specializes in providing implementation, development and support services for ERP (Enterprise Resource Planning) solutions Microsoft Dynamics 365 Business Central. As a long-term Microsoft partner, ELIAN held the status of Gold Partner until 2022, and is currently a Certified Solution Provider (CSP) for Business Applications, being pioneers in Eastern Europe within the Microsoft cloud partnership program. The solution implemented by ELIAN allows companies to know the situation of inventories, receivables and payables, to be able to forecast, inter alia, cash flow, to track production, cost centers and much more.
- **Elian Development Systems SRL (formerly Kepler Management Systems)**(CUI: 21562125) is a company with a similar field of activity and business to Elian Solutions, which joined the Bittnet group at the end of 2023. It is 100% owned by Elian.
- **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

For Elian, 2025 was the best year in the company's history in terms of total revenues generated, which exceeded 31.6 million ron, an increase of 22% compared to 2024. The structure of the turnover, divided by the 3 types of income, is as follows: 39% licensing revenues, 39% implementation services revenues and 22% support services revenues. Licensing revenues, of approximately 12.1 million ron, maintain the largest share in turnover, closely followed by implementation services revenues (which amounted to 12 million ron) in a similar percentage.

In 2025, we maintained our focus on large projects with significant customers, with a large number of licensed users on SaaS (Software as a Service) technology. At the end of 2025, we exceeded the threshold of 1,000 licensed Business Central SaaS users.

During the year, we started 35 new projects, of which 23 are new implementations and 12 are upgrade projects to the latest versions of Business Central. The total revenue generated by these projects, combined with the revenue from implementation projects started since 2024 and completed during 2025, represents 39% of total turnover.

Revenue from support services represented 22% of turnover (almost 7 million ron). This confirms the trend observed since the beginning of 2025 of decreasing additional requirements reported to the entire portfolio, with more and more customers opting to upgrade to the latest versions of Business Central, without investing in the development of older solutions. Approximately 75% of all upgrade projects are to SaaS technology.

On the other hand, we observe the constant growth of revenue from implementation - upgrade services, revenue generated by existing Elian clients (the 12 projects mentioned above).



Also, given that the vast majority of projects delivered in 2025 are large projects, with complex flows and a long implementation period, their handover to the support department and the generation of recurring revenues will mainly take place in 2026, when we expect to record an increase in absolute value of revenues from support services.

As for the Elian team, in 2025 we marked a series of important milestones:

1. **Strengthening** the support and maintenance team: currently, we have 15 dedicated consultants who take over and solve the requirements of the clients in the portfolio. The 15 resources are divided into 2 teams coordinated by a team leader with relevant experience in the field. Concurrently with the team consolidation process, work procedures were finalized and standardized, to ensure traceability and optimal response times in taking over, planning and solving the requirements. Currently, the support team records an average of 300 requirements solved weekly, for a portfolio of approximately 400 clients.
2. **The team Project Management:** 2025 was the year we built this team, thus ensuring a dedicated PM for each project carried out. If until 2025 the projects were managed by senior consultants involved in the respective projects, starting with 2025 each major project will have a dedicated PM. The turnover in 2025 was achieved with the same implementation and development team as in 2024, but the difference was the existence of the Project Management (PM) department that ensured the management of the projects (time, budget, resources), leaving the consultants to focus exclusively on the delivery of solutions.
3. **Specialization:** We continued the process of developing the team's skills, certifying/recertifying Elian members. In 2025, we launched the "Elian Academy" program, a program that aimed to support the team in Microsoft certification for the Business Central solution. The effect of this approach was especially visible in the second half of the year, when we recorded a boost in project delivery.
4. The year 2025 is the year in which the results of what we started to build in previous years were seen, being a year marked by maturity and stability. The foundations laid in previous years - operational KPIs, the stabilization of the management team that manages each department, brought about an increase in efficiency in project delivery.

The year 2026 is primarily about resources, team. We believe that a strong partnership, supported by clear communication and strategy will support the achievement of the value objectives for 2026. Thus, we consider a series of coordinates:

- **Project Management Team:** it is a young team, in training, we want it to reach maturity and contribute to increasing efficiency, growth essential for Elian's objectives.
- **Elian Open Day:** is a project through which we want to generate awareness among customers about what support and maintenance means in Elian - the team, work procedures, how to manage the ticketing process - as well as training on recurring topics in support. Our goal is to strengthen the partnership relationship with the customers in the portfolio.
- **Segmentation** and specialization by industry within the team - we want our colleagues to specialize in business verticals and specific solutions.
- **ERP & AI:** Elian is investing in unique AI Agent solutions for ERP for 5 business directions where we have identified specific needs, solutions that we estimate will be launched in 2026.

Nenos & Nonlinear

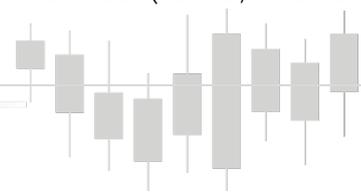
For Nenos, 2025 was a year of accelerated maturation, in which Nenos Software and Nonlinear moved from exploration and experimentation to delivering Agentic AI solutions with real impact, in production. We strengthened the "product-first" strategic direction, while maintaining the flexibility necessary to support complex custom projects and long-term partnerships. Major projects delivered covered clients from various industries (energy, pharma, insurance, horeca, FMCG, public sector), and the focus was on automating critical processes, reducing operational times and increasing the quality of decisions.

Operationally, the year was marked by:

- Increasing adoption of Agentic AI solutions
- Consolidating the DeDup product as a source of recurring revenue
- organizational adjustments necessary for efficiency and sustainability

Significant Achievements in 2025: Agentic AI & Enterprise Projects

- Oil&Gas Industry – AI Agentic for automatic verification of commercial contracts vs. invoices (control, reconciliation and deviation detection)



- Pharma Industry – AI Agent for analyzing requests for quotations and supporting in completing technical-financial offers (pre-sales)
- Insurance, HoReCa, FMCG – Q&A agents powered by site data, with automatic collection, interpretation and summarization of conversations to generate insights and trends
- Health – Romania – companion AI agent for collecting and classifying patient feedback, part of the national campaign Trust Makes Us Feel Good, carried out together with WHO DeDup for SharePoint
- 243 monthly active customers on a subscription basis
- Coca-Cola implements customized DeDup globally, across all subsidiaries
- DeDup becomes a mature product, with international adoption and recurring revenue Significant things that impacted the year
- Increasing complexity of Agentic AI projects, far beyond initial estimates
- Changing the sales method: from classic bidding to consultative selling
- The need for internal reorganization to control costs and align with the new strategic direction
- Market pressure: high interest in AI, but low maturity in defining use cases Lessons learned in 2025

BID product (for auctions): The use case proved significantly more complex than estimated. Although the technical part was addressed ~75%, the budgets allocated by the clients did not support the real complexity. Involving an SME from the beginning proved essential, including for accurate estimates.

Proof of concept (POC) as a learning tool: The over 20 POCs delivered in 2025 helped us to:

- understand the real expectations of customers
- manage objections better
- clearly define the scope, impact and delivery time
- improve production processes

Key market takeaways: There is high interest in Agentic AI, but customers need guidance to correctly define use cases. The myth “AI is magic” creates unrealistic expectations regarding costs and delivery time.

- Especially in Romania, customers don't buy theory. Demos, prototypes and POCs are essential, but they significantly increase the cost and length of the sales cycle.
- Scalability is key Custom projects have forced the rapid development of reusable components, templates, and accelerators to deliver faster without reinventing solutions.

Major challenges in 2025

- Productizing Agentic AI: moving from custom solutions to scalable, reusable modules
- The balance between outsourcing and products: outsourcing remains necessary for financial stability until recurring revenues mature
- Complex consultative selling: discovery, business analysis and correct scope definition become mandatory
- Generative AI Certifications for Team and Organization

Strategic directions for 2026

- transforming the accumulated experience into standard products and accelerators
- margin increase through faster delivery
- strengthening DeDup's position as a global enterprise product
- developing a clear, vertical offering on Agentic AI

Final Conclusion: 2025 was a challenging but extremely valuable year for Nenos Software & Nonlinear. We delivered real solutions, learned from projects, and laid the foundation for a sustainable long-term direction. We enter 2026 more mature, strategically clearer, and better positioned to transform Agentic AI from promise to scalable value.



Digital platforms & Software development	December 31, 2025	December 31, 2024	Evolution
Revenue from contracts with customers	34,677,766	28,197,937	23.0%
Service provision	22,557,792	21,381,148	5.5%
Sale of goods	12,119,974	6,816,789	77.8%
Cost of sales	23,550,092	19,698,648	19.6%
Cost of goods sold	7,535,624	5,616,961	34.2%
Services	(515,060)	(63,943)	705.5%
Man-hours	16,529,529	14,145,629	16.9%
Gross margin	11,127,673	8,499,289	30.9%
Other income	85,553	95,999	-10.9%
Selling/distribution expenses	1,370,387	1,305,215	5.0%
Man-hours	1,170,960	871,729	34.3%
Advertising and other sales expenses	199,427	433,486	-54.0%
Administrative expenses, of which:	6,660,375	5,062,849	31.6%
Man-hours	3,102,756	3,198,253	-3.0%
Amortization	1,234,270	1,023,266	20.6%
Other third-party services	1,116,093	139,494	700.1%
Miscellaneous	1,207,256	701,835	72.0%
Operating profit (excluding one-offs)	3,182,463	2,227,224	42.9%
EBIT	3,182,463	2,227,224	42.9%
EBITDA	4,416,734	3,250,491	35.9%

Costs allocated to the group

In addition to the day-to-day 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, 2025	December 31, 2024	Evolution
Advertising and other sales expenses	283,960	-	-
Administrative expenses, of which:	2,292,037	2,453,987	-6.6%
Man-hours	141,368	8,027	1661.1%
Amortization	694,606	692,474	0.3%
Other third-party services	1,053,520	1,631,993	-35.4%
Miscellaneous	402,543	121,493	231.3%
Operating profit (excluding one-offs)	(2,575,997)	(2,453,987)	-5.0%
EBIT	(2,575,997)	(2,453,987)	-5.0%
EBITDA	(1,881,391)	(1,761,513)	-6.8%



Analysis of preliminary consolidated financial statements

Consolidated profit and loss account

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
Revenue from contracts with customers	394,256,134	404,113,044	-2.4%
Revenue from the provision of services	85,491,655	89,146,640	-4.1%
Sale of goods	308,764,479	314,966,404	-2.0%
Cost of sales	333,240,210	330,002,661	1.0%
Cost of goods/materials sold	296,072,542	293,472,428	0.9%
Services	2,179,947	1,547,935	40.8%
Man-hours	34,987,721	34,982,298	0.0%
Gross margin	61,015,923	74,110,382	-17.7%
Other income	1,249,240	2,363,095	-47.1%
Selling/distribution expenses	19,619,851	20,798,497	-5.7%
Man-hours	15,777,683	17,436,960	-9.5%
Advertising and other sales expenses	3,842,168	3,361,537	14.3%
Administrative expenses, of which	41,044,716	45,953,018	-10.7%
Man-hours	16,919,284	19,224,604	-12.0%
Amortization	10,109,820	10,261,013	-1.5%
Other third-party services	6,229,601	6,171,550	0.9%
Miscellaneous	7,786,011	10,295,850	-24.4%
Operating profit (excluding one-offs)	1,600,597	12,683,938	-87.4%
EBIT	1,600,597	12,683,938	-87.4%
EBITDA	11,710,417	22,944,952	-49.0%

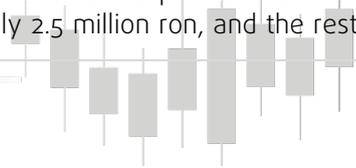
The revenues recorded was similar to that of 2024 (394 million versus 404 million), but the structure and seasonality were very different in 2025 compared to 2024, as we showed in the first part of the report. The peak of deliveries from public projects concentrated in December generated a decrease in value for services delivered during the year (effectively due to the lack of time for their implementation), accompanied by a decrease in the gross margin of projects from 16% to 12% within the Digital Infrastructure business unit, and from 51% to 46% in the IT Education business. The percentage increase in the Digital Platforms & Software pillar activity, from 30% to 32%, could not fully compensate for this decrease in the higher-volume business line (Digital Infrastructure), which led to a decrease in gross margin by 13 million ron at the consolidated level (-17% vs. 2024).

Administrative expenses were reduced from 11.4% of revenue to 10.4% of revenue, continuing the trend (in 2022 they were 12.5%). We continue to be careful to any increase in general/administrative expenses and aware of the importance of keeping them under control at all times, without significant impact over projects delivery.

The decrease by 13 million ron in gross margin generates a decrease by 11 million ron in EBITDA (-49% vs 2024) and a similar decrease in operating profit in nominal value (as well as a decrease by 87% vs 2024). The operating profit recorded in 2025 is at the lowest level in the last 6 years due to the lack of revenue in the first semester which generated an operating loss of approx. 12 million ron. Thus, the operating profit recorded in 2nd semester (approx. 13.8 million ron), even if increasing by 42% vs the level recorded in semester 2 2024, was insufficient to significantly compensate for the loss in the first half of the year. As of 31.12.2025, the operating profit is 1.6 million ron (vs 12.6 million ron in 2024).

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
EBITDA	11,710,417	22,944,952	-49.0%
Operating profit (excluding one-offs)	1,600,597	12,683,938	-87.4%
One-off result	-	-	-
EBIT	1,600,597	12,683,938	-87.4%
SOP adjustment	(311,804)	(1,043,509)	-70.1%
Equatorial brand impairment and ELC minority ownership	-	(2,078,990)	-
Pre-acquisition M&As costs	-	(45,510)	-
Gain/loss on equity-accounted securities	(94,860)	(39,541)	139.9%
Income/expenses from securities valuation	(2,086,006)	(4,024,130)	-48.2%
Other financial income	3,643,479	10,976,580	-66.8%
Financial expenses	(8,656,140)	(6,609,437)	31.0%
Gross profit	(5,920,072)	9,819,403	-160.3%
Net profit	(5,203,253)	8,296,154	-162.7%

Between operating profit and gross profit, financial costs of 8.6 million ron are divided into non-cash expenses and mark to market (SOP, revaluation of Softbinator shareholding, FX differences) of approximately 2.5 million ron, and the rest



cash expenses representing interest & bank commissions and bonds interest in amount of 6.1 million ron. In this context, the consolidated gross loss is 5.9 million ron (+9.8 million ron in 2024) resulting in a net loss of 5.2 million ron at the end of 2025.

Consolidated balance sheet items

Fixed assets did not have a significant fluctuation in 2025, given that this position is mainly composed of goodwill related to M&A transactions. Current assets continued their positive evolution (from 223 to 274 million ron), consisting of 134 million ron of trade receivables from customers, 116 million ron of cash and equivalents, and 20 million ron of inventories and supplier advances at the end of 2025.

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
Goodwill	64,531,266	67,950,004	-5.03%
Other intangible assets	8,753,702	8,661,920	1.06%
Tangible fixed assets	5,343,907	7,058,287	-24.29%
Usage rights	19,954,606	22,412,622	-10.97%
Equivalent securities	6,176,992	1,271,853	385.67%
Other financial assets	315,703	378,633	-16.62%
Deferred tax	5,576,416	4,165,763	33.86%
Total fixed assets	110,652,590	111,899,083	-1.11%
Inventory	3,647,955	4,811,756	-24.19%
Advance expenses	16,221,472	15,324,838	5.85%
Trade and other receivables	134,432,677	124,059,021	8.36%
Financial assets	3,459,404	5,710,669	-39.42%
Cash and equivalents	116,384,296	73,355,404	58.66%
Total current assets	274,145,804	223,261,688	22.79%

On the other hand, short-term liabilities also evolved yoy, mainly through the increase in trade payables, which make up 81% of total short-term liabilities, and which are covered to 111% by trade receivables, cash and inventories. In other words, beyond working capital, the cash position available at the end of the year covers 100% the financial liabilities due in 2026. From the balance sheet "Provisions" position, the entry related to the provision established for the litigation with the owner of the former headquarters (4.1 million ron) was eliminated, given that the ICCJ (High Court of Cassation and Justice) canceled the decision of the Appeal Court and remitted the file for retrial at the beginning of 2026. We recall that this provision was established at the level of the financial statements on 30.06.2025 as a result of receiving an unfavorable decision in the lawsuit filed by the owner of the former group's headquarters.

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
Total debts	318,335,481	257,965,453	23.4%
Total long-term debt,	49,343,599	60,722,790	-18.7%
of which:			
Bonds	21,194,200	30,718,474	-31.0%
Bank Loans	13,221,973	12,525,113	5.6%
Lease liabilities (IFRS16)	14,927,426	17,479,202	-185.4%
Total short-term liabilities,	268,991,882	197,242,663	36.4%
of which:			
Bonds	10,475,771	167,365	6159.2%
Bank loans	12,259,422	15,974,109	-23.3%
Trade and other debts	218,732,438	153,036,973	42.9%
Provisions	1,078,401	1,264,538	-14.7%

Total equity records the value of 61 million ron compared to 70 million last year, a natural evolution in a year with an accounting loss. The management's opinion is that the net accounting asset is undervalued due to the obligation to preserve the value of holdings in subsidiaries at the acquisition cost. For example, Bittnet's holding in Elian is valued at 5.5 million ron, and therefore it is reflected in the net asset with this value, on the other hand, we are talking about a company, Elian, in an industry with valuation multiples of the order of 9-11x EBITDA, and an EBITDA level of over 3 million ron in 2025. In other words, in the balance sheet we record barely 3x EBITDA out of the 9-11x market value. This theory (of undervalued holdings) could have been previously tested in the transactions of sale of the stake held in FORT SA (which occurred at a market value double the accounting value) or the sale of the holding in Optimizor (at a market value of 6.1 million ron, compared to the accounting value of 3.39 million ron).



Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
Share capital	63,417,671	63,417,671	-
Issue premiums	31,934,768	31,934,768	-
Other equity items	(31,751,172)	(28,669,257)	10.7%
Legal reserves	2,233,539	2,104,581	6.1%
Total capital	60,999,466	70,368,816	-13.3%
Minority interests	5,463,446	6,826,502	-20.0%
Total equity	66,462,913	77,195,318	-13.9%

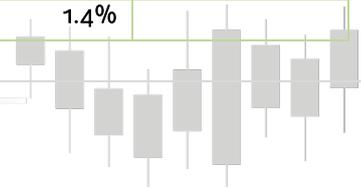
Consolidated cash flow statement

During 2025, the concentration of deliveries in public projects in November-December led to the reappearance of the favorable scenario of 2023 in which customers accelerated payments before December 31st, so that a significant part of trade debts (to suppliers) are covered directly by cash on 31.12.2025, not only by trade receivables. If the general scenario in which trade debts are covered by trade receivables is a healthy one, the one we found ourselves in at the beginning of 2026 is even more desirable, with a large part of the receivables being collected.

Bittnet group generated 62.5 million ron cash flow from operations in 2025, of which 38.5 million must be allocated to trade payables, along with trade receivables, and 24 million ron is free cash (available cash), used essentially to reduce the level of indebtedness; net cash from investing activities was insignificant, under 1 million ron, while 20 million ron was allocated to the repayment of bank debts, interests and redemptions (approximately 3.4 million ron). In this context, the total increase in cash in the period is by 43 million ron, and cash and cash equivalents at the end of 2025 were 116 million ron, a solid position with which we started the new financial year.

Budgeted targets achievement in FY2025

BITTNET CONSOLIDATED GROUP	Achieved 2025 without one-off (preliminary)	Budget 2025 (without Optimizer)	Achieved 2025P vs. Budget
Revenue from contracts with customers	394,256,134	440,350,107	90%
Cost of Sales	301,528,999	328,109,528	92%
Gross Margin (M1)	92,727,135	112,240,579	83%
%Gross Margin (M1)	23.5%	25.5%	92%
IFRS Direct Costs (technical team)	31,711,211	31,360,236	101%
Gross Margin (M2)	61,015,923	80,880,343	75%
%Gross Margin (M2)	15.5%	18.4%	84%
Indirect expenses, of which	49,305,506	56,171,966	88%
<i>Selling/distribution expenses</i>	18,252,215	20,781,227	88%
<i>Human Resources - indirect costs</i>	18,756,765	22,076,816	85%
<i>Other Administrative expenses</i>	12,296,526	13,313,923	92%
EBITDA	11,710,417	24,708,377	47%
%EBITDA	3.0%	5.6%	
<i>Amortization</i>	10,109,820	10,661,569	95%
EBIT	1,600,597	14,046,808	11%
<i>SOP & M&A costs</i>	311,804	935,412	33%
<i>Financial Result</i>	(6,552,272)	(5,975,264)	110%
Gross Profit	(5,263,479)	7,136,132	-74%
<i>Current income tax</i>	(711,868)	1,141,781	-62%
Net profit	(4,551,611)	5,994,351	-76%
%Net profit	-1.2%	1.4%	



The difference between Gross Margin M1 and M2 is given by IFRS direct costs (related to the technical/delivery team), that component of direct costs that is not directly allocated to the projects sold to customers. The Issuer reports Gross Margin (M2) when presenting the financial results, this level of indicator being the result between revenues from customer contracts (turnover) minus total direct expenses.

Indicative budget for FY2026

The Issuer makes available to investors a first draft of the indicative Income and Expenditure Budget (BVC) for the year 2025. The final form of the BVC will be available to investors as a supporting document for the agenda of the General Meeting of Shareholders in April 2026.

BITTNET CONSOLIDATED GROUP	Achieved 2025 without one-off (preliminary)	Budget callsign 2026E	2026E vs 2025P
Revenue from contracts with customers	394,256,134	449,622,494	14%
Cost of sales	301,528,999	344,369,828	14%
Gross Margin (M1)	92,727,135	105,252,666	14%
%Gross Margin (M1)	23.5%	23.4%	
IFRS Direct Costs (technical team)	31,711,211	31,809,351	0%
Gross Margin (M2)	61,015,923	73,443,315	20%
%Gross Margin (M2)	15.5%	16.3%	6%
Indirect expenses, of which	49,305,506	49,120,267	0%
<i>Selling/distribution expenses</i>	18,252,215	19,428,070	6%
<i>Human Resources - indirect costs</i>	18,756,765	17,395,890	-7%
<i>Other Administrative expenses</i>	12,296,526	12,296,307	0%
EBITDA	11,710,417	24,323,048	108%
%EBITDA	3.0%	5.4%	82%
<i>Amortization</i>	10,109,820	10,501,426	4%
EBIT	1,600,597	13,821,622	764%
<i>SOP & M&A costs</i>	311,804	-	
Financial Result	<i>(6,552,272)</i>	<i>(7,598,417)</i>	
Gross Profit	(5,263,479)	6,223,205	
<i>Current income tax</i>	(711,868)	995,713	
Net profit	(4,551,611)	5,227,492	
%Net profit	-1.2%	1.2%	



BNET Investment Thesis

Until 2023 inclusive, the money attracted by the company through capital increases plus those retained as retained earnings generated increases in stock market capitalization in proportions from 2:1 to a maximum of 9:1. Starting with 2024, however, this ratio became sub-unitary, so the group's strategy transformed from accelerated growth to returning value to shareholders, by capitalizing on assets.

In October 2025, the general meeting of shareholders ratified as a mandate for the general manager to identify strategic partners for the companies in the group, both in the form of creditors but also in the form of participants in the capital of Bittnet Systems' subsidiaries, attracting partners that would allow the development of the companies in which Bittnet has holdings, independent of financing from Bittnet.

In order to fulfill this mandate, the General Manager is empowered to offer minority or majority stakes, obtainable by investors through purchase from Bittnet or/and through capital increases in the 'daughter' companies, the percentages offered being at the discretion of the General Manager, including the full sale, within the limits of article 90 paragraph (1) of Law no. 24/2017.

The general meeting also approved the distribution to the Company's shareholders, in the form of dividends and/or through share buyback programs, of any amounts received by the Company as a result of transactions regarding the shares/shares held by the Company in subsidiaries, through which a strategic partner is attracted within them, to the extent that the applicable legislation and the Company's financial situation allow such distribution, regardless of the distribution method chosen.

Thus, the current investment thesis is:

You can invest in BNET shares in 2026 if you agree with management's assessment that the company's assets are significantly undervalued compared to book value, and therefore you believe that by capitalizing on them, the company will be able to release amounts significantly higher than the company's current Market capitalization.

As previous examples in this regard, the sale at market price in 2024 (market price minus discount) of the Fort SA stake was made at a profit of over 100% compared to the book value. In case of Optimizor, the market value at which Bittnet sold the holding in 2025 was 6.1 million ron versus a book value of 3.39 million ron.

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 20 years, better results than the industry average, both operationally and in terms of capital management.

A final argument in this regard is the book value of Elian, which is 5.5 million ron, below 2x EBITDA, in a business with multiples of the order of 9-11x.

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:

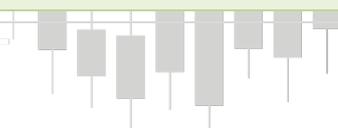
- Choosing an industry with favorable prospects is a decision that makes both the work of investors much easier and reduces the importance of choosing competent management: “a rising tide lifts all boats.” There has been no industry in the last 20 years with a more accelerated continuous growth than 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 mechanisms, 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.



Annex 1 – “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?
Advantage Operational	<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"> 1. Elimination of financial result (adding expenses to gross profit and subtracting financial income) 2. Elimination of IFRS non-cash adjustments related to the Stock Option Plan 	<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>
"Gross Margin" / "GM" / "margin"	<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. As an example, 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>
Gross Margin M1 vs. Gross Margin M2	<p>The difference between Gross Margin M1 and Gross Margin M2 lies in how IFRS direct costs associated with the technical team are taken into account:</p>	<p>M2 Gross Margin provides a more complete picture of profitability, as it also includes technical personnel costs that are not directly allocated to specific projects.</p>



	<p>M1 Gross Margin is calculated as the difference between revenues from customer contracts and direct expenses associated with these revenues (for each individual project).</p> <p>Gross Margin M2 is obtained by subtracting from Gross Margin M1 the IFRS direct costs related to the technical team, which are not directly allocated to the projects sold to customers.</p>	<p>For this reason, the company prefers to use M2 Gross Margin in presenting financial results, considering that it more accurately reflects the real profitability of the activity.</p>
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Preliminary, consolidated, unaudited financial statements

Consolidated statement of comprehensive income

	<u>2025</u>	<u>2024</u>
Revenue from contracts with customers	394,256,134	404,113,044
Cost of sales	<u>(333,240,210)</u>	<u>(330,002,661)</u>
Gross margin	61,015,923	74,110,382
Other income	1,249,240	2,363,927
General and administrative expenses	(41,371,700)	(44,034,551)
Other expenses	-	(2,124,500)
Gain/(loss) on equity-accounted securities	(94,860)	(39,095)
Financial income	1,557,473	6,952,451
Financial expenses	<u>(8,656,140)</u>	<u>(6,609,437)</u>
Gross profit	(5,904,734)	9,819,403
Income tax	<u>(704,155)</u>	<u>(1,523,249)</u>
Net profit, of which:	(5,215,916)	8,296,154
related to the parent company	(6,122,769)	4,516,095
related to minority interests	906,852	3,780,059
Other elements of the overall result	-	-
Total overall result	(5,215,916)	8,296,154
related to the parent company	(6,122,769)	4,516,095
related to minority interests	906,852	3,780,059



Consolidated statement of financial position

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Assets		
Fixed assets		
Goodwill	64,531,266	67,950,004
Other intangible assets	8,753,702	8,661,920
Tangible fixed assets	5,343,907	7,058,287
Usage rights	19,954,606	22,412,622
Equivalent securities	6,176,992	1,271,853
Other financial assets	315,703	378,633
Deferred tax	5,592,242	4,165,763
Total fixed assets	110,668,416	111,899,083
Current assets		
Inventory	3,647,955	4,811,756
Advance expenses	16,221,472	15,324,838
Trade and other receivables	134,432,677	124,059,021
Financial assets	3,459,404	5,710,669
Cash and equivalents	116,384,296	73,355,404
Total current assets	274,145,647	223,261,688
TOTAL ASSETS	384,814,063	335,160,771
 CAPITAL AND LIABILITIES		
Share capital	63,417,671	63,417,671
Issue premiums	31,934,768	31,934,768
Legal reserves	2,233,539	2,104,581
Retained earnings	1,276,523	(3,752,793)
Current result	(6,115,171)	5,333,845
Capital related to the parent company	60,996,159	70,368,816
Non-controlling interests	5,469,029	6,826,502
Total capital and reserves	66,465,188	77,195,318
 Long-term debts		
Loans from bond issues	21,194,200	30,718,474
Bank loans	13,221,973	12,525,113
Lease liabilities	14,927,426	17,479,202
Long-term liabilities for the acquisition of subsidiaries	-	-
Total long-term debt	49,343,599	60,722,790
Short-term debts		
Loans from bond issues	10,475,771	167,365
Bank loans	12,259,422	15,974,109
Lease liabilities	6,795,412	6,422,410
Dividends to be paid	1,913,363	544,411
Corporate tax liabilities	420,312	794,758
Advance income	17,314,977	19,038,100
Trade and other debts	218,747,618	153,036,973
Provisions	1,078,401	1,264,538
Total current liabilities	269,005,275	197,242,663
Total debts	318,348,874	257,965,453
TOTAL CAPITAL AND LIABILITIES	384,814,063	335,160,771



Consolidated statement of cash flows

	2025	2024
Gross profit	(5,920,072)	10,799,179
Adjustments for:		
Depreciation expenses	10,109,820	10,735,511
Impairment of goodwill & holdings	-	2,078,990
Expenses related to assets disposed of	304,791	606,497
Proceeds from the sale of assets		
Benefits granted to SOP employees	311,804	1,043,509
Adjustments for impairment of receivables	946,474	(7,098)
Adjustments for inventory depreciation	(412,768)	(111,516)
Provisions	(186,137)	(166,667)
Expenses related to acquisitions of participating interests	-	45,510
Interest expenses and other financial costs	6,129,455	5,554,530
Interest expenses and other financial costs – leasing	1,147,845	1,321,496
Interest income	(640,797)	(461,056)
Gain (loss) on securities investments	(916,672)	(6,491,442)
Gain (loss) on equity-accounted securities	94,860	39,541
Operating profit before changes in working capital	10,968,603	24,986,984
Variation in trade receivables balances	(18,879,521)	(58,621,756)
Variation in inventory account balances	1,576,568	(618,988)
Variation in debt account balances	69,908,895	58,239,515
Cash generated from operations	63,574,545	23,985,756
Income tax paid	(1,084,106)	(1,986,721)
Net cash from operating activities	62,490,439	21,999,035
Cash flows from investing activities:		
Net payments for the acquisition of subsidiaries/businesses	(4,977,000)	(24,485,735)
Payments for the purchase of participating interests	(4,999,999)	0
Proceeds from the sale of participating interests	11,065,316	13,862,761
Acquisition of own shares		
Loans to related entities	450,000	150,000
Acquisition of goodwill	-	-
Acquisitions of tangible and intangible assets	(1,794,608)	(2,017,582)
Proceeds from the sale of tangible and intangible assets		
Other investments in financial assets	-	-
Proceeds from other financial investments	157,754	1,467,912
Dividends received	186,592	78,225
Interest received	658,764	480,528
Net cash from investing activities	746,819	(10,463,892)
Cash flows from financing activities:		
Proceeds from the share issue	-	-
Sales of own shares	-	2,857,998
Treasury share buybacks	(3,393,718)	(766,058)
Bank loan withdrawals	2,337,337	10,971,851
Bank loan repayments	(5,355,165)	(9,991,335)
Proceeds from bond issue	-	6,197,011
Repayments from the bond issue	-	-
Interest related to financial leasing	(1,147,845)	(1,321,496)
Payment of debts related to financial leasing	(6,781,330)	(6,997,252)
Interest paid	(5,345,323)	(5,253,859)
Dividends paid/received	(522,323)	(3,889,770)
Net cash from financing activities	(20,208,366)	(8,192,911)



Net increase in cash and cash equivalents	43,028,892	3,342,232
Cash and cash equivalents at the beginning of the financial year	73,355,404	70,013,172
Cash and cash equivalents at the end of the financial year	116,384,296	73,355,403

For questions or feedback, please write to us at the dedicated email address: investors@bittnet.ro

