Translation from Romanian

GREEN TECH INTERNATIONAL SA

INDIVIDUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED ON 31 DECEMBER 2024

Issued in accordance with the Order of the Ministry of Finance No 2844/2016

I, **CRISTINA MANUELA CIUBLAN**, certified Translator/ Interpreter for English and French pursuant to Authorization no. 5464 issued on July 29, 2010 by the Ministry of Justice of Romania, I hereby certify the accuracy of this translation from Romanian into English and that the meaning of the original text has not been altered by the translation.

TRADUCATOR AUTORIZAT DE MINISTERUL JUSTITIEI
CRISTINA MANUELA CIUBLAN
nr. 5464
FRANCEZĂ ENGLEZĂ
ROMÂNIA

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GENERAL INFORMATION

Directors:

Lars Alexander Haussman

Gabriel Dumitrascu

Nae Cristian-Alexandru

Horia Pitulea

Robert-Cosmin Pana

Headquarters:

Str. Sofia nr 5, et.2, sector 1, Bucharest, Romania

Auditors:

AUDIT CONSULT GROUP SRL

Auditor Adriana Diaconescu

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TRADUCATOR AUTORIZAT DE MINISTERUL JUSTITIEI CRISTINA MANUELA CIUBLAN nr. 5464 FRANCEZA ENGLEZA ROMANIA

GREEN TECH INTERNATIONAL SA

STATEMENT OF FINANCIAL STATUS

as at 31 December 2024

(all amounts are in thousands of RON, unless otherwise specified)

thousand RON	Notes	31 Dec 2024	31 Dec 2023	1 Jan 2023
ASSETS				
Property, plant and equipment	5	180,017	178,689	176,986
Financial assets	6	428,085	5,137	5,230
Total non-current assets		**608,102**	**183,825**	**182,216**
Trade receivables	7	1,476	123	17
Other current assets	7	13,275	10,169	14,742
Cash and cash equivalents	8	0	18	1
Total current assets		**14,751**	**10,310**	**14,760**
Total assets		**622,853**	**194,136**	**196,976**
Equity and liabilities	9			
Share capital		7,939	4,671	4,671
Reserves		573,101	176,720	176,708
Retained earnings		3,521	2,506	2,587
Current result		2,433	254	(187)
Total equity		**586,992**	**184,152**	**183,779**
Long-term financial liabilities		-	-	2,914
Shareholder loans	11	784	445	48
Deffered tax liabilities	10	27,581	-	-
Provisions		498	493	-
Total non-current liabilities		**28,863**	**938**	**2,914**
Trade payables		1,698	1,407	453
Short-term financial liabilities		715	-	-
Fiscal payables		351	142	93
Other liabilities	11	4,234	7,497	9,739
Total current liabilities		**6,997**	**9,046**	**10,284**
Total equity and liabilities		**622,853**	**194,136**	**196,976**

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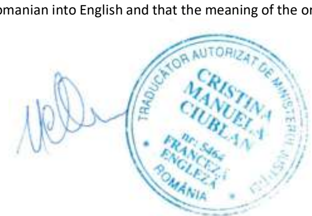
GREEN TECH INTERNATIONAL SA

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE RESULT

for the financial year ending 31 December 2024

(all amounts are in thousands of RON, unless otherwise specified)

thousand RON	Notes	2024	2023
Revenue from sale of services	12	1,492	-
Other revenue	12	22	3,951
Total operating revenue		**1,515**	**3,951**
Material expenses		(0)	(11)
Amortisation and depreciation		(22)	(23)
Other operating expenditure	13,14	(964)	(3,242)
Total operating expenditure		**(986)**	**(3,276)**
Operating result		**2,866**	**674**
Financial revenue	15	209	286
Financial expenses	15	(322)	(641)
Profit before income tax		**2,773**	**320**
Corporate income tax	10	(340)	(53)
Net profit		**2,433**	**267**



GREEN TECH INTERNATIONAL SA

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 31 December 2024

(all amounts are in thousands of RON, unless otherwise specified)

Thousand RON

	Share capital	Capital premium	Revaluation reserve	Retained earnings	Other reserves	Total own capital
Balance at 1 January 2024	**4,671**	**283**	**176,020**	**2,761**	**417**	**184,152**
Comprehensive result for the year						
Profit for the year	-	-	-	2,433		**2,433**
Other items in retained earnings	-	-	-	(40)	40	**-**
Correction of errors deferred tax revaluation and other items*	-	-	(28,163)	800		**(28,963)**
Transactions with owners recognised directly in equity						
Issuance of shares (Note 9)	3,267	424,504	-	-		**427,772**
Balance at 31 December 2024	**7,939**	**424,787**	**147,857**	**5,953**	**457**	**586,992**

Thousand RON	Share capital	Capital premium	Revaluation reserve	Retained earnings	Other book	Total own capital
Balance at 1 January 2024	**4,671**	**283**	**176,020**	**2,400**	**405**	**183,779**
Comprehensive result for the year						
Profit for the year	-	-	-	267		**267**
Other items in retained earnings	-	-	-	(12)	12	**-**
Error correction	-	-	-	106	-	**106**
Balance at 31 December 2024	**4,671**	**283**	**176,020**	**2,761**	**417**	**184,152**

* Deferred tax has been calculated and recorded at 31 December 2024. The impact relating to the prior reporting period has been included in Revaluation reserve (for temporary differences from revaluations) and Retained earnings (for other items that gave rise to temporary differences).

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GREEN TECH INTERNATIONAL SA
CASH FLOW STATEMENT
for the financial year ending 31 December 2024
(all amounts are in thousands of RON, unless otherwise specified)

thousand RON	2024	2023
Cash flow from operating activities		
Net profit	2,433	254
Net profit reconciling adjustments for non-monetary items		
Amortisation and impairment	22	23
Impairment gains/losses	(2,357)	200
Cost of current and deferred taxes	271	-
Accounting errors	800	-
Financial expenses	322	641
Financial revenue	(209)	(286)
Changes in assets and liabilities		
Trade receivables, net	(1,353)	(106)
Other assets	(3,106)	4,773
Liabilities and estimates	(4,194)	(2,421)
Cash flow from operating activities after changes	**(7,372)**	**2,677**
Interest paid, net	(106)	(278)
Income tax paid	(53)	-
Net cash flow from operating activities	**(7,531)**	**2,399**
Cash flow from investing activities		
Movement of financial assets	7,181	93
Net cash flow from investing activities	**7,181**	**93**
Cash flow from financing activities		
Withdrawals/repayments on loans	340	(2,518)
Net cash flow from financing activities	**340**	**(2,518)**
Net cash flow	(11)	(25)
The effect of the exchange rate on disposables	(7)	42
Net increase (decrease) in liquid assets	**(18)**	**17**
Available at the beginning of the period	18	1
Available at the end of the period	**0**	**18**

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TRADUCĂTOR AUTORIZAT DE MINISTERUL JUSTIȚIEI CRISTINA MANUELA CIUBLAN nr. 5464 FRANCEZĂ ENGLEZĂ ROMÂNIA

1. GENERAL ASPECTS

GREEN TECH INTERNATIONAL S.A. ("the Enterprise" or "the Company") was established in Bucharest and has its registered office in Bucharest, Sofia Street, no. 5, sector 1, Romania. The main activity of the Company consists in the exploitation of geothermal waters in Bucharest and Ilfov County.

2. BUSINESS DESCRIPTION

The company has interests in various companies and related entities (subsidiaries) with similar or complementary activities.

The Company owns a number of geothermal wells, these are not currently in use and the Company does not hold the relevant licences to exploit them.

Related parties have been identified with which the Company had transactions during the reporting period.
These are described below:

Alpeurope Investment Gmbh
MBE Mineral Resources SRL,
Antrepriza de Constructii CCR SRL
SSIF Swiss Capital
Foradex Vest SA
Instyle Design & Communication
Transporturi Auto Giulesti SA
HP Management Services Ltd
Green Advanced Technologies SRL

3. SUMMARY OF THE MAIN ACCOUNTING POLICIES

3.1 THE MAIN ACCOUNTING POLICIES

a) The basis for preparation

In order to prepare the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union ("IFRS") (Ministry of Finance Order No 2844/2016), the Company's individual financial statements in accordance with OMFP 1802/2014 have been restated to IFRS. IFRS financial statements are required for reporting to the Bucharest Stock Exchange.

b) Declaration of conformity

These separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), as amended and supplemented from time to time. The primary purpose of preparing these financial statements is to provide financial information about the Company to assist with its financing needs and reporting requirements, as well as potential future capital market transactions. These are not the Company's statutory financial statements.

c) First-time adoption of International Financial Reporting Standards (IFRS 1)

The Company first adopted International Financial Reporting Standards on 1 January 2023 (31 December 2022). As a result, the Company has restated the statement of financial status for the years 2022, 2023 and 2024 previously reported in accordance with the Order of the Ministry of Public Finance 1802/2014 ("GAAP").

Thus, the first set of IFRS financial statements of the Company include:

- Three statements of financial status
- Two statements of profit or loss and comprehensive result
- Two statements of changes in equity
- Related notes, including comparative information

Adjustments recognised on transition from OMFP 1802/2014 ("GAAP") to IFRS are disclosed in Note 4.

d) Basis for evaluation

These financial statements have been prepared under the historical cost convention, except in the case of specific thermal water exploitation equipment (classified under property, plant and equipment), which is stated at fair (revalued) value.

The company maintains its accounting records in RON.

e) Going concern principle

The directors of the Company have prepared the IFRS financial statements on a going concern basis, which assumes that the business will continue in the foreseeable future, as the directors believe that the future prospects of the business will enable the Company to realise positive results and cash flows for the foreseeable future.

In recent years, the Company has realised significant investments in the development of equipment necessary for the geothermal water exploitation activity, and in participations in companies in related fields.

Equity is positive in both the current and prior periods presented in the financial statements.

The company finances its activity through loans from shareholders or other business partners.

The Company's directors closely monitor the evolution of income and financing, which gives them speed and flexibility in taking decisions to counter unexpected events.

In determining whether the use of the Going concern principle is appropriate, the Board of Directors has considered the following elements:

- Trade receivables and other current assets
- Balance of cash at bank
- Current liabilities
- Short/long-term financial liabilities

Thus, the Board of Directors considers that the Company will continue in operation for at least 12 months from the date of approval of these financial statements and there is no material uncertainty. It has therefore considered it appropriate to prepare these financial statements on a going concern basis.

f) Using estimates and rationale

In applying the Company's accounting policies described in this note, management is required to make judgements, estimates and assumptions about the book values of assets and liabilities that are not evident from other sources. The estimates and related assumptions are based on historical experience and other factors considered relevant. Actual results could differ from those estimates.

(all amounts are in thousands of RON, unless otherwise specified)

Estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods, if the revision affects both current and future periods.

The main estimates and rationalisations recorded by the Company relate to:

Note	Subject	Rationale	Estimates
5	Fair value (revalued) tangible fixed assets	X	X
	Provisions		X
10	Current profit tax and deferred tax	X	X
16	Impairment of trade receivables and other current assets		X

Using rationale

In addition to the accounting policies applied, management also uses certain rationale for certain accounting items and transactions:

Note	Subject	Rationale
5	Fair value (revalued) tangible fixed assets	Determining the classification of assets according to the type of use by the Company
10	Current profit tax and deferred tax	Application of interpretations and legislative requirements regarding the classification of items within the scope of current income tax and the determination of temporary tax differences from deferred tax.

Using estimates

In preparing the financial statements, Management makes estimates for items that cannot be measured with precision. These estimates are revised as new information or circumstances arise.

The main estimates at 31 December 2024 are:

Note	Subject	Estimates
5	Fair value (revalued) tangible fixed assets	Assessing the useful life, determining the fair value of land and buildings
	Provisions	Determination of present value, discount rate
10	Current profit tax and deferred tax	Determination of temporary or permanent differences for the calculation of deferred tax
16	**Impairment of trade receivables and other current assets**	Assumptions used in determining the weighted average expected loss rate.

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(all amounts are in thousands of RON, unless otherwise specified)

g) Comparative information

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

h) Foreign currency conversion

i. Functional and presentation currency

The financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency). For the purpose of these financial statements, the results and FINANCIAL STATUS of the Company are expressed in RON, which is the functional currency of the Company and the presentation currency for the financial statements.

ii. Transactions and balances denominated in foreign currency

Transactions in currencies other than the Company's functional currency (foreign currencies) are translated into the functional currency using the exchange rates prevailing at the transaction dates. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at the balance sheet date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date at which fair value was determined.

Foreign exchange gains and losses arising on the settlement of these transactions and on the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, unless deferred in equity as cash flow hedges.

Translation differences on liabilities securities and other monetary financial assets measured at fair value are included in foreign exchange gains and losses.

The material accounting policies adopted in the preparation of the Company's financial statements are set out below.

The following exchange rates were used during the conversions.

Date	RON/EUR exchange rate at end of period	Average RON/EUR exchange rate 12-month period
31 December 2024	4.9741	4.9746
31 December 2023	4.9756	4.9467
1 January 2023	4.9474	-

3.2 Summary of accounting policies:

a) Tangible fixed assets

Tangible fixed assets are recorded:

- using the cost-based model, at acquisition or construction cost less accumulated depreciation and accumulated impairment losses: technological equipment, measuring apparatus and installations, office furniture and equipment, means of transport; and
- using the fair value model, less accumulated amortisation and subsequent accumulated impairment losses: land, buildings (wells).

(all amounts are in thousands of RON, unless otherwise specified)

Property, plant and equipment using the cost model

The initial value of property, plant and equipment includes the acquisition cost, including import duties and other non-refundable taxes, and any directly attributable costs of bringing the asset to its working condition and location for use.

Tangible fixed assets using the revaluation model

From financial year 2022 onwards the Company has opted to revalue property, plant and equipment of the construction and mining equipment type in accordance with IAS 16, treatment based on revalued amounts. The revaluation was performed by an authorised valuer as at 31 December 2022. At 31 December 2023 and 31 December 2024 the revaluation has not been updated, as management considers that for the type of assets the Group owns (geothermal water exploitation) market conditions have not changed significantly. Revaluation differences are recognised in equity and presented in the *Statement of Comprehensive Result,* net of deferred tax.

Revaluations are performed with sufficient regularity to ensure that the book value is not materially different from that which would be determined using fair value at the end of the reporting period.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the book value of the asset and is recognised in the income statement.

Future expenses are capitalised only if it is probable that there will be future economic benefits associated with the expenditure.

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of the assets from the date they are available for use. The estimated useful lives are as follows:

	Years
Construction	50
Equipment	10 - 15
Other tangible fixed assets	3 - 10

During the reported periods, the wells were in conservation.

b) Intangible fixed assets

Intangible fixed assets are initially measured at cost. Intangible assets are recognised if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

After initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

Intangible fixed assets are amortised using the straight-line method over 3 years.

c) Financial assets

Financial assets are classified on initial recognition as subsequently measured at amortised cost, at fair value through other comprehensive result and at fair value through profit or loss.

The Group classifies financial assets in the following categories: cash and cash equivalents, financial assets at amortised cost, which approximates fair value.

c.i) Financial fixed assets

The company holds interests in various related companies and entities.

Investments held in subsidiaries are initially recognised at acquisition cost within financial fixed assets in accordance with IAS 27.

Investments in other companies are measured at fair value through profit and loss.

Impairment adjustments are subsequently recognised to value the holdings at their estimated recoverable amount, with the difference recognised through the income statement

c.ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank current accounts and short-term bank deposits valued at cost.

c. iii) Financial assets measured at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective of holding financial assets to collect contractual cash flows to maturity, and
- the contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost are subsequently measured using the effective interest method (EIR) and are subject to impairment testing. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired. The Company's financial assets measured at amortised cost are mainly trade receivables and receivables from other debtors.

Other receivables are stated at their nominal value.

d) Impairment of assets

d. i) Depreciation of non-financial assets

Tangible fixed assets

GREEN TECH INTERNATIONAL SA
Notes to the financial statements

The net book value of property, plant and equipment and intangible assets is reviewed annually at each reporting date to determine whether there is any indication of impairment. If such indications are identified, the recoverable amount of the asset is estimated.

The impairment test

The recoverable amount of an asset or cash-generating unit is the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

In measuring value in use, the estimated future cash flows are measured at their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

When an asset's book value exceeds its recoverable amount, the asset is considered impaired and its net book value is written down to its recoverable amount.

Impairment losses are recognised in the profit or loss account, except for revalued property, plant and equipment, for which the revaluation has been recognised in other comprehensive result.

d.iii) Depreciation of financial assets

The Company recognises value adjustments for expected credit losses ("ECL") on financial assets that are not held at fair value through profit or loss. Credit risk is the risk of financial loss to the Society in the event that a customer or third party to a financial instrument fails to fulfil its contractual obligations and arises principally from the Society's receivables due from customers from other current financial assets (other debtors).

In respect of trade receivables, contract assets and other current financial assets, the Company applies a simplified approach in calculating ECL. Therefore the Company does not keep a record of changes in credit risk, but instead recognises a loss in the form of a provision based on expected credit losses based on historical statistics and expected conditions for future periods at each reporting date. The Company has established provisioning matrices that contain groupings of customers based on similar patterns of impossibility to recover.

For trade receivables past due by more than 12 months, a value adjustment is recognised for the full amount of the receivable. The Company considers a financial asset to be in default when contractually due for more than 60 days.

In certain situations, the Company may consider a financial asset to be in default when internal or external information indicates that the Company will, more likely than not, not receive all or part of the outstanding contractual amounts.

Adjustments for losses on financial assets measured at amortised cost are deducted from the gross book value of the assets.

e) Financial liabilities

Financial liabilities are classified, on initial recognition, as interest-bearing loans, liabilities, other financial liabilities.

All financial liabilities are initially recognised at fair value and, in the case of loans, loans, liabilities and other financial liabilities, net of directly attributable transaction costs.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method ("EIR"). Gains and losses are recognised in the income statement when the liabilities are also derecognised through the EIR amortisation process.

A financial liability is derecognised when the contractual obligation is discharged, cancelled or expires.

f) Trade payables and other liabilities

Trade and other liabilities bear no interest and are stated at their nominal value.

g) Provisions

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability, approximated to be at the value of the National Bank of Romania's interbank reference rate.

h) Share capital

Ordinary shares are classified in equity. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

Transactions in the Company's shares between shareholders are deemed to be finalised on the date on which the transfer of ownership has been agreed between the parties in a written contract.

i) Reserves

Legal reserves

Under Romanian law, the legal reserve is established as a net profit transfer. The transfer can be up to 5% of the gross profit up to a threshold of 20% of the share capital. The reserve cannot be distributed to shareholders, but can be used to cover losses.

Revaluation reserves

Revaluation reserves are recognised for the difference between the fair value of non-current assets and the net book value at the date of revaluation. Revaluation is performed with sufficient regularity to ensure that significant changes in fair value are captured in the financial statements.

Other reserves

Other reserves have been created on the basis of the decision of the members and may be distributed or utilised according to the decisions of the members.

j) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is net of estimates for customer returns, rebates and similar concessions.

j .i) Provision of services

Revenue from the rendering of services is recognised in the accounting period in which the services are rendered.

j.ii) Interest income

Interest income is accrued on a time accrual basis by reference to the principal amount outstanding and the applicable effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to its net book value.

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k) Taxation

Income tax expense is the sum of current and deferred tax.

k .i) Current income tax

The company records income tax based on the net income according to the statutory financial statements in accordance with Romanian tax legislation.

Current tax payable is based on taxable profit for the year. Taxable profit differs from the profit reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and also excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

k.ii) Deferred income tax

Deferred tax is recognised on the differences between the book values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

The book value of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which all or part of the asset can be utilised.

Deferred income tax is recognised on temporary differences arising on investments in subsidiaries unless the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognised only to the extent that it is probable that sufficient taxable profits will be available against which the benefits of the temporary differences can be utilised and are expected to reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes imposed by the same taxation authority and the Company intends to settle its current tax assets and current tax liabilities on a net basis.

l) Related parties

Parties are considered related when one party, whether through ownership, contractual rights, family relationship or otherwise, has the ability to directly control or significantly influence the other party.

Related parties also include individuals such as associates who have control or significant influence, members of the Company's key personnel and their immediate family members.

m) Loan costs

All loans and debts are initially recognised at the fair value of the consideration received less directly attributable transaction costs. Transaction costs incurred in issuing the liabilities are amortised over the life of the loan.

3.2 NEW ACCOUNTING AMENDMENTS

Mandatory standards and amendments in force from 1 January 2024

Supplier Financing Arrangements - Amendments to IAS 7 and IFRS 7

The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), following feedback on a decision on the agenda of the IFRS Interpretations Committee that highlighted that the disclosures required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures are not sufficient to meet users' information needs.

The objective of the new disclosures is to provide information about the SFA that enables investors to assess the effects on the entity's liabilities, cash flows and exposure to liquidity risk. The new disclosures include information about the following:

Lease Obligation in a Sale and Leaseback - Amendments to IFRS 16 (January 2024)

In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases that explain how an entity accounts for a sale and leaseback after the transaction date. The amendments specify that, in measuring the lease obligation subsequent to the sale and leaseback, the seller determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller recognising any part of the gain or loss that relates to the right of use that it retains. This could particularly affect sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or rate.

Classification of Liabilities as Current or Non-current - Amendments to IAS 1 Non-current Liabilities with Arrangements - Amendments to IAS 1 (January 2024)

Amendments to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are categorised as current, or non-current, depending on the rights that exist at the end of the reporting period. The classification is not affected by the entity's expectations or by events after the reporting date (e.g. receipt of a waiver or a breach of convention).

Loan arrangement conventions will not affect the classification of a liability as current or non-current at the reporting date if the entity is required to comply with the conventions only after the reporting date. However, if the entity is required to comply with a convention either before or at the reporting date, this will affect the classification as current or non-current, even if the convention is not tested for compliance until after the reporting date. The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to conventions that the entity must comply with within 12 months after the reporting date.

Classification of Conditional Loan Liabilities as Current or Non-current - Amendments to IAS 1

Subsequent to the publication of amendments to IAS 1 Classification of Liabilities as Current or Non-current, the IASB further amended IAS 1 in October 2022. If an entity's right to defer a liability is subject to compliance by the entity with specified conditions, such conditions affect whether the right to defer exists at the end of the reporting period. The amendments also clarify the meaning of the term 'settlement' for the purpose of classifying a liability as current or non-current.

Standards and amendments in force from 1 January 2025

Amendments to IAS 21 regarding the lack of convertibility of certain currencies

IAS 21, prior to these Amendments, did not include explicit requirements for determining the exchange rate when a currency is not convertible into another currency, which led to diversity in practice. The amendments introduce requirements for assessing when a currency is convertible into another currency and when it is not. The amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not convertible into another currency.

Amendments on Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The amendments modify the following requirements in IFRS 9 and IFRS 7:

- Derecognition of financial liabilities settled by electronic transfers
- Recognising interest in a loan contract (SPPI test)
- Contract terms that change the timing or amount of contractual cash flows
- Non-recoverable financial assets
- Investments in related financial instruments

The amendments may significantly affect how entities account for derecognition of financial liabilities and how financial assets are classified.

Nature-dependent energy contracts (Amendments to IFSR 9 and IFSR 7)

Nature-dependent electricity contracts help companies secure their electricity supply from wind and solar energy. Because the amount of electricity generated under these contracts can vary depending on uncontrollable weather-related factors, current accounting requirements cannot adequately capture how these contracts affect a company's performance. In response, the IASB has made amendments to IFRS 9 and IFRS 7:

- Clarifying the application of "own use" requirements.
- Allow hedge accounting for contracts that are held for this purpose
- Adding disclosure requirements that allow investors to understand the impact of these contracts on the company's cash flows and financial performance.

Other changes to the standards:

- Accounting for hedging instruments on first-time adoption of IFRS (amendments to IFRS 1)
- Disclosures required in relation to the difference between fair value and transaction price (amendments on the implementation of IFRS 7)
- Gains and losses on derecognition (IFRS 7 implementation amendments)
- Presentations on Credit Risk (IFRS7 implementation amendments)
- Derecognition of lease liabilities (IFRS9 amendments)
- De facto Agent Determination under IFRS 10
- Historical cost method (Amendments to IAS7)

Standards and amendments in force from 1 January 2027

IFRS 8 Presentation of Financial Statements

IFRS 18, which was published by the IASB on 9 April 2024, sets out significant new requirements on how financial statements are presented, with particular emphasis on:

- Profit and loss account, including requirements for mandatory subtotals to be presented. IFRS 18 introduces requirements for the classification of items of income and expense into one of five categories in the income statement.
- Aggregation and disaggregation of information, including the introduction of general principles for how information should be aggregated and disaggregated in financial statements
- Presentations related to management-defined performance measures (MPMs), which are financial performance indicators based on a total or subtotal required by IFRS Standards with certain adjustments (e.g. "adjusted profit or loss").

IFRS 19 Disclosures for Non-public Interest Entities

Stakeholders have asked the IASB to permit a subsidiary that reports to a parent that applies IFRS accounting standards in its consolidated financial statements to apply IFRS with reduced presentation requirements in its financial statements.

3.3 Determining fair values

Some of the Company's accounting policies and disclosures involve the determination of fair value for financial and non-financial assets and liabilities.

When measuring an asset or liability at fair value, the Company utilises observable market information to the extent possible. Fair values are categorised into different levels of a fair value hierarchy based on the information used in the valuation techniques as follows:

Level 1: quoted market prices (unadjusted) on active markets for identical assets or liabilities

Level 2: information, other than quoted market prices included in Level 1, that is observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: asset or liability information that is not based on observable market data (unobservable information).

If the information used to measure an asset or a liability at fair value could be categorised at different levels of the fair value hierarchy, the fair value measurement is categorised entirely at the same level of the fair value hierarchy as representing the lowest level significant to the entire measurement.

The Company recognises transfers between levels in the fair value hierarchy at the end of the reporting period in which the change occurs.

Fair values have been determined for measurement and/or disclosure based on the following methods, where appropriate, more information about the assumptions made in determining fair values is disclosed in the specific notes for the specific asset or liability.

(all amounts are in thousands of RON, unless otherwise specified)

4. IFRS ADOPTED FOR THE FIRST TIME

Summaries of the adjustments required for the transition from GAAP to IFRS are summarised below:

		2023 GAAP	Adjustment	2023 IFRS	2022 GAAP	Adjustment	2022 IFRS
Tangible fixed assets	A	178,202	486	178,689	364,365	(187,379)	176,986
Financial fixed assets	B	5,379	(242)	5,137	5,472	(242)	5,230
Other current assets	C	15,167	(4,998)	10,169	19,540	(4,798)	14,742
Equity capital	D	(184,504)	5,024	(179,481)	(371,527)	192,419	(179,108)
Other operating expenses	C	4,724	(1,482)	3,342	3,638	416	4,054

A Reversal of revaluation of property, plant and equipment not recognised under IFRS, in accordance with IAS 16 & IAS 36
B Impairment adjustment on equity investments under IFRS 9
C Impairment adjustment for other debtors balances under IFRS 9
D Cumulative impact of the above restatement adjustments
E Recognition of deferred tax under IAS 12

GREEN TECH INTERNATIONAL SA

Notes to the financial statements

(all amounts are in thousands of RON, unless otherwise specified)

thousand RON	Explanations	31 Dec 2024			31 Dec 2023			1 Jan 2023		
		GAAP	Adjustments	IFRS	GAAP	adjustments	IFRS	GAAP	IFRS	adjustments
ASSET										
Tangible fixed assets		180,024	(7)	180,017	178,202	486	178,689	364,365	(187,379)	176,986
Intangible property		0	(0)	0	2	(2)	0	0	-	0
Financial fixed assets	B	428,200	(115)	28,085	5,379	(242)	5,137	5,472	(242)	5,230
Total long-term assets		**608,224**	**(122)**	**608,102**	**183,583**	**(243)**	**183,825**	**369,837**	**(187,621)**	**182,216**
Trade receivables		1,492	(16)	1,476	139	(16)	123	17	-	17
Other current assets		15,807	(2,532)	13,275	15,167	(4,998)	10,169	19,540	(4,798)	14,742
Cash and cash equivalents		0	-	0	18	-	18	1	-	1
Total current assets		**17,300**	**(2,548)**	**14,751**	**15,324**	**(5,014)**	**10,310**	**19,558**	**(4,798)**	**14,760**
Total assets		**625,524**	**(2,671)**	**622,853**	**198,907**	**(4,772)**	**194,136**	**389,395**	**(192,419)**	**196,976**
Equity and liabilities										
Share capital		7,939	-	7,939	4,671	-	4,671	4,671	-	4,671
Reserves	D	601,271	(28,170)	573,101	176,727	(7)	176,720	364,087	(187,379)	176,708
Retained earnings	D	7,738	(4,217)	3,521	7,546	(5,040)	2,506	7,210	(4,624)	2,587
Current result	C	795	1,637	2,432	231	23	254	229	(416)	(187)
Total own equity		**617,742**	**(30,750)**	**586,992**	**189,175**	**(5,024)**	**184,152**	**376,198**	**(192,419)**	**183,779**
Long-term financial liabilities		-	-	-	-	-	-	2,914	-	2,914
Long-term loans from shareholders		784	-	784	445	-	445	48	-	48
Liabilities on the deferred income tax	E	-	26,922	26,922	-	-	-	-	-	-
Provisions		-	498	498	-	493	493	-	-	-
Total long-term liabilities		**784**	**28,079**	**28,863**	**445**	**493**	**938**	**2,962**	**-**	**2,962**
Trade payables		1,698	-	1,698	1,648	(241)	1,407	453	-	453
Sort-tern Financial liabilities		715	-	715	-	-	-	-	-	-
Tax and social current debts		351	-	351	142	-	142	93	-	93
Other liabilities		4,234	-	4,234	7,497	-	7,497	9,690	-	9,690
Total current liabilities		**6,997**	**-**	**6,997**	**9,287**	**(241)**	**9,046**	**10,235**	**-**	**10,235**
Total equity and liabilities		**625,524**	**(2,671)**	**622,853**	**198,907**	**(4,772)**	**194,136**	**389,395**	**(192,419)**	**196,976**

I, **CRISTINA MANUELA CIUBLAN**, certified Translator/ Interpreter for English and French pursuant to Authorization no. 5464 issued on July 29, 2010 by the Ministry of Justice of Romania, I hereby certify the accuracy of this translation from Romanian into English and that the meaning of the original text has not been altered by the translation.

TRADUCĂTOR AUTORIZAT DE MINISTERUL JUSTIȚIEI
CRISTINA MANUELA CIUBLAN
nr. 5464
FRANCEZĂ ENGLEZĂ
ROMÂNIA

(all amounts are in thousands of RON, unless otherwise specified)

5. BODILY IMMOBILISATION

Cost		Land	Buildings	Equipment and other fixed assets	Ongoing investments and advances	Total
	1-Jan-23	**23,324**	**153,649**	**20**	**0**	**176,993**
Entries		-	-	24	1,698	**1,722**
	31-Dec-23	**23,324**	**153,649**	**45**	**1,698**	**178,715**
Entries		-	-	-	1,350	**1,350**
	31-Dec-24	**23,324**	**153,649**	**45**	**3,048**	**180,066**
Amortisation						
	1-Jan-23	**0**	**7**	**1**	**0**	**7**
Depreciation cost		-	-	19	-	**19**
	31-Dec-23	**0**	**7**	**20**	**0**	**27**
Depreciation cost		-	-	22	-	**22**
	31-Dec-24	**0**	**7**	**42**	**0**	**48**
VNC 1 Jan 2023		23,324	153,642	20	-	**176,986**
VNC 31 Dec 2023		23,324	153,642	25	1,698	**178,689**
VNC 31 Dec 2024		23,324	153,642	3	3,048	**180,017**

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TRADUCĂTOR AUTORIZAT DE MINISTERUL JUSTIȚIEI CRISTINA MANUELA CIUBLAN nr. 5464 FRANCEZĂ ENGLEZĂ ROMÂNIA

(all amounts are in thousands of RON, unless otherwise specified)

6. FINANCIAL FIXED ASSETS

	31 Dec 2024	31 Dec 2023	1 Jan 2023
Holdings in related entities	428,085	4,770	4,683
Holdings in other entities	-	367	547
Total	**428,085**	**5,137**	**5,230**

6.1 Holdings in related entities

During 2024, the Company acquired majority stakes in Horti Green Invest SA and acquired an additional stake in Apoterm Nadlac SA.

Acquisition of stake in Horti Green Invest SA

On 17 July 2024, the Company acquired 100% of the net assets of Horti Green Invest SA from the shareholders. The price of the transaction consisted of a contribution in kind to the Company's share capital from the selling shareholders, totalling 621,070 shares with a nominal value of RON 10.

The transaction price was RON 422,600 thousand, based on the fair value of the net assets of Horti Green Invest SA at the acquisition date.

At the acquisition date, in accordance with the requirements of International Financial Reporting Standards, the net assets of Horti Green Invest SA were valued by an independent external valuer authorised by ANEVAR. The valuation was performed using the income - discounted cash flow approach at a discount rate of 14.66% and a terminal value of 2.1%.

Phased acquisition of the stake in Apoterm Nadlac SA

On 14 February 2023, the Company acquired 21.05% of the net assets of Apoterm Nadlac SA. The estimated transaction price at cost of the net assets was RON 336 thousand.

On 14 June 2024, the Company acquired an additional 44.66% interest in the net assets of Apoterm Nadlac SA. The transaction price estimated at the cost of the net assets was RON 715 thousand.

At 31 December 2024 the Company directly and indirectly holds the majority of the shares (72.73%).

Payments to be made for the participations acquired during the year from the net assets of Apoterm Nadlac SA in the amount of 715 thousand lei are presented under the item short-term financial liabilities in the Consolidated statement of FINANCIAL STATUS.

Acquisition of stake in Geotherm Distribution SA

On 28 May 2021, the Company acquired a 20% stake in the net assets of Geotherm Distribution SA. On 20 July 2021, the Company acquired an additional 65% stake in the net assets, holding the majority stake (85%).

The total price of holdings, determined on the basis of the cost of net assets, was 4,433 thousand lei.

(all amounts are in thousands of RON, unless otherwise specified)

6.2 Holdings in other entities

The Company owns investments measured at cost in related and unrelated, listed and unlisted companies. As at 31 December 2024 the Company has recorded an impairment adjustment for investments held in other entities in the amount of RON 258 thousand recognised in the income statement.

7. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	31 Dec 2024	31 Dec 2023	1 Jan 2023
Sundry debtors	15,148	14,688	19,353
Impairment adjustments	(2,641)	(4,998)	(4,798)
Prepaid expenses	98	1	1
Other current assets	671	481	186
Total	**13,275**	**10,169**	**14,742**

Receivables from sundry debtors consist mainly of amounts receivable for transactions from the sale or assignment of receivables relating to assets, as well as loans granted. For loans granted to related parties, see Note 11.

The Company uses an expected credit loss (ECL) matrix for trade and sundry debtors. This is based on the likelihood that a receivable will progress through successive stages of impossibility to recover to be recognised as an expense.

For details of impairment adjustments, see Note 16.

As at 31 December 2024, trade receivables represent invoices to be drawn up relating to services rendered by the Company. See Note 11.

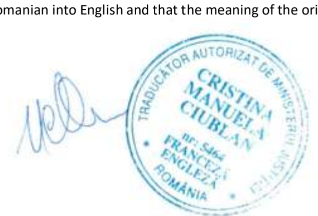
8. CASH AND CASH EQUIVALENTS

	31 Dec 24	31 Dec 23	1 Jan 2023
Bank accounts	-	18	1
Cash	-	-	-
Total	**-**	**18**	**1**

9. EQUITY

Share capital

By EGMS Resolution no. 1/14 June 2024, it was approved to change the nominal value of one share of the Company from RON 10 to RON 0.1, resulting in a total share capital of RON 4,671,000 divided into 46,710,000 shares, each share having a nominal value of RON 0.1. It was also approved the increase of the Company's share capital by RON 333,642.80 from RON 4,671,000 to RON 5,004,642.80 by issuing 3,336,428 new shares with a nominal value of RON 0.1 each, with a total nominal value of RON 333,642.80.



(all amounts are in thousands of RON, unless otherwise specified)

On 31 December 2024, the increased share capital of Green Tech International consists of 50,046,428 shares with a total value of RON 7,938,671.

Reserves

Share premiums

The difference between the nominal value and the value of subsequent issues of new shares is recognised in Share premium in the Consolidated Statement of financial status.

Revaluation reserve

The revaluation reserve relates to the revaluation of buildings and land.

Retained earnings

Prior period financial results not distributed to shareholders are recognised in retained earnings and other reserves.

10. CORPORATE INCOME TAX

The table below shows the movements in deferred corporate income tax:

Description	**31-Dec-24**
Initial balance	-
Error corrections previous years:	
Fair value adjustments consolidation	28,163
Other comprehensive result	(800)
Costs / (revenues) deferred tax	217
Final balance	**27,581**

The deferred tax relating to the various categories of assets and liabilities giving rise to the temporary differences is shown in the table below:

	31-Dec-24
Fixed assets	28,163
Other current assets	582
TOTAL	**27,581**

Deferred tax represents the income tax that would be due as the assets are realised (sold or used).

Below are expenses and/or income for the periods reported for income tax and deferred income tax:

	2024	**2023**
Income tax expense	(123)	(53)
Deferred tax expense	(217)	-
TOTAL	**(340)**	**(53)**

(all amounts are in thousands of RON, unless otherwise specified)

The table below shows balances and transactions with related and related parties.

Balances with related parties	**31-Dec-24**	**31-Dec-23**
Loans taken from shareholders		
ALPEUROPE INVESTMENTS GMBH	18	20
SSIF SWISS CAPITAL	766	-
SAI SWISS CAPITAL ASSET MANAGEMENT SA	-	425
	784	**445**
Other liabilities		
Loans from related parties		
INSTYLE DESIGN AND COMMUNICATION	649	-
SSIF SWISS CAPITAL	-	4,066
TRANSPORTURI AUTO GIULESTI SA	1,140	1,052
FORADEX VEST SA	202	201
HORTI GREEN INVEST SA	86	-
GEOTHERM DISTRIBUTION	2,156	2,046
	4,233	**7,365**
Other current assets		
Loans and other claims granted to related parties		
ANTREPRIZA CONSTRUCTII CCR SRL	3,915	3,708
ALPEUROPE INVESTEMNTS GMBH	3,650	3,552
GREEN ADVANCED TECHOLOGIES SRL	8	7
MBE MINERAL RESOURCES SRL	6,454	6,360
	14,027	**13,627**
Related party transactions	**2024**	**2023**
Income from services		
FORADEX VEST SA	**1,492**	-
Financial revenue		
ANTREPRIZA CONSTRUCTII CCR SRL	12	-
ALPEUROPE INVESTMENT TS GMBH	98	92
INSTYLE DESIGN AND COMMUNICATION	1	18
MBE MINERAL RESOURCES SRL	94	97
	205	**207**
Financial expenses		
FORADEX VEST SA	1	-
SSIF SWISS CAPITAL SA	182	304
SAI SWISS CAPITAL ASSET MANAGEMENT SA	16	25
INSTYLE DESIGN AND COMMUNICATION	14	3
TRANSPORTURI AUTO GIULESTI SA	88	60
	301	**392**

(all amounts are in thousands of RON, unless otherwise specified)

Services		
HP MANAGEMENT SERVICES S.R.L.	**29**	**187**

The loans obtained from shareholders and related parties ensure the financing of the Company's working capital and investments. Most of the loans are for 1 year with successive extensions. The interest rate established for the majority of the loans is the interbank rate of the National Bank of Romania, and for other loans is 8.75% per annum.

Out of the balance of loans as at 31 December 2024, the Company has repaid in January 2025 principal loans amounting to RON 1,265 thousand.

12. REVENUE FROM OPERATING ACTIVITIES

In 2024, the Company recognised income from the provision of services to a related party (Note 11).

In 2023, the Company recognised other income in the amount of RON 3,951 thousand representing the time bar of liabilities arising from a loan agreement with Nasquart Ltd, a company written off in 2023.

Revenue is recognised at the time services are rendered.

13. OTHER OPERATING EXPENDITURE

	2024	**2023**
Utility expenses	11	-
Contributors	233	1,197
Staff costs	396	359
Costs of assets assigned	-	923
Compensation, fines and penalties	36	393
Provisions	258	216
Taxes	15	70
Other operating expenditure	15	84
Total	**964**	**3,242**

14. EMPLOYEE BENEFITS EXPENSES

	2024	**2023**
Expenditure on salaries	380	345
Expenses with employee taxes and contributions	15	15
Total	**396**	**359**

The average number of employees was 3 at 31 December 2024 (3 at 31 December 2023).

(all amounts are in thousands of RON, unless otherwise specified)

Management remuneration	**2023**	**2024**
Remuneration management		
	478	478
Total	**478**	**478**

15. FINANCIAL RESULT

		2024	**2023**
Financial revenue			
Financial assets sold - income		-	0
Exchange rate differences		1	1
Interest		208	285
	Total	***209***	***286***
Financial expenses			
Financial assets sold - cost		-	0
Exchange rate differences		(3)	(77)
Interest		(319)	(564)
	Total	***(322)***	***(641)***
Financial result		**(113)**	**(354)**

16. OTHER COMPREHENSIVE RESULT

Other comprehensive result		-
Deferred tax revaluation	(28,163)	-
Error correction	800	-
TOTAL COMPREHENSIVE RESULT FOR THE YEAR	**(24,931)**	**267**

17. FINANCIAL RISK MANAGEMENT

By the nature of its activities, the Company is exposed to a variety of risks including: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company does not use derivatives to hedge certain risk exposures.

The company manages its capital to ensure that it can continue to operate on a going concern basis while maximising returns for its stakeholders by optimising the balance between liabilities and equity.

The capital structure of the Company consists of liabilities, which includes loans, cash and cash equivalents and equity, which comprises issued share capital, reserves and retained earnings.

i) Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates and foreign exchange rates.

(all amounts are in thousands of RON, unless otherwise specified)

(a) ***Interest rate risk management***

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates.

Trade receivables and liabilities are financial assets and liabilities that are not interest-bearing.

Loans are exposed to cash flow interest rate risk through fluctuations in the market value of short-term and long-term interest-bearing credit facilities, as some of the loans have interest rates that may vary (BNR interbank rate).

When taking out loans, the Company's management uses judgment in deciding whether a fixed or variable interest rate is more favourable to the Company.

The table below shows the fixed and floating rate loans that the Company has at the reporting date:

	31 Dec 24	**31 Dec 23**	**1 Jan 2023**
Flat rate loans	1,906	1,477	-
Floating rate loans (NBR)	2,772	2,058	1,995
Total	**4,678**	**3,534**	**1,995**

The floating rate for most loans is set as the NBR interbank rate, with historical stability. Management estimates that sensitivity analyses would not reveal a significant impact of interest rate changes.

Out of the balance of loans as at 31 December 2024, the Company has repaid in January 2025 principal loans amounting to RON 1,265 thousand.

(b) ***Currency risk management***

The Company conducts has certain transactions denominated in foreign currencies. Consequently, exposures to fluctuations in exchange rates arise. Exchange rate exposures are managed within approved policy parameters.

The Company considers the foreign currency risk to be low, as the exposure to foreign currency transactions is insignificant. Therefore, the Company does not take any formal actions to minimise the foreign currency risk related to its operations.

ii) Credit risk

Credit risk is the risk of financial loss that arises as a result of a debtor or a third party defaulting on their obligation to the Company. Trade receivables presented in the balance sheet are reduced by impairment adjustments. The Company applies the simplified method under IFRS 9 for assessing expected credit losses on trade receivables. To assess expected credit losses, trade receivables have been grouped on the basis of common credit risk characteristics and intervals determined by the number of days past due. The credit risk exposure of trade receivables is limited by setting a maximum payment period between 30 and 60 days.

(all amounts are in thousands of RON, unless otherwise specified)

A large part of the Company's exposure to credit risk arises in connection with loans granted to various companies. The Company assesses the impairment status of loans granted in accordance with IFRS 9. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, an allowance for losses, expected over the remaining life of the exposure, regardless of when the default occurred, is required.

Thus, the impairment adjustment is calculated based on the net present value of the estimated cash flows compared to those set out in the original contract.

The Group monitors the performance of individual credit risk exposures using several criteria.

- Financial assets by category - credit risk exposure

Financial assets		**31 Dec 24**	
	Gross book value	**Depreciation**	**Net book value**
Loans granted	15,039	(2,641)	12,398
Commercial receivables	1,492	-	1,492
Total	**16,531**	**(2,641)**	**13,890**

		31 Dec 23	
	Gross book value	**Depreciation**	**Net book value**
Loans granted	14,688	(4,998)	9,690
Commercial receivables	123	-	123
Total	**14,811**	**(4,998)**	**9,813**

		1 Jan 2023	
	Gross book value	**Depreciation**	**Net book value**
Loans granted	16,772	(4,798)	11,974
Commercial receivables	17	-	17
Total	**16,789**	**(4,798)**	**11,991**

Geographical exposure is concentrated on companies in Romania.

The cash is placed in financial institutions, which are considered, at the time of deposit, to have a minimal risk of default.

iii) Liquidity risk

(all amounts are in thousands of RON, unless otherwise specified)

Liquidity risk is the risk that the Group will encounter difficulties in meeting its obligations arising from its financial liabilities. Prudent liquidity risk management involves maintaining sufficient cash and the availability of funds through an adequate amount of committed credit facilities.

Cash flow forecasts are performed by the Company's finance department, which monitors forecasts of the Company's cash requirements to ensure that sufficient cash is available to meet operational needs

The following table presents financial assets and liabilities by contractual maturity dates, including contractual principal amounts and contractual interest, on an undiscounted cash flow basis.

31 Dec 24	**Book value**	**Contractual cash flows**	**6 months or less**	**Between 6 and 12 months**	**Between 1 and 2 years**
Underived financial liabilities					
Loans from related and unrelated parties	**5,018**	**5,018**	1,618	1,158	2,242
Financial liabilities	**715**	**715**	715		
Trade payables and other liabilities	**2,049**	**2,049**	2,049		
Total	**7,782**	**7,782**	**4,381**	**1,158**	**2,242**

31 Dec 23	**Book value**	**Contractual cash flows**	**6 months or less**	**Between 6 and 12 months**	**Between 1 and 2 years**
Unrealised financial liabilities loans from related and unrelated parties	**7,942**	**7,942**	-	-	7,942
Trade payables and other liabilities	**1,549**	**1,549**	1,549	-	-
Total	**9,491**	**9,491**	**1,549**	-	**7,942**

1 Jan 2023	**Book value**	**Contractual cash flows**	**6 months or less**	**Between 6 and 12 months**	**Between 1 and 2 years**

Underived financial liabilities					
Long-term financial liabilities	**2,914**	**2,914**	**-**	-	2,914
Loans from related and unrelated parties	**9,690**	**9,690**	**-**	-	9,690
Trade and other liabilities	**545**	**545**	545	--	
Total	**13,149**	**13,149**	**545**	**-**	**12,604**

The long-term financial liabilities as of 1 Jan 2023 represents a loan obtained by the Company from Romextera Finance IFN. The loan was repaid during 2023.

The cash flows included in the maturity analyses are not expected to occur significantly earlier or have materially different values. Management believes that there is no significant risk that the Company will encounter liquidity problems in the foreseeable future.

The Company's management monitors capital, using a leverage ratio, without having an internal target set for this purpose. The Company includes in Net financial liabilities long-term and short-term loans and other long-term financial liabilities (if any), less cash and cash equivalents.

The indebtedness of the Company is shown below:

	31 Dec 24	**31 Dec 23**	**1 Jan 23**
Equity capital	586,992	184,152	183,779
Net financial liabilities	5,017	7,923	12,651
Indebtedness	*0.9%o*	*4.3%*	*6.9%o*

iv) Fair value

The company measures financial assets (loans granted) and tangible fixed assets (buildings and land) at fair value. Financial fixed assets are valued at cost and adjusted for impairment.

The company values financial liabilities (loans obtained from shareholders or other creditors) at fair value.

Fair value hierarchy

Fair value measurements are analysed by level within the fair value hierarchy as follows:

→ Level 1: quoted prices (unadjusted) on active markets for identical assets or liabilities.

→ Level 2: valuation techniques with all significant information that is observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(all amounts are in thousands of RON, unless otherwise specified)

→ Level 3: Valuation techniques using significant information that is unobservable or not based on observable market information (i.e., unobservable information).

The significance of any valuation information used is determined by reference to the fair value measurement in its entirety.

Recurring fair value valuations

Recurring fair value measurements are the measurements required or permitted by accounting standards in the statement of FINANCIAL STATUS at the end of each reporting period. The level in the fair value hierarchy at which recurring fair value measurements of financial instruments are categorised is shown below:

- *Financial assets at fair value*

Financial assets at fair value	**31 Dec 24**	**31 Dec 23**	**1 Jan 23**
	Level 3	Level 3	Level 3
Loans granted (Other current assets)	12,398	9,690	11,974

A reconciliation of Level 3 fair value changes by instrument type is presented below:

Financial assets at fair value

	31 Dec 24	**31 Dec 23**	**1 Jan 23**
1 January	**4,998**	**4,798**	**4,382**
Gains or (losses) recognised in the profit or loss for the year	(2,357)	200	416
31 December	**2,641**	**4,998**	**4,798**

- *Financial liabilities measured at fair value*

Financial liabilities at fair value	**31 Dec 24**	**31 Dec 23**	**1 Jan 23**
Long-term financial liabilities	-	-	2,914
Long-term shareholder loans	784	445	48
Other liabilities	4,234	7,497	9,690
Total	**5,018**	**7,942**	**12,652**

- *Assets and liabilities that are not measured at fair value but for which fair value is disclosed*

Financial instruments that are not recognised at fair value in the statement of financial status include trade receivables, other current assets (excluding loans granted), cash and cash equivalents, trade liabilities and other tax liabilities.

	31 Dec 24	**31 Dec 23**	**1 Jan 23**
Commercial receivables	1,476	123	17
Other current assets (excluding current loans granted)	877	479	2,768
Available funds	0	18	1
Total	**2,353**	**620**	**2,786**

(all amounts are in thousands of RON, unless otherwise specified)

Deferred corporation tax liabilities	27,581	-	-
Trade liabilities	1,698	1,407	453
Short-term financial liabilities	715	-	-
Total	**29,994**	**1,549**	**545**

18. GUARANTEES

On 15 Feb 2024, Geotherm Distribution S.A. (subsidiary) entered into a sale & leaseback transaction with Unicredit Leasing Corporation IFN S.A. (financing agreement no. 30364428/15 Feb 2024), regarding the Probe 1009, year of construction 1996, in Călimănești, with a value of EUR 1,444,100 for a period of 60 months. The contract is secured by a mortgage on the real estate owned by Green Tech International SA, consisting of 1050 square metres of land in Balotești commune, Ilfov county and the construction of the geothermal probe in Balotești, with a depth of 3,304 metres. Green Tech International S.A. guarantees the payment obligations assumed by Geotherm Distribution S.A.

19. SUBSEQUENT EVENTS

After the date of preparation of these consolidated financial statements, the Company has been listed on the Bucharest Stock Exchange, on the regulated market as from 07 Feb 2025.

These consolidated financial statements have been approved by the Board of Directors.

Name HORIA PITULEA

Title CHIEF EXECUTIVE OFFICER

Signature ___________________________

Date 24 March 2025

I, **CRISTINA MANUELA CIUBLAN**, certified Translator/ Interpreter for English and French pursuant to Authorization no. 5464 issued on July 29, 2010 by the Ministry of Justice of Romania, I hereby certify the accuracy of this translation from Romanian into English and that the meaning of the original text has not been altered by the translation.