

Hello!

I am Claudiu Doros, President and CEO of EVERGENT Investments. Thank you for participating in this conference. Today, we will present the preliminary financial results for 2024 and I would like to remind you that the report on the unaudited separate preliminary financial results for December 31, 2024, is available on our website at <https://www.evergent.ro/en>.

With me are Mr. Cătălin Iancu, Deputy CEO, and Mrs. Mihaela Moleavin, CFO. Together we will answer any potential questions following the presentation. I will present the performance and financial position. Following that, the CFO will go into detail on the net result.

In 2024, EVERGENT Investments achieved a net result of RON 263.66 million, representing a 29% increase compared to the net result achieved in 2023.

The net result is the company's main financial performance indicator and will be explained, as always, by our CFO.

I would like to note that EVERGENT Investments has continued to perform remarkably well, despite a complicated end to 2024 in Romania – considering the situation regarding the presidential elections which impacted the market to some extent and, consequently, the portfolios. However, we still managed to achieve a total asset value of RON 3.39 billion as of December 31, 2024, marking a 15% increase compared to December 2023.

The EVER share's total return was 22.94% - almost 23% - significantly exceeding the reference index that is most suitable for comparison, BET Most Traded and Total Return (BET-TR) index, which had a return of 16.15%. Why do we use the Total Return index? Because it takes into account the dividends we collect.

The value we returned to our shareholders was comprised of dividend allocation and buyback programs. In 2024, we allocated RON 81 million to the dividend fund and RON 60 million to the buyback programs, through public offers or market programs. Within our sector, we registered the highest dividend return of 7.09%, calculated at ex-date.

Regarding our listed shares portfolio, we have recalibrated it in line with the company's strategic direction, which focuses on blue-chip stocks on the financial-banking and energy sectors. Of course, we took advantage of the market conditions to increase our energy exposure, especially with the champion SNP, but also through the procedural mechanisms we implemented regarding sales-purchases with Banca Transilvania – where we achieved very good performance.

That is mostly it. More details will be made public in the annual report that will be published at the end of March, along with the convocation of the General meeting to approve the financial statements, marked for the end of April.

Moving on, Mrs. Mihaela Moleavin, our CFO, will offer a few details on the financial statements. Please, Mihaela.

**M.M.** Thank you. Hello, everyone!

2024 was a year of remarkable results for EVERGENT Investments.

I will present the net result, EVERGENT Investments' performance indicator, that registered an increase of 175% compared to the budgeted level in 2024.

The net result of RON 263.66 million is comprised of the net profit (reflected in the *profit and loss account*) and the net gain achieved from the sale of financial assets classified at fair value through other comprehensive income, directly reflected in the *retained earnings*.

The net profit was RON 126.53 million, marking a slight increase compared to the previous year's profit.

The net gain achieved from the sale of financial assets classified at fair value through other comprehensive income, reflected in the retained earnings, was RON 137.13 million, significantly greater than the one registered during the previous year, on account of the sales made amid the increase in stock quotes in order to qualify within the prudential limits and capitalize on opportunities.

With respect to the financial position, it has registered an important increase, the total asset value being RON 3.39 billion at the end of 2024.

This increase in total asset value has mainly resulted from the increase in value of financial assets at fair value through other comprehensive income (the main component of the company's assets), being greatly determined by the favorable evolution in value of the listed shares in the portfolio.

The dividend revenue and use of the credit facilities contracted with BCR for the purchase of listed shares have also contributed to the increase in value of total assets. The increase in debt was caused by the use of the credit facilities, the increase of the deferred tax debt corresponding to the reserve from the revaluation of financial assets, correlated with the increase of this reserve and from the debt increase with respect to dividend payout resulting from the dividend distribution from the 2023 earnings.

Thank you!

We invite you to ask us questions regarding the presented aspects.

**C.D.** Is there anyone who would like to ask any questions?

**L.V.** A year ago, the dividends were pretty much the same, so it seems like the debt increase is a bit too great.

**C.D.** Too great with respect to what?

**L.V.** From 283 to 411.

**M.M.** It resulted from the increase in deferred tax debt. The deferred tax debt is calculated on the reserve from the revaluation of financial assets classified at fair value through other comprehensive income. The value of this reserve, like the value of this asset element, has significantly increased. A big part of the increase resulted from this, as well as from using the credit facilities (a new credit facility was contracted at the beginning of 2024).

**C.D.** In short, we have around RON 150 million in credit exposure with BCR. Based on this, we induced a leverage effect on the portfolio, obtaining a superior return while also maintaining liquidity and managing to achieve a better holding return by adding this credit component. We didn't need the loan, just the increase in the liquidity's available balance for market opportunities. We have done the same for the leverage effect – that is one debt increase component. The other component is related to the deferred income tax which relates to the increase in the net result. So this is why there are significant differences compared to the previous year.

Are there any other questions?

If not, I will answer some of the questions that an investor who could not participate in this conference sent through by e-mail, which we considered useful to take into consideration.

The first question is referring to the evolution of the disputes with AAAS. As everyone is probably aware of, we have an entire amount of disputes (over 100) of all kinds with this state authority that has, in the past, illegally charged the company - SIF Moldova at the time - for some warranties granted for a few loans started with Bancorex by a few economic agents. This was the dawn of capitalism. And, of course, under a completely different management. Still, this state institution, AAAS, that is the successor to AVAS, instead of going against the economic agents that haven't returned their loans, they preferred to directly and illegally charge SIF Moldova. With a lot of effort from the company and the lawyers they worked with, we have won absolutely all disputes, many years ago. Since then, we're struggling to charge this state institution to give us our money back, with the necessary interest and penalties. Only, this state

institution is running, avoiding, always hiding because they're lacking money and the Romanian state, through the Ministry of Finance, doesn't capitalize on this institution to abide by its obligations. That is the unromanticized story of these disputes.

So what we have on the docket today are disputes to appeal the enforcement, the return of the appeal to the enforcement; it's an entire legal procedure that is carried out with a lot of resource use from us. The total amount we have to reclaim at the moment reaches almost RON 60 million, which justifies all efforts. This amount is mentioned in previous public reports and the question was if we have an estimate for the finalization of these disputes. We don't have a time estimate, except for the vague 'a few years down the line', precisely because of the difficulty in finding amounts or assets to charge from this institution that is an embarrassment to the Romanian state.

As far as collecting some amounts, we collect wherever we find accounts or assets - we're managing, with great difficulty, to charge and reclaim, but small amounts for now. A few years ago we managed - I think in the last few years, better said, the last 5-6 years - I think we managed to reclaim somewhere around RON 12-14 million from everything we had to reclaim and so, with a lot of perseverance, we will move forward because it's our right, the company's right, and it benefits the shareholders. We've more than answered the shareholder's question. If you have any other questions on this subject?

**L.V.** No. The 2024 dividends were smaller than the 2023 dividends. What you received, not what you will give us. I was referring to the statistic you provided us with.

**C.D.** Please rephrase, I don't understand.

**L.V.** Just a moment, I can't remember the page number. The separate statement of the comprehensive income for the financial year on December 31, 2024. Income and gain from dividends - it's smaller in 2024 than in 2023. For interest rates, yes, interest rates have gone up, which is correctly larger. Probably how it will be from now on.

**C.D.** Yes, it's slightly smaller. We depend on the dividends that the companies in the portfolio give out, obviously. And I will take this chance to also answer the question: how much does the increase in the tax on dividends (from 8% to 10%) influence the strategy of resource allocation when it comes to shares?

Answer, it doesn't. The difference from 8% to 10% is not significant and the companies generating important dividend flows from our portfolio will mostly and similarly be kept as they have been so far. Of course, the allocation between different shares and different sectors will be dynamic, like it is every year. So, we will not change the strategy of exposure on dividend generating companies. At the same time, I can say what will be seen in the annual report, if it wasn't seen already in the quarterly reports. We removed state company shares from our portfolio, run by politicized Boards of Directors who made controversial economic decisions for the companies and in which the state preferred to "help itself to the cream on top", as Romanians would say,

through taxes and not through dividends like any other shareholder. The management that these companies carried out in different stages and with different negative aspects, from our point of view, made us exit these shares, especially since their appetite for generating dividends for shareholders has decreased.

It now goes back to what you asked me, yes. In 2024, we received fewer dividends than in 2023 because, on one hand, the state has left more money to these companies that have not always spent them wisely. I will give you an example or two, you'll find companies that place and joyfully publicly announce how they're placing interest rates with Exim Bank and CEC, considerable return amounts of 6% or how much their interest rates allow, given that they are underutilizing the capital. They don't invest, nor do they allocate money to the shareholders, but prefer to keep them in the bank. Respectfully, we do not wish for an exposure to such companies.

**L.V.** Yes, it must be oriented towards more serious companies. Oil, gas.

**C.D.** Which is what we're doing.

Another question was on the implementation status of the public purchase offer through an exchange that we approved in the General meeting in October 2024, exchange with Aerostar Bacău shares in our portfolio.

The status is on standby, for now. It is a well thought of and well-drafted operation for which Aerostar has not yet made the necessary steps so that we may carry it out together. Meaning they haven't put a similar resolution on the General Meeting agenda because they, too, need to have the approval of the shareholders for own share buybacks, like we do – it's the effect of this exchange. We have 18 months to complete the resolution of the General Meeting. Should we have news, we will of course bring it to the investors' attention.

**L.V.** Aerostar Bacău have strong dividends.

**C.D.** No, they have weak dividends, somewhere around a 2-3% return. But the company continues to grow, it's involved in all kinds of programs, including for the Ministry of Defense and on the civil and commercial side as well, so a relatively well-performing holding.

Another question was about participation titles in the collective investment undertakings from the portfolio. The question is: what is the role of these participation titles?

Answer: like we've written down in every periodic report (quarterly, half-yearly, annual), these funds where we hold different participations contribute to the total return of our fund, depending on the performance of those funds, management teams

and, at the same time, managing our liquidities. There is no other explanation, no other role - hidden or unhidden.

The next question is tied to the possible approval by the Parliament of certain real-estate companies, the so-called REITs. Will this approval have an impact on your investment strategy?

Answer: no. We're not interested. This doesn't mean that we don't analyze every opportunity, but in the real-estate sector we are interested in direct exposure, through projects developed by companies under our control, not being an investor in a REIT type fund. We know how to handle this allocation ourselves; we don't need to get into another fund. Especially because our real-estate exposure is an important part of our approach and the Private-equity portfolio.

Another question is on the possible sale of Veranda Mall.

As always, the answer is the same. Until we have more concrete information on potential negotiations reaching close or very close to a deal, the answer is that we don't have any details. Because it was mentioned in the press.

The next question is about the future of Mecanica Ceahlău, given the two difficult years behind it. Also tied to these aspects is the performance of the organic farming sector, given the pedological drought. I will ask Cătălin Iancu, Deputy CEO, to offer a few details on the subject.

**C.I.** Thank you. With respect to Mecanica Ceahlău, 2024 was the third or fourth year of prolonged drought, which fundamentally influenced the farmers' ability to efficiently exploit their land, but mostly their ability to renew the equipment fleet. This is the direct and simple explanation. By them no longer being able to renew this equipment, the solvent demand for Mecanica equipment has fundamentally reduced, which has led to a decrease of the turnover and, implicitly, to loss. Nevertheless, Mecanica Ceahlău is a strong company, it has a very strong fund behind it and, among the recovery measures that we can go into detail on, are new production partnerships and a diversification in produce. This is the area we are taking measures in.

With respect to Agointens, climate change is no longer a joking matter, its influence is heavily felt within agriculture, particularly horticulture. Our answers to these challenges fall under adopting revised production technology, implementing more advanced solutions for irrigation, agricultural management, protecting the plantation during extreme sunlight and temperatures. Our blueberry production has proven to be resilient. We will continue to develop these investments, as we are convinced that precision agriculture is the future of this sector. The answers to both questions have weather as a common factor.

**C.D.** Thank you, Cătălin. Are there any more questions?

If not, at the beginning of an upcoming year and after a fantastic year when it comes to our asset performance, I thank the investors that supported us and continue to support us in what we do. We promise to keep striving to obtain the best possible results in 2025, a year that is shaping up to be a difficult one. It's true that the beginning of 2024 also came with many unknown factors, yet we managed to show exceptional results, so we always move confidently forward. Thank you for participating, we will now close the conference.

Goodbye!