



Annual Report 2024

Companies

HOLDING

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IT GROUP

Simac IT Group bv

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Simac IT NL bv

Maartje van Schagen / Peter
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Netherlands)

Simac International Services bv

Patrick Bontinckx / Jan Bueken
De Run 4256
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Simac Cyber Security bv

Robbert Vriens
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Simac Document Solutions bv

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Simac Technik CR AS

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158 00 Prague 5 (Czech
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TECH COMPANIES

Simac Triangle bv

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5652 AH Eindhoven (the
Netherlands)

Simac Electronics bv

Ivo de Rooij
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Netherlands)

Simac Masic bv

Ard Romers
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Netherlands)

Simac QuadCore bv

Alfred Wesseling
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Netherlands)

Simac IDS NL bv

Har Heuberger
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5503 LL Veldhoven (the
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Simac IDS Ltd

Har Heuberger
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aQuestora bv

Ivo de Rooij
Hurksestraat 60, unit 3.20
5652 AL Eindhoven (the
Netherlands)

Participating interests

Aranea Consult bv

Aad van den Boogaart
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Veemarktkade 8-locatie 7136
5222 AE 's-Hertogenbosch (the Netherlands)

Chess Wise bv

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GX International bv

Gerlas van den Hoven / Paritosh
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6105 BP Maria Hoop (the Netherlands)

Inteno Holding AB

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Sensite Solutions bv

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Simac Professional SA

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Treams Group bv

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This annual report 2024 of Simac Techniek NV is a translation of the original Dutch version. This English version is for informative purposes only. Under all circumstances the original Dutch version will be legally binding.

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General

Notice from the board of directors

In the company's history, the year 2024 will go down as a special year for Simac. In addition to Maartje van Schagen completing her first full year as CEO, the move to the new head office took place in October. After 38 years, the building at De Run 1101 in Veldhoven, built by founder Mac van Schagen back in the day, was left for good. Just a few hundred meters away from the old building, a completely new, modern and sustainable head office was built in just a few months, in which various of the company's own innovative and sustainable solutions were implemented.

In 2024, in addition to good turnover growth, we experienced significant improvement in yield at group level. This instantly turned the negative net result of 2023 into a positive result. This is partly thanks to the foreign Simac companies that performed above expectations and an improvement in yield on IT activities in the Netherlands. In addition, several smaller loss-making activities without a healthy future perspective were terminated. Due to the delay experienced in the machine construction market, a number of cost-reducing measures were implemented at Simac Masic in Heerlen.

Simac has continued to invest in innovations and new activities in the same way as in previous years. In addition, continuous investments have been made in the standardization of the service offering and in process and system improvement. The conviction remains that these investments are crucial for the continuity and relevance in the tech sector in which Simac operates. In addition, our employees remain the core of our success. They work each day to make a positive, lasting impact. A lot has been invested therefore in training both staff and management.

Positive fact is that, after an active recruitment campaign, the works council is back at full strength after the elections in 2024. This has resulted in very constructive collaboration between the works council and the board of directors. Last year, various changes were implemented in close consultation, including the renewed structure in which the IT companies were brought closer together in the Simac IT group. The input of the works council was experienced as highly valuable by the board of directors.

We look ahead to 2025 with cautious confidence, despite the prospect of continued market pressure in a number of sectors and portfolio components. Further improvement in yield is therefore challenging, but remains an objective. New technological innovations require time and further investment to grow and become successful.

We would like to take this opportunity to thank our customers for their trust in Simac and the positive collaboration in 2024. We would like to thank the supervisory board and the works council for their useful contribution to our wonderful company where the people in our organization are our main asset. In particular, we would like to take this opportunity to thank Ine Frings for her contribution to the holding board during 2024 and look forward to continuing the pleasant collaboration with Ine within the Simac IT group in 2025. Finally, we would like to thank all members of staff for their tremendous efforts, customer focus and loyalty. They are and remain the basis of our success.

On behalf of the board of directors,
Maartje van Schagen
CEO

Veldhoven, 31 March 2025

The board of directors of Simac Techniek NV

M.J. VAN SCHAGEN, MSc (1983), DUTCH
CEO

M.F.J.A. VAN KASTEREN (1961), DUTCH
CFO

/R. E. VAN SCHAGEN (1956), DUTCH
Board member

Key ancillary positions:

- Chairman of VNO-NCW Brabant Zeeland
- Chairman of the supervisory board of Mignot & De Block
- Chairman of the supervisory board of Crowe Foederer Accountants
- Member of the supervisory board of TechnoStars
- Member of the supervisory board of Vrijdag Premium Printing
- Member of the board of Eindhovensche Fabrikantenkring
- Chairman of the board of Coöperatie Slimmer Leven 2020
- Chairman of the board of Sports and Technology Eindhoven
- Chairman of MMC Innovatiefonds
- Chairman of the PSV foundation executive board
- Member of the supervisory board of Van der Velden Rioleringsbeheer
- Chairman of Stichting Matthäus Passion Oirschot
- Chairman of the supervisory board of Het Noordbrabants Museum

Supervisory board of Simac Techniek NV

DR. IR. H.P.M. KIVITS (1953), DUTCH

Chairman of the supervisory board

First appointment in 2014

Former CEO Stage Entertainment

Key ancillary positions:

- Chairman of Stichting Universiteitsfonds Eindhoven
- Chairman of Stichting FoodforCare Fonds
- Member of the supervisory board of Parc Spelderholt
- Member of the board of Stichting Preferente Aandelen C Van Lanschot

IR. N.I.M. HERMANS (1951), DUTCH

Vice-chairman of the supervisory board and chairman of the remuneration committee

First appointment in 2003

Former member of the board of ASML

Key ancillary position:

- Member of the advisory council of Rule 30

MR. S.J.M. ROELOFS (1957), DUTCH

Member of the supervisory board

First appointment in 2018

Former managing director of the Netherlands IT trade association

Key ancillary positions:

- Chairman Modint, trade association for textiles, clothing, carpets and interior fabrics in the Netherlands
- Member of the executive board of VNO-NCW in The Hague
- Chairman of the supervisory board of Kruitbosch BV
- Member of the board of Euratex, the European textile and clothing association
- Member of the supervisory board of AWWN, General Employers Association of the Netherlands

W. VAN WINDEN (1952), DUTCH

Member of the supervisory board and chairman of the audit committee

First appointment in 2014

Former CFO of Philips Nederland/Benelux

Directors' report

Outline strategy

Vision

Technology can help people move forward, yet at the same time it demands responsibility. Simac puts this responsibility into practice by integrating sustainability into everything it does. Each day, Simac employees are committed to making a positive, lasting impact, for its customers, partners, colleagues, society and the environment.

Sustainability at Simac means applying future-proof approach in our work; it is about long-term thinking, corporate social responsibility and, above all, continuity. From this perspective, we make conscious choices that create value not only today, but also in the future. This way Simac contributes to a resilient, future-proof society in which people and technology go hand in hand.

For Simac, sustainability means:

- **Long-term vision**
Simac does not think in terms of quick fixes, but invests in relationships, solutions and innovations that are ready for the future.
- **Committed collaboration**
Simac works closely with its customers and partners, shares knowledge and expertise and remains involved in every step of the process.
- **Technology as a force for progress**
Simac uses technology to optimize processes, solve social challenges and reduce its ecological footprint.
- **Social responsibility**
Simac supports its employees, actively contributes to a resilient society, invests in a healthy, inclusive working environment and stimulates growth, development and well-being.
- **Responsible use of raw materials and energy**
Simac limits its environmental impact by focusing on a circular economy, energy efficiency and smart use of raw materials.

As a family business, Simac chooses to invest in a wide variety of activities. This offers opportunities for innovation as well as risk diversification. Its core activity, providing IT services, remains central in all this and the strategy below is followed within this.

Strategy

Simac positions itself as a Service Integrator. In this role, Simac manages and optimizes IT services and business processes for its customers. Simac integrates technology, services and suppliers and manages IT ecosystems. Simac does this with a broad portfolio of IT solutions in close collaboration with strategic partners and high-quality suppliers to deliver the best technologies and expertise.

The strategy that Simac uses is based on four core values, three promises, two preconditions and a single objective: the 4-3-2-1 strategy.

The four core values form the basis of everything Simac undertakes:

- **Warmth**
Simac employees form a single team, enjoy working together and everyone is included.
- **Value**
Simac employees are transparent, honest and dedicated, which means they offer real added value for customers *and* each other.
- **Agile**
Simac employees are creative, curious and continue to develop proactively in every area.
- **Winning**
Simac employees strive for success with pride and decisiveness, for the customers and for Simac.

The core values form the basis for three core promises of Simac:

- **Promise to the customer**
Simac aims for a customer appreciation rating of at least 8 by investing in service, innovation and involvement, with quality being of paramount importance.
- **Promise to the employee**
Simac creates a working environment in which everyone feels free to make a difference. The goal is to achieve an employee satisfaction rating of at least 8.
- **Promise to the living environment**
Simac accepts its social responsibility and invests part of its profits in initiatives that strengthen the living environment.

Two preconditions are necessary:

- **Healthy organization**
Effective processes, systems and technology ensure streamlined execution of projects and contracts with a healthy return that ensures continuity.
- **Financial stability**
Simac wants to be a financially stable company with insight and control across the board.

All this should lead to achieving the goal that Simac has set for itself: to be and remain the #1 Service Integrator in the market.

By following this strategy, Simac aims to achieve a positive and lasting impact: on the performance of its customers, the job satisfaction of employees, the environment and on society as a whole.

Corporate Social Responsibility

Simac has once again committed itself to improving its sustainability performance, with a strong focus on energy and the environment. Much effort has been put into maintaining and further developing certifications in these areas.

ISO 14001

ISO 14001 is the international standard for environmental management. This certification helps to identify, manage and continuously improve our environmental impact. By complying with the ISO 14001 standard, Simac demonstrates that it accepts responsibility for the environment and strives for sustainable business operations.

ISO 50001

ISO 50001 is the standard for energy management systems. This certification focuses specifically on improving energy performance. Implementing an energy management system according to ISO 50001 allows Simac to manage its energy consumption more efficiently, save costs and reduce CO2 emissions.

CSRD

In 2024, in addition to efforts in the field of energy and the environment, Simac built a bridge to the implementation of the CSRD. An important part of this was the successful completion of the double materiality analysis. This analysis enables Simac to identify the main sustainability themes for the organization, both from the perspective of impact on the environment and from the perspective of the influence of sustainability on business operations.

The creation of the necessary data and governance structure has been started to further shape the implementation of the CSRD. This includes collecting and analyzing relevant data, drawing up policies and procedures and setting up a responsible organization.

The efforts of recent years in the field of ISO 14001 and ISO 50001 provide a solid basis for further development in the field of sustainability and implementation of the CSRD material topics.

Simac Heart

The involvement in the environment in which Simac works is partly reflected in the sponsorship of various associations, organizations and events. In 2024, this involved a list of 106 different charities in total. Special attention is given to the charities that are suggested by Simac staff themselves. Each quarter, a total of ten charities receive financial support under the name of Simac Heart. An important criterion in the selection process is the degree of involvement of the Simac staff member in the charity that he or she proposes.

Financial state of affairs

Key points

- Net turnover rises by 8.7%, from € 333.6 million to € 362.6 million.
- Other operating income amounts to € 2.6 million (2023: € 0.8 million) and was positively influenced by compensation received for relocation.
- Operating result rises from € 0.7 million to € 6.0 million Exclusive of depreciation, the operating result (EBITDA) rises from € 7.4 million to € 13.3 million.
- The balance of financial income and expenses amounts to € -2.4 million (2023: € -1.8 million).
- Taxes € -1.9 million (2023: € -0.3 million) and third-party interest to € -0.6 million (2023: € -0.3 million).
- Result after taxes rises from € -1.8 million to € 1.0 million.
- The cash position at year-end 2024 amounts to € 10.7 million (2023: € 6.5 million).
- Group equity at year-end 2024 amounts to € 53.9 million (2023: € 53.0 million)
- Solvency based on group equity at year-end 2024: 32.1% (2023: 33.4%).

Results

The results can be summarized as follows:

Condensed consolidated profit and loss account	2024	2023
Net turnover	362,582	333,642
Subcontracted work and other external costs	-200,344	-185,406
Gross profit	162,238	148,236
Other operating income	2,562	804
Personnel expenses	-113,543	-103,306
Other operating expenses	-37,986	-38,322
Operating result before depreciation (EBITDA)	13,271	7,412
Depreciation/amortization of (in)tangible fixed assets	-7,301	-6,736
Operating result	5,971	676
Financial income and expenses	-2,415	-1,793
Group result before taxes	3,556	-1,117
Taxes result from ordinary business operations	-1,892	-336
Third-party interest	-620	-334
Result after taxes	1,044	-1,787

Amounts in thousands of Euros

Changes in group structure

During the financial year, the following changes have occurred in the group structure:

- Acquisition of 10% interest in Simac Technik CR as. Simac now owns 90%.
- Incorporation of Simac IT Group bv.
- Termination of participation in Meditools bv. Prior to the liquidation, Simac received a final dividend.

Net turnover

Net turnover rises by 8.7%, from € 333.6 million to € 362.6 million. This increase occurred in all sales categories. In the sale and installation of goods, turnover rises by 1.6% from € 175.0 million to € 177.8 million and in service and management contracts by 12.4%, from € 123.7 million to € 139.1 million. Turnover in other services rises by 30.8%, from € 34.9 million to € 45.6 million.

Net turnover per category	2024	2023
Sale and installation of goods (including projects)	177,843	175,033
Service and management contracts	139,134	123,745
Other services	45,605	34,864
Net turnover	362,582	333,642

Turnover at Information Technology Netherlands rises by 9.4%, from € 153.3 million to € 167.7 million. Turnover at Information Technology abroad rises by 14.0%, from € 139.1 million to € 158.6 million. Turnover at Smart Solutions falls by 12.3%, from € 41.9 million to € 36.8 million.

Net turnover per business segment	2024	2023
Information Technology Netherlands	167,689	153,306
Information Technology abroad	158,584	139,130
Smart Solutions	36,763	41,939
Holding and eliminations	-454	-733
Net turnover	362,582	333,642

Group sales are eliminated within the relevant segment as much as possible.

Amounts in thousands of Euros

Gross profit

Gross profit is defined as the result of net turnover, less costs of subcontracted work and other external costs.

The gross profit for the financial year amounts to € 162.2 million (2023: € 148.2 million). The gross profit percentage compared to turnover increases from 44.4% to 44.7%.

Personnel expenses

Personnel expenses consist of the total of salaries and wages and social security and pension contributions. Personnel expenses rise by 9.9%, from € 103.3 million to € 113.5 million. As a percentage of turnover, personnel expenses rise from 30.8 to 31.3%.

A total of € 91.1 million of personnel expenses (2023: € 83.4 million) is accounted for by wages and salaries. This includes € 22.4 million (2023: € 19.9 million) for social security and pension contributions. Social security and pension contributions as a percentage of wages and salaries amount to 24.6% (2023: 23.9%).

The increase in personnel expenses compared to the previous financial year was influenced by the takeover of 71 employees in November last year. The takeover of these employees is related to the outsourcing of IT services by two supermarket formulas. The personnel expenses associated with these employees in 2024 amount to € 6.5 million.

The average number of employees (FTE) increases from 1,252 in 2023 to 1,315 in 2024. The average number of employees in the Netherlands at the end of the financial year is 1,309 (2023: 1,313). The number of employees in the Netherlands is 954 (2023: 920).

The number of temporary staff during the financial year was 211 (2023: 183). During the financial year, substitution has taken place of external temporary employees for permanent employees.

The Tax Authorities have announced that, with effect from 1 January 2025, they will lift the enforcement moratorium imposed after the introduction of the Assessment of Employment Relationships (Deregulation) Act (DBA Act). When hiring external employees, Simac uses both recognized supplying agencies and self-employed persons. With effect from 2025, Simac has tightened its hiring procedures to mitigate the risks associated with self-employed contracts.

Other operating expenses

Other operating expenses fell from € 38.3 million to € 38.0 million. This decrease is thanks to general costs, which fell from € 5.8 million to € 3.8 million. Other cost items, on the other hand, are increasing. Car and travel costs rise from € 9.8 million to € 10.5 million. Publicity costs and costs to sell rise from € 3.0 million to € 3.4 million and telecommunications and automation costs from € 5.3 million to € 5.7 million. Accommodation costs rise from € 6.9 million to € 7.0 million.

Amounts in thousands of Euros

Depreciation/amortization of (in)tangible assets

Depreciation and impairments rise from € 6.7 million to € 7.3 million. Intangible fixed assets is amortized by € 2.9 million (2023: € 2.6 million) and tangible fixed assets were depreciated by € 4.4 million (2023: € 4.1 million). Amortization of intangible fixed assets mostly relates to goodwill on acquired subsidiaries and operations that have been taken over.

Financial income and expenses

The balance of financial income and expenses amounts to € -2.4 million (2023: € -1.8 million). The share in the results of non-consolidated participating interests amounts to € -0.3 million (2023: € 0.1 million). During the financial year, € 1.4 million in positive result from participating interests was recorded, and € -1.7 million negative result. The positive result largely concerns Meditools. The negative result concerns a justified depreciation of the participating interest in Inteno. Up to the 2023 financial year, this 10.6% participating interest was valued at cost price.

The balance of interest charges and income amounts to € -0.2 million (2023: € 0.0 million). Interest income and similar income amounted to € 0.6 million and interest expenses and similar expenses amounted to € -0.8 million.

In the financial year, long-term receivables were depreciated by € -2.0 million (2023: € -1.8 million). This depreciation relates to the financing of non-consolidated participating interests.

Income taxes

The effect of the non-deductible goodwill causes a high effective tax burden. The result before taxes amounts to € 3.6 million and the effect of non-deductible tax costs amounts to € 5.0 million, resulting in a taxable result of € 8.6 million.

The main non-deductible costs are goodwill amortization and costs of participating interests. Taking into account rate differences and other adjustments, the tax burden amounts to € 1.9 million (2023: € 0.3 million). The effective tax burden is 53.2% (2023: 30.1%).

Current taxes amount to € 1.4 million (2023: € 1.5 million) and relate to foreign jurisdictions. Due to the estimated tax result, € 0.5 million in deferred taxes have been realized in the Netherlands.

Amounts in thousands of Euros

Financial position

The condensed consolidated balance sheet is as follows:

Condensed consolidated balance sheet	2024	2023	Change
Intangible fixed assets	5,825	7,560	-1,735
Tangible fixed assets	23,143	18,693	4,450
Financial fixed assets	25,326	24,563	763
Deferred tax assets	1,268	1,727	-459
Fixed assets	55,562	52,543	3,019
Inventories and work in progress	8,525	10,480	-1,955
Receivables	94,967	88,820	6,147
Securities	601	300	301
Liquid assets	13,814	13,255	559
Current assets	117,907	112,855	5,052
Total assets	173,469	165,398	8,071
Group equity	55,665	55,194	471
Provisions	4,383	7,689	-3,306
Long-term liabilities	7,544	760	6,784
Short-term liabilities	105,877	101,755	4,122
Total commitments	117,804	110,204	7,600
Total liabilities	173,469	165,398	8,071

Total assets rise by € 8.1 million, from € 165.4 million to € 173.5 million. Fixed assets rise by € 3.1 million, from € 52.5 million to € 55.6 million. This increase concerns € 4.5 million for tangible fixed assets and € 0.8 million for financial fixed assets. Intangible fixed assets fall by € 1.7 million and deferred tax assets by € 0.5 million.

Current assets rise by € 5.0 million, from € 112.9 million to € 117.9 million. Receivables rise by € 6.1 million and liquid assets and securities by € 0.9 million. Inventories and work in progress fell by € 2.0 million.

Amounts in thousands of Euros

Group equity rises by € 0.5 million, from € 55.2 million to € 55.7 million. Total liabilities rise by € 7.6 million, from € 110.2 million to € 117.8 million. Long-term liabilities rise by € 6.7 million from € 0.8 million to € 7.5 million and short-term liabilities by € 4.1 million, from € 101.8 to € 105.9 million. Provisions fall by € 3.3 million, from € 7.4 million to € 4.4 million.

The financing analysis below shows that the surplus of available long-term financing compared to fixed assets rises by € 0.9 million, from € 11.1 million to € 12.0 million. Available long-term financing increases by € 3.9 million, from € 63.7 to € 67.6 million. Fixed assets, on the other hand, fall by € 3.1 million, from € 52.5 million to € 55.6 million.

The investment in working capital falls by € 3.3 million, from € 4.6 million to € 1.3 million. The cash position rises by € 4.2 million, from € 6.5 million to € 10.7 million. The cash position at year-end 2024 consists of € 13.8 million in liquid assets, less € 3.1 million in drawn bank credit.

Financing analysis	2024	2023	Change
Available long-term financing	67,592	63,643	3,949
Less: fixed assets	-55,562	-52,543	-3,019
Financing surplus	12,030	11,100	930
Working capital	1,335	4,560	-3,225
Cash position (liquid assets less credit institutions)	10,695	6,540	4,155
Use of the financing surplus	12,030	11,100	930

Fixed assets at year-end 2024 amount to € 55.6 million (2023: € 52.5 million). Intangible fixed assets fall by € 1.8 million, from € 7.6 million to € 5.8 million. During the financial year, a sum of € 1.1 million (2023: € 4.2 million) of goodwill was capitalized. The capitalized goodwill relates to the expansion of interest in Simac Technik CR by 10%, to 90%. Amortization of intangible fixed assets during the financial year amounted to € 2.9 million (2023: € 2.6 million). The carrying amount of the other intangible fixed assets amounts to € 0.8 million (2023: € 1.0 million).

Investments in tangible fixed assets amount to € 9.2 million (2023: € 5.8 million), with divestments amounting to € 0.3 million (2023: € 1.3 million). A total of € 3.7 million was invested in buildings and € 5.5 million in other fixed assets. Investments in buildings concern € 2.7 million in lessee investments in Simac Huys and € 0.9 million in the rented location of Simac Masic. Investments in other fixed assets concern € 3.6 million for the Simac Power Cloud.

Depreciation of tangible fixed assets amount to € 4.4 million (2023: € 4.2 million) and concern € 0.7 million in company buildings and grounds and € 3.7 million in other fixed assets.

Amounts in thousands of Euros

Financial fixed assets rise by € 0.8 million, from € 24.6 million to € 25.3 million. The carrying amount of non-consolidated participating interests falls by € 1.4 million, from € 6.1 million to € 4.7 million. The result from participating interests amounts to € 0.3 million. During the financial year, € 1.4 million in positive result from participating interests was recorded, and € -1.7 million negative result. Dividend received amounts to € 1.6 million. € 0.1 million). The vast majority thereof concerns the final dividend from Meditools. This company was dissolved in October 2024. An existing interest was expanded for € 0.1 million.

The carrying amount of financing of participating interests falls from € 2.8 million to € 1.2 million. Financing amounting to € 1.4 million was provided during the financial year. Based on the development of the net asset value of participating interests, € 2.9 million was written down on receivables in 2024 (2023: € 1.9 million). At the end of the financial year, the nominal value of financing of participating interests was € 10.5 million, of which € 9.3 million was written down.

At year-end 2024, the balance of deferred tax assets amounts to € 1.3 million (2023: € 1.7 million). A total of € 1.2 million of this item relates to tax losses in the Netherlands and € 0.1 million to temporary valuation differences at Simac in the Czech Republic. At the end of the financial year, Simac records a total of € 4.8 million in offsettable losses.

Current assets rise by € 5.0 million, from € 112.9 million to € 117.9 million. Inventories and work in progress fall by € 2.0 million, from € 10.5 million to € 8.5 million. Receivables, on the other hand, rise by € 6.1 million, from € 88.8 million to € 94.9 million. This increase concerns € 6.4 million in trade receivables, which rise from € 65.9 million to € 72.3 million and € 0.6 million in other receivables, including prepayments, which rise from € 21.8 million to € 22.4 million. Liquid assets and securities rise by € 0.8 million, from € 13.6 million to € 14.4 million.

At the end of the financial year, the carrying amount of inventories amounts to € 6.5 million (2023: € 6.0 million). The gross value amounts to € 7.8 million (2023: € 7.3 million) for which a provision has been recorded of € 1.3 million (2023: € 1.3 million).

The net value of work in progress amounts to € -4.4 million (2023: € -4.5 million) and consists of the balance of capitalized costs of € 15.6 million and invoiced installments of € 20.0 million. In accordance with the annual reporting guidelines, € 2.1 million (2023: € 4.4 million) of work in progress has been capitalized and € 6.5 million (2023: € 8.9 million) has been recorded as a current liability.

Group equity rises by € 0.5 million, from € 55.2 million to € 55.7 million. The group result for the financial year after taxes amounts to € 1.7 million, of which € 1.0 million is attributable to shareholders of Simac Techniek NV. Dividends paid in the financial year amount to € 0.3 million. These dividends are attributable to the third-party interest.

At the end of the financial year, equity amounts to € 53.9 million (year-end 2023: € 53.0 million) and the third-party interest to € 1.8 million (2023: € 2.2 million). The decrease in the third-party interest relates for € 0.8 million to the expansion of interest in Simac Technik CR from 80% to 90%.

Amounts in thousands of Euros

Amounts in thousands of Euros

Provisions at the end of the financial year amount to € 4.4 million (2023: € 7.7 million). During the financial year, € 1.4 million was added to and € 2.1 million used for provisions. Furthermore, a total of € 1.3 million was released and € 1.2 million is recorded under current liabilities.

As at the balance sheet date, € 1.3 million of provisions relate to employee benefits. This concerns expected future jubilee benefits to Simac employees in the Netherlands. As a result of possible liabilities arising from the takeover of 71 employees, a Social Fund has been set up. At the end of the financial year, this fund amounted to € 1.4 million. Due to the expected costs of redundancies, an amount of € 0.9 million has been included. Other provisions amount to € 0.8 million.

Short-term liabilities rise by € 4.1 million, from € 101.8 million to € 105.9 million. The main increase can be seen in accounts payable, rising by € 5.2 million, from € 33.2 million to € 38.4 million. Other payables, accruals and deferred income rise by € 5.0 million, from € 44.7 million to € 49.7 million. Use of the credit facility falls by € 3.6 million, from € 6.7 million to € 3.1 million.

Cash flows during the financial year can be summarized as follows:

Summary of cash flows	2024	2023	Change
Cash flow from operating activities	14,228	5,271	8,957
Cash flow from investing activities	-16,738	-15,644	-1,094
Cash flow from financing activities	3,069	5,743	-2,674
Change in cash	559	-4,630	5,189

The cash flow from operating activities rises by € 8.9 million, from € 5.3 million to € 14.2 million. The operating result including depreciation and changes in provisions increased by € 2.1 million from € 8.9 million to € 11.0 million. Due to the decrease in working capital, there is a positive cash flow of € 3.2 million (2023: € -2.4 million). The cash flow from dividends and interest received amounts to € 2.2 million (2023: € 0.3 million). Interest and income taxes paid amount to € -2.2 million (2023: € -1.5 million).

The cash flow from investing activities amounts to € -16.7 million (2023: € -15.6 million). Investments in (in)tangible fixed assets amount to € -9.3 million (2023: € -6.6 million) and divestments € -0.3 million.

The cash effect of capital interests acquired amounts to € -2.0 million (2023: € -4.9 million). In the financial year, a total of € 5.7 million (2023: € 5.8 million) was provided for in financing. A total of € 2.3 million of loans granted concern the self-financing of lease cars and € 1.4 million the financing of participating interests. Furthermore, financing of € 2 million was provided to participants.

Amounts in thousands of Euros

The cash flow from financing activities amounts to € 3.1 million (2023: € 5.7 million. The main changes concern the reduction of bank credit and the inclusion of a mortgage loan. The use of bank credit decreased by € 3.6 million compared to a withdrawal of € 6.7 million in 2023. During the financial year, a mortgage loan was taken out with a principal amount of € 7.4 million. The building at Industrieweg in Heverlee (B) has been provided as collateral.

Long-term overview

The comparative figures in the multi-year overview for 2021 and 2020 have been adjusted in line with the new guidelines of the Dutch Accounting Standards Board (DASB) regarding the processing of income. This concerns DASB guideline 221 (Work in progress) and DASB guideline 270.1 (Processing of income).

Results	2024	2023	2022	2021	2020
Net turnover	362,582	333,642	313,093	284,683	254,841
Sale and installation of goods	177,843	175,033	167,017	155,663	132,714
Service and management contracts	139,134	123,745	109,815	101,546	94,736
Other services	45,605	34,864	36,261	27,474	27,392
Gross profit	162,238	148,236	139,281	135,491	122,866
In % of turnover	44.7%	44.4%	44.5%	47.6%	48.7%
Operating result excluding depreciation (EBITDA)	13,271	7,412	10,108	14,762	13,132
In % of turnover	3.7%	2.2%	3.2%	5.1%	5.2%
Operating result (EBIT)	5,971	676	3,593	8,116	8,864
In % of turnover	1.6%	0.2%	1.1%	2.8%	3.5%
Result after taxes	1,044	-1,787	2,127	3,732	4,668
In % of turnover	0.3%	-0.5%	0.7%	1.3%	1.8%
Average number of employees (FTE)	1,315	1,252	1,184	1,171	1,111

Results per employee	2024	2023	2022	2021	2020
Net turnover	276	266	264	243	229
Gross profit	123	115	118	115	110
Wages and salaries	69	67	63	61	60
Operating result	5	2	3	7	8

Amounts in thousands of Euros

Financial position	2024	2023	2022	2021	2020
Fixed assets	55,562	52,543	44,796	31,211	27,247
Current assets	117,907	112,855	127,699	115,143	104,632
Total assets	173,469	165,398	172,495	146,354	131,879
Group equity	55,665	55,194	58,647	57,645	55,293
Provisions	4,383	7,689	6,213	4,036	3,242
Long-term liabilities	7,544	760	101	88	95
Short-term liabilities	105,877	101,955	107,534	84,585	73,249
Total liabilities	173,469	165,398	172,495	146,354	131,879
Current assets -/- short-term liabilities	12,030	11,100	20,163	30,557	31,382
Cash position	10,695	6,540	17,885	24,023	24,580
Cash flow from operating activities	14,228	5,271	15,093	13,235	19,110
Cash flow from investing activities	-16,738	-15,643	-19,582	-11,860	-12,319
Dividends paid	-251	-1,507	-1,880	-2,014	-2,625
Group equity in % of total assets	32.1%	33.4%	34.0%	39.4%	41.9%

Operational state of affairs

An important pillar of the corporate philosophy is the distribution of operations across individual business units responsible for financial results, the Simac companies. They are each active in selected markets with their own portfolios. In November 2024, the holding board announced a change in the corporate structure. From 1 January 2025, the Simac companies will be divided between the IT group on the one hand and the Tech companies on the other. Within the IT group, Dutch and foreign IT-related companies are united under the responsibility of a management team. The Tech companies will continue independently.

The following paragraphs discuss the main affairs from 2024, per unit.

IT group

Simac IT NL

At the beginning of 2024, Simac IT NL launched its long-term strategy for the years 2024 to 2026. This strategy is rooted in four core values: value, warmth, agility and winning. Supported by two preconditions, financial stability and operational health, Simac aims to fulfill three promises in the coming years: its promise to the customer, the employee and the living environment. All this leads to the realization of the ambition to being the best service integrator in the Netherlands. The introduction of this strategy and a tightened KPI set actually gives shape and substance to the mission and vision of Simac IT NL. This also forms the basis for the IT group as a whole.

The core of Simac IT NL's services lies in outsourcing/management in the form of contracts. This is how Simac IT NL binds the customer to itself for a prolonged period of time and on the basis of an equal partnership. Contracts provide the certainty of continuity and ensure a stable basis. In 2024, as in previous years, the contract portfolio continued to grow and the current sales forecast is that this growth is set to continue in 2025.

In addition to contracts, Simac IT NL carries out many projects at its customers. By acting as a partner for contract customers, Simac IT NL is able to quickly identify bottlenecks or come up with suggestions for improvement. Changes are implemented in the form of projects and often result in managing the newly implemented service. Attracting new customers across the project axis is also an important driver for organic growth and sustainable stability and profitability. Despite turbulence, particularly in the retail sector, Simac IT NL has managed to achieve its project objectives and attract new labels. Particularly in the healthcare market (where Simac IT NL is a specialist in the field of integration and home automation in care), growth in projects was strong, resulting in multi-year contracts.

Simac IT NL's financial results for 2024 show an improvement compared to 2023. This is based on the partial reversal of the wage-price spiral effects of previous years, combined with increased employee productivity and a modest increase in project/contract returns. Simac IT NL continues to invest in its portfolio and further optimize the organization.

The adoption of new, portfolio-oriented *and* customer-oriented working methods and the further automation of business operations (including by using AI) give substance to this optimization. Simac IT NL is confident that it will successfully realize its long-term ambition.

Simac Results Velsen

At the end of 2023, the IT activities of Detailresult Services b.v. were taken over and placed in a new operating company by Simac: Simac Results Velsen (SRV). This included the takeover of approximately 75 employees. The core of the activities includes IT services for the Dirk and Dekamarkt supermarket formulas. From the Velsen-Noord branch, SRV continued and further professionalized its services for the aforesaid retail formulas in 2024. In doing so, SRV performed according to plan. Its top priority is the unbundling of the IT environments of both supermarket chains, in addition to ensuring continuity of the service provision.

Simac Cyber Security

Digital security continued to be a hot topic in 2024. Cybercriminals are using increasingly sophisticated technology in their attacks. The rise of AI (Artificial Intelligence) and developments in the field of Quantum Computing make a strong contribution to this. In addition, the introduction of legislation and regulations, such as the Cybersecurity Act NIS2, means that more and more is expected of organizations. Simac Cyber Security ensures that customers can meet these challenges.

In 2024, Simac Cyber Security achieved modest but steady growth in Managed Detection and Response (MDR) activities, by recruiting new customers. In 2024, the MDR service grew to a higher level, also in terms of content, and all existing customers were retained. Simac Cyber Security expects to further expand growth in 2025. The company's own Security Operating Center was redesigned as part of the relocation to the new head office in Veldhoven, meaning simac Cyber Security is ready for the next growth phase.

In order to offer a high level of security, training and education of an organization's employees is a crucial element. In 2024, driven by strong customer demand, a new Security Awareness service was added to the portfolio. This service will be further expanded in 2025.

In 2024, Simac Cyber Security intensified collaboration with other operating companies within Simac, especially in the Netherlands. Further collaboration with foreign Simac companies is planned for 2025.

Simac Document Solutions

Simac Document Solutions offers advanced solutions for digitizing and automating document and data flows. The company focuses on improving efficiency within organizations by reducing manual actions and streamlining processes, particularly in the automotive, manufacturing and transport & logistics sectors. In these industries, which traditionally rely on paper, Simac offers cloud-based technologies that help companies fully digitalize their data and document flows.

In 2024, the focus was on migrating existing customers to the cloud. Simac Document Solutions not only offers them the benefits of scalability and flexibility, but also ensures that customers always have access to the latest software versions, without having to worry about updates or maintenance. This reduces operational risks and makes the organization future-proof.

In addition to the digitalization of incoming documents, such as invoices, the demand for solutions for processing outgoing documents is increasing. Customers are looking for ways to manage order confirmations and other business communications more efficiently. Simac Document Solutions responds to this with innovative solutions that enable the automation of both incoming and outgoing data and documents.

Simac Document Solutions also offers extensive support in the implementation of their solutions, thereby enabling customers to quickly benefit from the advantages of digital document processing. This process includes not only migrating to the cloud, but also training staff and providing ongoing support.

With the growing demand for document automation and the continued focus on cloud technologies, Simac Document Solutions is responding to the future by enabling companies to further optimize their processes, reduce costs and respond to changes in the market quicker.

Simac ICT Belgium

Simac ICT Belgium consists of four separate business units. Their review of the past year is described separately below.

The **Integration** business unit offers its customers total solutions in the fields of networking, cyber security, collaboration and hybrid data centers. They do this on the basis of products from global market leaders. In addition to advice and project implementation, Integration provides an increasingly extensive range of managed services to provide customers with a full-service solution. In 2024, Integration confirmed its excellent 2024 results, despite weak macroeconomic conditions and continued cost increases. The networking business grew slightly and, as in previous years, the hybrid data center business continued to perform excellently in 2024. In addition, more customers purchased managed security services.

Finding the right employees remains a challenge in Belgium. The increased focus on employer branding does mean however that, for the second year in a row, most vacancies for the coming financial year were filled by early January.

Economic conditions in Belgium are likely to remain difficult throughout the year. Nevertheless, the portfolio is healthy and the commercial pipeline is at the right level, which means that the basis is in place to make 2025 another positive year.

The **Data Center & Connectivity Solutions (DCS)** business unit of Simac ICT Belgium has been known for its expertise, quality and reliability in the field of structured data cabling for both office buildings and industrial sites, for many years. As an integrator, DCS is also specialized in the complete furnishing of data centers, both during the design and construction phase and during daily operational activities, so-called Floor Management. As such, DCS serves the entire life cycle and forms an essential link between IT and facility management.

DCS closely follows current market developments in order to evolve along with the expectations of its customers. A fitting example is the new European regulations surrounding the EU Green Deal. This can be an incentive for customers to deploy additional monitoring tools such as DCIM. In addition, the use of AI places new demands on the infrastructure of corporate data centers.

Customers must adapt existing infrastructure to this high-tech trend. DCS has the necessary expertise to guide them in this.

In 2024, DCS expanded its service portfolio with access control solutions, together with sister company Simac IDS, and security solutions via camera surveillance. DCS is now certified in the products of the market leaders in these sectors. At the same time, this expansion does bring the necessary challenges, such as attracting additional resources in a labor market where demand for talent is high.

To remain competitive, DCS continuously invests in strengthening the competencies within the team. In addition, attention is paid to optimizing processes, where necessary with the help of new tools. In addition, a process will start in 2025 to obtain ISO27001 certification as a business unit.

The **Professional Services** business unit is all about people & services. In 2024, the focus was on a slight expansion of the permanent 100-plus outsourced staff, renewals of managed service contracts and a satisfied, loyal customer base.

The biggest innovations can be found in the IOTech department. This applies to acquiring promising new customers with existing track & trace solutions, but especially through the construction and sale of new unique solutions for Simac. This concerns the Digital Twin solution, and business optimization in Maintenance, Repair & Overhaul (RMO) for the aviation sector, also for the Dutch market.

All this means that Professional Services takes a further step in IT-to-OT synergy. A beautiful new market where Professional Services can realize analyses and correlations of IOT data business process transformations, providing solutions that IT alone is no longer a match for. The latter is possible thanks to the CO-XXX philosophy. This stands for Co-development and Co-creation with the three parties involved: vendor + customer + Simac. The days of doing everything independently: too much cost and time with too little guarantee of timely market penetration in a rapidly changing technology landscape.

Through IOTech, Professional Services has taken an irreversible step towards IT-to-OT integration. This is one of the key points where Professional Services stands out from its competition.

The **Simac BMS (Wavetel in France)** business unit is becoming the European leader in infrastructure observation. The core business, providing advanced solutions for monitoring and analyzing performance and availability, has experienced significant growth over the past year. Simac BMS/Wavetel measures and analyzes important infrastructure parameters, such as signal quality, capacity, equipment performance and telemetry. This ensures customers optimal performance in cloud and on-premise environments, enables proactive management of resources and improves operational and business efficiency.

In 2024, Simac BMS/Wavetel secured major contracts in various sectors, including telecommunications, energy, finance, insurance and industry. The EDF/ENEDIS project in particular, awarded in 2024, has successfully entered the operational phase. This strengthens the position of Simac BMS/Wavetel as a major player in the field of infrastructure monitoring and testing over the next seven years. In addition, new strategic agreements with leading European telecommunication

operators and companies have further expanded the company's market position in the UK and Ireland.

Collaboration remains the core of Simac BMS/Wavetel's success. Dynamic partnerships and expert teams drive innovation in IT performance and observability, telecommunications and wireless networks, photonics, as well as advanced R&D for AI-based fault detection in voice and data networks. In 2024, Simac BMS/Wavetel significantly strengthened its workforce and invested in talent and technology to improve customer satisfaction and expand its influence beyond France and Belgium to Germany, the United Kingdom and other high-potential European markets.

Looking ahead to 2025, Simac BMS/Wavetel is entering a new phase of transformation. To accelerate business development, the company is actively recruiting experienced sales professionals to strengthen its commercial presence and drive strategic growth. At the same time, a positioning exercise is underway to refine the Simac BMS/Wavetel brand image and improve the value proposition (France, Germany, UK, Belgium and the Netherlands). This includes increased marketing efforts, presentation materials, website upgrades and Go-To-Market strategies.

Simac PHI DATA

As an independent manufacturer and integrator of Smart Edge solutions, Simac PHI DATA guides companies and organizations in their digital transformation, particularly so in the sectors of industry and manufacturing, transport and logistics, distribution and retail, healthcare, government and administration, services and utilities. By combining innovative technologies and proven solutions on the one hand and professional services on the other, Simac PHI DATA helps organizations to continuously optimize critical business processes *and* the results this yields.

In 2024, many investments were postponed or reduced in most of the economic sectors on which Simac PHI DATA has traditionally focused: logistics, manufacturing and retail. Even replacement projects were often postponed or phased. In addition, many manufacturers bypassed their partners such as Simac PHI DATA, offering directly for the few large projects on the market. This illustrates the immense pressure resulting from the scarcity of major new orders.

Against this background, a number of important optimizations have been implemented at Simac PHI DATA. From their role as specialists and trusted advisors, the company worked on business focus, the necessary composition and deployment of the team, continuous knowledge development and lifecycle management of software solutions. In addition, a new retail help desk (4 FTE) was established halfway through the year, as part of the services that Simac IT NL offers to its retail customers internationally. Partly because of these efforts, Simac is strengthening its proposition to retail customers with activities or head offices outside the Netherlands. In the last quarter of 2024, the entity in the Netherlands, Simac PHI DATA bv, was dissolved, as an integrated market approach in the Netherlands, together with and through Simac IT NL, proved to be more efficient and effective.

While all indicators suggest the market will not immediately recover in early 2025, the outlook for the second half of the year is more positive. Against this background, Simac PHI DATA continues to invest in its human capital. People, with their specialist knowledge and drive, make the difference in a highly competitive market where specialization, availability, agility and reliability are key factors.

This, in combination with a clear focus, vision and mission, gives us confidence that Simac PHI DATA is ready for sustainable growth.

Simac ICT Czech Republic

In 2024, as in previous years, Simac ICT Czech Republic achieved a solid result. Projects at Škoda Auto, with associated service contracts, contributed significantly to profitability. In addition to infrastructure development projects, Simac ICT Czech Republic developed and implemented applications that complement or enhance its network-related services.

In the public sector, Simac ICT Czech Republic achieved a high turnover and a high gross margin. Major projects were won, including construction of the next-generation data center and communications infrastructure at the Central Service Area for NAKIT (National Agency for Communications and Information Technologies), renewal of the MPLS backbone for the Ministry of Internal Affairs, renewal of the network at the General Hospital in Prague, expansion of data centers at the Czech Police and many others.

A new customer was acquired in the corporate sector: Creditas Bank. Their legacy HPE infrastructure was refreshed with a solution by Aruba. In addition, a network access control solution based on Aruba ClearPass was implemented.

Simac ICT Czech Republic won several Robotic Process Automation projects in the public sector, mainly in regions and hospitals. Furthermore, a start was made building low-code applications with Microsoft Power Platform and a local development suite Adaptio.

The year 2024 also brought some challenges. The first was intense competition for key government projects, which drove down gross margins. Another challenge was the temporary termination of the framework contract between Cisco and the Czech government. This contract significantly simplified the supply of hardware and software to the public sector. In addition, increasing regulatory pressure on customers plays a role, examples include ESG, DORA and NIS2.

By 2025, Simac ICT Czech Republic aims to expand its security portfolio, take advantage of NIS2 regulations, strengthen its automation and cloud competencies, adopt Splunk software and intensify its collaboration with Aruba. Within the Škoda Auto team, the technical department and the sales division are being brought closer together. The knowledge and experience gained at Škoda Auto are also used by other customers. In addition, further collaboration takes place with other companies within the holding company, such as MyMesh and Simac Cyber Security.

Simac PSF

Based in Luxembourg, Simac PSF specializes in IT integration, with expertise in security, networking, systems and storage. The company further operates an important business unit for data cabling. As the company has grown, challenges have arisen, such as delivering projects quickly and on time, maintaining well-organized teams, and meeting high quality standards. Regulations too have increased significantly, with new requirements such as DORA and NIS2, as well as the specific needs of the Luxembourg financial sector, requiring significant efforts and adaptations.

Simac PSF has developed a new business unit that focuses on middleware, in particular the security aspects thereof. The first promising results are already visible. The unit is also working on the

development of managed services. These expansions strengthen the company's portfolio and increase its ability to deliver broad IT solutions.

Looking ahead, the outlook for 2025 is very positive. Simac PSF's focus on innovation, customer satisfaction and a solid internal organization ensure that the company is well prepared for future opportunities.

Tech companies

Simac Electronics

Simac Electronics offers high-quality solutions for critical connections and supports customers in ensuring reliable communication and control. The company operates in specialist clusters with test and measurement equipment, fiber optic and radio frequency components, including associated services.

In 2024, Simac Electronics continued to achieve strong results in the Defense & Security and Industry sectors, in addition to the ongoing 5G projects in telecommunications, which together form the top three areas of work. The year 2024 was a solid year in terms of revenue. The contribution of repair and calibration services to the overall result continued to grow, emphasizing the importance of these services.

For 2025, Simac Electronics will focus on strengthening specific clusters and increasing the quality of the organization, with the aim of improving overall profitability. This ensures that Simac Electronics remains a reliable and relevant partner for both customers and employees.

Together with its customers and partners, Simac Electronics will continue to strive for the most sustainable technological solutions in the coming years.

Simac Masic

The year 2024 proved to be a challenging year for Simac Masic. The manufacturer of Automated Visual Inspection Systems, primarily for the pharmaceutical industry, experienced a continuation of the market decline which had set in earlier. Due to the wave of investments in production capacity during the COVID period, the market is showing a temporary reluctance to expand further. This has led to understaffing within Simac Masic and ultimately an operational loss.

To respond to these changing market conditions, the organization has been adjusted in size and structure. The focus in these efforts was on their core activities and knowledge spearheads. Demand for Automated Visual Inspection Systems is expected to increase again in the coming years, driven by a growing pharmaceutical sector and the increasing need for high-quality components. That is why Simac Masic continues to invest in the further development of expertise in the field of visual inspection systems, deep learning technology and automation.

In addition, further steps were taken to expand contract manufacturing activities in 2024, in order to better absorb the impact of cyclical market developments and broaden activities.

An important milestone this year was the move to a new building at De Beitel in Heerlen. This location offers the space and facilities needed for further growth and innovation, in line with the company's sustainability ambitions.

Simac Masic regards 2025 a year of transition, in which a recovery in order intake will become visible. Given the lead time of projects, this recovery is expected to largely translate into positive results in the course of 2026. The company continues to respond to market developments and strengthening its position through strategic partnerships, while focusing on more efficient business operations. Despite economic uncertainties, the company has confidence in its solid foundation and long-term strategy to create sustainable value for all stakeholders.

Simac QuadCore

Simac QuadCore offers innovative services to industrial customers in the Netherlands and EU, or even worldwide if this is necessary within the project. Its area of expertise includes Control/PLC, SCADA and MES systems, with a specific focus on Smart Solutions according to Industry 4.0 principles, Digital Twinning and OT environmental management.

The year 2024 proved to be a very successful year with both turnover and results exceeding expectations. Simac QuadCore maintained a strong base in its existing business and operations, which contributed to stable growth and continuity. In addition, the network was expanded further and new opportunities have been exploited in various market segments.

One of the objectives for 2024 was to expand the team, which was achieved with flying colors. Important steps have been taken to strengthen the team and attract the right talent. At the same time, capacity has been increased with external specialists, further improving flexibility and deployability within projects.

The successful acquisition of a number of attractive new customers has further strengthened Simac QuadCore's market position and created new opportunities for growth. Furthermore, this confirms the company's confidence in its expertise and solutions, as well as its role of strategic partner in industrial automation.

The results are largely achieved by a combination of strategic choices, a dedicated team and effective collaborations. Simac QuadCore continues to invest in innovation, talent development and process optimization in order to remain a reliable and progressive industrial software partner in the future. With this solid foundation in mind, Simac QuadCore looks ahead to 2025 with confidence, in which further growth, technological progress and sustainable relationships with customers and partners will be pursued.

Simac IDS

Simac IDS develops and integrates solutions in large, often complex organizations in the Netherlands and the United Kingdom to be able to identify and register visitors and users and to facilitate them in making life easy. The individual takes center in stage in all this, with Simac IDS creating a safe and pleasant environment in which to work, study, recreate and live.

In 2024, the Presto and Pronto product suites were developed further to allow them to adapt to the continuous dynamics of customers. The increasingly complex processes more and more require

technology that actually supports the processes and the users and that gives them the space to perform their primary tasks.

The year 2024 proved to be a positive year for Simac IDS, but the company was still faced with a difficult market in which many projects were delayed and decisions were postponed. Thanks to proven quality and always honoring its agreements, great customers such as Solent University were won over. In addition, many extensions were made to existing system solutions at customers in the UK. Further examples included a great replacement project after more than ten years of use of the existing system at one of the Center Parcs holiday parks, expansions at new locations of existing customers and safety improvements whilst upgrading systems to the latest standards. And new clients came in such as a B&B from Rolihe Beheer and Mosalira, a primary educational institution requiring a safe environment for their guests, students and employees. To top it all off, Simac IDS can now also show its customers what they can do for them at their impressive new head office in Veldhoven.

The most important developments within the portfolio over the past year have been integrations. For example, the booking systems of Booking Experts were seamlessly linked together and new number plate cameras were integrated for seamless entry into parking garages and car parks. Genetec's security management platform was integrated in the broader spectrum of security, allowing Simac IDS to also exploit opportunities in the high-end security market.

The outlook is positive, with Simac IDS starting the year with a healthy order portfolio. In addition, the company has received a number of commitments from existing and new customers. More and more parties are approaching the company for integrations, as the strength of Simac IDS lies in the seamless integration of and connection to customers' processes. This causes customers to switch from competitors to Simac IDS. In addition, companies partner up with Simac IDS, simply because it does what it promises and because it understands where technology can support processes. The year 2025 will therefore be a year in which new integrations will be realized, thereby contributing to growth in turnover and further shaping the future of the organization. A clear focus and strategy will help Simac IDS in this regard.

Simac Triangle

Simac Triangle operates a very modern and flexible web-based software platform. The Central Station client tracking system was built on this basis. The client tracking system enables professional service providers to get the most out of their work. This way, 'customers of customer' in Social Work, Welfare and related care sectors such as GGD and MEE organizations receive the best possible guidance and care. Advantages include intuitive use of the modern interface, detailed user authorizations and flexible setup options. In addition, a functional application manager can instantly adjust the setup variants himself.

Registrations, file formation, tasks and work processes are secured and, if necessary, shared. We say, 'if necessary', because in some situations important information needs to be exchanged internally with colleagues and externally with clients and stakeholders, such as family members, volunteers, general practitioners or specialists. Simac Triangle therefore sees a growing demand for Central Station Portal variants to organize this technically and safely. Integrations (for example with Office365) and links with third-party applications (such as Afas) via API interfaces are also supported.

An outreach approach to work is a strong development within the sectors in which Simac Triangle operates. Outreach work is an effective way of getting into contact with somewhat isolated groups and to identify problems that often remain hidden from government-funded services. Although this method is labor-intensive, it ultimately saves costs. By detecting problems early and intervening, more expensive care can be prevented. Central Station is a pioneer in the market by supporting professionals in mapping out and effectively approaching these groups. This form of preventive services offers new opportunities for Central Station in 2025.

aQuestora

aQuestora believes in an open fiber optic network as a network for the future, in which infrastructure and IT services are offered separately. This gives aQuestora a unique neutral position with an open character, not affiliated with Internet providers or other tier-3 service providers. This independent positioning creates freedom of choice in service providers for end users.

The year 2024 proved to be a stable year for aQuestora, with no major network disruptions. During the year, the first step was taken in integration towards the management of Simac Electronics, although aQuestora will continue to exist as an independent entity. The focus for the future remains on highlighting the cooperative fiber networks. To this end, aQuestora provides fiber optic cooperatives with a high-quality managed service, in which stability and availability of the networks are essential starting points.

In the coming years, the active components in the networks will be replaced. As part of this replacement effort, aQuestora expects a growing demand for multi-gig connections.

Personnel and organization

On 31 December 2024, the number of full-time employees at Simac amounted to 1,309 (year-end 2023: 1,313). During the year under review, an average of 1,316 employees were employed on a full-time basis, compared to 1,252 in 2023. The average number of full-time employees in the Netherlands was 954 (2023: 920).

Diversity

In the Netherlands, Simac reports to the SER for the purpose of the diversity monitor. This monitor examines the male-female ratio within the organization. Over the year 2024, the figures for Simac in the Netherlands were as follows.

	Percentage of women compared to total population
Organization	18.4%
Management	13.6%
Board of Directors	50%
Supervisory board	25%

At year-end 2024, the average age of the workforce within Simac in the Netherlands is 45.

Simac is known for its care for society, among other things. In 2024, this led to steps being taken to offer people with poor job prospects the opportunity to gain work experience at Simac. In 2024, a total of 4 employees started in this way at Simac in the Netherlands.

Employee satisfaction

The employees within Simac are the most important factor for our success. We invest in their development and vitality, so that they feel valued and can deliver their best possible performance. By focusing on their satisfaction and engagement, we build a strong future for the company, together. An annual employee satisfaction survey is conducted in all major entities to gain a better understanding of which points require additional attention.

Investing in knowledge and development

Continuing to develop yourself is inherent to the business in which Simac operates. The market is developing at a rapid pace, which requires continuous investment in knowledge. In addition, the major partners with whom Simac collaborates require that technical professionals continue to complete training courses in order to remain certified. Within Simac, attending and completing training courses and obtaining certifications is therefore an on-going process.

In addition, investments are made in the skills of management, in various ways, thereby ensuring that they too are fully equipped to further develop their employees.

Works council

A new works council took office in 2024 after completing successful elections. On average, 71% of eligible voters cast a vote. This means that the works council is fully staffed again. In 2024, as in previous years, collaboration between the works council and the board of directors was constructive. Relations between the board of directors and works council members are positive, with respect for each other's positions and points of view.

Expectations

Following the improvement in results achieved in the past financial year, a challenging 2025 awaits, in which further improvement in returns is the priority. In recent years, significant investments were made in the standardization of service offering and process improvement. In the coming years, starting in 2025, Simac aims to start capitalizing on these investments in the organization. Within the Simac IT group, a start will be made with the integration of the IT companies.

Employees and management have by now shown to be motivated and flexible in dealing with the challenges that arose. The board of directors is confident that the organization will be able to continue this in 2025. With various measures (including a home-working allowance and special care leave), Simac will continue to facilitate employees in the performance of their job (at home) and with attention to their private situation. A healthy work/life balance contributes to the well-being of employees.

The speed at which information and communication technology changes is expected to remain high in the next few years, which also means that the pressure from the market to provide our IT services more efficiently and at lower costs will continue unabated.

The availability of qualified technical IT staff remains an issue. Simac aims to attract people who feel at home in our corporate culture because this is expected to offer the best chance of continuity. As of 2025, Simac will also be confronted with the renewed enforcement of the DBA Act. With effect from 2025, Simac has tightened its hiring procedures to mitigate the risks associated with self-employed contracts. Furthermore, Simac takes into account substitution of external temporary employees for permanent employees.

Simac will also continue to invest in the innovation and automation of its service provision in order to improve customer satisfaction. In the long term, this will contribute to the consolidation of customer relationships and thus the continuity of Simac. We further expect an increasingly stronger focus on data and information security.

Simac is prepared to make acquisitions if this leads to a demonstrable contribution to its service provision or improvement of its position in defined markets. An important precondition for future acquisitions is that Simac wishes to finance these from its own resources and that the expected payback time remains within acceptable limits.

In terms of operational investments, Simac takes into account the final phase of the implementation of a new ERP system for Simac IT NL. Simac will cover part of the renovation costs of Simac Huys as a lessee investment. Mutual agreement on the amount of this investment is expected to be reached in the first six months of the year. Simac further expects continued investments in security and healthcare markets. The self-financing of the leased vehicle fleet will be continued for the time being.

Investments in and financing of participating interests will also receive attention in 2025. Although the uncertainties and risks are greater here, technology and innovation offer opportunities for high returns in the future.

In 2025, Simac expects to close the year with a positive operating result, but refrains from making detailed statements about the expected return. Simac has adequate financing available for operational working capital needs. However, given the current uncertainties in the market and possible reliance on additional financing, Simac is expected to be cautious with making new acquisitions.

Veldhoven, 31 March 2025

The board of directors,
Maartje van Schagen
Eric van Schagen
Michael van Kasteren

Corporate Governance

Explanatory notes to corporate governance

Simac endorses the importance of proper corporate governance, including the integrity and transparency of the actions by its management and has opted to explain the applicable principles and structure below.

In accordance with the statutory provisions in Book 2 of the Netherlands Civil Code, the full two-tier board structure applies to Simac Techniek NV. The Dutch Corporate Governance Code does not apply.

Outlines of corporate governance structure

Simac Techniek NV has a board of directors and an independent supervisory board. This is a so-called two-tier management structure. The key points are outlined below.

Board of directors

The board of directors of Simac Techniek consists of three people (CEO, CFO and board member). The board of directors engages in the management and strategy of the company, as well as in the deployment of resources and manpower. The board regularly consults the supervisory board. In accordance with the applicable regulations, important decisions are submitted to the supervisory board and/or the general meeting of shareholders for approval. The supervisory board appoints the board of directors and can suspend and/or dismiss a director. The remuneration and other terms and conditions for appointing a director are determined by the supervisory board.

Supervisory board

The supervisory board supervises the policy of the board of directors and the general affairs and advises the board. The supervisory board focuses on the interests of the company. Supervisory directors are independent and appointed by the general meeting of shareholders, on the recommendation of the supervisory board. A supervisory director resigns on the date of the general meeting of shareholders, four years after his appointment and may be reappointed without limit. The remuneration of the members of the supervisory board is stipulated by the general meeting of shareholders. The supervisory board includes an audit committee and a remuneration committee.

Annual general meeting of shareholders

The annual meeting is held each year, within five months of the financial year ending. In addition to the agenda items prescribed by law, the agenda of the general meeting of shareholders also contains other proposals of the board of directors, the supervisory board or of shareholders, together representing at least 3% of the issued capital.

The main powers of the general meeting are:

- the right to appoint the supervisory directors and to determine the remuneration;
- the adoption of the financial statements and the discharge of the board of directors for the policy pursued and the supervisory board for their supervision in the past year under review;
- adoption of dividend on ordinary and preference shares;
- resolutions on amendments to the articles of association;
- issuance by the company of shares or the restriction or exclusion of pre-emptive rights of shareholders;
- the purchase and cancellation of own shares by the company.

Information about the male/female ratio

Simac has taken note of the legislation regarding the male/female distribution on the board of directors and the supervisory board. As Simac aims to commit and hold on to its board of directors, management and supervisory directors on a long-term basis, it will take time before the company has realized proportional representation. In the case of future vacancies, Simac will take the existing deficiency into account, although suitable individual quality for the vacancy will, of course, remain a basic principle and condition.

In 2024, the holding board consisted of two men and two women. The supervisory board consists of three men and a woman.

Risk and risk management

Simac has a risk management and control system (Internal Control Framework) that takes into account the size and complexity of the organization.

1. Analysis of operational and financial risks.
2. Manuals for the organization of financial reporting and the procedures to be followed during the set-up thereof.
3. A monitoring and reporting system.

1. Risk analysis of operational and financial risks

The main operational and financial risks are explained below.

Competition comes from both national and international IT companies. A number of competitors (especially large organizations with a deviating corporate model) may at certain times feel that the combination of a market product is important to the extent that, for a certain period of time, they are prepared to offer specific solutions under the market price or to take measures anticipating a scale to be attained in the future. This can lead to prices being put under pressure or the loss of customers and assignments.

Despite all research, the close involvement of the board of directors, supervisory board and other precautions, acquisitions remain an important risk factor. This partly explains why a cautious acquisition policy is conducted.

Important to Simac is that a substantial part of the margin comes from management contracts which are often entered into for multiple years. Positive and negative changes in this recurring business affect the development of future profitability. Any changes in the contract portfolio are monitored by management from month to month and a lot of attention is paid to the renewal dates of current contracts. In the event existing contracts are not renewed, there is a risk of short or long-term losses due to underutilization. If these losses prove to be structural, Simac may be compelled to adjust its work capacity accordingly.

IT projects are generally accepted on the basis of fixed price agreements (obligation of result). Entering into result obligations leads to higher risks in respect of profitability, particularly in the case of large projects.

Systems installed or infrastructures managed by Simac for its customers are used for operationally critical processes. Interruption of these operational processes as a result of actions by Simac may lead to (reputational) damage and claims.

Due to the introduction of the General Data Protection Regulation (GDPR), Simac has concluded processing agreements with customers for whom personal data are processed. In addition, Simac has appointed a data protection officer.

The markets in which Simac operates are subject to fast technological changes. The introduction of new products or technologies could lead to a rapid and substantial reduction of income from current products and services. It is vital that Simac is able to timely adopt and integrate new technologies in its range of products and services.

Suppliers who are important to Simac issue partnership statuses which are decisive for the prices and conditions under which Simac can purchase from these suppliers. Retention of these statuses is important in respect of purchasing discounts and other favorable purchasing conditions. Technical engineers from Simac regularly attend certification courses to ensure specific product knowledge.

Partly due to the shortage on the labor market, Simac frequently uses specialist external staff for the execution of assignments at clients. Simac has drawn up internal rules for the assessment of suppliers and the prior drafting of legally adequate (tax) agreements. Despite the risk-mitigating measures taken (including partial payment on G accounts), Simac can be formally held liable for wage and turnover tax to be paid by the supplier.

The Tax Authorities have announced that, with effect from 1 January 2025, they will lift the enforcement moratorium imposed after the introduction of the Assessment of Employment Relationships (Deregulation) Act (DBA Act). When hiring external employees, Simac uses both recognized supplying agencies and self-employed persons. With effect from 2025, Simac has tightened its hiring procedures to mitigate the risks associated with self-employed contracts. The

number of external temporary employees and the associated potential payroll tax obligations constitutes a significant risk.

Simac acknowledges that there are increasing risks of cybercrime. These risks relate to both internal business operations and services at customers. Simac has an active operating security center (SOC) in place. Simac also actively invests in this segment through Simac Cyber Security. Internal office automation will be centralized as much as possible in the coming years. This means measures can be secured more and immediate action can be taken in the event of incidents.

Within the framework of risk management, Simac Techniek NV has taken out insurance for the group where possible, thereby providing against the most common risks relating to business operations, such as trading loss, fire and liability. Simac is of the opinion that the insurance taken out offers sufficient cover to manage such risks and to limit the effect on the result.

Furthermore, reference is also made to note 18 of the explanatory notes to the consolidated financial statements, as this provides further explanations of the credit, liquidity and market risks.

2. Guidelines for the organization of financial reporting and the procedures to be followed for the set-up thereof

The guidelines for the organization of financial reporting and the procedures to be followed for the set-up thereof are incorporated in the Simac Accounting Manual. This manual includes the following elements:

- group reporting schedule
- set of standard reporting formats
- accounting manual
- intercompany procedures

The reporting formats include monthly balance sheets and profit and loss accounts and statements of the working capital and foreign exchange positions. In addition, the budgets and the monthly figures are often furnished with explanatory notes (management summary) by the board of directors of the Simac companies. The budget is evaluated quarterly, resulting in an adjusted forecast for the current financial year. The working capital statements are prepared on a weekly basis and contain information on accounts receivable, accounts payable, inventories and liquid assets.

The biweekly foreign exchange positions focus on the foreign currencies that are most important to Simac, namely USD, CHF, GBP and JPY. Simac covers the reported foreign exchange positions as much as possible in cash, taking into account the projected cash flows in time, where necessary.

The intercompany procedures provide for a monthly written liaison on mutual progress and debts.

After consultation with the tax authorities, Simac has decided to terminate the horizontal monitoring agreement. Measures for securing reliable processing of tax liabilities are incorporated into the existing system of internal control and management measures as much as possible. Simac believes that these measures provide sufficient guarantees for the submission of acceptable tax

returns. Simac continues to periodically consult with the tax authorities on the implementation of its internal measures and the significant (tax) positions it has taken.

3. Risk of fraud

The board of directors of Simac Techniek NV is aware of the inherent risk of fraud that it runs in the performance of its activities, both internally and externally. In 2024, as in previous years, the board of directors conducted a fraud risk analysis, which showed, in line with expectations, that some areas of the business operations pose a higher-than-normal risk of non-compliance. In 2024, these risks received the necessary attention through the risk management and control systems implemented within Simac, as in previous years.

External parties must be able to rely on Simac and its employees to conduct business reliably, honestly and with due care. That is why Simac has drawn up a code of conduct that sets out the norms and values that apply to every Simac employee. The importance of the code of conduct and compliance is emphasized periodically. A confidential adviser and reporting point have been set up to which any malpractice can be reported confidentially. Our (financial) processes are characterized by the presence of a segregation of duties. This way we prevent that only one person can enter into, authorize, process and settle transactions or obligations and/or has access to assets without the necessary checks in place.

Despite all control measures, there remains the risk of management or directors violating measures, as well as the risk of collusion between employees. Transparent decision-making, the governance structure, an open culture in which we dare to hold each other to account, the presence of a confidential adviser to (anonymously) report unethical conduct, periodic internal and external audits of compliance with control measures, periodic consultations between the group board and the boards of operating companies must all contribute to the override of controls being flagged. The foregoing applies to both domestic subsidiaries and subsidiaries established abroad. Each quarter, the boards of directors of the Simac companies report on risk management and control by means of an internal letter of confirmation.

In recent years, there have been regular reports in the media about cyber-attacks, ransomware cases and data breaches. Given Simac's activities, information security has a high priority from the perspectives of continuity, fraud and privacy and associated reputation. As part of the information security management system, Simac completes an annual program in which priorities are determined on the basis of a business impact analysis. This is coordinated with the board of directors. Simac carries out a risk impact analysis for vital services and processes.

During day-to-day operations, checks are carried out to determine whether the work is performed in accordance with the agreements made, including the various protocols for information security. In addition, the GRC director assesses the quality and compliance of the control measures taken. The management of information security is tested periodically. Any points for improvement serve as input for further tightening and/or compliance with the information security process. Simac is ISO 27001 (Information Security) certified and is currently in the process of implementing ISO 27002 (Supplement Information Security) In 2024, Simac appointed a CISO.

The board of directors is of the opinion that, with all analyses and control measures taken, the risks related to controlled and ethical business operations are clear and are adequately mitigated.

4. Monitoring and reporting

The monitoring and reporting system of Simac is geared to the monthly and quarterly meetings between the board of directors of Simac Techniek NV and the Simac companies. During these meetings, the boards of directors of the subsidiaries provide a more detailed explanation to the financial position, the results and the forecast for the remainder of the financial year based on the monthly balance sheet and the profit and loss account.

Each quarter, the boards of directors of the Simac companies report on risk management and control by means of an internal letter of confirmation. These concern financial risks including complying with reporting requirements, valuation of projects, inventories and accounts receivable, complying with the requirements of rendering account with regard to return and making effective reservations. In addition, an assessment is made in respect of risks attached to legal, insurance and staff aspects, twice a year.

The results of the quarterly reports are discussed by the holding board and the audit committee.

The board of directors of Simac Techniek NV believes that the procedures of quarterly meetings with additional written reporting enable the board of directors to effectively monitor the developments within the subsidiaries and to take corrective measures, where and when required.

Report from the supervisory board

Report supervisory tasks by the supervisory board

We hereby present the report of the supervisory board for the 2024 financial year.

The financial statements have been audited by BDO Audit & Assurance bv, who have issued an unqualified audit opinion. This is detailed on page 93 of this annual report. We advise the general meeting of shareholders to adopt the financial statements and to discharge the board of directors from liability.

The dividend proposal is included on page 91 of this report. The supervisory board has taken note of this proposal and is submitting it to the shareholders' meeting with a positive recommendation.

During the year under review, the supervisory board met seven times. The meetings were held in the presence of the holding board, the director of Simal Beheer bv and a family member who holds a management position at Simac.

A key focus area concerned the discussion of the structure and management of the Simac IT group from 2025 onwards. The strategic considerations were discussed extensively during the consultations between the supervisory board and the board of directors.

The supervisory board has been kept informed of changes in the accommodation situation of Simac in Veldhoven from an early stage on. This concerns the sale of the property at De Run 1101 and the purchase of the property at De Run 4256 (Simac Huys).

Other significant topics discussed during the year include:

- Monthly financial reports with insight into the development of results and financial position per operating company and consolidated.
- The adjusted forecast results on the basis of developments during the financial year, per quarter.
- Discussion of the audit report regarding the audit of the 2024 financial year.
- The budget, both consolidated and per operating company, for 2025.
- Discussion of developments in the liquidity position and financing of the group.
- Developments per operating company are in some cases monitored closer as directors present their operating companies and are asked questions during the meetings.
- Developments at Simac IT NL, as the largest operating company, have been carefully monitored. This concerns financial, organizational and management developments. The board of directors of Simac IT NL has informed the supervisory board of the state of affairs several times.
- Developments in non-consolidated participating interests and the financing required for these.
- Developments and points of consideration in the personnel policy, including future prospects for and follow-up in management, both nationally and internationally.

- As regards developments in the personnel policy, the supervisory board has asked to be informed of measures taken by Simac for a safe working climate. As part of its efforts, attention was paid to measures to prevent undesired and transgressive behavior.
- Attention to developments in cybersecurity.
- The preparations at Simac for the introduction and implementation of CSRD.

During 2024, the supervisory board held several constructive meetings with the works council. These meetings took place both with and without the board of directors. Mr Hermans maintains the primary contact with the works council on behalf of the board.

Report from the supervisory board committees

The supervisory board has appointed two committees from its midst, the audit committee and the remuneration committee. The meetings of the audit committee are combined with the regular meetings of the supervisory board. The remuneration committee convened twice during the financial year.

Audit committee

The audit committee consists of W. van Winden (chairman) and H.P.M. Kivits.

Before the publication of the financial statements, the audit committee inspected the provisional BDO audit report for the 2023 financial year. On 18 March 2024, the draft financial statements were discussed in a meeting between the supervisory board and the board of directors. Compared to the presented internal figures, no adjustments of material significance were made and no matters of material significance have affected Simac's results or financial position. The financial statements and audit report were discussed by the full supervisory board on 23 April 2024. During the meeting, the external auditor provided further explanation and answered questions.

Following the audit of the 2023 financial year, the audit committee was actively involved in the evaluation. This evaluation led to the decision to propose to the meeting of shareholders to appoint BDO Audit & Assurance bv as auditors for the year 2024.

The chairman of the audit committee and the CFO of Simac conduct monthly digital consultations about current financial matters. Insofar as deemed important by the chairman, items discussed are placed on the agenda of the meeting of the full supervisory board.

Remuneration committee

The remuneration committee consists of Mr N.I.M. Hermans (chairman) and Mrs S.J.M. Roelofs. In 2024, the committee met twice in the presence of the CEO and the HR director.

Key topics discussed in the meetings:

- Remuneration of directors and senior management
- Progress of the job classification and salary structure project
- Progress of the AFAS HR project
- Development of the leadership program
- Progress of the Great Place to Work Program

Remuneration of the supervisory board

The remuneration for the members of the supervisory board has been set in accordance with the resolution of the general meeting of shareholders.

A final word

Finally, we want to express our gratitude to all members of the board of directors and management, the employees and the works council for their hard work in 2024. During conversations and contact with representatives of the organization and members of the works council, the members of the supervisory board time and again experience everyone's commitment to the future of Simac. A very big compliment to everyone who commits himself to Simac every day.

The positive results and robust financial position continue to be a solid foundation for meeting the challenges in the coming years. Within that perspective, it is good to see that there will be a clear recovery in returns in 2024. The supervisory board is confident that this positive development will take further shape in 2025.

The supervisory board notes that a process of gradual rejuvenation and increasing diversity in management has been initiated. Controlled progress of this process is important to Simac's continued success in the future.

On behalf of the supervisory board,

Henk Kivits

chairman

Veldhoven, 31 March 2025

SIMAC FINANCIAL STATEMENTS

Consolidated Financial Statement of 2024

Amounts in thousands of Euros

Consolidated balance sheet before profit appropriation

as at 31 December 2024 (2023)

ASSETS	Note	2024	2023
Intangible fixed assets	3	5,825	7,560
Tangible fixed assets	4	23,143	18,693
Financial fixed assets	5	25,326	24,563
Deferred tax assets	6	1,268	1,727
Fixed assets		55,562	52,543
Inventories	7	6,453	6,033
Work in progress	8	2,072	4,447
Trade receivables	9	72,322	65,909
Taxes and social security contributions	16	248	1,071
Other receivables, including prepayments	10	22,397	21,840
Securities	11	601	300
Liquid assets	12	13,814	13,255
Current assets		117,907	112,855
Total assets		173,469	165,398

LIABILITIES	Note	2024	2023
Equity		53,903	53,020
Third-party interest		1,762	2,174
Group equity	13	55,665	55,194
Provisions	14	4,383	7,689
Long-term liabilities	15	7,544	760
Credit institutions	18	3,119	6,714
Repayment obligations of long-term liabilities	15	360	68
Work in progress	8	6,476	8,899
Trade creditors		38,445	33,210
Taxes and social security contributions	16	7,776	8,135
Other payables, accruals and deferred income	17	49,701	44,729
Short-term liabilities		105,877	101,755
Total liabilities		173,469	165,398

Amounts in thousands of Euros

Consolidated profit and loss account

for the financial year ending on 31 December 2024 (2023)

	Note	2024	2023
Net turnover	20	362,582	333,642
Other operating income	21	2,562	804
Sum of operating income		365,144	334,446
Subcontracted work and other external costs		200,343	185,406
Wages and salaries	22	91,143	83,357
Social security and pension contributions	22	22,400	19,949
Amortization of intangible fixed assets	3	2,942	2,579
Depreciation of tangible fixed assets	4	4,359	4,157
Other operating expenses	23	37,986	38,322
Total operating expenses		359,173	333,770
Operating result		5,971	676
Share in the result of non-consolidated participating interests	5	-282	51
Interest income and similar income		629	246
Changes in the value of receivables included in fixed assets and of securities	24	-1,967	-1,793
Interest expenses and similar expenses		-795	-297
Financial income and expenses		-2,415	-1,793
Result from ordinary business operations before taxes		3,556	-1,117
Taxes result from ordinary business operations	25	-1,892	-336
Group result after taxes		1,664	-1,453
Third-party interest	13	-620	-334
Result after taxes		1,044	-1,787

Amounts in thousands of Euros

Consolidated statement of changes in group equity

for the financial year ending on 31 December 2024 (2023)

	Equity	Third-party interest	Group equity
Statement of changes in 2023			
Balance as at 1 January 2023	56,015	2,632	58,647
Group result after taxes	-1,787	334	-1,453
Translation differences	-142	-18	-160
Total result for the financial year	-1,929	316	-1,613
Changes in consolidation	-	-333	-333
Dividends paid	-1,066	-441	-1,507
Transactions with shareholders	-1,066	-774	-1,840
Balance as at 31 December 2023	53,020	2,174	55,194

	Equity	Third-party interest	Group equity
Statement of changes in 2024			
Balance as at 1 January 2024	53,020	2,174	55,194
Group result after taxes	1,044	620	1,664
Translation differences	-161	1	-160
Total result for the financial year	883	621	1,504
Changes minority interests	-	-782	-782
Dividends paid	-	-251	-251
Transactions with shareholders	-	-1,033	-1,033
Balance as at 31 December 2024	53,903	1,762	55,665

Amounts in thousands of Euros

Consolidated statement of cash flows

for the financial year ending on 31 December 2024 (2023)

Cash flow from operating activities	2024	2023
Operating result	5,971	676
<i>Restatements for:</i>		
Depreciation and impairment losses	7,301	6,736
Changes in provisions	-2,306	1,476
Total of the restatements	4,995	8,212
<i>Changes in working capital:</i>		
Inventories	-420	2,260
Work in progress	-48	-533
Trade receivables	-6,413	8,677
Other receivables, including prepayments	-557	-4,313
Trade creditors	5,235	-15,912
Taxes and social security contributions	464	2,081
Other payables, accruals and deferred income	4,978	5,330
Total of changes in working capital	3,239	-2,410
Cash flow from business operations	14,205	6,478
Dividends and interest received	2,249	339
Interest paid	-794	-297
Income taxes paid	-1,432	-1,249
Cash flow from operating activities	14,228	5,271

The cash flow statement continues on page 46.

Amounts in thousands of Euros

Cash flow from investing activities	2024	2023
Investments in intangible and tangible fixed assets	-9,281	-6,574
Divestments of intangible and tangible fixed assets	320	1,256
Acquisition of capital interests	-1,963	-4,938
Disposal of capital interests	-	457
Loans issued, funds lent and securities	-5,737	-5,845
Repayments received on loans, funds lent	224	-
Acquisition of securities	-301	-
Cash flow from investing activities	-16,738	-15,644

Cash flow from financing activities	2024	2023
Dividends paid	-251	-1,507
Changes in equity and third-party interest	-161	-148
Withdrawal of bank credit	-3,595	6,714
Withdrawal of other loans	7,420	684
Repayment on other loans	-344	-
Cash flow from financing activities	3,069	5,743
Change in cash	559	-4,630

Cash movements	2024	2023
Balance at the end of the reporting period	13,814	13,255
Less:		
Acquisition of capital interests	-	-
Balance at the beginning of the reporting period	13,255	17,885
Change in cash	559	-4,630

Explanatory notes to the consolidated financial statements

Overview of notes under the explanatory notes to the consolidated financial statements

1. Consolidated accounting principles
2. Purchases and sales of group companies and participating interests
3. Intangible fixed assets
4. Tangible fixed assets
5. Financial fixed assets
6. Deferred tax assets
7. Inventories
8. Work in progress
9. Trade receivables
10. Other receivables, including prepayments
11. Securities
12. Liquid assets
13. Group equity
14. Provisions
15. Long-term liabilities
16. Taxes and social security contributions
17. Other payables, accruals and deferred income
18. Risks arising from financial instruments
19. Rights and obligations not included in the balance sheet
20. Net turnover
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22. Personnel expenses
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24. Changes in the value of receivables included in fixed assets and of securities
25. Taxes on profit
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1. Consolidated accounting principles

Simac Techniek NV is established in the Netherlands. It has its registered office at De Run 4256 in Veldhoven, the Netherlands (5503 LL). The company is registered with the Chamber of Commerce under file reference number 17057712.

The consolidated financial statements for the 2024 financial year include Simac Techniek NV and its subsidiaries (jointly referred to as "Simac" or "the Group" and separately as the "group entities" or "group companies") and the interest of Simac in non-consolidated participating interests.

Simac is primarily engaged in system integration and IT service provision (information and communication technology). Simac is also active on the periphery of IT and technology through a number of specialized operating companies. In addition to its home market in the Netherlands, Simac is geographically active in Belgium, Germany, France, Luxembourg, the Czech Republic and the United Kingdom. By participating in a number of non-consolidated participating interests, Simac explores technological developments and innovations for the future.

General

The consolidated financial statements of Simac Techniek NV have been prepared in accordance with the provisions of Title 9, Book 2 of the Netherlands Civil Code. The general basis for the consolidated financial statements for the valuation of assets and liabilities, as well as for the calculation of the result, is the acquisition price or manufacturing cost. Unless stated otherwise, assets and liabilities are included at nominal value.

Continuity

The financial statements have been prepared on a going concern basis.

The key indicators in the context of the going concern assumption at year-end 2024 are as follows (amounts in thousands of Euros):

- Group equity: € 55,665 (2023: € 55,194)
- Operating profit before depreciation/amortization of (in)tangible fixed assets € 13,271 (2023: € 7,412)
- Group result after taxes: € 1,664 (2023: € -1,453)
- Solvency based on group equity: 32.1% (2023: 33.4%)
- Cash position: € 10,695 (2023: € 6,540)

Simac has concluded a credit agreement with Rabobank. Under this agreement, Simac has a current account facility of € 12.5 million and a guarantee facility of € 5.0 million. No financial covenants apply. Furthermore, Simac has taken out a mortgage loan with a principal amount of € 7.4 million to finance the investment in the Belgian office in Heverlee.

Simac has the following options to secure its liquidity needs in 2025:

1. The investment associated with the construction of a new industrial building in Belgium will be transferred to Simac's major shareholder.

2. Simac has reached an agreement with Rabobank to combine the existing credit facility with the guarantee facility. This increases the maximum available financing capacity in the current account from € 12.5 million to € 17.5 million.

The board of directors is therefore of the opinion that the continuity of Simac is guaranteed.

Application of Section 402, Book 2 of the Netherlands Civil Code

The financial data of the company are included in the consolidated financial statements. Therefore, in accordance with Section 402, Book 2 of the Netherlands Civil Code, the separate profit and loss account only states the share in the result from participating interests after tax and the remaining result after tax.

Functional currency and presentation currency

The financial statements are presented in Euros, the functional currency of Simac. All financial information in Euros has been rounded off to the nearest thousand, unless stated otherwise.

Estimates and assessments

Drawing up the financial statements in accordance with Title 9, Book 2 of the Netherlands Civil Code requires management to make assessments, estimates and assumptions which affect the applied principles, the reported value of assets and liabilities and income and expenditure.

The estimates and corresponding assumptions are based on past experiences and various other factors which, given the circumstances, are deemed reasonable. The actual outcomes may deviate from these estimates and could lead to material adjustments in subsequent financial years. Significant influence of estimates and assumptions mainly manifests itself in the valuation of fair value measurements of assets and liabilities in the event of acquisitions, deferred tax assets, work in progress and provisions.

Estimates and underlying assumptions are under continuous review. Revised estimates are included in the period in which the estimates are revised and in future periods affected by that revision.

Key accounting principles

The accounting principles set out below have been consistently applied to all periods presented in these consolidated financial statements. The accounting principles have also been consistently applied to the entities that form part of Simac.

Consolidation principles

The consolidated financial statements of Simac include the financial data of the Group companies and other legal entities over which predominant control can be exerted or for which Simac conducts the overall management. Group companies are participating interests in which the company holds a majority interest, or on which a policy-setting influence can be exerted in some other way. The determination of whether a policy-setting influence can be exerted involves financial instruments that contain potential voting rights and which can be exercised immediately, thereby giving the company more or less influence.

The consolidation includes the financial data of the group companies listed below. Unless stated otherwise, it concerns 100% interests.

Belgium:	Simac NV, Heverlee
	Simac Holding Belgium NV, Heverlee
	Simac PHI DATA NV, Wemmel
Germany:	Simac BMS GmbH, Cologne
France:	Wavetel SAS, Larmor Plage, 70%
Luxembourg:	Simac PSF SA, Leudelange
The Netherlands:	aQuestora bv, Eindhoven
	Aranea Consult bv, 's-Hertogenbosch
	Simac BCI bv, Veldhoven
	Simac Beleggingen bv, Veldhoven
	Simac Cyber Security bv, Veldhoven
	Simac Document Solutions bv, Ede
	Simac Electronics bv, Drunen
	Simac IDS bv, Veldhoven
	Simac International Services bv, Veldhoven
	Simac IT Group bv, Veldhoven
	Simac IT NL bv, Veldhoven
	Simac Learning Solutions bv, Veldhoven
	Simac Masic bv, Heerlen
	Simac QuadCore bv, Veldhoven
	Simac Results Velsen bv, Velsen
	Simac Triangle bv, Eindhoven
Czech Republic:	Simac Technik CR AS, Prague, 90%
United Kingdom:	Simac IDS Ltd., Manchester, 63%

Non-consolidated participating interests:

Luxembourg:	Simac Professional SA, Bascharage, 50%
The Netherlands:	Breedband Regio Eindhoven bv, Eindhoven, 5%
	Centrale 24 Techniek bv, Eindhoven, 50%
	Chess Wise bv, Haarlem, 45%
	GX International bv, Eindhoven, 16%
	Sensite Solutions bv, Eindhoven, 19%
	Treams Group bv, Eindhoven, 17%
	Vital10 Holding bv, Amsterdam, 10%
Czech Republic:	Passengera SRO, Prague, 42%
Sweden:	Inteno Holding AB, Skärholmen, 11%

During the financial year, the following changes have occurred in the group structure:

- Acquisition of 10% interest in Simac Technik CR as. Simac now owns 90%
- Incorporation of Simac IT Group bv
- Liquidation of Meditools bv

Acquisitions of group companies and other participating interests are further explained in note 2.

The items in the consolidated financial statements are prepared in accordance with uniform accounting principles of the group.

Newly acquired participating interests are included in the consolidation from the moment that policy-setting influence can be exerted. Divested participating interests are included in the consolidation until the date of termination of this influence.

The group companies are fully consolidated with third-party minority interest shown separately. If the losses attributable to the third-party minority interest exceed the minority interest in the equity of the consolidated company, the difference, as well as any other losses, will be charged to the majority shareholder in full. Due to the negligible importance of some group companies to the whole, consolidation has been omitted pursuant to Section 407, subsection 1, Book 2 of the Netherlands Civil Code.

The third-party interest in the result is deducted from the group result separately, as the last item in the consolidated profit and loss account. The result after taxes accrues to the shareholders of Simac. The controlling shareholder of Simac is Simal Beheer bv, which holds 98.7% of the ordinary shares and all preference shares A and B.

Elimination of transactions in the event of consolidation

Intra-group balances and transactions and any unrealized profits and losses on transactions within Simac or income and expenses from such transactions are eliminated when drawing up the consolidated financial statements.

Foreign currency

Transactions in foreign currencies

Transactions in foreign currencies are converted into Simac's functional currency at the applicable exchange rate on the transaction date. Monetary assets and liabilities expressed in foreign currencies are converted into the functional currency on the balance sheet date, at the exchange rate applicable on that date.

Non-monetary assets and liabilities in foreign currencies that are included at fair value are converted into Euros at exchange rates that applied on the dates on which the fair value was determined. The exchange differences that occur during conversion are included in the profit and loss account.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments that arise upon consolidation, are converted into Euros at the exchange rate applicable on the reporting date. The turnover and costs of foreign operations are converted into Euros at the rate that approximates the exchange rate on the transaction date. Exchange rate differences that arise from conversions are included in the reserve for translation differences, except insofar as the exchange rate difference is attributed to minority interests.

Financial instruments

Non-derivative financial instruments

Upon initial recognition, loans, receivables and deposits are included on the date on which they arise. Initial recognition of all other financial assets is on the transaction date. The transaction date is the date on which Simac commits to the contractual provisions of the instrument.

Simac no longer includes a financial asset in the balance sheet if the contractual rights to the cash flows from the asset expire or if Simac transfers the contractual rights to receive the cash flows from the financial asset through a transaction in which virtually all risks and benefits associated with ownership of this asset are transferred. If Simac holds or creates an interest in the transferred financial assets, this interest is included as an asset or liability separately.

Financial assets and liabilities are only set off in the balance sheet if Simac has a legally enforceable right to this set-off and if it intends to set off on a net basis or to realize the asset and the liability simultaneously.

Accounting principles

Application of the Annual Reporting Guidelines

Changes to the guidelines of the Dutch Accounting Standards Board (DASB), which are applicable for the first time to the 2024 financial year, have no significant impact on Simac's financial statements.

Intangible fixed assets

Goodwill

Goodwill is the positive difference between the acquisition price of participating interests and the net asset value at the time of acquisition, minus amortization. The capitalized goodwill is amortized on the basis of economic life, subject to a maximum of ten years.

Research and development

Expenditure for research activities is included in the profit and loss account as an expense when incurred.

Development costs are capitalized insofar as they relate to project costs that are considered commercially feasible and valued at manufacturing price. They mainly include the salary costs and the research and production staff involved; the capitalized costs are amortized over five years according to the straight-line system, after the development phase has ended. A statutory reserve has been included for that part of the capitalized research and development costs that have not yet been amortized.

Other intangible assets

Other intangible fixed assets acquired by Simac with a finite useful life are stated at cost less cumulative amortization and cumulative impairment losses.

Amortization

The amortization is charged to the profit and loss account on a straight-line basis and on the basis of the estimated economic life of the intangible fixed assets, subject to a maximum of twenty years. Goodwill is amortized over five years. Other intangible fixed assets between four and ten years.

Tangible fixed assets

Recognition and valuation

Tangible fixed assets are stated at cost, reduced by cumulative depreciation and cumulative impairment losses.

The cost includes all costs that can be directly attributed to the acquisition of the asset. The cost of assets made in-house include the cost of materials, direct labor costs and any other costs that can be directly attributed to preparing the asset ready for use, possible costs for dismantling and removal of the asset and the repair costs of the site where the asset is located.

Software that has been purchased and which is integral to the functionality of the corresponding equipment is capitalized as part of the relevant equipment.

Depreciation

Depreciation is charged to the profit and loss account in accordance with the straight-line method, on the basis of the estimated useful life of each part in a tangible fixed asset. Unless it is reasonably certain that Simac will acquire ownership of the leased assets at the end of the lease term, they are depreciated during the term of the lease agreement or the useful life, whichever is shortest. Sites are not depreciated. Lessee investments are depreciated according to the term of the underlying lease.

The estimated useful life for the current and comparable periods is as follows:

- Buildings and renovations 5 – 30 years
- Other fixed assets 3 – 10 years

Buildings and renovations include lessee investments. Maintenance costs are included in the profit and loss account when incurred.

Leased assets

Lease agreements as part of which Simac assumes virtually all risks and benefits associated with ownership are classified as financial leases. Upon initial recognition, the leased asset is stated at the lowest of the fair value and the present value of the minimum lease payments. After initial recognition, inclusion will be in accordance with the applicable principle.

Other lease concerns operational lease agreements the leased assets of which are not included in Simac's balance sheet.

Financial fixed assets

Non-consolidated participating interests

The participating interests in which significant influence is exerted on the operational and financial policies but over which Simac has no control, are valued at net asset value. This is calculated by valuing the assets, provisions and liabilities and by calculating the result on the basis of the accounting principles that apply to the parent company. A statutory reserve is created for retained profits of participating interests valued at net asset value that are not at the free disposal of the company. A significant influence is deemed to exist if Simac holds between 20% and 50% of the voting rights of the participation.

Participating interests with a negative net asset value are valued at zero. When the company fully or partially vouches for debts of the participating interest in question, a provision is created, primarily at the expense of the receivables from this participating interest and for the remainder under the provisions to the extent of the share if the participating interest has suffered losses, or for the anticipated payments by the company for these participating interests.

Participating interests in which no significant influence is exerted on the operational and financial policies are valued at acquisition price and, if applicable, subject to deduction of impairment losses.

The capital interests, other than participating interests, of a permanent nature are valued at acquisition price or lower market value and, if applicable, subject to deduction of impairment losses.

Loans and receivables

Loans and receivables are financial instruments with fixed or determinable payments not listed on an active market. Such assets are stated at the fair value on initial recognition plus any directly attributable transaction costs. After initial recognition, loans and receivables are carried at amortized cost by means of the effective interest method, reduced by any impairment losses.

Inventories

Inventories are stated at cost, or at net realizable value if lower. The net realizable value is the estimated sales price within the framework of ordinary business operations, reduced by the estimated costs of completion and the costs to sell.

The cost of inventories is based on the 'first in, first out' principle (FIFO) and comprises the expenditure made upon acquisition of the inventories, the installation costs and other costs incurred as part of transportation to the existing location and adaptation to the current condition. The cost of inventories further consists of directly attributable indirect costs on the basis of normal business capacity.

Work in progress instructed by third parties

Simac carries out projects instructed by third parties, on a contract basis. The costs by virtue of a project are recorded when incurred. Provided the results of a project can be reliably estimated, project income and project costs are recorded across the contract term. If the project results cannot be reliably estimated, income is only recorded up to the amount of the project costs incurred, insofar as these are covered by the project income with sufficient certainty (zero-profit method). If total project costs are likely to exceed total project income, the full anticipated loss will be included as a change in work in progress.

Simac uses the percentage of completion method for measuring the performances delivered in the execution of the projects. In this method, project costs incurred are compared with and expressed as a percentage of the total estimated project costs. Income and costs are recorded in the profit and loss account on the basis of this progress. Expenses incurred in one year for project activities in the next are not included in the calculation.

Since there is a flow of projects with terms mostly shorter than one year with completion dates showing a pattern of regular spread, the profit of a project is recorded in the year of completion. The foregoing is subject to the condition that this accounting method, in comparison with the accounting method in which interim project results are measured, has no material influence on the result and equity.

Projects are shown on the balance sheet as a receivable from or debt to the clients by virtue of the contracts. Reference is made to a receivable if the amount of the return realized exceeds the amount of the terms invoiced. If the amount of the return realized is lower than the terms invoiced, it is referred to as a debt. The above is determined per individual project.

Trade and other receivables

Upon initial measurement, trade and other receivables are included at fair value and subsequently carried at amortized cost, which is equal to the nominal value, after deduction of the provisions deemed necessary regarding the risk of being unable to collect receivables. These provisions are determined on the basis of an individual assessment of the receivables.

Contract costs to be amortized

Costs and investments that are directly attributable to service and management contracts are capitalized and then amortized over the contract period. The amortization can relate to a period of more than 12 months.

Securities

Shares quoted on the stock exchange are valued at market value as at the balance sheet date, with both unrealized and realized changes in value being recorded directly in the profit and loss account as 'changes in the value of receivables included in fixed assets and of securities' under financial income and expenses. Bonds held to maturity are carried at amortized cost.

Liquid assets

Liquid assets are valued at nominal value. Unless stated otherwise, liquid assets at the free disposal of Simac.

Impairment losses

Non-derivative financial assets

On each reporting date, a financial asset that is not included in the profit and loss account at fair value is assessed for objective evidence of having been subject to an impairment loss. A financial asset is deemed to be subject to an impairment loss if there is objective evidence that an event has occurred after the initial recognition of the asset, which event has had an adverse effect on the expected future cash flows of that asset and which can be reliably estimated.

Objective evidence that financial assets (including shares) are subject to an impairment loss include non-compliance with payment obligations and overdue payments by a debtor, restructuring of an amount due to Simac under conditions that Simac would not have considered otherwise, indications that a debtor or issuer will go bankrupt, adverse changes in the payment status of debtors or issuers within Simac, economic circumstances associated with defaults of payment and the disappearance of an active market for a certain investment.

In addition, a significant or long-term fall in the fair value of an investment in shares below cost is deemed objective evidence of an impairment loss.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between the carrying amount and the present value of the expected future cash flows, discounted at the original effective interest of the asset.

Losses are included in the profit and loss account and expressed in a provision for loans and receivables or investments held to maturity. Interest on the asset subject to an impairment loss is included. If an event after the balance sheet date (for example, payment by a debtor) leads to a reduction of the impairment loss, this reduction will be reversed via the profit and loss account.

Non-financial assets

The carrying amount of Simac's non-financial assets, excluding inventories and deferred tax assets, is reviewed at each reporting date to determine whether there is evidence of impairment losses. If such evidence exists, an estimate is made of the realizable value of the asset.

An impairment loss is included if the carrying amount of an asset or the cash flow generating entity (at Simac, this concerns an operating company in most cases) to which the asset belongs is higher than the estimated realizable value.

Impairment losses are included in the profit and loss account. Impairment losses included in respect of cash flow generating entities are first deducted from the carrying amount of any goodwill allocated to the entities and then deducted from the carrying amount of the entity's other assets.

Impairment losses with regard to goodwill are not reversed. At each reporting date, impairment losses included in prior periods with regard to other assets are assessed for evidence that the loss has decreased or no longer exists. An impairment loss is reversed if the estimates on which basis the realizable value was determined have changed. An impairment loss is only reversed insofar as the carrying amount of the asset does not exceed the carrying amount, after deduction of depreciation, which would have been determined if no impairment loss had been included.

Share capital

Ordinary shares

Ordinary shares are classified as equity. The marginal costs that are directly attributable to the issue of ordinary shares and share options are included as a deductible item from equity, after deduction of any tax effects.

Preference share capital

The preference share capital is classified as equity if it is non-redeemable and the dividend payments are voluntary, or if it is redeemable but only at the discretion of Simac Techniek NV. Dividend on preference share capital classified as equity is included as a profit distribution within equity, after adoption by the general meeting of shareholders.

Dividends

Dividends are included as a liability in the period in which they are declared.

Third-party interest

The third-party minority interest is valued at the proportional share of third parties in the net value of the assets and liabilities of the relevant group company, determined in accordance with Simac's accounting principles. Insofar as the group company has a negative net value, this will not be allocated to the third-party interest unless there is an actual obligation for the third-party shareholders and they are able to meet the obligation.

Provisions

General

A provision is included in the balance sheet when Simac has a legally enforceable or actual obligation as a result of a past event that can be reliably estimated and it is probable that an outflow of resources will be required to settle that obligation.

Provisions are determined by calculating the net present value of the expected future cash flows based on a pre-tax discount rate that reflects the current market estimates of the time value of money and, where necessary, the specific risks associated with the obligation. The interest accrual of provisions is posted as a financial expense.

For pensions

Simac has arranged pension schemes for its employees based on both a defined contribution plan and a defined benefit plan. This concerns insured schemes in all cases.

A defined contribution plan is a post-employment benefit plan in which Simac pays fixed contributions to the insurance company and has no legally enforceable or actual obligation to pay further contributions. Obligations in connection with contributions to pension schemes based on defined contributions are included as employee benefit expenses in the profit and loss account when the contributions are due. Prepaid contributions are included as an asset insofar as a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are payable more than twelve months after the end of the period in which the employees delivered the related performance, are discounted up to their present value.

Defined benefit plans are all post-employment benefit plans other than defined contribution plans. Simac's obligations under defined benefit plans are based on the financing agreements laid down between Simac and the pension provider. Obligations in connection with contributions to pension schemes based on defined contributions are included as employee benefit expenses in the profit and loss account when the contributions are due unless in the event of legally enforceable or actual obligations towards the pension provider or employees.

Other long-term employee benefits

Simac's net obligation by virtue of long-term employee benefits that do not relate to a pension commitment relates to the entitlements accrued by employees in exchange for their services in the reporting period and previous periods. These entitlements are discounted to determine the present value, while the fair value of any related assets will be deducted from this.

The discount rate is the return as at the reporting date of high-quality corporate bonds whose maturities approximate Simac's obligations. Any actuarial gains and losses are included in the profit and loss account in the period in which they occur. The calculation is performed by an accredited actuary, according to the projected unit credit method.

Termination benefits

Termination benefits are included as an expense if Simac, on the basis of a detailed formal plan, has demonstrably committed itself to terminate the employment of an employee or group of employees before the usual retirement date, without a realistic possibility of revoking that plan. This is also the case if Simac offers termination benefits, thereby encouraging (a group of) employees to leave voluntarily. Termination benefits for voluntary redundancy are included as an expense if Simac has made an offer to encourage voluntary redundancy if it is likely that this offer will be accepted and if the number of employees who will take up the offer can be reliably determined.

Onerous contracts

A provision for onerous contracts is included in the balance sheet when the benefits expected to be gained by Simac from an agreement are lower than the unavoidable costs of meeting the obligations under the agreement.

The provision is valued at the present value of the expected costs for terminating the contract or if lower, at the present value of the expected net costs for continuing the contract. Prior to the recognition of a provision, Simac may include an impairment loss on the assets relating to the contract.

Restructuring

Restructuring provisions are included when Simac has approved a reorganization plan and a start has been made with the restructuring or the restructuring has been announced. No provision is made for future operating expenses.

Short-term liabilities

On initial recognition, short-term liabilities are stated at fair value. After initial recognition, short-term liabilities are stated at amortized cost. This is usually the nominal value.

Net turnover

General

Simac includes revenue for each separate performance obligation. A performance obligation is a commitment in an agreement to deliver:

- a distinguishable good or service or a combination of goods or services that together can be distinguished from other commitments in the agreement; or
- a series of distinguishable services that are largely the same.

A promised good or promised service can be distinguished if the following criteria are met:

- the buyer can independently use the benefits of the goods or services, whether or not in combination with resources that the buyer has or can obtain; and

- the commitment to deliver the goods or services can be distinguished from the other commitments included in the agreement.

If two or more commitments of Simac included in an agreement to supply goods or services cannot be distinguished separately, the commitments will be combined into a combination of goods or services that can be distinguished jointly from other commitments in the agreement.

In the event of multiple performance obligations in an agreement, the total transaction price is allocated to the performance obligations in proportion to the value of the performance obligations. Simac bases this value on the independent sales price per performance obligation. If the independent selling price is not known, Simac applies estimates.

Sale and installation of goods

Turnover from the sale and installation of goods is included at fair value of the consideration received or to be received, after deduction of trade discounts. Income from the sale of goods and projects is included in the profit and loss account if the important risks and benefits of ownership have been transferred to the buyer, the collection of the consideration due is likely, the costs in connection with this or the possible return of goods can be reliably estimated, the goods are not subject to continuous management engagement and the extent of the income can be reliably ascertained. If a discount is likely to be granted and provided this can be reliably ascertained, the discount will be included as a reduction of the income when including the sales.

The transfer of risks and advantages varies according to the conditions of the relevant sales contract, yet usually takes place when the goods are delivered to the client in the event of selling goods. Risks and benefits in relation to the sale of projects are usually transferred upon project acceptance by the customer.

Service and management contracts and other services

Turnover by virtue of service and management contracts and other services is included in the profit and loss account in accordance with the phase of completion of the transaction on the balance sheet date. The phase of completion can be ascertained on the basis of assessments of the work performed.

Work in progress instructed by third parties

Income from work in progress carried out on the instruction of third parties relates to projects carried out for customers and which are subject to an obligation of result. It concerns projects in the fields of IT infrastructures, IT applications and industrial automation.

Contractual income includes the initial amount as contractually agreed, increased with possible deviations in the contractual work, insofar as it is likely that they will generate income and can be reliably ascertained.

If a reliable estimate can be made of the result of work in progress carried out on the instruction of third parties, the contractual income will be included in the result in accordance with the phase of project completion. The phase of completion can be ascertained on the basis of assessments of the work performed. If the result of a contract cannot be reliably ascertained, contractual income will only be included insofar as it is likely that the contract costs incurred will be recouped.

Contractual expenses are included as soon as they are incurred unless these expenses lead to the formation of an asset which is related to future contractual work. Anticipated losses in a project are included in the result immediately.

Rental income

Rental income from subletting property is included under other operating income.

Operating expenses

Costs of service and management contracts

The costs of service and management contracts are recorded in the profit and loss account according to the term of these contracts. The corresponding prepayments and accrued income are included under other receivables, including prepayments.

Subcontracted work and other external costs

Subcontracted work and other external costs are included at acquisition price. Purchasing discounts and bonuses, freight charges, import duties due and the costs of inventory write-downs are also included under this item, as is the hiring of direct personnel. The hiring of indirect personnel is recorded under other operating expenses.

Employee benefits

Wages, salaries and social security contributions are recognized in the profit and loss account on the basis of the terms and conditions of employment, insofar as they are owed to employees or the tax authority.

Lease payments

Lease payments under operational leasing

Lease payments under operating leasing are included in the profit and loss account on a straight-line basis for the duration of the lease period.

Lease payments under financial leasing

The minimum lease payments are partly included as financing costs and partly as repayment of the outstanding obligation. The financing costs are allocated to each period of the total lease term in such a way that this results in a fixed periodic interest rate on the remaining balance of the obligation.

Financial income and expenses

Share in the result from participating interests concerns the result attributed to Simac in non-consolidated participating interests. This includes the book result when selling a participating interest.

Interest income and similar income include interest income on invested funds, dividend income, and similar income. Interest income is included in the profit and loss account through the effective interest method, as it accrues. Dividend income is included in the profit and loss account as soon as

Simac's entitlement to payment is established. In the case of listed investments, this is the date on which the dividend is paid.

Interest expenses and similar expenses include the interest expenses on funds withdrawn, the interest accrual on provisions and impairment losses of financial assets. All financing costs, including those on financial lease payments, are included in the profit and loss account using the effective interest method.

Taxes on profit

The tax on profit or loss for the financial year comprises the income taxes due and offsettable for the reporting period and deferred income taxes. The income tax is only included in the profit and loss account insofar as it relates to items that are included directly in equity, in which case the tax is included in equity.

The tax payable and offsettable for the financial year is the expected tax to be paid on the taxable profit for the financial year, calculated on the basis of tax rates that have been determined on the balance sheet date or that have already been largely decided on as at the balance sheet date, and corrections to tax due for previous years.

Deferred tax assets and liabilities are formed on the basis of the balance sheet method, whereby an asset is formed or a provision is made for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the carrying amount of those items for tax purposes. Deferred taxes are not included for goodwill that is not tax-offsettable. Deferred taxes are valued using the tax rates that are expected to apply upon reversal of the temporary differences, based on the laws that have (largely) been decided on as at the reporting date. Deferred tax assets and liabilities are stated at nominal value.

A deferred tax asset, including receivables based on offsettable carry-forward losses, is only included insofar as future taxable profits which can be utilized for the realization of the asset item are likely to be available. The amount of the deferred tax assets will be reduced insofar as the realization of the associated tax benefit is no longer likely.

Segmentation

The segmentation used in the financial statements is based on the classification adhered to for internal reporting purposes. Simac's operations can be divided into two operational segments.

The Information Technology segment provides a wide range of generic IT services with a focus on the design, implementation and management of IT infrastructures and the design, construction and delivery of industry-specific and solution-related applications. The Smart Solutions segment offers highly specialized technology solutions for various niche markets. As regards the Information Technology segment, operations in the Netherlands and abroad are reported separately on account of the relative turnover volume.

Group sales are, insofar as possible, eliminated per business segment.

Principles of the cash flow statement

The cash flow statement has been prepared using the indirect method. The cash consists of cash and liquid assets. Cash flows in foreign currencies are converted at the rates used in the profit and loss account.

Income and expenses from interest and tax on profits are included in the cash flow from operating activities. Dividends paid by Simac to its shareholders are included in the cash flow from financing activities.

The acquisition price of acquired group companies is included in the cash flow from investing activities, insofar as payment was made in cash. The cash available at the acquired group company is adjusted in cash movements. When selling group companies, the net sale price, insofar as received, is recorded after the deduction of liquid assets sold. When acquiring or selling other (non-consolidated) capital interests, the net purchase price or sale proceeds is stated.

Goodwill identified upon the acquisition of group companies and other capital interests is included in the cash flow statement as part of the acquisition price. Transactions which do not involve an exchange of cash resources are not recorded in the cash flow statement, with the exception of translation differences on participating interests. These are accounted for in changes in equity and third-party interest.

2. Purchases and sales of group companies and participating interests

On 16 December 2024, Simac increased its interest in Simac Technik CR by 10%, to 90%. The acquired shares were owned by two (former) directors of the Czech company. The total purchase price is € 1,854 and the identified goodwill arising from this transaction is € 1,054.

Upon the acquisition of 70% of the shares of Wavetel SAS in 2018, Simac obtained an option to purchase the remaining 30%, with the current 30% shareholder having a right to sell to Simac. The possibility of exercising both options is subject to a standstill period of three years after the acquisition. After the end of the standstill period, both parties have decided to continue the cooperation on the current basis.

Amounts in thousands of Euros

Simac has not formed a provision for possible obligations arising from the future execution of the option agreements in connection with the acquisition of the remaining shares of Wavetel.

3. Intangible fixed assets

Statement of movements	Goodwill	Other	Total 2024	Total 2023
Acquisition value	19,601	1,832	21,433	16,938
Cumulative depreciation	13,034	839	13,873	11,294
Carrying amount as at 1 January	6,567	993	7,560	5,644
Investments	-	121	121	335
Acquisition of subsidiaries	1,054	-	1,054	3,756
Acquisition of other participating interests	-	-	-	-
Acquisition of activities	-	-	-	404
Other changes	-	472	472	-
Changes in acquisition value	1,054	593	1,647	4,495
Depreciation	2,562	378	2,940	2,579
Impairment loss	-	-	-	-
Other changes	-	442	442	-
Changes in cumulative depreciation	2,562	820	3,382	2,579
Acquisition value	20,655	2,425	23,080	21,433
Cumulative depreciation	15,596	1,659	17,255	13,873
Carrying amount as at 31 December	5,059	766	5,825	7,560

Acquisition of subsidiaries relates to the acquisition of a 10% interest in Simac Technik CR. As a result, Simac now owns 90% of the outstanding shares. This takeover is further explained in note 2 above. The total purchase price is € 1.9 million.

Investments in other intangible fixed assets relate to capitalized development costs at Simac PHI DATA. Other changes relate to the reclassification of software licenses.

Unless stated otherwise, depreciation or impairment losses are recorded in the profit and loss account under depreciation or impairment losses. Due to the liquidation of Meditools BV, the remaining goodwill has been fully amortized. The additional amortization charge amounts to € 127.

Amounts in thousands of Euros

4. Tangible fixed assets

	Company buildings and grounds	Other fixed assets	Total 2024	Total 2023
Statement of movements				
Acquisition value	14,091	30,936	45,027	44,591
Cumulative depreciation	2,913	23,421	26,334	26,319
Carrying amount as at 1 January	11,178	7,515	18,693	18,272
Investments	3,746	5,529	9,275	5,836
Divestments	-1,138	-841	-1,979	-5,133
New consolidations	-	-	-	-
Other changes	-	-2,088	-2,088	-267
Changes in acquisition value	2,608	2,600	5,208	436
Depreciation	696	3,663	4,359	4,157
Divestments	-1,058	-601	-1,659	-3,902
New consolidations	-	-	-	-
Other changes	-	-1,942	-1,942	-240
Changes in cumulative depreciation	-362	1,120	758	15
Acquisition value	16,699	30,936	50,235	45,027
Cumulative depreciation	2,551	23,421	27,092	26,334
Carrying amount as at 31 December	14,148	7,515	23,143	18,693

Investments in company buildings and grounds during the financial year relate to € 2.6 million in lessee investments for the head office at De Run 4256 in Veldhoven, which the company moved to at the end of 2024. Furthermore, there are € 0.9 million in lessee investments for the new offices and production site in Heerlen.

Investments in other fixed assets during the financial year include € 90 (2023: € 299) relating to exchange parts, € 4,225 (2023: € 2,255) to automation including the Simac Power Cloud and € 466 (2023: € 675) to machinery and equipment.

Divestments of other fixed assets during the financial year are accounted for by exchange parts, machinery and equipment and automation, including Power Cloud. The carrying amount of assets of which Simac is not the legal owner is € 191 (2023: € 186).

Depreciation or impairment losses are recorded in the profit and loss account under depreciation or impairment losses of tangible assets.

Amounts in thousands of Euros

5. Financial fixed assets

	2024	2023
Non-consolidated participating interests	4,676	6,422
Receivables from participating interests	1,220	2,779
Receivables from participants	6,995	4,995
Other receivables	12,435	10,367
	25,326	24,563

Non-consolidated participating interests and receivables are further explained below.

Explanatory notes non-consolidated participating interests:

Overview of participating interests of >20%	Locality	Capital interest	Capital interest	Equity	Result
		2024	2023		
Centrale 24 Techniek bv	Eindhoven	50%	50%	-2,524	-541
Chess Wise bv	Haarlem	45%	45%	-11,547	-2,049
Meditools bv	Uden	-%	30%	3,486	2,671
Passengera SRO	Prague	42%	27%	904	542
Simac Professional SA	Luxembourg	50%	50%	736	252

Participating interests of >20% are included as capital interests in which Simac exercises significant influence on the operational and financial policy. The data on equity and result is included on a 100% basis and, with the exception of Centrale 24 Techniek, based on internal reporting of these participating interests as at 31 December 2024. The data from Centrale 24 Techniek concern the figures as at 31 December 2023.

Meditools bv was liquidated on 4 October 2024. Prior to the liquidation, its activities were sold to a third party. The equity after sale was distributed to the shareholders prior to the liquidation. The dividend received by Simac amounts to € 1.5 million.

In addition, Simac holds a number of participating interests of <20% in which no significant influence is exercised on the operational and financial policy. They are Breedband Regio Eindhoven bv, GX International bv, Inteno Holding AB, Sensite Solutions bv, Trearms Group bv and Vital10 Holding bv.

The interest in Inteno Holding AB has been written down by € 1.7 million, from € 5.7 million to € 3.4 million. The operating results achieved by Inteno are positive, but lower than forecast. As a result, the expected shareholder value is lower than the purchase price.

Amounts in thousands of Euros

The interests in Sensite Solutions bv and Vital10 Holding bv were written down to zero previously.

	Total	Total
Changes in participating interests during the financial year	2024	2023
Balance as at 1 January	6,422	6,088
Acquisition or expansion of interests	128	838
Sale of interests	-	-457
Share in the result from participating interests	-282	51
Dividend received	-1,583	-93
Translation differences	-9	-5
Recognition of goodwill	-	-
Balance as at 31 December	4,676	6,422

Explanatory notes of receivables from participating interests, from participants and other receivables:

Changes in receivables during the financial year	Participating interests	Shareholders	Other	Total 2024	Total 2023
Nominal balance as at 1 January	9,168	4,995	12,295	26,458	20,613
Provisions	1,350	2,000	2,387	5,737	6,179
Repayments	-	-	-224	-224	-334
New consolidations	-	-	-	-	-
Other changes	-	-	-	-	-
Nominal balance as at 31 December	10,518	6,995	14,458	31,971	26,458
Write-down of receivables	-9,298	-	-2,023	-11,321	-8,317
Carrying amount as at 31 December	1,220	6,995	12,435	20,650	18,141

Financing has been provided to non-consolidated participating interests. In the 2024 financial year, this largely concerns financing to Chess Wise bv. These are financings that are attributable to Simac since the acquisition of this interest. Receivables from participating interests are partly provided and accounted for at carrying amount, based on Simac's share in the net asset value.

Amounts in thousands of Euros

Participants concern loans provided to Simal Beheer bv. One of these loans has a variable interest rate that is dependent on the three-month Euribor, plus a surcharge of 250 basis points. The term of this loan is indefinite and has no fixed repayment schedule. In 2024, a financing advance of € 2 million was provided by Simac Holding Belgium NV.

Other receivables include a loan through Leaseplan Nederland NV. This concerns self-financing of lease cars in use. The residual value of this loan changes with the net amount invested per lease car.

Simac has provided securities for third parties that are included under other financial fixed assets. These securities have been deposited in blocked bank accounts. As these securities often relate to continuing contracts, the term is expected to be more than 1 year. This item also includes other interest-bearing receivables from third parties.

6. Deferred tax assets

Deferred tax assets on the balance sheet date are € 1,136 from offsettable losses attributable to Simac and € 132 from temporary valuation differences. Movements during the financial year are as follows:

	Total 2024	Total 2023
Deferred tax assets		
Balance as at 1 January	1,727	566
Valuation of losses	-	1,131
Realization of deferred taxes	-486	-
Changes in temporary valuation differences	27	30
Balance as at 31 December	1,268	1,727

Statement and valuation of offsettable losses

The valuation of the deferred tax assets is based on tax losses in the Netherlands available in the future and future profit expectations (for tax purposes). The statement of the available losses and their valuation is as follows:

	Total 2024	Total 2023
Statement of available losses and valuation at year-end		
Offsettable losses of the tax entity	2,476	6,476
Correction of offsettable losses due to temporary differences	2,149	-
Pre-incorporation losses	2,316	2,808
Available losses	6,941	9,284
Less: non-valued losses	2,316	2,808
Valued losses	4,625	6,476
Valuation on the balance sheet at year-end	1,136	1,619

Amounts in thousands of Euros

The offsettable losses have been adjusted for temporary differences. These arise from the difference between commercial and fiscal accountability of costs.

The offsettable losses in the Netherlands are partly pre-incorporation losses that cannot be offset within the tax entity. As at the balance sheet date, the entities concerned are unlikely to realize sufficient independent profits in time. As a result, the pre-incorporation losses have not been assessed.

Losses of the tax entity unit are valued at an expected effective tax burden of 25%. Taking into account the tax limitation for loss setoff, Simac does not expect to be able to offset these losses within 12 months.

Deferred tax assets consist of € 132 (2023: € 108) in temporary valuation differences and are attributable to Simac Technik CR as and Simac BMS GmbH.

7. Inventories

	2024	2023
Trading stocks	7,750	7,343
Provision for unsaleable items	-1,297	-1,310
	6,453	6,033

The trading stock that is valued at a lower net realizable value amounts to € 3,983 (year-end 2023: € 4,762). Additions and withdrawals from the provision for unsaleable items are included in the costs of outsourced work and other external costs. For the financial year, € 56 was credited to the results (2023: total charged € 218).

8. Work in progress

	2024	2023
Capitalized costs of work in progress	15,773	20,500
Anticipated losses on work in progress	-163	-204
Invoiced installments on work in progress	-20,016	-24,748
Balance of work in progress	-4,404	-4,452

Project income realized during the financial year on work in progress instructed by third parties amount to € 114,531 (2023: € 113,030) and are recorded in the net turnover.

Projects for which the capitalized costs exceed the invoiced installments are recorded in the balance sheet as assets. Projects for which the capitalized costs are lower are recorded as debts in the balance sheet. This breakdown is set out below.

Amounts in thousands of Euros

	2024	2023
Capitalized costs higher than invoiced installments	2,072	4,447
Capitalized costs lower than invoiced installments	-6,476	-8,899
Balance of work in progress	-4,404	-4,452

9. Trade receivables

	2024	2023
Trade receivables	73,971	67,544
Provision for bad debts	-1,649	-1,635
	72,322	65,909

Additions to and releases from the provision for bad debts are included in other operating expenses. For the financial year, € 176 was credited to the results (2023: € 502).

10. Other receivables, including prepayments

	2024	2023
Costs of service contracts to be amortized	15,422	14,587
Turnover to be invoiced	2,400	1,984
Other receivables	26	186
Other items to be amortized	4,549	5,083
	22,397	21,840

The expected long-term part of the costs of service contracts to be amortized is € 6,237 (2023: € 5,793).

11. Securities

	2024	2023
Bonds Groupama SA (France)	500	300
Other securities	101	-
	601	300

Amounts in thousands of Euros

12. Liquid assets

Some of the balance of liquid assets at the end of the financial year concerns € 326 (2023: € 283) held in G accounts. This balance is not at the free disposal of Simac and can only be used for payment of payroll taxes and turnover tax. Due to bank guarantees still running at the end of the financial year, a credit of € 233 has been pledged to Deutsche Bank AG.

13. Group equity

For a detailed statement of changes in equity, reference is made to note 6 of the explanatory notes to the company financial statements. It also includes the proposed profit appropriation for the financial year.

The share of third parties relates to third-party minority interests in group companies. At the end of the financial year, this concerns the following interests:

- 37% interest in Simac IDS Ltd.
- 10% interest Simac Technik as
- 30% interest Wavetel sas

14. Provisions

Specification of other provisions	2024	2023
Social Fund	1,395	1,500
Jubilee benefits	1,275	1,329
Restructuring	899	2,491
Financing obligations	-	1,000
Rental liability	-	1,200
Other	814	169
	4,383	7,689

	2024	2023
Balance as at 1 January	7,689	6,212
Made during the financial year	1,398	4,525
Used during the financial year	-2,155	-3,048
Released during the financial year	-1,326	-
Recorded under short-term liabilities	-1,223	-
Balance as at 31 December	4,383	7,689

Amounts in thousands of Euros

The majority of Simac's employees in the Netherlands are entitled to jubilee benefits when they reach 12.5, 25 and 40 years of employment. The provision for jubilee benefits is based on an actuarial calculation.

Reorganization concerns the expected costs of redundancies of management and employees. Social Fund concerns a provision for personnel obligations. These are related to the takeover of personnel under the Transfer of Undertakings Act. The other provisions include a provision for the costs of guarantees issued and possible claims.

The part of the provisions expected to be settled within 12 months amounts to € 2.2 million (2023: € 2.1 million).

15. Long-term liabilities

	2024	2023
Mortgage loans	6,876	-
Suppliers	532	633
Financial lease obligations	136	127
	7,544	760

In February, Simac concluded two mortgage loans, secured by property at Industrieweg in Heverlee (Belgium). The total principal amount is € 7,420 and the interest is 4.4% or 4.5%. The repayment obligation is € 297 per year.

The financial lease obligations relate to the fleet of Wavetel (France). Suppliers relate to a four-year loan provided to finance a project in the Czech Republic.

The portion repayable within 12 months amounts to € 360 (2023: € 68) and is included under short-term liabilities. The portion repayable within 2 to 5 years is € 7,544.

16. Taxes and social security contributions

	2024	2023
Turnover tax	4,255	4,938
Wage tax	869	1,434
Corporation tax	485	398
Social security and pension contributions	2,167	1,365
	7,776	8,135

Amounts in thousands of Euros

As regards foreign jurisdictions, wage tax, turnover tax and corporation tax by their nature include similar taxes.

Short-term receivables include an amount of € 248 (2023: € 1,071) that relates to the corporation tax position of the tax entity in the Netherlands and the Belgian entities.

17. Other payables, accruals and deferred income

	2024	2023
Contract turnover still to be amortized	21,162	20,182
Holiday pay and days' holiday	10,053	10,074
Employee benefits	4,855	4,175
Other items to be amortized	13,631	10,298
	49,701	44,729

The expected long-term part of contract turnover to be amortized is € 6,855 (2023: € 5,932). Employee benefits include bonuses payable to employees and other variable benefits and rights to periodic payments. Other items to be amortized include third-party work payable, hiring and other accruals and deferred income.

18. Risks arising from financial instruments

Due to the use of financial instruments, Simac is exposed to the following risks:

- Credit risk
- Liquidity risk
- Market risk

1. Credit risk

Credit risk consists of the loss that should be recorded on the balance sheet date if buyers or other parties to financial instruments would be fully or partially in default in fulfilling their contractual obligations. Credit risks primarily arise from receivables from customers and other financial assets.

Trade and other receivables

Simac's exposure to credit risk is primarily determined by the individual characteristics of the individual buyers. In order to limit the credit risk, Simac has taken out credit insurance for trade receivables. This controls the financing risks at its buyers.

In cases where the credit limit issued by the insurer is lower than necessary for the provision of services, the board of directors will make a decision to partly or fully provide it at its own risk. In the

event of existing cases, the board of directors has taken into account that there may be existing contract agreements that cannot be changed unilaterally.

In Belgium, Simac provides services for public services and European institutions. This creates trade receivables from these customers. Due to the budgetary and organizational considerations of the customers, Simac is confronted with debtors' days outstanding that exceed the standard debtors' days outstanding. In addition, claims on governments and other institutions that are deemed unable to go bankrupt cannot be included in the credit insurance. Simac does not take into account any impairment losses in the aforesaid claims against government institutions.

In addition, Simac has larger debts from retail customers with payment periods that also exceed terms that are customary in other sectors. These retail debts are coordinated with the credit insurer.

In a number of cases, Simac sells goods on the basis of a hire purchase agreement. These hire purchase agreements generally have a term of twelve months. When accounting for the result, Simac takes into account the costs of a possible early termination during the term of the agreement. The goods in question remain the property of Simac until payment of the last hire purchase installment.

2. Liquidity risk

The liquidity risk is the risk that Simac is unable to meet its financial obligations at the required time. The principle of liquidity risk management is that sufficient liquidity or credit facilities are maintained, insofar as possible, in order to be able to meet current and future financial obligations under normal circumstances, without incurring unacceptable losses or jeopardizing Simac's reputation.

Financing facility

Simac has an international cash management system for the Benelux, with a credit facility of € 12.5 million being available to Simac companies in the Benelux. In addition, a facility of € 5.0 million is available for the provision of bank guarantees.

Guarantees provided

With regard to the facilities provided by Rabobank, Simac has provided the following guarantees for 100% subsidiaries established in the Netherlands and Simac NV, Belgium.

- Joint and several liability for these companies
- First pledge on machinery and equipment
- First pledge on inventories
- First pledge on receivables

Other conditions

Provision of quarterly and annual figures and annual budget. Restriction of € 0.5 million on entering into new financial lease obligations.

3. Market risk

Market risk is the risk that the income or value of Simac's financial assets is adversely affected by changes in market prices, such as exchange rates, interest rates and share prices. The objective of market risk management is to keep the market risk position within acceptable limits, while maintaining a maximum return.

Exchange risk

Simac's exchange risk is largely the result of purchases and sales as part of its ordinary business operations compared to the Euro. The main exchange risk is the US dollar. Together with a number of other currencies whose risks are lower, the dollar position is frequently monitored and the board of directors decides when and which foreign exchange positions should be hedged.

Interest rate risk

The financial lease obligations have a variable interest rate. The credit facility concluded for the Benelux has a variable interest rate that is based on one-month Euribor, plus a surcharge.

Fair value

Participating interests in which no significant influence is exerted on the operational and financial policies are valued at acquisition price, as a result of which the fair value can deviate substantially. Quoted market prices are not available for any of these participating interests.

Other differences between the carrying amounts of the financial assets and liabilities are assumed to be insignificant.

Amounts in thousands of Euros

19. Rights and obligations not included in the balance sheet

Operational lease obligations	Rent	Cars	Total 2024	Total 2023
Less than 1 year	2,622	6,012	8,634	9,285
Between 1 and 2 years	1,803	4,718	6,521	6,269
Between 2 and 3 years	1,462	3,615	5,077	4,450
Between 3 and 4 years	1,382	2,206	3,588	2,895
Between 4 and 5 years	1,349	616	1,965	1,243
More than 5 years	4,619	14	4,633	497
	13,237	17,181	30,418	24,639

Guarantees issued

At the end of the year under review, Simac provided or promised bank guarantees or sureties for third parties up to an amount of € 1.7 million (2023: € 1.8 million).

Joint and several liability for corporation tax and turnover tax

Simac Techniek NV and its Dutch group companies of which at least 95% of shares are owned by Simac are for the most part included in a tax entity. For turnover tax purposes, this concerns all entities. A number of entities are independently liable for corporation tax. The entities included in the tax entity are jointly and severally liable for the resulting tax liabilities of the tax entity as a whole.

Investment and financing obligations

Based on the outstanding orders for the vehicle fleet on the reporting date, Simac expects an additional self-financing obligation of € 0.7 million in 2025 (2023: € 1.8 million).

Sponsorship obligations

Based on the sponsorship pledged as at the balance sheet date, Simac takes into account a total obligation of € 4.2 million. A total of € 1.2 million is expected to be due in 2025 and € 0.9 million after 2030.

20. Net turnover

Per sales category	2024	2023
Sale and installation of goods (including projects)	177,843	175,033
Service and management contracts	139,134	123,745
Other services	45,605	34,864
	362,582	333,642

Amounts in thousands of Euros

Per business segment	2024	2023
Information Technology Netherlands	167,689	153,306
Information Technology abroad	158,584	139,130
Smart Solutions	36,763	41,939
Holding and eliminations	-454	-733
	362,582	333,642

Sales and installation of goods include the design and installation of infrastructures for information and communication technology. This often concerns projects instructed by third parties based on an obligation of result. This also includes the construction and delivery of industry-specific and solution-oriented applications in both IT and industrial environments. Service and management contracts concern the management of these IT infrastructures and applications.

In the Smart Solutions business segment, turnover projects mainly include the manufacture of vision inspection machines and associated exchange sets.

21. Other operating income

The 2024 financial year includes compensation for relocation. This was received due to the relocation of the office at De Run1101 to Simac Huys at De Run 4256. Furthermore, subsidies and other contributions received have been accounted for.

22. Personnel expenses

	2024	2023
Wages and salaries	91,143	83,357
Social security contributions	17,409	15,522
Pension contributions	4,991	4,427
	113,543	103,306

Average number of employees (full-time equivalents)	2024	2023
Business segments		
Information Technology Netherlands	731	685
Information Technology abroad	363	334
Smart Solutions	186	198
Holding	35	35
	1,315	1,252

Geographically		
The Netherlands	954	920
Belgium	196	185
Czech Republic	98	89
Abroad - other	67	58
	1,315	1,252
Number of employees as at the balance sheet date (full time equivalents)	1,309	1,313

Abroad - other concerns operations in Germany, France, Luxembourg and the United Kingdom.

The average number of external temporary staff during the financial year was 211 (2023: 183).

23. Other operating expenses

	2024	2023
Other personnel expenses	7,494	7,520
Accommodation costs	7,013	6,906
Car and travel costs	10,549	9,755
Telecommunications and automation costs	5,651	5,339
Publicity costs and costs to sell	3,438	3,020
Other costs	3,841	5,782
	37,986	38,322

Other personnel expenses include the costs of hiring indirect personnel, training costs and expense allowances.

Car and travel costs mainly concern operational lease terms for cars. Both car and travel costs were negatively impacted in the financial year by rising fuel and energy prices. The same applies to accommodation costs, which are affected by increased energy prices.

The increase in telecommunications and automation costs is partly in relation to the accounting for external consultancy costs of an ERP implementation. These costs are not capitalized.

Publicity costs have been intensified to support Simac's brand awareness. Some notable expenses concern sponsorships for PSV Eindhoven (football) and the Simac Ladies Tour (cycling).

The overview of the external auditor's fees is as follows:

Amounts in thousands of Euros

External auditor fees	BDO NL	BDO Network	Other	Total 2024	Total 2023
Annual audit	321	36	34	391	504
Other financial statements activities	-	-	61	61	7
Tax consultancy fees	80	-	11	91	79
Other advisory work	-	-	66	66	20
	401	36	172	609	610

BDO NL is BDO Nederland, BDO Network are other BDO offices and Other are other accounting firms that have provided auditing or consultancy services to entities from the scope of consolidation.

24. Changes in the value of receivables included in fixed assets and of securities

	2024	2023
Changes in the value of receivables	-2,004	-1,855
Changes in the value of securities	37	62
	-1,967	-1,793

Changes in the value of receivables largely concern financing to non-consolidated participating interests in both 2023 and 2024.

25. Taxes on profit

Taxes on profit included in the profit and loss account	2024	2023
Taxes due for the financial year	-1,409	-1,466
Tax adjustments from previous years	-	-
Current taxes	-1,409	-1,466
Realization of deferred tax assets	-483	-
Recognition of deferred tax assets	-	1,131
Deferred taxes	-483	1,131
Total of current and deferred taxes	-1,892	-335

Amounts in thousands of Euros

Reconciliation statement of the effective tax burden	2024	2023
Result before taxes	3,556	-1,117
Nominal income taxes (25%)	-889	279
<i>Effect on nominal tax of:</i>		
Cost corrections for tax purposes	-1,047	-748
Participation exemption	-71	20
Rate differences	-50	-20
Tax corrections	165	134
Effective income taxes	-1,892	-335
Effective tax burden	-53.2%	-30.0%

The nominal tax rate is based on the Dutch corporation tax rate. Taking into account the first income tax band of 15.0%, an average rate of 25.0% is assumed.

Cost corrections for tax purposes largely relate to the effect of non-deductible goodwill amortization in the Netherlands and rejected expenses in Belgium.

Rate differences in 2024 mainly concern Simac Czech Republic.

Tax corrections in both the 2023 and 2024 fiscal years relate to Wavetel. In France, various tax facilities in the field of research and development are used. They are included as a reduction of the income tax to be paid.

In both 2024 and 2023, income taxes are not included in equity directly.

26. Related parties

Unless otherwise stated, all related party transactions were made under normal market conditions (at arm's length).

Simal Beheer bv

Simal Beheer bv is Simac's parent company and owns all outstanding preference shares A and B, as well as 98.7% of the outstanding ordinary shares. As a result, Simal controls 99.5% of the voting rights in the general meeting of shareholders of Simac Techniek NV.

Simac has concluded long-term lease contracts with Simal Beheer bv for business premises in Veldhoven and Ede. Simal Beheer bv is the owner of the new head office, Simac Huys, located at De Run 4256, Veldhoven. The parties are still negotiating on determining the part of the renovation that should be regarded as a lessee investment. The pricing and other terms of the lease will be agreed on later. Following the purchase of Simac Huys, Simac expects to provide additional financing of € 8 million to Simal Beheer bv in 2025.

Simac expects to conclude a purchase/sales agreement with Simal Beheer bv in 2025 regarding the transfer of shares in Simac Holding Belgium NV. As a result, the head office for Simac NV in Heverlee (Belgium) will become the property of Simal Beheer. A multi-year lease has been concluded between Simac Holding Belgium NV and Simac NV. In 2024, Simac Holding Belgium NV provided Simal Beheer bv with a financing advance of € 2 million.

Transactions and agreements with Simal Beheer bv are submitted to the supervisory board of Simac Techniek NV in advance, for approval.

Other related parties

Other related parties are non-consolidated participating interests of Simac and participating interests of Simal Beheer bv. Trade or financing transactions have taken place with these parties.

27. Events after the balance sheet date

On 16 January 2025, Simac received a message from the Metal and Electrical Engineering Consultation Council (ROM). The ROM determined that the subsidiary Simac Masic bv, as an employer, should be included in the collective agreements and pension scheme for the Metal and Electrical Industry. The exact consequences for the terms and conditions of employment and the resulting financial consequences will be evaluated further.

Currently, no other events after the balance sheet date are known that have significant consequences for the actual situation of Simac as at the balance sheet date.

SIMAC FINANCIAL STATEMENTS OF

Company financial statements of 2024

Amounts in thousands of Euros

Company balance sheet before profit appropriation

as at 31 December 2024 (2023)

ASSETS	Note	2024	2023
Intangible fixed assets	2	4,925	6,053
Tangible fixed assets	3	700	184
Financial fixed assets	4	76,127	72,146
Fixed assets		81,752	78,383
Receivables	5	6,502	13,554
Liquid assets		237	3
Current assets		6,739	13,557
Total assets		88,491	91,940

LIABILITIES	Note	2024	2023
Share capital		3,953	3,953
Share premium		68,660	68,660
Statutory reserves		1,776	2,947
Other reserves		-21,530	-20,753
Unappropriated result		1,044	-1,787
Equity	6	53,903	53,020
Provisions	7	1,937	4,969
Short-term liabilities	8	32,651	33,951
Total liabilities		88,491	91,940

Company profit and loss account

for the financial year ending on 31 December 2024 (2023)

	Note	2024	2023
Result from participating interests after taxes	4	5,912	5,482
Result from holding company after taxes		-4,868	-7,269
Result after taxes		1,044	-1,787

Explanatory notes to the company financial statements

Overview of notes under the explanatory notes to the company financial statements

1. Key accounting principles
2. Intangible fixed assets
3. Tangible fixed assets
4. Financial fixed assets
5. Receivables
6. Equity
7. Provisions
8. Short-term liabilities
9. Remuneration of board directors and supervisory directors
10. Rights and obligations not included in the balance sheet

1. Key accounting principles

General

The company financial statements form part of the financial statements of Simac Techniek NV. The exemption under Section 2:402, Book 2 of the Netherlands Civil Code has been used with regard to the company profit and loss account of Simac Techniek NV. With due observance of Section 379, subsection 5, Title 9, Book 2 of the Netherlands Civil Code, a list of participating interests has been drawn up and filed for inspection at the offices of the Commercial Register in Eindhoven.

Accounting principles

For the general principles for preparing the financial statements, the principles for the valuation of assets and liabilities and the determination of the result, as well as for the explanatory notes to the various assets and liabilities and the results, reference is made to the explanatory notes to the consolidated financial statements, insofar as not stated otherwise below.

The result from participating interests in which significant influence is exercised on the business and financial policy is included as the share attributable to the company in the result of these participating interests. This result is determined on the basis of the accounting principles applicable to Simac Techniek NV, as included in note 1 of the explanatory notes to the consolidated financial statements.

Participating interests with a negative net asset value are valued at zero. A provision is formed when the company fully or partially guarantees the debts of the participating interest or if the company has an actual payment obligation. In determining the provision, provisions made for outstanding claims against the participating interest are taken into account.

For participating interests in which no significant influence is exercised on the business and financial policy and which are stated at cost, the dividend is classified as a result. This is included under financial income and expenses.

Amounts in thousands of Euros

2. Intangible fixed assets

Intangible fixed assets only include capitalized goodwill on account of the acquisition of group companies and other participating interests.

STATEMENT OF MOVEMENTS	2024	2023
Acquisition value	18,077	14,321
Cumulative depreciation	12,024	9,981
Carrying amount as at 1 January	6,053	4,340
Acquisition of group companies	1,054	3,756
Acquisition of participating interests	-	-
Changes in acquisition value	3,756	3,756
Depreciation	2,182	2,043
Changes in depreciation	2,182	2,043
Acquisition value	19,131	18,077
Cumulative depreciation	14,206	120.24
Carrying amount as at 31 December	4,925	6,053

On 16 December 2024, Simac increased its interest in Simac Technik CR by 10%, to 90%. The acquired shares were owned by two (former) directors of the Czech company. The total purchase price is € 1,854 and the identified goodwill arising from this transaction is € 1,054.

When taking over Wavetel, Simac initially acquired 70% of the shares. Simac can acquire the remaining 30% of the shares, subject to conditions. An option agreement has been concluded for this purpose.

Simac has not made any provision for possible obligations arising from the future exercise of this option agreement. At the time of a possible acquisition, goodwill will be identified and amortized in accordance with the applicable accounting principles.

Goodwill will be amortized over five years.

Amounts in thousands of Euros

3. Tangible fixed assets

STATEMENT OF MOVEMENTS	Company buildings and grounds	Other fixed assets	2024	2023
Acquisition value	1,393	430	1,823	1,819
Cumulative depreciation	1,210	429	1,639	1,541
Carrying amount as at 1 January	183	1	184	278
Investments	659	-	659	8
Divestments	-1,116	-344	-1,460	-4
Changes in acquisition value	-457	-344	-801	4
Depreciation	46	1	47	98
Divestments	-1,020	-344	-1,364	-
Changes in depreciation	-974	-343	-1,317	98
Acquisition value	936	86	1,022	1,823
Cumulative depreciation	236	86	322	1,639
Carrying amount as at 31 December	700	-	700	184

Investments in company buildings and grounds are lessee investments. These investments are depreciated according to the term of the underlying lease.

Due to the relocation to the new building, lessee investments in the old building have been written off and other fixed assets divested.

Other fixed assets concern capitalized items in the field of automation and machinery and equipment.

4. Financial fixed assets

	2024	2023
Participating interests in group companies (DG)	53,829	48,292
Other participating interests (AD)	4,054	5,856
Other receivables (OV)	18,244	17,998
	76,127	72,146

Amounts in thousands of Euros

STATEMENT OF MOVEMENTS	DG	AD	OV	Total 2024	Total 2023
Balance as at 1 January	48,292	5,856	17,998	72,146	67,604
Sales and repayments	-	-	-	-	-647
Acquisitions and provisions	1,854	65	3,736	5,655	9,070
Result from participating interests	6,191	-279	-	5,912	5,482
Accountability for goodwill	-1,054	-	-	-1,054	-3,756
Dividends received	-4,377	-1,588	-	-5,965	-6,469
Translation differences	-164	-	-	-164	-102
Change in deferred taxes	-	-	-486	-486	1,131
Changes in provisions	3,087	-	-3,004	83	-167
Other changes	-	-	-	-	-
Balance as at 31 December	53,829	4,054	18,244	76,127	72,146

On 16 December 2024, Simac increased its interest in Simac Technik CR by 10%, to 90%. The acquired shares were owned by two (former) directors of the Czech company. The total purchase price is € 1,854 and the identified goodwill arising from this transaction is € 1,054.

Loans to group companies and other participating interests are included under other receivables. If and insofar as group companies or participating interests have negative equity, a provision is made for the aforesaid loans.

If Simac Techniek NV is liable for the debts of a participating interest or intends to make up losses, a provision will be included on the liabilities side insofar as the negative equity of the participating interest exceeds the loan provided by Simac Techniek NV. A list of capital interests is included in note 1 of the explanatory notes to the consolidated financial statements.

Other receivables at year-end 2024 consist of € 6,215 (2023: € 7,774) from receivables from participants and participating interests and € 10,897 (2023: € 8,606) from other interest-bearing receivables. This item includes € 1,133 (2023: € 1,619) in deferred tax assets.

Amounts in thousands of Euros

5. Receivables

	2024	2023
Trade receivables	147	16
Group companies	5,844	11,936
Taxes and social security contributions	373	1,359
Other receivables, including prepayments	138	243
	6,502	13,554

Receivables are expected to have terms of less than one year.

Receivables from group companies mainly relate to positions arising from the daily cash sweeps in the financing arrangement with Rabobank and corporation tax to be set off within the tax entity.

6. Equity

The statement of changes in equity during the financial year is as follows:

	Share capital	Share premium	Statutory reserves	Other reserves	Unappropriated result	Total 2024	Total 2023
Balance as at 1 January	3,953	68,660	2,947	-20,753	-1,787	53,020	56,015
Result after taxes	-	-	-	-	1,044	1,044	-1,787
Dividends paid	-	-	-	-	-	-	-1,066
Minority interest	-	-	-	-	-	-	-
Profit appropriation							
previous financial year	-	-	-	-1,787	1,787	-	-
Reserve for participating interests	-	-	-1,010	1,010	-	-	-
Translation differences	-	-	-161	-	-	-161	-142
Balance as at 31 December	3,953	68,660	1,776	-21,530	1,044	53,903	53,020

Amounts in thousands of Euros

The authorized capital amounts to € 9,000, of which € 3,953 is issued and paid up. During the financial year, there were no changes in the issued and paid-up capital.

	Priority shares	Preference shares A	Preference shares B	Ordinary shares
Authorized capital	500	34,999,750	40	34,999,750
In portfolio	-	-29,999,750	-	-20,468,356
Issued and paid-up capital	500	5,000,000	40	14,531,394
Nominal value per share in Euros	0.10	0.10	50,000.00	0.10

Share capital

The 40 issued preference shares B have been issued at a price of 500%, as a result of which they have a paid-up share premium of € 8 million in total. Each of the preference shares B represents 500,000 votes in the general meeting of shareholders.

The holders of ordinary and preference shares are entitled to the remaining assets of the company, on the understanding that preference shares participate therein to the amount of the nominal value of these shares, plus the share premium paid up on these shares. Preference shares A and B are not entitled to a cumulative dividend. Holders of priority shares do not hold property rights. The extraordinary statutory rights of the priority shares are stated under other information.

Share premium

The share premium reserve is freely distributable. Upon the issue of preference shares B, € 8 million was paid up in share premium, which amount remains legally allocated to the preference shares and forms the basis for the dividend calculation on these shares, together with the nominal paid-up capital.

Statutory reserves

The statutory reserves relate to participating interests. These reserves have been established due to restrictions on the distribution of dividends and for translation differences arising from the translation of the financial statements of the net investments in foreign activities.

Unappropriated result

The result after taxes for 2024 is included in the item unappropriated result of equity. The profit appropriation for the 2023 financial year is included in accordance with the resolution of the general meeting of shareholders of 19 April 2024.

Amounts in thousands of Euros

Proposal profit appropriation

The departure point for the dividend proposal on ordinary shares is that 25% of the profit after deduction of the dividend attributable to preference shares is available for distribution. The board of directors takes into account the expected liquidity, solvency and expected investments in the calculation of the final proposal. Said factors can have a mitigating effect.

The dividend proposal for the 2024 financial year is as follows:

- 6% preference dividend for preference shares A and B € 630,000.

7. Provisions

	2024	2023
Restructuring	649	1,393
Jubilee benefits	1,204	1,270
Financing obligations	-	1,000
Rental liability	-	1,200
Participating interests	84	106
	1,937	4,969

The reorganization relates to redundancy arrangements made.

The majority of Simac's employees in the Netherlands are entitled to jubilee benefits when they reach 12.5, 25 and 40 years of employment. The provision for jubilee benefits is based on an actuarial calculation.

8. Short-term liabilities

	2024	2023
Credit institutions	3,119	4,072
Trade creditors	1,018	693
Group companies	24,774	27,633
Taxes and social security contributions	112	69
Other payables, accruals and deferred income	3,628	1,484
	32,651	33,951

Debts to group companies mainly relate to positions arising from the daily cash sweeps in the financing arrangement with Rabobank.

9. Remuneration of board directors and supervisory directors

In the financial year, an amount of € 763 (2023: € 757) was charged to the company on account of the remuneration of directors. The remuneration for supervisory directors in the financial year was € 97 (2023: € 97). Supervisory directors receive a fixed remuneration only.

10. Rights and obligations not included in the balance sheet

In accordance with Section 403, Title 9, Book 2 of the Netherlands Civil Code, Simac Techniek NV has issued a declaration of joint and several liability for obligations arising from legal acts of Simac IT NL bv. In a number of cases, the company has acted as a guarantor vis-à-vis the supplier by virtue of purchase obligations of operating companies or vis-à-vis the buyer by virtue of obligations to sell (corporate guarantee).

Simac Techniek NV, together with the 100% Dutch subsidiaries, forms a tax entity for corporation tax and turnover tax purposes. The entities included in the tax entity are jointly and severally liable for the resulting tax liabilities of the tax entity as a whole.

Simac Techniek NV, together with most of its 100% subsidiaries in the Netherlands and Belgium, is bound by a credit agreement with Rabobank for the provision of financing facilities. Simac Techniek NV and its affiliated subsidiaries are jointly and severally liable to Rabobank for the obligations under this agreement.

Veldhoven, 31 March 2025

Supervisory board:

H.P.M. Kivits
N.I.M. Hermans
S.J.M. Roelofs
W. van Winden

Board of directors:

M.J. van Schagen
M.F.J.A. van Kasteren
E. van Schagen

Other information

Audit opinion from the independent auditor

To: the shareholders of the supervisory board of Simac Techniek NV.

A. Auditor's report for the 2024 financial statements incorporated in the annual report

Our opinion

We have audited the 2024 financial statements of Simac Techniek NV in Veldhoven. The financial statements consist of the consolidated and separate financial statements.

In our opinion, the financial statements in this annual report provide a fair picture of the extent and composition of the assets of Simac Techniek NV as at 31 December 2024 and the result for 2024, in accordance with Title 9, Book 2 of the Netherlands Civil Code.

The financial statements consist of:

1. the consolidated and separate balance sheet as at 31 December 2024;
2. the consolidated and separate profit and loss account for 2024; and
3. the explanatory notes with an overview of the accounting principles and other explanations.

The basis of our opinion

We have performed the audit in compliance with Dutch law, which also includes the Dutch auditing standards. Our responsibilities pursuant to this are described in the section entitled 'Our responsibilities for the audit of the financial statements'.

We are independent of Simac Techniek N.V. as required in the Audit Firms (Supervision) Act, the Regulation regarding the Independence of Accountants in the case of Assurance Engagements and other independence rules applicable in the Netherlands and that are relevant to the instruction. We have also complied with the Code of Conduct and Professional Practice for Accountants Regulation (VGBA).

We are of the opinion that the audit evidence we have received is sufficient and suitable as a basis for our opinion.

B. Information supporting our opinion

We have determined our audit activities in the context of the audit of the financial statements as a whole and in forming our opinion thereon. The information below in support of our opinion and findings should be viewed in that context and not as separate opinions or conclusions.

Audit strategy for continuity

As explained in the 'Continuity' section on pages 48 and 49 of the financial statements, the board has performed its continuity assessment for the period of 12 months from the date of preparation of the financial statements and has not identified any events or circumstances that may cast significant doubt on the entity's ability to maintain its continuity (hereinafter referred to as: continuity risks).

Our work to review the board's continuity assessment includes, among other things:

- Take note of the risk assessment and analysis efforts of the board with regard to the going-concern assumption;
- Considering whether the board's continuity assessment contains all relevant information of which we have knowledge as a result of our audit;
- Taking note of and assessing the 2025 budget as drawn up by the board;
- Inquire with the board about its knowledge of continuity risks after the period of the continuity assessment performed by the board.

Our audit activities have not revealed any information that conflicts with the board's presumptions and expectations about the applied going concern assumption.

Audit strategy for fraud risks

We have identified and assessed the risks of material misstatement of the financial statements due to fraud and non-compliance with laws and regulations. During our audit, we have obtained an understanding of the entity and its environment, the components of the internal control system, including the risk assessment process and the way in which the board responds to fraud risks and monitors the internal control system and the way in which the supervisory board exercises supervision, as well as the results thereof.

We refer to Chapter 3 'Risk of fraud' and Chapter 4 'Monitoring and reporting' of the Corporate Governance report included in the financial statements, in which the board identifies the main risks and uncertainties and in which it has also included the fraud risks it has identified. We would like to point out that risk management and control systems are present within Simac Techniek N.V. to manage operational and financial risks, including the risk of fraud, although not all components are always assessed and followed up in writing.

Important components of the risk management and control systems of Simac Techniek N.V. are the monitoring and reporting systems referred to in the Corporate Governance report.

We have reviewed the design and implementation of the relevant aspects of the internal control system and, in particular, the fraud risk analysis, including the code of conduct and the whistleblowers' scheme. We have reviewed the design and implementation of the relevant aspects of the internal control system and, to the extent considered necessary by us, tested the operation of internal control measures aimed at mitigating fraud risks. We have communicated any significant shortcomings in internal control in writing to the board of directors and the supervisory board.

As part of our process for identifying risks of material misstatement of the financial statements due to fraud, we considered fraud risk factors related to fraudulent financial reporting, misappropriation of assets, bribery and corruption. We evaluated whether these factors indicated the presence of the risk of material misstatement due to fraud.

We build an element of unpredictability into our audit. We also reviewed the outcome of other audit activities and considered whether there are any findings indicating fraud or non-compliance with

laws and regulations. We have taken note of the available information and requested information from members of the board and the in-house lawyer.

The fraud risks identified by us and the specific efforts are as follows:

The risk of the board violating internal control measures

Risk of fraud	Audit activities and observations
The board is in a position to commit fraud, because it is able to manipulate accounting records and prepare fraudulent financial statements by violating internal control measures that otherwise appear to be operating effectively. That is why in all our audits we pay attention to the risk of the board violating internal control measures with regard to: • Journal entries and other adjustments made during the preparation of the financial statements; • Estimates and estimation processes; • Significant transactions outside the framework of ordinary business operations. We pay particular attention to trends as a result of possible interests of the board.	In the planning and execution of our audit activities, efforts included: • Evaluation of the design of internal control measures in the processes for generating and processing journal entries, including those relating to consolidation eliminations and consolidation adjustments, and making estimates assuming a risk of that process being violated; • Review of estimated items, particularly with respect to estimates that may be subject to bias on the part of the board; • Paying specific attention to the provisions and reserves formed in the consolidation process, as well as to the project and accounts receivable provisions at operating company level; • Back-testing of the aforesaid provisions and reserves, as part of which the outcomes of estimation processes from previous periods are evaluated based on the actual realization of these estimated items in the current financial year; • Selecting journal entries on the basis of risk criteria and subjecting these to specific audit activities, as part of which we also paid attention to elimination entries in the consolidation and other consolidation adjustments, significant transactions outside the framework of ordinary business operations and non-regular significant transactions in the financial administration. Our work did not lead to specific indications of fraud, or suspicions of fraud, with regard to the board violating internal control.

The risk of fraudulent financial reporting due to incorrect demarcation of project and contract turnover

Risk of fraud	Audit activities and observations
As indicated in the previous risk, the board is in a position to commit fraud, because it is able to manipulate accounting records and prepare fraudulent financial statements by violating internal control measures that otherwise appear to be operating effectively. The board can also make manual journal entry bookings which specifically result in non-existent turnover being accounted for or turnover being accounted for incorrectly. In addition, in the case of large projects/contracts, turnover can be flattered by improperly influencing the allocation of the order amount to the distinct performance obligations within a contract/project.	In the planning and execution of our audit activities, efforts included: • Evaluation of the design and implementation of internal control measures with regard to the sales process; • Evaluation of the design and implementation of internal control measures in the processes for generating and processing journal entries, including consideration of revenue recognition entries, and making estimates assuming a risk of that process being violated; • Selecting turnover-related journal entries based on risk criteria and subjecting these to specific audit activities. • For large contracts/projects involving multiple performance obligations within the agreement, we have checked the correct allocation of the order amount to the different performance obligations. We subsequently determined, on the basis of underlying documentation, whether the distinct performance obligations had been realized and whether revenue recognition had taken place in line with the realization of the agreed performance obligation. Our work did not lead to specific indications of fraud, or suspicions of fraud, with regard to revenue recognition.

The risk of fraudulent withdrawals due to gaps in the payment organization

Risk of fraud	Audit activities and observations
The administrative organization and internal control have not been optimized in all areas within all operating companies and are therefore not effective. Consequently, there is a risk of unlawful withdrawal of funds via the banking application as a result of unlawful changes to creditor master data.	Within the payment organization of two operating companies, there is a situation in which employees can adjust creditor master data <i>and</i> have the authority to prepare payment proposals. Furthermore, the procedure for approving payment proposals in these cases has been formalized to only a limited extent. Consequently, we were unable to rely on the internal control system in these operating companies. In order to mitigate the risk of unlawful withdrawals, we carried out the following activities: • Evaluation of the design and implementation of internal control measures with regard to the purchase and payment process; • Creation of insight into payments made during the financial year through data analysis. Based on risk criteria (including employees with independent payment authorizations), we selected payments and determined the accuracy of the payments based on underlying source documentation; Our work did not lead to specific indications of fraudulent withdrawals or suspicions thereof.

C. Auditor's report for other information included in the financial statements

In addition to the financial statements and the audit opinion that accompanies them, the annual report also contains other information, which consists of:

- A general introduction;
- the directors' report;
- the corporate governance report;
- the report from the supervisory board;
- other information;

Based on the activities set out below, we are of the opinion that the other information:

- Is compatible with the financial statements and does not contain any material misstatements;
- Contains all information that is required for the directors' report and other information pursuant to Title 9, Book 2 of the Netherlands Civil Code.

We have read the other information and, on the basis of our knowledge and understanding obtained from the audit of the financial statements or otherwise, have considered if the other information contains material misstatements.

By undertaking our activities, we have met the requirements set out in Title 9, Book 2 of the Netherlands Civil Code and the Dutch Standard 720. These activities do not have the same scope as our audit activities for the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report and other information in accordance with Title 9, Book 2 of the Netherlands Civil Code.

D. Description of responsibilities with regard to the financial statements

Responsibilities of the board of directors and the supervisory board with regard to the financial statements

The board of directors is responsible for the preparation and faithful representation of the financial statements in accordance with Title 9, Book 2 of the Netherlands Civil Code. Within this framework, the board of directors is responsible for achieving such internal control as deemed necessary by the board of directors, in order to enable the preparation of the financial statements without any material misstatements as a result of fraud or errors.

When preparing the financial statements, the board of directors has to consider if the company is able to continue its activities as a going concern. Pursuant to the aforementioned reporting system, the board of directors has to prepare the financial statements on the basis of the going-concern assumption, unless the board of directors intends to liquidate the company or to end its business operations or when termination is the only viable option.

The board of directors has to explain facts and circumstances that could raise reasonable doubt on whether the company can continue its business operations as a going concern in the financial statements.

The supervisory board is responsible for supervising the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to schedule and execute the audit instruction in such a way that it provides us with sufficient and suitable audit evidence for our opinion.

Our audit was carried out to a high yet not absolute degree of certainty, which means we may not discover all material misstatements due to fraud and errors during our audit.

Inconsistencies may arise as a result of fraud or errors and they are material if they cannot in all fairness be expected to individually or jointly affect the economic decisions made by users on the basis of the financial statements. The materiality affects the nature, timing and scope of our audit activities and the evaluation of the effect of acknowledged inaccuracies on our opinion.

We have conducted this audit in a professional and critical manner and have applied our professional opinion where relevant, in accordance with Dutch accounting principles, ethical regulations and independence requirements. Among other things, our audit served:

- to identify and assess the risk that the financial statements contain material misstatements as a result of fraud or errors, to determine and carry out audit activities in response to this risk assessment and to obtain audit evidence that is sufficient and suitable as a basis for our opinion. In the case of fraud, the risk of a material misstatement not being discovered is greater than in the case of errors. A case of fraud may involve conspiracy, forgery of documents, intentionally failing to document transactions, the intentional misrepresentation of facts or the violation of internal control;

- to gain an insight into the internal control that is relevant to the audit, with the objective of selecting audit activities that are appropriate for the circumstances. These activities do not serve to express an opinion on the effectiveness of the company's internal control;
- to evaluate the suitability of the applied audit principles and to evaluate the fairness of estimates made by the board of directors and the corresponding explanatory notes in the financial statements;
- to establish that the going-concern assumption used by the board of directors is acceptable. We also establish, on the basis of the audit evidence obtained, if there are any facts and circumstances that could lead to reasonable doubt on whether the company can continue its business operations as a going concern. When we conclude a material inconsistency is present, we are obliged to draw attention to the relevant related explanatory notes to the financial statements in our audit opinion. When the explanatory notes are incorrect, we have to adjust our certificate. Our conclusions are based on the audit evidence obtained up to the date of our audit opinion. Future facts or circumstances may, however, result in the company no longer being able to maintain its going concern;
- to evaluate the performance, structure and contents of the financial statements and the explanatory notes included therein; and
- to assess if the financial statements offer a faithful picture of the underlying transactions and facts.

We are responsible for planning and performing the group audit in order to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are further responsible for the management, supervision and assessment of the audit activities carried out in the context of the group audit. We assume full responsibility for our audit opinion.

We communicate with the supervisory board about, among other things, the scheduled scope and timing of the audit and about significant findings as a result of our audit, including any significant shortcomings in internal control.

Breda, 31 March 2025

BDO Audit & Assurance B.V.
on its behalf,

R.W.B. Vrolijk CPA

Statutory regulation regarding profit appropriation

With regard to the profit appropriations, the articles of association stipulate the following:

Article 38, paragraphs 1, 2, 3 and 4

- From the profit, which is apparent from the financial statements adopted by the supervisory board and the general meeting of shareholders, a percentage on preference shares B will be paid out first, which percentage is to be determined by the general meeting of shareholders and which will be more than or equal to zero of the actual amount paid up on those shares (i.e. including the share premium paid up on these) at the start of the financial year for which the payment will be made or on the day on which the cumulative preference shares were subscribed.
- From the profit remaining after application of the above provisions, a percentage will be paid on preference shares A, which percentage is to be determined by the general meeting of shareholders and which will be more than or equal to zero of the amount paid on those shares at the start of the financial year for which the payment will be made or, if the preference shares were subscribed in the course of that financial year, on the day on which the preference shares were subscribed.
- From the remaining profit thereafter, no further distribution can be made on the preference shares.
- The portion of profit remaining after the application of article 37, paragraph 4, and after the application of paragraph 1 of this article, will be made available to the general meeting of shareholders.
- The general meeting of shareholders is authorized to fully or partially decide against distributing the aforesaid part of the profit.
- Profit distributions are only made insofar as the company's equity is higher than the issued part of the capital, plus the reserves that must be maintained by law.

Extraordinary statutory rights

Priority Shares

The 500 priority shares are held by Mr E. van Schagen, director of Simac Techniek NV.

Prior approval of the priority shareholders is required for the following:

- Share issues
- Reduction of the issued capital
- Transfer of preference shares
- Distributions out of other and share premium reserves
- Distributions in the form of shares
- Interim distributions on shares
- Amendments to the articles of association
- Dissolution of the company

In addition, in consultation with the supervisory board, they decide on the number of members of the board of directors and can convene an extraordinary general meeting of shareholders.