



2022

Annual Report

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Disclaimer: The financial figures presented in the descriptive part of the report, expressed in million RON, are rounded off to the nearest integer and may result in small reconciliation differences.

ISSUER INFORMATION

INFORMATION ABOUT THIS FINANCIAL REPORT

Type of Report	Annual Report for 2022
Date of publication of the Report	March 28, 2023
For the financial year	January 1, 2022 – December 31, 2022
Compliant	Schedule 15 to ASF Regulation 5/2018

ISSUER INFORMATION

Name	AROBS Transilvania Software S.A.
Vat Code	RO 11291045
Trade Register Number	J12/1845/1998
Registered Office	Str. Donath, nr. 11, bl. M4, sc. 2, et. 3, ap. 28, Cluj-Napoca, Cluj County, Romania

INFORMATION ON SECURITIES

Subscribed and paid-in capital	RON 91,139,498.80
Market on which securities are traded	SMT-AeRO Premium
Total number of shares	911,394,988
Symbol	AROBS

CONTACT DETAILS FOR INVESTORS

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The Consolidated and Separate Financial Statements for December 31, 2022 as presented on the following pages have been audited.

FINANCIAL RESULTS IN 2022 AT CONSOLIDATED LEVEL



RON 301 million

TURNOVER

+58% vs. 2021



RON 66.2 million EBITDA

EBITDA MARGIN 22%



RON 51.6 million

GROSS PROFIT -2% vs. 2021



Net profit RON 43.2 million

NET PROFIT MARGIN 14%



PER
Group 22.48
Separate 23.19



P/BV
Group 4.33
Separate 4.25



EPS
Group 0.05
Separate 0.05



Rule of 40*
80% in 2022

The Rule of 40 is a principle that states that a software company's combined revenue growth rate and profit margin should equal or exceed 40%. Companies with a threshold above 40% are generating sustainable profits.

MESSAGE FROM THE CEO

Dear Shareholders,

AROBS is celebrating its 25th anniversary. It is a significant moment for us, considering that, although we have faced several challenges and economic crises, we are still a 100% Romanian entrepreneurial business, with the long-term goal of becoming the most important international player in the IT industry, with innovative services and products, a potential unicorn in the coming years.

At 25 years old, AROBS is a mature organization with a presence in more than 10 cities in Romania and 9 abroad. In its years of existence, AROBS has seen it all, has been there, done that, fought a few battles and learnt a couple of lessons but kept on going. Our culture keeps us young and agile, our experience keeps us strong and resilient.

Today, AROBS is a group of companies with over 1,000 employees working on innovative projects that shape our future. But we have used you, we are not going to stop here: **#WeWontStop**. We will continue to develop technology solutions and products for the world's most complex industries.

Looking back to 2022, in terms of financial results, we ended the year with a turnover of RON 301 million, an increase of 58% compared to 2021, EBITDA of RON 66.2 million, an increase of 21% and a net profit of RON 43.2 million, a net profit margin of 14%. The net profit was impacted by the implementation of the Stock Option Plan (SOP), however the impact is non-cash. Therefore, the normalized net profit (excluding the impact of the SOP) amounted to RON 49.2 million. We have decided to present the net profit in this way as it is a much more relevant indicator for investors to follow.

In 2022, software services accounted for 80% of turnover and products for 20%. The significant increase in turnover in 2022 is due to both new customer contracts, software services and software products, and to the integration of newly acquired companies into our group. Synergies with the activities of recent acquisitions also made a significant contribution to this result, although two of them are not fully reflected in 2022 – AROBS Engineering in July and Nordlogic Group in August.

The past year has been particularly intense for us, both for projects and in our mission to diversify our business and enter new market segments, organically and by carrying out M&A transactions, objectives we set when announcing the private placement and the listing on AeRO in 2021. In 2022, we completed three transactions, namely the full acquisition of Enea Software Services Romania (currently AROBS Engineering), which was also the largest transaction in our company's history, with a final value of EUR 17.6 million, the Nordlogic Group, with presence in Romania and the USA, and Centrul de Soft GPS, an acquisition which strengthens our leading position in the fleet management market. These transactions offer us many opportunities, from expanding our team and diversifying our technical skills, to broadening our areas of expertise, our client portfolio and the geographical footprint that we cover with our services.

In December, we announced the full acquisition of the entities from in Republic of Moldova, Î.M. AROBS Software SRL and AROBS TrackGPS SRL (TrackGPS by AROBS Moldova). Both transactions were approved by the company's shareholders at the General Meeting of Shareholders held on December 22, 2022. In February this year, we completed the two transactions. The integration of the entities from the Republic of Moldova into the AROBS Group is a natural step in consolidating and developing our activities. We have welcomed our colleagues from the Republic of Moldova into the AROBS Group.

In addition, in February this year, we took a further step towards strengthening our aerospace industry expertise within the Group with the acquisition of SYDERAL Polska, a company from Poland that complements the new business line within the Group brought by our colleagues at AROBS Engineering – the development of embedded systems and software for the aerospace sector.



We continue to develop new specializations with high demand in the global software services market, both through acquisitions and organically, while continuing to diversify the knowledge internally within the AROBS teams to cover a wider range of projects.

As far as research and innovation are concerned, within AROBS we are constantly striving to improve our commitment to various projects in line with market demands and to expand our existing product portfolio. AROBS E-toll Solutions, for example, is a complementary fleet management service launched last September that enables transport companies to pay their tolls in Europe.

Another major project last year, this time aimed at our colleagues, was the implementation of the first phase of the Stock Option Plan (SOP) program at Group company level. Since the listing of AROBS, one of the company's strategic directions has been to focus on motivating and retaining employee through several measures, including a Stock Option Plan (SOP). This approach is a natural step in perfecting within AROBS a culture open to communication, innovation and entrepreneurship, with a community spirit encouraging professional and personal growth, creating space for involvement and partnership. The commitment of colleagues in the company's performance is an element that makes AROBS stand out on the market and can be a magnet for talented people with a high level of expertise in the field, who can contribute both to the growth of the software services business line for the global market and to the development of software products for the domestic market and beyond.

The first phase of the SOP program started in November 2021 with the grant of free stock options, for which the right to convert into shares was partially exercised in November 2022. The first tranche of shares was granted on the basis of criteria such as seniority of more than one year in the company and exceptional results in the current job. In addition, in September 2022, we launched SOP 2.0, where the free share option was offered to the key personnel at AROBS but also in other companies in the group: AROBS Engineering, UCMS, SASFleet Tracking, Berg Computers, etc. In 2023, we are preparing for SOP 3.0, which will be an organic stage in the partnership relationship between our colleagues and AROBS. The implementation of this stage will take into account the availability of funding and its impact on the business performance. In parallel, from June 2022, AROBS has continued to buy back shares to increase the company's shareholding.

Regarding our capital market activities, AROBS is currently the largest technology company listed on the Bucharest Stock Exchange, with a market capitalization approaching RON 1 billion. In 2022, with transactions worth RON 103 million, AROBS shares were the most traded financial instrument on the AeRO market. This means that the more than 4,000 AROBS shareholders traded an average of RON 0.4 million worth of shares per day. In addition to our achievements in the capital market, 2022 was an excellent year for us as regards the awards received. These include AROBS being designated "Best Managed Company 2022" by Deloitte Romania in November 2022 and being awarded "Supplier of the Year 2021 in Engineering Services Category" by Continental in July 2022. Recently, at the **BVB Awards** event organized by the **Bucharest Stock Exchange**, **AROBS Transilvania Software** was **awarded** in the category **"Most Traded Share on AeRO Market in 2022"**. **AROBS shares are in the top 20 most traded on BVB.**

In light of the foregoing, we are confident that this year we will continue to be equally active and involved in diversified projects, as well as in M&A transactions, in order to attract entrepreneurial IT companies that can add value to our Group. At the same time, we aim to strengthen our business in the North American and European markets by increasing the number of clients and strengthening partnerships with existing clients. Globally, the demand for software services and products is still on an upward trend, even if there is a pressure on fees and a prospect of stagnating demand. Companies and organizations still need to digitize their processes and AROBS is very well positioned in the market.

In the software product area specifically targeted at the Romanian market, such as fleet management, business optimization, digital payments, HR solutions, or the implementation of digitization projects in the public sector, the market is experiencing moderate growth due to the challenges and the economic and social context. In fleet management, we are continuing our campaign to acquire companies in Romania and Eastern Europe with a view to consolidating in this market and expanding into other markets with the TrackGPS solution, now at version 4.0.

We invite you to browse through the following pages of the Annual Financial Report, where you will find more details on AROBS Group performance in 2022. This report also includes the information required by law relating to the non-financial statements. If you have any questions regarding our business or capital market activity, please contact us at ir@arobs.com.

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ABOUT AROBS TRANSILVANIA SOFTWARE

BRIEF HISTORY

AROBS Transilvania Software S.A. is an IT company founded in 1998 and is today the technology company with the highest capitalization and liquidity on the Bucharest Stock Exchange. The company is focused on custom software with high expertise in software services: software engineering for automotive, aerospace, medical, maritime and more but also software development in IoT, hospitality and tourism, clinical trials, enterprise and FinTech solutions.

AROBS creates software solutions and products – for which AROBS owns the intellectual property – for fleet management and GPS tracking, business optimization (SFA, WMS, CRM, mobile contactless payments and others), human resources management and payroll, channel management for the hotel industry and much more.

Since its establishment, AROBS Transilvania Software has relied on excellent specialists and well-adjusted yet flexible processes to consistently deliver high quality custom software, products and software applications, that the company has retains ownership of.

The excellence of the services and the commitment of the company's specialists have helped to establish strong, long-term partnerships with over 10,000 companies in Romania and Central and Eastern Europe, and hundreds of international companies.

Since 2003, AROBS Transilvania Software has been developing its own solutions and products, the most important of which are:

- **TrackGPS** – solution for managing and monitoring car fleets;
- **Optimall** – sales force automation solution;
- **RateWizz** – channel manager for the hotel industry;
- **School textbook digitisation solution;**
- **MonePOS** – contactless and paperless payment solution.

AROBS has 25 years of experience in developing custom software solutions for customers in 14 countries in Europe, Asia, and America.

The company is headquartered in Cluj-Napoca and has regional operational offices in Bucharest, Iași, Târgu Mureș, Baia Mare, Suceava and Arad.

As of December 2021, new locations have been added to the AROBS map in Romania through the acquisition of Berg Computers with offices in Timișoara, Oradea and Lugoj.

Furthermore, as of June 2022, AROBS Group has strengthened its Software Services division by integrating around 160 employees through the takeover of Enea Services Romania from Enea Software Sweden. By taking over Enea (officially registered as AROBS Development & Engineering), AROBS has new offices in Bucharest, Craiova, Iași and Florida (USA).



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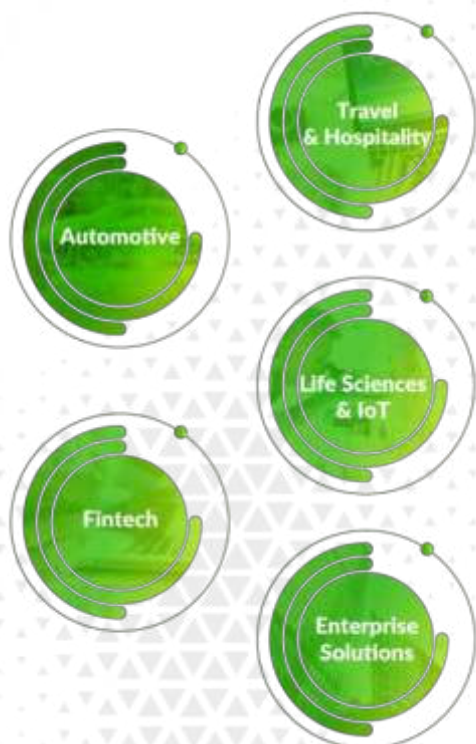
By taking over the Nordlogic Group in July 2022, AROBS has new locations in Cluj-Napoca, Oradea and Seattle, USA.

AROBS Group consists of AROBS Transilvania Software S.A. (the "Company" or "AROBS" or the "Parent Company" and its subsidiaries):

Company		Control Percentage (AROBS)
1	AROBS DEVELOPMENT & ENGINEERING SRL (former ENEA Services Romania)	100%
2	AROBS ETOLL SOLUTIONS SRL	100%
3	AROBS SOFTWARE SOLUTIONS GMBH	60%
4	AROBS SYSTEMS SRL	100%
5	ATS ENGINEERING LLC	100%
6	BERG COMPUTERS SRL	100%
7	CABRIO INVEST B.V.	90%
8	CENTRUL DE SOFT GPS SRL	100%
9	COSO BY AROBS B.V.	90%
10	COSO BY AROBS BVBA	90%
11	COSO TEAM UK LTD	90%
12	NORDLOGIC SOFTWARE SRL	100%
13	NORDLOGIC USA, Inc	100%
14	PT AROBS SOLUTIONS INDONESIA	70%
15	SAS FLEET TRACKING SRL (SAS GROUP)	100%
16	SILVER BULLET SRL	100%
17	SOFTMANAGER SRL	70%
18	UCMS GROUP ROMANIA SRL	97.67%

DESCRIPTION OF THE ISSUER'S ACTIVITY

SOFTWARE SERVICES AND PRODUCTS



Since its establishment, AROBS Transilvania Software has relied on excellent specialists and well-adjusted yet flexible processes to consistently deliver customized software and high-quality products and software applications.

The excellence of our services and the commitment of our specialists have helped us to build strong, long-term partnerships with over 10,000 partners in Romania and worldwide. We are proud to have now become an international software development company with European and Romanian roots.

Our passion for technology, combined with intense efforts to acquire new skills and aligning with market trends, has made AROBS one of the leading Romanian software development companies. The company's software services division is the largest within the Issuer and is structured around two pillars: Automotive and High-Level Industries. The High-Level Industries specialization consists of the Travel & Hospitality, IoT, Life Sciences, Enterprise Solutions and Fintech divisions.

- **Automotive** - the Issuer's Software and Engineering solutions are an integral part of its DNA and are based on extensive expertise in the field gained through long-term projects with leading global companies.
- **Travel Technology** - Combining niche know-how and technical skills has helped the company to build long-lasting and strong partnerships with customers. To date, end-to-end solutions have been created and delivered for companies in the US, France, Spain, Germany and the Netherlands.
- **Life Sciences** – The Issuer has built a solid expertise over the past years in working with large US companies in the pharmaceutical industry. During this time, medical software solutions have been developed that simplify the clinical trial process for new medicines launched in the niche market.
- **IoT** - The IoT systems that the Issuer develops define the **10+ years of expertise** in finding the perfect solutions for its customers.
- **Enterprise Solutions** - High competence in developing cloud-based applications, real-time or reactive applications, Big Data, and more. The portfolio is built around projects for clients in countries such as the US, UK, Germany, Finland, Norway and the Netherlands.
- **Fintech** - Built on knowledge and experience, in partnership with **leading banks and financial institutions**.

In the software services area, the Benelux subsidiary CoSo by AROBS specializes in Robotic Process Automation.

Separate from the software services division, the Issuer also offers its customers with fleet management solutions, IT solutions for business optimization, human resource management solutions and innovative projects – a dedicated research department.

A big plus for the Software services business line is the joining of BERG, which has a very consistent expertise in industries such as Manufacturing, Retail, Office automation, IT, Storage and Cloud.

Since 2003, the Issuer has been developing its own solutions and products, and has acquired companies that develop their own products, the most important of which are:

- **TrackGPS** – Solution for managing and monitoring car fleets

- *SasFleet* – GPS monitoring of car fleets
- *TrueHR and dpPayroll* – Human Resource Management and Payroll Solutions
- *Optimall* – Sales force automation solution;
- *RateWizz* – Channel manager for the hotel industry
- *School textbook digitization solution*
- *MonePOS* - Contactless and paperless solution for the mobility industries
- *SoftManager* – CRM+ solution

CERTIFICATIONS

Certification is the key to credibility of the company in the marketplace; this is especially true for companies providing services.

The Issuer's main certificates are:

- **Confidentiality and information security** – An Information Security Management System (ISMS) has been implemented. This system is created in accordance with some of the most stringent international standards, *ISO 27001 and TISAX*;
- **ISO 27001 Certification** - Is an international management standard (International Organization for Standardization) that provides requirements for an information security management system. This management standard therefore governs how information should be handled in a secure manner. This demonstrates that the Issuer operates in accordance with the most stringent international information standards;
- **TISAX** - Trusted Information Security Assessment Exchange - Is the most prestigious information security standard in the automotive industry. This certification is obtained via the international ENX ASSOCIATION platform. This platform hosts the online information interaction of automotive companies, from suppliers of products and services to international audits;
- **ORDA Certificate** - Certificate issued by the Romanian Copyright Office;
- **HU-GO Certificate** - National Toll Payment Services Plc. – Hungary;
- **ISO 9001: 2015** - Quality Management Systems;
- **ISO 45001: 2018** - Occupational Health and Safety Management Systems;
- **ISO 14001: 2015** - Environmental Management Systems;
- **ISO 9001:2015** - Provision of software and services in relation to application development, consulting, implementation and support activities;
- **ISO/IEC 27001:2013** - Supply of software and provision of services in relation to application development, implementation and support activities;





EXPERIENCE

Considering the time of establishment of the Issuer, as well as its cooperation with numerous customers and suppliers in various fields, corresponding to the business areas of AROBS, the experience of the Issuer is extensive, the most relevant aspects in this regard being:

- The Issuer has teams of IT professionals with a strong reputation in the market for over 25 years,
- Expertise across a wide range of business areas,
- Flexibility in adopting customer-specific standards and processes,
- Various customers from over 15 countries on 3 continents,
- Dedicated team, new challenge and technologies driven,
- Focus on customers, employees and collaborators,
- Expertise in software solutions including high-growth industries: Automotive, IoT, Fintech, Aerospace, Medical, Maritime, LifeSciences, Travel Technology, Enterprise Solutions, RPA, Transportation & Logistics, Retail, Manufacturing, Retail, Office automation, IT, Storage and Cloud, and more.
- Software solutions for companies and organizations well positioned in the Romanian market, as well as in Central and South-Eastern Europe, North America and Asia

COMPLETE PORTFOLIO OF SOLUTIONS

AROBS Software Services division has seen an increase of around 47% in revenue in 2022. The division focused on increasing its presence in the global service provider market, mainly by adding new customers in sectors such as automotive, travel technology, pharmaceuticals and others.

In response to market opportunities and new demand from existing customers, it has seen growth in the cybersecurity specialization and a consolidation in the Life Science industry, and the start of partnerships in new verticals and specializations: FinTech, CleanTech and Insurance.

Moreover, during this period, the Software Services division began an extensive process integration and transfer process for the newly acquired companies: Berg Computers, former Enea Software Services Romania (currently AROBS Engineering) and Nordlogic Group. In parallel, it has also made significant investments in attracting talent and in employee development programs to broaden the range of technological and business skills.

One of the most important milestones for the AROBS Software Services division was the award received from the Continental global concern - Best Engineering Services Supplier for 2021-2022, in a competition with 1,500 other companies. Through our partnership with Continental, AROBS specialists have been involved in the development of vehicles and mobility of the future for the past eight years, and this award has marked an important milestone in our collaboration.

In 2022, the Software Services business line remained the strongest in AROBS, with world-class customers and hundreds of specialists with high expertise in software and embedded engineering for the automotive, aerospace, medical, maritime industries, as well as software development for medical-clinical trials, travel technology, IoT, Fintech, and enterprise solutions.

For 2023, the company expects demand for software services to grow on existing expertise but also on new industries and specializations. Examples include the aerospace, medical and maritime sectors.

In addition, AROBS has a stronger exposure in the DACH market (Germany, Austria, Switzerland) through the acquisition of Berg Computers. The acquisition carried out in April 2022, Enea Services Romania from the Enea

Software AB company in Sweden (commercially referred to as AROBS Engineering), specializing in the medical, maritime and embedded industries, as well as through the acquisition in early 2023, the takeover of SYDERAL Polska, are in line with the strategic directions of AROBS: the development of new areas of expertise with high demand in the global software services market, accompanied by continuous in-house knowledge transfer to future generations of programmers and hardware specialists and horizontal integration (inorganic development) through acquisitions of existing players operating in the same industry, which can provide synergies and are easy to integrate, with solid EBITDA, as well as the expansion in Europe, North America and Asia.

The risks that the company is considering for the Software Services business line are related to the geopolitical situation in the region but also to the overheating of the recruitment market for software specialists in Romania.

In view of the fierce competition on the labor market, in Romania and in the region, one of the strategic directions adopted at Group level is to motivate and retain employees by increasing professional development opportunities, increasing the level of integration and communication between employees, and, very importantly, the co-interest of employees in the good running of the company through the financial mechanism of the "stock option plan".

The Issuer's Software Services division is the strongest, with steady growth every year and with the largest team of specialists in the AROBS Group. It is structured on two pillars: Automotive and High-Level Industries.

Automotive Industry is the main specialization, with hundreds of software developers in Romania, Moldova and Hungary. At the beginning of 2023, AROBS acquired Centrul de Soft GPS, a Romanian company specializing in providing fleet management solutions. The newly acquired business will strengthen AROBS' market-leading position in Romania with more than 1,000 active customers in addition to the more than 10,000 customers in AROBS portfolio. With this acquisition, the Company reaffirms the strategic importance of its Software Products business line, in particular fleet management.

AROBS automotive engineering expertise includes both software and hardware expertise. Moreover, the Issuer's



projects benefit from over ten years of experience in providing software services to leading companies in the industry, in Germany, France, Japan, Romania, China, and the USA.

The High-Level Industries specialization consists of the Travel & Hospitality, IoT, Life Sciences, Enterprise Solutions and Fintech divisions.

Automotive - Automotive industry expertise is based on the delivery of advanced automotive software and hardware services from leading brands. Engineers with automotive specialization and know-how develop key components and modules, such as: Body Control Modules, Gateway ECUs, Door Control ECUs, Power closures, Powertrain, Radars, Car Keys, Wireless chargers, Instrument Clusters, Head-Up Displays, Secondary Displays, Infotainment Systems and Telematic units.

The expertise includes elements of the internal combustion vehicle architecture as well as modules for electric vehicles or plug-in hybrid vehicles (PHEVs).

The Issuer abides by AUTOSAR (AUTomotive Open System Architecture) standards and is TISAX (Trusted Information Security Assessment Exchange) certified. TISAX is the most prestigious information security standard in the automotive industry. This certification is obtained via the international ENX ASSOCIATION platform. This platform facilitates the online interaction between companies, from suppliers of products and services to international audits.

AUTOSAR capabilities: Classic platform.

Customized AUTOSAR configuration tools, EB Tresos Studio. Vector DaVinci, AUTOSAR Builder

Projects: Body Controllers (BCM), Car Access ECUs, Gateways, Transmissions, Infotainment, Car Radar Sensors, Keys, Instrument Clusters.



Travel Technology - Combining niche knowledge and technical capabilities has helped the Issuer to build long-term partnerships with customers. To date, end-to-end solutions have been developed and delivered to companies in the USA, France, Spain, Germany and the Netherlands. The experience in the travel software and hospitality industry provides AROBS specialists with an overview of the market, adaptability in the delivery of solutions that are tailored to each customer.

Life Science & IoT – The Issuer has developed projects in areas such as clinical trials, IoT, home automation, smart agriculture and other.

In terms of Life Sciences specialization, the Issuer has built up a solid expertise in recent years through long-lasting collaborations with major American companies in the pharmaceutical industry. During this time, medical software solutions were developed to simplify the clinical trial process for new medicines launched on the market.

IoT systems created by AROBS are intuitive, user-friendly thanks to optimized interfaces and processes. However, although the team's expertise is predominantly in the development of systems and architectures for home automation and building monitoring, the Issuer provides efficient IoT solutions for several market segments.

Enterprise Solutions – This business group has expertise in cloud-based applications, real-time or reactive, Big Data, NoSQL or any other advanced software technology based on which can build custom solutions needed for companies and organizations to function properly.

The Issuer develops cloud applications for businesses with specific challenges, created by professionals with many years of experience and focused on ease of use.



Fintech – The Issuer has developed projects such as software audit, cloud solutions, SaaS and services of integration, security, artificial intelligence and machine learning.

Furthermore, in the banking area, the Issuer collaborates with one of the top players in the banking sector in Romania and one of the largest providers of financial services in Central and Eastern Europe, on specific modules, such as: day-to-day banking, insurance, notifications, QA automation, for various internal and user-oriented processes.

The Fintech experience is also reflected in the MonePOS solution - Contactless and Paperless Digital Payment Solution, launched in March 2021. MonePOS is already used by companies and institutions in Romania, mainly in mobility services. This product ensures the complete digitalization of payment transactions for businesses in industries such as passenger transport, taxis, food delivery, markets, retail, etc.



Within the Software services division, there are three particularly valuable cross-cutting areas of expertise: **Embedded Systems, Cybersecurity and Quality Assurance.**

The expertise in **embedded software and systems** is based on over 20 years of engineering excellence and expertise gained from global projects with partners in Europe and the US, specializing in Automotive, Domotics, Industrial IoT and Smart City.

In addition to providing state-of-the-art software development to business partners around the world, AROBS has built a strong team of cybersecurity experts who can assess, analyze data, advise and implement a security strategy to protect the organizations they work with.

The quality assurance services provided by AROBS are delivered by teams of professionals specializing in manual and automated testing. The AROBS QA team has extensive experience testing on a variety of devices and includes web, mobile and desktop application testing.

Very important is the expertise that Berg Computers brings to the table, which complements the service offering of AROBS Group's Software Services business line. **Berg Computers has experience on projects in industries such as** Manufacturing, Retail, Office automation, IT, Storage and Cloud for large-scale clients in Germany, Austria and Switzerland.



Berg Computers has seen a consolidation in the markets in which it operates in 2022, with a 13% increase in the number of customers and further integration at several levels within the Group. There has been a significant increase in demand for cyber security solutions, particularly anti-ransomware protection. There were also increases in demand for Low-Code platform applications, customized solutions for B2B collaboration and in the biomedical field. In 2023, BERG will continue its consolidation in the DACH market – Germany, Austria and Switzerland – with a focus on biomedical, retail automation and cybersecurity.

Intelligent Automation through RPA - Business automation is one of the key points of CoSo by AROBS, honed in over 27 years of experience in this field. CoSo by AROBS specializes in software development, with highly skilled in process automation, TMS and educational software. RPA is now the key element of CoSo, starting in 2019.

In 2022, CoSo Netherlands and Belgium doubled the number of customers, mainly active in industries such as



logistics and financial services. In the logistics industry, there is a growing interest in cost efficiency under the pressure from supply chain disruptions and, implicitly, a reduction in environmental impact. In the financial services segment, there is an interest in compliance to make processes more flexible, in particular in relation to ESG (Environment, Social, Governance). For ESG reporting, companies use the concept of ESG Dashboarding, which involves data collection and visualization. A major milestone was the announcement in November 2022 of a partnership with Soroco, the market leader in task mining, a revolutionary technology that provides a higher level of intelligent automation.



In 2022, AROBS Engineering recorded a positive evolution in the industries it focuses on - medical, aerospace and automotive, due to an increased demand for software development and validation services from existing customers and the start of new partnerships.

Since joining the AROBS Group, our colleagues have focused on increasing the number of complex, high value-added projects in the medical, aerospace and automotive sectors.

For 2023, the company aims to further strengthen its position in the markets where it excels – the US and the UK, by attracting new customers in its areas of expertise and participating in innovative projects with strategic partners and the European Space Agency.

In 2022, the Nordlogic Group achieved a significant increase in revenue by expanding cooperation and contract volume with existing customers (in the USA and the UK), and by starting new projects with customers in the and Sweden.

STANDING OUT FROM THE COMPETITION

At the level of the services provided by the Issuer:

- Highly proven global expertise in dynamic industries: Automotive, Travel Technology, IoT, Clinical trials, Enterprise Solutions and Fintech;
- Hundreds of software development specialists using the latest technologies, tools and languages;
- International Certifications;
- Experienced and senior management team;
- Lasting partnerships with major global companies in specialist industries;
- Strategic business positioning in Western Europe, North America, DACH and Asia, through existing or future subsidiaries;
- Presence in international and national rankings, both for expertise in various technologies and as one of the most sought-after employers;
- Internal culture based on open communication, commitment, innovation, intrapreneurship and flexibility;
- Increased ability to integrate generations of students and fresh graduates from universities (through internship programs).

RESEARCH AND OWN PRODUCTS



AROBS solutions for digitization and streamlining

Fleet Management Solutions

AROBS has been active in the fleet management market since April 2006, when the first contract was signed with the first customer. AROBS is the main provider of this type of complex services on the Romanian market through its Fleet Management business line, in particular the TrackGPS solution.

Through acquisitions and market consolidations, AROBS has become a major player in Central and Eastern Europe. More than 11,000 customers – companies and organizations, public institutions - in several European countries, but also in Asia (Indonesia) – use AROBS fleet management solutions every day.



TrackGPS - is the leading Fleet Management brand developed and owned by AROBS. TrackGPS is a comprehensive fleet management and monitoring solution that helps companies cut off their maintenance and operating costs, improve the efficiency of resource allocation and utilization, enhance driver professionalism and safety at the wheel, and improve service delivery.

TrackGPS has shown a positive evolution in terms of turnover and number of customers in 2022. 10% more customers use TrackGPS compared to 2021. The TrackGPS division has focused on improving the fleet management platform, increasing adoption and completing customer migration to the new platform. Investments continued in 4G and 5G-based solutions, including the addition of new video telematics solutions to monitor consumption, improve driver behavior and monitor electric vehicles.

The year 2022 brought the strengthening of the partnership with Orange Business Services, a key partnership for the promotion of TrackGPS solutions, through the operator's portfolio of services and products on a SaaS model.

During this period, we noticed a customer appetite for data solutions and shared knowledge, as well as for solution as a service. Customers are also becoming increasingly interested in interfacing the fleet management solution with other systems, such as ERPs, Transport Exchanges and HR management solutions (provided by UCMS by AROBS), as well as in consumption monitoring solutions in the context of the energy crisis.



SASFleet Tracking – better known in the market as alarma.ro - is the second fleet management brand owned by AROBS. SASFleet offers complete monitoring solutions through a wide range of GPS systems – fleet monitoring or personal monitoring.

SAS Fleet Tracking recorded a positive evolution in 2022 compared to 2021, with a 20% increase in turnover. During this period there has been a consolidation in both the enterprise customer segment and SME segment. There was also an increased customer interest in cost-efficiency, routing and predictive maintenance modules, given the current economic climate. In addition, the Data Visualization module recorded an upward trend, being used to make management decisions more efficiently and quickly.

AROBS E-toll Solutions - The newly established company in 2022 offers a complementary solution to fleet management, whereby international transport companies – freight (capacity over 3.5 tons) and coaches - will be able to pay tolls in Europe through an integrated system.

Solutions for Human Resource Management and Payroll



TrueHR is a software solution created by the 26-year experienced UCMS by AROBS for human resources management that automates all industry-specific processes and facilitates the recruitment, administration and training of employees. Carefully designed with a wide range of functionalities, its aim is to help facilitate the management of tasks in Human Resources departments, many of which it automates. It currently consists of 19 modules.



Dp-Payroll is a professional payroll management solution that automates payroll-specific processes to eliminate human error. The Dp-Payroll solution simplifies financial processes through a payroll program and helps

to get a true view of the business with accurate and fast reports generated by the system. It ensures the efficient and comprehensive management of employee contract data and collects and processes timekeeping, leave, delegations, detentions, etc. with 19 different modules. The wide range of functionalities makes dp-Payroll a comprehensive solution of the payroll department that reduces costs and optimizes the company's financial-accounting processes.



In 2022, UCMS by AROBS continued its growth rate of 23% in turnover, mainly due to new partnerships but also to existing customers. The industries that include new customers are Retail, Manufacturing, Automotive and IT, strengthening UCMS's position in these market segments. In 2022, the most requested module was the True Electronic Signature which allows the electronic signing with qualified or advanced digital signatures of all the documents generated in the employer - employee relationship. Another module is True Delegations and Accounts, which digitally manages all operations related to management of travel approval forms and cost claims in

companies.

Solutions for Business Optimization



AROBS Optimall - A complete optimization suite through automation and management systems. From sales force automation, warehouse inventory management, TMS systems to business intelligence software, Optimall SFA incorporates all the optimization tools for a company.

The year 2022 marked an increase in the Optimall division's customer portfolio by approximately 10%. Among the solutions promoted, Optimall SFA has the highest traction in the Romanian market. Consolidation in the distribution industry can be observed in several sub-sectors. The requests from Optimall customers focused on digitization and improvement of their

companies' internal processes through various automations. As a result, the SFA application has been customized several times according to customer wishes and needs. As in the case of SFA, the company recorded an increase in customer requests for the Logistic application, both for the implementation of new projects and for various customizations of the application.



MonePOS - In addition to the obvious protection and hygiene benefits for operators and customers, MonePOS supports the complete digitalization of operations for companies in a wide range of industries: passenger transport, taxi, FMCG, deliveries, virtually any type of business where operations can be enhanced by contactless and paperless payments.

The MonePOS division continued to strengthen its position on the taxi services market across the country, running several campaigns targeting small entrepreneurs to digitize payments in the mobility and service industries. MonePOS has interfaced its own contactless and paperless

digital payment solution with various systems for HORECA, bakery, retail, etc.



SoftManager CRM+ - Is a platform comprising a set of strategies, tools and procedures designed to improve relationships and interactions with actual or potential clients of an organization. The functionalities developed facilitate the processes of production, service, financial, marketing, project management, analysis.

In 2022, Softmanager saw an increase of approximately 8% in the number of customers. New modules and functionalities such as Warehouse management and integrations with EFactura, WinMentor and Saga have been implemented. During the year, the company developed a new

product, SoftManager Sport.

Innovative projects – A dedicated research department

In addition to its success with projects management in the private sector, the Innovative Projects division has extensive experience in delivering reliable solutions to the Romanian public sector at both municipal and national level. In addition, the Issuer's innovative projects support the education sector and the concept of the "smart city" by digitizing the existing processes and services.



School textbook digitization solution - AROBS takes the learning process into the Digital Age: Since 2014, at the initiative of the Ministry of Education, digital textbooks have become compulsory, initially for the first and second grades. The Issuer, in partnership with Aramis Publishing House, has produced and contributed to the digitization of nearly 3 million electronic textbooks for 1st to 8th grades to date.

The tablets come with pre-installed interactive apps that will help children consolidate or summarize the knowledge they have learnt at school. In addition, they will also help parents keep track of their children's progress. With the costs of printing

physical textbooks eliminated, these electronic textbooks and tablets provided by AROBS will result in significant savings.

In 2022, AROBS delivered a total of more than 280,000 digital textbooks, with the total number corresponding to reprint orders from the Ministry of Education. AROBS participated in the tenders organized and increased the number of textbooks in its portfolio. The AROBS solution for textbook digitization involves continuous development of educational software products and contributes to the performance of the Romanian education system.



RateWizz Channel Manager is a white label solution that can be integrated with any property management software, such as hotel PMS; it allows hoteliers to manage all channels dedicated to booking management, providing the interface between booking software and ADS solutions: Booking, Expedia, Sabre/ SynXis, Travelport. More than **200 hotels already use RateWizz in the Nordic countries.**

Thanks to the stability of its existing partnerships, the business model used and the adaptability to the needs of the market affected by the pandemic context, Ratewizz's customer portfolio is stable, and the profitability of the project shows a positive trend.

In 2022, the acute need to digitize sales in the hotel sector and the taking forward of the partnerships in the pipeline have led to an increase in the demand for this solution. New booking channels will be added to the RateWizz portfolio during 2023 in terms of functionality.

Although global overheads are still rising, 2023 looks promising for hotel technology. Travelers' preference to rent rooms in accommodation establishments on a short-term basis is driving hoteliers to look to IT systems to help them manage new bookings as efficiently as possible.

STANDING OUT FROM THE COMPETITION

The Issuer's business model and the integrated way in which the Group's companies operate and the synergies created between them make it unique in providing a complete package of digitalization and business efficiency solutions. In this respect, the elements that differentiate the Issuer from its competitors are:

At the level of the services provided by the Issuer:

- Experience in developing proprietary software solutions since 2003;
- Research and development teams;
- Dedicated teams with extensive experience in product development: Dozens of specialists in web, mobile application development, and complete solutions for dynamic industries;
- Experienced management team;
- Sustainable partnership with thousands of companies across Central and South-Eastern Europe and Asia;
- Presence in the European rankings as a representative company in European fleet management;
- Continuous innovation of solutions, agility and adaptability, after analyzing the needs observed in the market;
- Frequent launch of new software solutions, testing on the Romanian market before expansion in Central and South-Eastern Europe;
- Organic growth but also through strategic acquisitions, to strengthen business lines and complete the portfolio of solutions.

Social responsibility

AROBS will be and has always been involved in environmental and quality of life actions in its communities. Our environmental initiatives range from paperless culture, greening and planting initiatives, attention to resource use and recycling, as detailed in this report.

AROBS software products – such as TrackGPS and SASFleet – in the fleet management area and Optimall Logistic – in the distribution and production companies optimization area - support companies in fuel efficiency, carbon footprint reduction, route optimization, etc., and MonePOS is our contactless and paperless solution for digital payments.

AROBS plans to produce a sustainability report in 2023, which will bring together the company's initiatives in the field of sustainable development. The report will be produced in accordance with international standards in the field and aims to provide a comprehensive picture of our work on sustainability, CSR and governance.

Environmental initiatives in 2022

- 3+ AROBS planting actions near Cluj-Napoca, over 5,000 trees, in 2022
- The existence of internal paper and energy saving policies
- Minimal use of printed materials
- Purchase of promotional items such as stone paper notebooks every year, pens and bottles made from recycled materials
- Handing out green apples as promotional material at events instead of non-recyclable items usually displayed by other companies.
- Organizing workshops to teach how to use recyclable materials
- Fight for Your Green Cause 2022, internal competition for green cause ambassadors

AROBS launched the Fight For Your Cause program in 2019. It aimed to involve employees in social and community responsibility activities. The company provided 3 awards that could only be given to NGOs, while employees identified them and became their ambassadors. This contributed to the long-term commitment without any artificial incentive. Therefore, the company set the right context but the decisions were made by the employees – from the bottom up.

FFYC returned in 2021 with the Green Edition, after which three NGOs involved in environmental and nature conservation projects won funding for exciting projects to be implemented in 2022. In 2022, FFYGC had its second edition and three more environmental projects received funding. The three projects will be implemented in 2023.

Education for the next generation

We support many initiatives to help future generations, such as:

- Innovation Labs – we are a national partner of the largest start-up competition
- FIX Cluj-Napoca – we support the local youth entrepreneurship program
- We support Hard&Soft Suceava - the student competition for future engineers

Electrosofting Baia Mare - a competition for future IT professionals

- We support advanced courses and programs for students
- The main sponsor of the Project Management in IT program at Babeş Bolyai University
- Platinum Sponsor of the IoT Lab at Babeş Bolyai University
- Hackathon competitions in Cluj, Mureş, Arad, etc.
- Technical articles competition, 2022 – Writers of AROBS

Quality of Life Initiatives

- AROBS XMAN Romania: triathlon sports competition
- Support for our colleagues who have excelled in sports
- Sponsorship for hospitals and clinics in Romania

With regard to **health and safety of the employees**, the Group has responsible staff in charge of training the personnel as well as updating the policies regarding OHSAS. The ultimate goal of the occupational health and safety activity is:

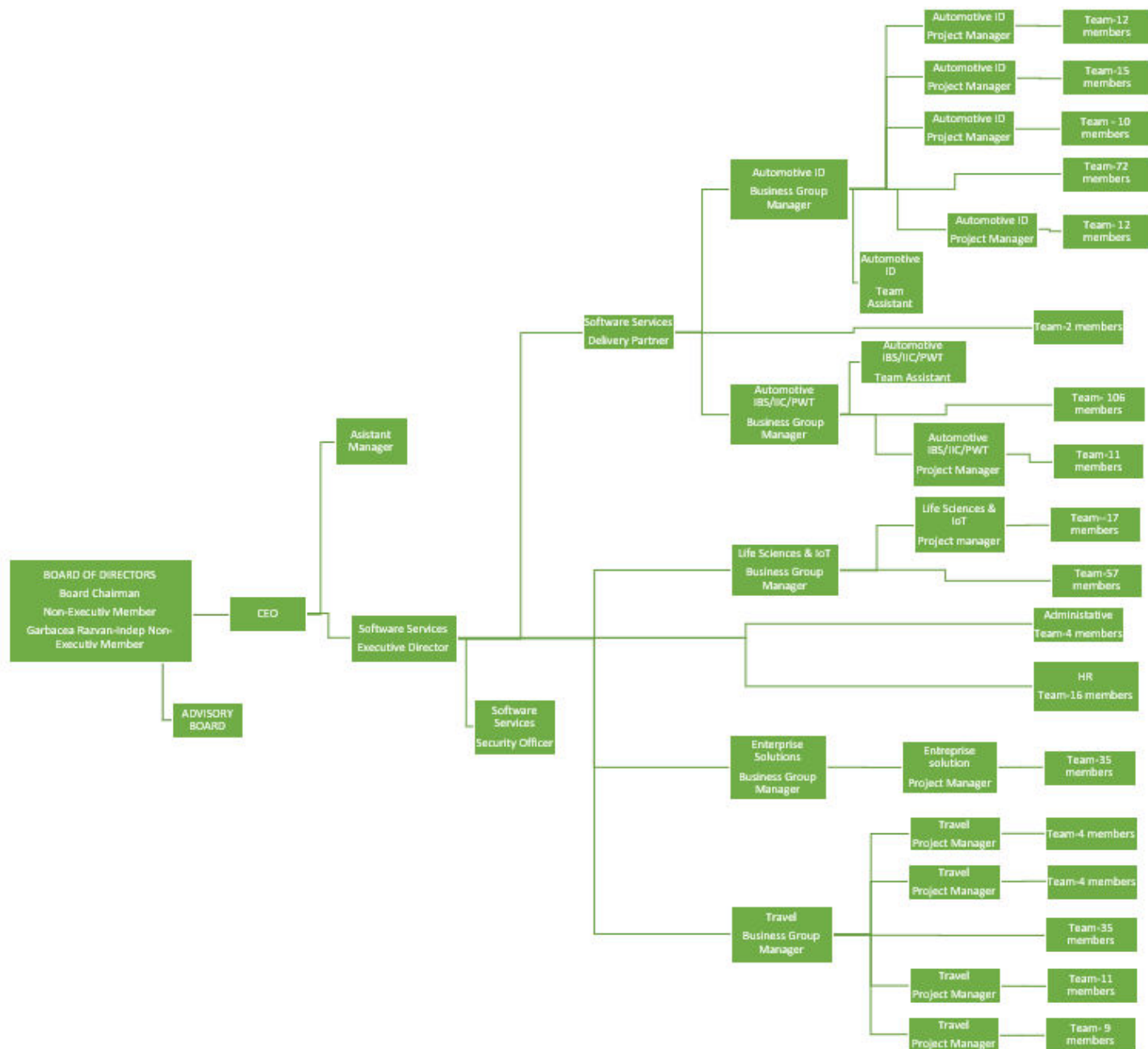
- To protect the lives, integrity and health of workers against the risks of injury and occupational disease that may occur at the workplace;
- To create working conditions that provide them with stable physical, mental and social well-being.

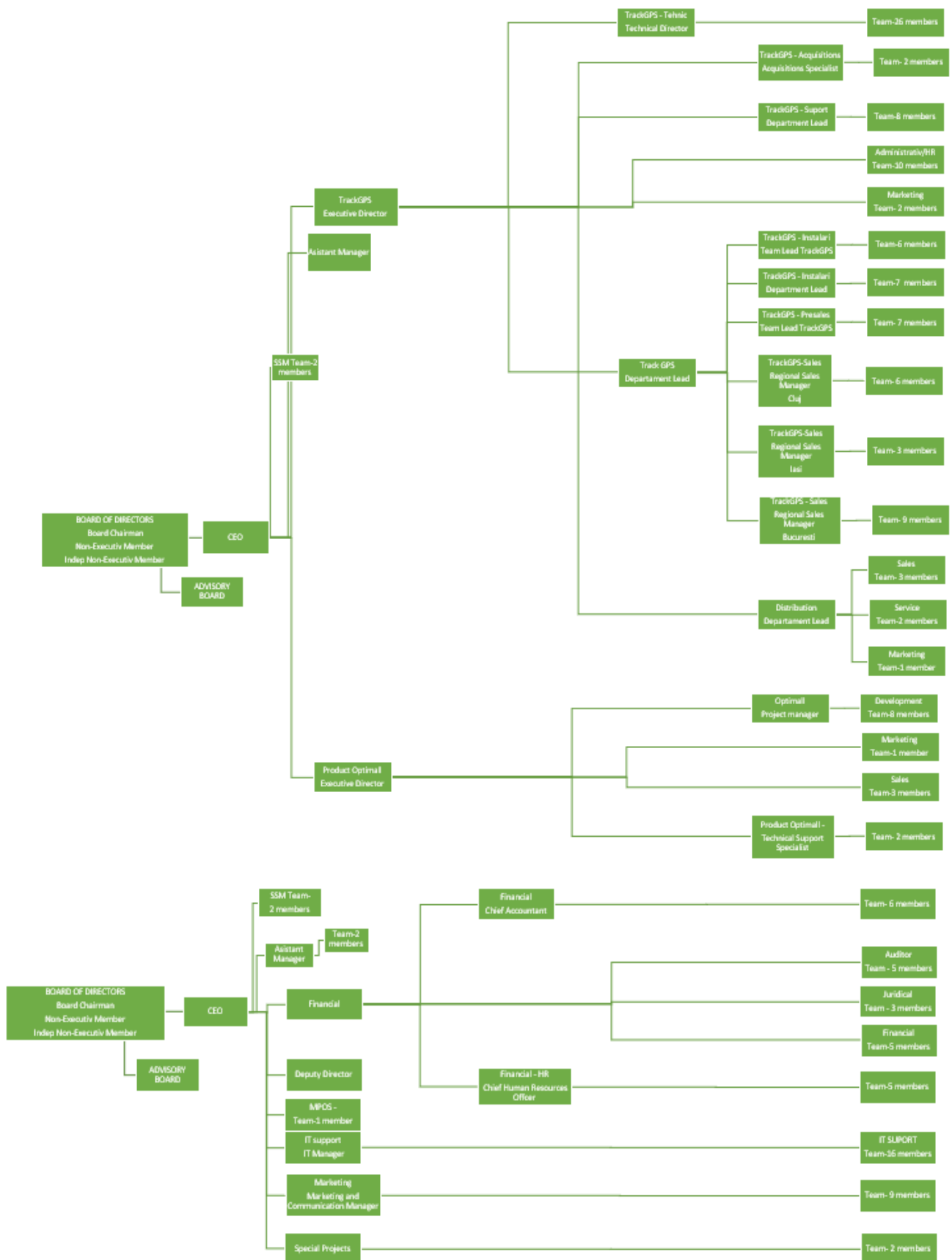
AROBS Transilvania Software S.A. has **an impact on the environment** through its telematics and distribution services. Therefore, for the packaging placed on the Romanian market, especially through the distribution activities, the company must comply with the updated Law 249/2015, regarding the recovery and recycling of packaging. Pursuant to Article 16 paragraph 2 of the Law, the company has signed a contract with the company Ecologic 3R Ambalaje S.A. which has the onus for the recovery and recycling of packaging placed on the Romanian market by ATS. At the same time, the company also complies with the Government Decision No. 1132/2008 on the management of batteries and accumulators and waste batteries and accumulators and subsequent legislation and has signed a contract with the company CCR Reverse Logistics Group, to take over responsibility for the collection of this waste. The company submits monthly statements to the National Environmental Protection Agency and has staff responsible for monitoring and assessing the company's impact on the environment.

EMPLOYEES

As at December 31, 2022, the structure of the Issuer's workforce is shown in the table below. Of the total number of employees, 1,009 as of December 31, 2022, 35% are aged between 25 and 29, and 82% of the total have higher education and 18% have secondary education. Compared to 2021, the number of employees has increased by 329, from 680 to 1,009.

The organization chart of the Issuer is shown below:





DIRECTORS

In 2022, the Board of Directors of the Issuer was evaluated by its Chairman, the conclusions of the evaluation being that the members have fulfilled their duties in accordance with the provisions of the Articles of Incorporation and the applicable legal provisions. In addition, 20 Board meetings were held during the past year.

The Board of Directors of the Issuer consists of:



Voicu Oprean – Chairman of the Board of Directors and CEO

He founded AROBS in 1998, and today, with offices in Romania and around the world, the AROBS team builds the solutions of the future for customers on three continents. Voicu Oprean mentors and coaches many startups and generations of entrepreneurs.

Voicu Oprean is a graduate of the Technical University of Cluj-Napoca, with a Bachelor's Degree in Computer Automation and a Master's Degree in Business Administration from Babeş Bolyai University. He graduated an EMBA from Wu

Wien in 2008, as well as the London Executive Business School in 2018 and the OMP YPO at Harvard Business School in 2021.

Remuneration: In 2022, the amount of remuneration paid and benefits in kind paid by the Issuer to Voicu Oprean are:

- Gross monthly remuneration of RON 17,093
- Other benefits: 1,500,000 option rights

Additional information as required by legal regulations:

- Voicu Oprean is currently an active partner in companies/partnerships: I.M. AROBS SOFTWARE SRL, AROBS TRACKGPS SRL, AROBS PANONIA SOFTWARE KFT, AROBS TRANSILVANIA SOFTWARE S.A., AROBS SOFTWARE DOO, AROBS TRADING&DISTRIBUTION GMBH, B.A.R. AROBS INTERNATIONAL SRL, CABRIO INVEST B.V., NEWCAR4FUTURE SRL., AROBS BUSINESS CENTER S.R.L., AXISPOINT SOLUTIONS S.R.L., AROBS BUSINESS CENTER PLUS S.R.L., AROBS BUSINESS SERVICES S.R.L., AROBS TRADING & DISTRIBUTION SRL, MED CONTROL SOLUTIONS S.R.L., TINN TECH AS, UCMS GROUP ROMANIA S.R.L., VISION PLUS MOBILE S.R.L., ONLINE DISTRIBUTION SERVICES S.R.L., OOMBLA TRAVEL MANAGEMENT S.R.L., CLEVERAGE VENTURE CAPITAL S.R.L., TRANSILVANIA SOFTWARE RECRUITMENT S.R.L., CABRIO INVESTMENT S.R.L.
- In the last 5 years, Voicu Oprean has not been disqualified by a court law from serving as a member of the Board of Directors or Supervisory Board of any company.
- In the last 5 years, there have been no cases of insolvency, liquidation, bankruptcy or special administration of companies in which Voicu Oprean was a member of the Board of Directors or Supervisory Board.



Mihaela Cleja – Non-executive member of the Board of Directors

She joined the Issuer's team in 2008 as Chief Financial Officer (CFO). Since 2021, she is a non-executive member of the Board of Directors. Prior to this position, she held successive positions as Economist and Economic Director in several companies, with more than 28 years of professional experience.

She graduated from the Faculty of Economic Sciences at Babeş Bolyai University in 1993, and in 2008 she obtained a Master's Degree in Management in Administration of Credit Institutions and Commercial Companies. Since 2000, she has been accredited chartered accountant by C.E.C.C.A.R [Romanian Association of Chartered and Certified Public

Accountants], and in 2006 she obtained the certification of Manager in Human Resources, Finance and Marketing at the Polytechnic University of Timișoara.

Remuneration: In 2022, the amount of remuneration paid and benefits in kind paid by the Issuer to Mihaela Cleja are:

- Gross monthly remuneration of RON 36,752
- Other benefits: 438,572 option rights

Additional information as required by legal regulations:

- Mihaela Cleja is currently an active partner in the company NEWCAR4FUTURE SRL.
- In the last 5 years, Mihaela Cleja has not been disqualified by a court law from serving as a member of the Board of Directors or Supervisory Board of any company.
- In the last 5 years, there have been no cases of insolvency, liquidation, bankruptcy or special administration of companies in which Mihaela Cleja was a member of the Board of Directors or Supervisory Board.



Răzvan-Dimitrie Gârbacea – Non-executive member of the Board of Directors

He was co-opted as an independent member of the Board of Directors, out of the Issuer's desire to align with the best corporate governance practices. Mr Răzvan Gârbacea has more than 20 years of experience in the banking sector, having held management positions in BCR (Regional Corporate Director), BRD (Regional Corporate Director) and currently holds the position of Corporate Executive Director within EXIMBANK Romania.

Remuneration: In 2022, the amount of remuneration paid and benefits in kind granted by the Issuer to Răzvan-Dimitrie Gârbacea are:

- Gross monthly remuneration of RON 12,820
- Other benefits: 65,380 option rights

Additional information as required by legal regulations:

- Răzvan-Dimitrie Gârbacea is not currently an active partner in any company.
- In the last 5 years, Răzvan-Dimitrie Gârbacea has not been disqualified by a court law from serving as a member of the Board of Directors or Supervisory Board of any company.
- In the last 5 years, there have been no cases of insolvency, liquidation, bankruptcy or special administration of companies in which Răzvan-Dimitrie Gârbacea was a member of the Board of Directors or Supervisory Board.

All members of the Board of Directors are covered by professional liability insurance.

AROBS SHARES ON THE BUCHAREST STOCK EXCHANGE

AROBS shares were admitted to trading on the SMT-AeRO segment of the Bucharest Stock Exchange on December 6, 2021.

The Issuer had previously completed a private placement whereby it offered for sale a total of 54.7 million shares, and by the end of the first day of offering, the investors had placed subscription orders for 154.5 million shares, resulting in an oversubscription of 2.82 times. The offer price was RON 1.357 per share, meaning that the total subscriptions amounted to RON 209.7 million.

During 2022, investors traded 70.4 million AROBS shares in more than 24,000 transactions totaling RON 103.5 million.

As of December 31, 2022, the shareholding structure of the company was as follows:

Shareholder	Number of Shares	Percentage
Voicu Oprean	576,778,772	63.2853%
Other shareholders	334,616,216	36.7147%
TOTAL	911,394,988	100%

2022 KEY EVENTS

CONTRACT WITH BRK FINANCIAL GROUP FOR MARKET-MAKING SERVICES

On **January 14, 2022**, the company informed the market about the signing of a contract with BRK Financial Group ("BRK") for the provision of market-making services starting from January 18, 2022. For market-making services, the minimum cumulative volume corresponding to the firm bid-ask quotes provided by BRK is the equivalent of EUR 60,000, with a maximum bid-ask spread of 3%. BRK provides market-making services for at least 95% of a trading session.

ACQUISITION OF BERG COMPUTERS S.R.L.

On **February 28, 2022**, the company informed the market about the signing of the contract for the acquisition by the Issuer of 100% of the share capital of Berg Computers S.R.L., the price at which the transaction was completed exceeding 10% of the Issuer's assets at the date of conclusion of the contract, i.e. December 16, 2021.

SHARE CAPITAL INCREASE WITH BONUS SHARES

On **April 5, 2022**, the Issuer informed the market about the receipt from the Financial Supervisory Authority of the Certificate of Registration of Financial Instruments for the operation of increasing the share capital with 455,697,494 new shares that were issued according to the Resolution of the Extraordinary General Meeting of Shareholders dated March 7, 2022. Following the increase, the share capital of Arobs Transilvania Software S.A. is RON 91,139,498.80, divided into 911,394,988 registered shares, with a face value of RON 0.1 per share. The new shares were debited to the shareholders' accounts on **April 29, 2022**.

ACQUISITION OF ENEA SERVICES ROMANIA S.R.L.

On **April 7, 2022**, the Issuer informed the market about the signing of the contract for the acquisition of the entire shareholding of Enea Services Romania S.R.L., with offices in Romania and the United States. The acquisition represents the software development services team of the Enea AB Group of companies. The purchase price of EUR 17.9 million, to be adjusted according to the net debt and working capital of the acquired business, will be paid upon completion of the transaction. The completion of the transaction is subject to the satisfaction of customary conditions precedent.

Enea Services Romania S.R.L. offers a mix of full-service competence in IT outsourcing and custom software development, as well as research and development capabilities, for embedded technologies and enterprise applications in a variety of fields such as medical, maritime and embedded devices.

With a total turnover of approx. EUR 12 million in 2021, Enea Services Romania S.R.L. has built up an exceptional management team over the years, with around 160 software engineers working at the headquarters in Bucharest and the two additional offices in Iași and Craiova, as well as a team of around 10 specialists based in the United States, which are coordinated from the headquarters in Bucharest. With this transaction, AROBS strengthens its presence in Romania and the United States and expands its customer base in Western Europe and the United States. Following this acquisition, AROBS takes additional steps in pursuing its growth strategy while opening up additional business opportunities in several attractive new industries.

The transaction was completed on June 8, 2022.

2022 REVENUE AND EXPENDITURE BUDGET ESTIMATE

On **May 2, 2022**, the Issuer informed the market of the availability of the Revenue and Expenditure Budget at separate level for the 2022 financial year. The budget was prepared by the Company's management and was approved by the Ordinary General Meeting of Shareholders held on May 31, 2022.

ORDINARY GENERAL MEETING OF SHAREHOLDERS AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS DATED MAY 31, 2022

On **May 31, 2022**, the Ordinary General Meeting of Shareholders (OGMS) and the Extraordinary General Meeting of Shareholders (EGMS) were held. For both meetings, the legal and statutory quorum was constituted at the first convening.

The key items approved at the Ordinary General Meeting of Shareholders included: the annual financial statements prepared for the financial year ended December 31, 2021, the revenue and expenditure budget for the

financial year 2022 and the allocation of the company's net profit in the amount of RON 43,199,268.45, for the financial year ended December 31, 2021, determined in accordance with the applicable laws, as follows: the amount of RON 40,477,475.02 undistributed net profit (retained earnings), the amount of RON 2,459,391.47 was allocated to the legal reserve and the amount of RON 262,401.96 was allocated to other reserves.

The key item that was approved at the Extraordinary General Meeting of Shareholders was related to the acquisition by the company of the shares representing the entire share capital of Enea Software Development Services Romania.

CREDIT FACILITY INCREASE

On **June 6, 2022**, the company informed the market about the signing of a credit facility increase in the amount of EUR 13 million. Of the total amount of the loan, EUR 12.5 million represents the co-financing of the acquisition of 100% of the share capital of Enea Services Romania S.R.L, and EUR 0.5 million is the amount used for treasury transactions (for protection against exchange rate fluctuations and other hedging operations) related to the term loan. The maturity date of the loan is May 31, 2027.

START OF SHARE BUY-BACK PROGRAM

On **June 22, 2022**, the company informed the market about the start of its share buy-back program, which will take place between June 23, 2022 and December 20, 2023. In accordance with the Extraordinary General Meeting of Shareholders Resolution No. 4 of May 31, 2022, published in the Official Gazette Part IV No. 2574/June 20, 2022, the program refers to the purchase by the company of a maximum number of 10,936,740 shares, at a minimum price of RON 0.1 per share and a maximum price equal to the lower of (i) RON 3 per share and (ii) the higher of the price of the last independent transaction and the highest price at that time of the independent purchase tender at the trading venue where the purchase is made, pursuant to Article 3 paragraph (2) Delegated Regulation No. 1052/2016 supplementing Regulation (EU) No 596/2014. The company may buy back shares in a daily volume of up to 25% of the average daily volume of shares that are traded on the market on which the acquisition takes place, calculated in accordance with the applicable legislation, pursuant to Article 3 paragraph (3) of the Delegated Regulation No. 1052/2016.

The buy-back program effectively started on July 11, 2022.

ACQUISITION OF NORDLOGIC SOFTWARE

On **July 28, 2022**, AROBS announced the market for the full acquisition of Nordlogic, a local group of companies specializing in the development of custom software products and platforms with offices in Cluj-Napoca, Oradea and Seattle, USA. Upon completion of the transaction, AROBS expanded its team in the Software Development division by integrating more than 60 programmers, testers and software development consultants.

ORDINARY GENERAL MEETING OF SHAREHOLDERS AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS DATED AUGUST 1, 2022

On **August 1, 2022**, the Ordinary General Meeting of Shareholders (OGMS) and the Extraordinary General Meeting of Shareholders (EGMS) were held. For both meetings, the legal and statutory quorum was constituted at the first convening.

The key item of the Ordinary General Meeting of Shareholders was the approval of the company's consolidated Annual Financial Statements as at and for the financial year ended December 31, 2021.

The key items approved under the Extraordinary General Meeting of Shareholders included:

Approval of the distribution through the stock option plan program of the repurchased and undistributed shares until the date of the Extraordinary General Meeting of Shareholders of August 1, 2022, according to the Resolution of the General Meeting of Shareholders No. 6 dated September 24, 2021 and the Resolution of the General Meeting of Shareholders No. 4 dated March 7, 2022, in a maximum number of 6,379,765 shares, to be offered in order to remunerate and retain the employees and members of the company's management bodies, as well as the persons holding such positions in affiliated companies, as follows:

- within the maximum limit of 0.6% of the share capital at of the time of the Extraordinary General Meeting of Shareholders Resolution of August 1, 2022, for the employees and members of the management bodies of Enea Services Romania S.R.L and
- up to a maximum limit of 0.1% of the share capital at of the time of the Extraordinary General Meeting of Shareholders Resolution of August 1, 2022, for the employees and members of the management bodies of Berg Computers SRL.

Approval of the distribution through the stock option plan program of the repurchased and undistributed shares until the date of the Extraordinary General Meeting of Shareholders of August 1, 2022, according to the Resolution of the General Meeting of Shareholders No. 6 dated September 24, 2021 and the Resolution of the General Meeting of Shareholders No. 4 dated March 7, 2022, in a maximum number of 9,843,065 shares, to be offered in order to remunerate and retain the employees and members of the company's management bodies, as well as the persons holding such positions in affiliated companies, as follows:

- within the maximum limit of 0.13% of the share capital at of the time of the Extraordinary General Meeting of Shareholders Resolution of August 1, 2022, for the employees and members of the management bodies of UCMS Group România S.R.L and
- up to a maximum limit of 0.05% of the share capital at of the time of the Extraordinary General Meeting of Shareholders Resolution of August 1, 2022, for the employees and members of the management bodies of SAS Fleet Tracking SRL.
- within the maximum limit of 0.9% of the share capital as of the time of the Resolution of the Extraordinary General Meeting of Shareholders of August 1, 2022, for the employees and members of the management bodies of the companies to be acquired by Arobs Transilvania Software SA until April 28, 2023.

Launch of AROBS Engineering

On **August 3, 2022**, the company launched AROBS Engineering (officially incorporated as AROBS Development & Engineering), following the completion of the acquisition of the business line and the Software Development Services team from Enea AB in Sweden, in early June. AROBS Engineering consists of approx. 160 embedded technology specialists located in Bucharest, Iași and Craiova, as well as in Florida, USA.

Launch of AROBS E-toll solutions

On **September 6, 2022**, the company informed the market about the launch of AROBS E-toll Solutions (newly established company), a complementary fleet management solution, whereby international transport companies – freight (capacity over 3.5 tons) and coaches - will be able to pay tolls in Europe through an integrated system.

FINAL ACQUISITION PRICE OF AROBS DEVELOPMENT & ENGINEERING S.R.L.

On **October 3, 2022**, the company informed the market about the final price of the acquisition contract of AROBS Development & Engineering S.R.L (former Enea Services Romania), the final price of the transaction being set at EUR 17,633,059.

ACQUISITION OF CENTRUL DE SOFT GPS

At the end of December 2022, AROBS Transilvania Software acquired Centrul de Soft GPS, known on the market under the brand name CDS, a Romanian company specializing in providing fleet management solutions. CDS had approximately 1,000 customers in its portfolio now added to AROBS Group's existing portfolio. With this acquisition, AROBS Transilvania Software has consolidated its leading position in the fleet management market.

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS DATED DECEMBER 22, 2022

On **December 22, 2022**, the Extraordinary General Meeting of Shareholders of the company was held. The key items approved at the meeting included the acquisition by the company of the parts representing the entire share capital or the majority stake of the companies Î.M. AROBS SOFTWARE SRL and AROBS TRACKGPS SRL. The transactions were completed in February 2023.

ANALYSIS OF CONSOLIDATED AND SEPARATE FINANCIAL RESULTS

Berg Computers SRL was acquired at the end of December 2021. The consolidated financial statements as at December 31, 2021 include the financial position (assets and liabilities) of Berg, and the goodwill resulting from the acquisition. The financial performance (income and expenses) of this subsidiary is reflected within the Group as of January 2022.

AROBS acquired AROBS Development & Engineering (ENEA Services Romania) at the end of June 2022. The financial performance (income and expenses) of this subsidiary is reflected within the Group as of July 2022.

AROBS acquired Nordlogic Group at the end of July 2022. The financial performance (income and expenses) of the companies within the Group is reflected as of August 2022.

At the end of December 2022, AROBS acquired Centrul de Soft GPS, known on the market under the brand name CDD. The consolidated financial statements as at December 31, 2022 include the financial position (assets and liabilities) of Centrul de Soft GPS, and the goodwill resulting from the acquisition. The financial performance (income and expenses) of this subsidiary will be reflected within the Group as of January 2023.

CONSOLIDATED AND SEPARATE P&L ANALYSIS

Profit and Loss Account Indicators

Profit and Loss Account Indicators (RON)	December 31, 2021 AROBS Group*	December 31, 2022 AROBS Group*	Change %	December 31, 2021 AROBS Seaparate*	December 31, 2022 AROBS Seaparate*	Change %	Share of parent company in the AROBS Group 2022*
Turnover	190,066,243	301,082,813	58%	169,336,118	228,531,259	35%	76%
Operating income	193,842,193	307,395,215	59%	172,053,933	232,414,465	35%	76%
Operating profit	49,071,858	51,141,177	4%	45,820,643	46,942,779	2%	92%
EBITDA	54,509,761	66,177,164	21%	47,741,672	52,358,888	10%	79%
EBITDA Margin	28%	22%	-6%	28%	23%	-5%	
Normalized EBITDA**	54,738,883	72,216,095	24%	47,954,776	56,869,707	19%	79%
Normalized EBITDA margin	28%	23%	-5%	28%	24%	-4%	
Financial profit	3,358,158	439,288	-87%	3,367,186	1,127,658	-67%	257%
Gross profit	52,430,016	51,580,465	-2%	49,187,829	48,070,437	-2%	93%
Net profit	45,732,919	43,209,995	-6%	43,199,268	41,898,453	-3%	97%
Normalized net profit***	45,962,041	49,248,926	7%	43,412,372	46,409,273	7%	94%
Net profit margin	24%	14%	-10%	26%	18%	-7%	

* Audited

** Normalized EBITDA = EBITDA without the impact of SOP

*** Normalized net profit = Net profit without impact of SOP

The consolidated results include, in part, the results of the new companies acquired by AROBS, and the results of the subsidiaries established during the financial year ended December 31, 2022.

In 2022, the AROBS Group recorded at consolidated level a net turnover of RON 301 million, up by 58% compared to 2021. This growth was driven by new customer contracts in the area of software services and the expansion of existing teams.

The increase in the number of customers in the software products area, by incorporating functionalities requested by the market, was a second important source contributing to the increase in turnover.

Globally, the demand for software services and products is still on the rise as companies and organizations continue to need to digitize their processes. The software development industry requires constant access to excellent resources, in increasing numbers, in order to perform in a competitive market. In the software product area, such as fleet management, business optimization, digital payments, HR solutions, implementation of digitization projects in the public sector, the market is also growing due to the challenges and the economic and social context of recent years.

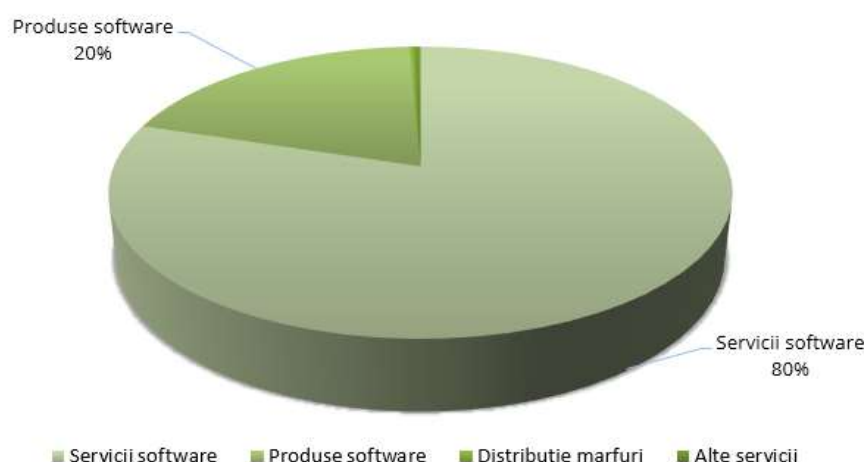
The expansion of cooperation with existing customers and the increase in the hourly rates for services and the increase in the product prices also contributed positively to the increase in turnover. At the same time, the contribution of the newly acquired companies during the year was a significant factor in the increase in turnover. AROBS Development & Engineering contributed RON 13.4 million to the turnover, ATS Engineering LLC contributed RON 14.5 million, Berg Computers contributed RON 16 million, and the Nordlogic Group contributed RON 7 million to the increase of the turnover.

At the beginning of 2022, the merchandise distribution business, in the Products segment of AROBS, was transferred to an entity outside the Group as it was not one of the strategic development directions of AROBS.

The contribution of the Group's business segments to the total turnover is shown below:

Business Lines	Turnover 2021 (RON)	Turnover 2022 (RON)	Change %
Software services	129,845,402	240,412,522	85%
Software products	51,762,636	58,688,339	13%
Distribution of goods	8,312,892	786,766	-91%
Other services	145,312	1,195,185	722%
Total	190,066,243	301,082,813	58%

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The Software Services segment grew by 85% at consolidated level in 2022 compared to the previous year.

Operating expenses grew faster compared to operating income, reaching RON 256 million, compared to RON 144.8 million recorded during 2021. The highest expenses were related to personnel costs, with the aim of maintaining market competitiveness, through salary increases and share options offered under ESOP programs implemented throughout the year. Another significant contribution to the increase in expenses were the costs of third party services and the amortization of goodwill arising from the acquisition of new businesses. This increase in expenses is in line with the expansion of the business, the surplus related to companies acquired and established during the year and the development of internal products.

According to the statutory legal regulations, the accounting treatment of goodwill provides for its systematic amortization over a period of between 5 and 10 years. The impact of the goodwill amortization in 2022 was RON 7.2 million.

As a result of the above, EBITDA in 2022 was RON 66.2 million, an increase of 21% compared to 2021. The operating result, for the financial year ended December 31, 2022, recorded a value of RON 51.1 million, an increase of 4% compared to the operating result of the previous year.

The financial profit remained positive at RON 440,000 due to the hedging operations against exchange rate fluctuations and the signing of bank loans at fixed interest rates.

The gross result recorded by the AROBS Group at the end of 2022 was RON 51.6 million, representing a slight decrease of 2% compared to the gross profit recorded in 2021.

AROBS Group generated a net profit of RON 43.2 million in 2022, a decrease of 6% compared to the net profit in 2021. The Group's normalized net profit for 2022 amounted to RON 49.2 million, an increase of 7% compared to the normalized net profit for 2021.

BUSINESS STRATEGY & SALES

The long-term strategy of the AROBS Group rests on four main pillars:

- Focused diversification based on research and innovation – by improving the existing product portfolio, adding new functionalities and modules, and testing products on the Romanian market before launching on regional markets and beyond.
- Development of new areas of expertise – by developing new specializations in high demand in the global software services market, while continuously transferring in-house knowledge to future generations of programmers and hardware specialists.
- Acquisitions through the integration of existing players operating in the same industry, which can enable synergies and are easy to integrate, and through expansion in Europe, North America and South East Asia.
- Employee stimulation and retention – by continually supporting professional and personal growth of peers and making them partners in the success of AROBS.

SIGNIFICANT CUSTOMERS

The following table shows the distribution of customers by business segment:

Business Segment	Top Customers 2021	% of turnover	Top Customers 2022	% of turnover
Automotive	Customer 1	29.06%	Customer 1	27.47%
	Customer 2	5.43%	Customer 2	6.14%
	Customer 3	3.93%	Customer 3	4.11%
	Customer 4	5.49%	Customer 4	2.01%
	Customer 5	1.83%	Customer 5	1.23%
Fleet management	Customer 1	0.47%	Customer 1	0.59%
	Customer 2	0.62%	Customer 2	0.53%
	Customer 3	0.51%	Customer 3	0.28%
Life sciences	Customer 1	9.59%	Customer 1	6.99%
	Customer 2	0%	Customer 2	1.98%
	Customer 3	2.06%	Customer 3	1.10%
	Customer 4	0.89%	Customer 4	0.44%
	Customer 5	0.80%	Customer 5	0.41%
Products & Enterprise	Customer 1	1.77%	Customer 1	1.30%
	Customer 2	1.34%	Customer 2	1.25%
	Customer 3	0.01%	Customer 3	0.71%
Travel	Customer 1	2.75%	Customer 1	2.08%
	Customer 2	0.83%	Customer 2	0.53%
	Customer 3	0%	Customer 3	0.27%

MAIN OPERATIONAL INDICATORS

AT AROBS GROUP LEVEL

Current liquidity indicator as at December 31, 2022

Current assets	206,972,209	= 3.71
Current liabilities	55,727,591	

Immediate liquidity indicator as at December 31, 2022

Current assets - inventories	198,463,917	= 3.56
Current liabilities	55,727,591	

Debt ratio indicators as at December 31, 2022

Borrowed capital	56,284,384	x 100	= 25.11%
Equity capital	224,161,056		

Borrowed capital	56,284,384	x 100	= 20.07%
Equity employed	280,445,440		

Borrowed capital = Loans over 1 year

Committed capital = Borrowed capital + Equity

Debt turnover – customers (days) as at December 31, 2022

Average customer balance	75,134,080	x 365	= 91.08
Turnover	301,082,813		

Turnover of non-current assets as at December 31, 2022

Turnover	301,082,813	= 1.96
Non-current assets	153,423,798	

SEPARATE FOR AROBS

Current liquidity indicator as at December 31, 2022

Current assets	155,404,606	= 3.53
Current liabilities	44,020,189	

Immediate liquidity indicator as at December 31, 2022

Current assets - inventories	153,510,858	= 3.49
Current liabilities	44,020,189	

Debt ratio indicators as at December 31, 2022

Borrowed capital	50,375,342	x 100	= 22.05%
Equity capital	228,454,005		

Borrowed capital	50,375,342	x 100	= 18.07%
Equity employed	278,829,347		

Borrowed capital = Loans over 1 year

Committed capital = Borrowed capital + Equity

Debt turnover – customers (days) as at December 31, 2022

Average customer balance	66,716,494	x 365	= 106.56
Turnover	228,531,259		

Turnover of non-current assets as at December 31, 2022

Turnover	228,531,259	= 1.31
Non-current assets	174,506,684	

CONSOLIDATED AND SEPARATE BALANCE SHEET ANALYSIS

BALANCE SHEET INDICATORS

Balance sheet indicators (RON)	December 31, 2021 AROBS Group	December 31, 2022 AROBS Group	Change %	December 31, 2021 AROBS Separate	December 31, 2022 AROBS Separate	Change %
Non-current assets	39,546,055	153,423,798	288%	52,531,580	174,506,684	232%
Current assets	169,114,764	205,025,595	21%	150,464,564	153,948,899	2%
Accrued charges	1,824,159	1,946,614	7%	1,632,277	1,455,707	-11%
Total assets	210,484,978	360,396,007	71%	204,628,421	329,911,290	61%
Current liabilities	22,258,997	55,727,591	150%	15,892,296	44,020,189	177%
Long-term liabilities	913,364	57,406,454	6,185%	874,938	51,497,412	5,786%
Total liabilities	23,172,361	113,134,045	388%	16,767,234	95,517,601	470%
Provisions	1,216,647	16,092,950	1,223%	596,879	3,214,798	439%
Deferred income	7,026,270	7,007,956	0%	2,556,593	2,724,886	7%
Owners' equity	179,069,700	224,161,056	25%	184,707,715	228,454,005	24%
Total owners' equity and liabilities	210,484,978	360,396,007	71%	204,628,421	329,911,290	61%
Net book assets	179,069,700	224,161,056	25%	184,707,715	228,454,005	24%

As at December 31, 2022, the total assets reached a value of RON 360.4 million, compared to the end of 2021, driven by an increase of RON 113.9 million in fixed assets, which recorded a total value of RON 153.4 million at the end of 2022 and an increase of 21% in current assets, which recorded a total value of RON 205 million at the end of 2022. The increase in non-current assets is primarily due to the increase in the value of goodwill, following the acquisition of 100% of the stakes in AROBS Development & Engineering SRL (Enea Services Romania) of Nordlogic Group and of Centrul de Soft GPS (CDS). At the same time, the increase in non-current assets is also due to the acquisition of government securities amounting to RON 2 million, as well as to an investment in a new headquarters amounting to RON 6.8 million and the development of new functionalities for domestic products amounting to RON 4.7 million.

Current assets increased in 2022 by 21% compared to the end of the previous year, mainly due to positive changes in receivables. Trade receivables increased by 69% between January and December 2022, reaching a value of RON 67.9 million, due to the increase in the Group-wide activity through organic development and the acquisition and establishment of companies.

During 2022, the parent company made investments in shares and bonds, held for the short term, amounting to RON 523 thousand.

At the end of 2022, the total debt increased by RON 89.9 million, compared to the end of 2021, reaching a total value of RON 113.1 million, due to taking out bank loans for the refinancing of Berg Computers and AROBS Development & Engineering (Enea Services Romania), accessing a credit line for working capital efficiency, as well as the taking out of a bank loan for the construction of a new headquarters. Moreover, the increase in trade payables and outstanding amounts related to the acquisition of shareholdings in companies that joined the AROBS Group had a significant impact on the increase in total liabilities.

As regards the provisions, they increased to RON 16 million as at December 31, 2022, following the establishment of provisions for unused leave, performance bonuses and other charges related to contractual employment relationships.

Equity increased by 25% in 2022. The share capital of the parent company increased by issuing new shares allocable to the shareholders on a 1:1 basis, by incorporating the share premiums. For employee retention and the implementation of a Stock Option Plan, the parent company repurchased 8.8% of the company's share capital. In addition, at the end of 2022, reserves for reinvested earnings and legal reserves were established in accordance with the legislation in force.

TANGIBLE ASSETS OF THE COMPANY

AROBS also has assets such as laptops, computers, mobile phones, multifunction printers, and furniture for the purpose of carrying out its day-to-day activities. All these are located at the company's head office. The degree of wear and tear of the company's property does not pose any significant problems for the conduct of business. The

IT equipment owned by the company has a degree of physical wear and tear specific to the office activity - low. There are no issues relating to ownership of the company's tangible assets.

DIVIDEND POLICY

At the date of the annual report, the company has no formalized and implemented dividend policy.

The company's dividend policy is available at the following [LINK](#).

PROPOSAL FOR DISTRIBUTION OF PROFITS

The proposal of the Board of Directors for the distribution of the profit for the financial year ended December 31, 2022, in the amount of 41,898,453.37 determined in accordance with the applicable laws, is as follows: the amount of RON 38,547,377.37 net undistributed profit (retained earnings), the amount of RON 2,403,521.88 distributed to the legal reserve and the amount of RON 947,557.12 shall be distributed to other reserves.

PROSPECTS ON THE ISSUER'S ACTIVITY

CONSOLIDATED REVENUE AND EXPENDITURE BUDGET FOR 2023

PROFIT OR LOSS ACCOUNT	AMOUNT (RON)
Net turnover, of which:	421,249,254
Income from services	334,914,691
Income from products	86,334,563
Other services	0
Other operating income	5,986,070
Total operating income	427,235,324
Expenditure on goods	40,986,153
Personnel expenses	188,621,244
Expenditure on services performed by third parties	107,745,491
Other operating expenses	15,647,722
Amortization and depreciation	18,793,993
Total operating expenses	371,794,604
Operating profit	55,440,721
EBITDA	74,234,714
EBITDA margin	17.38%
Normalized EBITDA	92,459,377
Normalized EBITDA margin	21.64%
Financial profit	(1,607,297)
Gross profit	53,833,423
Gross profit margin	12.60%
Net profit	45,220,076
Net profit margin	10.58%
Normalized net profit	63,444,738
Normalized net profit margin	14.85%
No. of Shares	911,394,988
Net result/share	0.05

Notes:

The budget does not include financial projections for future acquisitions of companies.

Product revenue and costs of goods sold include estimates for 2023 for system integration activity conducted through one of the Group's subsidiaries.

The category "Amortizations and provisions" also includes the amortization of goodwill recognized in the consolidated financial statements in accordance with statutory accounting regulations.

The Issuer's strategic objectives are developed along 4 lines of action and relate to the period ahead, both in terms of organic development and through acquisitions:



Focused diversification strategy based on research and innovation and on the following elements (organic development):

- Research projects in the fields of IoT, Transport, Telematics, Automotive and Business Optimization,
- Launch of new ground-breaking products and disruptive versions of proprietary products for Enterprises, Telematics And Automobiles,
- Enhancing existing product portfolio by adding new features to existing product line,
- Testing of products on the Romanian market before going global.

Service strategy through the development of new areas of expertise with high demand in the global software services market, while continuously transferring in-house knowledge to future generations of programmers and hardware specialists

Horizontal consolidation strategy in the areas where the company is already present by implementing the following measures (inorganic development):

- Acquisitions of existing players operating in the same industry, offering synergies and easy integration, with solid EBITDA
- Expansion in Europe - development of newly opened subsidiaries
- Further expansion in North America
- Expansion to South East Asia.

Employee motivation and retention strategy by adopting the following options:

- Increasing career development opportunities by supporting the costs of their studies through various programs,
- Increasing the level of integration and communication between employees by organizing regular team-building events,
- Involvement of employees in the company's operations through a financial mechanism such as stock option plan based on a remuneration policy adopted at group level.

OUTLOOK ON THE GROUP PERFORMANCE

The Issuer is considering the adoption of policies that will enable the company to expand rapidly in terms of both revenue and profit. With a solid financial position and experience and expertise in integrating business lines, the company will pursue an external growth policy through mergers and acquisitions in the period ahead.

At the date of this financial report, the company is in an advanced stages of negotiations to acquire other companies operating in the field of software services, or own and operate business optimization solutions and fleet management products.

In addition, through the Software Services division, the company aims to strengthen its global presence, by reinforcing existing specializations, developing new expertise in response to both global industry trends and customer requirements in its portfolio. The company aims to consolidate its position as the global partner of first choice for IT outsourcing and custom software development.

The company plans to expand its operational activities in the US market in the coming period and the integration of AROBS Engineering and Nordlogic Group, which also have workplaces in the US, into the AROBS Group, a completed acquisition announced in 2022, is a significant step towards strengthening the US presence and expanding partnerships in North America through the new customer portfolio.

Subsidiaries in Germany and the UK play an important role in connecting with these two highly valuable markets through direct access to strategic prospective customers. The acquisition of BERG Computers strengthens AROBS footprint in the DACH market. Subsidiaries in the Republic of Moldova (to be integrated into the Group this year) are also of great strategic importance to the company.

The TrackGPS business line, which manages the vehicle fleet monitoring platforms, aims to expand its activities in the countries where it is present by supporting customers who are increasingly interested in interfacing the fleet management solution with other systems, such as ERPs, Transport Exchanges and HR management solutions (provided by UCMS by AROBS), as well as in consumption monitoring solutions amid the backdrop of the energy crisis.

SAS Fleet Tracking aims to constantly improve the SAS Fleet application by adding new modules for fleet management activities, increasing the number of customers in Romania, and stabilizing the perception of the target segment as one of the fastest and most stable solutions on the market.

In terms of business optimization solutions, the company aims to position Optimall as the partner of choice for process automation in the retail, FMCG and HoReCa industries, by building a stronger online and offline presence, developing institutional partnerships and attracting a steady stream of new customers.

In addition, AROBS aims to position its in-house paperless and contactless fintech solution, MonePOS, as the most innovative, fast and environmentally friendly contactless and paperless payment solution.

The SoftManager CRM+ solution will aim to consolidate the data automation market for micro and small businesses.

As for the HR management business line, represented by UCMS by AROBS, its main strategic objectives are to consolidate its position at the forefront of HR and payroll solutions on a national level, to strengthen its position as the most experienced and innovative HR management software company, to enter the SME segment and to increase its market share in the current segment.

The company aims to grow the RateWIZZ solution in the Scandinavian market and to refine the AROBS offering in the digital manuals segment to increase its current market share.

As for CoSo Netherlands and Belgium, the aim is to stabilize the Robotic Process Automation market through new partnerships with companies and public organizations for intelligent automation in the logistics and insurance sectors.

At the same time, through AROBS Engineering, specializing in the medical, maritime and embedded industries, as well as through the acquisition of SYDERAL Polska in early 2023, AROBS' activities are in line with the strategic directions it has taken – the development of new areas of expertise in high demand on the global software services market, consistent with the transfer of in-house knowledge to future generations of programmers and hardware specialists and horizontal integration (inorganic development) through acquisitions of existing players

operating in the same industry, which can provide synergies and are easy to integrate, with a solid EBITDA, as well as the expansion in Europe, North America and Asia.



RISKS

The risk factors are presented randomly. The company's representatives are aware of these risks and, through the internal risk management system, seek to anticipate and neutralize them before they become manifest. However, many of the risks to which the Issuer is exposed are beyond its control.

General economic risks - the Issuer's activities may be affected by business cycles and general economic conditions. International financial and geopolitical crises and the unstable economic environment may have a material adverse effect on the Issuer's business, or operating results and financial position. Socio-political turmoil may also affect the company's business.

Key person risk – The Issuer is engaged in a business that requires advanced level knowledge or specific expertise. The company is dependent on recruiting and retaining skilled managers, employees and collaborators. The medium- and long-term profitability of the company depends to a large extent on the performance of its skilled employees and collaborators, staff and executive management, each of whom is particularly important to its development.

Tax and legal risk - The Issuer is governed by the Romanian law. Although the Romanian legislation has been largely harmonized with the European Union legislation, further changes may occur at any time, i.e. new laws and regulations may be introduced, which may affect the company's business. The legislation in Romania is often unclear, subject to different interpretations and implementations and frequent amendments. Both changes in tax and legal legislation, and possible events resulting from their application may result in possible fines or legal actions against the company, which may affect the Issuer's activity.

Litigation risk - Although the Issuer pays particular attention to compliance with all legal requirements, in the context of its business, it is subject to the risk of litigation and other legal proceedings. The Issuer may be affected by contractual or non-contractual claims, complaints, including counterparties in contractual relationships, customers, competitors or regulatory authorities. It may also be affected by any negative publicity associated with such an event.

Litigation in which the company is involved concerns the recovery of outstanding debts in which AROBS is the creditor. The amounts of the pending cases have no significant impact on the company's business. Risks arising from a potential increase in the number of disputes could affect the company's financial performance.

Risk of attachment of company's accounts - attachment of accounts is a foreclosure measure that can be applied to a company. For example, the company's accounts may be frozen as a result of the attachment, if its creditors request this measure in order to recover their debts. The attachment of the company's accounts has the effect of

freezing of the amounts in the attached accounts and may make it difficult or impossible for the company to meet its future obligations on the agreed terms.

Reputational risk - is a risk inherent in the company's activity, as reputation is particularly important in the business environment, especially if the company wishes to expand its business into other markets. The ability to expand its portfolio for business growth is a function of brand awareness and product penetration in its target markets.

Risk associated with interest rates, sources of funding and other banking activities- if the economic environment in which the Issuer operates deteriorates, the Issuer could find itself unable to take out a new loan on the terms it has previously enjoyed, which could result in increased funding costs and adversely affect the Issuer's financial position. Moreover, the current global economic and financial situation may lead to bottlenecks in the banking financial circuit with an impact on the operating cash flow. **Price risk** – this is the risk that the market price of products and services sold by the company may fluctuate to such an extent that existing contracts become unprofitable. The company carefully monitors market prices and, if necessary, may withdraw from contracts that are at risk of becoming unfavorable.

Personal data protection risk – in the course of its business, the company collects, stores and uses data that is protected by personal data protection laws. Although the Issuer takes precautions to protect customer data in accordance with the legal requirements on privacy protection, in particular in the context of the implementation of the General Data Protection Regulation (EU) 2016/79 and in Romania (as of May 25, 2018), the risks of data leakage cannot be completely eliminated.

Cash flow risk – this is the risk that the Issuer may not be able to meet its payment obligations when they fall due.

Liquidity risk – includes the risk of the possible non-recovery of receivables. By the nature of its business, the Issuer maintains a level of receivables and payables that enables it to conduct its business in an optimal manner.

Counterparty risk – this is the risk that a third party natural or legal person fails to meet its obligations under a financial instrument or a customer contract, resulting in a financial loss. The company is exposed to credit risk from its operating activities (mainly foreign trade receivables) and its financial activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Risk associated with insolvency and bankruptcy - Romanian bankruptcy and enforcement legislation does not provide the same level of rights, remedies and projections enjoyed by creditors under the legal regimes of other European Union jurisdictions. In particular, Romanian bankruptcy and enforcement laws and practices may make it more difficult and time-consuming for the company to recover amounts in respect of secured and unsecured claims in Romanian courts than in other countries. In recent years, insolvency in Romania has experienced an unfavorable dynamic, with insolvent companies and companies reporting net losses being largely responsible for the worsening of the payment discipline throughout the economy.

Political and military instability in the region - Political and military instability in the region, such as the invasion of Ukraine by the Russian Federation and the subsequent war in Ukraine, can lead to deeply unfavorable economic conditions, social unrest or, in the worst case, military confrontation in the region. The effects are largely unpredictable but may include a fall in investment, significant currency fluctuations, interest rate hikes, reduced availability of credit, trade and capital flows and increases in energy prices. These and other unforeseen adverse effects of crises in the region could have a material adverse effect on the Issuer's business, prospects, results of operations and financial position.

Other risks - Prospective investors should consider that the risks outlined above are the most significant risks known to the company at the time of drafting the document. However, the risks described in this section are not necessarily all the risks associated with the company's business and no assurance can be given that they are all relevant risks. There may be other risk factors and uncertainties of which the company is not aware at the time of drafting the document and which may change the company's actual results, financial conditions, performance and achievements in the future and could cause the company's share price to decline. Investors should also make their own assessment of the suitability of the investment by carrying out the necessary due diligence. Therefore, potential investors should make a decision as to whether an investment in financial instruments issued by the

company is appropriate only after carefully considering the risks involved and other information about the Issuer, whether or not contained in this document.

AROBS SEPARATE AND CONSOLIDATED PROFIT AND LOSS ACCOUNT

	December 31, 2021 AROBS Group*	December 31, 2022 AROBS Group*	Change %	December 31, 2021 AROBS Separate*	December 31, 2022 AROBS Separate*	Change %
Net turnover	190,066,243	301,082,813	58%	169,336,118	228,531,259	35%
Production sold	175,439,437	292,594,381	67%	154,803,315	220,257,972	42%
Revenue from the sale of goods	15,328,887	8,989,638	-41%	15,090,356	8,704,704	-42%
Trade discounts granted	(702,081)	(501,206)	-29%	(557,553)	(431,417)	-23%
Revenue related to the cost of work in progress	56,748	1,288,543	2,171%	56,748	8,688	-85%
Revenue from the production of property, plant and equipment and intangible assets	1,853,263	2,676,164	44%	1,420,199	1,814,038	28%
Revenue from operating subsidiaries	42,050	1,047,252	2,390%	12,046	1,044,173	8,568%
Other operating income	1,823,889	1,300,443	-29%	1,228,822	1,016,307	-17%
OPERATING REVENUE - TOTAL	193,842,193	307,395,215	59%	172,053,933	232,414,465	35%
Expenditure on raw materials and consumables	1,232,284	1,698,251	38%	1,085,115	1,486,279	37%
Other materials expenses	977,934	440,649	-55%	896,746	279,736	-69%
Other external expenses (including energy and water)	1,215,866	1,011,764	-17%	1,130,834	797,035	-30%
Expenditure on goods	10,427,749	6,099,525	-42%	10,727,135	6,178,300	-42%
Trade discounts received	(81,836)	(4,864)	-94%	(79,799)	(4,390)	-94%
Personnel expenses	61,260,441	110,582,971	81%	53,059,043	69,680,068	31%
Value adjustments of property, plant and equipment and intangible assets	6,042,045	15,035,987	149%	2,386,605	5,416,108	127%
Value adjustments on current assets	195,487	(218,379)	-212%	(120,346)	118,994	-199%
Other operating expenses	63,745,663	118,215,236	85%	57,493,186	98,901,636	72%
Adjustments relating to provisions	(245,298)	3,392,898	-1,483%	(345,229)	2,617,920	-858%
OPERATING EXPENSES - TOTAL	144,770,335	256,254,038	77%	126,233,290	185,471,686	47%
OPERATING PROFIT	49,071,858	51,141,177	4%	45,820,643	46,942,779	2%
Financial revenues	4,923,214	8,478,094	72%	4,632,367	7,541,243	63%
Financial expenses	1,565,056	8,038,806	414%	1,265,181	6,413,585	407%
FINANCIAL PROFIT	3,358,158	439,288	-87%	3,367,186	1,127,658	-67%
Total revenue	198,765,407	315,873,309	59%	176,686,300	239,955,708	36%
Total expenditure	146,335,391	264,292,844	81%	127,498,471	191,885,271	51%
Gross profit	52,430,016	51,580,465	-2%	49,187,829	48,070,437	-2%
Income tax	6,697,099	8,370,470	25%	5,988,561	6,171,984	3%
NET PROFIT	45,732,919	43,209,995	-6%	43,199,268	41,898,453	-3%
NORMALIZED NET PROFIT **	45,962,042	49,248,926	7%	43,412,372	46,406,273	7%
Of which related to non-controlling interests	101,056	112,346	11%			

* Audited

** Normalized net profit = Net profit without impact of SOP

CONSOLIDATED BALANCE SHEET AND AROBS SEPARATE BALANCE SHEET

	December 31, 2021 AROBS Group*	December 31, 2022 AROBS Group*	Change %	December 31, 2021 AROBS Separate*	December 31, 2022 AROBS Separate*	Change %
INTANGIBLE FIXED ASSETS	30,779,078	130,777,025	325%	8,066,279	10,656,403	32%
Development costs	2,928,601	8,325,272	184%	539,216	3,893,497	622%
Concessions, patents, licenses, trademarks, similar rights and assets and other intangible assets	10,984,463	10,057,507	-8%	7,527,063	6,762,906	-10%
Goodwill	16,866,014	112,394,246	566%	-	-	0%
PROPERTY, PLANT AND EQUIPMENT	6,453,301	18,024,334	179%	4,879,066	8,482,986	74%
Land and buildings	1,001,001	937,379	-6%	997,736	929,324	-7%
Plant and machinery	3,879,820	6,830,108	76%	2,880,807	5,182,563	80%
Other plant, machinery and furniture	1,075,690	2,160,612	101%	793,304	1,424,251	80%
Property, plant and equipment in progress	496,790	7,910,008	1,492%	207,219	774,789	274%
Advance payments	0	186,227	100%	0	0	0%
FINANCIAL FIXED ASSETS	2,313,676	4,622,439	100%	39,586,235	155,367,295	292%
Shares held in subsidiaries	1,050	1,051	0%	31,262,135	144,504,728	362%
Loans granted to group entities	-	-	100%	6,823,060	7,052,650	3%
Shares held in associates and jointly controlled entities	9,130	9,130	0%	9,130	9,130	0%
Other loans	2,303,496	4,612,258	100%	1,491,910	3,800,787	155%
NON-CURRENT ASSETS - TOTAL	39,546,055	153,423,798	288%	52,531,580	174,506,684	232%
INVENTORIES	5,042,725	8,508,292	69%	4,474,772	1,893,748	-58%
Raw materials and consumables	1,968,919	383,057	-81%	1,588,330	381,048	-76%
Work in progress	575,164	1,643,680	186%	575,164	45,940	-92%
Finished products and goods	2,378,290	6,232,971	162%	2,223,258	1,195,215	-46%
Advance payments	120,352	248,584	107%	88,020	271,545	209%
RECEIVABLES	61,859,220	94,652,689	53%	57,785,108	78,789,408	36%
Trade receivables	40,064,493	67,879,656	69%	35,248,149	44,664,168	27%
Amounts receivable from related entities	20,524,942	21,799,067	6%	21,499,494	32,021,177	49%
Other receivables	1,269,785	4,973,966	292%	1,037,465	2,104,063	103%
Short-term investments	0	523,375	100%	0	523,375	100%
CASH ON HAND	102,212,818	101,341,239	-1%	88,204,684	72,742,368	-18%
CURRENT ASSETS - TOTAL	169,114,764	205,025,595	21%	150,464,564	153,948,899	2%
PREPAYMENTS	1,824,159	1,946,614	7%	1,632,277	1,455,707	-11%
TOTAL ASSETS	210,484,979	360,396,007	71%	204,628,421	329,911,290	61%
SHORT-TERM LIABILITIES	22,258,997	55,727,591	150%	15,892,296	44,020,189	177%
Amounts due to credit institutions	2,226,645	18,470,920	730%	2,226,645	18,470,922	730%
Advances received on account of orders	740,727	704,150	-5%	268,070	374,905	40%
Trade payables - suppliers	5,693,380	15,927,100	180%	4,920,046	8,217,606	67%
Amounts due to group entities	3,783,039	7,075,469	87%	1,178,181	7,911,584	572%
Other liabilities, including tax liabilities and social security liabilities	9,815,206	13,549,952	38%	7,299,354	9,045,172	24%
LONG-TERM LIABILITIES	913,364	57,406,454	6,185%	874,938	51,497,412	5,786%
Amounts due to credit institutions	-	55,381,056	100%	-	49,494,614	100%
Amounts due to group entities	-	1,122,070	100%	-	1,122,070	100%
Other liabilities, including tax liabilities and social security liabilities	913,364	903,328	-1%	874,938	880,728	1%

TOTAL LIABILITIES	23,172,361	113,134,045	388%	16,767,234	95,517,601	470%
PROVISIONS	1,216,647	16,092,950	1,223%	596,879	3,214,798	439%
DEFERRED INCOME	7,026,270	7,007,956	0%	2,556,593	2,724,886	7%
Investment grants	774,396	609,034	-21%	774,396	609,034	-21%
Deferred income	6,020,901	6,398,922	6%	1,782,197	2,115,852	19%
Negative goodwill	230,973	-	-100%	-	-	0%
OWNERS' EQUITY	179,069,700	224,161,056	25%	184,707,715	228,454,005	24%
Subscribed and paid-in capital	45,569,749	91,139,499	100%	45,569,749	91,139,499	100%
Other equity items	229,123	4,206,340	1,736%	229,123	4,206,340	1,736%
Capital premiums	68,754,750	23,185,001	-66%	68,754,750	23,185,001	-66%
Reserves	3,097,859	6,515,660	110%	2,741,793	6,092,872	122%
Own shares	(4,010,000)	(7,535,897)	88%	(4,010,000)	(7,535,897)	88%
Gains related to equity instruments	-	1,805,558	100%	-	1,805,558	100%
Retained profit or loss	22,560,066	65,096,334	189%	30,944,825	71,013,258	129%
Profit or loss for the financial year	45,631,862	43,097,649	-6%	43,199,268	41,898,453	-3%
Profit distribution	(2,721,793)	(3,394,091)	25%	(2,721,793)	(3,351,079)	23%
Non-controlling minority shareholding	(41,916)	45,003	-207%	0	0	0%
TOTAL LIABILITIES	210,484,979	360,396,007	71%	204,628,421	329,911,290	61%

* Audited

CONSOLIDATED CASH FLOW

CASH FLOWS FROM OPERATING ACTIVITIES	December 21, 2021	December 31, 2022
Profit before tax	52,430,016	51,580,465
Adjustments for:		
Amortization of property, plant and equipment and intangible assets	6,042,045	13,945,972
Error corrections	(87,674)	(438,956)
Expenses/(income) related to value adjustments on fixed assets	1,658,798	213,304
(Revenue) from the production of intangible assets	-	(2,641,619)
Expenses/(income) related to value adjustments on financial assets	-	898,905
Expenses/(income) related to inventories provisions	(380,464)	(921,178)
Expenses/(income) related to provisions on customers and similar accounts	(1,121,995)	998,595
Expenses/(income) related to provisions on risks and expenses	2,236	14,876,303
(Net gain)/net loss from disposal of property, plant and equipment	(443,839)	(163,039)
Revenue from subsidies	(390,568)	(328,362)
Interest cost	165,365	856,893
Interest income	(1,743,712)	(2,123,642)
Expenditure on remuneration of equity instruments	-	6,038,931
Expenditure on disposed financial investments	113,763	-
Dividend income	(123,073)	(4,569)
Cash flow from operating activities before changes in working capital	56,120,898	82,788,003
(Increase)/decrease in receivables	5,628,345	(35,229,419)
(Increase)/decrease in prepaid expenditure	(644,652)	(122,455)
(Increase)/decrease in inventories	599,400	(5,661,149)
Increase/(decrease) in liabilities	6,925,652	18,595,764
Increase/(decrease) in deferred income	(530,300)	(18,314)
Interest paid	(165,365)	(856,893)
Interest received	96,821	3,560,998
Corporate income tax paid	(7,742,251)	(8,289,602)
Net cash from operating activities	60,288,548	54,766,933
Cash flow from investing activities		
Acquisitions of tangible and intangible assets	(21,342,428)	(118,358,229)
Loans (granted)/repayments and acquisitions of shares in affiliated entities	71,463	(3,207,668)
Proceeds from sale of fixed assets	525,915	209,820
(Acquisition)/Sale of financial investments	(4,010,000)	(3,782,054)
Short-term investments	-	(523,375)
Dividend proceeds	123,073	4,569
Net cash flow from investing activities	(24,631,977)	(125,656,937)
Cash flows from financing activities		
Increase/(Decrease) in credit line usage	(16,142,798)	2,762,927
Collection/(Repayment) of long-term loan	(2,886,225)	68,862,406
Collection/(Repayment) of loan from shareholders/partners	-	-
Finance lease payments	(1,113,670)	(1,602,506)
Dividends paid	(34,263,158)	(4,403)
Changes in share capital increase/(decrease)	74,453,622	-
Net cash flow from financing activities	20,047,771	70,018,424
Net (decrease)/increase in cash and cash equivalents	55,704,342	(871,579)
Cash and cash equivalents at the beginning of financial year	46,508,476	102,212,818
Cash and cash equivalents at the end of financial year	102,212,818	101,341,239

CORPORATE GOVERNANCE PRINCIPLES

Statement on alignment with the BVB Corporate Governance Principles for the multilateral trading facility – AeRO market.

CODE	PROVISIONS TO BE OBSERVED	FULLY COMPLIED	NOT COMPLY	EXPLANATIONS
SECTION A – RESPONSIBILITIES OF THE BOARD OF DIRECTORS				
A1.	The Company must have internal rules of procedure for the Board of Directors, including terms of reference with respect to the Board and the company's key management positions. The management of conflicts of interest at Board level must also be addressed in the Board's rules of procedure.		√	The Issuer is in the process of adopting such a rules of procedure.
A2.	Any other professional commitments of the members of the Board, including executive or non-executive member of the Board in other companies (excluding subsidiaries of the company) and non-for-profit organizations, shall be disclosed to the Board prior to appointment and during the term of office.	√		The Issuer fully complies with this provision. All professional commitments of the directors can also be found in the company's annual report.
A3.	Each member of the Board shall inform the Board of any relationship with a shareholder who directly or indirectly holds shares representing at least 5% of the total number of voting rights. This obligation covers any relationship which could affect the position of the member on matters relating to Board decisions.	√		THE Issuer fully complies with this provision.
A4.	The annual report will indicate whether an evaluation of the Board has taken place under the leadership of the Chairman. The annual report must state the number of meetings of the Board.	√		THE Issuer fully complies with this provision.
A5.	The procedure for cooperation with the Authorized Consultant for a period of time during which such cooperation is applicable shall include at least the following:	√		The Issuer has signed a contract with Cornerstone Communications S.R.L. regarding the provision of Authorized Consultant services, post-listing, for a period of 12 months.
A.5.1.	Liaison with Authorized Consultant	√		
A.5.2.	The frequency of meetings with the Authorized Consultant, which shall be at least once a month and whenever new events or information require the submission of current or periodic reports so that the	√		

	Authorized Consultant can be consulted;			
A.5.3.	The obligation to notify the Bucharest Stock Exchange of any disruption occurred in the cooperation with the Authorized Consultant, or any change of the Authorized Consultant.	√		
SECTION B – INTERNAL CONTROL / AUDIT				
B1.	The Board shall adopt a policy so that any transaction of the company with a subsidiary representing 5% or more of the company's net assets as per the most recent financial report shall be approved by the Board.		√	The Issuer has no such policy in place.
B2.	The internal audit must be performed by a separate organizational structure (internal audit department) within the company or by the services of an independent third party reporting to the Board and, within the company, will report directly to the CEO.	√		In 2022, AROBS had an internal auditor.
SECTION C – FAIR REWARDS AND MOTIVATION				
C1.	The company will publish a section in the annual report disclosing the total income of the members of the Board and the CEO and the total amount of any bonus or any variable compensation, including the key assumptions and principles used for calculating them.	√		The Issuer has included this information in the annual report.
SECTION D – BUILDING VALUE THROUGH INVESTOR RELATIONS				
D1.	In addition to the information required by law, the company's website will include a section dedicated to Investor Relations, in both Romanian and English, with all relevant information of interest to investors, including:	√		AROBS complies with all regulations relating to the IR function, as detailed below. The company has a dedicated Investor Relations section on arobs.com and www.arobsgrup.ro .
D1.1	Key regulations of the company, in particular the articles of association and the internal regulations of the statutory bodies	√		The key regulations of AROBS can be found on the Issuer's website.
D1.2	Resumes of members of statutory bodies	√		Resumes and biographies of senior management can be found on the AROBS website and in the annual reports.

D1.3	Current reports and periodic reports;	✓		All current and periodic reports of AROBS are available on the Issuer's website.
D1.4	Information on the General Meetings of Shareholders: agenda and related materials; resolutions of the General Meetings;	✓		All information related to the AROBS General Meeting of Shareholders is available on the Issuer's website www.arobsgrup.ro .
D1.5	Information on corporate events such as the payment of dividends or other events resulting in obtaining or limiting the rights of a shareholder, including deadlines and principles of such actions;	✓		Where applicable, this information will be published by the company on the AROBS website, and through a current report sent to the BSE.
D1.6	Other information of an exceptional nature that should be disclosed: cancellation/modification/initiation of cooperation with an Authorized Consultant; signing/renewal/termination of an agreement with a Market Maker.	✓		Where applicable, this information will be published by the company on the AROBS website, and through a current report sent to the BSE.
D1.7	The Company must have an Investor Relations function and include in the section dedicated to this function on the Company's website, the name and contact details of a person who can provide relevant information upon request.	✓		The contact details for the AROBS IR department can be found on the company's website under "Investors" section.
D2.	The company must have adopted a corporate dividend policy as a set of guidelines for the distribution of net profits, which the company declares it will adhere to. The dividend policy principles must be published on the company's website.	✓		THE Issuer fully complies with this provision.
D3.	The company must have adopted a policy on forecasts and whether or not they will be provided. Forecasts are the quantified conclusions of studies aimed at determining the overall impact of a list of factors over a future period (so-called assumptions). The policy should specify the frequency, the time period covered and the content of the forecasts. Forecasts, if published, will be part of the annual, half-yearly or quarterly reports. The forecasting policy must be published on the company's website.		✓	At the time of the annual report, the company has no formalized and implemented forecasting policy.
D4.	The company should set the date and place of a General Meeting so as to	✓		AROBS organizes and will continue to organize the GMS

	enable as many shareholders as possible to attend.			on working days, at the company's headquarters in Bucharest or Cluj-Napoca, as well as online.
D5.	The financial reports will include information in both Romanian and English on the main factors influencing changes in sales, operating profit, net profit or any other relevant financial indicator.	✓		AROBS issues all information to investors, including financial reports, in two languages - English and Romanian.
D6.	The company will hold at least one meeting/conference call with analysts and investors each year. The information presented on these occasions shall be published in the Investor Relations section of the company's website at the time of that phone meeting/conference.	✓		AROBS will hold at least once a year "AROBS Investor Day" - an event to which all stakeholders, including investors, analysts and media representatives will be invited.

MANAGEMENT STATEMENT

Cluj-Napoca, March 28, 2023

I confirm, to the best of my knowledge, that the audited consolidated and separate financial results for the period from 1 January 2022 to 31 December 2022 give a true and fair view of the assets, liabilities, financial position and income statement of AROBS Transilvania Software S.A. and that the annual report gives a true and fair view of the material events that occurred during the financial year 2022 and their impact on the financial statements of the company.

Voicu Oprean

CEO