



ANNUAL REPORT FOR 2023

AROBS Transilvania Software S.A.

Company listed on the Main Market of the Bucharest Stock Exchange, Premium Category

Symbol: AROBS

TABLE OF CONTENTS

ISSUER INFORMATION	3
FINANCIAL RESULTS ON 31 DECEMBER 2023 AT THE CONSOLIDATED LEVEL	4
MESSAGE FROM THE CEO.....	5
<i>CERTIFICATIONS</i>	22
<i>EXPERIENCE</i>	23
<i>EMPLOYEES</i>	26
<i>DIRECTORS</i>	27
<i>AROB'S SHARES ON THE BUCHAREST STOCK EXCHANGE</i>	29
ANALYSIS OF THE FINANCIAL RESULTS.....	36
CONSOLIDATED FINANCIAL RESULTS	36
<i>CONSOLIDATED P&L ANALYSIS</i>	37
<i>BUSINESS & SALES STRATEGY</i>	41
<i>SIGNIFICANT CLIENTS</i>	41
<i>KEY FINANCIAL RATIOS</i>	42
<i>CONSOLIDATED BALANCE SHEET ANALYSIS</i>	43
<i>DIVIDEND POLICY</i>	44
<i>PROFIT DISTRIBUTION FOR 2023</i>	44
OUTLOOK ELEMENTS REGARDING THE ISSUER'S ACTIVITY	45
<i>OUTLOOK ON THE GROUP PERFORMANCE</i>	46
RISKS	48
CONSOLIDATED PROFIT AND LOSS ACCOUNT	57
CONSOLIDATED BALANCE SHEET	58
CONSOLIDATED CASH-FLOW	59
INDIVIDUAL PROFIT AND LOSS ACCOUNT.....	60
INDIVIDUAL BALANCE SHEET	61
INDIVIDUAL CASH-FLOW	62
BVB CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT	63
DECLARATION OF THE MANAGEMENT	72

Disclaimer: The consolidated and individual financial statements presented in the following pages have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

The consolidated and individual financial statements as of 31 December 2023 are audited.

The financial figures presented in the descriptive part of the report, expressed in millions of lei, are rounded to the nearest whole number and may result in small differences in the restatement.

ISSUER INFORMATION

INFORMATION ABOUT THIS FINANCIAL REPORT

Type of report	Annual Report for 2023
According to	Annex 15 to FSA Regulation 5/2018
Report publishing date	30.04.2024
For financial period	01.01.2023 – 31.12.2023

ISSUER INFORMATION

Name	AROBS Transilvania Software S.A.
Fiscal code	RO 11291045
Trade registry number	J12/1845/1998
Registered office	11 Donath St., M4, sc. 2, 3rd floor, ap. 28, Cluj-Napoca, Cluj, Romania

INFORMATION ABOUT FINANCIAL INSTRUMENTS

Subscribed and paid-up share capital	87.129.360,90 lei
The market on which securities are traded	Main Market, Premium Category
Total number of shares	871.293.609
Symbol	AROBS

CONTACT DETAILS FOR INVESTORS

Phone number	+40 754 908 742
Email	ir@arobsgroup.com
Website	www.arobsgroup.ro and www.arobs.com

FINANCIAL RESULTS ON 31 DECEMBER 2023 AT THE CONSOLIDATED LEVEL



RON 427,3 million
TURNOVER
+43% vs. 2022



RON 92,6 million
NORMALIZED EBITDA
+21% vs. 2022



RON 43 million
GROSS PROFIT
10% GROSS PROFIT MARGIN



RON 31,9 million
NET PROFIT
7% NET PROFIT MARGIN



RON 51 million
NORMALIZED NET PROFIT
-4% vs. 2022

MESSAGE FROM THE CEO

Dear shareholders,

The year 2023 was special for AROBS, as the company celebrated 25 years since its establishment, and we transferred to the Main Market of the Bucharest Stock Exchange. 2023 started with turmoil in the US IT market, exponential growth in AI, downsizing of teams, and delayed new project launches. Legislative changes—the IT tax breaks waiver—impacted Q4 2023 and continued into 2024 as pressure on the entire industry.

In our 25 years of activity, we encountered many challenges, which we chose to see as opportunities and lessons to learn. In the volatile, uncertain, complex, and ambiguous context of VUCA times, each event comes with its own challenges that force us to step out of our comfort zone.

The 25 years of AROBS are the result of progress, determination, resilience and the desire to continuously grow. There were times when we could have been more focused, with greater agility in scaling certain strategic or business directions, but I learned important lessons. As an entrepreneur, I always tell myself that following a less successful investment, the most valuable are the lessons learned.



The most important aspect is that we never stopped, regardless of the challenges we faced. We always choose to fight if we must choose between flight, fight, or freeze. Our ability to continually learn, adapt on the fly to new realities, and be persistent in what we do has made us a group of companies with over 1,300 colleagues involved in multiple global partnerships in dynamic industries - embedded, automotive, medical, intelligent automation, and beyond. We are participating with our partners and collaborators in building the technology solutions that will define the future, be it big data, data analytics, AI, etc.

2023 was the year in which we fulfilled our promise to our shareholders by carrying out the transfer of AROBS shares on the Main Market of the Bucharest Stock Exchange and delivered results: turnover up 43% compared to 2022 and normalized EBITDA up 21% compared to 2022.

After AROBS was the most traded stock on the AeRO market, it was the right time to move to the next level, on the Main Market. This represented another significant step in our mission to become one of the most important players in the global IT services and products market, starting from Romania. We are proud that in the two years of activity in the capital market, we have grown rapidly, both organically and by completing 10 M&A transactions. During this period, we have acquired companies that operate in the same industry and bring added value by strengthening and expanding the areas of expertise and the geographical footprint of AROBS: România, Moldova, Ungaria, și Marea Britanie.

On the Main Market, we will continue our expansion plans. Yesterday, on February 27, 2024, we signed a new M&A transaction, the tenth since 2021, through the full takeover of the Infobest group, specialized in the development of software solutions for automotive, telecommunications, and manufacturing, with offices in Leverkusen, Germany and Timisoara. I am confident that Infobest's extremely good prospects will support us in our goal of strengthening our position in Germany. Through this strategic acquisition, we are expanding both our technology capabilities and our portfolio of customers, to whom we will continue to provide complex software solutions for an increasingly sophisticated technology market, especially in insurance and telecom.

2023 was a year marked by a turbulent market in the technology area; this was observed in most of the listed IT companies both internationally and locally. It was a year in which massive optimizations were carried out in the IT field with pressure on the companies' profitability indicators. In this context, at AROBS we have continued to grow despite these adversities and delivered consistent results.

Therefore, in 2024, our main objective remains the successful integration of the companies we have added to the Group in the last two years, a process that, in some cases, will also include the absorption of acquired entities to simplify the Group's structure, ease operations between companies, to reduce costs and redundant functions and to maximize synergies. We started this process in 2023 and will continue it in 2024. We will focus on performance and delivering added value for customers.

We will continue the acquisition process, but we enter a stage where we are carefully examining the opportunities at hand, focusing on synergies, complementarities, and solid results of potential acquisitions.

In addition to potential growth through M&A transactions in 2024, we aim to expand organically into the EU and US markets by strengthening relationships with existing customers. We want to come closer to them and tailor our services and software products to better meet their specific needs through even closer proximity to customers and global technology centers.

In what concerns our financial results, at the consolidated level, according to IFRS standards, we ended 2023 with a turnover of 427.3 million RON, an increase of 43% compared to 2022, normalized EBITDA of 92.6 million RON, an appreciation of 21% compared to 2022 and a normalized net profit of 51 million lei. We continue to present the normalized EBITDA and net profit indicators, as they exclude the non-cash effect generated by the Stock Option Plan (SOP) programs. Why non-cash? Because the shares were granted to the company by the majority shareholder at close to zero value, the company used them to give bonuses and motivate performers. We further recommend that investors use the normalized level ratios to analyze AROBS as they represent a more accurate and relevant assessment of our financial performance.

Regarding the SOP programs, in 2024 and 2025, the distribution cycle of the shares I transferred at a nominal value to the company before its listing on the AeRO market of the Bucharest Stock Exchange in 2021 will be concluded. Therefore, the 40 million shares covered all three SOP programs implemented by AROBS since November 2021.

As a former programmer, I acknowledge my colleagues' efforts to add value to clients' projects, making them central to these partnerships' economics. The success of AROBS is directly linked to the talented and dedicated colleagues within the Group. In 2024, we will continue implementing innovative motivation and retention programs that recognize and reward individual and team achievements and promote operational efficiency and excellence. As such, we plan to continue to support professional development opportunities for teams and implement SOP programs. Through these initiatives, we ensure that AROBS remains a place where talent is nurtured and valued.

Regarding business lines, in 2023, our Software Services business line recorded a 44% increase compared to 2022, contributing 81% to the turnover. The Software Products segment registered a 20% increase compared to the previous year, its contribution to turnover being 16%. Also, the Integrated Systems Segment, which focuses on the implementation of hardware and software services for public authorities, had a 3% contribution to the turnover in 2023, generating revenues of 12 million lei.

2023 was a year in which we worked intensively on the effective integration of the companies we brought under the AROBS umbrella since 2021. Transformation and integration are complex and lasting processes, the absolute priority being the identification of synergies between the various entities, in order to capitalize on each company's

strengths to improve our service and software offerings. The integration process is not only a matter of operational alignment, but also of cultivating a common culture that focuses on innovation, excellence in the way we work and close collaboration. Results started to appear in 2023 and will become even more visible in 2024.

However, it is important to note that such an integration process and the accelerated development of the group may have a temporary impact on financial results, including profit. This is a natural aspect for any company that invests in its long-term growth and aligns with our strategy of building a solid foundation for sustainable development. However, as we have already emphasized in previous public statements about our M&A strategy going forward, the integration process remains the main concern of the management team for 2024.

Regarding our activity on the capital market, in August 2023, the company's shares were included by Morgan Stanley Capital International (MSCI) in the MSCI Frontier Markets Small Cap and MSCI Romania Small Cap indices, and starting from March 18, 2024, AROBS shares were also included in the FTSE Global Micro Cap index. Next, for 2024, one of the objectives is the inclusion of AROBS shares in the local indices, BET.

Next, I invite you to go through the Annual Report, in which more details are presented regarding the performance of the AROBS Group in 2023. If you have any questions related to our business activity or the capital market, please contact us at ir@arobsgroup.com.

Voicu Oprean, founder & CEO

DESCRIPTION OF THE ISSUER'S ACTIVITY

SOFTWARE SERVICES

Since its establishment, AROBS Transilvania Software has relied on excellent specialists and well-adjusted yet flexible processes to deliver customized software and high-quality products and software applications consistently. The excellence of our services and our specialists' commitment have helped us build strong, long-term partnerships with over 11,000 partners in Romania and worldwide.

Our passion for technology, combined with intense efforts to acquire new skills and align 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* - Embedded, Marine, Aerospace, Medical Devices, etc., and *High-Level Industries*. The *High-Level Industries* specialization comprises 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. AROBS Transilvania Software won the Continental - Best Engineering Services Supplier 2021 award, which marked an important milestone for collaborating with the Issuer's clients. In February 2023, AROBS Software Moldova joined the Group, with more than 120 software engineers and developers, mostly specialized in automotive.
- **Aerospace - AROBS Engineering** - Experienced in developing complex embedded systems for the

aerospace industry. These skills complement the expertise of AROBS Polska, which has a team of over 30 specialists in the development of products and technologies for quantum and optical communications, data storage and processing, satellite mechanics, and instrument control.

- **Marine – AROBS Engineering** – has expertise in developing solutions for multifunctional navigation systems. These systems are used on marine electronics such as radars, sonars, audio devices, instruments, cameras, and autopilot systems.
- **Embedded Systems for Medical Devices** - Embedded software platforms and solutions for high-tech, connected medical devices that provide improved healthcare capabilities and medical treatments by leveraging cutting-edge technologies such as Artificial Intelligence (AI), Augmented Reality (AR), the Internet of Things (IoT), and wearables.
- **Travel Technology** - Combining niche know-how and technical skills has helped the company 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 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**.
- **Intelligent Automation** - In the software services field, the Benelux subsidiary CoSo by AROBS Netherlands and Belgium specializes in **Robotic Process Automation**. The expertise has been expanded by the April 2023 acquisition of the Company - the takeover of the Future WorkForce Global (FWF) group. This transaction asserts the Company's strategy of developing new software services expertise that will keep AROBS competitive in the global technology landscape. The acquisition of FWF strengthens the Company's position in the intelligent automation market through Robotic Process Automation (RPA), Artificial Intelligence (AI), and Machine Learning (ML) in Western Europe.

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

Moreover, **Nordlogic Software** joining the AROBS Group has also brought 70+ experts in software development and **Enterprise Software Ecosystem Audit**.

Main Categories of Products Sold And/or Services Provided by the Software Services Division

AUTOMOTIVE

Products and/or services: Body Controllers (BCM), Car Access ECUs, Gateways, Transmissions, Infotainment, Car Radar Sensors, Keys, Instrument Clusters.

Automotive is the most important specialization, in terms of number of experts and turnover, in the software services area. The Automotive division works with hundreds of software developers in Romania, Moldova, and Hungary.

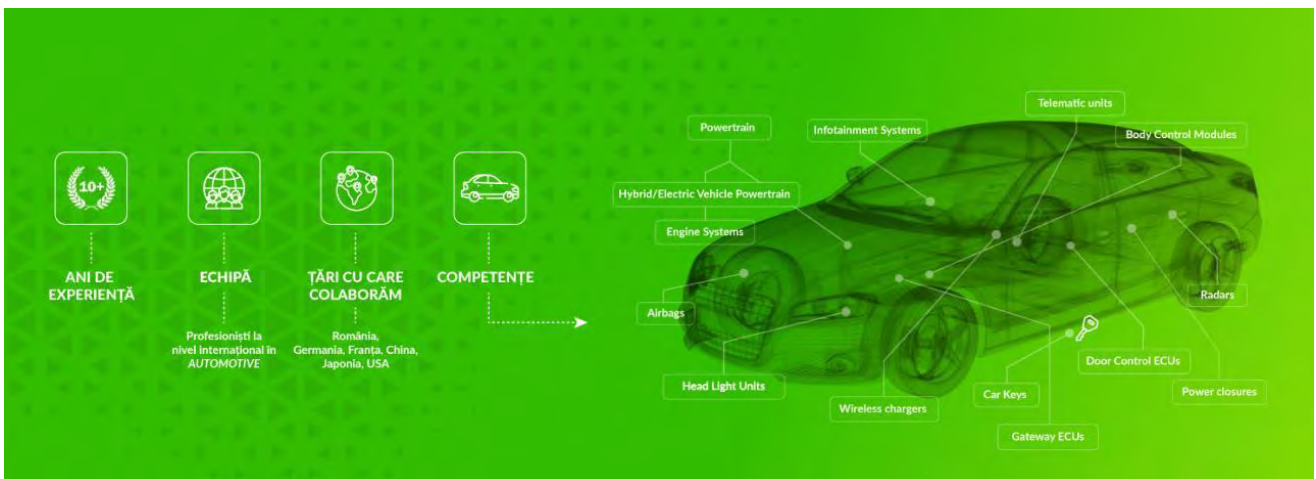
AROBS' expertise in automotive engineering includes both software and hardware expertise. Moreover, the Issuer's projects benefit from more than ten years of experience in providing software services for leading companies in the industry, from Germany, France, Japan, Romania, China, USA.

The expertise in the automotive industry is based on the delivery of advanced automotive software and hardware services from leading brands. Engineers with automotive expertise and know-how develop essential 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.

Expertise includes both elements of internal combustion vehicle architecture and modules for electric vehicles or plug-in hybrid vehicles (PHEV).

The issuer follows 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 through the international ENX ASSOCIATION platform. This platform facilitates the online interaction of companies, from product and service providers to international audits.

AUTOSAR Capabilities: Classical platform.

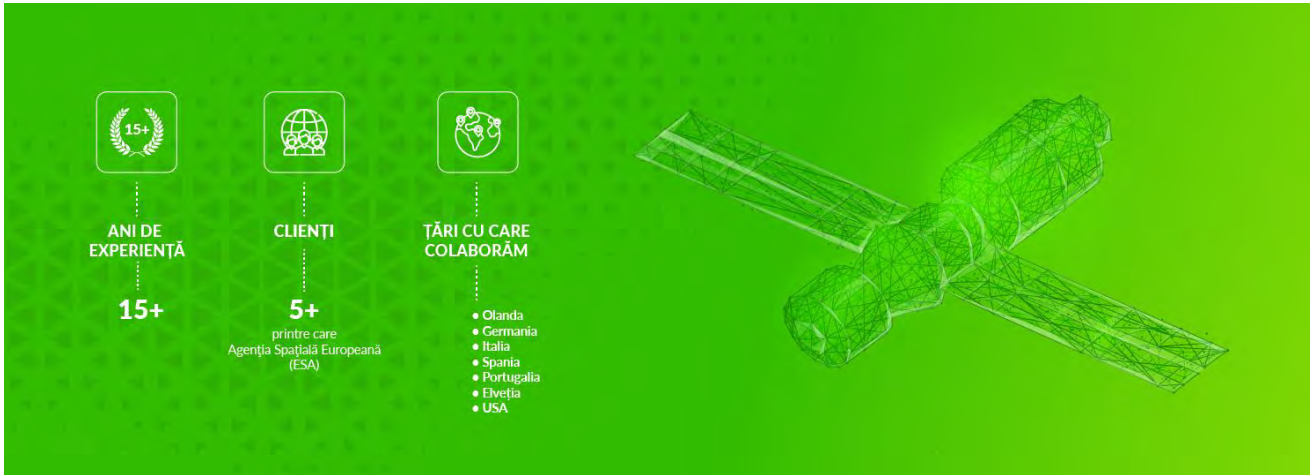


AUTOSAR custom configuration tools, EB Tresos Studio, Vector DaVinci, AUTOSAR Builder.

AEROSPACE

Products and/or services: development of complex embedded systems for the space and aviation industry, including complex software solutions for several high-profile ESA spacecraft and space missions and various FAA Level A certified commercial aerial equipment.

The Issuer has experience in developing complex aerospace engineering solutions for internationally reputable clients and has an impeccable track record of such solutions.



MARINE

Products and/or services: development of integrated technologies for various types of marine electronics used for fishing, navigation, cruising, and commercial use.

The Issuer has contributed to the development of internationally renowned devices for leading companies in the marine industry. With AROBS solutions, companies in the marine industry can deploy optimal products in the marketplace, operate more efficiently and profitably, and provide a more enjoyable and safer experience for their customers. AROBS teams keep pace with the highest industry standards in performance, quality, and safety.



TRAVEL TECHNOLOGY

Products and/or services: Property Management Software System (solution for automating hotel operations, maintaining all information, and optimizing room rentals efficiently), Online Travel Agencies (OTA Software, online solutions for travel agencies), Corporate booking automation (software solution for booking automation), Cybersecurity (cybersecurity component for the implementation of Data Security Standards in the Travel industry), Custom Hotel Channel Integration Software (integration services with GDS, CRS, OTA, Property Management System, Hotel Channel Manager, Payment and Billing applications)

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. Experience in the travel software and hospitality industry provides AROBS specialists with an overview of the market and adaptability in the delivery of solutions that are tailored to each customer.



LIFE SCIENCES & IOT

Products and/or services: medical software solutions that simplify clinical trials applied to new drugs launched in the niche market, medical device software, fitness applications, and patient monitoring.

IoT products and/or services: customized home automation or building monitoring applications, centralized environmental management systems such as forest planning, and smart thermostat applications.

Regarding Life Sciences specialization, the Issuer has built solid expertise in recent years in the pharmaceutical industry based on long-standing collaborations with large US companies.

The IoT systems created by AROBS are intuitive and easy to use, thanks to streamlined interfaces and processes. However, although the team's expertise is predominantly in creating systems and architectures for home automation and building monitoring, the issuer provides effective IoT solutions for several market segments.



ENTERPRISE SOLUTIONS

Products and/or services: Customized solutions, including music industry apps for management, recording, portal, copyright processing and track tracking/reporting, intellectual property management apps, malicious and cyber-attack detection apps - for iOS and Android devices.

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.

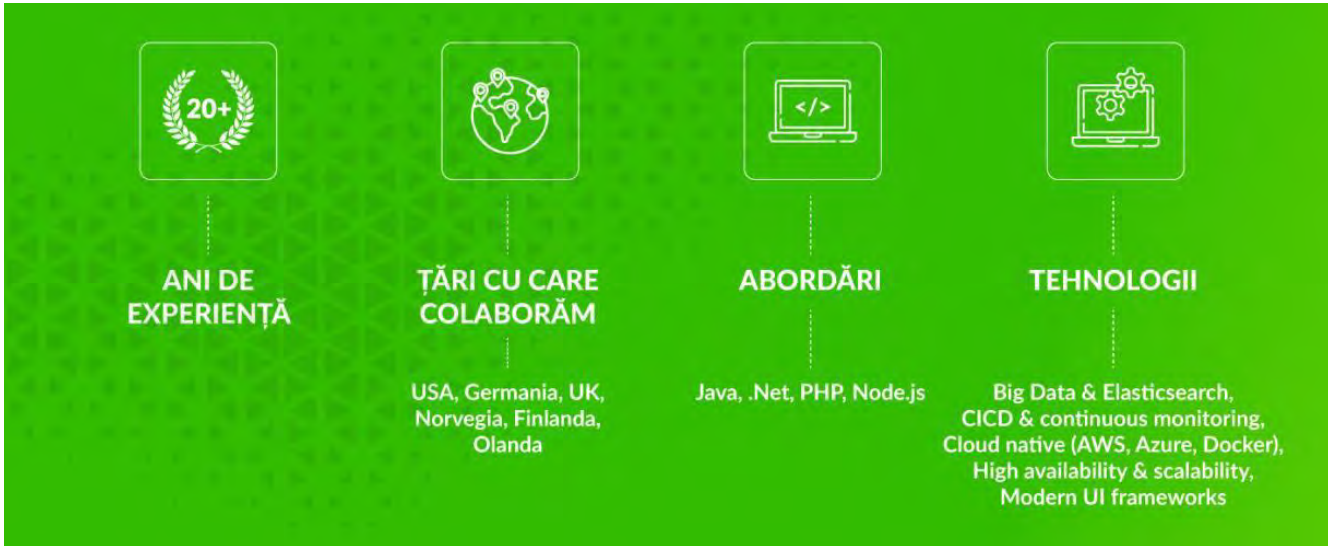


FINTECH

Products and/or services: 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.

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.



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



Products and/or services: combined hardware and software solutions, cybersecurity services such as penetration testing services, process audit, vulnerability management, preventive actions, threat hunting, and quality assurance (QA) services, including web, mobile, and desktop application testing.

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 various devices, including web, mobile and desktop application testing.

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.

AROBS Group has consolidated its software services portfolio in the **intelligent automation** market through Robotic Process Automation (RPA), Artificial Intelligence (AI), and Machine Learning (ML).

Future WorkForce and CoSo Netherlands and Belgium's team of +100 experts develop intelligent automation solutions using the latest technologies: RPA (UiPath, Microsoft, Celonis, Outsystems), AI, and ML. These are designed to automate repetitive and time-consuming tasks, allowing companies to focus on activities with significant strategic business value. Specialist teams are in Romania, the Netherlands, Belgium, Germany, and the UK.

Companies in the Software Services Division



Intelligent Automation through RPA by **CoSo** Netherlands and Belgium - The two entities joined the AROBS group in 2018. Business automation is one of the key focuses of CoSo by AROBS, perfected in over 27 years of experience in this field. CoSo by AROBS specializes in software development and is highly qualified in process automation, TMS, and educational software. RPA is now the key element of CoSo, starting with 2019.

In 2023, CoSo teams, specialized in Robotic Process Automation, were integrated operationally and as a brand under the Future WorkForce brand for everything related to the Intelligent Automation specialization. FWF and CoSo capitalized on the synergy between organizations within the AROBS Group, with CoSo taking steps to consolidate its presence in the Benelux market for intelligent automation expertise.



Berg Software joined AROBS in December 2021, the first acquisition made by the company after the private placement organized in October 2021 for the listing of AROBS on the AeRO market of the Bucharest Stock Exchange. Berg Computers' expertise complements the AROBS Group's software services business line offer. Berg Computers has experience on projects in industries such as Biomedical, Manufacturing, Retail, Office automation, IT, Storage and Cloud for large-scale clients in Germany, Austria, and Switzerland.

In 2023, BERG Software has focused on consolidating its presence in the markets in which it operates, more precisely on increasing the number of customers in the SAP area (3 new customers in 2023) and on the accelerated growth of the biomedical business volume.

In 2024, BERG will continue expanding in the DACH market—Germany, Austria, and Switzerland—focusing on retail automation, biomedical, and cybersecurity. A significant increase in demand for cyber security solutions, especially anti-ransomware protection, has been observed. Also, BERG Software is still in the process of integration into the AROBS Group.



AROBS Engineering represents the former Enea Software Services Romania, an entity that joined AROBS in April 2022 from Enea AB Sweden. AROBS Engineering has seen a positive development in the industries it focuses on - medical, aerospace, maritime, and automotive, due to an increased demand for software development and validation services from existing customers and the start of new partnerships.

In the area of software services for the automotive industry, AROBS Engineering has developed new partnerships that involve developing innovative Smart (AI-enabled) products for electric car charging systems. In addition, new complex projects have appeared to integrate software security systems for ECUtype devices.

Also, in 2023, AROBS Engineering began the largest ISVV (expertise services in complete SW systems validation) project – AROBS was selected as the lead partner for this service on the SpaceRider mission.

AROBS Engineering continued to collaborate with global partners and market leaders in the medical device industry.



Nordlogic Group, specializing in custom software development for products and platforms, joined AROBS' Software Services division in July 2022.

Nordlogic by AROBS had a positive turnover evolution in 2023 by consolidating its position, especially in the US market, increasing the volume of software development services for insurance companies, and expanding collaboration with international organizations and agencies.



AROBS Polska formerly SYDERAL Polska - is a company based in Gdansk, Poland, specializing in developing products and technologies for quantum and optical communication, data storage and processing, and control of satellite mechanisms and instruments. The company joined AROBS at the end of January 2023. With this transaction, AROBS has taken another step towards strengthening the aerospace expertise within the group. SYDERAL Polska's expertise complements the new business line within the group brought by AROBS Engineering - the development of embedded

systems and software for the aerospace sector.

For AROBS Polska, 2023 was a year marked by significant events. The company joined the AROBS group and strengthened its position in the European space market. In 2023, AROBS Polska developed quantum communication – especially in a project for the European Space Agency. In addition, the company continued to expand its competencies in controlling mechanisms for space missions, with plans to introduce a dedicated product to this market by the end of 2025. Another significant milestone was the initiation of the first services for the automotive industry.

A significant project in 2023 that brings AROBS Polska closer to a new technological niche involves the development of Time Sensitive Networking (TSN) for space applications. TSN has significant potential for widespread use by the European Space Agency and the private sector.



The Future WorkForce Global (FWF) Group, which specializes in providing complex business process automation solutions, joined AROBS in April 2023. The acquisition of FWF consolidates the position the company holds in the intelligent automation market through Robotic Process Automation (RPA), Artificial Intelligence (AI), and Machine Learning (ML) in Western Europe. Immediately after the public announcement of the acquisition, the RPA division of CoSo by AROBS Netherlands and Belgium joined forces with Future WorkForce. Thus, the companies will remain in the Benelux area under the Future WorkForce brand. As a result, the

company has quickly capitalized on the synergy between the organizations within the AROBS Group and now has a team of over 100 Intelligent Automation experts in the UK, Benelux, Germany, and Romania.

In 2023, FWF by AROBS continued to strengthen its position in intelligent automation and digital transformation with significant increases in the number of new partnerships.

One of FWF's success pillars remains its specialization in the financial banking sector, which uses RPA technologies and low-code solutions to deliver complex operations digitization programs.

Another remarkable development in 2023 was the increased interest from the public sector in the company's solutions. They have secured their first contract in this sector, which is an important recognition of their expertise and value in digital transformation in the public sector.

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

- **TrackGPS** – car fleet management and monitoring solution;
- **SasFleet** – GPS monitoring of car fleets;
- **TrueHR** și **dpPayroll** – human resource management and payroll solutions;
- **Optimall SFA** – sales force automation solution;
- **RateWizz** – channel manager for the hospitality industry;
- **School textbook digitisation solution**;
- **MonePOS** - contactless and paperless payment solution for mobility industries;
- **SoftManager** – CRM+ solution;
- **E-toll Solutions** – solution for transport companies to pay tolls in Europe.



AROBS SOLUTIONS FOR DIGITALIZATION AND EFFICIENCY

The main categories of products sold and/or services provided by the Fleet Management Division

AROBS has been active in the telematics and fleet management solutions market since 2006. TrackGPS is the leading Fleet Management brand developed and owned by AROBS. It is a complex solution for managing and monitoring car fleets that helps companies reduce their maintenance and operation costs, improve their efficiency in the allocation and use of resources, increase safety behind the wheel, as well as improve the services provided.

At the beginning of 2023, AROBS acquired Centrul de Soft GPS, a Romanian company specializing in fleet management solutions. The new entity strengthens AROBS's position as the market leader in Romania through more than 1,000 clients that complete the portfolio of over 10,000 existing clients. Through this purchase, the Issuer confirms the strategic importance of the software products business line, especially the fleet management one.

Arobs TrackGPS SRL from the Republic of Moldova joined the Group in February 2023; this is a company with experience in fleet management for companies from all industries, with an active client portfolio of approximately 450 companies with around 5,000 monitored vehicles. The company's integration into the group meant strengthening our presence in the Central and Eastern European markets.

In July 2023, it was completed the full acquisition of Arobs Pannonia Software Kft, based in Budapest, Hungary, a company specializing in fleet management and custom software development. The acquisition of AROBS Pannonia Software marks a new development perspective in Central Europe, starting from the more than 1,000 customers in Hungary.

Through acquisitions and market consolidations, AROBS TrackGPS has earned its place among the relevant players in the fleet management market in Central and Eastern Europe. The TrackGPS division aims to expand its activity in the countries in which it is present both through acquisitions and through the development of additional services such as Automatic Toll Collection for Hungary, Bulgaria and Poland, the development of Safety Driving solutions, Predictive Maintenance, as well as the improvement of the services provided through localization IT systems and investments in specialized personnel.



TrackGPS continued its development on the Romanian market, in 2023 over 850 new customers choosing TrackGPS solutions. Thus, more than 5,500 new vehicles were enrolled in the TrackGPS platform.

In 2023, we continued our efforts towards the development and large-scale implementation of solutions based on 4G and 5G technologies, increased presence in the international transport segment, consumption monitoring, and CAN data, as well as the promotion of new solutions: video telematics, safety driving, Electric Vehicle Location, TachoReader module, GDPR module (private mode activation functionality for trips of personal interest).

We continued the activity with our partners from Orange Business Services, one of the important partnerships of the AROBS TrackGPS division through which fleet management solutions are promoted through the operator's portfolio of services and products on a SaaS model.



SASFleet Tracking – also known on the market as [alarma.ro](http://www.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. SASFleet Tracking continued its consolidation in the enterprise customer segment, but also in the SME segment. SASFleet is focused on meeting the clients' needs for cost efficiency, routing, and predictive maintenance modules.

With over 20 years of experience in GPS tracking services, SAS Fleet Tracking has created strong partnerships with companies in all fields. The

SAS Fleet Tracking portfolio encompasses companies and fleets of all sizes. Their fleet monitoring solutions manage the most diverse fleets of personal cars, vans, machinery, trucks, trailers, electric vehicles, and more.

The strategic direction of the SAS Fleet Tracking company is one in which the two basic components are happily intertwined: customer care and adopting new technologies. Regarding Customer Care, the company boasts the successful implementation of the most modern and complex Fleet Management system, called Fleet Care, a system through which SAS customers have permanent control over the costs of the car fleet, receive alerts regarding the expiration of essential documents as well as the possibility to manage the documents related to fleet management easily - both the authorizations/insurances part and the cost part (invoices, quotations, fuel receipts).

The company grew in 2023, adding two very important partners from the energy industry to its customer portfolio, whose combined fleets reach more than 1,700 vehicles.

For one of the above-mentioned clients, the company developed new functionalities. It is an advanced Pool Car system, created in partnership, through which, with the help of a mobile application for remote locking and unlocking of vehicles, the fleet can be controlled, and multiple users on the intervention cars can be monitored.

In the market, there is a trend of increasing customer interest in fleet cost control tools, especially related to fuel consumption. Thus, the FleetCare solution was very well received by the new partners, especially the modules for fuel consumption vs. budget, document expiration, and driver behavior, as well as the special products of the FMB 140 type through which the customer has access to extremely useful information such as standing with the engine running, fuel supply by reading the car's native literometer probe, engine speed.



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 – are able to pay tolls in Europe through an integrated system.

The company also offers services for the payment of Romania's road taxes, mandatory car insurance, car roadside assistance, and car damage assistance.

In 2023, the Company continued its efforts to increase market share, recording considerable increases in new customers. It also invested in diversifying its toll payment product portfolio.

In the next period, the process of integrating the solution with the fleet management platforms of the Group will start.



Centrul de Soft GPS was the fleet management division of the company Soft Pro Center until June 2022, when a division process took place, and AROBS fully took over the new entity created under this name in December 2022. Soft GPS Center is specialized in the development of ERP applications and the provision of fleet management solutions, fleet monitoring, security applications stolen cars recovery. The client portfolio of the Soft GPS Center consists of more than 1,000 companies with approximately 9,000 monitored vehicles.

The main categories of products sold and/or services provided in the field of HR Solutions

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 using its 15+ modules.

Dp-Payroll is a professional payroll management solution that automates processes specific to this field to eliminate human errors. The Dp-Payroll solution simplifies financial processes through a payroll calculation program and helps to obtain an objective view of the business with the help of 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. data with over 15 distinct modules. The wide range of functionalities makes dp-Payroll a comprehensive solution for the payroll department that reduces costs and optimizes the company's financial accounting processes.



UCMS by AROBS continues its consolidation in the field of human resource management solutions, developing new partnerships with clients in target industries such as Banking, Retail, Production, Automotive, and IT.

The company, distinguished on the market by the exceptionally high quality of customer services, promotes and attracts new partners mainly through a series of functionalities that have attracted the interest of customers: those of timekeeping automation (True Pontaj Electronic), digitalization, internal report configurations/ reports requested by the authorities (dp-Reports), employee evaluation (True Employee Evaluation), delegations and statements (True Delegations and Statements), digitization of the signing of documents with employees (True Electronic Signature).

Main categories of products sold and/or services provided in the field of Business Optimization



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

Of the solutions promoted, Optimall SFA has the most traction in the Romanian market, and it has recently launched new modules aimed at sales team performance - Target and Supervisor. Optimall customers show interest in digitizing and improving internal company processes through various automation. In the case of SFA, but also for the Logistic application - which optimizes the costs of distribution activities by up to 25% - the company has seen an increase in customer requests, both for the implementation of new projects and various customizations of the application.

In 2023, Optimall by AROBS celebrated its 20th anniversary, an event we marked by launching new Optimall SFA Android mobile applications. By refactoring the application, we proposed innovative functionalities to our customers that support the automation of sales processes in distribution and production businesses. We have also developed four additional modules of the Optimall SFA application: the Sell Sheet Module (viewing sales history), the Supervisor Module (monitoring the activity of sales agents), the Target Module (monitoring sales objectives), and the Promotions Module (creating packages attractive promotions for customers).

Optimall division will continue to strengthen in the manufacturing and distribution industries. It has benefited from new partnerships with companies in these industries. It is taking necessary steps to increase market share in other sectors as well, such as public administration, with the Optimall SMIS product, a management solution for heritage and inventory for private companies and public authorities.



MonePOS – The digital payments system supports the complete digitalization of operations for companies in a wide range of industries, such as passenger transport, taxi, FMCG, deliveries, or any type of business where contactless and paperless payments can enhance operations. MonePOS continued strengthening its position in the taxi service market throughout the country, in HoReCa & Tourism, and cross-sale with other AROBS Group software solutions such as Optimall SFA in the Distribution Industry.



SoftManager CRM+ - is a platform comprising a set of strategies, tools, and procedures designed to improve relationships and interactions with an organization's existing or potential customers. The functionalities developed facilitate production, service, finance, marketing, project management, and analysis. Softmanager has implemented new modules and functionalities, such as Warehouse management, as well as integrations with EFactura, WinMentor, and Saga. The new product, SoftManager Sport, is designed for resource management in organizations and companies focusing on sport.

In 2023, SoftManager CRM+ continued the consolidation actions on the data automation market for SMEs by implementing new modules and functionalities, such as Warehouse management. Another direction is promoting the new product, SoftManager Sport, intended for resource management in organizations and companies focusing on sports. New customers come from the financial industry, telemarketing, and B2B sales.

Innovative Projects - A Dedicated Research Department

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



School textbooks digitizing solution - AROBS takes learning into the Digital Age: Since 2014, at the initiative of the Ministry of Education, digital books have become mandatory, starting with first and second grade. In partnership with Aramis Publishing House, the Issuer has produced and contributed to digitizing almost 3 million electronic textbooks for grades I-VIII to date.

The tablets come pre-installed with interactive applications that will help children consolidate or summarize the knowledge they have acquired at school. They will also help parents keep track of their children's progress.

With the cost of printing physical textbooks eliminated, these electronic textbooks and tablets provided by AROBS will result in substantial savings.

In 2023, the Digital Textbooks project continues to offer teachers and pupils the opportunity to improve the learning process. Together with strategic partner Aramis, the team has won 5 of the 7 digital textbook tenders they have participated in, and the print run for new 2023 textbooks and reprints are over 250,000. The project team wants to continue growing in the E-learning segment in 2024.



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 for reservation management, providing the interface between the reservation software and ADS solutions: Booking, Expedia, Sabre/ SynXis, Travelport. More than **200 hotels in Nordic countries already use RateWizz.**

Thanks to the stability of the existing partnerships, the business model used, and the adaptability to the market requirements affected by the pandemic context, Ratewizz's customer portfolio is stable, and the project's profitability

is showing a positive trend.

RateWizz is a stable product connected with the main OTAs. Offering premium support, a differentiating factor in the market, RateWizz has stable partnerships. There is an increase in interest in the small hotel units segment. RateWizz has also identified new partnerships in the Romanian market, where there is a real need for customized solutions. In addition to the stability of the product and the superior support services we offer, the existing connectivity with the primary sales channels makes this product comparable to the significant Channel Manager systems in the market.



AROBS Systems is one of the new diversification directions in the group, implementing hardware and software solutions for public sector contracting authorities. This company has a team of experts in public sector digitization, and its technical expertise covers the integration of complex systems and ORACLE, HP, DELL, and Microsoft technologies.

AROBS Systems has continued its growth in the sub-segment of public sector digitization, providing implementation services for hardware and software solutions. The company has developed its capabilities in offering and implementing Oracle solutions.

In 2023, the AROBS Systems team started three new projects, both in the public sector with Societatea Nuclearelectrica and Banca Națională a României and in the private sector. AROBS Systems completed a project to acquire hardware and software solutions aimed at consolidating the databases required to function as the components of the Integrated Customs Information System.

CERTIFICATIONS

Certifications ensure the company's credibility in the market, especially for companies providing services.

The Issuer's primary certificates are:

- Confidentiality and information security - an information security management system - ISMS - has been implemented. This system is created by some of the most rigorous 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. Therefore, this management standard regulates how to operate securely regarding information. It demonstrates that the Issuer operates according to the strictest international information standards;

- TISAX - Trusted Information Security Assessment Exchange - is the industry's most prestigious information security standard. This certification is obtained through the international ENX ASSOCIATION platform. This platform hosts the online information interaction of automotive companies, from product and service providers 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 terms of application development, consulting, implementation and support activities;
- ISO/IEC 27001:2013 - Supply of software and provision of services in respect of application development, implementation and support activities;



EXPERIENCE

Considering the 25+ years since the Issuer's establishment, as well as the partnerships with numerous clients and suppliers in various industries corresponding to AROBS' business lines, the Issuer's experience is extensive.

The most relevant value points are:

- The Issuer has teams of IT professionals with a good reputation in the market for over 25 years;
- Expertise in multiple industries,
- Flexibility in adopting client-specific standards and processes;
- Diverse clients in over 15 countries across 3 continents;
- Dedicated team, challenge-oriented, and new technologies;
- Focus on customers, employees and collaborators;
- Expertise in software solutions including high growth industries: Automotive, IoT, Fintech, Aerospace, Medical, Maritime, Life Sciences, Travel Technology, Enterprise Solutions, RPA, Transportation & Logistics, Retail, Manufacturing, Retail, Office automation, IT, Storage and Cloud, and beyond;
- 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;
- Frequent launch of new software products testing on the Romanian market before expanding into Central and South-Eastern Europe;
- Organic growth, but also through strategic acquisitions, to strengthen business lines and complete the solutions portfolio.

DIFFERENTIATION FROM THE COMPETITION

The Issuer differentiates itself from the competition through its business model, the integrated way the group companies operate, and the synergies created between them, creating a complete package of digitization and business efficiency solutions. In this respect, the elements that differentiate the Issuer from its competitors are:

At the level of services delivered 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 developing web, mobile, and complete solutions for dynamic industries;
- Experienced management team;
- Enduring partnerships with thousands of companies in Central and Southeast Europe and Asia;
- Presence in European rankings as a representative company in European fleet management;
- Continuous innovation, agility, and adaptability based on the market needs;
- Frequent launch of new software solutions testing on the Romanian market before expanding into Central and Southeast Europe;
- Organic growth, but also through strategic acquisitions, to strengthen business lines and complete the solutions portfolio

NON-FINANCIAL STATEMENT

AROBS will be and has always been involved in environmental and quality-of-life actions in the community. As detailed in this report, our ecological initiatives range from afforestation to attention to resource use and recycling and prioritizing recycled and/or locally produced materials.

AROBS' software products—such as TrackGPS and SASFleet—in fleet management and Optimall Logistic—in business optimization in distribution and manufacturing—support companies in fuel efficiency, carbon footprint reduction, route optimization, etc. MonePOS is our contactless and paperless solution for digital payments.

AROBS is preparing its 2023 sustainability report, which will bring together the company's initiatives in line with sustainable development. The report will elaborate on international standards in the field and aim to provide a comprehensive picture of our projects in sustainability, CSR, and governance.

Environmental Initiatives in 2023

- 2 AROBS planting actions, near Cluj-Napoca and Bucharest, over 10,000 trees in 2023
- Existence of internal paper and energy-saving policies
- Use of a minimum amount of printed materials
- Top priority purchase of promotional items such as stone paper diaries every year, pens and bottles made from recycled materials
- Organise workshops on how to use recyclable materials
- Fight for Your Green Cause, an annual internal competition for green cause ambassadors

Education for the next generation

We support many initiatives supporting future generations, such as:

- Innovation Labs - we are a national partner of the largest startup competition
- FIX Cluj-Napoca - we support the local youth entrepreneurship program
- We support Hard&Soft Suceava - a student competition for future engineers
- Electrosofting Baia Mare - a competition for future IT professionals
- We support advanced courses and programs for students
- Main sponsor of the Project management in IT program at Babeş Bolyai University

- Platinum sponsor of the IoT Lab at Babes Bolyai University
- Hackathon competitions are held in Cluj, Mures, Arad, etc.
- Technical articles contest - Writers of AROBS
- Drag de Școală project, Suceava, against school dropouts

Quality of life initiatives and disadvantaged groups

- AROBS XMAN Romania: triathlon sports competition
- Support for our colleagues who perform outstandingly in sport
- Sponsorship for hospitals and clinics in Romania
- Project Căsuța Bucuriei, Cluj-Napoca, housing and education for orphaned children
- Ajută o mamă se se ridice, a national project for rural women's access to health care.

Regarding employee health and safety, the company has staff in charge of training staff and updating policies on OHSAS. The ultimate goal of occupational safety and health work is:

- To protect the life, integrity, and health of workers against the risks of occupational injury and illness that may occur in the workplace;
- to create working conditions that provide them stable physical, mental, and social comfort.

AROBS Transilvania Software SA impacts the environment through its telematics activity. Thus, for the packaging placed on the Romanian market, the company must comply with the updated Law 249/2015 on the recovery and recycling of packaging. Under Art. 16, para. 2 of the Law, the company has concluded a contract with Ecologic 3R Ambalaje S.A., which assumes responsibility for the recovery and recycling of packaging placed on the Romanian market by ATS. At the same time, the company also complies with Government Decision No 1132/2008 on the regime for batteries and accumulators and waste batteries and accumulators, as well as its subsequent legislation, and has concluded a contract with the company RLG Systems Romania SRL for the collection of this waste. The company makes monthly declarations to the National Environmental Protection Agency and has staff responsible for monitoring and assessing the company's environmental impact.

GROUP STRUCTURE

As of 31 December 2023, the AROBS Group consisted of AROBS Transilvania Software S.A. ("the Company" or "AROBS" or the "Parent Company") and 27 subsidiaries:

NO.	Company	Control (AROBS)	Percent
1	AROBS DEVELOPMENT & ENGINEERING SRL		100%
2	AROBS ETOLL SOLUTIONS SRL		100%
3	AROBS PANNONIA SOFTWARE KFT		100%
4	AROBS POLSKA (SYDERAL POLSKA)		94%
5	AROBS SOFTWARE SOLUTIONS GMBH		60%
6	AROBS SOFTWARE SRL		100%
7	AROBS SYSTEMS SRL		100%
8	AROBS TRACKGPS SRL		100%
9	ATS ENGINEERING LLC		100%
10	BERG COMPUTERS SRL		100%
11	CABRIO INVEST B.V.		90%
12	CENTRUL DE SOFT GPS SRL		100%
13	COSO BY AROBS B.V. NL		90%
14	COSO BY AROBS B.V. BE		90%
15	COSO TEAM UK LTD		90%
16	FUTURE WORKFORCE S.A.		100%
17	FUTURE WORKFORCE SRL		100%
18	FUTURE WORKFORCE GmbH		65%
19	FUTURE WORKFORCE Limited		80%
20	NORDLOGIC SOFTWARE SRL		100%
21	NORDLOGIC USA, INC		100%
22	PT AROBS SOLUTIONS INDONESIA.		70%
23	SAS FLEET TRACKING SRL (SAS GRUP)		100%
24	SILVER BULLET SRL		100%
25	SOFTMANAGER SRL		70%
26	SKYSHIELD MAGYARORSZAG KFT		100%
27	UCMS GROUP ROMANIA SRL		97,67%

EMPLOYEES

As of 31.12.2023, the average number of employees at Group level was 1,254 compared to 2022, when the average number was 796 at Group level.

The organizational structure of AROBS Transilvania Software S.A is shown below:



DIRECTORS

The company is managed by a Board of Directors of five members appointed by the ordinary general meeting of shareholders for a four-year term of office, starting on 29.09.2023. In 2023, the Board of Directors of the Issuer was evaluated by its Chairman, the conclusions of which were that the members have fulfilled their duties in accordance with the provisions of the Articles of Association and the applicable legal provisions. In addition, 23 meetings of the Board of Directors were held during the past year.

The Board of Directors of the Issuer consists of:



Voicu Oprean - Chairman of the Board of Directors and C.E.O.

Founder of AROBS, Voicu Oprean is a graduate of the Technical University of Cluj-Napoca, holding a Bachelor's degree in Computer Automation and a Master's degree in Business Administration from Babeş Bolyai University. He has also completed an EMBA from Wu Wien in 2008, the London Executive Business School in 2018, and the President's Program in Leadership Y.P.O. at Harvard Business School in 2021.

Voicu Oprean mentors and coaches multiple startups and generations of entrepreneurs.

Additional information as per legal regulations:

- Voicu Oprean is currently an active partner in the following companies/associations: 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 five years, Voicu Oprean has not been prohibited by a court from serving as a member of the board of directors or supervisor of a company.
- In the last five years, there have been no cases of insolvency, liquidation, bankruptcy, or special administration of companies of which Voicu Oprean was a member of the board of directors or the supervisory board.



Mihaela Cleja - Non-executive member

Mihaela Cleja joined AROBS Transilvania Software in 2008 as Chief Financial Officer (C.F.O.) until September 2021, coordinating capital budgeting, forecasting, reporting, and controlling operations. Before this position, he held the position of C.F.O. in several companies, with over 28 years of professional experience. He graduated in 1993 from the Faculty of Economic Sciences at Babeş Bolyai University, and in 2008, he obtained a Master's degree in Management in Administration of Credit Institutions and Commercial Companies.

Additional information according to legal regulations:

- Mihaela Cleja is an active associate in the company NEWCAR4FUTURE SRL.
- In the last five years, Mihaela Cleja has not been prohibited by a court of law from serving as a member of the board of directors or supervisor of a company.
- In the last five years, there have been no cases of insolvency, liquidation, bankruptcy, or special administration of companies of which Mihaela Cleja is a member of the board of directors or the supervisory board.



Aurelian Deaconu - Executive Member

Aurelian Deaconu has been Executive Director of the Software Services Division of AROBS Transilvania Software since 2011, having previously held C.F.O. positions at Endava Romania (2007-2011), A.G.S. Romania (1999-2004) and Alfasoftware SA (1993-1999). He has a degree in Electronics and Telecommunications from the Technical University, in Industrial and Financial Management from Babeş Bolyai University, and an M.B.A. from the Conservatoire de Arte et Métiers, Paris.

Additional information as required by legal regulations:

- Aurelian Deaconu is not an active partner in any company currently.
- In the last five years, Aurelian Deaconu has not been prohibited by a court of law from serving as a member of the board of directors or supervisor of a company.
- In the last five years, there have been no cases of insolvency, liquidation, bankruptcy, or special administration of companies of which Aurelian Deaconu was a member of the board of directors or the supervisory board.



Ioan Nistor - Independent Member

Ioan Alin Nistor, Professor of Finance at Babeş-Bolyai University in Cluj-Napoca, is distinguished by a career of over 20 years in the academic world. After graduating with a PhD in finance, he broadened his global perspective through a post-doctoral internship at Kobe University in Japan and an Executive M.B.A. program at Hull University in the U.K. His commitment to values-based leadership has been reinforced by his graduation from the prestigious Aspen Institute - Public Service Leadership program.

Additional information as required by legal regulations:

- Ioan Nistor is not an active partner in any company currently.
- In the last five years, Ioan Nistor has not been prohibited by a court of law from serving as a member of the board of directors or supervisor of a company.
- In the last five years, there have been no cases of insolvency, liquidation, bankruptcy, or special administration of companies in which Ioan Nistor was a board of directors or supervisory board member.



Răzvan Gârbacea –Independent member

Răzvan-Dimitrie Gârbacea has been co-opted as an independent member of the Board of Directors out of AROBS' desire to align itself with best corporate governance practices. Mr. Răzvan Gârbacea has 20 years of experience in the banking sector, having held management positions in B.C.R. (Regional Corporate Director) and BRD (Regional Corporate Director) and currently holding the position of Corporate Executive Director in EXIMBANK Romania.

Additional information as per legal regulations:

- Răzvan Gârbacea is currently not an active partner in any company.
- In the last five years, Răzvan Gârbacea has not been prohibited by a court of law from serving as a member of the board of directors or supervisor of a company.
- In the last five years, there have been no cases of insolvency, liquidation, bankruptcy or special administration of companies in which Răzvan Gârbacea was a member of the board of directors or the supervisory board.

All members of the Board of Directors are covered by professional liability insurance. Details of the remuneration of the members of the Board of Directors and Executive Directors are available in the Remuneration Report for 2023, available on the company's website under the Investors Section – Corporate Governance.

AROBS SHARES ON THE BUCHAREST STOCK EXCHANGE

AROBS shares were admitted to trading on the SMT-AeRO segment of the Bucharest Stock Exchange on 06.12.2021.

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

As of 25 September 2023, AROBS shares were admitted to trading on the Main Market of the Bucharest Stock Exchange.

During 2023, investors traded 78.8 million AROBS shares in more than 23,500 transactions totalling RON 77.8 million. AROBS shares were the most traded shares on the AeRO market in 2023, a performance achieved between January and September 2023 (as of 25 September 2023, AROBS shares are traded on the Main Market of the B.V.B.).

As of 31.12.2023, the shareholding structure of the company was as follows:

Shareholders	No of shares	Percentage
Voicu Oprean	578.278.772	66,3701%
Other shareholders	293.014.837	33,6299%
TOTAL	871.293.609	100%

2023 KEY EVENTS

THE MAIN BUSINESS EVENTS

CENTRUL DE SOFT GPS S.R.L. ACQUISITION

On January 18, 2023, the Company informed the market about the complete acquisition of Centrul de Soft GPS S.R.L. Centrul de Soft GPS represented the fleet management division of Centrul de Soft Pro until June 2022, when a demerger process took place, and the Company entirely took over the new entity created under this name. Centrul de Soft GPS specializes in developing ERP applications and providing solutions for fleet management, fleet monitoring, security applications, or stolen car recovery. GPS Soft Center's customer portfolio comprises more than 1,000 companies with approximately 9,000 monitored vehicles.

SYDERAL POLSKA ACQUISITION

On February 2, 2023, the Company informed the market about the acquisition of a majority stake, 94%, in SYDERAL Polska, a company based in Gdansk, Poland, specializing in the development of products and technologies for quantum and optical communication, data storage and processing, and control of satellite mechanisms and instruments.

SYDERAL Polska was established in 2016 and has a team of 28 specialists who provide software and hardware solutions for the needs of customers operating in the aerospace sector. The Company implements projects for the European Space Agency (E.S.A.) and, at the same time, works on R&D projects funded by the National Centre for Research and Development (NCBiR) in Poland. With the acquisition of SYDERAL Polska, AROBS enters a new market in Poland and strengthens its business expertise in embedded systems for the aerospace sector.

The management of the Company will continue to be led by Michal Drogosz, the current C.E.O., who also remains a shareholder with a 6% stake.

CFO APPOINTMENT

On February 8, 2023, the Company informed the market of the appointment of Mr Bogdan Ciungradi as Chief Financial Officer. Mr Ciungradi's mandate is granted for an indefinite period. Bogdan Ciungradi is an executive with 25 years of experience in finance and operations. Over the years, he has held various management positions in companies such as Noriel Group, Ţiriac Imobiliare, SIVECO Romania, and Flanco, where he contributed to optimizing their business and financial processes.

As the Company's C.F.O., Bogdan Ciungradi is responsible for coordinating the activity of the finance department and streamlining operations to boost financial performance at group level. At the same time, he was involved in transferring AROBS shares to the primary market of the Bucharest Stock Exchange, a goal that the Company achieved in 2023.

FUTURE WORKFORCE GLOBAL ACQUISITION

On April 26, 2023, the Company informed the market about the complete acquisition of the Future WorkForce Global (FWF) group, based in Cluj-Napoca, specialized in providing complex business process automation solutions. In addition to Romania - with offices in Cluj-Napoca and Bucharest- the Group has subsidiaries in London, UK, and Munich, Germany. The Future WorkForce Global Group has approximately 100 specialists in business process optimization and automation using innovative technologies and solutions, such as Robotic Process Automation, Artificial Intelligence, and Machine Learning, located in Romania, the UK, and Germany. It started its activity in 2017 and has partnerships with the world's leading technology companies - UiPath, Microsoft, Celonis, and Outsystems. Its clients include companies from banking, insurance, retail, logistics, etc.

FWF has an excellent reputation in the local and international markets, with its team being recognized for the personalized approach and innovative solutions it offers to clients. In 2022, the FWF group recorded a turnover of approximately 22 million lei.

The management of the Company will continue to be provided by Mihai Bălaj and Marius Bene in the roles of executive directors Daniel Mureșan - CTO, and Voicu Oprean, Chairman of the Board of Directors.

ACQUISITION OF AROBS PANNONIA SOFTWARE

On July 4, 2023, the Company informed the market about the full acquisition of AROBS Pannonia Software Kft, a company based in Budapest, Hungary, specializing in fleet management and custom software development. As a result of the implementation of this transaction, the Company indirectly owns, through AROBS Pannonia Software, 100% of the share capital of Skyshield Magyarország Kft, which also specializes in fleet management services.

AROBS Pannonia Software currently employs more than 20 specialists. Since its inception in 2011, the team has delivered to more than 1,000 clients in Hungary in the fleet management specialization.

INTEGRATION DIRECTOR APPOINTMENT

On October 5, 2023, the Company informed the market about the appointment of Ms Gabriela Mechea as the Company's Integration Director. As Chief Integration Officer of AROBS, Gabriela Mechea is responsible for harmonizing the activities of the companies acquired by the Group in the last almost two years and the entities to join AROBS in the ongoing process of growing the Group through M&A transactions.

KEY GOVERNANCE EVENTS

EGMS FROM 19 APRIL 2023

On 16 March 2023, the Board of Directors of AROBS Transilvania Software convened an Extraordinary General Meeting of Shareholders for 19 April 2023. The legal and statutory quorum was constituted at the first conference. The critical points voted at the EGM were:

- Approval for the future admission to trading of the Company's shares on the regulated market administered by the Bucharest Stock Exchange;
- Approval of the distribution of shares through the stock option plan to employees of Berg Computers SRL and COSO by AROBS B.V.;
- Approval of the reduction of the share capital of Arobs Transilvania Software S.A. from RON 91,139,498.8 to RON 87,129,360.9, i.e. by RON 4,010,137.9, as a result of the cancellation of 40,101,379 own shares (in the proportion of 4.4% of the total number of shares) acquired by the Company, under the EGMS Resolution no. 4 of 23.08.2021 and EGMS Resolution no. 8 of 11.10.2021 and not distributed within the legal term, under art. 1041 para. (3) of the Companies Act no. 31/1990 republished, as amended. After the reduction, the share capital of Arobs Transilvania Software S.A. will amount to RON 87,129,360.9 divided into 871,293,609 ordinary, registered, dematerialized shares with a nominal value of RON 0.1 each.

OGMS FROM 28 APRIL 2023

On 27 March 2023, the Board of Directors of AROBS Transilvania Software convened the Ordinary General Meeting of Shareholders for 28 April 2023. The legal and statutory quorum was constituted at the first convocation. The critical points voted at the AGM were:

- Approval of the income and expenditure budget for the financial year 2023;
- Approval of the allocation of the Company's net profit for RON 41,898,453.37 for the financial year ended 31 December 2022, determined following the applicable laws, as follows: the amount of RON 38,547,374.37 retained net profit (retained earnings), the amount of RON 2,403,521.88 shall be allocated to the legal reserve, and the amount of RON 947,557.12 shall be assigned to other reserves;
- Approval of the remuneration policy of AROBS Transilvania Software S.A.;
- Approval of the discharge of the members of the Board of Directors for the financial year 2022 (secret ballot).

EGMS AND OGMS FROM 29.09.2023

On 29 September 2023, the Extraordinary and Ordinary General Meeting of Shareholders of the Company was held. The legal and statutory quorum was constituted at the first call for both meetings. Among the items approved on the AGM and AGOA agendas are:

- Approval of the amendment of the Company's Articles of Association to bring them in line with the Company's status as a listed company on the Main Market of the Bucharest Stock Exchange, as well as to implement best practices in the way the Company is organized;
- Approval of the delegation of the powers of the EGM regarding the increase of the Company's share capital to the Board of Directors for 3 years, with the possibility of exercising the shareholders' preemptive right through one or more issues of ordinary, registered, and dematerialized shares, with a nominal value not exceeding RON 9,000,000 (representing 90,000,000 shares). Of the 90,000,000 shares:
- 75,000,000 shares are intended to be used to finance investments and acquisitions of shareholdings in other entities (including with the possibility of payment of the price relating to such acquisition in part or in full in Company shares), provided that no more than 25,000,000 shares are used for this purpose annually (with the possibility of carry-over to subsequent years to the extent that this limit is not reached in a given year); and
- 15,000,000 shares will be used to carry out the Company's ESOP plans, provided that a maximum of 5,000,000 shares are used annually (with the possibility of carry-over to subsequent years to the extent that this limit is not reached in a given year).
- Approval of the ratification of the sale and purchase agreements for the acquisition of AROBS Pannonia Software Kft. and Future Workforce Global S.A.
- Approval of the appointment of a 5-member Board of Directors and selection of the Board members Voicu Oprean, Mihaela-Stela Cleja, Răzvan-Dimitrie Gârbacea, Ioan-Alin Nistor, Aurelian-Călin Deaconu.

APPOINTMENT OF CHAIRMAN AND COMMITTEE MEMBERS

On October 10, 2023, the Company informed the market of the appointment of the Chairman of the Board and the members of the Company's committees. Accordingly, at the Board of Directors meeting held on 09.10.2023, the following items were approved:

- Mr. Voicu Oprean was appointed Chairman of the board of directors for a four-year term, from 29.09.2023 to 29.09.2027.
- Appointment of the members of the Audit Committee for a four-year term of office from September 29, 2023, to September 29, 2027. The members of the Committee are Ioan Alin Nistor, Chairman, Răzvan-Dimitrie Gârbacea, and Mihaela Stela Cleja.
- Appointment of the Nomination and Remuneration Committee members for a four-year term of office, from 29.09.2023 to 29.09.2027. The Committee members are Voicu Oprean, Chairman of the Committee, Ioan Alin Nistor, Răzvan-Dimitrie Gârbacea, and Mihaela Stela Cleja.

APPOINTMENT OF THE CEO AND OTHER EXECUTIVES OF THE COMPANY

On October 12, 2023, the Company informed the market about appointing Mr. Voicu Oprean as Chief Executive Officer and Mr. Aurelian Deaconu and Mr. Ovidiu Bojan as executive directors with the power to represent the Company.

MAIN CAPITAL MARKET EVENTS

COMPLETION OF THE SHARE BUYBACK PROGRAMME

On June 6, 2023, the Company informed the market about the completion of the 02.06.2023 share buyback program, which was communicated to the market on 22.06.2022 and initiated on 11.07.2022. The repurchase of a maximum number of 10,936,740 shares was carried out following AGEA Resolution No. 4 of 31.05.2022, published in the Official Gazette Part IV No. 2574/20.06. 2022, 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 the respective time of the independent tender offer at the trading venue where the acquisition is carried out, under Article 3 paragraph (2) Delegated Regulation No 1052/2016 supplementing Regulation (EU) No 596/2014.

The repurchase was carried out to implement the Stock Option Plan, a remuneration and loyalty scheme for employees and members of the Company's governing bodies designed to reward them for their work with the Company.

SHARE CAPITAL REDUCTION

On July 5, 2023, the Company informed investors about the registration with the Commercial Register of the reduction of the Company's share capital, as this operation was approved by the Extraordinary General Meeting of Shareholders Resolution No. 1 / 19.04.2023.

On July 13, 2023, the Company received from the Financial Supervisory Authority the Certificate of Registration of Financial Instruments (CIIF) no. AC-5433-3/12.07.2023. The CIIF certifies the registration of the operation to reduce the share capital by 40,101,379 shares following the Resolution of the Extraordinary General Meeting of Shareholders of the Company no. 1 dated 19.04.2023.

As a result of the reduction, the Company's share capital is 87,129,360.9 RON, divided into 871,293,609 registered shares, each with a nominal value of RON 0.1.

PUBLICATION OF FINANCIAL RESULTS IN IFRS FORMAT

On July 26, 2023, the Company published its financial results, prepared following International Financial Reporting Standards (IFRS), for the financial years ended December 31, 2022, December 31, 2021, and December 31, 2020. Preparing the audited financial results in accordance with IFRS was one of the main steps to be achieved before the formal start of the transfer process to the Main Market, which was approved at the Extraordinary General Meeting of Shareholders on 19.04.2023.

INCLUSION OF AROBS SHARES IN MSCI INDICES

On August 14, 2023, the Company informed the market that the Company's shares will be included in the MSCI Frontier Markets Small Cap Index and the MSCI Romania Small Cap Index, effective August 31, 2023. The MSCI Romania Small Cap Index measures the performance of the small cap segment of the Romanian market, while the MSCI Frontier Markets Small Cap Index reflects the representation of small cap companies in 28 countries classified as Frontier Markets by MSCI.

The inclusion of AROBS TRANSILVANIA Software S.A. shares in these indices represents a significant moment for the Company and attests to its solid performance and growth potential. It is also an important step in the Company's strategy to improve the liquidity of its shares and attract international institutional investors.

APPROVAL AND PUBLICATION OF PROSPECTUS FOR ADMISSION TO TRADING ON THE REGULATED MARKET

On 6 September 2023, the Company notified the market of the approval of the prospectus for admission to trading on the Regulated Market of the Bucharest Stock Exchange by the Financial Supervisory Authority (ASF). On 8 September 2023, the Company published the prospectus for admission to trading on this market.

START OF TRADING OF AROBS SHARES ON THE REGULATED MARKET

As of 25 September 2023, AROBS shares are traded on the Regulated Market of the Bucharest Stock Exchange.

INFORMATION ON THE FREE ALLOTMENT OF SHARES TO EMPLOYEES

On 26 September 2023, the Company informed the market about the free allotment of 10,979,553 shares to employees and members of the management bodies of the Company and affiliated companies, in which sense it published the Information Document drawn up in accordance with art. 1 para. (4) lit. i) of Regulation 1129/2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC. More details are available [HERE](#).

INVESTOR DAY AROBS

On 19 October 2023, the Company organised the first AROBS Investor Day. The event was broadcast live and a recording is available [HERE](#).

KEY EVENTS AFTER THE END OF THE REPORTING PERIOD

INFOBEST ACQUISITION

On 27 February 2024, the Company informed the market about the full acquisition of Infobest Group, which specializes in the development of custom software solutions, with offices in Timisoara and Leverkusen, Germany. Currently, Infobest has a team of over 100 specialists in developing custom software solutions for the e-commerce, manufacturing, automotive, telecommunications, finance, media, and communications industries, covering the entire lifecycle of an application - from business analysis, architecture, and UX design to development, testing, and maintenance. Infobest has a strong presence in the DACH market with many long-term clients ranging from mid-sized companies to multinational corporations, including global market leaders in the automotive, telecommunications, and manufacturing industries.

Infobest's management will continue to be provided by Christian Becker and Yvonne Abstoss-Becker. Infobest's financial results will be included in the Company's consolidated financial statements upon completion of the transaction, which is subject to the satisfaction of certain conditions and regulatory approval. For 2023, the Infobest Group estimates a turnover of approximately €4.8 million.

INCLUSION OF AROBS SHARES IN THE FTSE GLOBAL MICRO CAP INDEX

On 19 February 2024, the Company informed the market that the global index provider FTSE Russell had announced, following its quarterly review, that the Company's shares would be included in the FTSE Global Micro Cap Index from 18 March 2024. The FTSE Global Micro Cap Index includes global micro-sized companies and is suitable for investment products such as funds, derivatives, and exchange-traded funds (ETFs). The inclusion of AROBS TRANSILVANIA Software S.A. shares in this index represents a significant new moment for the Company, reflecting the recognition of the international performance of AROBS shares and opening new opportunities for the Company's growth and visibility in global markets.

ANALYSIS OF THE FINANCIAL RESULTS

In 2023, on the 25th anniversary of its foundation, AROBS TRANSILVANIA SOFTWARE (AROBS) transferred to the Main Market of the Bucharest Stock Exchange (BVB) almost two years after its debut on the AeRO market. This important event in the Company's mission to become one of the major players in the global IT services and products market brought challenges and changes in financial reporting requirements. According to market requirements, the Company prepared the first set of consolidated financial statements according to IFRS for 2020-2022 to be admitted to trading on the BVB Regulated Market. Next, the preliminary consolidated financial statements for the 2023 financial year are prepared following the International Financial Reporting Standards. The quarterly financial reports from 2023 contained financial data prepared according to the national OMFP regulations. The differences in accounting policies and the most important effects are presented in the following chapters and in the summary of accounting policies.

CONSOLIDATED FINANCIAL RESULTS

AROBS acquired, at the end of January 2023, the company Syderal Polska. The financial performance (revenue and expenses) of this subsidiary is reflected, within the group, as of February 2023.

At the beginning of February 2023, AROBS acquired the entire share capital of the companies AROBS Software SRL and AROBS Trackgps SRL, both from the Republic of Moldova, whose financial performance (revenue and expenses) is reflected within the group, as of February 2023.

During April 2023, AROBS acquired the Future WorkForce Global (FWF) group, whose financial performance (revenue and expenses) is reflected within the group as of May 2023.

In July 2023, AROBS fully acquired the company AROBS Pannonia Software Kft and its subsidiary, Skyshield Hungary Kft. The financial performance (revenue and expenses) of these subsidiaries is reflected, within the group, as of July 2023.

CONSOLIDATED P&L ANALYSIS

Profit and Loss Account Indicators

INCOME STATEMENT (LEI)	2023 AROBS Group	2022 AROBS Group	Variation %
Turnover:	427,294,137	299,815,687	43%
Software services revenue	344,775,332	239,774,681	44%
Software products revenue	70,537,191	58,113,647	21%
Integrated systems revenue	11,981,615	710,817	1586%
Revenue from the distribution of goods	-	1,216,542	-100%
TOTAL – Cost of sales	295,755,657	190,210,575	55%
Cost of sales from software services	254,215,350	162,025,518	57%
Cost of sales from software products	31,653,344	26,493,027	19%
Cost of sales from integrated systems	9,886,963	256,464	3755%
Cost of distribution of goods	-	1,435,565	-100%
Gross result	131,538,480	109,605,112	20%
<i>Software services - gross margin</i>	<i>26%</i>	<i>32%</i>	
<i>Software products - gross margin</i>	<i>55%</i>	<i>54%</i>	
<i>Integrated systems - gross margin</i>	<i>17%</i>	<i>0%</i>	
<i>Distribution of goods - gross margin</i>	<i>0%</i>	<i>-18%</i>	
Sales and marketing expenses	(18,370,931)	(11,157,950)	65%
General and administrative expenses	(70,739,928)	(45,924,271)	54%
Other revenues/(expenses)	1,131,751	659,412	72%
Operating result	43,559,373	53,182,303	-18%
EBITDA	73,489,365	70,531,477	4%
EBITDA margin	17%	23%	17%
Normalized EBITDA*	92,618,775	76,570,408	21%
Normalized EBITDA margin*	22%	25%	
Financial income/(expenses), net	(517,637)	82,159	-730%
Profit before tax	43,041,736	53,264,462	-19%
Income tax	(11,125,850)	(6,195,378)	80%
Net profit	31,915,886	47,069,084	-32%
Net profit margin	7,4%	16%	7.4%
Normalized net profit**	51,045,297	53,108,016	-3.9%
Normalized net profit margin**	12%	18%	

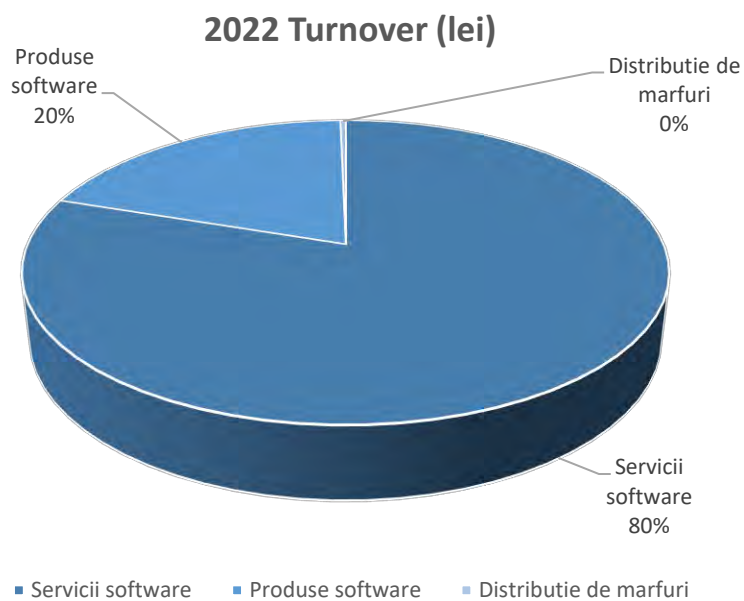
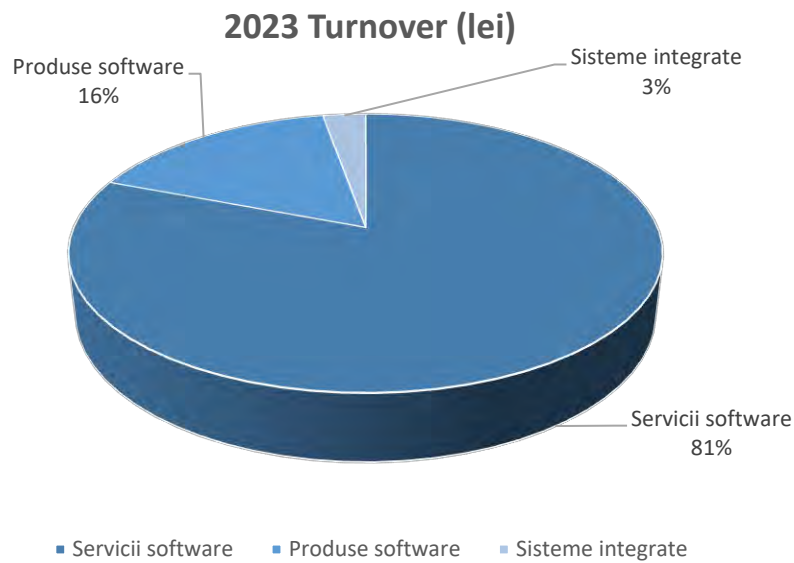
*Normalized EBITDA = EBITDA without ESOP impact

** Normalized net profit excludes the non-cash effect generated by the Stock Option Plan (ESOP) programs)

Turnover analysis

The contribution of the group's business segments to the total turnover is presented below:

Business lines	2023 Turnover (lei)	2022 Turnover (lei)	Variation %
Software services	344,775,332	239,774,681	44%
Software products	70,537,191	58,113,647	21%
Integrated systems	11,981,615	710,817	1586%
Distribution of goods	-	1,216,542	-100%
Total	427,294,137	299,815,687	43%



Due to the AROBS strategy of acquiring companies with which there were synergies, or which had a contribution of additional skills in new technologies and new areas of software development services, the turnover had a substantial evolution compared to the previous year, with a 43% increase in 2023, compared to 2022. The expansion of collaboration with existing clients had a favorable contribution to the increase in turnover.

The “Software Services” segment registered an increase in turnover of 105.1 million lei (44%) at the consolidated level during 2023, compared to 2022. The contribution of the companies acquired starting from 2022 to this increase was 67 million lei.

The “Software Products” segment registered an increase in turnover of 11.8 million lei (21%) at the consolidated level during 2023, compared to 2022. The contribution of the companies acquired starting from 2022 to this increase was 6.3 million lei.

The "Integrated Systems" segment is developed by one of the Group's subsidiaries, AROBS Systems, which is responsible for implementing hardware and software solutions and software products for public sector contracting authorities. This company has a team of public sector professionals, and its technical expertise covers integrating complex systems and technologies such as ORACLE, HP, DELL, and Microsoft. The revenues and expenses recorded within this segment were restated following the application of the accounting policies according to IFRS; namely, the related revenues and costs were adjusted, which corresponded to the partners within the joint venture contracts, and the associated revenues and expenses, within the contracts in which AROBS Systems had the capacity of agent. The impact of the adjustment, both on revenues and related costs, was 21.8 million lei.

The contribution of the new acquired companies, starting in 2022 (AROBS Development & Engineering, Nordlogic Group, Centrul de Soft GPS, AROBS Software SRL, AROBS TrackGPS SRL, Syderal Polska, Future WorkForce Global Group, AROBS Pannonia Software Kft) was a significant one of 109,6 million lei (26%), to the consolidated turnover of 2023.

Globally, demands for services and software products are constant as companies and organizations continue to need to digitalize their processes. In software products, such as fleet management, business optimization, digital payments, HR solutions, and implementing digitalization projects in the public sector, the market is also growing due to challenges and the socio-economic context of recent years.

The cost of sales from software services consists of the salaries and benefits (including compensation in equity instruments) of the directly productive personnel involved in the delivery of these services, the cost of services performed by third parties related to the software services projects, depreciation of the equipment used and other operating expenses necessary to deliver the software services: rent and utilities costs and travel expenses. Following the application of IFRS accounting policies, the amortization of customer relations identified in the acquisitions of companies with software services activity was included in the cost of sales from software services. Customer relationships were recognized as intangible assets with a useful life of 10 years, over which the amortization expense is calculated on a straight-line basis.

Cost of sales from software services increased by 92.2 million lei compared to the previous year especially due to increase of expenses with salaries of 88 million lei, followed by the increase of ESOP which had an impact of 6.1 million lei and the increase in amortization of customers relationships of 6.5 million lei.

Third party services decreased in 2023 by 8 million lei compared with the previous year. In 2023, services contracted from third parties represented mainly expenses for software services, IT consulting, recruitment services, and participation in fairs and conferences.

Increase in payroll cost for software services segment was due to the labor market pressure for salaries increase in order to maintain competitiveness through fair salaries and incentive by ESOP programs implemented.

The cost of sales from software products consists of the salaries and benefits (including remuneration in equity instruments) of the directly productive personnel involved in the delivery of these products and the provision of related services, the cost of equipment sold, the depreciation of used equipment and other operational expenses necessary to deliver the software products and provide related services: telecommunications services, rents, and energy and water costs, travel expenses, fuel, maintenance, and repairs. The services contracted from third parties represented, during 2023, mainly services with installations of devices for monitoring and software services.

The costs of sales of software products increased by 5.2 million lei compared to 2022. Salary expenses have a significant impact on the variation of these costs, with an increase of 3.8 million lei compared with previous year, followed by the increase in depreciation of fixed and intangible assets .

The increase of the salary expenses in the area of software services and software products, was generated by the increase in employee costs, with the aim of maintaining competitiveness in the market through salary increases and share options offered within the ESOP programs, carried out throughout the year, and also by the M&A activities.

The increase in expenses for services performed by third parties is consistent with the expansion of the business and the development of new internal products.

The cost of sales from integrated systems

AROBS Systems was established in 2022 and the most significant projects were completed in 2023. Some of these projects were started in 2022, but their realization took place in 2023, with the related income and expenses reflected in the income statement in 2023. The revenues and expenses recorded within this segment have been restated following the application of IFRS accounting policies, i.e. the related revenues and expenses corresponding to joint venture partners and the related revenues and expenses corresponding to contracts where AROBS Systems acted as agent have been adjusted. The impact of the adjustment on both revenue and related expenses was RON 21.8 million.

Sales and marketing expenses are made up of the salaries and benefits (including remuneration in equity instruments) of the staff in the sales and marketing departments, protocol, advertising and publicity expenses, and the services performed by third parties generated by the Group's promotional actions. Sales and marketing expenses increased in 2023 by 7.2 million lei compared to the previous year. The most significant increase of 4.9 million lei comes from salary expenses related to the sales staff of the companies included in the Group following the acquisitions in 2022 and 2023 respectively, followed by an increase in protocol, advertising and publicity expenses of 1.6 million lei.

General and administrative expenses comprise the salaries and benefits (including remuneration in equity instruments) of personnel in the management, administrative, procurement, finance, legal, management, labor protection, human resources, and IT support departments and from the expenses of services performed by third parties, consulting expenses, rent expenses and other expenses generated by the Group's administrative actions. General and administrative expenses increased in 2023 by 24.8 million lei compared to the previous year.

The increase in general and administrative expenses was generated by increased employee costs, with the aim of maintaining competitiveness in the market through salary increases and stock options offered under ESOP

programs run during the year. Another significant contribution to the increase in expenditure was made by the costs of services contracted from third parties. This increase in expenditure is in line with the expansion of the business, the surplus related to acquired companies and the development of internal products.

Following the application of IFRS accounting policies, the amortization of customer relationships identified in company acquisitions has been included in general and administrative costs. Customer relationships have been recognized as intangible assets with a life of 10 years, for which the amortization charge is calculated on a straight-line basis.

Normalized EBITDA, at the consolidated level, recorded a value of 92.6 million lei in 2023, up 21% compared to 2022, and the normalized net result recorded a value of 51 million lei. The normalization of these indicators was achieved by canceling the effect of the ESOP expense.

BUSINESS & SALES STRATEGY

In the long term, AROBS Group's strategy is built on four major pillars:

- Concentric diversification based on research and innovation – by enhancing the existing product portfolio, adding new functionalities and modules, as well as testing products in the Romanian market before launching them in regional markets and beyond.
- Development of new areas of expertise – by creating new specializations that are highly sought after in the global software services market, along with the continuous transfer of knowledge in-house to the 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 into Europe, North America, and Southeast Asia.
- Stimulating and retaining employees – by constantly supporting the professional and personal growth of colleagues and transforming them into partners in AROBS's success.

SIGNIFICANT CLIENTS

The following table shows the distribution of clients by business line:

Business line	Top clients 2023	% of turnover	Top clients 2022	% of turnover
Software Services	Client 1	25,82%	Client 1	29,13%
	Client 2	5,93%	Client 2	6,16%
	Client 3	4,35%	Client 3	3,13%
	Client 4	4,21%	Client 4	4,13%
	Client 5	3,23%	Client 5	1,99%
Software Products	Client 6	0,41%	Client 6	0,28%
	Client 7	0,31%	Client 7	0,54%
	Client 8	0,14%	Client 8	0,23%
	Client 9	0,09%	Client 9	0,14%
	Client 10	0,03%	Client 10	0,11%
Integrated Systems	Client 11	1,71%	Client 11	
	Client 12	0,40%	Client 12	
	Client 13	0,08%	Client 13	

KEY FINANCIAL RATIOS

AROBS AT GROUP LEVEL

Current ratio as of 31.12.2023

$$\frac{\text{Current assets } 201,819,682}{\text{Current liabilities } 90,189,175} = 2.24$$

Quick ratio as of 31.12.2023

$$\frac{\text{Current assets-inventories } 194,843,757}{\text{Current liabilities } 90,189,175} = 2.16$$

Debt to equity ratio as of 31.12.2023

$$\frac{\text{Borrowed capital } 103,989,698}{\text{Equity } 273,687,158} \times 100 = 38 \%$$

$$\frac{\text{Borrowed capital } 103,989,698}{\text{Employed capital } 377,676,855} \times 100 = 27.53\%$$

Borrowed capital = Loans over 1 year

Employed capital = Borrowed capital + Equity

Debt turnover ratio - clients (days) as of 31.12.2023

$$\frac{\text{Average client balance } 89,619,320}{\text{Turnover } 427,294,137} \times 365 = 76.55$$

Fixed assets turnover as of 31.12.2023

$$\frac{\text{Turnover } 427,294,137}{\text{Fixed assets } 276,417,486} = 1.55$$

Bank financing debt ratio as of 31.12.2023

$$\frac{\text{Total bank liabilities } 86,813,406}{\text{Normalized EBITDA } 92,618,775} = 0.94$$

CONSOLIDATED BALANCE SHEET ANALYSIS

BALANCE SHEET INDICATORS

Balance sheet indicators (LEI)	31.12.2023 AROBS Group	31.12.2022 AROBS Group	Variation %
Fixed assets, of which:	278,546,751	198,315,455	40%
Goodwill	104,761,369	57,763,288	81%
Customer relationship	76,561,802	74,953,751	2%
Other intangible assets	23,044,459	18,364,676	25%
Tangible fixed assets	35,556,876	19,626,077	81%
Assets related to the rights of use of leased assets	17,236,489	12,170,189	42%
Financial fixed assets	3,700,985	4,557,083	19%
Deferred income tax assets	2,129,265	3,131,036	-32%
Total current assets, out of which:	201,819,682	198,479,384	2%
Cash and cash equivalents	87,773,888	101,373,631	-13%
Total assets	480,366,433	396,794,840	21%
Current liabilities, of which:	90,189,175	76,290,204	18%
Bank financing	24,184,008	18,470,922	31%
Non-current liabilities, of which:	116,490,101	90,781,700	28%
Bank financing	62,629,398	55,381,056	13%
Total liabilities	206,679,276	167,071,903	24%
Total Equity	273,687,158	229,722,938	19%
Total equity and liabilities	480,366,434	396,794,841	21%
Net accounting assets	273,687,158	229,722,937	19%

As of December 31, 2023, total assets reached a value of 480.4 million lei, up 21% compared to the end of 2022, mainly determined by the 80.2 million lei increase in fixed assets, which registered at the end of 2023, a total value of 278.5 million lei.

The increase in fixed assets is primarily due to the increase in the value of the goodwill by 47 million lei. The increase in the value of goodwill is due to the acquisition of shares in AROBS POLSKA (SYDERAL POLSKA), AROBS SOFTWARE SRL, AROBS TRACKGPS SRL, AROBS PANNONIA SOFTWARE Kft, SKYSHIELD MAGYARORSZAG KFT and FUTURE WORKFORCE Group. Goodwill in the net amount of 104,761,369 lei resulted as the positive difference between the acquisition cost and the value, at the transaction date, of the portion of net assets acquired.

In order to determine goodwill, the Parent Company has valued, through independent licensed valuers, the identifiable assets acquired and liabilities assumed at their fair values as of the date of acquisition of the above-mentioned companies as well as those acquired in prior years. Following impairment testing based on the DCF method, goodwill is not impaired at December 31, 2022 and 2023.

As regards customer relationships recognised on acquisition, these are amortised over 10 years. The impairment tests performed concluded that no further impairment of customer relationships is required.

At the same time, the increase in fixed assets is also due to the investment in a new headquarters, which increased by the value of 15.1 million lei during 2023, and the increase in the value of assets related to the rights to use leased assets, in the amount of 5.9 million lei.

The cash and cash equivalents remained at a solid level of 88 million lei at the end of 2023, as a result of the normal development of the activity, even if funds were needed for the payments related to the acquisitions of subsidiaries during the year, in order to meet the M&A objective proposed by the mother company.

The cash in the bank bears interest at the daily interest rate when deposits are made. Short-term deposits are made for various periods of time between 1 day and 3 months, depending on the cash requirements of the Parent Company and subsidiaries accruing interest at the corresponding interest rates.

Total liabilities increased in 2023 compared to the previous year by 24%. This increase follows the same upward trend with the expansion of the business, through organic growth and the contribution of new companies established and acquired, during 2023.

At the end of 2023, even if bank loans had a net increase of 13 million lei, the debt ratio regarding bank financing, calculated as a ratio between total bank debts and normalized EBITDA, is 0.94, which indicates a financial position very solid that allows access to future financing for the fulfillment of the Group's strategic objectives.

In the position of Trade and other liabilities, liabilities related to contingent payments related to acquisitions of subsidiaries in 2022 and 2023, amounting to 20 million lei, are included. Also, the liabilities related to the right to use the leased assets increased by 6 million lei at the end of 2023.

During the period, equity increased also due to the effect of treasury shares transferred to employees at ESOP vesting date. Prior to vesting, as the ESOP programs progress, the cost of employee compensation in equity instruments is reflected in the Profit and Loss account and generates a counterpart in equity items.

In July 2023, the share capital was reduced by 40,101,379 shares. As at 31 December 2023, the share capital of the Parent Company is 87,129,361 lei, divided into 871,293,609 registered shares with a nominal value of 0.1 lei per share. The share capital is fully subscribed and paid up on 31 December 2022. The parent company was transformed into a public limited company on 5 September 2014.

Between June 2022 and June 2023, the Company has a share buyback program for the implementation of ESOP programs. As at 31.12.2023, the total number of repurchased shares outstanding is 35,203,467 shares.

DIVIDEND POLICY

The dividend policy and practice of AROBS Transilvania Software S.A. is available [HERE](#).

PROFIT DISTRIBUTION FOR 2023

The proposal of the Board of Directors on the distribution of the profit for the financial year ended 31 December 2023, at the individual level, in the amount of 46,488,533 lei, determined in accordance with the applicable laws, was approved in the Annual Ordinary General Meeting of Shareholders from April 29, 2024 as follows: the amount of 43,167,461 lei net undistributed profit (retained earnings), the amount of 2,781,611 lei shall be distributed to constitute the legal reserve and the amount of 539,461 lei shall be distributed to constitute other reserves.

OUTLOOK ELEMENTS REGARDING THE ISSUER'S ACTIVITY

2024 CONSOLIDATED REVENUE AND EXPENSE BUDGET

PROFIT AND LOSS ACCOUNT	2024
Turnover:	494,876,000
Software services revenue	395,745,000
Software products revenue	81,679,000
Integrated systems revenue	17,452,000
Total sales costs:	341,555,000
Cost of sales from software services	287,136,000
Cost of sales from software products	39,637,000
Cost of sales from integrated systems	14,782,000
Gross result	153,321,000
Sales and marketing expenses	22,396,000
General and administrative expenses	77,468,000
Other revenues/(expenses)	1,020,000
Operating result	54,477,000
EBITDA	84,870,000
EBITDA margin	17,15%
Normalized EBITDA*	92,869,000
Normalized EBITDA margin*	18,77%
Profit before tax	53,213,000
Income tax	12,381,000
Net profit	40,832,000
Net profit margin	8,25%
Normalized net profit**	48,831,000
Normalized net profit margin**	9,87%

*Normalized EBITDA = EBITDA without ESOP 1, 2, 3 impact. The impact of the new ESOP program to be implemented in 2024 is not normalised

** Normalized net profit excludes the non-cash effect generated by the Stock Option Plan (ESOP) 1, 2, 3 programs

In 2024, AROBS aims to continue focusing on expansion, innovation, and operational efficiency to strengthen its position in services and software products both locally and internationally. Therefore, the Group's priorities for 2024 are as follows:

Integration of Group entities

- In 2024, AROBS will continue the process of integrating Group entities to optimize resources to increase added value for customers.

Streamlining Group operations

- Operational efficiency remains at the heart of the Group's strategy. Through the use of advanced technologies and improved processes internally, the Group's management aims to increase activity in providing services and software products, while developing an organizational culture that promotes knowledge transfer and best practices between teams within the Group companies.

Organic expansion in the EU/USA through customer proximity

- AROBS' strategic expansion into the EU and US markets will focus on strengthening relationships with existing customers. By deeply understanding their specific needs and challenges, the Group strives to

tailor the range of services and software products to meet their needs while facilitating access to AROBS' technological innovations.

Motivation and retention with a focus on efficiency

- The success of AROBS is directly linked to talented and dedicated colleagues within the Group. In 2024, AROBS will continue implementing innovative motivation and retention programs that recognize and reward individual and team achievements and promote efficiency and operational excellence. As such, the Group plans to continue supporting professional development opportunities for teams by covering these costs and continuing Stock Option Plan programs. Through these initiatives, management ensures that AROBS remains a place where talent is nurtured and valued.

Furthermore, in 2024 and 2025, the distribution cycles of the shares transferred by founder Voicu Oprean at nominal value to AROBS before the company's listing on the AeRO market of the Bucharest Stock Exchange in 2021 will be completed. The 40 million shares have covered all three SOP programs implemented by the company as of November 2021.

OUTLOOK ON THE GROUP PERFORMANCE

The Issuer aims for a rapid expansion of the company, in terms of both revenue and profit. Benefiting from a solid financial situation, as well as experience and expertise in integrating business lines, this growth will be achieved through the continuation of the mergers and acquisitions (M&A) strategy, which will stimulate the organic growth of the integrated companies. To this end, the Company intends to use its own reserves and obtain financing from specific capital market sources, which will help it achieve its development strategy through acquisitions of companies with potential and business synergies with AROBS.

The targeted companies must be located in both Western and Eastern Europe, as well as have a global presence in America and Asia. This diversified strategy aims to cover both the necessity of having representation in the countries where clients are located and, on the other hand, to have access to top talents, predominantly located in Eastern Europe.

Furthermore, through the Software Services division, the Issuer aims to consolidate its global presence by consolidating existing specializations, developing new expertise, in response to both global industry trends and requests from portfolio clients. The company aims to stabilize its position as a primary global partner for IT services outsourcing and custom software development. One of AROBS's objectives is to become an outsourced research and development center for global companies, recognized for the quality of delivery, as well as for taking full responsibility for service development for partners.

Part of the development strategy aims to own satellite offices on three continents, with a focus on Western Europe and the USA, to be closer to key clients. The activity of these offices will focus on sales, cross-sales, and up-sell. In this sense, the Company considers intensifying operational activity in the US market in the next period. The integration into the AROBS Group of AROBS Engineering and the Nordlogic Group, which have work points also in the USA, acquisitions made in 2022, represents a significant step for consolidating the presence in the USA, but also for expanding partnerships in North America through the new client portfolio.

The subsidiaries in Germany and the United Kingdom play a major role in connecting with these two extremely valuable markets, through direct access to strategic prospective clients. The acquisition of Berg Computers, as well as Future WorkForce Global, consolidates AROBS's footprint in the DACH market, respectively, the United Kingdom. The subsidiaries in the Republic of Moldova, integrated into the Group starting with February 2023, also have a significant strategic importance for the Company, through the expertise they bring, but also through their footprint in the ecosystem of the Republic of Moldova.

The TrackGPS business line, managing vehicle fleet monitoring platforms, aims to expand its activity in the countries where it is present by supporting clients increasingly interested in interfacing the fleet management solution with other systems, such as ERPs, transport exchanges, as well as in monitoring solutions consumption, against the backdrop of the energy crisis.

SASFleet Tracking aims to maintain the performance level of the SAS Fleet application by adding new modules for fleet management activities, increasing the number of customers in Romania, and migrating a part of the customers to the TrackGPS v4 platform.

Regarding the solutions for business optimization, the Company considers positioning Optimall as a prime option partner for process automation in the retail, FMCG, and HoReCa industries, by building a stronger presence in the online and offline environment, through the development of institutional partnerships and attracting a constant number of new clients.

At the same time, AROBS considers positioning the payment solution MonePOS as the safest, fastest, and most ecological contactless and paperless payment solution.

The SoftManager CRM+ solution aims to consolidate in the data automation market for SMEs.

Regarding the HR management business line, represented by UCMS by AROBS, the main strategic objectives are to consolidate its position in the top of HR and payroll solutions at the national level, to consolidate its position as the most experienced and innovative software company in human resource management, to enter the SME segment and to increase market share in the current segment. UCMS is also working on finalizing the new solution and testing it with an initial number of customers.

The company aims to maintain its position on the Scandinavian market with the RateWIZZ solution, to attract new clients, and to perfect AROBS's offering in the segment of digital manuals to increase the market share currently held.

Regarding the Robotic Process Automation (RPA) market, with the acquisition of the Future WorkForce Global (FWF) group, the Company has consolidated its position in the intelligent automation market, through RPA, Artificial Intelligence (AI), and Machine Learning (ML) in Western Europe.

Also, through AROBS Engineering, specialized in the medical, maritime, aerospace, and embedded industries, as well as with the acquisition at the beginning of 2023, taking over SYDERAL Polska (now called AROBS Polska), AROBS's activity aligns with the strategic directions assumed - developing new areas of expertise highly sought after in the global software services market, along with the continuous transfer of knowledge in-house to future generations of programmers and hardware specialists and horizontal integration (inorganic development) through the acquisition of existing players operating in the same industry, which can allow synergies and are easy to integrate, with a solid EBITDA, as well as expansion in Europe, North America, and Asia.

RISKS

RISKS RELATED TO THE ACTIVITY AND FIELD OF ACTIVITY OF THE ISSUER

The Issuer faces intense competition in the market in which it operates and may not have sufficient financial or other resources to maintain or improve its competitive position

Many of the Issuer's existing competitors have, and some of its potential competitors may have, substantial competitive advantages such as:

- greater name recognition and a more extended operating history;
- larger budgets and resources for sales and marketing;
- wider distribution and established relationships with distribution partners and end customers;
- more customer support resources;
- more significant resources to make strategic acquisitions or enter into strategic partnerships;
- lower labor costs and the development of new services and/or products;
- newer and/or disruptive services, products and/or technologies;
- broader and more mature intellectual property portfolios; and/or
- much more significant financial, technical, and other resources.

In addition, some of the Issuer's more prominent competitors have substantially broader and more diverse service and product offerings, which may make them less sensitive to slowdowns in a particular market and allow them to leverage their relationships based on other services/ products or incorporate functionality into existing services/products to gain business in a way that discourages users from purchasing the services and/or products. To the Issuer, including by selling at zero or negative margins, offering concessions or bundling products. Many of the Issuer's smaller competitors, which specialize in providing only one type of product or service, can often bring these specialized products to market more quickly than the Issuer.

Organizations using traditional services and products may find that these services and products are sufficient to meet their needs or that the Issuer's offerings meet the needs of only a portion of the industry. Consequently, these organizations can continue to allocate their IT budgets to traditional services and products and may not adopt the services and products of the Issuer. Many organizations have invested substantial financial and personnel resources to design and operate their networks and have established deep relationships with other service and product providers. As a result, these organizations may prefer to purchase from their existing suppliers rather than add or switch to a new supplier/manufacturer, such as the Issuer, regardless of product performance or better features or service offerings. These organizations may also be willing to incrementally add solutions to their already existing solutions rather than completely replace them with the Issuer's solutions/products.

Market conditions in which the Issuer operates could change rapidly and significantly due to technological advances, partnerships, or acquisitions carried out by the Issuer's competitors or the continued consolidation of the market. Start-ups that innovate and the Issuer's major competitors that make significant investments in research and development may invent similar or superior services, products, and technologies that compete with the Issuer's products and services. Some of the Issuer's competitors have made or may make acquisitions of companies that may enable them to directly offer more competitive and comprehensive resources or solutions than they previously provided and to adapt more quickly to new technologies and the new needs of end customers. Current and potential competitors of the Issuer may also establish cooperative relationships with each other or third parties that may further enhance their resources.

These competitive pressures in the market in which the Issuer operates, or its failure to compete effectively, may result in price reductions, fewer orders, reduced revenues and gross margins, and loss of market share. Failure to address and address these factors could seriously harm our business and operating results.

The risk related to scaling the business

The Issuer has recently experienced growth and increased demand for its products and services. As a result, the number of staff has increased significantly in recent years, and the Issuer expects it to continue to grow in the coming year. For example, from the end of fiscal year 2021 to the end of fiscal year 2022, the number of staff at the consolidated level increased from 680 to 1009. In addition, as the Company grew, the number of end customers also increased significantly, and the Issuer managed more and more service projects and implementations of its products and services. The growth and expansion of the business, services, and products and the level of support it provides to customers place significant pressure on management, operational, and financial resources. To effectively manage any future growth, the Issuer must continue to improve and expand its financial and information technology infrastructure, improve and expand its operational and operational and administrative control and systems infrastructure, and its capacity to effectively manage staff, capital, and processes, all of which may be more difficult to achieve as part of the Issuer's employees continue to work remotely.

The Issuer may be unable to successfully implement or scale improvements to its systems and processes efficiently or timely. In addition, existing systems and processes may not be able to prevent or detect all errors, omissions, or fraud. The Issuer may also experience difficulties managing improvements to its systems and processes or in connection with software provided by third parties and licensed to support the Issuer in connection with such improvements. Any future growth would add complexity to the Issuer's organization and require effective organization-wide coordination. Failure to effectively manage any future growth could increase costs, disrupt existing relationships with end customers, reduce demand, or limit the Issuer to reduced distribution of its services and/or smaller deployments of its products or harm its business performance and operational results.

If the Issuer does not accurately anticipate, prepare for, and promptly respond to technological and market developments and successfully manage the market introduction and transition to new services and products to meet the changing needs of end customers, its competitive position and prospects will be affected

Software service and solution delivery or software development has grown rapidly and is expected to continue to evolve rapidly. Moreover, most of the Issuer's customers operate in markets characterized by continuously evolving technologies and business plans, which require them to add numerous network access points and adapt increasingly complex business networks incorporating various hardware products, software, operating systems, and network protocols. For this reason, the Issuer must continuously adapt its services and/or products.

In addition, the Issuer must commit significant resources to developing new services and products before knowing whether its investments will result in products and services that the market will accept. The success of the new features depends on several factors, including the proper definition of the latest services and products, the differentiation of the new products, services, and features from those of the Issuer's competitors, and the market acceptance of those products, services, and features.

Users or customers may not widely adopt new services and software technologies. This could be due to multiple reasons, such as a lack of awareness about the benefits of new services and technologies, resistance to change, or preference for existing solutions and technologies. In such cases, the investment and efforts in developing new services and technologies may not provide an adequate return, and market success may be limited.

Analyzing and addressing this risk requires conducting appropriate market research, testing, and user feedback in the development stages, as well as effective marketing and communication strategies to promote the benefits and innovative advantages of services and technologies.

If the Issuer fails to hire, integrate, train, retain, and motivate qualified personnel and the Company's senior management, its business could suffer

The Issuer's future success depends, in part, on its ability to continue to hire, integrate, train, and retain qualified and highly skilled personnel. The Issuer is substantially dependent on the continued services of existing personnel, primarily due to the complexity of the Issuer's product and service offerings. In addition, any failure to adequately hire, onboard, train, and incentivize sales personnel or the inability of newly hired sales and operations personnel to achieve targeted productivity levels effectively could adversely impact the growth and marginal operations of the Issuer. Competition for highly skilled personnel, particularly in engineering, is often intense, particularly in large business centers where the Issuer has a substantial presence and need for such personnel.

In addition, the industry in which the Issuer operates generally experiences high employee attrition. If the Issuer cannot hire, integrate, train, or retain the qualified and highly qualified personnel necessary to meet its current or future needs, its business, financial condition, and results of operations could be adversely affected.

The Issuer's future performance also depends on the continued services and contributions of the Issuer's management to execute the business plan and to identify and pursue new opportunities and product innovations. The loss of the services provided by these persons, the decrease in the efficiency of these services, or the ineffective management of any transition at the management level could significantly delay or prevent the realization of the development plan, which could adversely affect the activity, financial situation and operational results of the Issuer.

Acquisitions, joint ventures, and strategic alliances may have a negative effect on the Issuer's business

The Issuer expects to continue to make acquisitions and enter into strategic partnerships and alliances as part of its long-term business strategy. Acquisitions and other transactions and arrangements announced by the Issuer in the recent period or that will occur in the future involve significant challenges and risks, including that they do not address the Issuer's business strategy, that the Issuer obtains an unsatisfactory return on its investment, that it raises new obligations and compliance challenges, that there are difficulties in integrating and retaining new employees, business systems and technology, that it distracts management from the Issuer's other businesses, or that the announced transactions may not be completed. Failure of an agreement to adequately anticipate a party's changing circumstances and interests may result in early termination or renegotiation of the agreement. The success of these transactions and arrangements will depend in part on the Issuer's ability to use them to improve its services and existing products or to develop new ones, as well as the ability of the acquired companies to comply with the Issuer's policies, processes in areas such as data governance, privacy, and cybersecurity. It may take longer than anticipated to realize the full benefits of these transactions and arrangements, such as increased revenues or increased efficiency, or the benefits may ultimately be less than the Issuer anticipated. These events could negatively affect the Issuer's consolidated financial statements.

The risk related to the automotive industry

As a software company that also operates in the automotive industry, there is a high dependency on third-party suppliers and partners involved in the automotive supply chain. This includes suppliers of hardware components, electronic systems, and other critical components required to operate automotive software solutions. The risk lies in the possible disruptions or problems that may arise from these dependencies, which may have significant implications on the operations and reputation of the Issuer.

Thus, the automotive supply chain can be complex and interconnected, involving numerous suppliers from different geographic locations. Any disruption in the supply chain, such as component shortages, production delays, quality issues, or logistical challenges, can directly impact the Issuer's ability to deliver its solutions on time and meet customer expectations.

The Issuer also relies on the quality and reliability of components provided by third parties. If the supplied components are defective or of inferior quality, this may result in software malfunctions, system failures, or safety issues in automotive products that include the software.

This may cause customer dissatisfaction, possible withdrawals from the market, incur liability for the Issuer, and harm the reputation of the Issuer.

In addition, working with third-party vendors and partners involves sharing intellectual property, trade secrets, and sensitive information. There is a risk of unauthorized use, appropriation or unauthorized disclosure of valuable intellectual property, which may lead to intellectual property disputes or loss of competitive advantage. Strong contractual agreements and measures to protect intellectual property rights are crucial to mitigate this risk.

In terms of industry regulations, the automotive industry is subject to strict regulations, standards and safety requirements. The issuer must ensure its solutions comply with all applicable regulations, such as functional safety standards and cyber security requirements. Failure to comply with these regulations may result in fines, legal consequences, and the inability to operate in the automotive industry.

The Issuer's solutions may become outdated regarding technological progress in this field. Emerging technologies such as autonomous driving, connected cars, and electric vehicles may disrupt traditional automotive software paradigms. The company must continuously invest in research and development to keep pace with technological trends and evolving customer requirements.

A network or data security incident could allow unauthorized access to the Issuer's network or data, harm its reputation, create additional liability issues, and adversely impact financial results

Companies are constantly and increasingly subjected to various attacks on their networks. In addition to traditional hacker-led attacks, malicious code (such as viruses and worms), phishing attempts, theft, or employee misuse, sophisticated actors engage in intrusions and attacks (including advanced persistent attacks), which increase risks to the Issuer's internal networks and customer-facing environments, as well as the information they store and process.

The incidence of cybersecurity breaches has increased. Despite significant efforts to create security barriers to such threats, it is practically impossible for the Issuer to mitigate these risks fully. The Issuer and third-party service providers may face security threats and attacks from various sources. The Issuer's data, corporate systems, third-party systems, and security measures may be breached due to actions of third parties, employee error, malicious act, a combination of these factors, or otherwise, and, as a result, an unauthorized party may gain access to the Issuer's data.

In addition, as an established provider and manufacturer of software solutions, services, and products, the Issuer may be a more attractive target for such attacks. A breach in the security of the Issuer's data or an attack against the availability of its services and products or its service providers could affect the Issuer's networks or secure product networks, creating interruptions or slowdowns of the systems and the exploitation of security vulnerabilities of the Issuer's products, as well as of information stored on its networks or those of its service providers, this data could be accessed, publicly disclosed, modified, lost or stolen, which could cause financial harm.

Although the Issuer has not yet suffered significant damage as a result of unauthorized access by a third party to its internal network, any actual or perceived breach of the security of the Issuer's systems or networks could result in damage to its reputation, negative publicity, loss of partners, customers bottom lines and sales, loss of competitive advantages over its competitors, increased costs of remediating any problems and incident response, regulatory investigations and law enforcement actions, costly litigation, and other liabilities.

In addition, the Issuer may incur significant costs and operational consequences to investigate, remediate, remove, and implement additional tools and devices designed to prevent actual or perceived security breaches and other security incidents, as well as compliance costs with any notification obligations arising from any security incident.

Any of these negative effects could negatively impact the market perception of the Issuer's services and products, as well as the confidence of end customers and investors in the Issuer, and could seriously affect its business or operating results.

Operating results may vary significantly from period to period and may be unpredictable

The Issuer's operating results may vary significantly from period to period and may be unpredictable, which could cause the market price of the Shares to decline. Although operating results, particularly revenues, gross margins, operating margins, and operating expenses, have shown increases in the prior period, they may vary as a result of a number of factors, many of which are beyond the control of the Issuer and may be difficult to predict, including:

- the Issuer's ability to attract and retain new end customers or sell services and/or products in addition to existing end customers;
- budget cycles, seasonal purchasing patterns, and purchasing practices of end customers, including the likelihood of a slowdown in technology spending due to the global economic slowdown;
- changes in the requirements of end customers, distributors or resellers or market needs;
- price competition;
- the timing and success of the introduction of new services and products by the Issuer or its competitors or any other change in the competitive landscape of the industry in which the Issuer operates, including

consolidation among its competitors or end customers and strategic changes, partnerships concluded by to and between the Issuer's competitors;

- the Issuer's ability to successfully and continuously expand its business nationally and internationally, particularly given the current global economic slowdown;
- the Issuer's inability to complete or effectively integrate any acquisitions it may undertake;
- the increase in expenses or unforeseen liabilities and any impact on the operational results of the Issuer as a result of any acquisitions it makes;
- the ability of the Issuer to increase the scope and productivity of the distribution channel;
- decisions of potential end customers to purchase services and products from larger and internationally recognized suppliers or their main suppliers of network equipment and/or services;
- the risk of insolvency or credit difficulties faced by end customers, which could increase due to the global economic situation, adversely affecting their ability to purchase or pay in a timely manner / at all for the Issuer's products and services, or faced the Issuer's key suppliers, including its sole suppliers, which could disrupt the Issuer's supply chain;
- any interruption in the distribution channel or the termination of the relationships that the Issuer has with important distribution partners, including as a result of consolidation among distributors and resellers of products and services;
- the inability of the Issuer to fulfill the orders of end customers due to supply chain delays or events affecting the suppliers and partners of the issuer or their suppliers, as well as the unavailability of internal resources or partners for the execution of the services and the delivery of the requested products, all of which may be affected in negative way from the effects of the global economic situation;
- the cost and results of potential litigation, which could have a significant negative effect on the Issuer's business;
- seasonality or cyclical fluctuations of the market in which the Issuer operates, including the market of IT resources, employees, and subcontractors;
- political, economic, and social instability caused by the military conflict initiated by the Russian Federation in Ukraine, the continuation of hostilities in the Middle East, terrorist activities, any disruptions caused by COVID-19 and/or any other pandemic or general health crisis that may occur and any disruption on what these events could cause in the global industrial economy;
- the general macroeconomic conditions, both nationally and in the foreign markets where the Issuer is present, which could have an impact on some or all of the regions in which the Issuer operates, including the expected slowdown in global economic growth, the increased risk of inflation and the potential for global recession;

Any of the above factors or the cumulative effect of some of the above factors may result in significant fluctuations in the Issuer's financial and other operating results. This unpredictability could result in the Issuer's failure to meet its expectations regarding revenues, margins or other operating results.

Continued global economic uncertainty could have an adverse effect on the Issuer's business and operating results

The Issuer operates in a globalized market; therefore, its business and revenues are interdependent on global macroeconomic conditions. International efforts to contain the spread of COVID-19 have significantly negatively affected global macroeconomic conditions, which continue to cause economic uncertainty. In addition, the military conflict generated by the Russian Federation in Ukraine, instability in global credit markets, rising prices of essential commodities (oil, electricity, etc.), changes in public policies, such as both domestic and international, such as regulations, taxes or international trade agreements, international trade disputes, changes in governments, geopolitical turmoil and other disruptions to global and regional economies and markets continue to add uncertainty to global economic conditions.

These adverse conditions could result in reductions in sales of the Issuer's services and products, longer sales cycles, reductions in the duration and value of contracts with the Issuer's customers, slower adoption of new technologies, and increased price competition and rates. As a result, any continued or more significant uncertainty or deterioration in global macroeconomic and market conditions could cause end customers to change their

spending priorities or postpone decisions to subcontract services or purchase products, which could have effect prolonging sales cycles, any of which could harm the Issuer's business and operating results.

The rate of revenue growth in recent periods may not be indicative of the Issuer's future performance

The Issuer's revenue for any prior quarterly or annual period should not be considered an indication of its future revenue or revenue growth, whether such growth is generated both organically and through acquisition activities. If the Issuer cannot maintain consistent revenue or revenue growth, its shares may experience high volatility, making it difficult for the Issuer to achieve and maintain profitability or maintain and/or increase cash flow on a consistent basis.

The Issuer's current research and development efforts may not produce successful products or services that result in significant revenue, cost savings, or other benefits in the foreseeable future

The development of services and products related to the Issuer's activity is an expensive process. The Issuer's investments in research and development may not result in significant improvements, marketable services or products, or may result in services or products that are more expensive than anticipated. In addition, the Issuer may not realize the anticipated cost savings or performance improvements it had anticipated (it may take longer to generate revenue). The Issuer's future plans include significant investments in research and development. The Issuer believes that it must continue to devote significant resources to its research and development efforts to maintain its competitive position. However, the Issuer may not experience significant income from these investments in the near future, or these investments may not yield the expected benefits, which could adversely affect its business and operating results.

Intellectual Property Rights Risks

Other entities may claim that the Issuer infringes their intellectual property rights. The number of these claims may increase due to constant technological changes in the markets in which the Issuer competes, the expanded patent coverage of existing technologies, the rapid issuance rate of new patents and its offering. In order to resolve these claims, the Issuer may enter into royalty agreements and license agreements on terms less favorable than those currently available, stop selling or redesigning the affected services or products, or pay damages to fulfill the commitments of compensation to his clients. These results may cause operating margins to decline. In addition to monetary damages, in some jurisdictions, plaintiffs may seek court-ordered injunctive relief that may limit or prevent the importation, marketing, and sale of our services or products with technologies that infringe intellectual property rights. In some countries, such as Germany, an injunction may be issued before the parties fully challenge the validity of subsequent patents.

Liquidity risk and cash-flow risk

Liquidity risk also includes the risk generated by the possibility of receivables not being recovered. Due to the specifics of its activity, the Issuer maintains a level of receivables and debts that allows the optimal performance of the activity.

However, in the context of an IT company, there is an inherent risk associated with low liquidity, which can affect its ability to meet payment demands and operate efficiently.

One factor contributing to this risk is the nature of IT services, which can often involve long-term contracts with corporate or government customers. In such cases, customers may delay or not pay the invoices in full or not respect the agreed payment terms. This may lead to an increase in uncollected receivables and pressure on the Issuer's liquidity.

Also, in the IT industry, competition is fierce, and the rapid evolution of technology can cause a sudden change in customer demand and preferences. If the Issuer cannot respond quickly to market changes or fails to retain its existing customers, it may experience difficulties generating revenues and, implicitly, maintaining adequate liquidity.

Furthermore, the high costs associated with developing and implementing the technology may result in significant expenses and pressure on the Issuer's cash flow. These expenses may include purchasing equipment, paying IT

specialists, and investing in research and development. If the Issuer fails to manage these costs effectively or does not obtain an adequate return on investments, its liquidity may be adversely affected.

To minimize the risk of low liquidity, the Issuer implements rigorous financial management, carefully monitors cash flow, develops clear debt collection policies and procedures, and diversifies its client portfolio. Also, the Issuer maintains an adequate reserve of liquidity and establishes solid relationships with suppliers and financial partners to deal with unforeseen situations and ensure long-term financial stability.

The risk associated with interest rates and funding sources

In the event of deterioration of the economic environment in which the Issuer operates, it could find itself unable to contract a new loan under the conditions it previously benefited from, which could lead to an increase in financing costs and negatively affect the financial situation of the Issuer.

A risk directly associated with this situation is that related to interest rate fluctuations and the availability of financing sources. If market interest rates rise significantly, the Issuer could be affected by increased funding costs when it needs to refinance or take out new loans. An increase in interest rates may result in higher interest payments on existing loans and may adversely affect the Company's cash flow.

Also, if the economic environment deteriorates and investors' and creditors' confidence decreases, the Issuer may experience difficulties obtaining the necessary financing for current operations or development projects. Financial institutions may impose tighter restrictions and increase security requirements to grant loans in these circumstances. This may limit the Issuer's access to convenient and adequate financing, affecting its ability to effectively finance its activities and grow.

Another risk related to interest rates and funding sources is related to exposure to currency risk. If the Issuer has debt in foreign currency and the local currency depreciates, financing costs may increase significantly, which may affect the company's profitability and liquidity.

In order to manage the risk associated with interest rates and funding sources, the Issuer constantly assesses the economic environment, monitors interest rate fluctuations, and develops appropriate risk management strategies. These include diversifying funding sources, using financial instruments to hedge against interest rate fluctuations, maintaining an adequate level of cash reserves, and maintaining a strong relationship with financial institutions and lenders.

LEGAL, REGULATORY AND LITIGATION RISKS

Changes in tax laws or interpretations, as well as unfavorable decisions by tax authorities, could have a material adverse effect on the Issuer's results of operations and cash flows

Tax laws and regulations in Romania may be subject to change, as well as changes in the interpretation and application of tax legislation. These changes in tax legislation and/or the interpretation and application of tax law may be adopted/applied with speed by the authorities, difficult to anticipate. Therefore, the Issuer may not be prepared for these changes. That is why the Issuer believes that there is a risk that certain collaborative relationships with subcontractors will be considered by the tax authorities as dependent activities, which may lead to the recalculation of their related taxes and fees.

Currently, there is a risk that the Issuer will face the elimination of the tax exemption from income tax for employees in the IT field (as a result of some steps at the government level to eliminate the exemptions granted to certain industries), and even increases in the taxes due in the event of a change in tax rates or in the event that tax laws or regulations are amended or reinterpreted by the relevant authorities in a manner that disadvantages the Issuer, which could have a material adverse effect on its cash flows, business, prospects, of the results of operations and financial position for any affected reporting period.

Legislative risk associated with the fleet management industry

The fleet management industry is subject to strict regulations regarding road safety, environmental protection, compliance with commercial vehicle driving, and personal data protection laws and regulations.

As a provider of fleet management solutions, the company is aware of these regulations. It ensures that every effort is made to ensure that the services provided comply with all legal and administrative requirements.

The risk associated with litigation

In the context of the performance of its activity, the Issuer is subject to a risk of litigation, among others, due to changes and developments in legislation. The Issuer may be affected by other contractual claims, complaints, and litigation, including from third parties with whom it has contractual relationships, customers, competitors, or regulatory authorities, as well as any adverse publicity that such an event attracts.

At the time of this report, the Issuer, AROBS Transilvania Software SA, was not involved in any significant litigation, either in an active or passive procedural capacity.

RISKS RELATED TO INVESTMENTS IN ROMANIA

Political and military instability in the region may have negative consequences on the Issuer's business

The political and military instability in the region, determined by the invasion of Ukraine by the Russian Federation in February 2022, preceded by the loss of control over the Crimean Peninsula in favor of the Russian Federation and the conflict in Eastern Ukraine with pro-Russian separatists in 2014, as well as the international sanctions imposed on the Federation Russians as a result of these events, may cause deeply unfavorable economic conditions, social unrest or, in the worst case, extensive military confrontations in the region. The effects are largely unpredictable and may include a decline in investment, significant currency fluctuations, increases in interest rates, reduced availability of credit, trade and capital flows, increases in energy prices, etc.

These effects and other unforeseen negative effects of crisis situations in the region could significantly negatively affect the Issuer's activity, prospects, results of operations, and financial position.

The upward trend of the inflation rate could produce significant negative consequences on the Issuer's financial performance

The unpredictability of the inflation rate can have negative effects on the Issuer's activity by increasing the difficulty of the Issuer's estimation of the total costs related to the activities carried out by it and the creation of a potential mismatch between the prices charged by the Issuer in relation to its customers and the Issuer's costs, with a significant negative effect. A significant difference between the anticipated inflation rate in a certain period and the value actually recorded in that period can significantly negatively influence the way the Issuer's resources are allocated, thus influencing its activity, financial availability, prospects, and profitability.

Moreover, an unpredictable increase in the inflation rate can bring imbalances at the macroeconomic level, characterized by the increase in interest rates, the decrease in the standard of living, and, in general, the slowdown in the development of the economy in Romania, imbalances that can contribute to the decrease in demand in the field of cyber security.

A potential deterioration of the general economic, political, and social conditions in Romania could have negative effects on the Issuer's activity

The Issuer's success is closely linked to the general economic developments in Romania. Negative developments or the general weakening of the Romanian economy, the decrease in the standard of living, the limited liquidity resources of potential customers, and the increase in the level of unemployment could directly negatively impact the demand in the market where the Issuer operates in Romania.

In recent years, Romania has gone through far-reaching political, economic, and social changes. As is expected of emerging markets, they do not possess the entire business infrastructure and legal and regulatory framework that generally exists in more mature free-market economies. Likewise, Romania's tax legislation is subject to multiple, diverse interpretations and may undergo changes frequently and sometimes suddenly or too quickly implemented.

Romania's economy's future direction remains largely dependent on the effectiveness of the economic, financial, and monetary measures adopted at the governmental level and on developments in the fiscal, legal, regulatory, and political fields. Romania's unfavorable economic conditions, fiscal uncertainty, and increased taxation could ultimately have a direct and/or indirect negative impact on the prices charged for the Issuer's products and services.

Romania's difficulties related to its integration into the European Union may have a significant negative effect on the Issuer's activity

Romania entered the European Union in January 2007 and continues to go through processes of legislative changes as a result of EU accession and continued EU integration. As part of the accession process, the EU established a series of measures that Romania must comply with to fulfill the basic requirements for EU accession. The European Commission received the task of monitoring the progress made by Romania by issuing annual compliance reports through the Cooperation and Verification Mechanism; in November 2022, the European Commission recommended lifting the MCV.

In the future, Romania will be subject to evaluations and discussions within the European Rule of Law Mechanism, which provides for a process for an annual dialogue in which the Commission, the Council, and the European Parliament participate, together with the member states, national parliaments, civil society and other interested parties from the domain of the rule of law.

If Romania does not comply with the measures it must comply with to meet the basic requirements for EU membership or does not implement the recommendations issued by the competent bodies, it may be subject to EU sanctions that could have an effect materially negative on the financial operations, investments and capital flows in the country and therefore on the activity, prospects, results of operations and financial condition of the Issuer.

RON currency can be subject to high volatility

The leu is subject to a variable exchange rate regime, whereby its value against foreign currencies is established on the interbank exchange market. The monetary policy of the BNR aims at inflation. The floating exchange rate regime is aligned with using inflation targets as the nominal anchor of monetary policy. It allows for a flexible policy response to unforeseen shocks that might affect the economy. The NBR does not consider a specific level or range for the exchange rate. The NBR's ability to limit the volatility of the leu depends on a number of economic and political factors, including the availability of foreign currency reserves and the volume of new foreign direct investment.

Any changes in global investors' perceptions of the global or Romanian economic prospects may lead to the depreciation of the Romanian leu. A significant depreciation of the leu could adversely affect the country's economic and financial situation, which could have a substantial negative effect on the Issuer's business, operating results, and financial situation.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	31.12.2023 AROBS Group	31.12.2022 AROBS Group	Variation %
TURNOVER:	427,294,137	299,815,687	43%
Revenue from software services	344,775,332	239,774,681	44%
Revenue from software products	70,537,191	58,113,647	21%
Revenue from integrated systems	11,981,615	0	100%
Revenue from the distribution of goods	0	1,216,542	-100%
TOTAL COST OF SALES:	295,755,657	190,210,575	55%
Cost of sales from software services	254,215,350	162,025,518	57%
Cost of sales from software products	31,653,344	26,493,027	19%
Cost of sales from integrated systems	9,886,963	256,464	3755%
Cost of distribution of goods	0	1,435,565	-100%
GROSS RESULT	131,538,480	109,605,112	20%
Sales and marketing expenses	(18,370,931)	(11,157,950)	65%
General and administrative expenses	(70,739,928)	(45,924,271)	54%
Other operating revenues / (expenses), net	1,131,751	659,412	72%
OPERATING RESULT	43,559,373	53,182,303	-18%
Financial revenue / (expenses), net	(517,637)	82,159	-730%
GROSS RESULT – BEFORE TAX	43,041,736	53,264,462	-19%
Income tax	(11,125,850)	(6,195,378)	80%
NET PROFIT	31,915,886	47,069,084	-32%
Other comprehensive income	280,318	(110,517)	-354%
NET INCOME	32,196,204	46,958,567	-31%
related to the parent company	32,116,914	46,868,976	-31%
related to minority interests	79,290	89,591	-11%

CONSOLIDATED BALANCE SHEET

Balance sheet indicators (LEI)	31.12.2023 AROBS Group	31.12.2022 AROBS Group	Variation %
Goodwill	104,761,369	57,763,288	81%
Customer services	76,561,802	74,953,751	2%
Other intangible assets	23,044,459	18,364,676	25%
Tangible assets	35,556,876	19,626,077	81%
Assets related to the rights of use of leased assets	17,236,489	12,170,189	42%
Loans granted to related parties	15,555,506	7,749,356	101%
Financial assets	3,700,985	4,557,083	-19%
Deferred tax	2,129,265	3,131,036	-32%
Total fixed assets	278,546,751	198,315,455	40%
Inventories	6,975,925	8,922,718	-22%
Trade receivables and other receivables	103,338,304	74,925,395	38%
Related parties loans	1,413,707	10,787,651	-87%
Prepaid expenses	2,015,826	1,946,614	4%
Short-term investments	302,033	523,375	-42%
Cash and equivalents	87,773,888	101,373,631	-13%
Total current assets	201,819,682	198,479,384	2%
Total assets	480,366,433	396,794,840	21%
Share capital	87,129,361	91,139,499	-4%
Share capital adjustments to hyperinflation	263,971	263,971	0%
Other equity items	12,574,918	4,206,340	199%
Share premium	23,185,001	23,185,001	0%
Reserves	9,680,545	6,367,437	52%
Own shares	(5,689,379)	(7,535,897)	-25%
Retained earnings	139,037,199	110,264,880	26%
Gains/(Loss) on equity instruments	8,352,878	1,805,558	363%
Conversion differences from consolidation	(163,971)	101,918	-261%
Total equity	274,370,522	229,798,705	19%
Minority interests	(683,364)	(75,767)	802%
Total equity	273,687,158	229,722,938	19%
Non-current liabilities:			
Trade and other liabilities	49,746	182,159	-73%
Equity liabilities	14,686,659	1,122,070	1209%
Lease liabilities	11,309,563	7,693,558	47%
Bank loans	62,629,398	55,381,056	13%
Deferred income tax liabilities	12,200,152	13,077,720	-7%
Advance income	3,523,269	1,913,309	84%
Subsidies	301,940	184,750	63%
Provisions	11,789,374	11,227,077	5%
Total non-current liabilities	116,490,101	90,781,700	28%
Current liabilities:			
Trade and other liabilities	39,059,658	31,231,839	25%
Equity liabilities	3,763,224	5,473,548	-31%
Lease liabilities	7,919,498	6,137,902	29%
Bank loans	24,184,008	18,470,922	31%
Loans from bond issues	-	-	-
Advance income	8,796,705	9,685,836	-9%
Subsidies	158,741	424,284	-63%
Provisions	6,307,341	4,865,872	30%
Total current liabilities	90,189,175	76,290,204	18%
Total liabilities	206,679,276	167,071,903	24%
Total equity and liabilities	480,366,434	396,794,841	21%

CONSOLIDATED CASH-FLOW

	31.12.2023 AROBS Group	31.12.2022 AROBS Group	Variation %
Profit before tax	43,041,736	53,264,462	-19%
Adjustments for:			
Amortization expenses	20,711,679	11,158,537	86%
Expenditure on assets sold	(503,221)	46,781	-1176%
(Income) from assets sold	(835,138)	(209,820)	298%
Expenditure relating to SOP employee benefits	19,131,306	6,038,931	217%
Expenditure/(Income) related to adjustments for inventory write-downs	(30,041)	(921,178)	-97%
Expenditure/(Income) related to adjustments on receivables	2,196,790	3,206,523	-31%
Expenditure/Income on provisions for risks and charges	923,727	4,586,656	-80%
(Income) from subsidies and grants	(148,353)	(165,362)	-10%
Expenditure with interest and other financial expenses	2,629,077	1,113,987	136%
(Income) from interest and other financial income	(3,126,355)	(1,968,688)	59%
Expenditure/(Income) relating to value adjustments on tangible and intangible fixed assets	127,551	200,562	-36%
Other adjustments	(265,889)	(607,600)	-56%
Operating result before change in working capital	83,852,869	75,743,789	11%
Change in trade and other receivables balances	(29,934,716)	(39,736,919)	-25%
Change in inventories balances	1,976,834	(3,977,351)	-150%
Change in trade payable and other debt balances	8,345,988	33,774,795	-75%
Changes in prepaid expenditure balances	(69,212)	(122,455)	-43%
Change in advance income balances	720,828	857,841	-16%
Interest paid	(2,629,077)	(1,113,987)	136%
Interest earned	2,859,430	3,560,998	-20%
Cash generated from operations	65,122,944	68,986,711	-6%
Income tax paid	(10,567,650)	(6,276,246)	68%
Net cash from operating activities	54,555,295	62,710,465	-13%
Cash flows from investing activities			
Loans (granted) to/repayments from affiliated entities	3,017,607	1,292,385	133%
(Payments) related to the acquisition of subsidiaries	(45,775,455)	(104,330,588)	-57%
(Payments) related to the acquisition of tangible and intangible assets, including customer relationship	(31,087,866)	(26,228,854)	22%
Repurchase of own shares	(6,379,028)	(3,782,054)	81%
(Payments)/Cash in from other investments in financial assets	221,342	(523,375)	-200%
Net cash from investing activities	(80,003,402)	(133,572,485)	-40%
Cash flows from financing activities			
Cash in/(Repayments) of bank loans	12,961,428	71,625,333	-82%
(Payments) of finance lease liabilities	(1,113,067)	(1,602,506)	-31%
Net cash from financing activities	11,848,362	70,022,827	-83%
Net increase in cash and cash equivalents	(13,599,744)	(839,193)	1521%
Cash and cash equivalents at the beginning of the financial year	101,373,631	102,212,824	-1%
Cash and cash equivalents at the end of the financial year	87,773,887	101,373,631	-13%

INDIVIDUAL PROFIT AND LOSS ACCOUNT

	31.12.2023	31.12.2022	Variation %
TURNOVER:	266,685,347	228,626,301	17%
Revenue from software services	224,677,840	186,165,876	21%
Revenue from software products	42,007,506	41,243,883	2%
Revenue from integrated systems	-	-	
Revenue from the distribution of goods	-	1,216,542	-100%
TOTAL COST OF SALES:	188,383,142	148,296,869	27%
Cost of sales from software services	170,388,519	129,840,416	31%
Cost of sales from software products	17,994,623	17,020,888	6%
Cost of sales from integrated systems	-	-	-
Cost of distribution of goods	-	1,435,565	-100%
GROSS RESULT	78,302,205	80,329,432	-3%
Other income	451,959	653,401	-31%
Sales and marketing	(7,943,270)	(6,317,639)	26%
General and administration	(41,989,623)	(26,838,224)	56%
OPERATING RESULT	28,821,272	47,826,970	-40%
Net Finance income / (expense)	23,300,756	-	-
Net Forex Income/(Expenses)	3,262,373	1,913,123	71%
Interest income	(2,270,357)	(866,458)	162%
Interest expense	(377,291)	(249,573)	51%
GROSS RESULT – BEFORE TAX	52,736,754	48,624,061	8%
Income tax	(6,248,221)	(6,780,502)	-8%
NET INCOME	46,488,533	41,843,559	11%

INDIVIDUAL BALANCE SHEET

Balance sheet indicators (LEI)	31.12.2023	31.12.2022	Variation %
Shares held in related entities	212,955,994	143,821,510	48%
Customer services	13,695,274	11,461,257	19%
Other intangible assets	8,266,950	8,779,988	-6%
Tangible assets	9,458,236	7,868,878	20%
Assets related to the rights of use of leased assets	18,685,471	8,757,419	113%
Loans granted to affiliated and related parties	2,968,851	3,926,037	-24%
Financial fixed assets	613,356	1,037,298	-41%
Deferred income tax assets	266,644,131	185,652,387	44%
Total fixed assets	1,493,635	1,893,749	-21%
Inventories	68,521,017	52,560,078	30%
Trade receivables and other receivables	9,192,978	17,948,527	-49%
Loans granted to affiliated and related parties	1,323,501	1,613,259	-18%
Prepaid expenses	302,033	523,375	-42%
Short-term investments	58,263,292	72,777,713	-20%
Cash and equivalents	139,096,456	147,316,700	-6%
Total current assets	212,955,994	143,821,510	48%
Total assets	405,740,587	332,969,086	22%
Share capital	87,129,361	91,139,499	-4%
Share capital adjustments to hyperinflation	263,971	263,971	0%
Share premium	23,185,001	23,185,001	0%
Legal reserves	7,664,524	4,882,913	57%
Other reserves	1,749,420	1,209,959	45%
Own shares	(5,689,379)	(7,535,897)	-25%
Gains related to equity instruments	8,352,878	1,805,558	363%
Other equity items	12,628,497	4,206,340	200%
Retained earnings	109,703,611	71,211,130	54%
Current result	46,488,532	41,843,559	11%
Profit sharing	(3,321,072)	(3,351,079)	-1%
The carried forward result from the adoption of IAS29 for the first time	(263,971)	(263,971)	0%
The carried forward result from the transition to the application of IFRS, less IAS29	(7,055,641)	(7,055,641)	0%
Total equity	280,835,730	221,541,341	27%
Minority interests	-	-	-
Total equity	280,835,730	221,541,341	27%
Non-current liabilities:			
Trade and other liabilities	-	-	
Lease liabilities	6,708,754	5,056,697	33%
Bank loans	49,841,347	49,494,614	1%
Payable amounts for subsidiary acquisitions	14,686,659	1,122,070	1209%
Advance income	273,503	507,793	-46%
Grants	301,940	184,750	63%
Provisions	2,728,395	2,293,552	19%
Total non-current liabilities	74,540,599	58,659,476	27%
Current liabilities:			
Trade and other liabilities	17,747,995	19,626,357	-10%
Payable amounts for subsidiary acquisitions	3,761,760	5,472,085	-31%
Lease liabilities	3,939,382	4,372,796	-10%
Bank loans	20,122,257	18,470,922	9%
Advance income	3,262,205	3,480,580	-6%
Grants	158,741	424,284	-63%
Provisions	1,371,918	921,247	49%
Total current liabilities	50,364,259	52,768,270	-5%
Total liabilities	124,904,857	111,427,746	12%
Total equity and liabilities	405,740,587	332,969,087	22%

INDIVIDUAL CASH-FLOW

	31.12.2023	31.12.2022	Variation %
Profit before tax	52,736,754	48,624,061	8%
Adjustments for:			
Amortization expenses	6,679,165	5,342,224	25%
Expenditure on assets sold	(447,091)	(12,116)	3590%
(Income) from assets sold	(607,668)	(118,059)	415%
Expenditure relating to SOP employee benefits	15,691,279	4,510,820	248%
Expenditure/(Income) related to adjustments for inventory write-downs	(30,041)	(921,178)	-97%
Expenditure/(Income) related to adjustments on receivables	1,556,698	(469,981)	-431%
Expenditure/Income on provisions for risks and charges	885,514	2,617,920	-66%
(Income) from subsidies and grants	(148,353)	(165,362)	-10%
Expenditure with interest and other financial expenses	2,234,615	862,725	159%
(Income) from interest and other financial income	(3,096,249)	(1,869,476)	66%
Expenditure/(Income) relating to value adjustments on tangible and intangible fixed assets	235,714	268,698	-12%
Operating result before change in working capital	75,690,337	58,670,276	29%
Change in trade and other receivables balances	(17,495,204)	(18,717,605)	-7%
Change in inventories balances	430,155	2,290,571	-81%
Change in trade payable and other debt balances	(2,697,217)	6,551,170	-141%
Changes in prepaid expenditure balances	289,759	19,018	1424%
Change in advance income balances	(452,664)	387,317	-217%
Interest paid	(2,234,615)	(862,725)	159%
Interest earned	2,510,223	2,666,138	-6%
Cash generated from operations	56,040,774	51,004,161	10%
Income tax paid	(4,846,426)	(6,441,528)	-25%
Net cash from operating activities	51,194,347	44,562,633	15%
Cash flows from investing activities			
Loans (granted) to/repayments from affiliated entities	772,216	(5,573,251)	-114%
(Payments) related to the acquisition of subsidiaries	(53,786,612)	(105,405,287)	-49%
(Payments) related to the acquisition of tangible and intangible assets, including customer relationship	(7,581,099)	(9,659,563)	-22%
Repurchase of own shares	(6,379,028)	(3,782,054)	69%
(Payments)/Cash in from other investments in financial assets	221,342	(523,375)	-142%
Net cash from investing activities	(66,753,181)	(124,943,530)	-47%
Cash flows from financing activities			
Cash in/(Repayments) of bank loans	1,998,067	65,738,891	-97%
(Payments) of finance lease liabilities	(953,655)	(784,965)	21%
Net cash from financing activities	1,044,412	64,953,926	-98%
Net increase in cash and cash equivalents	(14,514,421)	(15,426,971)	-6%
Cash and cash equivalents at the beginning of the financial year	72,777,713	88,204,684	-17%
Cash and cash equivalents at the end of the financial year	58,263,292	72,777,713	-20%

BVB CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT

PROVISION OF THE BUCHAREST STOCK EXCHANGE CORPORATE GOVERNANCE CODE ¹	COMPLIANT	PARTIALLY COMPLIANT	NON-COMPLIANT	COMMENT
Section A – Responsibilities				
A.1. All companies shall have Internal Rules for the Board of Directors (the “Board”), which shall include the terms of reference/responsibilities of the Board and the key management functions of the Company, and which shall apply, inter alia, the General Principles of this Section.	X			The company adopted a Regulation of the Board of Directors.
A.2. Provisions for the management of conflicts of interest shall be included in the Rules of the Board. In any event, Board members shall notify the Board of any conflicts of interest that have arisen or may arise and shall refrain from taking part in the discussions (including by non-attendance, unless the failure to attend prevents the establishment of the quorum) and from voting for passing a resolution on the issue giving rise to the relevant conflict of interest.	X			The Board members have, under the law, duties of care and loyalty to the Company, stipulated not only in the Articles of Association of the Company, but also in other internal regulations of the Company. Provisions for the management of conflicts of interest are included in the Regulation of the Board of Directors of AROBS Transilvania Software S.A.
A.3. The Board shall consist of at least 5 (five) members.	X			The Board of Directors consists of 5 (five) members elected by the Ordinary General Meeting of Shareholders (OGMS), in

¹The Statement summarizes the principles of the Corporate Governance Code; the full version of the Code may be read on the website of the Bucharest Stock Exchange: www.bvb.ro.

				accordance with the provisions of the Companies Law and the Company's Articles of Association.
A.4. Most Board members shall not have an executive function. In the case of companies in the Premium Category, no less than two non-executive members of the Board shall be independent. Each independent Board member shall issue a statement at the time of nomination thereof for election or re-election, and whenever any change arises in the status thereof, indicating the elements on the basis of which the same is to be deemed independent in terms of character and judgment.	X			Two out of five members of the Board are non-executive and independent. On the occasion of each appointment of a member of the Board of Directors, the Company carries out an assessment of the independence of its members based on the independence criteria established in the Corporate Governance Code (which are essentially similar to those provided for in the Companies Law), consisting of an assessment individual assessment by the relevant Board member, followed by an external assessment.
A.5. Any other relatively permanent professional commitments and obligations of a member of the Board, including executive and non-executive positions in the Board of companies and non-profit institutions, shall be disclosed to the shareholders and prospective investors prior to nomination and during the term of office thereof.	X			Information on the permanent professional commitments and obligations of the Board members, including executive and non-executive positions within companies and non-profit institutions, can be found in the CVs of the Board members, available at the Company headquarters and published of the Company's website.
A.6. Any member of the Board shall present the Board with information on any relation with a shareholder holding, either directly or indirectly, shares representing more than 5% of all voting rights.	X			The information is included in the annual reports issued by the Company.
A.7. The Company shall appoint a Secretary of the Board to be in charge of supporting the activity of the Board.	X			The Company has a General Secretary who supports the Board activities.
A.8. The Corporate Governance Statement shall stipulate whether a Board assessment has taken place under the direction of either the Chairperson or the Nomination Committee and,			X	In 2023, the Company had no policy and no guidance regarding Board evaluation. There was no formal Council self-assessment for 2023.

if so, shall summarize the key measures and the resulting changes. The Company shall have a policy/guide regarding Board assessment, including the purpose, criteria and frequency of the assessment process.				
A.9. The Corporate Governance Statement shall contain information on the number of Board and Committee meetings over the past year, the participation of the directors (in person and in default) and a Report by the Board and Committees on their activities.	X			The Board of Directors of AROBS Transilvania Software SA will meet whenever necessary, but at least once every three months. Throughout the year 2023, there were 23 Board of Directors meetings (23 meetings with full attendance), 2 Audit Committee meetings (2 meetings with full attendance), and 3 Nomination and Remuneration Committee meetings (3 meetings with full attendance).
A.10. The Corporate Governance Statement shall include information on the exact number of independent members of the Board.	X			In 2023, two (2) members of the Board met all the independence criteria set out by the Corporate Governance Code of AROBS Transilvania Software S.A.
Section B – The risk management and internal control system				
B.1. The Board shall set up an Audit Committee, in which at least one member shall be independent and non-executive. Most members, including the Chair, shall have proven appropriate qualification relevant to the functions and responsibilities of the Committee. At least one member of the Audit Committee shall have proven adequate experience in auditing or accounting. In the case of companies in the Premium Category, the Audit Committee shall consist of at least three members and most members of the Audit Committee shall be independent.	X			The Audit Committee began its activity on September 29, 2023, and consists of two non-executive and independent members and one non-executive member. All members of the Audit Committee, including the Chairman, have demonstrated adequate qualifications, according to the internal rules established by the Company.
B.2. The Chair of the Audit Committee shall be an independent non-executive member.	X			The Chair of the Risk & Audit Committee is an independent non-executive member.

<p>B.3. As part of its responsibilities, the Audit Committee shall carry out an annual assessment of the internal control system.</p>	<p>X</p>			<p>The Audit Committee conducts an annual evaluation of the Company's internal control system.</p>
<p>B.4. The assessment shall take into account the effectiveness and scope of the internal audit function, the adequacy of the risk management and internal control reports submitted to the Board Audit Committee, the promptness and effectiveness with which the executive management addresses any deficiencies or weaknesses identified as a result of the internal control and the submission of relevant reports to the Board.</p>	<p>X</p>			<p>In the annual assessment, the Audit Committee assesses the effectiveness of this system, the adequacy of the risk management and internal control reports submitted to the Audit Committee, as well as the promptness and the effectiveness of management in addressing the deficiencies or weaknesses found in terms of internal control.</p>
<p>B.5. The Audit Committee shall assess any conflicts of interest in connection with the transactions of the Company and its subsidiaries with related parties.</p>	<p>X</p>			<p>The Audit Committee evaluates the effectiveness of the Group's risk management system, monitor the application of the statutory and generally accepted internal audit standards and will evaluate the situations of conflicts of interest within the transactions concluded by the Group and / or any of its subsidiaries with affiliated parties.</p>
<p>B.6. The Audit Committee shall assess the effectiveness of the internal control and risk management systems.</p>	<p>X</p>			
<p>B.7 The Audit Committee shall monitor the application of the legal standards and generally accepted internal audit standards. The Audit Committee shall receive and assess the reports of the internal audit team.</p>	<p>X</p>			
<p>B.8. Whenever the Code mentions reports or analyses initiated by the Audit Committee, these shall be followed by regular reports (at least annual reports) or ad hoc reports to be subsequently submitted to the Board.</p>	<p>X</p>			<p>The Audit Committee regularly presents the Board with reports on the specific issues that have been assigned to it.</p>

<p>B.9. No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements entered into by the Company with the shareholders and affiliates thereof.</p>	<p>X</p>			<p>The Company grants equal treatment to all its shareholders. Related party transactions are treated objectively, in accordance with the usual industry standards, and the applicable laws and corporate regulations.</p>
<p>B.10. The Board shall adopt a policy to ensure that any transaction of the Company with any of the companies with which it has close ties, whose value is equal to or greater than 5% of the Company net assets (according to the latest financial report), is approved by the Board following a binding opinion of the Board Audit Committee and is properly disclosed to the shareholders and prospective investors to the extent that such transactions fall within the category of events subject to reporting requirements.</p>		<p>X</p>		<p>The Board of Directors will adopt a policy in this regard. The obligation to previously approve this type of transactions by the Board of Directors is provided in the Board of Directors' Regulations, and according to the Audit Committee's Regulations, it issues mandatory opinions on any transaction of the Company with any of the companies with which it has affiliate relationships (affiliated parties) whose value is equal to or greater than 5% of the Company's net assets (according to the last published financial report), before the transaction's approval by the Board of Directors.</p>
<p>B.11. Internal audits shall be performed by a structurally separate division (the Internal Audit Department) within the Company or by hiring an independent third party.</p>	<p>X</p>			<p>The company has an Internal Audit function within its structure.</p>
<p>B.12. In order to ensure the fulfilment of the primary functions of the Internal Audit Department functionally speaking, it shall report to the Board by means of the Audit Committee. For administrative purposes and as part of the responsibilities of the management to monitor and reduce risks, it shall report directly to the Chief Executive Officer.</p>	<p>X</p>			<p>The Internal Audit reports to the Audit Committee.</p>
<p>Section C – Fair reward and motivation</p>				

<p>C.1. The Company shall publish the Remuneration Policy on its website and shall include a statement on the implementation of the Remuneration Policy in the Annual Report during the annual period under review. Any key change in the Remuneration Policy shall be published on the Company website in a timely manner.</p>	<p>X</p>			<p>The company publishes on its own website the Remuneration Policy, as well as the remuneration report prepared in accordance with this policy, the latter being subject to the approval of the Company's Annual Ordinary General Meeting of Shareholders.</p>
<p>Section D – Adding value by way of the investor relations</p>				
<p>D.1. The Company shall organize an Investor Relations Service - indicating to the general public the officer(s) in charge or the relevant organizational unit. In addition to the information required by law, the Company shall include on its website a section dedicated to Investor Relations, in both Romanian and English, with all the relevant information of interest to investors, including:</p> <ul style="list-style-type: none"> • The main corporate regulations: Articles of Association, the procedures regarding the General Shareholders' Meetings (GSM); • The professional CVs for the members of the Company management bodies, other professional commitments of the Board members, including executive and non-executive positions in the Boards of Directors of companies or non-profit institutions; 	<p>X</p>			<p>All the information specified by provision D1 is provided on the Company's website.</p>

<ul style="list-style-type: none"> • Current and regular reports (quarterly, half-yearly and annual); • Information on the General Shareholders' Meetings; • Information on the corporate events; • The name and contact details of a person who can provide relevant information, on request; • Company presentations (e.g., investor presentations, quarterly result presentations, etc.), financial statements (quarterly, half-yearly, annual), Audit Reports, and Annual Reports. 				
<p>D.2. The Company shall have a policy on the annual distribution of dividends or other benefits to the shareholders. The principles of the policy of annual distribution to the shareholders shall be published on the Company website.</p>	X			<p>The Company's dividend policy is available on the Company's website in the Investor Relations section.</p>
<p>D.3. The Company shall adopt a policy regarding forecasts, whether they are made public or not. Forecasts mean quantified conclusions of various studies aimed at determining the overall impact of a number of factors for a future period (the so-called assumptions): by its nature, a forecast has a high level of uncertainty, and the actual results can vary significantly from the original forecasts. The Forecast Policy shall determine the frequency, period considered and content</p>			X	<p>The company has not adopted an official forecasting policy. The company only prepares annual budgets and does not provide any financial forecasts outside of the mandatory annual budgets approved by the company's shareholders.</p>

of the forecasts. If published, the forecasts may only be included in the annual, half- yearly or quarterly reports. The Forecast Policy shall be published on the Company website.				
D.4. The rules of the General Shareholders' Meetings shall not limit the participation of shareholders in the general meetings or the exercise of their rights. Any amendments to these rules take effect, at the earliest, starting with the next Shareholders' Meeting.	X			The information regarding the organization of the General Meetings of Shareholders is mentioned in the Company's Articles of Association.
D.5. Independent financial auditors shall be present at the General Shareholders' Meeting when their reports are presented at these meetings.	X			Independent financial auditors attend the Ordinary General Meetings of Shareholders where the annual individual and consolidated financial statements are subject to approval.
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.		X		Information about internal controls and the significant risk management system is provided in the Annual Report. If a question related to the internal control system and significant risk management is raised during the annual meeting, the question will be addressed by the Board of Directors.
D.7. Any specialist, consultant, expert, or financial analyst may take part in Shareholders' Meetings based on a prior invitation from the Chairperson of the Board. Accredited journalists may also attend General Shareholders' Meetings, unless otherwise decided by the Chairperson of the Board.	X			There is a possibility for any specialist, consultant, expert, financial analyst, or accredited journalist to attend the General Shareholders' Meeting based on a prior invitation from the Chairman of the Board.

<p>D.8. The quarterly and half-yearly financial reports shall include information in both Romanian and English on the key factors that influence change in terms of sales levels, operating profit, net profit, and other relevant financial indicators, from one quarter to the next, and from one year to the next.</p>	<p>X</p>			<p>The quarterly and half-year financial reports include information in both Romanian and English regarding the key factors that cause changes in sales levels, operating profit, net profit, and other relevant financial indicators, from one quarter to another and from one year to another.</p>
<p>D.9. A Company shall hold at least two meetings/teleconferences with analysts and investors each year. The information presented on these occasions shall be published in the Investor Relations section of the Company website at the time of the meetings/teleconferences.</p>	<p>X</p>			<p>Starting with the transfer to the Main Segment in September 2023, AROBS holds four teleconferences in English, corresponding to each quarter. The recording of each of the teleconferences is published on the BVB website, as well as on the Company's website.</p>
<p>D.10. If a Company supports various forms of artistic and cultural expression, sporting, educational or scientific activities and deems their impact on the Company innovation and competitiveness to be part of its mission and development strategy, it will publish its policy on its activity in this field.</p>				<p>N/A</p>

DECLARATION OF THE MANAGEMENT

Cluj-Napoca, April 30, 2024

I confirm, according to the best information available, that the audited consolidated and individual financial results for 2023 give a fair and true view of the assets, liabilities, financial position and revenue and expense situation of AROBS Transilvania Software SA and that the annual report provides a true and fair view of the important events that took place in 2023 and their impact on the company's financial statements.

Voicu Oprean

CEO

AROBS TRANSILVANIA SOFTWARE S.A.

CONSOLIDATED FINANCIAL STATEMENTS

Prepared in accordance with the Ministry of Finance Order no. 2844/2016 for the approval of accounting regulations compliant with the International Financial Reporting Standards

For the year ended 31 December 2023

AROBS TRANSILVANIA SOFTWARE S.A.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

TABLE OF CONTENTS

STATEMENT OF CONSOLIDATED INCOME	4
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF CHANGES IN EQUITY	6
CASH FLOW STATEMENT	8
1. FINANCIAL REPORTING PRESENTATION	9
2. GROUP STRUCTURE	13
3. BASIS OF PREPARATION	15
4. APPLYING PROFESSIONAL JUDGEMENT, ESTIMATES AND ASSUMPTIONS 21	
5. TURNOVER	21
6. COST OF SALES	23
7. SALES AND MARKETING EXPENSES	25
8. GENERAL & ADMINISTRATION EXPENSES	25
9. EMPLOYEE BENEFITS EXPENSES	26
10. CATEGORIES OF EXPENSES	28
11. OTHER REVENUE	29
12. REVENUE AND EXPENSES RECONCILIATION BY BUSINESS SEGMENTS	30
13. INCOME TAX, MICROENTERPRISE TAX AND DEFERRED TAX	31
14. EBITDA	32
15. EARNINGS PER SHARE	32
16. INTANGIBLE ASSETS	33
17. MERGERS & ACQUISITIONS	33
18. GOODWILL	36
19. TANGIBLE ASSETS	37
20. FINANCIAL ASSETS	38
21. LEASING	39
22. INVENTORIES	41
23. TRADE AND OTHER RECEIVABLES	41
24. CASH AND CASH EQUIVALENTS	43
25. TRADE AND OTHER PAYABLES	43
26. BANK LOANS	44
27. PROVISIONS	48
28. CAPITAL AND RESERVES	48
29. RISK MANAGEMENT FOR FINANCIAL INSTRUMENTS	48
30. RELATED AND AFFILIATED PARTIES	52

AROBS TRANSILVANIA SOFTWARE S.A.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

31.	FAIR VALUE.....	55
32.	ACCOUNTING PRINCIPLES, POLICIES AND METHODS	56
33.	OTHER INFORMATION	68
34.	SUBSEQUENT EVENTS	69

AROBS TRANSILVANIA SOFTWARE S.A.
STATEMENT OF CONSOLIDATED INCOME
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

STATEMENT OF CONSOLIDATED INCOME	Note	FY 2023	FY 2022
Turnover:	5	427,294,137	299,815,687
Software services		344,775,332	239,774,681
Software products		70,537,191	58,113,647
Integrated systems		11,981,614	710,817
Distribution of goods		-	1,216,542
Total cost of sales:		295,755,657	190,210,574
Cost of sales of software services	6.1	254,215,350	162,025,518
Cost of sales of software products	6.2	31,653,344	26,493,027
Cost of sales of integrated systems	6.3	9,886,963	256,464
Cost of distribution of goods		-	1,435,565
Gross profit		131,538,480	109,605,113
Other income	11	1,131,751	659,412
Sales and marketing	7	(18,370,931)	(11,157,950)
General and administration	8	(70,739,928)	(45,924,271)
Profit before tax		43,559,372	53,182,304
Interest income	13	3,300,289	2,019,179
Interest expense	13	(2,595,577)	(1,124,450)
Net Forex Income/(Expenses)	13	(1,222,348)	(812,569)
Profit before tax		43,041,736	53,264,464
Income tax	14	(11,125,850)	(6,195,378)
Net profit		31,915,886	47,069,086
Other Comprehensive Income		(251,459)	110,516
Overall result		31,664,427	47,179,602
related to parent company		31,585,137	47,104,440
related to NCI		79,290	75,162
Basic earnings per share		0.0385	0.0566
Diluted earnings per share		0.0372	0.0559

These financial statements were signed and approved on March 29, 2024, by:

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

AROBS TRANSILVANIA SOFTWARE S.A.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

STATEMENT OF FINANCIAL POSITION	Note	FY 2023	FY 2022
Goodwill	18	104,761,369	57,763,288
Customer relationship	17	76,561,802	74,953,751
Other intangible assets	16	23,044,459	18,364,676
Tangible fixed assets	19	35,556,876	19,626,077
Assets related to rights of use of leased assets	21	17,236,489	12,170,189
Loans granted to related parties	31	15,555,506	7,749,356
Financial fixed assets	20	3,700,985	4,557,083
Deferred income tax assets	13	2,129,265	3,131,036
Total fixed assets		278,546,751	198,315,456
Inventories	22	6,975,925	8,922,718
Trade and other receivables	23	103,338,304	74,925,395
Related parties loans	31	1,413,707	10,787,651
Prepaid expenses	23	2,015,826	1,946,614
Short-term investments		302,033	523,375
Cash and equivalents	24	87,773,888	101,373,631
Total current assets		201,819,683	198,479,384
Total assets		480,366,434	396,794,840
Share capital	28	87,129,361	91,139,499
Adjustments of equity capital to hyperinflation		263,971	263,971
Share premium		23,185,001	23,185,001
Reserves		9,680,545	6,367,437
Own shares		(5,689,379)	(7,535,897)
Gains on equity instruments		8,352,878	1,805,558
Other equity items		12,574,918	4,206,340
Retained earnings		139,037,200	110,215,599
Conversion differences from consolidation		(163,971)	151,199
Total capital	30	274,370,524	229,798,707
Non-controlling interest		(683,366)	(75,768)
Total equity		273,687,158	229,722,939
Non-current liabilities			
Trade and other payables	25	49,746	182,159
Equity liabilities	18	14,686,660	1,122,070
Leasing liabilities	21	11,309,563	7,693,558
Bank loans	26	62,629,398	55,381,056
Deferred income tax liabilities	13	12,200,152	13,077,720
Advance income	5	3,523,269	1,913,309
Grants	6.1	301,940	184,750
Provisions	27	11,789,374	11,227,077
Total non-current liabilities		116,490,102	90,781,699
Current liabilities			
Trade and other payables	25	39,059,657	31,231,838
Equity liabilities	18	3,763,224	5,473,548
Leasing liabilities	21	7,919,498	6,137,902
Bank loans	26	24,184,008	18,470,922
Income in advance	5	8,796,705	9,685,836
Grants	6.1	158,741	424,284
Provisions	27	6,307,341	4,865,872
Total current liabilities		90,189,174	76,290,202
Total liabilities		206,679,276	167,071,901
Total equity and liabilities		480,366,434	396,794,840

These financial statements were signed and approved on March 29, 2024, by :

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

AROBS TRANSILVANIA SOFTWARE S.A.
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS 2023, 2022
(All amounts are in RON, unless otherwise mentioned)

STATEMENT OF CHANGES IN EQUITY

	Equity	Equity adjustments for hyperinflation	Share premiums	Legal and other reserves	Own shares	Gains on own held equity instruments	Other equity elements	Retained earnings	Conversion reserves	Total equity	Non-controlling interests	Total equity
Closing balance 31.12.2021	45,569,749	263,971	68,754,750	3,017,170	(4,010,000)	-	229,123	67,174,051	40,683	181,039,497	58,353	181,097,852
Result of the exercise	-	-	-	-	-	-	-	46,993,924	-	46,993,924	75,162	47,069,086
Conversion difference	-	-	-	-	-	-	-	-	110,516	110,516	-	110,516
Overall result	-	-	-	-	-	-	-	46,993,924	110,516	47,104,440	75,162	47,179,602
Profit sharing	-	-	-	3,345,398	-	-	-	(3,394,091)	-	(48,693)	-	(48,694)
Retained earnings	-	-	-	-	-	-	-	49,314	-	49,314	-	49,314
Increase of share capital	45,569,750	-	(45,569,749)	-	-	-	-	-	-	1	-	-
Employee benefits in the form of equity instruments	-	-	-	-	-	-	6,038,931	-	-	6,038,931	-	6,038,931
Repurchase of own shares	-	-	-	-	(3,782,053)	-	-	-	-	(3,782,053)	-	(3,782,054)
Sale of own shares	-	-	-	-	256,156	-	(256,156)	-	-	-	-	-
Gains on equity instruments	-	-	-	-	-	1,805,558	(1,805,558)	-	-	-	-	-
Adjustments for non-controlling interests	-	-	-	-	-	-	-	(607,599)	-	(607,599)	-	(607,600)
Non controlling interests	-	-	-	4,869	-	-	-	-	-	4,869	(209,282)	(204,412)
Closing balance 31.12.2022	91,139,499	263,971	23,185,001	6,367,437	(7,535,897)	1,805,558	4,206,340	110,215,599	151,199	229,798,707	(75,767)	229,722,939

AROBS TRANSILVANIA SOFTWARE S.A.
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS 2023, 2022
(All amounts are in RON, unless otherwise mentioned)

	Equity	Equity adjustments for hyperinflation	Share premiums	Legal and other reserves	Own shares	Gains on own held equity instruments	Other equity elements	Retained earnings	Conversion reserves	Total equity	Non-controlling interests	Total equity
Closing balance 31.12.2022	91,139,499	263,971	23,185,001	6,367,437	(7,535,897)	1,805,558	4,206,340	110,215,599	151,199	229,798,707	(75,767)	229,722,939
Result of the exercise	-	-	-	-	-	-	-	31,851,026	-	31,851,026	64,860	31,915,886
Conversion difference	-	-	-	-	-	-	-	-	(265,889)	(265,889)	14,430	(251,459)
Overall result	-	-	-	-	-	-	-	31,851,026	(265,889)	31,585,137	79,290	31,664,427
Profit sharing	-	-	-	3,362,572	-	-	-	(3,362,572)	-	-	-	-
Retained earnings	-	-	-	(49,464)	-	-	-	49,465	(49,281)	(49,280)	-	(49,280)
Employee benefits in the form of equity instruments	-	-	-	-	-	-	19,131,306	-	-	19,131,306	-	19,131,306
Repurchase of own shares	-	-	-	-	(6,379,028)	-	-	-	-	(6,379,028)	-	(6,379,028)
Sale of own shares	-	-	-	-	8,225,546	-	(8,225,546)	-	-	-	-	-
Cancellation of shares	(4,010,138)	-	-	-	-	-	4,010,138	-	-	-	-	-
Gains on equity instruments	-	-	-	-	-	8,772,947	(8,772,947)	-	-	-	-	-
Adjustments for non-controlling interests	-	-	-	-	-	-	-	283,682	-	283,682	(283,682)	1
Expense related to the distribution, repurchase, sale, free distribution or cancellation of shares	-	-	-	-	-	(2,225,627)	2,225,627	-	-	-	-	-
Non controlling interests	-	-	-	-	-	-	-	-	-	-	(403,207)	(403,207)
Closing balance 31.12.2023	87,129,361	263,971	23,185,001	9,680,545	(5,689,379)	8,352,878	12,574,918	139,037,200	(163,971)	274,370,524	(683,366)	273,687,158

AROBS TRANSILVANIA SOFTWARE S.A
CASHFLOW STATEMENT
AT 31.12. 2023, 31 .12. 2022
(All amounts are in RON, unless otherwise mentioned)

CASH FLOW STATEMENT	Note	FY 2023	FY 2022
Cash flows from operating activities:			
Gross profit		43,041,736	53,264,462
Adjustments for:			
Amortization expenses	6	20,711,679	11,158,537
Expenditure on assets sold		(503,221)	46,781
(Income) from assets sold		(835,138)	(209,820)
Expenditure relating to SOP employee benefits	9	19,131,306	6,038,931
Expenditure/(Income) related to adjustments for inventory write-downs		(30,041)	(921,178)
Expenditure/(Income) related to adjustments on receivables		2,196,790	3,206,523
Expenditure/Income on provisions for risks and charges		923,727	4,586,656
(Income) from subsidies and grants		(148,353)	(165,362)
Expenditure with interest and other financial expenses	13	2,629,077	1,113,987
(Income) from interest and other financial income	13	(3,126,355)	(1,968,688)
Expenditure/(Income) relating to value adjustments on tangible and intangible fixed assets		127,551	200,562
Adjustments for non-controlling interests		(265,889)	(607,600)
Operating profit before changes in working capital		83,852,869	75,743,791
Change in trade and other receivables balances	24	(29,934,716)	(39,736,919)
Change in inventories balances	23	1,976,834	(3,977,351)
Change in trade payable and other debt balances	27	8,345,990	33,774,794
Changes in prepaid expenditure balances	24	(69,212)	(122,455)
Change in advance income balances	5	720,828	857,841
Interest paid		(2,629,077)	(1,113,987)
Interest earned		2,859,430	3,560,998
Cash generated from operating activities	25	65,122,946	68,986,712
Income tax paid		(10,567,650)	(6,276,246)
Net cash from operating activities		54,555,296	62,710,466
Cash flow from investing activities			
Loans (granted) to/repayments from affiliated entities		3,017,606	1,292,385
(Payments) related to the acquisition of subsidiaries		(45,775,454)	(104,330,588)
(Payments) related to the acquisition of tangible and intangible assets, including customer relationship	17,20	(31,087,866)	(26,228,854)
Repurchase of own shares		(6,379,028)	(3,782,054)
(Payments)/Cash in from other investments in financial assets		221,342	(523,375)
Net cash from investing activities		(80,003,400)	(133,572,486)
Cash flow from financing activities:			
Cash in/(Repayments) of bank loans	22	12,961,428	71,625,333
(Payments) of finance lease liabilities		(1,113,067)	(1,602,506)
Net cash from financing activities		11,848,361	70,022,827
Net increase in cash and cash equivalents		(13,599,743)	(839,193)
Cash and cash equivalents at the beginning of the financial year		101,373,631	102,212,824
Cash and cash equivalents at the end of the financial year		87,773,888	101,373,631

These financial statements were signed and approved on March 29, 2024, by:

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

1. FINANCIAL REPORTING PRESENTATION

AROBS Transilvania Software is listed on the main market of the Bucharest Stock Exchange starting September 25 2023, under the symbol AROBS.

These are the consolidated financial statements of AROBS Transilvania Software S.A („Company” sau „AROBS” sau „the Parent Company”) and its subsidiaries together AROBS Group (“Group”).

These consolidated financial statements of the AROBS Group are prepared in accordance with International Financial Reporting Standards (“IFRS”) as endorsed by the European Union. Accordance with the Ministry of Finance Order no. 2844/2016, the companies listed on the main market of the Bucharest Stock Exchange prepares financial statements in accordance with IFRS, as endorsed by European Union. These financial statements are the responsibility of the Parent Company Arobs Transilvania Software S.A.

INFORMATION ABOUT AROBS

INFORMATION ABOUT THE PARENT COMPANY

The parent company, AROBS TRANSILVANIA SOFTWARE S.A. was incorporated on 18.12.1998, under Law no. 31/1990, with tax code RO 11291045, registered at the Trade Register under no. J12/1845/1998. The company’s main field of activity is 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 added also expertise in Intelligent Automation for processes optimisation in banking, health and logistics.

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

EXECUTIVE MANAGEMENT

The issuer’s management for the 2023 Fiscal Year has been carried out by the Board of Directors, which was comprised of 3 members until the 29th of September 2023. At that date, as a result of the General Shareholders Meeting, 2 new members have been elected. As such, in accordance with the requirements of the Governance Code of The Bucharest Stock Exchange (BVB) which apply to all emittents listed on the BVB stock exchange main market, the Board of Directors is comprised of 5 members: 2 executive members, 3 non executive members of which 2 independent.

In accordance with the law no. 31/1990, o part of the attributions of the Board of Directors have been delegated to the Chief Executive Officer and the 2 Executive Directors.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Mr. Voicu Oprean holds the following positions within the company: executive member and chairman of the Board of Directors, Chief Executive Officer and chairman of the Nominalization and Remuneration Committee;

Ms. Cleja Mihaela-Stela holds the following positions within the company: non executive member of the Board of Directors, member of the Audit Committee and member of the Nominalization and Remuneration Committee;

Mr. Gârbacea Răzvan-Dimitrie holds the following positions within the company: non executive and independent member of the Board of Directors, member of the Audit Committee and member of the Nominalization and Remuneration Committee;

Mr. Nistor Alin holds the following positions within the company: non executive and independent member of the Board of Directors, member of the Audit Committee and member of the Nominalization and Remuneration Committee;

Mr. Aurelian Deaconu holds the following positions within the company: executive member of the Board of Directors and Executive Director of Software Services Divisions.

Mr. Bojan Ovidiu hold the position of Executive Director of the Track GPS Divisions.

Information related to the remuneration of the members of the Executive Management is presented in note 9 and in the remuneration report attached to the financial statements.

The Company is headquartered in Cluj Napoca, Street Donath No.11, Apt. 28 and has the following regional operational offices:

În Cluj-Napoca:

- Str. Minerilor, Nr. 63;
- P-ța Cipariu, Nr. 9; Ap. 69;
- Str. Săpătorilor, Nr.5;
- Str. Henri Barbusse, Nr. 44-46, în incinta Cluj Business Center, et. 2 și 3;
- Str. Trifoiului; Nr. 22;
- Str. Constantin Brâncuși nr. 55-59, Clădirea ABC Incubator, et. 6;

In Iași – Str. Palat, Nr. 3E, Building United Business Center 1, parter;

In Tg. Mureș – Str. Georghe Doja, Nr. 64-68, Building Multinvest Business Center 2 (MBC2);

In Suceava – Str. Universității, Nr. 15A, et.1;

In București – Sector 4, Calea Șerban Vodă, Nr. 133, Central Business Park, Corp A, et. 1

In Baia Mare – B-dul. Unirii, Nr. 18, Building Centrul de Afaceri Baia Mare, Et. 1;

In Arad – B-dul. Revoluției, Nr. 52-54, Building Arad Plaza, Sc. C, Et. 3, ap. 12.

Shareholding structure as of 31.12.2023:

Shareholder	2023			2022		
	Number of Shares	Value	Percent	Number of Shares	Value	Percent
Oprean Voicu	578,278,772	57,827,877	66.3701%	576,778,772	57,677,905	63.285%
Companies	128,051,806	12,805,181	14.6967%	186,979,523	18,697,997	20.516%
Private individuals	164,963,031	16,496,303	18.9331%	147,636,693	14,763,687	16.199%
Total	871,293,609	87,129,361	100%	911,394,988	91,139,499	100%

AROBS has 25 years of experience in developing custom software solutions for customers in 14 countries in Europe, Asia, and America. Excellence in services delivery together with the engagement from the Company specialists lead to strong partnerships with more than 10,000 companies in România and Central Eastern Europe and hundred of international companies.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Since 2003, the Company 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 digitization solution;**
- **MonePOS** – Contactless and paperless solution for the mobility industries

AROBS Transilvania Software is a member of ARIES - Romanian Association for Electronics and Software Industry and ANIS - Employers' Association of Software and Services Industry and holds numerous certifications, among which we mention:

- ISO 27001 Certificate
- ISO/IEC 27001:2013 Certificate
- TISAX – Trusted Information Security Assessment Exchange
- ORDA Certificate – Certificate issued by the Romanian Copyright Office
- HU-GO Certificate - National Toll Payment Services Plc. 2020 - Hungary
- ISO 9001:2015 Quality Management System
- ISO/IEC 27001:2013 (SR EN ISO/IEC 27001:2018) Information Security Management System
- ISO 14001:2015 Environmental Management system
- ISO 45001:2018 Occupational Health and Safety Management System

The Company's activity is mainly structured on services and software products. Since its establishment, AROBS Transilvania Software has relied on excellent specialists and well-adjusted yet flexible processes to consistently deliver high quality custom software services, products and software applications, that the company has 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.

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 Group 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 US, UK, Germany, Finland, Norway and the Netherlands.
- **Fintech** - Built on knowledge and experience, in partnership with leading banks and financial institutions.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The most important software products offered by the Company are:

- ***Track GPS – Solution for managing and monitoring car fleets***

TrackGPS, the car fleet management and monitoring solution, has seen a positive development in terms of turnover and number of customers in 2023. TrackGPS continued its development in the Romanian market, with more than 850 new customers choosing TrackGPS solutions in 2023. Thus, more than 5,500 new vehicles were enrolled in the TrackGPS platform.

The TrackGPS division 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, on adding new video telematics solutions, for consumption monitoring, driver behaviour improvement and electric vehicle monitoring. The years 2022 and 2023 brought the strengthening of the partnership with Orange Business Services, a partnership that is extremely important for the promotion of TrackGPS solutions, through the operator's portfolio of services and products, on a SaaS model.

AROBS Transilvania Software S.A. is the market leader in Romania in this sector. Track GPS is a complete car fleet monitoring and management solution, offering real-time GPS tracking, special devices and customized services.

With a high-performance GPS tracking system of special devices and a web and mobile application, Track GPS offers personalized services at the highest level, services such as driver behavior analysis, fuel consumption, driver communication, automatic toll payment in Hungary, controlled temperature and humidity, secure transport and much more.

The platform provided by TrackGPS can be accessed from anywhere, anytime with just an internet connection and is designed to easily manage fleet activity. It hosts the units' information in its own cloud and is available in 6 languages: Romanian, English, Russian, French, Hungarian and Indonesian.

Track GPS has over 11 years of experience in the telematics solutions market. The solutions they offer are aimed at small, medium and large companies operating in areas such as Public Services, Banking & Insurance, Courier, Transport & Logistics, Healthcare, Distribution and other areas that want to reduce their costs and optimise their business.

- ***Innovative Projects Division***

This division was created in 2014 with dedicated resources to research and develop new ideas and technologies. The areas of product development include Real Estate & Construction, Education, Cluster Management Platforms, Learning Management Systems, Telematics & Fleet Management Platform Add-Ons, Map Management Portal. Among the products of this business line we mention:

- School textbook digitization solution;
- RateWizz Channel Management - an innovative property management product used by hoteliers in Finland;
- MedControl Solution – platform for personal healthcare;
- Fleet4Share – Car Sharing Management Solution;
- Cluj Parking – public parking automation systems;

The AROBS solution for textbook digitisation involves the continuous development of educational software products and contributes to the performance of the Romanian education system. In 2023, the Digital Textbooks project continues to offer teachers and students the opportunity to improve the overall learning process. Together with strategic partner Aramis, the team has won 5 out of the 7 digital textbook tenders they have participated in, and the

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

print run for new 2023 textbooks and reprints is over 250,000. The project team wants to continue growing in the E-learning segment in 2024.

RateWizz is a stable product, connected with the main OTAs. Offering premium support, a differentiating factor in the market, RateWizz has stable partnerships. There is growing interest from the small hotel segment. RateWizz has also identified new partnerships in the Romanian market, where there is a real need for customised solutions. In addition to the stability of the product and the superior support services we offer, the existing connectivity with the major sales channels makes this product comparable to the major Channel Managers systems on the market.

- ***Optimall – Solution for Business Optimization***

In 2023, Optimall by AROBS celebrated its 20th anniversary, which it marked with the launch of the new Optimall SFA Android mobile app. By refactoring the app, innovative functionalities were proposed to customers to support the automation of sales processes in the distribution and production business. We also developed four additional modules of the Optimall SFA app: Sell Sheet Module (viewing sales history), Supervisor Module (monitoring sales agents' activity), Target Module (monitoring sales targets) and Promotions Module (creating attractive promotional packages for customers).

The Optimall division continues its consolidation in the manufacturing and distribution industries, where it has benefited from new partnerships with companies in these industries, and is making significant strides in increasing market share in other sectors, such as public administration, with the Optimall SMIS product, an asset and inventory management solution for private companies and public authorities.

AROBS Transilvania Software S.A. is among the largest employers in Cluj County and in the top 5 employers on the local IT market, having been active on this market for 25 years.

AROBS Transilvania Software debuted in December 2021 on the AeRO market of the Bucharest Stock Exchange, the shares being traded under the stock symbol AROBS. The AROBS listing comes after the completion of a private placement of shares in the second half of October 2021 through which AROBS raised a record 74 million lei in a share capital increase. This placement attracted huge interest from both retail and professional investors, so that it was closed early from the first day of the placement, showing once again the high investor appetite for Romanian entrepreneurial companies. The funds attracted supported the company's expansion strategy through the acquisition of IT companies, both nationally and internationally, the opening of new subsidiaries in important markets in Europe and the United States, as well as the development of the company's expertise and specialisations. On 25 September 2023, AROBS made its debut on the main market of the Bucharest Stock Exchange.

2. GROUP STRUCTURE

The consolidation perimeter includes subsidiaries in which the parent company (AROBS Transilvania Software S.A.) holds at least 50% of the share capital. Also, the criteria for exclusion from the consolidation perimeter were analyzed, according to the accounting regulations in force. The holding percentages taken into account aggregate the participations held by the parent company, directly or indirectly, through other companies owned by it.

As of 31.12.2023, the AROBS Group is composed of the parent company and 27 subsidiary companies in 9 countries on 3 continents, with software development services and software products such as GPS fleet monitoring and HR solutions as its core business.

The objective at group level is the continuous development of technological solutions and products for the most complex industries globally. Further, we develop new areas with great demand on the global software services market, through acquisitions, but also organically, while continuously diversifying knowledge internally within AROBS teams, to cover a wider range of projects. In terms of research and innovation, within AROBS we constantly aim to improve our exposure to various projects, in line with market demands, as well as to increase our existing product portfolio.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

At the same time, AROBS aims to strengthen the group's business in the North American and European markets by increasing the number of customers and strengthening partnerships with existing customers. Globally, demand for software products and services continues to be on an upward trend, even though there is pressure on rates and a prospect of stagnating demand. Companies and organisations continue to need to digitise their processes and AROBS is very well positioned in the market.

In the area of software products specifically addressed to the Romanian market, such as fleet management, business optimization, digital payments, HR solutions, or implementation of digitalization projects in the public sector, the market is also experiencing moderate growth due to the challenges and the economic and social context. In fleet management, AROBS is continuing its 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.

The companies included in the consolidation, as at 31.12.2023, are as follows:

- AROBS TRANSILVANIA SOFTWARE SA, Romania, Cluj-Napoca, Donath Str, no. 11/28, Cluj county
- AROBS DEVELOPMENT & ENGINEERING SRL (previous ENEA Services Romania), Romania, Bucuresti, sect. 6, Splaiul Independentei, no. 319
- AROBS ETOLL SOLUTIONS SRL, Romania, Cluj-Napoca, Minerilor Str., no 63C, Cluj county
- AROBS PANNONIA SOFTWARE Kft, Hungary, 1191 Budapest, Üllői str., no.206
- AROBS POLSKA (SYDERAL POLSKA), Poland, Gdansk, ul. Trzy Lipy 3B/ 3.11.5
- AROBS SOFTWARE SOLUTIONS GmbH, Germany, Leopold Strasse 23, 80801, Munchen
- AROBS SOFTWARE SRL, Moldova, Renașterii Naționale Str. no. 12, of. 401-405
- AROBS SYSTEMS SRL, Romania, Cluj-Napoca, Minerilor Str, no 63, Cluj county
- AROBS TRACKGPS SRL, Moldova, str. Puskin no. 26A, of. 301
- ATS ENGINEERING LLC, SUA, 1200 South Pine Island Road, Plantation, Florida, 33324
- BERG COMPUTERS SRL, Romania, Com.Ghiroda, Lugoj Str., no.4, Timis county
- CABRIO INVEST B.V., The Netherlands, Tolweg 7, 4851SJ, Ulvenhout
- CENTRUL DE SOFT GPS SRL, Romania, Ilfov County, Chiajna, Rezervelor Str. no. 46A
- COSO TEAM UK LTD, United Kingdom, 10 Bridge Street Christchurch Dorset BH23 1EF, UK
- COSO BY AROBS BVBA, Belgium, De Vis 20, cod 2930, Brasschaat
- COSO BY AROBS B.V., The Netherlands, Tolweg 7, 4851SJ, Ulvenhout
- FUTURE WORKFORCE SA, Romania, Cluj-Napoca, Serpuitoare Str. No. 53A, Ap. 1, Cluj County
- FUTURE WORKFORCE SRL, Romania, Cluj-Napoca, Strada Serpuitoare, Nr. 53A, Ap. 1, Cluj County
- FUTURE WORKFORCE GmbH – Germany, Münchner Str. 191 85757 Karlsfeld
- FUTURE WORKFORCE Limited, United Kingdom, 45 Fitzroy St, London, W1T 6EB
- NORDLOGIC SOFTWARE, Romania, Cluj-Napoca, Descartes Rene Str. no 10-12 C, Cluj County
- NORDLOGIC USA, Inc., SUA, 137 NW 145th Street, Seattle, Washington 98177
- PT AROBS SOLUTIONS, Indonesia, Puri Indah Financial Tower, et. 8 809-810, Jalan Puri Lingkar Dalam Blok T8, Jakarta Barat
- SAS FLEET TRACKING SRL (SAS GRUP), Romania, Bucuresti, sect. 6, Bld. Ghencea, no. 43B, Ghencea Business Center, et. 5
- SILVER BULLET SRL, Romania, Cluj-Napoca, Descartes Rene Str. 10-12, Cluj county
- SKYSHIELD Kft, Hungary, 1191 Budapest, Üllői Str. no.206
- SOFTMANAGER S.R.L., Romania, Ploiesti, Zmeului Str, no. 21, Prahova County
- UCMS GROUP ROMANIA S.R.L., Romania, Cluj-Napoca, Campului Str. No. 84-86 Cluj County

Group's structure as of 31.12.2023 is presented in the following table:

No.	Company	Percent of control (AROBS)	Percent held by minority interests	Acquisition/establishment date
1	AROBS DEVELOPMENT & ENGINEERING SRL (ENEA)	100%	0%	30 June 2022
2	AROBS ETOLL SOLUTIONS SRL	100%	0%	3 March 2022
3	AROBS PANNONIA SOFTWARE KFT	100%	0%	1 July 2023

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

4	AROBS POLSKA (SYDERAL POLSKA)	94%	6%	1 February 2023
5	AROBS SOFTWARE SOLUTIONS GMBH	60%	40%	6 August 2020
6	AROBS SOFTWARE SRL	100%	0%	1 February 2023
7	AROBS SYSTEMS SRL	100%	0%	2 May 2022
8	AROBS TRACKGPS SRL	100%	0%	1 February 2023
9	ATS ENGINEERING LLC	100%	0%	30 June 2022
10	BERG COMPUTERS S.R.L.	100%	0%	31 December 2021
11	CABRIO INVEST B.V.	90%	10%	28 February 2018
12	CENTRUL DE SOFT GPS SRL	100%	0%	31 December 2022
13	COSO TEAM UK LTD	90%	10%	31 March 2018
14	COSO BY AROBS BVBA	90%	10%	30 June 2018
15	COSO BY AROBS B.V.	90%	10%	28 February 2018
16	FUTURE WORKFORCE S.A.	100%	0%	1 May 2023
17	FUTURE WORKFORCE SRL	100%	0%	1 May 2023
18	FUTURE WORKFORCE GmbH	65%	35%	1 May 2023
19	FUTURE WORKFORCE Limited	80%	20%	1 May 2023
20	NORDLOGIC SOFTWARE S.R.L	100%	0%	31 July 2022
21	NORDLOGIC USA, Inc.	100%	0%	31 July 2022
22	PT AROBS SOLUTIONS INDONESIA	70%	30%	13 March 2017
23	SAS FLEET TRACKING SRL	100%	0%	11 November 2019
24	SILVER BULLET SRL	100%	0%	31 July 2022
25	SOFTMANAGER S.R.L.	70%	30%	01 July 2019
26	SKYSHIELD MAGYARORSZAG KFT	100%	0%	01 July 2023
27	UCMS GROUP ROMANIA S.R.L.	97,67%	2,33%	31 May 2019

Changes in Group structure in 2023

AROBS acquired Syderal Polska at the end of January 2023. The financial performance (income and expenses) of this subsidiary is reflected, within the Group, from February 2023.

At the beginning of February 2023, AROBS acquired the entire share capital of AROBS Software SRL and AROBS Trackgps SRL, both in the Republic of Moldova, whose financial performance (income and expenses) is reflected, within the group, from February 2023.

At the end of April 2023, AROBS acquired the Future WorkForce Global (FWF) group, whose financial performance (revenues and expenses) is reflected, within the group, from May 2023.

At the beginning of July 2023, AROBS acquired in full AROBS Pannonia Software Kft and its subsidiary Skyshield Magyarorszag Kft. The financial performance (income and expenses) of these subsidiaries is reflected, within the Group, from July 2023.

3. BASIS OF PREPARATION

3.1. Statement of compliance

These consolidated financial statements of the Group are the responsibility of the management of the Parent Company and have been prepared in accordance with the applicable International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) and in accordance with OMFP 2844/2016, which are applicable to companies whose shares are admitted to trading on a regulated market.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The consolidated financial statements have been prepared on a historical cost basis, except for situations in which fair value replaces the historical cost for assets and liabilities acquired in business combinations. The fair value is the price that could be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group considers the characteristics of the asset or liability in the market that participants would consider when pricing the asset or liability at the measurement date. The consolidated financial statements prepared in accordance with IFRS are presented in Romanian Leu (RON), the amounts being presented at the nearest whole number,

Significant accounting policies used by the Group in consolidated financial statements preparation are presented in Note 32.

3.2. The going concern principle

The consolidated financial statements have been prepared based on the going concern principle, which assumes that the Group will be able to continue its activity in the foreseeable future.

The budget prepared by the Group's management for the year 2023 and approved by the Board of Directors indicates positive cash flows from operating activities, an increase in sales and a net profitability of 40,832,000 RON.

The management believes that the Group will be able to continue its activity in the foreseeable future, therefore, application of the going concern principle in preparation of the financial statements is justified.

3.3. Basis of consolidation

Control

The consolidated financial statements comprise the financial statements of the mother Company and its subsidiaries.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that most voting rights results in control. To support this presumption even when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

These consolidated financial statements are the responsibility of the management of the Parent Company and have been prepared in accordance with the consolidation requirements provided by IFRS-EU, including IFRS 3 Business Combinations.

Non-controlling interests

The Group determines any non-controlling interests held in an entity at its proportionate share of the identifiable net assets of the acquired entity at the acquisition date. Changes in the Group's interests in a subsidiary that do not result

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

in a loss of control are accounted for as transactions with shareholders. Adjustments to non-controlling interests are based on the subsidiary's share of net assets.

3.4. Business combinations and goodwill

Acquisition method

Business combinations are accounted for using the acquisition method when control over the acquired business is transferred to the Group. Purchase consideration on acquisition is measured at fair value, same as net assets acquired. Any goodwill is tested for impairment. Any gain from a bargain purchase is recognized in the profit or loss

Transaction value is measured as the sum of the consideration transferred at the fair and non-controlling interests value.

The consideration transferred in a business combination is measured at the fair value of the assets transferred by the acquirer, the liabilities incurred or assumed, and the equity instruments issued.

Goodwill is measured by deducting the identifiable net assets acquired from the aggregate of the consideration transferred, any non-controlling interests in the acquired entity and the fair value at the acquisition date of the equity participation in the acquired entity previously held by the acquiring entity. If the acquirer obtains a gain from a bargain purchase, this gain is recognized in the profit or loss after the management reassesses whether all the assets were acquired, and all liabilities and contingent liabilities were assumed based on appropriate measurement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

When the Group lost the control in a subsidiary, it derecognise subsidiary's assets and liabilities together with non-controlling interest. Any gain or loss as a result of lost control is recognised in profit and loss except for the elements previously recognised in other comprehensive income which are accounted as the Company had sold directly these assets and liabilities. Any interest kept is measured and fair value when control is lost.

3.5. Fair value measurement

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the relevant notes.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability Or,
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset's highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use.

3.6. Transactions in foreign currencies

Foreign exchange transactions

Foreign exchange transactions are converted into the functional currency at the exchange rate on the date of each transaction.

Monetary assets and liabilities denominated in foreign currency are converted into the functional currency at the exchange rate on the reporting date communicated by the National Bank of Romania.

Non-monetary assets and liabilities, measured at fair value in a foreign currency, are translated into the functional currency at the exchange rate at the date the fair value was determined. Exchange differences are recognised in the statement of profit or loss. Non-monetary items denominated in a foreign currency and measured on a historical cost basis are not translated.

Transactions and balances in foreign currency

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rate at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

On consolidation, the assets and liabilities of foreign operations are translated into RON at the rate of exchange prevailing at the reporting date. For practical reasons, the Group considers the average rate for the period in translating income and expense items of its foreign operations, since exchange rates used have not fluctuated significantly within a reporting period. The exchange differences arising on translation for consolidation are recognised in OCI.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

The exchange rates as of 31 December 2023 and 31 December 2022 were:

	FY 2023	FY 2022
RON – EUR	4.9746	4.9474
RON – USD	4.4958	4.6346
RON – GBP	5.6871	5.5878

The average exchange rates for 2023 and 2022 were:

	FY 2023	FY 2022
RON – EUR	4.9464	4.9313
RON – USD	4.5758	4.6923

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

RON – GBP

5.7225

5.7858

Operations abroad

Assets and liabilities of foreign operations, including goodwill and fair value adjustments resulting from the acquisition of subsidiaries, are translated into LEI at the exchange rate on the reporting date.

Income and expenses from foreign operations are converted into LEI at the exchange rate on the date of the transactions.

Foreign exchange differences are recognised as 'Other comprehensive income' and accumulated in 'Foreign exchange translation differences'. If a foreign operation is disposed of in whole or in part so that control, significant influence or joint control is lost, the cumulative amount of 'Foreign exchange translation differences' is reclassified to the statement of profit or loss as part of the gain or loss on disposal.

3.7. Operating segments (IFRS 8)

The Management Board monitors separately the operational results of the operating segments to be able to take decisions on the resource allocation and performance assessment. Segment performance is measured in terms of Gross Profit.

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

AROBS Group reports separately information about an operating segment that meets any of the following quantitative thresholds:

- Its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10 per cent or more of the combined revenue, internal and external, of all operating segments.
- The absolute amount of its reported profit or loss is 10 per cent or more of the greater, in absolute amount, of (i) the combined reported profit of all operating segments that did not report a loss and (ii) the combined reported loss of all operating segments that reported a loss.
- Its assets are 10 per cent or more of the combined assets of all operating segments.

AROBS Group's operational segments are: Software Services, Software Products, Integrated Systems and Distribution of goods and Other Services.

The amount of each segment item reported shall be the measure reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing an entity's financial statements and allocations of revenues, expenses, and gains or losses shall be included in determining reported segment profit or loss only if they are included in the measure of the segment's profit or loss that is used by the chief operating decision maker. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by the chief operating decision maker shall be reported for that segment. If an entity changes the structure of its internal organisation in a manner that causes the composition of its reportable segments to change, the corresponding information for earlier periods, including interim periods, shall be restated unless the information is not available and the cost to develop it would be excessive. Following a change in the composition of its reportable segments, the entity discloses whether it has restated the corresponding items of segment information for previous periods.

If the entity has changed the structure of its internal organisation in a manner that causes the composition of its reportable segments to change and if segment information for earlier periods, including interim periods, is not restated

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

to reflect the change, the entity shall disclose in the year in which the change occurs segment information for the current period on both the old basis and the new basis of segmentation, unless the necessary information is not available and the cost to develop it would be excessive.

Segmentation was performed for the income statement down to the gross profit level by presenting revenue and cost of sales for the following relevant segments: software services, software products, merchandise distribution and other services. Expenses related to the sale of products and services as well as marketing expenses have been considered as overheads. For assets and liabilities, the Group does not track these items by segment, as they are not relevant to the Group's business.

3.8. New IFRS standards and amendments

a) Initial application of new amendments to existing standards for current reporting period

The following amendments to existing standards issued by International Accounting Standards Board (IASB) and adopted by EU are effective for reporting periods beginning on or after January 1, 2023:

- **Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements** – Presentation of accounting policies (effective for reporting periods beginning on or after January 1, 2023). The Group reviewed the accounting policies and applied the concept of „materiality” in the presentation of the accounting policies;
- **New Standard – IFRS 17 Insurance Contracts**, including amendments to IFRS 17 issued by IASB effective on and after January 1, 2023 – without effects on the Group’s financial statements;
- **Amendments to IAS 8 Accounting Policies, changes in Accounting Estimates and Errors** – Definition of accounting estimates (effective for reporting periods beginning on or after January 1, 2023) – without significant impact on the Group’s financial statements;
- **Amendment to IAS 12 Income Taxes** – Deferred tax related to Assets and Liabilities arising from a single transaction (effective for reporting periods beginning on or after January 1, 2023) - without significant impact on the Group’s financial statements;

b) Standards and amendments to existing standards issued by IASB and adopted by the EU, but which are not yet effective

- **Amendments to IFRS 16 Leases** – Liability in sale and leaseback (mandatorily effective for periods beginning on or after January 1, 2024);
- **Amendments to IAS 1 Presentation of Financial Statements** - Classification of Liabilities as Current or Non-Current (mandatorily effective for periods beginning on or after January 1, 2024);

c) Standards and amendments to existing standards issued by IASB, but which were not adopted by the EU

Currently, IFRS as adopted by the EU do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), with the exception of the following new standards and amendments to existing standards, which were not approved for use in the EU on the publication of the consolidated financial statements (the effective dates mentioned below are for the IFRS standards issued by the IASB):

- **Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments** – Supplier Finance Agreements (effective date established by the IASB: January 1, 2024)
- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates** (effective date established by the IASB: January 1, 2025)
- **Amendments to IFRS 14 – Regulatory Deferral Accounts** (effective date established by the IASB: January 1, 2026)
- **Amendments to IFRS 10 and IAS 28** The sale of assets or the contribution with assets between an investor and the entities with which he is associated and subsequent amendments (the effective date has been postponed indefinitely by IASB. The anticipated implementation of the standard is allowed)

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The company anticipates that, by applying these new standards and amendments to the existing standards, the Financial Statements of the Group will not be significantly impacted during the initial implementation period.

4. APPLYING PROFESSIONAL JUDGEMENT, ESTIMATES AND ASSUMPTIONS

In preparing the Group's consolidated financial statements, management made professional judgements, estimates and assumptions that affect the application of the accounting policies and the reported value of revenues, expenses, assets, and liabilities. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

The Group based its assumptions and estimates on information available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Main judgements on financial statements preparation are:

- **Revenue recognition from selling Track GPS monitoring solution** – presented in Note 32 and Note 5
- **Revenue recognition from HR application license selling** - presented in Note 32
- **Revenue recognition on a gross/net basis, based on the Group method of selling as Principal or Agent** – presented in Note 32

Significant estimates on financial statements preparation are:

- **Fair value measurement on business combinations** – presented in Note 17 „Mergers & Acquisitions”;
- **Fair value measurement on goodwill** - presented in Note 18 „Goodwill”
- **Estimation of the recoverable value of development costs** - presented in Note 16 „Intangible Assets”
- **Leasing contract duration and discount rate** – presented in Note 21 „Leasing”;
- **Loss on financial assets measurements** – presented in Note 20
- **Recognition and measurement on share options programs** – presented in Note 9

5. TURNOVER

	FY 2023	FY 2022
Turnover:		
Software services	344,775,332	239,774,681
Software products	70,537,191	58,113,647
Integrated systems	11,981,615	710,817
Distribution of goods	-	1,216,542
Total turnover	427,294,137	299,815,687

Turnover – geographic regions	FY 2023	FY 2022
Romania*	243,152,981	175,033,071
Europa (excluding Romania)	105,024,477	62,693,298
USA	76,687,606	59,809,632
Asia & The Middle East	2,429,074	2,279,687
Total turnover	427,294,137	299,815,687

*Software revenues billed in Romania represent services provided to customers in Europe but for tax reasons are billed in Romania because these customers have a local subsidiary. These software services revenues represent 80% of the total turnover recorded in Romania.

Globally, the demand for software products and services continues to be on an upward trend as companies and organisations continue to need to digitise their processes. To perform in a competitive market, the software

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

development industry constantly requires access to excellent resources in increasing numbers. In the area of software products such as fleet management, business optimisation, digital payments, HR solutions, implementation of digitisation projects in the public sector, the market is also growing due to the challenges and the economic and social context of recent years.

As a result of the AROBS strategy of acquiring companies with which there were synergies or which had additional skills in new technologies and new areas of software development services, turnover grew strongly compared to the previous year, with an increase of 43% in 2023 compared to 2022. A favourable contribution to the increase in turnover was also made by expanding collaboration with existing customers.

The "Software Services" segment recorded an increase in turnover of RON 105.1 million (44%) at consolidated level during 2023 compared to 2022. The contribution of companies acquired from 2022 onwards to this increase was RON 67.9 million. Revenue from software services is predominantly recorded at a point in time when the service is provided to the customer.

Revenue generated by the "Software Products" segment increased by 11.8 million lei (20%) at consolidated level compared to the previous year. The contribution of companies acquired from 2022 onwards to this increase was 6.6 million lei. Revenues from software products are mainly recorded as services are provided to the customer.

The "Integrated Systems" segment is developed by one of the Group's subsidiaries, AROBS Systems, which is responsible for the implementation of hardware and software solutions and software products for public sector contracting authorities. This company has a team of public sector professionals and its technical expertise covers the integration of complex systems and technologies such as ORACLE, HP, DELL and Microsoft. The revenue and expenses, recorded within this segment, have been restated following the application of IFRS accounting policies, i.e. the revenue and related expenses corresponding to the partners under joint venture contracts and the revenue and related expenses corresponding to the contracts where AROBS Systems acted as agent have been adjusted. The impact of the adjustment on both revenue and related expenses was RON 21.8 million. Revenue from integrated systems is recognised at a point in time when the service is provided to the customer.

The contribution of the newly acquired companies from 2022 onwards (AROBS Development & Engineering, Nordlogic Group, Centrul de Soft GPS SRL, AROBS Software SRL, AROBS TrackGPS SRL, Syderal Polska, Future WorkForce Global Group, AROBS Pannonia Software Kft.) was a significant one of 109.6 million lei (26%) to the consolidated turnover of 2023 and of 35.2 million lei to the consolidated turnover of 2022.

Globally, the demand for software products and services is constant, as companies and organisations continue to need to digitise their processes. In the area of software products, such as fleet management, business optimisation, digital payments, HR solutions, implementation of digitisation projects in the public sector, the market is also growing, due to the challenges and the economic and social context in recent years.

At the beginning of 2022, the activity of merchandise distribution, within 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 following table shows the structure of significant customers by business segment:

Business segments	Top clients 2023	% of turnover	Top clients 2022	% of turnover
Software Services	Client 1	25.82%	Client 1	29.13%
	Client 2	5.93%	Client 2	6.16%
	Client 3	4.35%	Client 3	3.13%
	Client 4	4.21%	Client 4	4.13%
	Client 5	3.23%	Client 5	1.99%
Software products	Client 6	0.41%	Client 6	0.28%
	Client 7	0.31%	Client 7	0.54%
	Client 8	0.14%	Client 8	0.23%

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

	Client 9	0.09%	Client 9	0.14%
	Client 10	0.03%	Client 10	0.11%
Integrated Systems	Client 11	1.71%	Client 11	
	Client 12	0.40%	Client 12	
	Client 13	0.08%	Client 13	

Cost of carrying out contracts with customers

Cost of carrying out contracts with customers – HR licensing

	OB 2022	CAPITALISATION 2023	DEPRECIATION 2023	CB 2023
HR Licences	394,650	467,506	302,617	559,539

Cost of carrying out contracts with customers – GPS monitoring services

	OB 2022	CAPITALISATION 2023	DEPRECIATION 2023	CB 2023
GPS Monitoring services	804,855	1,264,339	1,299,056	770,138

Deferred revenue – contract performance obligations

	Balance at 31.12.2023	Balance at 31.12.2022
Deferred revenue, out of which:	12,319,973	11,599,145
Long term	3,523,269	1,913,309
Short term	8,796,705	9,685,836

Deferred revenue was recorded on the basis of medium and long term customer contract agreements and mainly relates to fleet monitoring services and HR licensing.

6. COST OF SALES

6.1 Cost of sales - Software services

	FY 2023	FY 2022
Salary Expenses	158,211,644	70,128,731
Employee stock ownership plan costs	10,002,179	3,550,942
Third party expenses	74,077,853	82,085,735
Property plant and equipment depreciation expenses	7,494,359	4,675,789
Other operating expenses	4,429,316	1,584,321
Cost of sales Software Services	254,215,350	162,025,518

The cost of sales of software services consists of salaries and benefits (including remuneration in equity instruments) of directly productive staff involved in the delivery of these services, the cost of services performed by third parties related to software services projects, depreciation of equipment used and other operating expenses necessary for the delivery of software services: rent and energy and water costs, travel expenses, insurance and commissions and fees.

Cost of sales of software services increased by 94.1 million lei compared to the previous year, mainly due to the increase in salary expenses of 92.24 million lei, followed by the increase in ESOP which had an impact of 6.46 million lei.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Expenditure on services contracted from third parties decreased in 2023 compared to the previous year by 7.67 million lei. Services contracted from third parties represented, during 2023, mainly expenditure on software and IT consulting services, recruitment services, participation in fairs and conferences.

The increase in salary expenses in the software services area was driven by increased employee costs to maintain competitiveness in the market through salary increases and stock options offered under ESOP programmes during the year.

Other operating expenses also include subsidy income. In 2023, income from subsidies was recorded by the parent company - in the amount of 0.8 million lei for the SMIS Project, down from the previous year by 0.4 million lei, and by the company AROBS Polska which joined the group in 2023 in the amount of 0.9 million lei. The grants received by AROBS Polska were for the project to develop a self-calibrating electronic controller of the satellite quantum cross source, a project supported by the Polish National Research and Development Centre.

6.2 Cost of sales - Software products

	FY 2023	FY 2022
Salary Expenses	11,951,806	8,463,173
Employee stock ownership plan costs	688,342	503,245
Property plant and equipment depreciation expenses	6,605,960	3,797,151
Third party expenses	6,139,601	5,330,909
Cost of goods sold	1,993,038	4,461,904
Other operating expenses	4,274,598	3,936,646
Cost of sales software products	31,653,344	26,493,027

The cost of sales of software products consists of salaries and benefits (including remuneration in equity instruments) of directly productive personnel involved in the delivery of these products and the provision of related services, the cost of equipment sold, depreciation of equipment used and other operating expenses necessary for the delivery of software products and the provision of related services: telecommunication services, rent and energy and water costs, travel expenses, fuel, maintenance and repairs. Services contracted from third parties during 2023 mainly represented services with installations of monitoring devices and software services.

Cost of sales of software products increased by 5.2 million lei compared to 2022. A significant impact in the variation of these costs is due to salary expenses which increased compared to the previous year by 3.5 million lei, followed by an increase in expenses with depreciation of tangible fixed assets and right to use assets by 2.8 million lei.

The increase in salary expenses in the area of software services and software products was generated by increased employee costs in order to maintain competitiveness in the market through salary increases and stock options offered under ESOP programmes during the year, as well as from the work of newly acquired companies.

The increase in expenditure on services performed by third parties is in line with the expansion of the business and the development of new internal products.

6.3 Cost of sales – Integrated Systems

	FY 2023	FY 2022
Cost of goods sold	6,960,379	-
Third party expenses	2,462,299	14,097
Salary Expenses	446,579	236,582
Property plant and equipment depreciation expenses	17,706	5,335
Other operating expenses	-	450

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Cost of sales of integrated Systems	9,886,963	256,464
--	------------------	----------------

AROBS Systems was established in 2022 and the most significant projects were completed in 2023. Some of these projects were started in 2022, but their realization took place in 2023, with the related income and expenses reflected in the income statement in 2023. The revenues and expenses, recorded under this segment, have been restated following the application of IFRS accounting policies, i.e. the related revenues and expenses corresponding to the partners under the joint venture contracts and the related revenues and expenses corresponding to the contracts where AROBS Systems acted as agent have been adjusted. The impact of the adjustment on both revenue and related expenses was RON 21.8 million.

The expenses shown in the above table are those remaining after the application of IFRS accounting policies. Thus, in 2023, expenses on equipment sold of 6.97 million lei, expenses on services performed by third parties of 2.46 million lei and expenses on staff salaries of 0.45 million lei were recorded. Salary expenses increased compared to the previous year due to the increase in the average number of employees from 2.68 in 2022 to 4.82 in 2023.

7. SALES AND MARKETING EXPENSES

	FY 2023	FY 2022
Salary Expenses	11,599,150	6,652,843
Employee stock ownership plan costs	542,918	219,679
T & E and advertising expenses	4,129,722	2,534,647
Third party expenses	1,028,605	955,884
Property plant and equipment depreciation expenses	736,556	631,325
Other operating expenses	333,979	163,571
Sales and marketing expenses	18,370,931	11,157,950

Sales and marketing expenses consist of salaries and benefits (including remuneration in equity instruments) of sales and marketing staff, protocol, advertising and publicity expenses and services performed by third parties generated by the Group's promotional activities. Sales and marketing expenses increased in 2023 by 7.2 million lei compared to the previous year. The largest increase of 4.94 million lei comes from salary expenses, related to the sales staff of the companies that joined the Group, following the acquisitions in 2022 and 2023 respectively, followed by an increase in protocol, advertising and publicity expenses of 1.6 million lei.

8. GENERAL & ADMINISTRATION EXPENSES

	FY 2023	FY 2022
Salary Expenses	23,878,623	18,381,643
Employee stock ownership plan costs	7,895,972	1,765,065
Property plant and equipment depreciation expenses	13,692,801	7,639,111
Third party expenses	11,911,958	8,231,454
Other operating expenses	7,318,611	7,648,175
Transportation expenses	2,462,561	1,761,529
Depreciation adjustment expenses	2,196,790	(103,170)
Subsidiary acquisitions expenses	1,382,611	600,464
General & Administration expenses	70,739,928	45,924,271

General and administrative expenses comprise salaries and benefits (including remuneration in equity instruments) of staff in the management, administrative, procurement, finance, legal, management, labour protection, human resources and IT support departments and of expenses for services performed by third parties, consultancy expenses, rental expenses and other expenses incurred in the administration of the Group. General and administrative expenses increased in 2023 with 24.8 million lei compared to the previous year.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

The increase in general and administration expenses was generated by the increase in employee costs, with the aim of maintaining competitiveness in the market through salary increases and stock options offered under ESOP programmes carried out during the year. Another significant contribution to the increase in expenditure was made by the costs of services contracted from third parties. This increase in expenditure is in line with the expansion of the business, the surplus related to acquired companies and the development of internal products.

9. EMPLOYEE BENEFITS EXPENSES

	FY 2023	FY 2022
Salary Expenses	200,296,348	98,563,935
Employee social security contributions	6,756,839	3,311,970
Meal ticket expenses	4,955,328	2,558,876
Capitalization	(6,844,440)	(3,964,706)
Untaken holidays provision	923,727	3,392,898
Subtotal personnel expenses	206,087,802	103,862,972
Employee stock ownership plan costs	19,129,411	6,038,932
Total personnel expenses	225,217,213	109,901,904

The average number of employees during the financial year ended 31 December 2023 and 31 December 2022 was as follows:

	FY 2023	FY 2022
Management	31	32
Administrative	40	22
Purchasing	3	2
Financial	44	27
Legal	4	4
Warehouse keepers	6	6
Marketing	19	13
Research & Development	935	577
Health & safety	3	1
Human resources	36	25
Service – Installations	40	27
IT support	27	16
Sales	66	45
Total	1,254	796

Salary expenditure during the financial year ended 31 December 2023 and 31 December 2022 was as follows:

	FY 2023	FY 2022
Management	8,056,610	5,544,046
Administrative	3,325,174	2,216,079
Purchasing	388,616	194,604
Financial	5,089,290	2,982,927
Legal	638,085	494,450
Warehouse keepers	457,342	595,892
Marketing	1,896,677	1,670,959
Research & Development	160,088,733	71,132,681
Health & safety	859,992	97,302
Human resources	3,575,022	2,697,111
Service – Installations	2,917,612	2,988,851
IT support	4,171,349	2,489,465

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Sales	8,831,845	5,459,568
Total salary expenses	200,296,347	98,563,935

Expenses with benefits in the form of the entity's own shares (or other equity instruments) during financial year ended 31 December 2023 and 31 December 2022, respectively were:

	FY 2023	FY 2022
Management	12,249,871	2,234,643
Administrative	93,522	90,870
Purchasing	14,822	17,376
Financial	135,649	129,431
Legal	50,437	18,616
Warehouse keepers	18,792	8,779
Marketing	68,313	48,111
Research & Development	5,856,849	3,100,120
Health & safety	1,146	6,447
Human resources	117,801	96,366
Service – Installations	52,958	121,556
IT support	72,895	60,660
Sales	396,356	105,958
Total	19,129,411	6,038,933

Salary expenses increased from the previous year due to the increase in the average number of employees at group level from 796 in 2022 to 1,254 in 2023. Salary expenses have also increased with the aim of maintaining competitiveness in the market and providing the necessary resources for ongoing projects through salary increases and stock options offered under ESOP programmes run during the year. Staff entitlements are recorded in the accounts with the deduction of the related contributions and taxes established in accordance with the legislation in force. Staff settlements comprise salary entitlements, bonuses, allowances for rest leave and temporary incapacity for work paid from the salary fund, and other entitlements in cash and/or in kind owed by the company to staff for work performed.

Gross salaries in the year 2023 for the Executive Management of the Group have totalled 1,565,478 lei and the expense recorded in 2023 for the shares awarded to management totals 6,022,091.

ESOP – Employee Stock Option Plan

ESOP value is established on the date the stock option is granted. The expense recorded is based on the market price from the date of granting the stock option and is recognized systematically as the services are rendered and until the vesting criteria are met. The vesting criteria for ESOPs are seniority within the company and employee status.

Benefits in the form of the entity's own shares (or other equity instruments) granted to employees are recognized separately in the equity accounts at the fair value of those equity instruments at the date those benefits are granted. Recognition of expenses relating to employees' work occurs when the work is performed. The grant date is the date on which the entity and the employee beneficiaries of those instruments understand and accept the terms and conditions of the transaction, except that if the arrangement is subject to a subsequent approval process (for example, by shareholders), the grant date is the date on which that approval is obtained. For equity instruments granted that vest immediately on the grant date, employees are not required to complete a specified period of service before becoming unconditionally entitled to those equity instruments and, in the absence of evidence to the contrary, the entity shall treat the services rendered in exchange for the equity instruments as already having been received. In this case, the related expenses shall be recorded in full against the equity accounts at that time. For equity instruments granted that vest only after employees have completed a specified period of service, the related expenses are recognised as the services are rendered, over the vesting period, against the equity accounts. The amount recognised as an expense shall be based on an estimate of the number of equity instruments that will vest, and this estimate shall be revised if subsequent information indicates that the number of equity instruments expected to vest is different from previous estimates so that, at vesting date, that estimate equals the number of equity instruments that vest.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

In the steps concerning the repurchase of own shares in order to implement the Stock Option Plan, the provisions of Law 31/1990 presented below were also taken into account:

Art. 1031.- (1) A company may acquire its own shares, either directly or through a person acting in his own name but on behalf of that company, subject to the following conditions:

- a. Authorization to acquire own shares shall be granted by the Extraordinary General Meeting of Shareholders, which shall determine the conditions of such acquisition, in particular the maximum number of shares to be acquired, the duration for which the authorization is granted, which may not exceed 18 months from the date of registration in the Commercial Register and in the case of acquisition for consideration, the minimum and maximum value of the shares.
- b. The nominal value of own shares acquired by the company, including those already in its portfolio, may not exceed 10% of the subscribed share capital;
- c. The transaction may only relate to fully paid shares;
- d. Payment for the shares so acquired shall be made only out of the distributable profits or available reserves of the company shown in the last approved annual financial statements, excluding legal reserves.

If own shares are acquired for distribution to company's employees, the shares so acquired must be distributed within 12 months of the date of acquisition.

Article 104. – (1) Restrictions provided in art. 1031 do not apply to:

- a. Shares acquired in accordance with art. 207, par. (1), let.c), following a decision of the general meeting to reduce the share capital;
- b. Shares acquired through a transfer of shares with universal title
- c. Fully paid-up shares acquired by virtue of a court judgment in an enforcement procedure against a shareholder who is a debtor of the company;
- d. Fully paid-up shares acquired free of charge

(2) The restrictions laid in article 1031, except for the restriction lade in article 1031, paragraph 1 letter d), do not apply to shares acquired in accordance with article 134.

Art. 1041. - (1) Shares acquired in violation of Articles 1031 and 104 must be disposed of within one year of acquisition.

(2) If the nominal value of own shares acquired by the company according to provisions of Art. 104, par. (1), let. b)-d), directly or through an agent acting in its own name, but on behalf of the company, including the nominal value of existing own shares in the company;s portofolio, is grater than 10% of the subscribed share capital, the shares that exceed this percentage will be disposed within 3 years from aquisition.

(3) If the shares are not disposed of in the time limits established in par. (1) and (2), then these have to be cancelled, and the company has to reduce its subscribed share capital accordingly.

10. CATEGORIES OF EXPENSES

	FY 2023	FY 2022
Salary Expenses	206,087,802	103,862,972
Employee stock ownership plan costs	19,129,411	6,038,932
Third paty expenses	95,620,316	96,618,079
Property plant and equipment depreciation expenses	28,547,381	16,748,710
Other operating expenses	16,356,504	13,336,674
Cost of goods sold	8,953,417	5,893,958
T & E and advertising expenses	4,129,722	2,534,647

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

Adjustments for the depreciation of noncurrent assets (expense)	2,196,790	(103,170)
Transportation expenses	2,462,561	1,761,529
Subsidiary acquisitions expenses	1,382,611	600,464
Total	384,866,516	247,292,796

11. OTHER REVENUE

	FY 2023	FY 2022
Other operating revenues	799,834	496,372
Net revenue from the sale of current assets	331,917	163,039
Total	1,131,751	659,412

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

12. REVENUE AND EXPENSES RECONCILIATION BY BUSINESS SEGMENTS

	SOFTWARE SERVICES		SOFTWARE PRODUCTS		INTEGRATED SYSTEMS		DISTRIBUTION OF GOODS		TOTAL	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from software services	344,775,332	239,774,681	-	-	-	-	-	-	344,775,332	239,774,681
Revenue from software products	-	-	70,537,191	58,113,647	-	-	-	-	70,537,191	58,113,647
Revenue from integrated systems	-	-	-	-	11,981,615	710,817	-	-	11,981,615	710,817
Revenue distribution of goods	-	-	-	-	-	-	-	1,216,542	-	1,216,542
Total Turnover	344,775,332	239,774,681	70,537,191	58,113,647	11,981,615	710,817	-	1,216,542	427,294,137	299,815,687
Salary Expenses	158,211,644	70,128,731	11,951,806	8,463,173	446,579	236,582	-	-	170,610,029	78,828,486
Employee stock ownership plan costs	10,002,179	3,550,942	688,342	503,245	-	-	-	-	10,690,520	4,054,187
Third party expenses	74,077,853	82,085,735	6,139,601	5,330,909	2,462,299	14,097	-	-	82,679,753	87,430,741
Cost of goods sold - merchandise	-	-	-	-	-	-	-	-	-	-
Cost of goods sold - equipment	-	-	1,993,038	4,461,904	6,960,379	-	-	1,432,054	8,953,417	5,893,958
Property plant and equipment depreciation expenses	7,494,359	4,675,789	6,605,960	3,797,151	17,706	5,335	-	-	14,118,024	8,478,274
Other operating expense	4,429,316	1,584,321	4,274,598	3,936,646	-	450	-	3,511	8,703,913	5,524,928
Revenue from subventions/grants	-	-	-	-	-	-	-	-	-	-
Total cost of sales	254,215,350	162,025,518	31,653,344	26,493,027	9,886,963	256,464	-	1,435,565	295,755,657	190,210,575
Gross margin	90,559,982	77,749,163	38,883,847	31,620,620	2,094,652	454,352	-	(219,023)	131,538,480	109,605,112
Gross margin %	26%	32%	55%	54%	17%	64%	0%	-18%	31%	37%

Sales and marketing and general administration expenses are unallocated costs.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

13. INCOME TAX, MICROENTERPRISE TAX AND DEFERRED TAX

	2023	2022
Income tax	11,040,173	8,341,543
Microenterprise income tax	1,449,439	28,927
Subtotal – impozit current	12,489,612	8,370,470
Deferred income tax	(1,363,962)	(2,175,092)
Total	11,125,850	6,195,378

The amounts presented relate to revenue and expenditure for each financial year.

	2023	2022
Profit before tax	43,041,736	53,264,462
Current period income tax	(11,040,173)	(8,341,543)
Current period microenterprise income tax	(1,449,439)	(28,927)
Impozit curent	(12,489,612)	(8,370,470)
Revenue as a result of deferred income tax	1,363,762	2,175,092
Recalculated net profit	31,915,886	47,069,084

Theoretical rate and effective rate reconciliation	FY 2023	FY 2022
Result before tax	54,927,016	60,356,543
Restated or adjusted income	(90,156,977)	(19,064,582)
Restated or adjusted expenses	65,803,133	19,614,648
Profit or loss before tax	79,280,859	59,806,477
Profit or loss microenterprise	2,495,792	(594,262)
Non taxable income	(21,600,070)	(3,564,276)
Non taxable expenses for tax calculation	20,048,409	14,652,603
Legal reserves	(2,760,718)	(2,403,522)
Fiscal loss carried forward	72,472,688	69,085,543
Fiscal loss carried forward/Taxable income	72,472,688	69,188,620
Profit tax	14,068,703	11,379,536
Income tax deductions for sponsorships	2,198,594	3,009,066
Income tax deduction 15%, 16%, 20%	619,503	
Income tax correction for previous year	12,489,612	8,370,470

* Tax rates applicable to profit generated in the USA are 21% and 25%

Deferred income tax

	FY 2023	FY 2022
Deferred income tax - receivable	2,129,265	3,131,036
Total	2,129,265	3,131,036

Deferred tax receivables are generated by temporary tax differences related to trade and other receivables, inventories, lease liabilities recognized following restatements according to IFRS 16 and provisions for untaken holiday.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The deferred income tax receivable will be recovered based on future profits earned by the Group.

	FY 2023	FY 2022
Deferred income tax - liability	12,200,152	13,077,720
Total	12,200,152	13,077,720

14. EBITDA

EBITDA (Earning Before Interest, Taxes, Depreciation and Amortization) is one of the most widely used indicators of corporate profitability. This indicator helps to show the cash profit generated by the company before depreciation, amortisation, taxes and debt related to the capital structure.

EBITDA is one of the main performance indicators monitored by the Group's management. Consolidated EBITDA is reconciled to the Group's consolidated income statement as follows:

	2023	2022
Operating revenue	430,399,492	301,630,925
Operating expenses	356,910,127	231,099,448
EBITDA	73,489,365	70,531,477
EBITDA Margin	17%	23%
ESOP	19,129,411	6,038,932
Normalized EBITDA*	92,618,775	76,570,408
Normalized EBITDA margin*	22%	25%
Depreciation&Provision	28,547,381	16,748,710
Incidental expenses	1,382,611	600,464
Financial result	517,637	(82,159)
Profit before tax	43,041,736	53,264,462
Tax	11,125,850	6,195,378
Net profit	31,915,886	47,069,084
Net profit margin	7%	16%
Normalized net profit**	51,045,297	53,108,016
Normalized net profit margin**	12%	18%

*Normalized EBITDA = EBITDA less SOP expense

**Normalized net profit excludes the non-cash effect of the Stock Option Plans

15. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following amounts of profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding:

Basic	2023	2022
Profit	31,851,024	46,993,924
Regular shares in circulation	827,332,139	830,351,947
Basic earnings per share	0.0385	0.0566

Diluted	2023	2022
Profit	31,851,024	46,993,924
Diluted regular shares in circulation	856,620,812	840,951,673

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

Diluted earnings per share	0.0372	0.0559
-----------------------------------	---------------	---------------

16. INTANGIBLE ASSETS

	Goodwill	Clients	Research & development expenses	Other noncurrent assets	Total
Cost					
31-Dec-21	12,948,328	17,999,655	2,741,436	20,798,223	54,487,642
Purchases/Transfers	-	-	5,824,720	2,793,239	8,617,959
Purchases (CI)	45,607,242	65,211,243	-	-	110,818,485
Disposals	-	-	(239,014)	(764,559)	(1,003,573)
31-Dec-22	58,555,570	83,210,898	8,327,142	22,826,903	172,920,513
Purchases/Transfers	47,084,335	10,631,638	5,386,715	1,607,752	64,710,440
Purchases (CI)	-	-	(5,402,708)	5,404,931	2,223
Disposals	-	-	-	-	-
Purchases/Transfers	-	-	-	(1,450,609)	(1,450,609)
31-Dec-23	105,639,905	93,842,536	8,311,149	28,388,976	236,182,566
Depreciation/Adjustments					
31-Dec-21	662,458	3,425,325	-	9,626,595	13,714,378
Period cost	129,824	4,831,822	189,036	3,129,589	8,280,271
Disposals	-	-	-	(155,850)	(155,850)
31-Dec-22	792,282	8,257,147	189,036	12,600,334	21,838,799
Depreciation/Adjustments					
Period cost	86,254	9,023,587	-	2,307,752	11,417,593
Disposals	-	-	-	(1,441,457)	(1,441,457)
31-Dec-23	878,536	17,280,734	189,036	13,466,629	31,814,935
Net value					
31-Dec-23	104,761,369	76,561,802	8,122,113	14,922,347	204,367,631
31-Dec-22	57,763,288	74,953,751	8,138,106	10,226,569	151,081,714

The value of the goodwill increased in 2023 to 105.6 million lei from 58.6 million lei in 2022. The increase in value of goodwill, is due to the acquisition of shares in AROBS POLSKA (SYDERAL POLSKA), AROBS SOFTWARE SRL, AROBS TRACKGPS SRL, AROBS PANNONIA SOFTWARE Kft, SKYSHIELD MAGYARORSZAG KFT and FUTURE WORKFORCE Group. Goodwill in the net amount of 105,639,905 lei as of 31 December 2023 resulted as the positive difference between the acquisition cost and the value, on the transaction date, of the part of the net assets acquired.

In order to determine goodwill, the Parent Company has valued, through independent licensed valuers, the identifiable assets acquired and liabilities assumed at their fair values as of the date of acquisition of the above mentioned companies as well as those acquired in prior years. Following impairment testing based on the DCF method, goodwill is not impaired at December 31, 2022 and 2023.

In respect of customer relationships recognised on acquisition, these are amortised over 10 years. The impairment tests performed concluded that no additional impairment of customer relationships is required.

Development expenses mainly relate to the development project of a new HR solution, and other internal products.

17. MERGERS & ACQUISITIONS

In order to strengthen its position on the market, the company has been pursuing an acquisition policy in recent years. It has transformed itself into an international company, forming partnerships and collaborations with partners and

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

customers in the United States, Canada, Germany, Finland, Switzerland, the Netherlands, Belgium and Italy.

2023 Acquisitions

Fair value	Future Workforce	Pannonia	Software	Polska	Track GPS	Total
Client relations	6,632,459	2,550,180	-	-	1,449,000	10,631,639
Net current Assets/(liabilities)	2,723,536	2,671,964	2,980,742	(1,337,985)	1,194,065	8,263,322
Deferred tax	(1,069,450)	(229,516)	-	-	(189,000)	(1,487,966)
Total net assets	8,286,545	4,992,628	2,980,742	(1,337,985)	2,485,065	17,406,995
Fixed contribution	26,754,582	6,006,210	14,522,225	811,784	2,508,570	50,603,370
Contingent obligation	14,197,369	-	-	-	-	14,197,369
Noncontrolling interests	(327,743)	-	-	(74,462)	-	(403,205)
Goodwill	32,337,663	1,013,582	11,541,483	2,074,306	23,505	46,990,539

Future Workforce Global SA

At the end of April 2023 Arobs fully acquire Future Workforce Global SA și and its subsidiaries: 100% Future Workforce SRL (Romania), 80% Future Workforce UK (United Kingdom) și 65% Future Workforce GmbH(Germany). FWF by AROBS continued to strengthen its position in intelligent automation and digital transformation with significant increases in the number of new partnerships. One of FwF's success pillars remains its specialization in the financial banking sector, which uses RPA technologies and low-code solutions to deliver complex operations digitization programs. Another remarkable development in 2023 was the increased interest from the public sector in the company's solutions. They have secured their first contract in this sector, an important recognition of their expertise and value in digital transformation in the public sector.

Arobs Pannonia Software Kft

In July 2023, the complete acquisition of Arobs Pannonia Software Kft, based in Budapest, Hungary, a company specialized in fleet management and custom software development, was completed. The acquisition of AROBS Pannonia Software marks a new development perspective in Central Europe, starting with more than 1,000 customers in Hungary.

AROBS Software SRL

The acquisition of AROBS Software SRL was completed in the beginning of February 2023, a transaction with strategic value for software services division development within the Group.

AROBS Polska

For AROBS Polska, where the Group acquired 94% of shareholding, 2023 was a year marked by significant events. The company joined the AROBS group and strengthened its position in the European space market. In 2023, AROBS Polska developed quantum communication – especially in a project for the European Space Agency. In addition, the company continued to expand its competencies in controlling mechanisms for space missions, with plans to introduce a dedicated product to this market by the end of 2025. Another significant milestone was the initiation of the first services for the automotive industry. significant project in 2023 that brings AROBS Polska closer to a new technological niche involves the development of Time Sensitive Networking (TSN) for space applications. TSN has significant potential for widespread use by the European Space Agency and the private sector.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

AROBS TrackGPS SRL

Arobs TrackGPS SRL from the Republic of Moldova joined the Group in February 2023; it is a company with experience in fleet management for companies in all industries, with an active client portfolio of around 450 companies with around 5,000 monitored vehicles. The company's integration into the group meant consolidating its presence in the Central and Eastern European markets for AROBS's fleet management business line.

2022 Acquisitions

Fair value	AROBS Engineering	Nordlogic	CDS	Total
Client relations	54,052,989	7,900,957	3,257,296	65,211,243
Net current Assets/(liabilities)	13,857,511	(7,333,431)	394,399	6,918,479
Deferred tax	(10,110,045)	(343,928)	(570,627)	(11,024,600)
Total net assets	57,800,459	223,598	3,081,068	61,105,122
Fixed contribution	87,327,172	14,834,648	4,934,766	107,096,586
Contingent obligation	-	90,936	-	90,936
Noncontrolling interests	-	-	-	-
Goodwill	29,526,716	14,701,986	1,853,698	46,082,400

Berg Software Timișoara

In December 2021 Arobs fully acquired Berg Software, a Romanian software development company, with offices in Timișoara, Lugoj și Oradea. Purchase price was paid in two tranches, the first one in amount of 2,848,800 EUR, being paid upon signing, and the difference of 20% being paid in 18 from contract signing subject to certain conditions fulfillment. Following the transaction AROBS Transilvania Software strengthen its presence in the West part of Romania.

At Berg Software acquisition, it was agreed that part of the negotiated purchase prices will be paid subject to EBITDA growth target for 2022. This contingent payment was estimated at 312 thousand EURO at signing based on its 2022 financial forecast. Subsequently, in May 2022, the parties renegotiated the final price and the contingent liability was set at 125 thousand Euro, payable to employees and not to the seller. Following this price adjustment, in accordance with IFRS 3, goodwill was recalculated and the above mentioned amount was recognised as payable to employees. At the end of 2023 this amount was paid in full.

AROBS Development & Engineering (ENEA Software Services România)

In 2022, AROBS Transilvania Software fully acquired ENEA Software Services Romania (currently AROBS Development & Engineering), which was also the largest transaction in the company's history, with a final value of 17.6 million euros. ENEA provides software design and architecture, development, porting, integration, validation and quality assurance services, with expertise in embedded systems - software and hardware, as well as outsourced R&D in various fields such as medical, maritime and embedded devices. At the date of acquisition, no contingent liabilities were recognised.

Nordlogic

Also in 2022, AROBS Transilvania Software continued its expansion by acquiring Nordlogic group specialized in the development of custom software products and platforms. Following this transaction, the company expanded its team

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

in the Software Services division by integrating more than 60 programmers, testers and software development consultants. At transaction signing it was agreed that part of the negotiated price will be paid subsequently subject to certain EBITDA growth target. The formula for this amount was based on an 2022 EBITDA multiple. The contingent payment was estimated to 0 at transaction date based on available financial forecast of the subsidiary for 2022 and on actual performance. At the date of acquisition, no contingent assets or liabilities were recognised.

Deferred tax computed on non-deductible provisions registered in Nordlogic financial statements was deducted from goodwill calculation. At the end of 2023 purchase price amount was paid in full.

Centrul de Soft GPS

At the end of 2022, AROBS Transilvania Software acquired the GPS Centru de Soft, known on the market under the CDS brand, a Romanian company specialized in providing solutions for fleet management. CDS had in its portfolio a number of approximately 1000 clients, which are added to the existing portfolio of AROBS Group. Through this acquisition, AROBS Transilvania Software has consolidated its leading position on the fleet management market. At the acquisition date, no contingent obligations were recognised.

The cost related to subsidiaries acquisition transactions were recognised in profit and loss in accordance with IFRS 3, in amount of 137 thousand RON in 2021, 600 thousand RON in 2022, and 198 thousand RON in 2023.

Amounts payable for subsidiaries acquisitions are the unpaid amounts related to transactions made in 2023 and partially in 2022 and they are conditional on certain criteria achievement from share purchase agreements.

Fair value on business combinations – significant estimates

In the separate annual financial statements, goodwill can only be recognized in the case of the transfer of all assets or a part of them and of liabilities and equity, regardless of whether it is realized because of the purchase or because of some merger operations. For goodwill to be accounted for separately, the transfer must be related to a business, represented by an integrated set of activities and assets organized and managed for the purpose of obtaining profits, recording lower costs or other benefits. For the accounting recognition of the assets and liabilities acquired in a business combination, AROBS proceeded to evaluate the fair value of the items acquired/transferred. This operation was carried out by authorized evaluators.

18. GOODWILL

	31.12.2023	31.12.2022
AROBS DEVELOPMENT & ENGINEERING SRL (ENEA)	29,526,716	29,526,716
BERG COMPUTERS S.R.L.	11,337,454	11,246,518
NORDLOGIC SOFTWARE	14,701,986	14,701,986
CENTRUL DE SOFT GPS	1,853,698	1,853,698
COSO BE & NL	350,976	434,370
AROBS TRACKGPS	23,505	-
AROBS SOFTWARE	11,541,483	-
AROBS POLSKA (SYDERAL POLSKA)	2,074,306	-
FUTURE WORKFORCE	32,337,663	-
AROBS PANNONIA SOFTWARE	1,013,582	-
Total	104,761,369	57,763,288

The Group is required to test, on an annual basis, whether goodwill is impaired. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of discounted future cash flows and the determination of a discount rate to calculate the present value of the cash flows. Recoverable amounts for cash-

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

generating units ("CGUs") that hold a significant proportion of the total goodwill balance were determined from value-in-use calculations based on cash flow forecasts in formally approved budgets covering a five-year period through December 31, 2028.

The main assumptions are the following:

2023	%	%	%	%	%
Main assumptions	ENEA	Berg Computers	Nordlogic Software	ArobsSoftware	FutureWorkforce
Revenue increase rate	13	10.5	12.4	9.9	15.4
EBITDA average rate	21.7	20	17.5	21	16.7
WACC	16.7	17.4	16.7	23.9	16.4
Perpetuity rate	2	2	2	2.5	2

Main assumptions:

The revenue growth rate for each entity took into account the history of revenue development but also the dynamics of the markets where each company's customers are.

The average EBITDA growth rate for each entity was estimated based on the historical evolution but also taking into account the estimated evolution of the main categories of expenses, in particular salaries.

The WACC rate was calculated taking into account both the risk of the industry in which each company operates, the country risk taking into account the place of service provision as well as the country where the customer of the services is located and the specific risk of each entity.

Sensitivity analysis

If any of the following changes were made to the key assumptions above, for cash-generating units holding a significant proportion of the total goodwill balance, the carrying amount and recoverable amount would be equal:

2023	p.%	p.%	p.%	p.%	p.%
Sensitivity analysis	ENEA	Berg Computers	Nordlogic Software	Arobs Software	Future Workforce
Revenue increase rate	-11	-16.5	-2.5	-2.5%	-5
EBITDA average rate	-6	-10	-1.2	-1.5%	-3
WACC	6	13	+1.3	+1.5%	3

19. TANGIBLE ASSETS

	Buildings	Plant, machinery and motor vehicles	Other instalations and fixtures and fittings	WIP Tangible assets	Total
Cost					
31-Dec-21	5,068,109	18,218,116	4,300,853	496,790	28,083,868
Purchases/Transfers	482,354	5,053,005	2,447,682	9,328,880	17,311,921
Disposals	(9,498)	(395,260)	(254,615)	(1,729,435)	(2,388,807)

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

31-Dec-22	5,540,966	22,875,861	6,493,920	8,096,236	43,006,982
Purchases	347,159	10,633,144	1,533,521	16,597,851	29,111,674
Transfers	54,979	-	20,925	698,653	2,321,442
Disposals	(183,377)	(4,696,316)	(222,968)	(2,802,819)	7,905,480
31-Dec-23	5,759,727	30,359,573	7,825,398	22,589,921	66,534,619
Depreciation/Adjustments					
31-Dec-21	4,067,109	11,746,616	3,225,249	-	19,038,975
Period cost	546,139	3,157,126	1,582,229	-	5,285,494
Disposals	(9,661)	(469,773)	(464,129)	-	(943,563)
31-Dec-22	4,603,587	14,433,970	4,343,349	-	23,380,905
Depreciation/Adjustments					
Period cost	753,833	8,034,736	1,719,508	-	10,508,078
Disposals	(183,377)	(2,207,526)	(520,338)	-	(2,911,240)
31-Dec-23	5,174,044	20,261,180	5,542,520	-	30,977,743
Net value					
31-Dec-23	585,684	10,098,393	2,282,878	22,589,921	35,556,876
31-Dec-22	937,378	8,441,891	2,150,571	8,096,235	19,626,077

The net value of tangible fixed assets increased in 2023 by 81%. This increase is mainly due to the investment in a new building, which increased by 15.1 million lei during 2023.

Other recorded purchases include the purchase of laptops, switches and other workstations. Equipment leased in the fleet monitoring activity is included in the technical installations and machinery category.

20. FINANCIAL ASSETS

Cost	Balance at 31.12.2022	Increase	Decrease	Reclassification	Balance at 31.12.2023
Affiliated company shares	10,181	-	-	-	10,181
Loans to related parties	10,559,430	1,818,873	1,984,411	7,920,449	18,314,341
Other long term investments	2,331,043	-	110,495	-	2,220,548
Guarantees and other financial assets	2,215,861	482,804	1,228,410	-	1,470,255
Total	15,116,514	2,264,233	3,323,316	7,920,449	22,015,324

Value adjustments	Balance at 31.12.2022	Increase	Decrease	Balance at 31.12.2023
Loans to related parties	2,810,074	158,761	210,000	2,758,835
Total	2,810,074	158,761	210,000	2,758,835
Net value	12,306,440			19,256,489

From the amount of 10,180 lei related to the shares held in affiliated entities and jointly controlled entities, 9,000 lei represents the contribution to the assets held by Cluj IT Association.

At Group level, long-term loans are granted to non-affiliated entities and affiliated individuals in the amount of 18,314,341 lei. The increase in the amount of loans in 2023 compared to the previous year is mostly due to the reclassification of some loans from short-term to long-term as a result of the renegotiation of the terms of collection with the related parties to whom these loans were granted.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Part of these loans granted to related parties have been fully adjusted, the amount of the adjustments at 2023 being 2,758,835 lei.

Long term loans granted are presented below:

Loan granted by AROBS to ONLINE SOFTWARE SYSTEMS	31.12.2023	31.12.2022
Loan value	1,190,697	1,304,187
Interest value	111,521	118,031
Total	1,302,218	1,422,218

The loan was granted for investment opportunities and working capital. At December 31, 2023, the loan amount is fully adjusted.

Loan granted by AROBS to INVESTO CORP	31.12.2023	31.12.2022
Loan value	1,004,945	1,039,450
Interest value	132,936	138,431
Total	1,137,881	1,177,881

The loan was granted to cover immediate investment needs in developing an online platform that incorporates the main processes, entities and working tools that ensure the monitoring, collection, transmission, localization and processing of data and information so as to provide optimal and efficient solutions for investment management. As of December 31, 2023, the loan amount is fully adjusted.

Loan granted by AROBS to INOVO FINANCE	31.12.2023	31.12.2022
Loan value	148,904	158,090
Interest value	41,618	42,432
Total	190,522	200,522

This loan was granted for immediate working capital needs. As of 31 December 2023 the loan amount is fully adjusted.

Guarantees granted and guarantees received

The guarantees in balance as of 31 December 2023, amounting 1.470.255 lei, are detailed below:

Guarantees	2023	2022
Building lease	1,320,532	1,174,728
Guarantees for adequate execution	3,984	5,802
Economic mission EC	-	-
Auctions	66,183	102,657
Other	79,556	120,890
Total	1,470,255	1,404,077

21. LEASING

Company as lessee

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

The Group has lease agreements for various elements of buildings and vehicles used in its operations. Building leases generally have rental terms between 3 and 15 years, while cars and other equipment generally have rental terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from divesting and subletting leased assets, and some contracts require the Group to maintain certain financial indicators.

There are several leases that include extension and termination options and variable lease payments, which are further disclosed below.

The carrying amounts of recognised right-of-use assets and movements during the period are shown below:

	Land and buildings	Transport vehicles
Balance at 31.12.2022	18,370,470	3,744,414
Purchases	11,348,780	2,161,539
Accumulated depreciation	(15,659,595)	(2,729,119)
Balance at 31.12.2023	14,059,655	3,176,834

The right-of-use liabilities recognised and movements during the period are listed below:

Balance at 31.12.2022	Leasing payments	Additions	Interest	Net exchange difference	Balance at 31.12.2023
13,831,460	(9,894,326)	14,652,813	534,870	104,243	19,229,060

Commitments and contingencies - Leasing

Future lease obligations for the right to use assets (including interest) under IFRS 16 that fall due after the reporting date are presented as follows:

	31.12.2023	31.12.2022
T0 (Under 1 year)	8,587,590	6,358,161
TL 1 (1-5 years)	11,955,271	7,838,545
TL 2 (Over 5 years)	-	76,732
Total	20,542,861	14,273,439

Lease contracts term and discount rate – significant estimates:

AROBS Group applied the following provisions in accordance with IFRS 16 and IFRS 1:

- applying a single discount rate to a leasing portfolio with reasonably similar characteristics
- the application of the requirements regarding leasing contracts for which the leasing term ends within 12 months from the date of transition to IFRSs, namely their non-classification as leasing contracts.
- the application of the requirements regarding leasing contracts for which the underlying asset is of low value, i.e. not classifying them as leasing contracts.
- exclusion of initial direct costs from the measurement of the right to use asset at the date of transition to IFRS.
- Recognition of a right to use asset at the same value as the leasing liability from the date of transition to IFRS.

AROBS Group rents office spaces and cars for a period between 2 and 7 years. Leasing contracts are concluded both in RON and in EUR.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The Group determined the discount rate used to apply the provisions of IFRS 16 based on the interest rate applied by financial institutions in credit agreements with Group Companies for loans with the same characteristics as leasing agreements, in terms of the asset used, currency and maturity.

22. INVENTORIES

	Balance at 31.12.2023	Balance at 31.12.2022
Raw materials	278,398	405,601
Work in progress - services	4,265,587	2,038,331
Goods purchased for resale	1,983,850	6,232,473
Advances to suppliers	448,090	246,313
Total	6,975,925	8,922,718

The decrease in the balance of inventories at 31.12.2023, compared to 2022, is mainly due to giving up to the business segment related to the distribution of goods.

Inventory adjustments are calculated according to age, namely: 30% of the entry value for stocks between 181 and 365 days old and 100% of the value of stocks older than one year and with slow movement. The value of adjusted stocks for 2023 is 1,045,248 lei, being at a similar level to the previous year.

Work in progress services refer to contracts that run for longer periods of time. Within this asset, the direct costs involved in providing these services were recognized, mainly salaries, taking into account the degree of completion of projects until 31.12.2023. In the case of projects that had an uncertain evolution at the date of the financial statements, a depreciation adjustment amounting to 907 thousand lei was established.

23. TRADE AND OTHER RECEIVABLES

	Balance at 31.12.2023	Balance at 31.12.2022
Trade receivables	95,581,994	67,511,024
Customers - invoices to be issued	7,306,443	1,486,549
Adjustments for trade receivables	(6,380,867)	(3,989,307)
Trade receivables – affiliated entities	2,964,133	4,064,077
Adjustments for claims from affiliated entities	(2,243,781)	(1,459,361)
Subsidies	84,542	490,661
Other receivables	5,021,610	4,731,613
Advances to suppliers	680,961	2,090,140
Total	103,015,034	74,925,395
Loans granted – affiliated entities	1,413,707	10,787,651
Deferred expenses, out of which:	2,015,826	1,946,614
Long term	153,355	4,635
Short term	1,862,471	1,941,979
Total deferred income and revenue	106,444,567	87,659,660

The increase in the total value of receivables from 87.7 million lei in 2022 to 106.4 million lei in 2023 is mainly due to the increase in trade receivables, which increased by 42%, due to the increase in activity at Group level, through organic development and the acquisition of companies.

At the end of each financial year, bad debts are analysed and adjusted 100%.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

At the end of 2023, impairment adjustments related to customer receivables amounted to 6,380,867 lei, the increase being due both to the newly acquired entities and to the application of the accounting policy established under IFRS 9, which involves recording impairment adjustments for receivables based on impairment rates, calculated by age intervals.

Receivables ageing	Balance at 31.12.2023	Balance at 31.12.2022
Not due	55,785,966	44,054,736
0-30	18,353,793	10,314,180
31-90	12,363,440	7,914,047
91-360	3,742,309	1,752,835
Over 360	5,336,481	3,475,226
Total	95,581,990	67,511,024

Software services	Expected average loss rate	2023	2022
Not due	0.24%	52,491,852	41,451,849
1-30	0.32%	16,742,655	9,071,543
31-60	2.08%	10,660,585	4,914,243
61-90	3.96%	1,432,895	2,440,070
91-180	5.92%	3,093,255	1,123,156
181-270	48.94%	461,612	55,926
271-360	59.18%	25,709	164,132
Over 360	99.62%	5,122,624	3,395,826
Total		90,031,187	62,616,744

Software products – GPS tracking	Expected average loss rate	2023	2022
Not due	0.55%	1,736,402	1,450,145
1-30	1.00%	828,387	858,459
31-60	4.81%	133,863	335,595
61-90	14.96%	72,650	102,103
91-120	25.91%	37,058	91,131
Over 120	33.34%	228,640	367,143
Total		3,037,001	3,204,575

Software products – HR services	Expected average loss rate	2022	2021
Not due	0.18%	1,532,498	1,164,935
1-30	0.30%	783,085	392,907
31-60	0.80%	59,533	117,038
61-90	2.04%	4,273	4,932
91-120	3.81%	23,136	-
121-180	6.43%	49,645	3,840
181-270	9.22%	9,175	7,158
271-360	13.49%	-	11,771
Over 360	25.45%	43,484	4,023
Total		2,504,828	1,706,606

Impairment losses related to trade receivables and assets related to contracts with customers as well as related to loans granted.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

To estimate the potential losses related to trade receivables and assets related to contracts with customers, the AROBS Group used a calculation model based on the analysis of revenue collection behavior by aging periods in the last three financial years. Trade receivables and assets related to contracts with customers were grouped by category according to the services provided, namely: software services and other services, software products – GPS monitoring, software products – HR solution licensing. Based on the analysis, a historical weighted average rate of impairment was determined for each aging period, which was applied to the outstanding balance of receivables at December 31, 2023 for each category of receivables mentioned above.

Contractual assets are initially recognised for revenue from services provided by the Group, since receipt of consideration is conditional on successful completion of services and delivery of goods. Upon completion of services, delivery of goods and acceptance by the customer, amounts recognised as contract assets are reclassified into trade receivables.

24. CASH AND CASH EQUIVALENTS

	Balance at 31.12.2023	Balance at 31.12.2022
Cash at bank and deposits in lei	20,781,961	38,149,459
Cash at bank and deposits in foreign currencies	66,777,196	62,955,585
Petty cash	160,563	119,818
Bonds and deposits	302,033	523,375
Other short term financial investments	35,345	20,359
Accrued interest on debentures and short term investments	-	14,985
Amounts under settlement	5,047	105,089
Other cash equivalents	13,776	8,335
Total	88,075,920	101,897,006

Balance of foregin and domestic currencies Current account	Balance at 31.12.2023	Balance at 31.12.2022
RON	20,781,961	38,149,459
EUR	46,558,865	48,803,406
USD	16,591,938	13,783,453
GBP	864,329	14,595
Other currencies	2,762,065	354,131
Total	87,559,158	101,105,044

Cash and cash equivalents varied during 2023 as a result of the normal conduct of business, as well as the raising of additional funds from bank loans to meet the acquisition target proposed by the parent company.

Cash in the bank bears interest at the daily interest rate when deposits are made. Short-term deposits are made for different periods of time between 1 day and 3 months, depending on the cash needs of the parent company and subsidiaries and accrue interest at the corresponding interest rates.

25. TRADE AND OTHER PAYABLES

	Balance at 31.12.2023	Balance at 31.12.2022
Suppliers	11,645,527	12,323,505
Client advances	3,834,033	704,150
Fixed asset suppliers	37,987	40,837
Suppliers - invoices to be received	2,172,434	3,609,062
Suppliers – affiliated entities	519,650	1,519,168

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

Loans to shareholders	109,751	192,550
Employees - salaries payable	9,799,019	5,541,526
Company's contribution to social security	5,820,426	3,953,600
Other debts payable to the Treasury	4,162,989	2,340,412
Sundry debtors	181,370	240,642
Other payables	826,217	948,544
Total	39,109,404	31,413,997

The total amount of debt increased in 2023 compared to the previous year by 25%. This increase follows the same upward trend as the expansion of the business, through organic growth and the contribution of new companies acquired during 2023.

The most significant increases were recorded on the side of amounts owed to staff of 4.2 million lei and debts on social contributions and insurance and other debts to the state budget in the total amount of 3.7 million lei. Also, a significant increase of 3.1 million lei was registered on the side of advances received from customers for various projects, according to contractual agreements with them.

26. BANK LOANS

	Balance at 31.12.2023	Balance at 31.12.2022
Long terms bank loans	84,760,637	71,089,051
Short term bank loans	2,052,769	2,762,927
Total	86,813,406	73,851,978

Bank loans by due date:

	Balance at 31.12.2023	Balance at 31.12.2022
Bank loans due up to 1 year	24,184,008	18,470,922
Bank loans due between 1 and 5 years	62,629,398	53,854,941
Bank loans due over 5 years	-	1,526,114
Total	86,813,406	73,851,978

At the end of 2023, the value of bank loans increased by 13 million lei, compared to the end of 2022, reaching a total value of 86.8 million lei. The increase is due to the contracting of new bank loans to finance the acquisitions of new companies made in 2023.

Bank loans contingencies

As of December 31, 2023, AROBS TRANSILVANIA SOFTWARE SA ("the Company") has a loan in the amount of EUR 2,137,500 (10,633,208 lei) due on February 27, 2026, a loan in amount of EUR 9,583,334 (47,673,253 lei) due on May 31, 2027 and a loan in the amount of EUR 4,350,000 (21,639,510 lei) due on August 14, 2028, contracted from Citi Bank. The interest related to these loans is according to the contracts negotiated between the parties. The loans are guaranteed by the company through:

- Mortgage on bank accounts with Citi;
- Assignment of third party claims acceptable to Citi;
- Mortgage on the entire stock of goods;
- Mortgage on all shares of the Joint Debtor S.A.S FLEET TRACKING SRL (former S.A.S GRUP SRL), entirely owned by the Company;

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

- Mortgage on bank accounts of S.A.S FLEET TRACKING SRL (former S.A.S GRUP SRL) opened with Citi;
- Mortgage on the entirety of receivables to be received by S.A.S FLEET TRACKING SRL (former S.A.S GRUP SRL) from third parties acceptable to Citi;
- A mortgage on a generality of claims relating to the following two types of activities: GPS Tracking services (GPS Track Monitoring), wholesale of GPS navigation systems and „software outsourcing” services;
- Mortgage on all shares of BERG COMPUTERS SRL, entirely owned by AROBS TRANSILVANIA SOFTWARE;
- Mortgage on the bank accounts of the Joint Debtor BERG COMPUTERS SRL;
- Mortgage on the entirety of receivables to be received by BERG COMPUTERS SRL from third parties;
- Mortgage on all shares of AROBS DEVELOPMENT & ENGINEERING SRL entirely owned by the Borrower AROBS TRANSILVANIA SOFTWARE SA;
- Mortgage on the bank accounts of AROBS DEVELOPMENT&ENGINEERING SRL (formerly ENEA SERVICES ROMANIA SRL), opened with Citi;
- Mortgage on the entirety of receivables to be received by AROBS DEVELOPMENT&ENGINEERING SRL from third parties acceptable to Citi.
- Mortgage on the entirety of receivables to be received by AROBS SYSTEMS SRL;
- Mortgage on the entirety of receivables to be received by FUTURE WORK FORCE SRL;
- Mortgage on the entirety of receivables to be received by FUTURE WORK FORCE SRL from third parties acceptable for Citi;
- Mortgage on all shares of FUTURE WORKFORCE SRL, entirely owned by FUTURE WORKFORCE GLOBAL SA;
- Mortgage on all FUTURE WORKFORCE GLOBAL SA shares, fully owned by the Borrower AROBS TRANSILVANIA SOFTWARE SA and CABRIO INVESTMENTS SRL;

Obligations:

- The company undertakes to run through its bank accounts an amount of money that is equivalent to at least 80% of its business volume, i.e. the receipts from third parties on its bank accounts must represent the equivalent of at least 80% of its turnover, but not less than the equivalent of €3,300,000 per month. If this condition is not met, the bank charges a fee of 0.25% per quarter of the maximum amount of the facility contracted.
- The Company undertakes not to distribute and/or pay dividends without the Bank's prior written consent for amounts exceeding EUR 1,000,000 cumulatively during a calendar year.
- The Company undertakes to maintain the "Debt Service" ratio greater than or equal to 1.5x for the duration of its obligations under the contract.
- The Company undertakes to maintain a "Financial Leverage Ratio" of less than 3.5x for the duration of its contractual obligations.
- The Borrower undertakes to notify the Bank if it takes out Bank Loans from other financial-banking institutions.
- The Company undertakes to notify the Bank in the event that it considers a transaction of acquisitions of shares in another company that exceeds 10% of the value of the assets of this Borrower on 31.12.2022 as soon as there is reasonable assurance regarding the materialization of the transaction. The information may be provided under a Confidentiality Agreement before the information becomes public and will contain as a minimum: company name, details regarding the scope of activity and number of employees, motivation behind the acquisition / strategy, shareholding.
- Specific obligations arising from the use of the type of credit provided for in the contract negotiated between the parties;
- In the event that the company FUTURE WORKFORCE GLOBAL SA (the sole associate of the Borrower FUTURE WORK FORCE SRL) will dissolve (including through absorption by the Borrower AROBS TRANSILVANIA SOFTWARE SA), the latter undertakes to promptly establish a new mortgage in the Bank's favor over all the shares of FUTURE WORK FORCE SRL, as they will be transferred, if necessary,

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

to the Borrower AROBS TRANSILVANIA SOFTWARE SA. In the situation where the dissolution / liquidation of FUTURE WORKFORCE GLOBAL SA will result in the transfer of the shares owned by it to the Borrower FUTURE WORK FORCE SRL and to other entities, the express prior consent of the Bank will be necessary, and its absence will be considered a case of non-execution of obligations according to art. 9.2 of Part II.A of the Contract.

- The debtor S.A.S FLEET TRACKING SRL (formerly S.A.S GRUP S.R.L.), undertakes to run through its bank accounts opened at CITI an amount of money that is equivalent to at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank to represent the equivalent of at least 90% of its turnover, but not less than the equivalent of EUR 200,000 per month.
- The debtor BERG COMPUTERS SRL undertakes to run through its accounts opened at the Bank an amount of money that is the equivalent of at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank represent the equivalent of the a little over 90% of its turnover, but not less than the equivalent of €250,000 per month.
- The AROBS DEVELOPMENT&ENGINEERING SRL debtor undertakes to run through its accounts opened at the Bank an amount of money that is equivalent to at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank represent the equivalent of the a little over 90% of its turnover, but not less than the equivalent of €900,000 per month.
- The borrower AROBS SYSTEMS SRL undertakes to run through its accounts opened at the Bank an amount of money that is equivalent to at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank represent the equivalent of the a little over 90% of its turnover.
- Borrower FUTURE WORK FORCE SRL undertakes to run through its accounts opened at the Bank an amount of money that is equivalent to at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank represent the equivalent of at least 90% of its turnover, but not less than the equivalent of EUR 350,000 per month.

In addition to the above, the company UCMS GROUP ROMANIA S.R.L, part of the group, has a non-revolving, committed term loan granted by Raiffeisen Bank S.A. in the amount of EUR 3,500,000 (with a balance of RON 14,797,033 as of 31.12.2023) maturing on 30.09.2030. The interest on this loan is in accordance with the contract negotiated between the parties. The loan is granted for the purpose of financing/refinancing a maximum of 70% of the cost, excluding VAT, of the investment project on a plot of land over which a surface right is established for a period of 8 years, located in Cluj Napoca, 78-78A Constantin Brâncuși Street, with an area of 991 sq.m, consisting of "Construction of an office building, with a height of S+P+5E+Er, fencing and external improvements". In order to guarantee the loan, UCMS GROUP ROMANIA S.R.L. provided the following guarantees in favour of the bank:

- Mortgage on current accounts opened with the Bank and on claims on third parties to be collected through these current accounts
- Mortgage on all collections on any commercial contracts with eligible debtors approved by the Bank
- Real estate mortgage on the building located in Cluj-Napoca, Constantin Brâncuși str.78-78A, Cluj-Napoca, Jud. Cluj - intravilan land in the area of 925 sqm

Obligations:

- UCMS GROUP ROMANIA S.R.L. undertakes to make any change in the shareholder structure only with prior written notification to the Bank, unless the beneficial owner does not maintain its 50+1% shareholding, in which case the Bank's prior consent shall be required, otherwise all amounts due in relation to the loan may be subject to mandatory early repayment;
- The Company undertakes to achieve through its current accounts opened with the Bank a minimum annual turnover in proportion to the share of the facilities granted by Raiffeisen Bank S.A. in the total bank debts;
- The Company undertakes to incur other loans or similar indebtedness from banks with the prior consent of the Bank;
- The Company undertakes to make dividend payments to shareholders with the prior consent of the Bank;

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

- All liabilities of the Company to shareholders or other non-bank entities will be subordinated to the obligations of the Company arising under the Facility pursuant to a Subordination Deed on the form of the Bank;
- The Company will honour its commitments under the facility agreement;
- The Company will allow Bank representatives access to the construction site to check the progress of the Project and the quality of the works carried out. The Company will submit to the Bank the Project Manager's Quarterly Progress Report
- The Company undertakes to maintain valid leases, the value of which will enable it to service its debt to the Bank and carry out its current activity at the same time;
- Additional costs (green spaces, access road, parking, etc.) compared to the initial estimate will be borne by the company/shareholders from their own sources;
-
- By 30.09.2023 the company will set up a DSRA (Debt Service Reserve Account) with the bank into which it will deposit the equivalent of at least 3 monthly instalments of principal and interest;
- The company will comply with the financial indicator Debt Service Coverage Ratio = min 1.2x;
- The BREEAM/EDGE Certificate will be submitted to the Bank immediately after obtaining;
- All proceeds from the lease of the Project will be collected in the collector account opened with the Bank and mortgaged to the Bank. The Company will only be able to dispose of the rental income on a monthly basis to the collector account after monthly payment of the amount due to the Bank (principal, interest and commissions). At the request of the Company, the surplus on the collector account will be transferred to the current account;
- Leases will have a Rent Payment Guarantee in the form of a collateral deposit or bank guarantee amounting to the estimated rent for 3 months, unless the tenants are intra-group companies.
- The company undertakes to conclude with the bank an additional deed to the facility contract and the mortgage contract within 30 days after the construction has been registered in the Land Register in order to extend the mortgage to the construction;
- Within 30 days after the land register registration of the construction of the Project, the Company undertakes to submit the insurance policy, by which the material guarantees will be insured against all risks with an insurance company approved by the Bank;
- The company undertakes to enter into lease agreements with a minimum contract term of 3 years;
- A financial obligation of the company/group of which it is a part to the Bank under this contract and any other credit agreements, or a financial obligation of the company/group of which it is a part to third parties is not paid when due or becomes payable or may become payable before it is due, shall constitute an event of default or fault;
- The company and the guarantor undertake to seek the bank's approval for the amendment of the building lease.

Contingent liabilities

The group has the following contingent liabilities – bank guarantee letters:

Amount	Currency	Date of document that certifies the start of the obligation	Payment/due date
15,497.64	EUR	08 May 2023	03 May 2024
275,000	EUR	10 May 2022	23 February 2024
9,918	EUR	10 March 2023	08 March 2024

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

27. PROVISIONS

The Group has recorded provisions for untaken holidays, performance bonuses and other charges for contractual employment relationships.

	Balance at 31.12. 2022	In the account	From the account	Balance at 31 12.2023 belonging to subsidiaries absorbed in 2023	Balance at 31.12. 2023
Provisions	16,092,950	6,336,312	5,301,009	967,590	18,095,843
Total	16,092,950	6,336,312	5,301,009	967,590	18,095,843

28. CAPITAL AND RESERVES

The share capital of the Group consists of the share capital held by the parent company. Shareholdings held by Group companies in other Group companies, obtained either through shareholdings at incorporation or through acquisitions from other Group companies, have been written off in consolidation, together with the value of the participating interests.

In the case of acquired companies, reserves existing at the date of formation of the Group, together with retained earnings and other equity items were taken into account in the calculation of goodwill and eliminated in consolidation together with the interests held in Group companies.

In 2022 the share capital was increased through the issue of new shares assignable to shareholders in the ratio of 1:1 by incorporating share premiums.

In July 2023 the share capital decreased following the cancellation of 40,101,379 of own shares. As at 31 December 2023, the share capital of the Parent Company is of LEI 87,129,361, divided into 871,293,609 registered shares with a nominal value of 0.1 lei per share. The share capital is fully subscribed and paid up on 31 December 2022. The parent company was transformed into a public limited company on 5 September 2014.

During June 2022 – June 2023 the Company ran a program to buy back its own shares in order to implement ESOP programs. As of 31 december 2023 the total number of redeemed shares in balance is 35,203,467 shares.

Legal reserves are established in accordance with the regulations in place at Group company level. The legal reserve has been established in accordance with the terms of the Law on Commercial Companies. As at 31 December 2023, the value of the legal reserves amounts RON 7,853,780.

On December 31, 2023, differences resulting from the conversion of transactions of foreign entities under consolidation were recognized in capital.

	31.12.2023	31.12.2022
Number of shares	871,293,609	911,394,988
Subscribed and paid capital	87,129,361	91,139,499
TOTAL	87,129,361	91,139,499

29. RISK MANAGEMENT FOR FINANCIAL INSTRUMENTS

The Group's financial liabilities comprise loans and borrowings, including finance leases, derivative financial instruments, trade and other payables and contract liabilities. The main purpose of these financial liabilities is to finance the Group's operations.

The Group's financial assets are represented by trade and other receivables and contract assets, cash and short-term deposits, restricted cash, available-for-sale financial assets and derivative financial instruments.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The Group is exposed to interest rate risk, foreign exchange rate risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures the Group's financial risk activities are performed under appropriate procedures and that financial risks are identified, measured and managed in accordance with Group risk appetite.

29.1 Interest rate fluctuation risk rate

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

Trade and other receivables and payables are non-interest bearing financial assets and liabilities. The borrowings are exposed to cash flow interest rate risk through market value fluctuations of interest-bearing long-term and short-term credit facilities, as the interest rates on the Group's loans and borrowings are variable. Management's policy is to resort mainly to fixed rate financing in order to reduce the risk. In addition, at the time of rising new loans or borrowings management uses its judgment to decide whether it believes that fixed or variable rate would be more favorable to the Group over the expected period until maturity.

29.2 Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Group's profit before tax and equity are affected through the impact on floating rate borrowings without considering the CAPs effect, as follows:

	31.12.2023	31.12.2022
<i>Fixed rate financial instruments</i>		
Financial liabilities (loans and leasing)	103,989,697	84,920,511
<i>Variable rate financial instruments</i>		
Financial liabilities (loans and leasing)	2,052,769	2,762,927
	Base point increase	Impact on profit before tax
2023	1%	24,078
2022	1%	63,029

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment. An equal decrease of the interest rate would have the same effect but of opposite impact.

29.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's financing activities, as part of the financing contracted by the Group is Euro based and to cash balances denominated in foreign currencies,

For the Group, the majority of revenues and expenses, trade and other receivables and payables is in RON, and the rest in EUR or linked to EUR. For the Group, the majority of revenues and trade receivables are linked to EUR or USD, being settled in RON equivalent.

The Group monitors the currency risk by following changes in exchange rates in currencies in which its external debts are denominated.

29.4 Foreign currency sensitivity

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The following table demonstrates the sensitivity to a reasonably possible change in the EUR or USD exchange rate. The Group's exposure to foreign currency changes for all other currencies is not material. With all other variables held constant the Group's profit before tax and equity are affected as follows:

	Exchange rate increase	Effect on profit before tax
2023 – EUR	1%	1,924,755
2022 – EUR	1%	1,638,560
2023 – USD	1%	319,438
2022 – USD	1%	300,960

An equal decrease of the EUR rate would have the same effect but of opposite impact.

31.12.2023	EUR	RON	USD	GBP	Other currencies	Total
Cash and cash equivalents	46,578,619	21,156,637	16,600,807	873,391	2,866,465	88,075,920
Commercial Accounts receivable	24,087,263	59,620,770	14,750,444	3,750,473	679,488	102,888,437
Loans to affiliated and non-affiliated entities	15,683,719	4,044,328	-	-	-	19,728,047
Long term bank loans	(62,629,398)	-	-	-	-	(62,629,398)
Short term bank loans	(23,582,492)	(601,517)	-	-	-	(24,184,008)
Leasing	(17,859,070)	(935,737)	-	(37,457)	(396,796)	(19,229,060)
Commercial liabilities	(2,054,910)	(9,459,752)	(592,561)	(1,275,262)	(473,464)	(13,855,948)
Net result of financial exposure	(19,776,267)	73,824,730	30,758,690	3,311,145	2,675,692	90,793,990

31.12.2022	EUR	RON	USD	GBP	Other currencies	Total
Cash and cash equivalents	48,831,164	38,867,821	13,814,841	29,032	354,148	101,897,006
Commercial Accounts receivable	10,761,632	41,746,885	15,527,797	-	961,258	68,997,572
Loans to affiliated and non-affiliated entities	15,550,586	5,796,497	-	-	-	21,347,082
Long term bank loans	(55,381,056)	-	-	-	-	(55,381,056)
Short term bank loans	(18,470,922)	-	-	-	-	(18,470,922)
Leasing	(13,831,461)	-	-	-	-	(13,831,461)
Commercial liabilities	(1,029,145)	(14,169,593)	(753,313)	(7,991)	(13,363)	(15,973,404)
Net result of financial exposure	(13,569,202)	72,241,610	28,589,325	21,042	1,302,044	88,584,818

29.5 Credit risk

The Group's credit risk is primarily attributed to trade and other receivables, contract assets and balances with banks. The carrying amount of trade and other receivables and contract assets, net of allowances for expected credit losses plus balances with banks, represent the maximum amount exposed to credit risk. Management believes that there is no significant risk of loss to the Group beyond the allowances already recorded. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). The Group does not track changes in credit risk for trade receivables and contract assets, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. In this respect, the Group has established a provision policy to measure expected credit losses that is based on historical credit loss experience, that demonstrates that the credit risk has not increased significantly since initial recognition even though the contractual payments are more than 30 days past due but no more than 90 days past due.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

a. Categorized financial assets – exposure to credit risk

31.12.2023	Note	Gross accounting value	Depreciation	Net accounting value
Loans granted to affiliated an non affiliated parties	31	19,728,047	(5,002,616)	14,725,431
Commercial receivables	23	102,888,437	(6,380,867)	96,507,570
Total		122,616,485	(11,383,483)	111,233,001

31.12.2022	Note	Gross accounting value	Depreciation	Net accounting value
Loans granted to affiliated an non affiliated parties	31	21,347,081	(2,810,074)	18,537,007
Commercial receivables	23	68,997,573	(5,448,668)	63,548,905
Total		90,344,654	(8,258,742)	82,085,912

b. Categorized financial liabilities - exposure to credit risk

31.12.2023	Note	Net accounting value	Total	Less than 1 year	1 - 5 years	Over 5 years
Bank loans		86,813,406	86,813,406	24,184,008	62,629,398	-
Leasing		19,229,061	19,229,060	7,919,498	11,309,563	-
Commercial debt		13,855,948	13,855,948	13,855,948	-	-
Total		119,898,415	119,898,415	45,959,454	73,938,960	-

31.12.2022	Note	Net accounting value	Total	Less than 1 year	1 - 5 years	Over 5 years
Bank loans		73,851,978	73,851,978	18,470,922	53,854,941	1,526,114
Leasing		13,831,461	13,831,460	6,137,902	7,617,799	75,760
Commercial debt		15,791,769	15,791,769	15,791,769	-	-
Total		103,475,207	103,475,207	40,400,593	61,472,740	1,601,874

29.6 Liquidity risk

The Group has adopted a prudent financial liquidity management approach, assuming that sufficient cash and cash equivalents are maintained and that further financing is available from guaranteed funds from credit lines. The tables below summarizes the maturity profile of the Group's financial liabilities, including principal amounts and interests according to contractual terms, at 31 December 2023 and 31 December 2022 based on contractual undiscounted payments.

	31.12.2023	31.12.2022
Non-current assets	201,496,412	198,479,384
Short term liabilities	89,865,905	76,290,204
Current liquidity ratio	2.24	2.60

	31.12.2023	31.12.2022
Non-current assets	201,496,412	198,479,384
Inventories	6,975,925	8,922,718
Short term liabilities	89,865,905	76,290,204
Immediate liquidity ratio	2.16	2.48

29.7 Capital management

Capital includes the equity attributable to the equity holders of the parent.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants, To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital, among other things, by using a gearing ratio, which is net debt divided by total capital plus net debt, The Group does not have a target gearing ratio, The Group includes within net debt, interest bearing loans and borrowings, trade and other payables and contract liabilities, less cash and cash equivalents.

	31.12.2023	31.12.2022
Long term debt	116,490,101	90,781,700
Capital	273,687,158	229,722,938
Gearing ratio	30%	28%

The Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended at 31 December 2023 and 31 December 2022.

30. RELATED AND AFFILIATED PARTIES

The transactions carried out by the Group with related parties are the following:

Related parties – Receivables	Balance at 31.12.2023	Balance at 31.12.2022
AROBS BUSINESS CENTER SRL	150,289	688,951
AROBS BUSINESS SERVICES SRL	19,927	15,589
AROBS PANONIA SOFTWARE	-	549,959
AROBS TRACKGPS SRL	-	38,746
AROBS TRADING & DISTRIBUTION GMBH	469,881	466,134
AROBS TRADING & DISTRIBUTION SRL	1,495,259	1,352,292
AROBS TURKEY YAZILIM LIMITED	283	-
CABRIO INVEST SRL	5,718	20,851
CABRIO INVESTMENT SRL	-	118
AROBS SOFTWARE SRL	-	18,346
MED CONTROL SOLUTION SRL	102,531	102,531
NEWCAR4FUTURE SRL	220,825	217,603
OOMBLA TRAVEL MANAGEMENT SRL	454	54,598
SMAIL COFFEE SRL	140,866	180,258
TRANSILVANIA SOFTWARE RECRUITMENT SRL	308,485	308,485
VISION PLUS MOBILE SRL	49,616	49,616
Total	2,964,133	4,064,077

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

Related parties – Payables	Balance at 31.12.2023	Balance at 31.12.2022
AROBS BUSINESS CENTER SRL	8,988	-
AROBS BUSINESS SERVICES SRL	233,433	65,232
AROBS TRACKGPS SRL	-	1,734
AROBS TRADING & DISTRIBUTION GMBH	5,726	-
AROBS TRADING & DISTRIBUTION SRL	-	693
CABRIO INVEST SRL	7,509	12,559
AROBS SOFTWARE SRL	-	1,328,952
IKON SOFT	63,544	40,624
OOMBLA TRAVEL MANAGEMENT SRL	39,119	61,624
SMAIL COFFEE SRL	7,148	7,751
TRANSILVANIA SOFTWARE RECRUITMENT SRL	154,176	-
Total	519,653	1,519,168

Related parties - Sales	FY 2023	FY 2022
AROBS BUSINESS CENTER SRL	125,799	21,262
AROBS BUSINESS SERVICES SRL	100,704	55,065
AROBS PANNONIA SOFTWARE	-	840,003
AROBS TRACK GPS SRL	-	795,494
AROBS TRADING & DISTRIBUTION GMBH	1,177	1,068
AROBS TRADING & DISTRIBUTION SRL	134,778	1,136,380
AROBS TURKEY YAZILIM LIMITED	2,496	-
CABRIO INVEST SRL	48,921	54,611
MANAGIS SERV SRL	120	-
MED CONTROL SOLUTION SRL	-	12,464
NEWCAR4FUTURE SRL	2,551	21,858
OOMBLA TRAVEL MANAGEMENT SRL	6,916	21,344
SMAIL COFFEE SRL	76,862	65,872
TRANSILVANIA SOFTWARE RECRUITMENT SRL	-	308,485
Total	500,324	3,333,906

Sales to related parties include the provision of software services, sales of GPS equipment, tablets, car sales and subletting of premises.

Related parties - Purchases	FY 2023	FY 2022
AROBS BUSINESS CENTER SRL	1,528,966	-
AROBS BUSINESS SERVICES SRL	387,405	488,558
AROBS PANNONIA SOFTWARE	-	642,217
AROBS TRACKGPS SRL	-	1,731
AROBS TRADING & DISTRIBUTION GMBH	5,694	-
AROBS TRADING & DISTRIBUTION SRL	11,811	-
AROBS TURKEY YAZILIM LIMITED	1,616,287	-
CABRIO INVEST SRL	98,491	95,934
AROBS SOFTWARE SRL	-	17,903,597
IKON SOFT SRL	495,567	471,168

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in RON, unless otherwise mentioned)

MED CONTROL SOLUTION SRL	-	4,875
OOMBLA TRAVEL MANAGEMENT SRL	1,048,430	713,848
SMAIL COFFEE SRL SRL	545,142	535,462
TRANSILVANIA SOFTWARE RECRUITMENT SRL	129,560	-
Total	5,867,353	20,857,390

The purchases from the affiliated entities mainly represent software services and miscellaneous services with the exception of Cabrio Invest which offers hotel services.

The transactions and balances of 2023 related to AROBS PANNONIA SOFTWARE, AROBS TRACKGPS SRL and AROBS SOFTWARE SRL have not been presented due to the fact that these companies have been acquired by AROBS Transilvania Software SA and have been integrated in the AROBS Group starting with the year 2023. As a result, the transactions and balances of these companies have been eliminated during the consolidation.

Loan granted by AROBS to TRANSILVANIA SOFTWARE RECRUITMENT SRL

	<u>31.12.2023</u>	<u>31.12.2023</u>
Loan value	-	676,000
Interest value	-	95,517
Total	-	771,517

The amount borrowed was granted to cover operational needs.

Loan granted by AROBS to AROBS Trading & Distribution GmbH

	<u>31.12.2023</u>	<u>31.12.2023</u>
Loan value	5,074,092	5,778,563
Interest value	1,416,816	1,168,775
Total	6,490,908	6,947,338

The loan to AROBS Trading & Distribution GmbH is to support working capital needs. AROBS Trading & Distribution GmbH is a trading and distribution company for premium electronics and household appliances with an international guarantee. Products are purchased with full payment in advance from distributors and manufacturers all over Europe and sold in Turkey, Dubai, France, Germany, Denmark.

Loan granted by AROBS to CABRIO INVESTMENT SRL

	<u>31.12.2023</u>	<u>31.12.2023</u>
Loan value	822,497	1,629,482
Interest value	591,209	661,674
Total	1,413,706	2,291,156

The loan has been granted to cover the short term needs of the company.

Loan granted by AROBS to AROBS BUSINESS CENTER

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

	31.12.2023	31.12.2023
Loan value	7,252,468	6,883,363
Interest value	1,124,412	841,617
Total	8,376,880	7,724,980

The loan granted to AROBS BUSINESS CENTER was used for the development of the "Business Incubator" project carried out through the absorption of European funds and for working capital. AROBS Transilvania Software S.A. is the administrator of this company.

Loan granted by Coso by AROBS B.V. to Voicu Oprean

	31.12.2023	31.12.2023
Loan value	815,932	811,471
Total	815,932	811,471

31. FAIR VALUE

The financial instruments that are not recorded at fair value in the financial statements also include trade receivable and other receivables, contractual assets, cash and cash equivalents, restricted cash, trade payables, and other contractually derived payables. The value of these financial instruments is considered to approximate their fair value due to their short term nature (for the majority of them) and due to the low cost of transaction pertaining to these instruments (level 3).

31.1 Financial assets

	Depreciated cost	
	31.12.2023	31.12.2022
Trade receivables and other receivables	103,015,034	74,925,395
Cash and cash equivalents	87,773,888	101,373,631
Total	190,788,922	176,299,26

31.2 Short term investments

	Category	Value at 31.12.2023	Fair value assessment at 31.12. 2023
Short term investments	Shares	302,033	Level 1
Total		302,033	

31.3 Financial liabilities

	Depreciated cost	
	31.12.2023	31.12.2022
Leasing debt	19,229,061	13,831,461
Bank loans	86,813,406	73,851,978
Trade payables and other payables	56,892,573	37,107,972
Deferred revenue	24,639,946	23,198,291

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Subsidies	921,362	1,218,067
Dividends payable	666,714	666,714
Tax payables	(323,270)	234,930
Total	188,839,792	150,109,413

32. ACCOUNTING PRINCIPLES, POLICIES AND METHODS

The following paragraphs describe the significant accounting policies applied by the Group in preparing its Consolidated Financial Statements:

32.1 IFRS 15 Revenue from contracts with customers

In accordance with IFRS 15, revenue is recognized when or as the customer acquires control of the goods or services provided, at an amount that reflects the price the Group expects to be entitled to receive in exchange for those goods or services.

Revenues from contracts with customers are recognised when the control over the goods or services delivered is transferred for an amount equal to consideration expected by the Group for the good and services delivered to the customers.

When (or as) a performance obligation is satisfied, the Group will recognize as revenue the amount of the transaction price that is allocated to that performance obligation. The Group takes into consideration the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. For the purpose of determining the transaction price, an entity shall assume that the goods or services will be transferred to the customer as promised in accordance with the existing contract and that the contract will not be cancelled, renewed or modified.

In determining the transaction price, the entity will adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

The objective when allocating the transaction price is for an entity to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the entity will determine the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocate the transaction price in proportion to those stand-alone selling prices.

A customer receives a discount for purchasing a bundle of goods or services if the sum of the stand-alone selling prices of those promised goods or services in the contract exceeds the promised consideration in a contract. Except when an entity has observable evidence that the entire discount relates to only one or more, but not all, performance obligations in a contract, the entity shall allocate a discount proportionately to all performance obligations in the contract. The proportionate allocation of the discount in those circumstances is a consequence of the entity allocating the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of the underlying distinct goods or services.

The Group will recognise as an asset the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. When either party to a contract has performed, the Group will present the contract in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

entity's performance and the customer's payment. The Group must present any unconditional rights to consideration separately as a receivable.

The recognition and measurement requirements of IFRS 15 are also applicable to the recognition and measurement of any gains or losses arising from the disposal of non-financial assets (such as property, plant and equipment and intangible assets) when such disposal is not in the ordinary course of business. However, upon transition, the effect of these changes is not significant for the Group.

A. Revenue from software services

The Group's services are generally performed under time-and-material based contracts (where materials consist of travel and out-of-pocket expenses) and fixed-price contracts. The vast majority of our contracts are relatively short term in nature and have a single performance obligation.

Under time-and-materials based contracts, the Group charges for services based on daily or hourly rates and bills and collects monthly in arrears. The Company applies the practical expedient and revenue from time-and-materials contracts is recognised based on the right to invoice for services performed, with the corresponding cost of providing those services reflected as expenses when incurred.

Under fixed-price contracts, the Group bills and collects periodically throughout the period of performance. Revenue is recognised in the accounting periods in which the associated services are rendered. In limited instances where final acceptance of a milestone deliverable is specified by the client and there is risk or uncertainty of acceptance, revenue is deferred until all acceptance criteria have been met. For multi-year contracts, any deferral of revenue recognition does not generally span more than one accounting period.

The Group accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Group identifies its distinct performance obligations under each contract. A performance obligation is a promise in a contract to transfer a distinct product or service to the customer. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring products or services to a customer. With respect to all types of contracts, revenue is only recognised when the performance obligations are satisfied and the control of the services is transferred to the customer, either over time or at a point in time, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group considers the majority of its contracts to have a single performance obligation. In cases in which there are other promises in the contract, a separate price allocation is done based on relative stand alone selling prices.

Receivables are considered fully impaired when they exceed 365 days. The analysis regarding the impairment of receivables is carried out in Note 23. TRADE RECEIVABLES AND OTHER RECEIVABLES.

B. Revenue from sale of the Track GPS monitoring solution and other monitoring and fleet management

The Group's secondary source of revenue is the provision of its proprietary fleet tracking solution based on GPS technology, a special device and accesible from web and mobile interfaces, Track GPS. The Group offers a complex solution for the management and monitoring of car fleets that helps companies reduce their maintenance and operation costs, improve their efficiency in the allocation and use of resources, increase the professionalism of drivers, safety behind the wheel, as well as improve the services provided. Considering that the provision of the monitoring service is made by making available to the customer of an equipment that ensures the transmittion of data, AROBS Group concluded that the equipment and the monitoring service cannot be regarded separately due to the contract and represents a single provision of obligations to the client. This assesment was based on articles 27a and 29c from IFRS 15:

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

- 27a: the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer
- 29c: the goods or services are highly interdependent or highly interrelated. In other words, each of the goods or services is significantly affected by one or more of the other goods or services in the contract. For example, in some cases, two or more goods or services are significantly affected by each other because the entity would not be able to fulfil its promise by transferring each of the goods or services independently.

As for the equipment, it is essential to the provision of the monitoring service, so that if the customer opts out of these services, then the benefits obtained through the use of the equipment are significantly diminished. In view of this assessment, the provisions of article 27 of IFRS 15 were taken into account: *A good or service that is promised to a customer is distinct if both of the following criteria are met: (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (ie the good or service is capable of being distinct); and (b) the entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (ie the promise to transfer the good or service is distinct within the context of the contract).* Revenue is recognized according to provisions of IFRS 15, paragraph 35 a: *the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.* The customer consumes the benefits as the services are delivered, so that the performance obligation is fulfilled over time. The cost of the equipment has been capitalized and is expensed as income is realized.

C. Revenue from sale of the HR application license

Licensing of the HR solution involves the provision of the following services: license sale/rental, implementation and provision of technical support and platform maintenance services. Given that the implementation of the HR solution is done only by the company providing this service and that without this implementation adapted to the specific needs and requirements of the client, the HR solution is not functional. AROBS Group concluded that the HR software and the implementation service cannot be seen as distinct due to the contract and represent a single performance of obligation to the client. This assessment was made based on articles 27a and 29c of IFRS 15:

- 27 (a): the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer
- 29 (c): the goods or services are highly interdependent or highly interrelated. In other words, each of the goods or services is significantly affected by one or more of the other goods or services in the contract. For example, in some cases, two or more goods or services are significantly affected by each other because the entity would not be able to fulfil its promise by transferring each of the goods or services independently.

As for the maintenance services and updates of the HR solution, they are essential for the operation of the platform, so if the customer opts out of these services, then the benefits obtained from the use of the HR solution are significantly diminished. Taking into account the provisions of Article 27 of IFRS 15 *A good or service that is promised to a customer is distinct if both of the following criteria are met: (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (ie the good or service is capable of being distinct); and (b) the entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (ie the promise to transfer the good or service is distinct within the context of the contract)* and that the company that provides the HR solution does not offer access to the platform without ensuring maintenance services, then AROBS Group concluded that the maintenance services are part of the same contractual promise together with the HR license and implementation services.). Revenue is recognized according to provisions of IFRS 15, paragraph 35 a: *the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.* The customer consumes the benefits as the services are delivered, so that the performance obligation is fulfilled over time. The salary expense related to the implementation service has been capitalized in an asset account and is expensed as the revenue is realized.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

D. Revenue from sales of goods

The Group also operates the sale of own brand goods / finished products and also other third party goods through its dedicated e-commerce sites: softcare.ro, soundon.ro and gps-auto.ro. The Group also sells its goods on third-party websites, online and offline: Altex, Emag, Flanco, Carrefour, Auchan, Cel.ro, Evomag.ro being its main distribution partners.

Revenue from the sale of goods is recognized when the performance obligation established through a contract with a customer is fulfilled, being the actual delivery and transfer of control over that good sold to the customer. The payment terms are between 30 and 90 days from the fulfillment of the performance obligation.

E. Principal versus agent framework

The Group performs the services or supply the goods derived from its obligations by its own means or can employ the services of a third party (agent) to partially or completely execute these obligations on behalf of the Group.

An agent might satisfy its performance obligation (arranging for the transfer of specified goods or services) before the end consumer receives the specified good or service from the principal in some situations. For example, an agent that promises to arrange for a sale between a vendor and the vendor's customer in exchange for a commission will generally recognize its commission as revenue at the time a contract between the vendor and vendor's customer is executed (that is, when the agency services are completed). In contrast, the vendor will not recognize revenue until it transfers control of the underlying goods or services to the end consumer.

Indicators that an entity controls the specified good or service before it is transferred to the customer (and is therefore a principal...) include, but are not limited to, the following:

- a. The entity is primarily responsible for fulfilling the promise to provide the specified good or service. This typically includes responsibility for acceptability of the specified good or service (for example, primary responsibility for the good or service meeting customer specifications). If the entity is primarily responsible for fulfilling the promise to provide the specified good or service, this may indicate that the other party involved in providing the specified good or service is acting on the entity's behalf.
- b. The entity has inventory risk before the specified good or service has been transferred to a customer, or after transfer of control to the customer (for example, if the customer has a right of return). For example, if the entity obtains, or commits to obtain, the specified good or service before obtaining a contract with a customer, that may indicate that the entity has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the good or service before it is transferred to the customer.
- c. The entity has discretion in establishing the prices for the specified goods or service. Establishing the price that the customer pays for the specified good or service may indicate that the entity has the ability to direct the use of that good or service and obtain substantially all of the remaining benefits. However, an agent can have discretion in establishing prices in some cases. For example, an agent may have some flexibility in setting prices in order to generate additional revenue from its service of arranging for goods or services to be provided by other parties to customers.

32.2 Property, Plant and Equipment

Initial recognition

Property, plant and equipment are initially measured at historical cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

This cost includes the replacement cost of the tangible asset in question at the time of replacement and the borrowing cost for long-term construction projects if the recognition criteria are met.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

All other repair and maintenance costs are recognised in the income statement when incurred. The present value of the expected costs of casing the asset after use is included in the cost of that asset if the criteria for recognition of a provision are met.

Usefull life

Average usefull life for each fixed assets category are as follows:

Buildings	40 - 50 years
Investments in leased buildings	1 - 15 years
Monitoring equipment	3 years
Installations and equipment	3 - 8 years
Vehicles	3 - 6 years
Offices equipment	1 - 13 years
Stationary	4 - 9 years
Protection systems	8 - 16 years

The carrying amount of an item of property, plant and equipment shall be derecognized on disposal; or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment (calculated as the difference between the net proceeds on disposal and the carrying amount of the item) shall be included in profit or loss when the item is derecognized.

As at 31 December 2023, management has completed its assessment of the estimated useful lives and has decided that no revision is required as the consumption pattern of its assets is consistent with the current best estimate of the period over which these assets will generate future economic benefits.

32.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets recognized following a business combination is their fair value at acquisition date, as determined through the purchase price allocation exercise. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expense is reflected in the income statement when the expense is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with an indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The useful life of an intangible asset that is not being amortised is reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It is recognised in profit or loss when the asset is derecognised.

Research and development expenditure

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, the entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the intangible asset and use or sell it and its ability to use or sell the intangible asset;

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development;
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

The Group's intangible assets are mainly represented by: internally generated applications (Track GPS, Optimal) and software licences.

Average useful life for each fixed assets category are as follows:

Computer programs, software, licenses, other intangible assets	3 years or contractual duration
Customers relationship	10 years

32.4 Assets relating to rights to use leased assets

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Assets relating to rights to use leased assets

The determination of whether an agreement is or contains a lease is based on the commitment made at the inception of the agreement. The commitment is or contains a lease :

- if performance of the commitment is dependent on the use of a specific asset or assets
- or if the commitment confers a right to use the asset or assets, even if that right is not explicitly specified in a commitment.

Under IFRS 16, at the commencement date of the lease contract, the entity measures a right-of-use asset (as of the date on which the underlying asset is available for use). The right-of-use asset are evaluated at cost, less any accumulated depreciation and accumulated impairment losses and adjusted for any revaluation of lease liabilities. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any initial direct costs incurred by the lessee and any lease payments made at or before the commencement date, less any lease incentives received.

Lease liability related to right-of-use asset

Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For such leases, at inception, a lessee must recognise a right-of-use asset and an interest-bearing liability under the lease.

At the commencement date, the lessee measures the lease liability at the present value of the lease payments that has to be paid during the contract period. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be payable by the lessee under residual value guarantees. The lease payments include the payments of penalties for terminating the lease, if the lease term reflects the entity exercising an option to terminate the lease.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Variable lease payments that are not dependent on an index or rate are recognised as an expense in the period in which the triggering event or event occurs.

In calculating the present value of lease payments, the Group uses the marginal borrowing rate at the lease inception date if the interest rate cannot be determined immediately from the lease contract. After the commencement date, the amount of lease liabilities is increased to reflect interest and reduced by the amount of lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (for example, changes in future lease payments resulting from a change in an index or the rate used to determine those payments) or a change in the valuation of a call option on the underlying asset.

32.5 Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Property, plant and equipment Note 19
- Intangible assets Note 16

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

32.6 IFRS 9 Financial instruments

Financial assets

Initial recognition and measurement

Group financial assets consist of loans granted and receivables (trade receivables, contractual assets, other receivables), cash and cash equivalents.

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

Subsequent measurement

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for debt instruments not held at fair value through profit or loss. For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group analyses claims individually and takes into account the effect of financial guarantees received from insurers in the calculation of expected credit losses. For more information, see Note 14 - Trade and other receivables.

Financial liabilities

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts or contingent consideration recognised by the Group as acquirer in a business combination to which IFRS 3 applies.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities not recorded at fair value through profit or loss, net of directly attributable transaction costs, on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Subsequent measurement

The Company evaluates financial liabilities according to their classification as follows:

- Interest bearing loans and borrowings: Interest bearing loans and borrowings and trade and other payables are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the effective interest rate

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

method (EIR) amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in profit or loss.

- Financial collateral contracts: The Company initially recognises financial collateral contracts as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

The Group's financial statements are presented in Romanian New Lei (''RON''), which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

32.7 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant.

32.8 IAS 19 Employee Benefits

Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are recognized as an expense as the related services are rendered. A liability is recognized at the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount for services previously provided by the employee and the obligation can be reliably estimated.

Defined benefit plans

In the normal course of business, the Group makes payments on behalf of its employees to public pension schemes and public health insurance, which are calculated according to the rates in force during the year. Meal allowances,

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

travel expenses, bonuses and holiday allowances are also calculated in accordance with the legislation applicable to each Group company.

The cost of these payments is recognized in profit or loss in the same period as the related salary cost. Provision is made for unused leave if there are any unused days, in accordance with local legislation.

All Group employees are members of state-administered pension schemes.

The Group does not operate any other pension scheme or post-retirement benefit plan and therefore has no pension liabilities.

In order to retain employees, the Company has implemented a Stock Option Plan, which offers employees stock options based on seniority and performance criteria in the Group's business.

32.9 Income tax

Income tax expense includes current tax and deferred tax. Income tax expense is recognized in the statement of profit or loss unless it relates to business combinations or items recognized directly in equity or other comprehensive income.

Current income tax

Current tax includes tax expected to be paid or received on taxable profit or tax loss realized in the current year and any adjustment for tax payable or recoverable in respect of previous years.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- The initial recognition of goodwill; or
- The initial recognition of an asset or a liability in a transaction which: -is not a business combination, and at the time of the transaction affects neither accounting profit nor taxable profit or loss and at the time of transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for: all deductible temporary differences and the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax reflects the tax consequences that would result from the way the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred tax assets and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

If the carrying amount of goodwill arising in a business combination is less than its tax base, the difference gives rise to a deferred tax asset. The deferred tax asset arising from the initial recognition of goodwill shall be recognized as part of the accounting for a business combination to the extent that it is probable that taxable profit will be available against which the deductible temporary difference could be utilized.

For deductible temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements, a deferred tax asset must be recognized.

The reversal of deductible temporary differences results in deductions in determining taxable profits of future periods. However, economic benefits in the form of reductions in tax payments will flow to the entity only if it earns sufficient taxable profits against which the deductions can be offset. Therefore, an entity recognizes deferred tax assets only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

At the end of each reporting period, an entity reassesses unrecognized deferred tax assets. The entity recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

32.10 ***Inventories and work in progress***

Goods and work in progress are valued at the lower of cost and net realizable value. The Group's management analyses inventory age, product quality and potential non-conformity issues, products that cannot be sold further or are rejected based on quality issues and considers their implications in determining the net realizable value of old inventory. Net realizable value is the selling price, in the normal course of business, less costs of completion, marketing and distribution, considering the future evolution of selling prices. Also it is analysed the recoverability of ongoing work in progress projects registered at the end of the year..

Management analyzed the net realizable value of the goods and work in progress annually, considering market selling prices as well as regulations specific to the industry in which it operates.

All assumptions are reviewed annually.

32.11 **Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

32.12 **Equity**

Share capital

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recognised as additional paid-in capital.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in other reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium. When treasury shares are cancelled the excess of cost above nominal value is debited to retained earnings.

Dividends

The Group recognizes a liability to make cash or non-cash distributions to owners of equity when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws of Romania, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

32.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset, All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

32.14 Provisions and contingent liabilities

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain, The expense relating to a provision is presented in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less (when appropriate) cumulative amortisation recognised in accordance with the requirements for revenue recognition.

Fees, taxes, and provisions for taxes

Uncertainties exist regarding the interpretation of complex fiscal regulations, changes in tax legislation and the value and timing of future taxable profit.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

The Group is subject to income tax in several jurisdictions. There are several transactions and calculations for which the final tax determination is uncertain. Therefore, the Group will constitute provisions, if applicable, for possible consequences of future tax inspections. If the final fiscal result of these matters is different from the amounts initially recorded, the respective differences will have an impact on the current and deferred income tax assets and liabilities in the period in which the respective differences occur.

33. OTHER INFORMATION

Environment

Romania is currently in a period of rapid harmonization of environmental legislation with the European Economic Community legislation in force. As at 31 December 2023, the Group has not recorded any liabilities relating to anticipated costs, including legal and consultancy fees, studies, design and implementation of environmental remediation plans. The Group does not consider costs associated with environmental issues to be significant.

Transfer price

Romanian tax legislation has contained rules on transfer pricing between related persons since 2000. The current legislative framework defines the "market value" principle for transactions between related persons, as well as the transfer pricing methods. Under the relevant tax legislation, the tax valuation of a related party transaction is based on the concept of the market price of that transaction. Based on this concept, transfer prices must be adjusted to reflect market prices that would have been established between unrelated entities acting independently on the basis of "normal market conditions". As a result, it is expected that the tax authorities will initiate thorough transfer pricing verifications to ensure that the tax result and/or the customs value of imported goods are not distorted by the effect of prices charged in dealings with related persons. It is likely that transfer price verifications will be carried out in the future by the tax authorities to determine whether these prices comply with the "arm's length" principle and that the Romanian taxpayer's tax base is not distorted. The Group cannot quantify the outcome of such a verification. The Group considers that the transactions with related parties were carried out at arm's length values.

The parent company is a large taxpayer and the group entities are small and medium taxpayers. In view of the size criteria laid down in the law, Group entities are not required to prepare a transfer pricing file.

At the date of preparation of the consolidated financial statements, the transfer pricing file for the Parent Company is in progress.

Russia - Ukraine conflict

The invasion of Ukraine by the Russian Federation and the subsequent global response to these military actions could have a significant impact on a number of companies, in particular companies with physical operations on the territory of Ukraine, Russia and Belarus, but also entities with indirect interests (with suppliers, customers, investments and creditors with operations on the territory of these countries).

We assessed the impact of the ongoing military operation in Ukraine and the related targeted sanctions against the Russian Federation. This may require revisions to certain assumptions and estimates which may result in significant adjustments to the carrying value of certain assets and liabilities in the next financial year. At this stage, we cannot reliably estimate the impact as events unfold on a daily basis.

Based on the information available to date, the Group's management has not identified any concrete potential risks related to the Russia-Ukraine conflict, and thus at this time does not expect a significant impact on the conduct of current operations. The Group has no direct exposure to third parties affected by the sanctions imposed since the conflict began (customers, suppliers, banking institutions with which the Group collaborates). Indirect exposure (customers, suppliers, with whom the Group collaborates, with links to third parties affected by sanctions), as well as risks related to future volatility of commodity prices, foreign exchange rates, or possible cyber attacks, are currently

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in RON, unless otherwise mentioned)

unquantifiable, as the Group's management has so far given no indication of any significant impact on the Group's business.

Audit expenses

The fees for the audit of the Group's financial statements in accordance with the International Reporting Standards adopted by the European Union for the financial years ending 31 December 2023, 31 December 2022 and 31 December 2021 were in accordance with the contract concluded with BDO Auditors & Accountants S.R.L.

34. SUBSEQUENT EVENTS

Infobest acquisition

On 27 February 2024, the Company informed the market about the full acquisition of Infobest Group, which specializes in the development of custom software solutions, with offices in Timisoara and Leverkusen, Germany. Through this acquisition AROBS wants to consolidate Group position in Germany, and also in the DACH region. The transaction is subject to legal approval.

These financial statements were signed and approved on March 29, 2024, by:

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Shareholders of AROBS TRANSILVANIA SOFTWARE SA

Registered Office: DONATH STREET, no. 11, building M4, SC 2, 3rd floor, ap 28, CLIJ NAPOCA, ROMANIA
 Unique Code of Registration: 11291045

Audit Opinion

1. We have audited the consolidated financial statements of AROBS TRANSILVANIA SOFTWARE SA (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The consolidated financial statements as at and for the year ended 31 December 2023 are identified as follows:

- Total equity: 273.687.158 Lei
- Net profit /(loss) for the year: 31.915.886 Lei

2. In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2023, and of its consolidated financial performance and its cash flows for the year then ended in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of the accounting regulations compliant with International Financial Reporting Standards (MOFP no. 2844/2016).

Basis for opinion

3. We conducted our audit in accordance with International Standards on Auditing (ISAs), UE Regulation no. 537/2014 of the European Parliament and of the Council („The Regulation”) and Law no. 162/2017 („The Law’’). Our responsibilities under those standards and regulations are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants (“IIESBA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Romania, including the Regulation and the Law, and we have fulfilled out other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. Revenue recognition	
Key audit matter	How our audit addressed the key audit matter
Information regarding revenue from contracts with customers are presented in Note 5 “Turnover” while the recognition policies are presented in Note 32.1 “Revenue from contracts with customers”	Our audit procedures included, among other: <ul style="list-style-type: none"> ▪ Evaluation of processes and controls on the existence and accuracy of the recorded revenues, also to identify fraud and errors in revenue recognition.

A. Revenue recognition	
Key audit matter	How our audit addressed the key audit matter
<p>In accordance with International Standards on Auditing, there is an implicit risk on revenue recognition due to the pressure on management in obtaining the planned results.</p> <p>The main activities from which the Group generates revenues are custom software and software development, fleet tracking monitoring solutions, HR applications licensing and implementation of integrated hardware and software solutions.</p> <p>Revenues are recognized when control is transferred to the customer, which generally happens at the time of receipt by him of the products sold, respectively over time or when the service was provided.</p>	<ul style="list-style-type: none"> ▪ Testing a sample of agreements concluded with customers to understand terms and conditions for delivery. ▪ Verification of sale register to identify unusual transactions and to check the supporting documents to confirm that revenues are properly recorded. ▪ Audit procedures for testing that revenues were recorded in the appropriate period, for a sample of transactions recorded around the year-end. ▪ Testing a sample of sales and receivables balance by sending direct confirmation letters.

B. Goodwill depreciation testing	
Key audit matter	How our audit addressed the key audit matter
<p>Intangible assets mainly include goodwill presented in Note 18, which according to IFRS should be tested annually for depreciation.</p> <p>Goodwill is presented in the balance sheet at the acquisition value less the accumulated value adjustments.</p> <p>Impairment adjustment testing is based on management estimate of future discounted cash flows, or other alternative valuation methods in the current economic context.</p> <p>Therefore, there is significant measurement uncertainty inherent in this assessment.</p>	<p>Our audit procedures included, exclusively for the purpose of testing for impairment of goodwill:</p> <ul style="list-style-type: none"> ▪ testing the historical accuracy of management's estimates through retrospective review; ▪ testing the assumptions, methodologies and other data used in the computation model, for example by comparing them with external information; ▪ reviewing growth rates and cash flow forecasts by reference to historical performance and our expectations based on understanding the current environment.

Other information - Administrators' Annual Consolidated Report

5. Management is responsible for the preparation and presentation of Other information. The Other information comprise the Consolidated Board of Directors report, which does not include the sustainability report (in progress), and the Remuneration Report but does not include the financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the consolidated financial statements for the period ended at 31 December 2023, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

7. In respect to the Board of Directors report, we read and report whether the Board of Directors report is prepared, in all material respects, in accordance with the Order of Minister of Public Finance no 2844/2016, articles 15-19, respectively 26-28 of the accounting regulations in accordance with International Financial Reporting Standards.

In respect of Remuneration Report, we read and report if this was prepared, in all material respects, in accordance with Law 24/2017, articles 106-107.

8. Based solely on the work required to be undertaken in the course of the audit of the financial statements, in our opinion:

- a) The information given in the Board of Directors report for the financial year for which the financial statements are prepared, is consistent, in all material respects, with the consolidated financial statements;
- b) The Board of Directors Report, including the non-financial representation has been prepared, in all material respects, in accordance with OMFP no. 2844/2016, points 15-19, respectively 26-28, of the accounting regulations compliant with the International of Financial Reporting Standards.
- c) The remuneration report has been prepared, in all material respects, in accordance with the provisions of Law 24/2017, articles no. 106-107

9. In addition, based on our knowledge and understanding of the entity and its environment obtained in the course of the audit of consolidated financial statements for the year ended as at 31 December 2023, we are required to report if we have identified material misstatements in the Board of Directors report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

10. Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with the Order of the Minister of Public Finance no. 2844/2016. and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
12. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtaining sufficient and appropriate audit evidence for the entities and activities from the Group, to issue an opinion over the consolidated financial statements. We are responsible for coordination, supervision and execution of the group audit. We are solely responsible for our audit opinion.
15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

18. We were appointed as auditor of AROBS TRANSILVANIA SOFTWARE SA by the General Shareholders' Meeting on 7 March 2023. Our total uninterrupted period of engagement is 3 years, respectively for the financials period between 2021-2023.
19. We confirm that:
- Our audit opinion is consistent with the additional report presented to the Audit Committee of the Company, which is issued with the same date as the current report. We also remain independent of the audited entity in conducting the audit.
 - We have not provided to the Company the prohibited non-audit services referred to in article 5 (1) of EU Regulation no 537/2014.



Other matters

20. This report of the Independent Auditor is addressed exclusively to the Group's shareholders, as a body. Our audit was undertaken in order to report to the Company's shareholders all those aspects that we are required to state to them in a financial audit report and for no other purposes whatsoever. To the extent permitted by law, we do not accept or take responsibility to anyone other than the Company and its shareholders, as a body, for our audit work, for the report on the financial statements, or for the opinion we have formed.

For and behalf of

BDO AUDITORS & ACCOUNTANTS SRL

Registered in the Public Electronic Report of financial auditors and audit firms with no. FA1003

Partner's name: Cristian Iliescu

Refer to original signed version
in Romanian language

Registered in the Public Electronic Report of financial auditors and audit firms with no. AF1530

29 March 2024

Cluj-Napoca, Romania

AROBS TRANSILVANIA SOFTWARE S.A.

INDIVIDUAL FINANCIAL STATEMENTS

Prepared in accordance with the Ministry of Finance Order no. 2844/2016 for the approval of accounting regulations compliant with the International Financial Reporting Standards

For the year ended 31 December 2023

AROBS TRANSILVANIA SOFTWARE S.A.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(All amounts in LEI, unless otherwise mentioned)

TABLE OF CONTENTS

STATEMENT OF INCOME	4
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF CHANGES IN EQUITY	6
CASH FLOW STATEMENT	8
1. FINANCIAL REPORTING PRESENTATION	9
2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS.....	13
3. APPLYING PROFESSIONAL JUDGEMENT, ESTIMATES AND ASSUMPTIONS.....	20
4. TURNOVER	20
5. COST OF SALES.....	22
6. SALES AND MARKETING EXPENSES	23
7. GENERAL & ADMINISTRATION EXPENSES	23
8. EMPLOYEE BENEFITS EXPENSES	23
9. CATEGORIES OF EXPENSES	26
10. OTHER INCOME	26
11. REVENUE AND EXPENSES RECONCILIATION BY BUSINESS SEGMENTS	28
12. FINANCIAL RESULT	29
13. INCOME TAX, MICROENTERPRISE TAX AND DEFERED TAX.....	29
14. EBITDA	30
15. EARNINGS PER SHARE.....	31
16. INTANGIBLE ASSETS	31
17. SHARES IN AFFILIATED ENTITIES.....	32
18. TANGIBLE ASSETS.....	35
19. FINANCIAL ASSETS	36
20. LEASING	37
21. INVENTORIES	38
22. TRADE AND OTHER RECEIVABLES.....	39
23. CASH AND CASH EQUIVALENTS.....	40
24. TRADE AND OTHER PAYABLES	41
25. BANK LOANS	41
26. PROVISIONS.....	44
27. CAPITAL AND RESERVES.....	44
28. RISK MANAGEMENT FOR FINANCIAL INSTRUMENTS.....	45
29. RELATED AND AFFILIATED PARTIES.....	49
30. FAIR VALUE.....	53
31. ACCOUNTING PRINCIPLES, POLICIES AND METHODS	54
32. OTHER INFORMATION	64

AROBS TRANSILVANIA SOFTWARE S.A.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(All amounts in LEI, unless otherwise mentioned)

33.	SUBSEQUENT EVENTS	65
-----	-------------------------	----

AROBS TRANSILVANIA SOFTWARE S.A.
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts in LEI, unless otherwise mentioned)

STATEMENT OF INCOME	Note	FY 2023	FY 2022
Turnover:	4	266,685,347	228,626,301
Software services		224,677,840	186,165,876
Software products		42,007,506	41,243,883
Distribution of goods		-	1,216,542
Total cost of sales:		188,383,142	148,296,869
Cost of sales of software services	5.1	170,388,519	129,840,416
Cost of sales of software products	5.2	17,994,623	17,020,888
Cost of distribution of goods		-	1,435,565
Gross profit		78,302,205	80,329,432
Other income	11	451,959	653,401
Sales and marketing	6	(7,943,270)	(6,317,639)
General and administration	7	(41,989,623)	(26,838,224)
Profit before tax		28,821,272	47,826,970
Income from shares in affiliated entities	12	23,300,756	-
Interest income	12	3,262,373	1,913,123
Interest expense	12	(2,270,357)	(866,458)
Net Forex Income/(Expenses)	12	(377,291)	(249,573)
Profit before tax		52,736,754	48,624,061
Income tax	13	(6,248,221)	(6,780,502)
Net profit		46,488,533	41,843,559
Other comprehensive income		-	-
Overall result		46,488,533	41,843,559
Basic earnings per share		0.0562	0.0504
Diluted earnings per share		0.0543	0.0498

These financial statements were signed and approved on March 29, 2024, by:

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

AROBS TRANSILVANIA SOFTWARE S.A.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023
(All amounts are in LEI, unless otherwise mentioned)

STATEMENT OF FINANCIAL POSITION	Note	FY 2023	FY 2022	FY 2021
Shares in affiliated entities	20	212,955,994	143,821,510	36,331,502
Other intangible assets	17	13,695,274	11,461,257	8,788,664
Tangible fixed assets	19	8,266,950	8,779,988	6,289,569
Assets related to rights of use of leased assets	21	9,458,236	7,868,878	9,863,144
Loans granted to related parties	30	18,685,471	8,757,419	1,788,501
Financial fixed assets	20	2,968,851	3,926,037	857,752
Deferred income tax assets	14	613,356	1,037,298	1,026,312
Total fixed assets		266,644,131	185,652,387	64,945,444
Inventories	22	1,493,635	1,893,749	3,263,141
Trade and other receivables	23	68,521,017	52,560,078	38,144,699
Related parties loans	30	9,192,978	17,948,527	18,463,937
Prepaid expenses	23	1,323,501	1,613,259	1,632,277
Short-term investments	31	302,033	523,375	-
Cash and equivalents	24	58,263,292	72,777,713	88,204,684
Total current assets		139,096,456	147,316,700	149,708,739
Total assets		405,740,587	332,969,086	214,654,183
Share capital	28	87,129,361	91,139,499	45,569,749
Adjustments of equity capital to hyperinflation		263,971	263,971	263,971
Share premium		23,185,001	23,185,001	68,754,750
Reserves		9,413,945	6,092,872	2,741,793
Own shares		(5,689,379)	(7,535,897)	(4,010,000)
Gains on equity instruments		8,352,878	1,805,558	-
Other equity components		12,628,497	4,206,340	229,123
Retained earnings		145,551,458	102,383,998	63,891,518
Total equity		280,835,730	221,541,341	177,440,904
Total equity		280,835,730	221,541,341	177,440,904
Non-current liabilities				
Payable amounts for subsidiary acquisitions		14,686,659	1,122,070	5,069,367
Leasing liabilities	21	6,708,754	5,056,697	7,178,716
Bank loans	26	49,841,347	49,494,614	-
Advance income	5	273,503	507,793	474,600
Grants	6.1	301,940	184,750	382,077
Provisions	27	2,728,395	2,293,552	-
Total non-current liabilities		74,540,599	58,659,476	13,104,760
Current liabilities				
Trade and other payables	25	17,747,995	19,626,357	13,464,597
Equity liabilities		3,761,760	5,472,085	-
Leasing liabilities	21	3,939,382	4,372,796	4,301,623
Bank loans	26	20,122,257	18,470,922	2,226,645
Income in advance	5	3,262,205	3,480,580	3,126,455
Grants	6.1	158,741	424,284	392,319
Provisions	27	1,371,918	921,247	596,879
Total current liabilities		50,364,259	52,768,270	24,108,518
Total liabilities		124,904,857	111,427,746	37,213,279
Total equity and liabilities		405,740,587	332,969,087	214,654,183

These financial statements were signed and approved on March 29, 2024, by:

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

AROBS TRANSILVANIA SOFTWARE S.A.
 STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL YEARS 2023, 2022
(All amounts are in LEI, unless otherwise mentioned)

STATEMENT OF CHANGES IN EQUITY	Equity	Equity adjustments for hyperinflation	Share premiums	Legal and other reserves	Own shares	Gains on own held equity instruments	Other equity elements	Retained earnings	Conversion reserves
Closing balance 31.12.2021	45,569,749	263,971	68,754,750	2,741,793	(4,010,000)	-	229,123	63,891,518	177,440,904
Current result	-	-	-	-	-	-	-	41,843,559	41,843,559
Overall result	-	-	-	-	-	-	-	41,843,559	41,843,559
Profit sharing	-	-	-	3,351,079	-	-	-	(3,351,079)	-
Increase of share capital	45,569,749	-	(45,569,749)	-	-	-	-	-	-
Employee benefits in the form of equity instruments	-	-	-	-	-	-	6,038,931	-	6,038,931
Repurchase of own shares	-	-	-	-	(3,782,054)	-	-	-	(3,782,054)
Sale of own shares	-	-	-	-	256,156	-	(256,156)	-	-
Sale of own shares	-	-	-	-	-	1,805,558	(1,805,558)	-	-
Closing balance 31.12.2022	91,139,499	263,971	23,185,001	6,092,872	(7,535,897)	1,805,558	4,206,340	102,383,998	221,541,341

AROBS TRANSILVANIA SOFTWARE S.A.
 STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL YEARS 2023, 2022
 (All amounts are in LEI, unless otherwise mentioned)

	Equity	Equity adjustments for hyperinflation	Share premiums	Legal and other reserves	Own shares	Gains on own held equity instruments	Other equity elements	Retained earnings	Conversion reserves
Closing balance 31.12.2022	91,139,499	263,971	23,185,001	6,092,872	(7,535,897)	1,805,558	4,206,340	102,383,998	221,541,341
Result of the exercise	-	-	-	-	-	-	-	46,488,532	46,488,532
Retained earnings	-	-	-	-	-	-	-	46,488,532	46,488,532
Profit sharing	-	-	-	3,321,072	-	-	-	(3,321,072)	-
Employee benefits in the form of equity instruments	-	-	-	-	-	-	19,184,885	-	19,184,885
Repurchase of own shares	-	-	-	-	(6,379,028)	-	-	-	(6,379,028)
Anulare/Vanzare/Distribuire actiuni proprii	(4,010,138)	-	-	-	5,999,920	-	(1,989,782)	-	(0)
Sale of own shares	-	-	-	-	-	8,772,946	(8,772,946)	-	-
Losses in respect of sales from own equity instruments	-	-	-	-	2,225,627	(2,225,627)	-	-	-
Closing balance 31.12.2023	87,129,361	263,971	23,185,001	9,413,945	(5,689,379)	8,352,878	12,628,497	145,551,458	280,835,730

AROBS TRANSILVANIA SOFTWARE S.A
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023
(All amounts are in LEI, unless otherwise mentioned)

CASH FLOW STATEMENT	Note	FY 2023	FY 2022
Cash flows from operating activities:			
Gross profit		52,736,754	48,624,061
Adjustments for:			
Amortization expenses	6	6,679,165	5,342,224
Expenditure on assets sold		(447,091)	(12,116)
(Income) from assets sold		(607,668)	(118,059)
Expenditure relating to SOP employee benefits	9	15,691,279	4,510,820
Expenditure/(Income) related to adjustments for inventory write-downs		(30,041)	(921,178)
Expenditure/(Income) related to adjustments on receivables		1,556,698	(469,981)
Expenditure/Income on provisions for risks and charges	27	885,514	2,617,920
(Income) from subsidies and grants		(148,353)	(165,362)
Cheltuieli privind dobânzile și alte costuri financiare	13	2,234,615	862,725
Expenditure with interest and other financial expenses	13	(3,096,249)	(1,869,476)
(Income) from interest and other financial income		235,714	268,698
Operating profit before changes in working capital		75,690,337	58,670,276
Change in trade and other receivables balances	23	(17,495,204)	(18,717,605)
Change in inventories balances	22	430,155	2,290,571
Change in trade payable and other debt balances	25	(2,697,217)	6,551,170
Changes in prepaid expenditure balances		289,759	19,018
Change in advance income balances	5	(452,664)	387,317
Interest paid		(2,234,615)	(862,725)
Interest earned		2,510,223	2,666,138
Cash generated from operating activities		56,040,774	51,004,161
Income tax paid	14	(4,846,426)	(6,441,528)
Net cash from operating activities		51,194,347	44,562,633
Cash flow from investing activities			
Loans (granted) to/repayments from affiliated entities		772,216	(5,573,251)
(Payments) related to the acquisition of subsidiaries		(53,786,612)	(105,405,287)
(Payments) related to the acquisition of tangible and intangible assets, including customer relationship	17,19	(7,581,099)	(9,659,563)
Repurchase of own shares		(6,379,028)	(3,782,054)
(Payments)/Cash in from other investments in financial assets	20	221,342	(523,375)
Net cash from investing activities		(66,753,181)	(124,943,530)
Cash flow from financing activities:			
Cash in/(Repayments) of bank loans	26	1,998,067	65,738,891
Payment of financial leasing assets	20	(953,655)	(784,965)
Net cash from financing activities		1,044,412	64,953,926
Net increase in cash and cash equivalents		(14,514,421)	(15,426,971)
Cash and cash equivalents at the beginning of the financial year		72,777,713	88,204,684
Cash and cash equivalents at the end of the financial year		58,263,292	72,777,713

These financial statements were signed and approved on March 29, 2024, by:

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

1. FINANCIAL REPORTING PRESENTATION

AROBS Transilvania Software is listed on the main market of the Bucharest Stock Exchange starting September 25 2023, under the symbol AROBS.

These are the individual financial statements of AROBS Transilvania Software S.A („Company” or „AROBS”)

These individual financial statements of AROBS are prepared in accordance with International Financial Reporting Standards (“IFRS”) as endorsed by the European Union. Accordance with the Ministry of Finance Order no. 2844/2016, the companies listed on the main market of the Bucharest Stock Exchange prepares financial statements in accordance with IFRS, as endorsed by European Union. These financial statements are the responsibility of the management of Arobs Transilvania Software S.A.

INFORMATION ABOUT THE COMPANY

AROBS TRANSILVANIA SOFTWARE S.A. was incorporated on 18.12.1998, under Law no. 31/1990, with tax code RO 11291045, registered at the Trade Register under no. J12/1845/1998. The company’s main field of activity is 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 added also expertise in Intelligent Automation for processes optimisation in banking, health and logistics.

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

EXECUTIVE MANAGEMENT

The issuer’s management for the 2023 Fiscal Year has been carried out by the Board of Directors, which was comprised of 3 members until the 29th of September 2023. At that date, as a result of the General Shareholders Meeting, 2 new members have been elected. As such, in accordance with the requirements of the Governance Code of The Bucharest Stock Exchange (BVB) which apply to all emittents listed on the BVB stock exchange main market, the Board of Directors is comprised of 5 members: 2 executive members, 3 non executive members of which 2 independent.

In accordance with the law no. 31/1990, o part of the attributions of the Board of Directors have been delegated to the Chief Executive Officer and the 2 Executive Directors.

Mr. Voicu Oprean holds the following positions within the company: executive member and chairman of the Board of Directors, Chief Executive Officer and chairman of the Nominalization and Remuneration Committee;

Ms. Cleja Mihaela-Stela holds the following positions within the company: non executive member of the Board of Directors, member of the Audit Committee and member of the Nominalization and Remuneration Committee;

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Mr. Gârbacea Răzvan-Dimitrie holds the following positions within the company: non executive and independent member of the Board of Directors, member of the Audit Committee and member of the Nominalization and Remuneration Committee;

Mr. Nistor Alin holds the following positions within the company: non executive and independent member of the Board of Directors, member of the Audit Committee and member of the Nominalization and Remuneration Committee;

Mr. Aurelian Deaconu holds the following positions within the company: executive member of the Board of Directors and Executive Director of Software Services Divisions.

Mr. Bojan Ovidiu hold the position of Executive Director of the Track GPS Divisions.

Information related to the remuneration of the members of the Executive Management is presented in note 9 and in the remuneration report attached to the financial statements.

COMPANIES LOCATIONS

The Company is headquartered in Cluj Napoca, Street Donath No.11, Apt. 28 and has the following regional operational offices:

În Cluj-Napoca:

- Str. Minerilor, Nr. 63;
- P-ța Cipariu, Nr. 9; Ap. 69;
- Str. Săpătorilor, Nr.5;
- Str. Henri Barbusse, Nr. 44-46, în incinta Cluj Business Center, et. 2 și 3;
- Str. Trifoiului; Nr. 22;
- Str. Constantin Brâncuși nr. 55-59, Clădirea ABC Incubator, et. 6;

In Iași – Str. Palat, Nr. 3E, Building United Business Center 1, parter;

In Tg. Mureș – Str. Georghe Doja, Nr. 64-68, Building Multinvest Business Center 2 (MBC2);

In Suceava – Str. Universității, Nr. 15A, et.1;

In București – Sector 4, Calea Șerban Vodă, Nr. 133, Central Business Park, Corp A, et. 1

In Baia Mare – B-dul. Unirii, Nr. 18, Building Centrul de Afaceri Baia Mare, Et. 1;

In Arad – B-dul. Revoluției, Nr. 52-54, Building Arad Plaza, Sc. C, Et. 3, ap. 12.

Shareholding structure as of 31.12.2023 is:

Shareholder	2023			2022		
	Number of Shares	Value	Percent	Number of Shares	Value	Percent
Oprean Voicu	578,278,772	57,827,877	66.3701%	576,778,772	57,677,905	63.285%
Companies	128,051,806	12,805,181	14.6967%	186,979,523	18,697,997	20.516%
Private individuals	164,963,031	16,496,303	18.9331%	147,636,693	14,763,687	16.199%
Total	871,293,609	87,129,361	100%	911.394.988	91.139.499	100%

DESCRIPTION OF COMPANY'S ACTIVITY

AROBS Transilvania Software S.A. has 25 years of experience in developing custom software solutions for customers in 14 countries in Europe, Asia, and America. Excellence in services delivery together with the engagement from the Company specialists lead to strong partnerships with more than 10,000 companies in România and Central Eatsern Europe and hundred of international companies.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

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 digitization solution;**

AROBS Transilvania Software is a member of ARIES - Romanian Association for Electronics and Software Industry and ANIS - Employers' Association of Software and Services Industry and holds numerous certifications, among which we mention:

- ISO 27001 Certificate
- ISO/IEC 27001:2013 Certificate
- TISAX – Trusted Information Security Assessment Exchange
- ORDA Certificate – Certificate issued by the Romanian Copyright Office
- HU-GO Certificate - National Toll Payment Services Plc. 2020 - Hungary
- ISO 9001:2015 Quality Management System
- ISO/IEC 27001:2013 (SR EN ISO/IEC 27001:2018) Information Security Management System
- ISO 14001:2015 Environmental Management system
- ISO 45001:2018 Occupational Health and Safety Management System

The Company's activity is mainly structured on services and software products. Since its establishment, AROBS Transilvania Software has relied on excellent specialists and well-adjusted yet flexible processes to consistently deliver high quality custom software services, products and software applications, that the company has 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.

Our passion for technology, combined with intense efforts to acquire new skills and aligning with market trends, has made AROBS Transilvania Software one of the leading Romanian software development companies. The company's software services division is the largest within the Company 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 US, UK, Germany, Finland, Norway and the Netherlands.
- **Fintech** - Built on knowledge and experience, in partnership with leading banks and financial institutions.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

The most important software products offered by the Company are:

- ***Track GPS – Solution for managing and monitoring car fleets***

TrackGPS - the car fleet management and monitoring solution, has seen a positive development in terms of turnover and number of customers in 2023. TrackGPS continued its development in the Romanian market, with more than 850 new customers choosing TrackGPS solutions in 2023. Thus, more than 5,500 new vehicles were enrolled in the TrackGPS platform.

The TrackGPS division 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, on adding new video telematics solutions, for consumption monitoring, driver behaviour improvement and electric vehicle monitoring.

The years 2022 and 2023 brought the strengthening of the partnership with Orange Business Services, a partnership that is extremely important for the promotion of TrackGPS solutions, through the operator's portfolio of services and products, on a SaaS model.

AROBS Transilvania Software S.A. is the market leader in Romania in this sector. Track GPS is a complete car fleet monitoring and management solution, offering real-time GPS tracking, special devices and customized services.

With a high-performance GPS tracking system of special devices and a web and mobile application, Track GPS offers personalized services at the highest level, services such as driver behavior analysis, fuel consumption, driver communication, automatic toll payment in Hungary, controlled temperature and humidity, secure transport and much more.

The platform provided by TrackGPS can be accessed from anywhere, anytime with just an internet connection and is designed to easily manage fleet activity. It hosts the units' information in its own cloud and is available in 6 languages: Romanian, English, Russian, French, Hungarian and Indonesian.

Track GPS has over 11 years of experience in the telematics solutions market. The solutions they offer are aimed at small, medium and large companies operating in areas such as Public Services, Banking & Insurance, Courier, Transport & Logistics, Healthcare, Distribution and other areas that want to reduce their costs and optimise their business.

- ***Innovative Projects Division***

This division was created in 2014 with dedicated resources to research and develop new ideas and technologies. The areas of product development include Real Estate & Construction, Education, Cluster Management Platforms, Learning Management Systems, Telematics & Fleet Management Platform Add-Ons, Map Management Portal. Among the products of this business line we mention:

- School textbook digitization solution;
- RateWizz Channel Management - an innovative property management product used by hoteliers in Finland;
- MedControl Solution – platform for personal healthcare;
- Fleet4Share – Car Sharing Management Solution;
- Cluj Parking – public parking automation systems;

The AROBS solution for textbook digitisation involves the continuous development of educational software products and contributes to the performance of the Romanian education system. In 2023, the Digital Textbooks project continues to offer teachers and students the opportunity to improve the overall learning process. Together with strategic partner Aramis, the team has won 5 out of the 7 digital textbook tenders they have participated in, and the print run for new 2023 textbooks and reprints is over 250,000. The project team wants to continue growing in the E-learning segment in 2024.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

RateWizz is a stable product, connected with the main OTAs. Offering premium support, a differentiating factor in the market, RateWizz has stable partnerships. There is growing interest from the small hotel segment. RateWizz has also identified new partnerships in the Romanian market, where there is a real need for customised solutions. In addition to the stability of the product and the superior support services we offer, the existing connectivity with the major sales channels makes this product comparable to the major Channel Managers systems on the market.

- ***Optimall – Solution for Business Optimization***

In 2023, Optimall by AROBS celebrated its 20th anniversary, which it marked with the launch of the new Optimall SFA Android mobile app. By refactoring the app, innovative functionalities were proposed to customers to support the automation of sales processes in the distribution and production business. We also developed four additional modules of the Optimall SFA app: Sell Sheet Module (viewing sales history), Supervisor Module (monitoring sales agents' activity), Target Module (monitoring sales targets) and Promotions Module (creating attractive promotional packages for customers).

The Optimall division continues its consolidation in the manufacturing and distribution industries, where it has benefited from new partnerships with companies in these industries, and is making significant strides in increasing market share in other sectors, such as public administration, with the Optimall SMIS product, an asset and inventory management solution for private companies and public authorities.

AROBS Transilvania Software S.A. is among the largest employers in Cluj County and in the top 5 employers on the local IT market, having been active on this market for 25 years.

AROBS Transilvania Software debuted in December 2021 on the AeRO market of the Bucharest Stock Exchange, the shares being traded under the stock symbol AROBS. The AROBS listing comes after the completion of a private placement of shares in the second half of October 2021 through which AROBS raised a record 74 million lei in a share capital increase. This placement attracted huge interest from both retail and professional investors, so that it was closed early from the first day of the placement, showing once again the high investor appetite for Romanian entrepreneurial companies. The funds attracted supported the company's expansion strategy through the acquisition of IT companies, both nationally and internationally, the opening of new subsidiaries in important markets in Europe and the United States, as well as the development of the company's expertise and specialisations. On 25 September 2023, AROBS made its debut on the main market of the Bucharest Stock Exchange.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1. Statement of compliance

These financial statements are the responsibility of the management of the Company and have been prepared in accordance with the applicable International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) and in accordance with OMFP 2844/2016, which are applicable to companies whose shares are admitted to trading on a regulated market.

The Financial Statements have been prepared on a historical cost basis. For the purpose of drawing up these financial statements, in accordance with the provisions of IFRS, the functional currency of the Company is considered to be the Romanian Leu (LEI), the amounts being presented at the level of leu, by rounding to one leu for fractions over 0.5 Lei and by neglecting fractions of up to 0.49 Lei inclusive.

The significant accounting policies applied by the Company in the preparation of its individual financial statements are presented in Note 32.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

2.2. First time adoption of International Financial Reporting Standards (IFRS 1)

The AROBS Transilvania Software company adopted the International Financial Reporting Standards for the first time, on January 1, 2021. Therefore, the Company restated the financial position for the years 2023, 2022 and 2021, previously reported in accordance with Order No. 1802 of December 29, 2014 - Part I for the approval of the Accounting Regulations on individual annual financial statements and individual annual financial statements (GAAP).

Therefore, the first set of IFRS financial statements include:

- Three financial position statements
- Two profit or loss statements and other éléments of the overall results
- Two cash flow statements
- Two statements of changes in equity
- Related notes, including comparative information as presented below

The adjustments recorded on the occasion of the transition from GAAP (OMFP1802/2014) to IFRS on the transition date, January 1, 2021, are recognized directly in the retained earnings or, if applicable, in another category of equity at the transition date.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Reconciliation of the restatement adjustments is shown below:

		RAS	Adjustments	IFRS	RAS	Adjustments	IFRS
Turnover:	1	266,503,016	182,331	266,685,347	228,531,259	95,042	228,626,301
Total cost of sales:	1	(188,612,423)	229,281	(188,383,142)	(148,975,752)	678,882	(148,296,869)
Gross margin		77,890,593	411,612	78,302,205	79,555,507	773,925	80,329,432
Other income		451,959	-	451,959	614,036	39,365	653,401
Sales and marketing expenses	4	(7,955,034)	11,764	(7,943,270)	(5,975,503)	(342,136)	(6,317,639)
General & administration expenses	4,5,9	(39,934,442)	(2,055,181)	(41,989,623)	(27,251,261)	413,037	(26,838,224)
Income form sshares in affiliated entities	3	23,300,756	-	23,300,756	-	-	-
Financial income		3,613,780	(351,407)	3,262,373	2,227,559	(314,436)	1,913,123
Financial expense	2	(1,486,294)	(784,062)	(2,270,357)	(835,298)	(31,160)	(866,458)
Net income/(expense) from exchange rate differences	4,5	(249,104)	(128,187)	(377,291)	(264,603)	15,030	(249,573)
Gross profit		55,632,215	(2,895,461)	52,736,754	48,070,438	553,623	48,624,061
Income tax	5	(5,824,278)	(423,942)	(6,248,221)	(6,171,984)	(608,518)	(6,780,502)
Net profit		49,807,936	(3,319,403)	46,488,533	41,898,454	(54,894)	41,843,559

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

		2023			2022			2021		
		RAS	Ajustments	IFRS	RAS	Ajustments	IFRS	RAS	Ajustments	IFRS
Shares held in affiliated entities	5	200,567,369	12,388,625	212,955,994	144,504,728	(683,217)	143,821,510	31,262,135	5,069,367	36,331,502
Other intangible assets	1	12,925,137	770,137	13,695,274	10,656,403	804,854	11,461,257	8,604,376	184,288	8,788,664
Tangible assets	1	7,843,199	423,751	8,266,950	8,482,985	297,002	8,779,988	4,879,066	1,410,503	6,289,569
Assets related to the rights of use	4	-	9,458,236	9,458,236	-	7,868,878	7,868,878	-	9,863,144	9,863,144
Loans granted to affiliated and related parties	2	34,428,056	(6,549,607)	27,878,449	32,606,475	(5,900,530)	26,705,945	25,286,998	(5,034,559)	20,252,439
Other financial assets		2,968,851	-	2,968,851	3,926,037	-	3,926,037	857,752	-	857,752
Deferred income tax	7	-	613,356	613,356	-	1,037,298	1,037,298	-	1,026,312	1,026,312
Inventories		1,493,635	-	1,493,635	1,893,749	-	1,893,749	4,474,771	(1,211,630)	3,263,141
Trade receivables and other receivables	2	68,970,862	(449,844)	68,521,017	52,640,515	(80,437)	52,560,078	38,407,510	(262,811)	38,144,699
Prepaid expenses	5	1,298,737	24,764	1,323,501	1,455,707	157,552	1,613,259	1,632,277	-	1,632,277
Short term investments	3	266,688	35,345	302,033	488,030	35,345	523,375	-	-	-
Cash and cash equivalents		58,263,292	-	58,263,292	72,777,713	-	72,777,713	88,204,684	-	88,204,684
Total assets		389,025,825	16,714,762	405,740,587	329,432,341	3,536,745	332,969,086	203,609,571	11,044,612	214,654,183
				50,798,482			2,511,536	-	-	-
Leasing liabilities	4	952,780	9,695,356	10,648,136	1,375,333	8,054,159	9,429,492	1,367,316	10,113,023	11,480,339
Bank loans		69,963,604	-	69,963,604	67,965,537	-	67,965,537	2,226,645	-	2,226,645
Trade payables and other payables		17,747,995	-	17,747,995	19,020,875	-	19,626,357	12,154,422	947,420	13,101,842
Income tax liabilities	7	-	-	-	-	605,482	-	-	362,755	362,755
Liabilities related to shares	5	3,761,760	14,686,659	18,448,420	6,676,908	(82,753)	6,594,155	-	5,069,367	5,069,367
Deffered income	1	1,845,519	1,690,189	3,535,709	2,115,852	1,872,521	3,988,373	1,782,197	1,818,859	3,601,056
Grants		460,681	-	460,681	609,034	-	609,034	774,396	-	774,396
Provisions	6	4,100,313	-	4,100,313	3,214,799	-	3,214,799	596,879	-	596,879
Total liabilities		98,832,653	26,072,205	124,904,857	100,978,338	10,449,409	111,427,746	18,901,856	18,311,423	37,213,279
Total equity		290,193,172	(9,357,443)	280,835,729	228,454,003	(6,912,663)	221,541,340	184,707,715	(7,266,811)	177,440,904

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

2.3. The going concern principle

The financial statements have been prepared based on the going concern principle, which assumes that the Company will be able to continue its activity in the foreseeable future.

The management of AROBS believes that the Company will be able to continue its activity in the foreseeable future and, therefore, the going concern principle used in the preparation of financial statements is justified.

2.4. Fair value measurement

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the relevant notes.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability Or,
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset's highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use.

2.5. Transactions and balances in foreign currencies

Foreign exchange transactions are converted into the functional currency at the exchange rate on the date of each transaction.

Monetary assets and liabilities denominated in foreign currency are converted into the functional currency at the exchange rate on the reporting date communicated by the National Bank of Romania.

Non-monetary assets and liabilities, measured at fair value in a foreign currency, are translated into the functional currency at the exchange rate at the date the fair value was determined. Exchange differences are recognised in the statement of profit or loss. Non-monetary items denominated in a foreign currency and measured on a historical cost basis are not translated.

The exchange rates as of 31 December 2023 and 31 December 2022 were::

	FY 2023	FY 2022
LEI – EUR	4.9746	4.9474
LEI – USD	4.4958	4.6346
LEI – GBP	5.6871	5.5878

The average exchange rates for 2023 and 2022 were:

	FY 2023	FY 2022
LEI – EUR	4.9464	4.9313
LEI – USD	4.5758	4.6923

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

LEI – GBP

5.7225

5.7858

Operations abroad

Assets and liabilities of foreign operations, including goodwill and fair value adjustments resulting from the acquisition of subsidiaries, are translated into LEI at the exchange rate on the reporting date.

Income and expenses from foreign operations are converted into LEI at the exchange rate on the date of the transactions.

2.6. Operating segments (IFRS 8)

The Management Board monitors separately the operational results of the operating segments to be able to take decisions on the resource allocation and performance assessment. Segment performance is measured in terms of Gross Profit.

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

The Company reports separately information about an operating segment that meets any of the following quantitative thresholds:

- Its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10 per cent or more of the combined revenue, internal and external, of all operating segments.
- The absolute amount of its reported profit or loss is 10 per cent or more of the greater, in absolute amount, of (i) the combined reported profit of all operating segments that did not report a loss and (ii) the combined reported loss of all operating segments that reported a loss.
- Its assets are 10 per cent or more of the combined assets of all operating segments.

The Company's operational segments are: Software Services, Software Products, Integrated Systems and Distribution of goods.

The amount of each segment item reported shall be the measure reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing an entity's financial statements and allocations of revenues, expenses, and gains or losses shall be included in determining reported segment profit or loss only if they are included in the measure of the segment's profit or loss that is used by the chief operating decision maker. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by the chief operating decision maker shall be reported for that segment. If an entity changes the structure of its internal organisation in a manner that causes the composition of its reportable segments to change, the corresponding information for earlier periods, including interim periods, shall be restated unless the information is not available and the cost to develop it would be excessive. Following a change in the composition of its reportable segments, the entity discloses whether it has restated the corresponding items of segment information for previous periods.

If the Entity has changed the structure of its internal organisation in a manner that causes the composition of its reportable segments to change and if segment information for earlier periods, including interim periods, is not restated to reflect the change, the Entity shall disclose in the year in which the change occurs segment information for the

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

current period on both the old basis and the new basis of segmentation, unless the necessary information is not available and the cost to develop it would be excessive.

Segmentation was performed for the income statement down to the gross profit level by presenting revenue and cost of sales for the following relevant segments: software services, software products, merchandise distribution and other services. Expenses related to the sale of products and services as well as marketing expenses have been considered as overheads. For assets and liabilities, the Company does not track these items by segment, as they are not relevant to the Company's business.

2.7. New IFRS standards and amendments

a) Initial application of new amendments to existing standards for current reporting period

The following amendments to existing standards issued by International Accounting Standards Board (IASB) and adopted by EU are effective for reporting periods beginning on or after January 1, 2023:

- **Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements** – Presentation of accounting policies (effective for reporting periods beginning on or after January 1, 2023). The Company reviewed the accounting policies and applied the concept of „materiality” in the presentation of the accounting policies;
- **New Standard – IFRS 17 Insurance Contracts**, including amendments to IFRS 17 issued by IASB effective on and after January 1, 2023 – without effects on the 's financial statements;
- **Amendments to IAS 8 Accounting Policies**, changes in Accounting Estimates and Errors – Definition of accounting estimates (effective for reporting periods beginning on or after January 1, 2023) – without significant impact on the 's financial statements;
- **Amendment to IAS 12 Income Taxes** – Deferred tax related to Assets and Liabilities arising from a single transaction (effective for reporting periods beginning on or after January 1, 2023) - without significant impact on the 's financial statements;

b) Standards and amendments to existing standards issued by IASB and adopted by the EU, but which are not yet effective

- **Amendments to IFRS 16 Leases** – Liability in sale and leaseback (mandatorily effective for periods beginning on or after January 1, 2024);
- **Amendments to IAS 1 Presentation of Financial Statements** - Classification of Liabilities as Current or Non-Current (mandatorily effective for periods beginning on or after January 1, 2024);

c) Standards and amendments to existing standards issued by IASB, but which were not adopted by the EU

Currently, IFRS as adopted by the EU do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), with the exception of the following new standards and amendments to existing standards, which were not approved for use in the EU on the publication of the individual financial statements (the effective dates mentioned below are for the IFRS standards issued by the IASB):

- **Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments** – Supplier Finance Agreements (effective date established by the IASB: January 1, 2024)
- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates** (effective date established by the IASB: January 1, 2025)
- **Amendments to IFRS 14 – Regulatory Deferral Accounts** (effective date established by the IASB: January 1, 2026)

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

- **Amendments to IFRS 10 and IAS 28** The sale of assets or the contribution with assets between an investor and the entities with which he is associated and subsequent amendments (the effective date has been postponed indefinitely by IASB. The anticipated implementation of the standard is allowed);

The Company anticipates that, by applying these new standards and amendments to the existing standards, the Financial Statements of the Company

will not be significantly impacted during the initial implementation period.

3. PROFESSIONAL JUDGEMENT, ESTIMATES AND ASSUMPTIONS

In preparing Company's financial statements, management made professional judgements, estimates and assumptions that affect the application of the accounting policies and the reported value of revenues, expenses, assets, and liabilities. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

The Company based its assumptions and estimates on information available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Main judgements on financial statements preparation are:

- **Revenue recognition from selling Track GPS monitoring solution** – presented in Note 32 and Note 5

Significant estimates on financial statements preparation are:

- **Determining the purchase price of subsidiaries** – presented in Note 18 „Shares held in affiliated entities“;
- Estimation of the recoverable value of investments in subsidiaries - presented in Note 18 "Shares held in affiliated entities"
- **Estimation of the recoverable value of development expenses** - presented in Note 17 "Intangible assets"
- **Duration of leasing contracts and discount rate** - presented in Note 21 "Leasing";
- **Adjustments for losses in value of financial assets** - presented in Note 34
- **Recognition and settlement of share-based employee payment program** - presented in Note 9

4. TURNOVER

	FY 2023	FY 2022
Turnover:		
Software services	224,677,840	186,165,876
Software products	42,007,506	41,243,883
Distribution of goods	-	1,216,542
Total turnover	266,685,347	228,626,301

	FY 2023	FY 2022
Turnover – geographic regions		
Romania*	203,261,741	158,893,497
Europa (excluding Romania)	27,090,166	31,264,465
USA	35,877,157	37,614,061
Asia & The Middle East	456,283	854,278
Total turnover	266,685,347	228,626,301

* Software services revenues billed in Romania represent services provided to customers in Europe but for tax reasons are billed in Romania because these customers have a local subsidiary. These software services revenues represent 80% of the total turnover recorded in Romania.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Globally, the demand for software products and services continues to be on an upward trend as companies and organisations continue to need to digitise their processes. To perform in a competitive market, the software development industry constantly requires access to excellent resources in increasing numbers. In the area of software products such as fleet management, business optimisation, digital payments, HR solutions, implementation of digitisation projects in the public sector, the market is also growing due to the challenges and the economic and social context of recent years. „Software services” recorded an increase in turnover of 38.5 million lei (21%) during 2023 compared to 2022.

Revenues from software services are mainly recorded at a point in time when the service is provided to the customer.

Revenues from „Software products” segment increased by 0,8 milion lei (2%), compared to the previous year.. Revenues from software products are recorded over time as services are provided to customers.

Globally, demands for services and software products are constant, as companies and organizations continue to need to digitize their processes. In the area of software products, such as fleet management, business optimization, digital payments, the market is also experiencing growth due to the challenges and the socio-economic context of recent years.

At the beginning of 2022, the activity of merchandise distribution, within the Products segment of the Company, was transferred to another entity as it was not one of the strategic development directions of AROBS.

The following table shows the structure of significant customers by business segment:

Business segments	Top clients 2023	% of turnover	Top clients 2022	% of turnover
Software Services	Client 1	41.39%	Client 1	38.22%
	Client 2	9.50%	Client 2	9.21%
	Client 3	6.76%	Client 3	8.08%
	Client 4	5.18%	Client 4	5.42%
	Client 5	5.09%	Client 5	3.88%
Software products	Client 6	0.66%	Client 6	0.7%
	Client 7	0.49%	Client 7	0.37%
	Client 8	0.14%	Client 8	0.18%

Cost of carrying out contracts with customers

Cost of carrying out contracts with customers – GPS monitoring services

	OB 2022	CAPITALISATION 2023	DEPRECIATION 2023	CB 2023
GPS Monitoring services	804,855	1,264,339	1,299,056	770,138

Deffered revenue – contract performance obligations

	Balance at 31.12.2023	Balance at 31.12.2022	Balance at 31.12.2021
Deffered revenue, out of which:	3,535,709	3,988,373	3,601,056
Long term	3,262,205	3,480,580	3,126,455
Short term	273,503	507,793	474,600

Deffered revenue was recorded on the basis of medium and long term customer contract agreements and mainly relates to fleet monitoring services.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

5. COST OF SALES

5.1. Cost of sales - Software services

	FY 2023	FY 2022
Salary Expenses	90,377,617	48,822,073
Cost with Employee stock option plan	7,393,189	2,450,924
Third party expenses	65,354,174	73,557,169
Property plant and equipment depreciation and amortization	4,652,272	3,797,812
Other operating expenses	2,611,267	1,212,439
Cost of sales Software Services	170,388,519	129,840,416

The cost of sales of software services consists of salaries and benefits (including ESOP costs) of directly productive staff involved in the delivery of these services, the cost of services performed by third parties related to software services projects, depreciation of equipment used and other operating expenses necessary for the delivery of software services: rent and energy and water costs, travel expenses, insurance and commissions and fees.

Cost of sales of software services increased by 40.5 million lei compared to the previous year, mainly due to the increase in salary expenses followed by the increase in ESOP. The increase in salary expenses in the software services area was driven by increased employee costs to maintain competitiveness in the market.

Services contracted from third parties represented, during 2023, mainly expenditure on software and IT consulting services, recruitment services, participation in fairs and conferences.

In the category of "Other operational expenses" are included revenues from subsidies related to turnover.

5.2. Cost of sales – Software products

	FY 2023	FY 2022
Salary Expenses	5,556,157	3,572,942
Employee stock option plan costs	518,581	341,152
Property plant and equipment depreciation and amortization	3,186,931	3,397,802
Third parties expenses	2,259,990	2,748,247
Cost of goods sold	2,762,319	3,176,553
Other operating expenses	3,710,643	3,784,192
Cost of sales software products	17,994,623	17,020,888

The cost of sales of software products consists of salaries and benefits (including ESOP expenses) of directly productive personnel involved in the delivery of these products and the provision of related services, the cost of equipment sold, depreciation of equipment used and other operating expenses necessary for the delivery of software products and the provision of related services: telecommunication services, rent and energy and water costs, travel expenses, fuel, maintenance and repairs. Services contracted from third parties during 2023 mainly represented services with installations of monitoring devices and software services.

The increase in salary expenses in the area of software services and software products was generated by increased employee costs in order to maintain competitiveness in the market through salary increases and stock options offered under ESOP programmes during the year.

The increase in expenditure on services performed by third parties is in line with the expansion of the business and the development of new internal products.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

6. SALES AND MARKETING EXPENSES

	FY 2023	FY 2022
Salary Expenses	4,337,244	3,531,512
Employee stock option plan costs	214,735	172,813
Marketing and advertising expenses	2,592,987	1,971,377
Third parties expenses	356,063	299,801
Property plant and equipment depreciation and amortization	283,352	342,136
Other operating expenses	158,888	-
Sales and marketing expenses	7,943,270	6,317,639

Sales and marketing expenses consist of salaries and benefits (including ESOP costs) of sales and marketing staff, protocol, advertising and publicity expenses and services performed by third parties generated by the Company's promotional activities.

7. GENERAL & ADMINISTRATION EXPENSES

	FY 2023	FY 2022
Salary Expenses	15,060,599	10,037,916
Employee stock option plan costs	7,564,774	1,545,931
Property plant and equipment depreciation and amortization	3,088,179	2,021,513
Third parties expenses	7,188,923	6,180,261
Other operating expenses	4,616,607	5,618,523
Transportation expenses	1,531,232	1,303,597
Depreciation of current assets	1,556,698	(469,981)
Subsidiary acquisitions expenses	1,382,611	600,464
General & Administration expenses	41,989,623	26,838,224

General and administrative expenses comprise salaries and benefits (including remuneration in equity instruments) of staff in the management, administrative, procurement, finance, legal, management, labour protection, human resources and IT support departments and of expenses for services performed by third parties, consultancy expenses, rental expenses and other expenses incurred in the administration of the Company.

The increase in general and administrative expenses is consistent with the expansion of the business and the development of domestic products. In addition to the increase in salary and ESOP costs carried out during the year, a significant contribution to the increase in expenses was made by the costs of contracted services from third parties and the depreciation expenses of fixed assets and the right of use of leased assets. Costs related to acquisitions of subsidiaries refer to amounts paid to consultants and attorneys contracted for these transactions and to additional amounts paid under the acquisition agreements of the subsidiaries.

8. EMPLOYEE BENEFITS EXPENSES

	FY 2023	FY 2022
Salary Expenses	111,195,752	61,786,676
Employee social security contributions	3,064,961	1,763,202
Meal ticket expenses	2,725,125	1,619,370
Capitalization	(2,539,735)	(1,822,725)
Untaken holidays provision	885,514	2,617,920
Subtotal personnel expenses	115,331,617	65,964,443
Employee stock ownership plan costs	15,691,279	4,510,820

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Total personnel expenses	131,022,896	70,475,262
---------------------------------	--------------------	-------------------

Capitalizations refer to revenues related to the costs incurred in the development of internal products in progress during the year.

The average number of employees during the financial year ended 31 December 2023 and 31 December 2022 was as follows:

	FY 2023	FY 2022
Management	22	26
Administrative	13	8
Purchasing	2	2
Financial	21	16
Legal	4	3
Warehouse keepers	2	2
Marketing	14	10
Research & Development	498	374
Health & safety	2	1
Human resources	18	10
Service – Installations	30	21
IT support	13	9
Sales	30	24
Total	669	505

Salary expenditure during the financial year ended 31 December 2023 and 31 December 2022 was as follows:

	FY 2023	FY 2022
Management	6,091,120	3,210,961
Administrative	1,271,466	973,019
Purchasing	257,469	194,604
Financial	3,374,588	1,946,037
Legal	579,415	389,207
Warehouse keepers	175,627	194,604
Marketing	1,320,257	1,264,924
Research & Development	89,291,036	45,731,870
Health & safety	130,625	97,302
Human resources	1,817,751	1,167,622
Service – Installations	2,308,412	2,627,150
IT support	2,067,003	1,070,320
Sales	2,510,983	2,919,056
Total salary expenses	111,195,752	61,786,676

Expenses with benefits in the form of the entity's own shares (or other equity instruments) during financial year ended 31 December 2023 and 31 December 2022, respectively were:

	FY 2023	FY 2022
Management	12,103,484	2,141,519
Administrative	29,087	59,933
Purchasing	14,822	17,376
Financial	108,460	93,870
Legal	50,437	17,994
Warehouse keepers	3,992	5,400
Marketing	54,540	33,754
Research & Development	3,112,368	1,847,497
Health & safety	1,146	6,447
Human resources	39,412	43,594

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Service – Installations	41,922	118,824
IT support	49,662	54,338
Sales	81,946	70,275
Total	15,691,279	4,510,820

Salary expenses increased from the previous year due to the increase in the average number of employees from 505 in 2022 to 669 in 2023. Salary expenses have also increased with the aim of maintaining competitiveness in the market and providing the necessary resources for ongoing projects through salary increases and stock options offered under ESOP programmes run during the year. Staff entitlements are recorded in the accounts with the deduction of the related contributions and taxes established in accordance with the legislation in force. Staff settlements comprise salary entitlements, bonuses, allowances for rest leave and temporary incapacity for work paid from the salary fund, and other entitlements in cash and/or in kind owed by the company to staff for work performed.

Gross salaries in 2023 for the Executive Management of the Company amounted LEI 1.565.478 and the expense recorded in 2023 for the shares awarded to management amounted LEI 6.022.091.

ESOP – Employee Stock Option Plan

ESOP value is established on the date the stock option is granted. The expense recorded is based on the market price from the date of granting the stock option and is recognized systematically as the services are rendered and until the vesting criteria are met. The vesting criteria for ESOPs are seniority within the company and employee status.

Benefits in the form of the entity’s own shares (or other equity instruments) granted to employees are recognized separately in the equity accounts at the fair value of those equity instruments at the date those benefits are granted. Recognition of expenses relating to employees' work occurs when the work is performed. The grant date is the date on which the entity and the employee beneficiaries of those instruments understand and accept the terms and conditions of the transaction, except that if the arrangement is subject to a subsequent approval process (for example, by shareholders), the grant date is the date on which that approval is obtained. For equity instruments granted that vest immediately on the grant date, employees are not required to complete a specified period of service before becoming unconditionally entitled to those equity instruments and, in the absence of evidence to the contrary, the entity shall treat the services rendered in exchange for the equity instruments as already having been received. In this case, the related expenses shall be recorded in full against the equity accounts at that time. For equity instruments granted that vest only after employees have completed a specified period of service, the related expenses are recognised as the services are rendered, over the vesting period, against the equity accounts. The amount recognised as an expense shall be based on an estimate of the number of equity instruments that will vest, and this estimate shall be revised if subsequent information indicates that the number of equity instruments expected to vest is different from previous estimates so that, at vesting date, that estimate equals the number of equity instruments that vest.

In the steps concerning the repurchase of own shares in order to implement the Stock Option Plan, the provisions of Law 31/1990 presented below were also taken into account:

Art. 1031.- (1) A company may acquire its own shares, either directly or through a person acting in his own name but on behalf of that company, subject to the following conditions:

- a. Authorization to acquire own shares shall be granted by the Extraordinary General Meeting of Shareholders, which shall determine the conditions of such acquisition, in particular the maximum number of shares to be acquired, the duration for which the authorization is granted, which may not exceed 18 months from the date of registration in the Commercial Register and in the case of acquisition for consideration, the minimum and maximum value of the shares.
- b. The nominal value of own shares acquired by the company, including those already in its portfolio, may not exceed 10% of the subscribed share capital;
- c. The transaction may only relate to fully paid shares;

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

- d. Payment for the shares so acquired shall be made only out of the distributable profits or available reserves of the company shown in the last approved annual financial statements, excluding legal reserves.

If own shares are acquired for distribution to company's employees, the shares so acquired must be distributed within 12 months of the date of acquisition.

Article 104. – (1) Restrictions provided in art. 1031 do not apply to:

- a. Shares acquired in accordance with art. 207, par. (1), let.c), following a decision of the general meeting to reduce the share capital;
- b. Shares acquired through a transfer of shares with universal title
- c. Fully paid-up shares acquired by virtue of a court judgment in an enforcement procedure against a shareholder who is a debtor of the company;
- d. Fully paid-up shares acquired free of charge

(2) The restrictions laid in article 1031, except for the restriction lade in article 1031, paragraph 1 letter d), do not apply to shares acquired in accordance with article 134.

Art. 1041. - (1) Shares acquired in violation of Articles 1031 and 104 must be disposed of within one year of acquisition.

(2) If the nominal value of own shares acquired by the company according to provisions of Art. 104, par. (1), let. b)-d), directly or through an agent acting in its own name, but on behalf of the company, including the nominal value of existing own shares in the company;s portfolio, is grater than 10% of the subscribed share capital, the shares that exceed this percentage will be disposed within 3 years from aquisition.

(3) If the shares are not disposed of in the time limits established in par. (1) and (2), then these have to be cancelled, and the company has to reduce its subscribed share capital accordingly.

9. CATEGORIES OF EXPENSES

	FY 2023	FY 2022
Salary Expenses	115,331,617	65,964,443
Employee stock ownership plan costs	15,691,279	4,510,820
Third paty expenses	75,159,151	82,785,478
Property plant and equipment depreciation expenses	11,210,735	9,559,263
Other operating expenses	11,333,119	10,887,362
Cost of goods sold	2,762,319	4,608,607
T & E and advertising expenses	2,592,987	1,971,377
Adjustments for the depreciation of noncurrent assets (expense)	1,556,698	(469,981)
Transportation expenses	1,531,232	1,303,597
Subsidiary acquisitions expenses	1,382,611	600,464
Total	238,316,034	181,452,732

10. OTHER INCOME

	FY 2023	FY 2022
Other operating revenues	291,382	547,458
Net revenue from the sale of current assets	160,577	105,943
Total	451,959	653,401

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

11. REVENUE AND EXPENSES RECONCILIATION BY BUSINESS SEGMENTS

	SOFTWARE SERVICES		SOFTWARE PRODUCTS		DISTRIBUTION OF GOODS		TOTAL	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from software services	224,677,840	186,165,876	-	-	-	-	224,677,840	186,165,876
Revenue from software products	-	-	42,007,506	41,243,883	-	-	42,007,506	41,243,883
Revenue distribution of goods	-	-	-	-	-	1,216,542	-	1,216,542
Total Turnover	224,677,840	186,165,876	42,007,506	41,243,883	-	1,216,542	266,685,347	228,626,301
Salary Expenses	90,377,617	48,822,073	5,556,157	3,572,942	-	-	95,933,774	52,395,015
Employee stock ownership plan costs	7,393,189	2,450,924	518,581	341,152	-	-	7,911,769	2,792,076
Third party expenses	65,354,174	73,557,169	2,259,990	2,748,247	-	-	67,614,164	76,305,415
Cost of goods sold - equipment	-	-	2,762,319	3,176,553	-	1,432,054	2,762,319	4,608,607
Property plant and equipment depreciation expenses	4,652,272	3,797,812	3,186,931	3,397,802	-	-	7,839,204	7,195,614
Other operating expense	2,611,267	1,212,439	3,710,643	3,784,192	-	3,511	6,321,910	5,000,141
Total cost of sales	170,388,519	129,840,416	17,994,623	17,020,888	-	1,435,565	188,383,142	148,296,869
Gross margin	54,289,321	56,325,460	24,012,884	24,222,995	-	(219,023)	78,302,205	80,329,432
Gross margin %	24%	30%	57%	59%	0%	-18%	29%	35%

Sales and marketing and general administration expenses are unallocated costs.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

12. FINANCIAL RESULT

	2023	2022
Revenues from shares in affiliated entities	23,300,756	-
Net income/(expense) from exchange rate differences	(377,291)	(249,573)
Interest income	3,096,249	1,869,476
Other financial income	166,124	43,646
Interes expense	(2,234,615)	(862,725)
Other financial expenses	(35,742)	(3,733)
Financial result	23,915,482	797,092

Income from shares held in affiliated entities refers to dividends distributed by subsidiaries during 2023.

13. INCOME TAX, MICROENTERPRISE TAX AND DEFERED TAX

	2023	2022
Income tax	5,824,278	6,791,488
Deferred income tax	423,942	(10,986)
Total	6,248,221	6,780,502

The amounts presented relate to revenue and expenditure for each financial year.

	2023	2022
Gross profit	52,736,754	48,624,061
Current period income tax	(5,824,278)	(6,791,488)
Revenue as a result of deferred income tax	(423,942)	10,986
Recalculated net profit	46,488,533	41,843,559

Theoretical rate and effective rate reconciliation

	2023	2022
Result before tax	52,736,754	48,624,061
Restated or adjusted income	182,331	95,042
Restated or adjusted expenses	(3,077,792)	458,581
Profit/loss before tax	55,632,215	48,070,438
Non taxable income	(16,366,419)	(3,029,370)
Non taxable expenses for tax calculation	13,042,010	10,622,145
Legal reserves	(2,753,218)	(2,403,522)
Fiscal Profit/loss	49,554,588	53,259,691
Fiscal loss carried forward/Taxable income	49,554,588	53,259,691
Profit tax	7,928,734	8,521,551
Income tax deductions as per Fiscal Code	2,104,456	2,349,566
Income tax after deductions	5,824,278	6,791,488

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Deferred income tax

	FY 2023	FY 2022	FY 2021
Deferred income tax - receivable	613,356	1,037,298	1,707,582
Total	613,356	1,037,298	1,707,582

The deferred income tax receivable will be recovered based on future profits earned by the Company.

The temporary differences regarding the deferred payment are generated by the following items: assets related to the rights of use of the leased assets, inventories, trade receivables and other receivables, lease liabilities, income in advance, other tangible fixed assets and provisions.

14. EBITDA

EBITDA (Earning Before Interest, Taxes, Depreciation and Amortization) is one of the most widely used indicators of corporate profitability. This indicator helps to show the cash profit generated by the company before depreciation, amortisation, taxes and debt related to the capital structure.

EBITDA is one of the main performance indicators monitored by the Company's management. Individual EBITDA is reconciled to the Company's individual income statement as follows:

	2023	2022
Operating revenue	268,156,146	230,397,785
Operating expenses	226,741,529	172,411,087
EBITDA	41,414,618	57,986,697
EBITDA Margin	15%	25%
ESOP	15,691,279	4,510,820
Normalized EBITDA*	57,105,896	62,497,517
Normalized EBITDA margin*	21%	27%
Depreciation&Provision	11,210,735	9,559,263
Incidental expenses	1,382,611	600,464
Financial result	23,915,482	797,092
Profit before tax	52,736,754	48,624,061
Tax	6,248,221	6,780,502
Net profit	46,488,533	41,843,559
Net profit margin	17%	18%
Normalized net profit**	62,179,812	45,753,915
Normalized net profit margin**	23%	20%

*Normalized EBITDA = EBITDA less SOP expense

**Normalized net profit excludes the non-cash effect of the Stock Option Plans

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

15. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following amounts of profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding:

Basic	2023	2022
Profit	46,488,532	41,843,559
Regular shares in circulation	827,332,139	830,351,947
Basic earnings per share	0.0562	0.0504

Diluted	2023	2022
Profit	46,488,532	41,843,559
Diluted regular shares in circulation	856,620,812	840,951,673
Diluted earnings per share	0.0543	0.0498

16. INTANGIBLE ASSETS

	Research & development expenses	Concessions, patents, licenses, brands and other noncurrent assets	Total
Cost			
31-Dec-21	539,216	11,860,965	12,400,181
Purchases/Transfers	3,782,331	1,292,526	5,074,857
Disposals	(239,014)	-	(239,014)
31-Dec-22	4,082,533	13,153,491	17,236,024
Purchases	3,773,820	78,061	3,851,880
Transfers	-	5,533,952	5,533,952
Disposals	(5,402,708)	-	(5,402,708)
31-Dec-23	2,453,645	18,765,504	21,219,149
Depreciation/Adjustments			
31-Dec-21	0	3,611,518	3,611,518
Period cost	189,036	1,974,214	2,163,250
Disposals	-	-	-
31-Dec-22	189,036	5,585,731	5,774,767
Depreciation/Adjustments			
Period cost	-	1,749,108	1,749,108
Disposals	-	-	-
31-Dec-23	189,036	7,334,839	7,523,875
Net value			
31-Dec-23	2,264,610	11,430,664	13,695,274
31-Dec-22	3,893,497	7,567,761	11,461,258

Intangible assets and development expenses relate to projects to develop and improve the GPS tracking application and other internal products. On December 31, 2023, the budget projections of the division of domestic products monitoring the car fleet for the following years were analyzed and, based on the DCF method, it was found that there are no signs of impairment of these intangible assets.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

17. SHARES IN AFFILIATED ENTITIES

In order to strengthen its position on the market, the company has been pursuing an acquisition policy in recent years. It has transformed itself into an international company, forming partnerships and collaborations with partners and customers in the United States, Canada, Germany, Finland, Switzerland, the Netherlands, Belgium and Italy.

Future Workforce Global SA

At the end of April 2023 Arobs fully acquire Future Workforce Global SA și and its subsidiaries: 100% Future Workforce SRL (Romania), 80% Future Workforce UK (United Kingdom) și 65% Future Workforce GmbH(Germany). FWF by AROBS continued to strengthen its position in intelligent automation and digital transformation with significant increases in the number of new partnerships. One of FwF's success pillars remains its specialization in the financial banking sector, which uses RPA technologies and low-code solutions to deliver complex operations digitization programs. Another remarkable development in 2023 was the increased interest from the public sector in the company's solutions. They have secured their first contract in this sector, an important recognition of their expertise and value in digital transformation in the public sector.

Arobs Pannonia Software Kft

In July 2023, the complete acquisition of Arobs Pannonia Software Kft, based in Budapest, Hungary, a company specialized in fleet management and custom software development, was completed. The acquisition of AROBS Pannonia Software marks a new development perspective in Central Europe, starting with more than 1,000 customers in Hungary.

AROBS Software SRL

The acquisition of AROBS Software SRL was completed in the beginning of February 2023, a transaction with strategic value for software services division development within the Company.

AROBS Polska

For AROBS Polska, where the Company acquired 94% of shareholding, 2023 was a year marked by significant events. The company joined the AROBS and strengthened its position in the European space market. In 2023, AROBS Polska developed quantum communication – especially in a project for the European Space Agency. In addition, the company continued to expand its competencies in controlling mechanisms for space missions, with plans to introduce a dedicated product to this market by the end of 2025. Another significant milestone was the initiation of the first services for the automotive industry, significant project in 2023 that brings AROBS Polska closer to a new technological niche involves the development of Time Sensitive Networking (TSN) for space applications. TSN has significant potential for widespread use by the European Space Agency and the private sector.

AROBS TrackGPS SRL

AROBS TrackGPS SRL from the Republic of Moldova joined the Company in February 2023 following its full acquisition. AROBS TrackGPS SRL is a company with experience in fleet management for companies in all industries, with a portfolio of active clients consisting of approximately 450 companies, with approximately 5,000 monitored vehicles. The integration of the new entity into the Company meant for the fleet management business line of AROBS the consolidation of its presence on the Central and Eastern European market.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

2022 Aquisitions

Berg Software Timișoara

In December 2021 Arobs fully acquired Berg Software, a Romanian software development company, with offices in Timișoara, Lugoj și Oradea. Purchase price was paid in two tranches, the first one in amount of 2,848,800 EUR, being paid upon signing, and the difference of 20% being paid in 18 from contract signing subject to certain conditions fulfillment. Following the transaction AROBS Transilvania Software strengthen its presence in the West part of Romania.

At the time of the acquisition of the Berg Software company, it was agreed that a part of the negotiated purchase price would be paid following the fulfillment of some EBITDA growth objectives, during 2022. This contingent payment was estimated at the value of 312 thousand EURO as of the acquisition and was based on the financial projections of the subsidiary for the year 2022 and for the achievements made up to the date of calculation. Later, in May 2022, the parties renegotiated the final sale price, the contingent debt being reduced by the amount of 125 thousand Euros, payable to the employees of the acquired company and not to the seller. As a result of this change, the value of the participation was updated to the amount mentioned above, being considered a debt to the company's employees. At the end of 2023, the amounts related to this purchase contract have been paid in full.

AROBS Development& Engineering (Enea Software Services România)

In 2022, AROBS Transilvania Software fully acquired ENEA Software Services Romania (currently AROBS Development & Engineering), which was also the largest transaction in the Company's history, with a final value of 17.6 million euros. ENEA provides software design and architecture, development, porting, integration, validation and quality assurance services, with expertise in embedded systems - software and hardware, as well as outsourced R&D in various fields such as medical, maritime and embedded devices. At the date of acquisition, no contingent liabilities were recognised.

Nordlogic

Also in 2022, AROBS Transilvania Software continued its expansion by acquiring Nordlogic specialized in the development of custom software products and platforms. Following this transaction, the company expanded its team in the Software Services division by integrating more than 60 programmers, testers and software development consultants. At transaction signing it was agreed that part of the negotiated price will be paid subsequently subject to certain EBITDA growth target. The formula for this amount was based on an 2022 EBITDA multiple. The contingent payment was estimated to 0 at transaction date based on available financial forecast of the subsidiary for 2022 and on actual performance. At the date of acquisition, no contingent assets or liabilities were recognised.

Deferred tax computed on non-deductible provisions registered in Nordlogic financial statements was deducted from goodwill calculation. At the end of 2023 purchase price amount was paid in full.

Centrul de Soft GPS

At the end of 2022, AROBS Transilvania Software acquired the GPS Centru de Soft, known on the market under the CDS brand, a Romanian company specialized in providing solutions for fleet management. CDS had in its portfolio a number of approximately 1000 clients, which are added to the existing portfolio of AROBS . Through this acquisition, AROBS Transilvania Software has individual its leading position on the fleet management market. At the acquisition date, no contingent obligations were recognised.

The cost related to subsidiaries acquisition transactions were recognised in profit and loss in accordance with IFRS 3, in amount of 137 thousand LEI in 2021, 600 thousand LEI in 2022, and 198 thousand LEI in 2023.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Debts related to participations refer to the amounts that remain to be paid for the purchases made in the period 2021-2023 and which are conditional on the fulfillment of certain performance criteria established by the purchase contracts.

Value of shares in affiliated entities

	31.12.2023	31.12.2022	31.12.2021
AROBS DEVELOPMENT & ENGINEERING S.R.L.	89,370,831	87,823,419	-
FUTURE WORKFORCE	40,951,950	-	-
BERG COMPUTERS S.R.L.	20,435,500	19,710,058	19,305,334
AROBS SOFTWARE S.R.L.	15,377,028	-	-
NORDLOGIC SOFTWARE S.R.L.	15,016,046	14,184,648	-
SAS FLEET TRAKING S.R.L.	14,123,307	14,020,330	14,001,635
AROBS PANNONIA SOFTWARE S.R.L.	6,006,210	-	-
CENTRUL DE SOFT GPS S.R.L.	4,939,617	4,934,766	-
UCMS ROMANIA S.R.L.	2,563,986	2,379,108	2,145,521
AROBS TRACKGPS S.R.L.	2,525,728	-	-
AROBS POLSKA (SYDERAL POLSKA)	811,784	-	-
PT AROBS INDONESIA	521,314	521,314	521,314
SOFTMANAGER S.R.L.	196,439	196,439	196,439
CABRIO INVEST BV	87,705	87,705	87,705
AROBS SOFTWARE SOLUTIONS GMBH	72,504	72,504	72,504
AROBS ETOLL SOLUTIONS S.R.L.	61,423	50,178	-
COSO BE & NL	53,580	-	-
ALTE PARTICIPAȚII	800	800	800
ASOCIATIA TRANSILVANIA IT	250	250	250
AROBS SYSTEMS	200	200	-
Total	213,116,201	143,981,719	36,331,502

The company is required to test, annually, whether the value of the participations in the affiliated entities has suffered any depreciation. The recoverable amount is determined based on value in use calculations. Using this method requires estimating discounted future cash flows and determining a discount rate to calculate the present value of the cash flows. Recoverable values for cash-generating units ("CGUs") that hold a significant proportion of the total goodwill balance have been determined from value-in-use calculations based on cash flow forecasts from officially approved budgets covering a period of five years to December 31, 2028.

The main assumptions are the following:

2023	%	%	%	%	%
Main assumptions	AROBS Development & Engineering	Berg Computers	Nordlogic Software	Arobs Software	Future Workforce
Revenue increase rate	13	10.5	12.4	9.9	15.4
EBITDA average rate	21.7	20	17.5	21	16.7
WACC	16.7	17.4	16.7	23.9	16.4
Perpetuity rate	2	2	2	2.5	2

Main assumptions:

The revenue growth rate for each entity took into account the history of revenue development but also the dynamics of the markets where each company's customers are.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

The average EBITDA growth rate for each entity was estimated based on the historical evolution but also taking into account the estimated evolution of the main categories of expenses, in particular salaries.

The WACC rate was calculated taking into account both the risk of the industry in which each company operates, the country risk taking into account the place of service provision as well as the country where the customer of the services is located and the specific risk of each entity.

Sensitivity analysis

If any of the following changes were made to the key assumptions above, for cash-generating units holding a significant proportion of the total goodwill balance, the carrying amount and recoverable amount would be equal:

2023 Sensitivity analysis	p.% AROBS Development & Engineering	p.% Berg Computers	p.% Nordlogic Software	p.% Arobs Software	p.% Future Workforce
Revenue increase rate	-11	-16.5	-2.5	-2.5%	-5
EBITDA average rate	-6	-10	-1.2	-1.5%	-3
WACC	6	13	+1.3	+1.5%	3

18. TANGIBLE ASSETS

	Buildings	Plant, machinery and motor vehicles	Other instalations and fixtures and fittings	WIP Tangible assets	Total
Cost					
31-Dec-21	5,025,545	14,617,959	3,424,320	207,221	23,275,045
Purchases/Transfers	332,348	2,466,063	1,074,136	2,469,062	6,341,609
Disposals	-	(240,949)	(156,727)	(1,729,435)	(2,127,111)
31-Dec-22	5,357,893	16,843,072	4,341,729	946,848	27,489,542
Purchases	274,024	306,243	311,804	631,778	1,523,849
Transfers	54,979	2,682,380	330,589	698,653	3,766,602
Disposals	(182,224)	(981,556)	(95,893)	(1,933,217)	(3,192,890)
31-Dec-23	5,504,672	18,850,139	4,888,230	344,062	29,587,103
Amortizare/Ajustări					
31-Dec-21	4,027,809	10,326,647	2,631,016	-	16,985,472
Period cost	400,760	1,265,692	443,189	-	2,109,641
Disposals	-	(228,833)	(156,727)	-	(385,560)
31-Dec-22	4,428,569	11,363,506	2,917,478	-	18,709,553
Amortizare/Ajustări					
Period cost	687,061	1,983,731	752,390	-	3,423,182
Disposals	(182,224)	(537,961)	(92,397)	-	(812,582)
31-Dec-23	4,933,406	12,809,276	3,577,471	-	21,320,152
Net value					
31-Dec-23	571,266	6,040,863	1,310,758	344,062	8,266,951
31-Dec-22	929,324	5,479,566	1,424,251	946,848	8,779,990

Tangible fixed assets mainly refer to laptops, switches, workstations and other equipment, as well as fittings of the leased premises where the activity is carried out. Also, the equipment rented in the fleet monitoring activity is included in the position of technical installations and machines.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

19. FINANCIAL ASSETS

Net value	31.12.2022	31.12.2022	31.12.2021
Affiliated company shares	212,955,994	143,821,510	36,331,502
Loans to affiliated and related parties	18,685,471	8,757,419	1,788,501
Other long term investments	2,220,548	2,331,043	-
Guarantees and other financial assets	748,304	1,594,994	857,752
Total	234.610.316	156.504.966	38.977.755

The increase in the value of loans in 2023 compared to the previous year is mainly due to the reclassification of some short-term loans to long-term loans as a result of the renegotiation of the collection terms with the related parties to whom these loans were granted.

Part of these loans granted to related parties have been fully adjusted, the amount of the adjustments at 2023 being 2,758,835 lei.

Long term loans granted are presented below:

Loans granted by AROBS to ONLINE SOFTWARE SYSTEMS	31.12.2023	31.12.2022	31.12.2021
Loan value	1,190,697	1,304,187	1,354,187
Interest value	111,521	118,031	118,030
Total	1,302,218	1,422,218	1,472,217

The loan was granted for investment opportunities and working capital. At December 31, 2023, the loan amount is fully adjusted.

Loan granted by AROBS to INVESTO CORP	31.12.2023	31.12.2022	31.12.2021
Loan value	1,004,945	1,039,450	1,079,450
Interest value	132,936	138,431	138,431
Total	1,137,881	1,177,881	1,217,881

The loan was granted to cover immediate investment needs in developing an online platform that incorporates the main processes, entities and working tools that ensure the monitoring, collection, transmission, localization and processing of data and information so as to provide optimal and efficient solutions for investment management. As of December 31, 2023, the loan amount is fully adjusted.

Loan granted by AROBS to INOVO FINANCE	31.12.2023	31.12.2022	31.12.2021
Loan value	148,904	158,090	158,090
Interest value	41,618	42,432	42,432
Total	190,522	200,522	200,522

This loan was granted for immediate working capital needs. As of 31 December 2023 the loan amount is fully adjusted.

Guarantees granted and guarantees received

The guarantees in balance as of 31 December 2023, amounting 739,174 lei, are detailed below:

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Guarantees	31.12.2023	31.12.2022	31.12.2021
Building lease	716,561	687,649	748,466
Guarantees for adequate execution	3,984	884,859	-
Economic mission EC	-	-	2,000
Auctions	11,628	13,357	21,081
Other	7,000	-	77,075
Total	739,174	1,585,864	848,622

20. LEASING

The Company has lease agreements for various elements of buildings and vehicles used in its operations. Building leases generally have rental terms between 3 and 15 years, while cars and other equipment generally have rental terms between 3 and 5 years. The 's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from divesting and subletting leased assets, and some contracts require the Company to maintain certain financial indicators.

There are several leases that include extension and termination options and variable lease payments, which are further disclosed below.

The carrying amounts of recognised right-of-use assets and movements during the period are shown below:

	Land and buildings	Transport vehicles
Balance at 31.12.2021	12,131,796	1,448,933
Purchases	3,398,212	520,562
Derecognition of right of use assets	(2,018,148)	-
Accumulated depreciation	(6,516,930)	(1,135,547)
Balance at 31.12.2022	6,994,930	873,948
	Land and buildings	Transport vehicles
Balance at 31.12.2022	13,511,859	2,009,495
Purchases	4,413,985	1,897,902
Accumulated depreciation	(10,432,284)	(1,942,720)
Balance at 31.12.2023	7,493,561	1,964,676

The right-of-use liabilities recognised and movements during the period are listed below:

Balance at 31.12.2021	Leasing payments	Additions	Disposals	Interest	Net exchange difference	Balance at 31.12.2022
11,480,339	(5,256,852)	4,711,756	(1,675,701)	184,980	(15,030)	9,429,492
Balance at 31.12.2021	Leasing payments	Additions	Disposals	Interest	Net exchange difference	Balance at 31.12.2022
9,429,492	(5,872,255)	6,842,989	-	218,686	29,223	10,648,136

Commitments and contingencies - Leasing

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Future lease obligations for the right to use assets (including interest) under IFRS 16 that fall due after the reporting date are presented as follows:

	31.12.2023	31.12.2022	31.12.2021
T0 (Under 1 year)	4,300,037	4,522,365	4,490,122
TL 1 (1-5 years)	7,106,755	5,181,133	7,244,042
TL 2 (Over 5 years)	-	22,800	167,374
Total	11,406,792	9,726,299	11,901,538

Lease contracts term and discount rate – significant estimates:

AROBS applied the following provisions in accordance with IFRS 16 and IFRS 1:

- applying a single discount rate to a leasing portfolio with reasonably similar characteristics
- the application of the requirements regarding leasing contracts for which the leasing term ends within 12 months from the date of transition to IFRSs, namely their non-classification as leasing contracts.
- the application of the requirements regarding leasing contracts for which the underlying asset is of low value, i.e. not classifying them as leasing contracts.
- exclusion of initial direct costs from the measurement of the right to use asset at the date of transition to IFRS.
- Recognition of a right to use asset at the same value as the leasing liability from the date of transition to IFRS.

AROBS rents office spaces and cars for a period between 2 and 7 years. Leasing contracts are concluded both in LEI and in EUR.

The Company determined the discount rate used to apply the provisions of IFRS 16 based on the interest rate applied by financial institutions in credit agreements with Companies for loans with the same characteristics as leasing agreements, in terms of the asset used, currency and maturity.

21. INVENTORIES

	31.12.2023	31.12.2022	31.12.2021
Raw materials	250,842	381,048	376,699
Work in progress - services	-	45,940	575,164
Goods purchased for resale	864,256	1,195,215	2,223,258
Advances to suppliers	378,537	271,545	88,020
Total	1,493,635	1,893,749	3,263,141

The decrease in the balance of inventories at 31.12.2023, compared to 2022, is mainly due to giving up to the business segment related to the distribution of goods.

Inventory adjustments are calculated according to age, namely: 30% of the entry value for stocks between 181 and 365 days old and 100% of the value of stocks older than one year and with slow movement. The value of adjusted stocks for 2023 is 1,045,248 lei, being at a similar level to the previous year.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

22. TRADE AND OTHER RECEIVABLES

	Balance at 31.12.2023	Balance at 31.12.2022	Balance at 31.12.2021
Trade receivables	61,279,859	46,347,016	32,352,146
Customers - invoices to be issued	3,803,343	1,086,250	5,288,349
Adjustments for trade receivables	(2,968,637)	(2,455,116)	(2,886,351)
Trade receivables – affiliated entities	5,768,960	7,125,313	3,035,556
Adjustments for claims from affiliated entities	(2,548,002)	(1,459,361)	(708,356)
Subsidies	195,573	535,818	12,046
Other receivables	2,910,555	1,097,446	907,700
Advances to suppliers	79,365	282,711	143,608
Total	68,521,017	52,560,078	38,144,699
Loans granted – affiliated entities	9,192,978	17,948,527	18,463,937
Deferred expenses, out of which:	1,323,501	1,613,259	1,632,277
Long term	147,545	2,890	3,902
Short term	1,175,956	1,610,369	1,628,375
Total deferred income and revenue	79,037,496	72,121,864	58,240,914

The increase in trade receivables is due to business expansion. For customer receivables - outstanding invoices at the end of the year, invoices were recorded at the beginning of 2024 related to the provision of services from 2023. According to IFRS 9, the recording of receivables impairment adjustments is recorded based on the depreciation rates, calculated on seniority intervals. At the end of each financial year, bad debts are analyzed and adjusted by 100%.

Other receivables represent amounts overpaid for income tax and sick leave to be recovered.

Loans granted to affiliated entities are detailed in the related party note NOTE 30 RELATED PARTIES AND AFFILIATED PARTIES.

Receivables ageing	Balance at 31.12.2023	Balance at 31.12.2022	Balance at 31.12.2021
Nescadent	33,521,157	33,918,158	21,532,456
0-30	14,176,411	6,272,594	3,162,748
31-90	9,935,784	2,871,950	4,238,756
91-360	1,195,385	1,174,203	848,642
Peste 360	2,451,122	2,110,112	2,569,544
Total	61,279,859	46,347,016	32,352,146

Software services	Expected average loss rate	2023	2022	2021
Not due	0.24%	32,205,315	32,817,458	20,615,121
1-30	0.32%	13,639,771	5,579,135	2,811,622
31-60	2.08%	9,242,519	1,782,505	2,733,670
61-90	3.96%	617,015	771,091	1,039,454
91-180	5.92%	1,066,429	702,341	242,225
181-270	48.94%	106,873	27,084	36,196
271-360	59.18%	(2)	88,426	128,814
Over 360	99.62%	684,383	347,569	516,246
Total		57,562,303	42,115,608	28,123,348

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Software products – GPS tracking	Expected average loss rate	2023	2022	2021
Not due	0.55%	1,290,628	1,112,893	874,543
1-30	1.00%	536,974	702,187	337,983
31-60	4.81%	45,605	230,982	245,342
61-90	14.96%	31,004	87,306	49,349
91-120	25.91%	12,224	86,168	46,064
Over 120	33.34%	796,558	994,249	1,281,782
Total		2,712,993	3,213,785	2,835,063

Distribution	Expected average loss rate	2023	2022	2021
Not due	2.91%	25,214	(12,194)	42,793
1-30	3.65%	(334)	(8,728)	13,142
31-60	5.40%	-	-	161,048
61-90	6.56%	(359)	66	9,893
91-180	6.97%	(1,912)	684	44,923
181-270	8.96%	(3,820)	331	76,989
271-360	17.00%	(3,995)	9,407	8,531
Over 360	68.36%	989,770	1,028,056	1,036,415
Total		1,004,562	1,017,623	1,393,734

Impairment losses related to trade receivables and assets related to contracts with customers as well as related to loans granted.

To estimate the potential losses related to trade receivables and assets related to contracts with customers, the Company used a calculation model based on the analysis of revenue collection behavior by aging periods in the last three financial years. Trade receivables and assets related to contracts with customers were ed by category according to the services provided, namely: software services and other services, software products – GPS monitoring. Based on the analysis, a historical weighted average rate of impairment was determined for each aging period, which was applied to the outstanding balance of receivables at December 31, 2023 for each category of receivables mentioned above.

Contractual assets are initially recognised for revenue from services provided by the Company, since receipt of consideration is conditional on successful completion of services and delivery of goods. Upon completion of services, delivery of goods and acceptance by the customer, amounts recognised as contract assets are reclassified into trade receivables.

23. CASH AND CASH EQUIVALENTS

	Balance at 31.12.2023	Balance at 31.12.2022	Balance at 31.12.2021
Cash at bank and deposits in lei	12,652,369	27,612,002	43,528,417
Cash at bank and deposits in foreign currencies	45,525,982	44,922,284	44,384,228
Petty cash	44,908	102,993	150,944
Bonds and deposits	302,033	523,375	-
Other short term financial investments	35,345	20,359	-
Interest pertaining to bonds	-	14,985	-
Amounts under settlement	4,522	105,089	140,088
Other cash equivalents	166	-	1,008
Total	58,565,325	73,301,088	88,204,684

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Balance of foreign and domestic currencies Current account	Balance at 31.12.2023	Balance at 31.12.2022
LEI	12,652,369	27,612,002
EUR	33,382,461	36,744,245
USD	12,125,332	8,101,659
GBP	17,696	12,446
Other currencies	493	63,934
Total	58,178,350	72,534,286

Cash and cash equivalents varied during 2023 as a result of the normal conduct of business, as well as the raising of additional funds from bank loans to meet the acquisition target proposed by the Company.

Cash in the bank bears interest at the daily interest rate when deposits are made. Short-term deposits are made for different periods of time between 1 day and 3 months, depending on the cash needs of the Company and accrue interest at the corresponding interest rates.

24. TRADE AND OTHER PAYABLES

	Balance at 31.12.2023	Balance at 31.12.2022	Balance at 31.12.2021
Suppliers	3,244,623	4,585,491	2,721,542
Client advances	176,002	374,905	268,070
Fixed asset suppliers	40,729	40,837	-
Suppliers - invoices to be received	563,861	3,543,530	2,093,927
Suppliers – affiliated entities	1,867,946	2,409,055	1,178,181
Employees - salaries payable	6,083,237	4,111,998	2,987,320
Company’s contribution to social security	3,444,089	2,293,444	1,701,370
Other debts payable to the Treasury	2,268,579	2,111,545	1,803,648
Sundry debtors	-	5	4
Charges pertaining to leasing contract	-	123,773	139,326
Other payables	58,929	31,775	571,208
Total	17,747,995	19,626,357	13,464,597

25. BANK LOANS

	Sold la 31 Decembrie 2023	Sold la 31 Decembrie 2022	Sold la 31 Decembrie 2021
Long terms bank loans	69,963,604	65,202,609	2,226,645
Short term bank loans	-	2,762,927	-
Total	69,963,604	67,965,537	2,226,645

Bank loans by due date:

	Balance at 31.12.2023	Balance at 31.12.2022	Balance at 31.12.2021
Bank loans due up to 1 year	20,122,257	18,470,922	2,226,645
Bank loans due between 1 and 5 years	49,841,347	49,494,614	-

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Bank loans due over 5 years	-	-	-
Total	69,963,604	67,965,537	2,226,645

Bank loans contingencies

At 31.12.2023 AROBS TRANSILVANIA SOFTWARE SA (The Company) has a short term bank loan in value of 2,137,500 EUR (10,633,208 lei) which is due on 27.02.2026 and a loan of 9,583,334 EUR (47,673,253 lei) with a due date on 31.05.2027. The Company also benefits from a loan of 4,350,000 EUR (21,639,510 lei) that is due on 14.08.2028. All of the three loans are contracted with Citi Bank.

The interest related to these loans is according to the contracts negotiated between the parties. The loans are guaranteed by the company through:

- Mortgage on bank accounts with Citi;
- Assignment of third party claims acceptable to Citi;
- Mortgage on the entire stock of goods;
- Mortgage on all shares of the Joint Debtor S.A.S FLEET TRACKING SRL (former S.A.S GRUP SRL), entirely owned by the Company;
- Mortgage on bank accounts of S.A.S FLEET TRACKING SRL (former S.A.S GRUP SRL) opened with Citi;
- Mortgage on the entirety of receivables to be received by S.A.S FLEET TRACKING SRL (former S.A.S GRUP SRL) from third parties acceptable to Citi;
- A mortgage on a generality of claims relating to the following two types of activities: GPS Tracking services (GPS Track Monitoring), wholesale of GPS navigation systems and „software outsourcing” services;
- Mortgage on all shares of BERG COMPUTERS SRL, entirely owned by AROBS TRANSILVANIA SOFTWARE;
- Mortgage on the bank accounts of the Joint Debtor BERG COMPUTERS SRL;
- Mortgage on the entirety of receivables to be received by BERG COMPUTERS SRL from third parties;
- Mortgage on all shares of AROBS DEVELOPMENT & ENGINEERING SRL entirely owned by the Borrower AROBS TRANSILVANIA SOFTWARE SA;
- Mortgage on the bank accounts of AROBS DEVELOPMENT&ENGINEERING SRL (formerly ENEA SERVICES ROMANIA SRL), opened with Citi;
- Mortgage on the entirety of receivables to be received by AROBS DEVELOPMENT&ENGINEERING SRL from third parties acceptable to Citi.
- Mortgage on the entirety of receivables to be received by AROBS SYSTEMS SRL;
- Mortgage on the entirety of receivables to be received by FUTURE WORK FORCE SRL;
- Mortgage on the entirety of receivables to be received by FUTURE WORK FORCE SRL from third parties acceptable for Citi;
- Mortgage on all shares of FUTURE WORKFORCE SRL, entirely owned by FUTURE WORKFORCE GLOBAL SA;
- Mortgage on all FUTURE WORKFORCE GLOBAL SA shares, fully owned by the Borrower AROBS TRANSILVANIA SOFTWARE SA and CABRIO INVESTMENTS SRL;

Obligations:

- The company undertakes to run through its bank accounts an amount of money that is equivalent to at least 80% of its business volume, i.e. the receipts from third parties on its bank accounts must represent the equivalent of at least 80% of its turnover, but not less than the equivalent of €3,300,000 per month. If this condition is not met, the bank charges a fee of 0.25% per quarter of the maximum amount of the facility contracted.
- The Company undertakes not to distribute and/or pay dividends without the Bank's prior written consent for amounts exceeding EUR 1,000,000 cumulatively during a calendar year.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

- The Company undertakes to maintain the "Debt Service" ratio greater than or equal to 1.5x for the duration of its obligations under the contract.
- The Company undertakes to maintain a "Financial Leverage Ratio" of less than 3.5x for the duration of its contractual obligations.
- The Borrower undertakes to notify the Bank if it takes out Bank Loans from other financial-banking institutions.
- The Company undertakes to notify the Bank in the event that it considers a transaction of acquisitions of shares in another company that exceeds 10% of the value of the assets of this Borrower on 31.12.2022 as soon as there is reasonable assurance regarding the materialization of the transaction. The information may be provided under a Confidentiality Agreement before the information becomes public and will contain as a minimum: company name, details regarding the scope of activity and number of employees, motivation behind the acquisition / strategy, shareholding.
- Specific obligations arising from the use of the type of credit provided for in the contract negotiated between the parties;
- In the event that the company FUTURE WORKFORCE GLOBAL SA (the sole associate of the Borrower FUTURE WORK FORCE SRL) will dissolve (including through absorption by the Borrower AROBS TRANSILVANIA SOFTWARE SA), the latter undertakes to promptly establish a new mortgage in the Bank's favor over all the shares of FUTURE WORK FORCE SRL, as they will be transferred, if necessary, to the Borrower AROBS TRANSILVANIA SOFTWARE SA. In the situation where the dissolution / liquidation of FUTURE WORKFORCE GLOBAL SA will result in the transfer of the shares owned by it to the Borrower FUTURE WORK FORCE SRL and to other entities, the express prior consent of the Bank will be necessary, and its absence will be considered a case of non-execution of obligations according to art. 9.2 of Part II.A of the Contract.
- The debtor S.A.S FLEET TRACKING SRL (formerly S.A.S GRUP S.R.L.), undertakes to run through its bank accounts opened at CITI an amount of money that is equivalent to at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank to represent the equivalent of at least 90% of its turnover, but not less than the equivalent of EUR 200,000 per month.
- The debtor BERG COMPUTERS SRL undertakes to run through its accounts opened at the Bank an amount of money that is the equivalent of at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank represent the equivalent of the a little over 90% of its turnover, but not less than the equivalent of €250,000 per month.
- The AROBS DEVELOPMENT&ENGINEERING SRL debtor undertakes to run through its accounts opened at the Bank an amount of money that is equivalent to at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank represent the equivalent of the a little over 90% of its turnover, but not less than the equivalent of €900,000 per month.
- The borrower AROBS SYSTEMS SRL undertakes to run through its accounts opened at the Bank an amount of money that is equivalent to at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank represent the equivalent of the a little over 90% of its turnover. Borrower FUTURE WORK FORCE SRL undertakes to run through its accounts opened at the Bank an amount of money that is equivalent to at least 90% of its volume of activity, respectively the receipts from third parties in its accounts opened at the Bank represent the equivalent of at least 90% of its turnover, but not less than the equivalent of EUR 350,000 per month

AROB'S TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Contingent liabilities

The Company has the following contingent liabilities – bank guarantee letters:

Amount	Currency	Date of document that certifies the start of the obligation	Payment/due date
15,497,64	EUR	08 May 2023	03 May 2024
275,000	EUR	10 May 2022	23 February 2024
9,918	EUR	10 March 2023	08 March 2024

26. PROVISIONS

The Company has recorded provisions for untaken holidays, performance bonuses and other charges for contractual employment relationships.

	Balance at 31.12. 2022	In the account	From the account	Balance at 31.12. 2023
Provisions	3,214,799	2,370,074	1,919,403	3,665,470
Total	3,214,799	2,370,074	1,919,403	3,665,470

	Balance at 31.12. 2021	In the account	From the account	Balance at 31.12. 2022
Provisions	596,879	3,214,799	596,879	3,214,799
Total	596,879	3,214,799	596,879	3,214,799

27. CAPITAL AND RESERVES

On the 10th of August 2021 a share capital increase in value of 40,000,000 lei has been implemented through the incorporation of other reserves in value of 2,426,871 lei and through the incorporation of the profit carried forward from the years 2018, 2019 in value of 37,573,129 lei. The share capital has thus increased to the value of 40,100,000 lei. At a later time, on the 11th of October 2021, the Company implemented a split of the nominal value of the shares, from 10 lei/share to 0.1 lei/share. The share capital of the Company has increased from 40,100,000 lei to 45,569,749 lei through the implementation of a private placement program in value of 74,224,499 lei, as a result of which, 54,697,494 new shares were issued. Following the issuance of new shares for the private placement, which took place in October 2021, share premiums in value of 68,754,750 lei have resulted.

In the year 2022 the share capital has been increased through the issuance of new shares in order to be distributed to the shareholders with a 1:1 ratio, through the incorporation of share premiums.

In July 2023 the share capital has diminished as a result of the cancellation of 40,101,379 of the Company's own shares. The share capital of ARBOS Transilvania Software at the 31st of December 2023 valued at 87,129,361 lei divided into 871,293,609 nominal shares with an individual nominal value of 0.1 lei per share. The capital was fully subscribed and paid capital at the 31st of December 2022.

During June 2022 – June 2023 the Company ran a program to buy back its own shares in order to implement ESOP programs. As of 31 december 2023 the total number of redeemed shares in balance is 35,203,467 shares. During the period, shareholders' equity increased as a result of recording the effect of the grant of treasury shares, to employees, at the maturity of the ESOP programs. Prior to maturity, as the ESOP programs progress, the cost of employee

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

compensation in equity instruments is reflected in the Profit and Loss account and generates a counterpart in equity items.

Legal reserves are established in accordance with the regulations in place. The legal reserve has been established in accordance with the terms of the Law on Commercial Companies. As at 31 December 2023, the value of the legal reserves amounts LEI 7,664,524.

	31.12.2023	31.12.2022	31.12.2021
Number of shares	871,293,609	911,394,988	455,697,490
Subscribed and paid capital	87,129,361	91,139,499	45,569,749
TOTAL	87,129,361	91,139,499	45,569,749

28. RISK MANAGEMENT FOR FINANCIAL INSTRUMENTS

The Company's financial liabilities comprise loans and borrowings, including finance leases, derivative financial instruments, trade and other payables and contract liabilities. The main purpose of these financial liabilities is to finance the Company's operations.

The Company's financial assets are represented by trade and other receivables and contract assets, cash and short-term deposits, restricted cash, available-for-sale financial assets and derivative financial instruments.

AROBS Transilvania Software is exposed to interest rate risk, foreign exchange rate risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The Company's senior management ensures the Company's financial risk activities are performed under appropriate procedures and that financial risks are identified, measured and managed in accordance with the Company risk appetite.

28.1. Interest rate fluctuation risk rate

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

Trade and other receivables and payables are non-interest bearing financial assets and liabilities. The borrowings are exposed to cash flow interest rate risk through market value fluctuations of interest-bearing long-term and short-term credit facilities, as the interest rates on the Company's loans and borrowings are variable. Management's policy is to resort mainly to fixed rate financing in order to reduce the risk.

In addition, at the time of rising new loans or borrowings management uses its judgment to decide whether it believes that fixed or variable rate would be more favorable to the Company over the expected period until maturity.

28.2. Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit before tax and equity are affected through the impact on floating rate borrowings without considering the CAPs effect, as follows:

	31.12.2023	31.12.2022	31.12.2021
Fixed rate financial instruments			
Financial liabilities (loans and leasing)	80,611,740	74,632,101	13,706,984
Variable rate financial instruments			
Financial liabilities (loans and leasing)	-	2,762,927	-
	Base point increase	Impact on profit before tax	
2023	1%	13,815	
2022	1%	13,815	

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment. An equal decrease of the interest rate would have the same effect but of opposite impact.

28.3. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's financing activities, as part of the financing contracted by the Company is Euro based and to cash balances denominated in foreign currencies,

For the Company, the majority of revenues and expenses, trade and other receivables and payables is in LEI, and the rest in EUR or linked to EUR. For the Company, the majority of revenues and trade receivables are linked to EUR or USD, being settled in LEI equivalent.

The Company monitors the currency risk by following changes in exchange rates in currencies in which its external debts are denominated.

28.4. Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the EUR or USD exchange rate. The Company's exposure to foreign currency changes for all other currencies is not material. With all other variables held constant the Company's profit before tax and equity are affected as follows:

	Exchange rate increase	Effect on profit before tax
2023 – EUR	1%	1,565,531
2022 – EUR	1%	1,459,094
2021 – EUR	1%	806,253
2023 – USD	1%	163,689
2022 – USD	1%	157,108
2021 – USD	1%	79,243

An equal decrease of the EUR rate would have the same effect but of opposite impact.

31.12.2023	EUR	LEI	USD	Other currencies	Total
Cash and cash equivalents	33,399,445	13,004,790	12,133,839	27,251	58,565,325
Commercial Accounts receivable	10,666,446	50,205,263	4,210,985	508	65,083,202
Loans to affiliated and non-affiliated entities	31,491,738	4,467,056	-	-	35,958,793
Long term bank loans	(49,841,347)	-	-	-	(49,841,347)
Short term bank loans	(20,122,257)	-	-	-	(20,122,257)
Leasing	(10,545,597)	(102,539)	-	-	(10,648,136)
Commercial liabilities	(486,230)	(2,772,789)	(24,061)	(2,272)	(3,285,352)
Net result of financial exposure	(5,437,802)	64,801,780	16,320,763	25,488	75,710,229

31.12.2022	EUR	LEI	USD	Other currencies	Total
Cash and cash equivalents	36.770.718	28.312.440	8.127.112	90.818	73.301.088
Commercial Accounts receivable	2.348.888	37.540.988	7.542.651	740	47.433.267
Loans to affiliated and non-affiliated entities	28.692.183	5.858.394	-	-	34.550.577
Long term bank loans	(49.494.614)	-	-	-	49.494.614)

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Short term bank loans	(18.470.922)	-	-	-	(18.470.922)
Leasing	(9.429.492)	-	-	-	(9.429.492)
Commercial liabilities	(702.534)	(7.424.043)	(41.021)	(2.259)	(8.169.858)
Net result of financial exposure	(10,285,773)	64,287,778	15,628,741	89,299	69,720,044

31 decembrie 2021	EUR	LEI	USD	Other currency	Total
Cash and cash equivalents	39,700,950	43,714,386	4,678,502	110,846	88,204,684
Commercial Accounts receivable	5,431,729	28,958,015	3,245,553	5,197	37,640,495
Loans to affiliated and non-affiliated entities	21,131,959	7,045,659	-	-	28,177,618
Long term bank loans	-	-	-	-	-
Short term bank loans	(2,226,645)	-	-	-	(2,226,645)
Leasing	(11,480,339)	-	-	-	(11,480,339)
Commercial liabilities	(653,718)	(4,154,082)	(229)	(7,441)	(4,815,470)
Net result of financial exposure	51,903,937	75,563,978	7,923,826	108,602	135,500,344

28.5. Credit risk

The Company's credit risk is primarily attributed to trade and other receivables, contract assets and balances with banks. The carrying amount of trade and other receivables and contract assets, net of allowances for expected credit losses plus balances with banks, represent the maximum amount exposed to credit risk. Management believes that there is no significant risk of loss to the Company beyond the allowances already recorded. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). The Company does not track changes in credit risk for trade receivables and contract assets, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. In this respect, the Company has established a provision policy to measure expected credit losses that is based on historical credit loss experience, that demonstrates that the credit risk has not increased significantly since initial recognition even though the contractual payments are more than 30 days past due but no more than 90 days past due.

a. Categorized financial assets – exposure to credit risk

31.12.2023	Note	Gross accounting value	Depreciation	Net accounting value
Loans granted to affiliated an non affiliated parties	29	35,958,794	(10,628,347)	25,330,447
Commercial receivables	24	65,083,202	(2,968,637)	62,114,565
Total		101,041,996	(13,596,983)	87,445,012

31.12.2022	Note	Gross accounting value	Depreciation	Net accounting value
Loans granted to affiliated an non affiliated parties	29	34,550,576	(9,303,992)	25,246,584
Commercial receivables	24	47,433,267	(2,455,116)	44,978,151
Total		81,983,843	(11,759,108)	70,224,735

31.12.2021	Note	Gross accounting value	Depreciation	Net accounting value
Loans granted to affiliated an non	29	28,177,618	(8,633,535)	19,544,082

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

affiliated parties				
Commercial receivables	24	37,640,495	(2,886,351)	34,754,145
Total		65,818,113	(11,519,886)	54,298,227

b. Categorized financial liabilities - exposure to credit risk

31.12.2023	Note	Net accounting value	Total	Less than 1 year	1 - 5 years	Over 5 years
Bank loans		69,963,604	69,963,604	20,122,257	49,841,347	-
Leasing		10,648,136	10,648,136	3,939,382	6,708,754	-
Commercial debt		3,849,213	3,849,213	3,849,213	-	-
Total		84,460,953	84,460,953	27,910,852	56,550,101	-

31.12.2022	Note	Net accounting value	Total	Less than 1 year	1 - 5 years	Over 5 years
Bank loans		67,965,537	67,965,537	18,470,922	49,494,614	-
Leasing		9,429,492	9,429,492	4,372,796	5,034,413	2,284
Commercial debt		8,169,858	8,169,858	8,169,858	-	-
Total		85,564,887	85,564,887	31,013,575	54,529,027	22,284

31.12.2021	Note	Net accounting value	Total	Less than 1 year	1 - 5 years	Over 5 years
Bank loans		2,226,645	2,226,645	2,226,645	-	-
Leasing		11,480,339	11,480,339	4,301,623	7,014,175	164,542
Commercial debt		4,815,470	4,815,470	4,815,470	-	-
Total		18,522,453	18,522,454	11,343,737	7,014,175	164,542

28.6. Liquidity risk

The Company has adopted a prudent financial liquidity management approach, assuming that sufficient cash and cash equivalents are maintained and that further financing is available from guaranteed funds from credit lines. The tables below summarize the maturity profile of the Company's financial liabilities, including principal amounts and interests according to contractual terms, at 31 December 2023, 31 December 2022 and 31 December 2021 based on contractual undiscounted payments.

	31.12.2023	31.12.2022	31.12.2021
Non-current assets	139,096,456	147,316,700	149,708,739
Short term liabilities	50,364,259	52,768,270	24,108,518
Current liquidity ratio	2.76	2.79	6.21
	31.12.2023	31.12.2022	31.12.2021
Non-current assets	139,096,456	147,316,700	149,708,739

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Inventories	1,493,635	1,893,749	3,263,141
Short term liabilities	50,364,259	52,768,270	24,108,518
Immediate liquidity ratio	2.73	2.76	6.07

28.7. Capital Management

Capital includes the equity attributable to the equity holders of the Company.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants, To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital, among other things, by using a gearing ratio, which is net debt divided by total capital plus net debt, The Company does not have a target gearing ratio, The Company includes within net debt, interest bearing loans and borrowings, trade and other payables and contract liabilities, less cash and cash equivalents.

	31.12.2023	31.12.2022	31.12.2021
Long term debt	74,540,599	58,659,476	13,104,760
Capital	280,835,730	221,541,341	177,440,904
Gearing ratio	21%	21%	7%

The Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended at 31 December 2023 and 31 December 2022.

29. RELATED AND AFFILIATED PARTIES

The transactions carried out by the Company with related parties are the following:

Related parties – Receivables	Balance at 31.12.2023	Balance at 31.12.2022	Balance at 31.12.2021
AROBS BUSINESS CENTER S.R.L.	150,289	688,951	612,554
AROBS BUSINESS SERVICES S.R.L.	19,927	15,589	274,429
AROBS DEVELOPMENT&ENGINEERING S.R.L.	922,545	712,746	-
AROBS ETOLL SOLUTIONS S.R.L.	97,169	30,077	-
AROBS PANNONIA SOFTWARE	116,541	108,533	57,043
AROBS POLSKA SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	98,975	-	-
AROBS SOFTWARE SOLUTIONS GMBH	101,487	108,343	68,180
AROBS SOFTWARE SRL	17,212	18,346	18,348
AROBS SYSTEMS S.R.L.	5,767	55,567	-
AROBS TRACKGPS SRL	40,333	38,736	29,966
AROBS TRADING&DISTRIBUTION GmbH	469,881	466,134	465,131
AROBS Turkey Yazilim Limited Sirketi	313	-	-

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in LEI, unless otherwise mentioned)

ATD CORNER S.R.L.	1,495,205	1,352,292	-
BERG COMPUTERS SRL	44,432	1,165,070	-
CABRIO INVEST SRL	5,718	20,851	13,848
CABRIO INVESTMENT SRL	-	118	141
CENTRUL DE SOFT GPS S.R.L.	(54,062)	-	-
COSO BY AROBS BV	239,854	108,231	14,309
COSO BY AROBS BVBA	64,774	12,042	5,938
FUTURE WORK FORCE S.R.L.	162,975	-	-
MED CONTROL SOLUTION SRL	102,531	102,531	327,401
NEWCAR4FUTURE S.R.L.	220,825	217,603	191,591
NORDLOGIC SOFTWARE SRL	151,363	204,359	-
OOMBLA TRAVEL MANAGEMENT S.R.L.	454	54,598	31,074
PT AROBS SOLUTIONS INDONESIA	364,640	819,905	407,593
S.A.S. FLEET TRACKING S.R.L.	134,317	541,862	198,431
SILVER BULLET SOFTWARE SRL	-	5,283	-
SMAIL COFFEE SRL	140,866	180,257	161,869
SOFTMANAGER S.R.L.	-	4,403	7,773
UCMS ROMANIA SRL	666,220	128,700	100,320
VISION PLUS MOBILE SRL	49,616	49,616	49,616
Total	5,830,167	7,210,743	3,035,556

Related parties – Payables	Balance at 31.12.2023	Balance at 31.12.2022	Balance at 31.12.2021
AROBS BUSINESS CENTER S.R.L.	8,988	-	-
AROBS BUSINESS SERVICES S.R.L.	29,836	65,232	-
AROBS DEVELOPMENT&ENGINEERING S.R.L.	-	32,449	-
AROBS ETOLL SOLUTIONS S.R.L.	65	-	-
AROBS PANNONIA SOFTWARE	43,665	10,048	-
AROBS SOFTWARE SOLUTIONS GMBH	-	69,016	-
AROBS SOFTWARE SRL	1,629,539	1,293,608	1,036,712
AROBS SYSTEMS S.R.L.	-	539,158	-
AROBS TRACKGPS SRL	-	1,734	-
AROBS TRADING&DISTRIBUTION GmbH	5,726	-	-
ATD CORNER S.R.L.	-	692	-
CABRIO INVEST SRL	7,509	12,559	12,517
COSO BY AROBS BVBA	-	140,231	-
COSO TEAM UK LTD	(2,718)	(16,226)	-
IKON SOFT SRL	64,644	40,624	87,158
MED CONTROL SOLUTION SRL	-	-	840
NORDLOGIC SOFTWARE SRL	26,708	8,407	-
OOMBLA TRAVEL MANAGEMENT S.R.L.	39,119	61,624	11,767
SMAIL COFFEE SRL	50,202	50,806	4,584
SOFTMANAGER S.R.L.	-	240,118	4,823
UCMS ROMANIA SRL	51,498	-	19,779
Total	1,954,780	2,550,079	1,178,181

Related parties - Sales

FY 2023

FY 2022

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in LEI, unless otherwise mentioned)

AROBS BUSINESS CENTER S.R.L.	127,725	21,262
AROBS BUSINESS SERVICES S.R.L.	110,924	55,065
AROBS DEVELOPMENT&ENGINEERING S.R.L.	3,008,061	959,552
AROBS ETOLL SOLUTIONS S.R.L.	56,380	22,459
AROBS PANNONIA SOFTWARE	446,137	419,801
AROBS POLSKA SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	98,705	-
AROBS SOFTWARE SOLUTIONS GMBH	904,596	836,716
AROBS SOFTWARE SRL	42,861	-
AROBS SYSTEMS S.R.L.	30,633	29,438
AROBS TRACKGPS SRL	712,499	793,959
AROBS TRADING & DISTRIBUTION SRL	-	1,136,380
AROBS TRADING&DISTRIBUTION GmbH	1,182	1,068
AROBS Turkey Yazilim Limited Sirketi	2,496	-
ATD CORNER S.R.L.	135,031	-
BERG COMPUTERS SRL	404,114	990,398
CABRIO INVEST SRL	63,129	54,611
CABRIO INVESTMENT SRL	105	-
CENTRUL DE SOFT GPS S.R.L.	433,952	-
COSO BY AROBS BV	155,834	175,936
COSO BY AROBS BVBA	102,496	21,057
FUTURE WORK FORCE S.R.L.	98,207	-
MANAGIS SERV SRL	120	-
MED CONTROL SOLUTION SRL	-	12,464
NEWCAR4FUTURE S.R.L.	2,708	21,858
NORDLOGIC SOFTWARE SRL	897,446	168,629
OOMBLA TRAVEL MANAGEMENT S.R.L.	7,647	21,344
PT AROBS SOLUTIONS INDONESIA	94,639	540,178
S.A.S. FLEET TRACKING S.R.L.	1,965,197	1,821,091
SILVER BULLET SOFTWARE SRL	4,454	-
SMAIL COFFEE SRL	76,862	65,872
SOFTMANAGER S.R.L.	3,711	-
UCMS ROMANIA SRL	1,228,957	795,844
Total	11,216,809	8,964,983

Sales to related parties include the provision of software services, sales of GPS equipment, tablets, car sales and subletting of premises.

Related parties - Purchases	FY 2023	FY 2022
AROBS BUSINESS CENTER S.R.L.	1,528,966	1,123,523
AROBS BUSINESS SERVICES S.R.L.	346,524	488,558
AROBS DEVELOPMENT&ENGINEERING S.R.L.	1,467,505	50,591
AROBS ETOLL SOLUTIONS S.R.L.	4,367	-
AROBS PANNONIA SOFTWARE	583,117	652,264
AROBS SOFTWARE SOLUTIONS GMBH	276,680	338,202
AROBS SOFTWARE SRL	17,706,802	17,726,099
AROBS SYSTEMS SRL	-	453,074
AROBS TRACKGPS SRL	1,346	1,731
AROBS TRADING&DISTRIBUTION GmbH	5,722	-
AROBS TRADING & DISTRIBUTION S.R.L.	-	581

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023

(All amounts are in LEI, unless otherwise mentioned)

AROBS Turkey Yazilim Limited Sirketi	1,621,328	-
ATD CORNER S.R.L.	14,459	-
CABRIO INVEST SRL	98,491	95,934
CENTRUL DE SOFT GPS S.R.L.	14,863	-
COSO BY AROBS BVBA	140,231	792,171
FUTURE WORK FORCE S.R.L.	67,866	-
IKON SOFT SRL	495,567	471,168
MED CONTROL SOLUTION SRL	-	4,875
NORDLOGIC SOFTWARE SRL	330,320	129,453
OOMBLA TRAVEL MANAGEMENT S.R.L.	1,048,572	717,898
SMAIL COFFEE SRL	555,140	571,642
SOFTMANAGER S.R.L.	1,156,718	554,695
UCMS ROMANIA SRL	186,053	79,690
Total	27,650,637	24,252,148

The purchases from the affiliated entities mainly represent software services and miscellaneous services with the exception of Cabrio Invest which offers hotel services

	31.12.2023	31.12.2022	31.12.2021
Related parties Loans			
TRANSILVANIA SOFTWARE RECRUITMENT SRL	-	676,000	1,696,000
AROBS TRADING & DISTRIBUTION GMBH	5,074,092	5,778,563	4,616,577
CABRIO INVESTMENT SRL	822,497	1,629,482	1,585,578
AROBS BUSINESS CENTER	7,252,468	6,883,363	6,624,300
CABRIO INVEST BV	5,122,346	5,094,338	5,095,059
SOFTMANAGER SRL	-	890,532	890,658
COSO BY AROBS BV	512,384	222,633	222,665
AROBS SOFTWARE SOLUTIONS GMBH	74,619	148,422	148,443
AROBS SYSTEMS SRL	-	1,289,756	-
UCMS ROMANIA SRL	8,320,598	2,503,796	-
AROBS ETOLL SOLUTION SRL	472,465	162,344	-
NORDLOGIC SOFTWARE SRL	-	2,968,440	-
AROBS POLSKA	1,492,380	-	-
Related parties Total Loans	29,143,848	28,247,669	20,879,279
Interest Value for to the loans to related parties			
TRANSILVANIA SOFTWARE RECRUITMENT SRL	-	95,517	609,883
AROBS TRADING & DISTRIBUTION GMBH	1,416,815	1,168,775	1,983,508
CABRIO INVESTMENT SRL	591,209	661,674	581,107
AROBS BUSINESS CENTER	1,124,412	841,617	594,393
CABRIO INVEST BV	481,505	509,512	508,792
SOFTMANAGER SRL	-	117,416	86,260
COSO BY AROBS BV	16,862	19,660	19,628
AROBS SOFTWARE SOLUTIONS GMBH	5,855	1,496	7,544
MED CONTROL SOLUTION	-	-	332
AROBS BUSINESS CENTER PLUS	-	-	254
AROBS SYSTEMS SRL	-	12,217	-
UCMS ROMANIA SRL	222,289	33,750	-
AROBS ETOLL SOLUTION SRL	16,182	1,373	-
NORDLOGIC SOFTWARE SRL	-	39,281	-
AROBS POLSKA	61,336	-	-
Total Interest Value for to the loans to related parties	3,936,466	3,502,286	4,391,700

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Total Loans and Interest Value for to the loans to related parties	33,518,694	31,948,514	25,270,979
---	-------------------	-------------------	-------------------

The loan to AROBS Trading & Distribution GmbH is to support working capital needs. AROBS Trading & Distribution GmbH is a trading and distribution company for premium electronics and household appliances with an international guarantee. Products are purchased with full payment in advance from distributors and manufacturers all over Europe and sold in Turkey, Dubai, France, Germany, Denmark. The loan was granted to cover the current needs of the companies. In 2023, the repayment terms were renegotiated and a timetable was drawn up in this regard.

The loan granted to the company AROBS BUSINESS CENTER was used for the development of the "Business Incubator" project realized through the absorption of European funds and for working capital. In 2023, the repayment terms were renegotiated and a timetable was drawn up in this regard.

30. FAIR VALUE

The financial instruments that are not recorded at fair value in the financial statements also include trade receivable and other receivables, contractual assets, cash and cash equivalents, restricted cash, trade payables, and other contractually derived payables. The value of these financial instruments is considered to approximate their fair value due to their short term nature (for the majority of them) and due to the low cost of transaction pertaining to these instruments (level 3).

30.1. Financial assets

	Depreciated cost		
	31.12.2023	31.12.2022	31.12.2021
Trade receivables and other receivables	68,521,017	52,560,078	38,144,699
Cash and cash equivalents	58,263,292	72,777,713	88,204,684
Total	126,784,309	125,337,791	126,349,383

30.2. Short term investments – fair value

	Category	Value at 31.12.2023	Fair value assesment at 31.12. 2023
Investiții pe termen scurt	Shares	302,033	Level 1
Total		302,033	

30.3. Financial liabilities

	Depreciated cost		
	31.12.2023	31.12.2022	31.12.2021
Leasing debt	10,648,136	9,429,492	1,480,339
Bank loans	69,963,604	67,965,537	2,226,645
Trade payables and other payables	36,196,414	26,220,512	18,533,964
Deferred revenue	7,071,417	7,976,745	7,202,112
Subsidies	921,362	1,218,067	1,548,792
Tax payables			522,447
Total	124,800,933	112,810,353	41,514,298

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

31. ACCOUNTING PRINCIPLES, POLICIES AND METHODS

The following paragraphs describe the significant accounting policies applied by the Company in preparing its individual Financial Statements:

31.1. IFRS 15 Revenue from contracts with customers

In accordance with IFRS 15, revenue is recognized when or as the customer acquires control of the goods or services provided, at an amount that reflects the price the Company expects to be entitled to receive in exchange for those goods or services.

Revenues from contracts with customers are recognised when the control over the goods or services delivered is transferred for an amount equal to consideration expected by the Company for the good and services delivered to the customers.

When (or as) a performance obligation is satisfied, the Company will recognize as revenue the amount of the transaction price that is allocated to that performance obligation. The Company takes into consideration the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. For the purpose of determining the transaction price, an entity shall assume that the goods or services will be transferred to the customer as promised in accordance with the existing contract and that the contract will not be cancelled, renewed or modified.

In determining the transaction price, the entity will adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

The objective when allocating the transaction price is for an entity to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the entity will determine the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocate the transaction price in proportion to those stand-alone selling prices.

A customer receives a discount for purchasing a bundle of goods or services if the sum of the stand-alone selling prices of those promised goods or services in the contract exceeds the promised consideration in a contract.

If a discount is applied to one or more execution obligations, the Company will apply the discount prior to using the residual approach in order to estimate the price of sale for an individual good or services.

The Company will recognise as an asset the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. When either party to a contract has performed, the Company will present the contract in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment. The Company must present any unconditional rights to consideration separately as a receivable.

The recognition and measurement requirements of IFRS 15 are also applicable to the recognition and measurement of any gains or losses arising from the disposal of non-financial assets (such as property, plant and equipment and intangible assets) when such disposal is not in the ordinary course of business. However, upon transition, the effect of these changes is not significant for the Company.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

A. Revenue from software services

The Company's services are generally performed under time-and-material based contracts (where materials consist of travel and out-of-pocket expenses) and fixed-price contracts. The vast majority of our contracts are relatively short term in nature and have a single performance obligation.

Under time-and-materials based contracts, the Company charges for services based on daily or hourly rates and bills and collects monthly in arrears. The Company applies the practical expedient and revenue from time-and-materials contracts is recognised based on the right to invoice for services performed, with the corresponding cost of providing those services reflected as expenses when incurred.

Under fixed-price contracts, the Company bills and collects periodically throughout the period of performance. Revenue is recognised in the accounting periods in which the associated services are rendered. In limited instances where final acceptance of a milestone deliverable is specified by the client and there is risk or uncertainty of acceptance, revenue is deferred until all acceptance criteria have been met. For multi-year contracts, any deferral of revenue recognition does not generally span more than one accounting period.

The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company identifies its distinct performance obligations under each contract. A performance obligation is a promise in a contract to transfer a distinct product or service to the customer. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring products or services to a customer. With respect to all types of contracts, revenue is only recognised when the performance obligations are satisfied and the control of the services is transferred to the customer, either over time or at a point in time, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company considers the majority of its contracts to have a single performance obligation. In cases in which there are other promises in the contract, a separate price allocation is done based on relative stand alone selling prices.

Receivables are considered fully impaired when they exceed 365 days. The analysis regarding the impairment of receivables is carried out in Note 23. **TRADE RECEIVABLES AND OTHER RECEIVABLES.**

B. *Venituri din vânzarea soluției de monitorizare Track GPS, și alte soluții de monitorizare și management flotă auto*

Sursa secundară de venit a Societății este furnizarea soluției proprii de urmărire a flotei, bazată pe tehnologia GPS, un dispozitiv special și accesibil din interfețele web și mobile. Societatea oferă o soluție complexă de gestionare și monitorizare a flotelor auto care ajută companiile să își reducă costurile de întreținere și exploatare, să își îmbunătățească eficiența alocării și utilizării resurselor, creșterea profesionalismului șoferilor, a siguranței la volan, precum și îmbunătățirea serviciilor prestate. Având în vedere că prestarea serviciului de monitorizare se face prin punerea la dispoziția clientului și echipamentul care asigură furnizarea de date, Societatea AROBS a concluzionat că echipamentul și serviciul de monitorizare nu pot fi privite ca fiind distincte datorită contractului și reprezintă o singură prestare de obligații către client. La baza acestui raționament au stat articolele 27a și 29c din IFRS 15:

- 27a: clientul poate beneficia de bun sau de servicii fie separat, fie împreună cu alte resurse care sunt puse la dispoziția clientului
- 29c: bunurile sau serviciile sunt puternic interdependente sau puternic interconectate. Cu alte cuvinte, fiecare dintre bunuri sau servicii sunt afectate semnificativ de unul sau mai multe dintre celelalte bunuri sau servicii din contract. De exemplu, în unele cazuri, două sau mai multe bunuri sau servicii sunt afectate în mod semnificativ unele de celelalte, deoarece entitatea nu și-ar putea îndeplini promisiunea prin transferul fiecăruia dintre bunurile sau serviciile în mod independent.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

În ceea ce privește echipamentul, acesta este esențial pentru prestarea serviciului de monitorizare, astfel încât, dacă clientul renunță la aceste servicii, atunci beneficiile obținute de către acesta din utilizarea echipamentelor sunt semnificativ diminuate. În vederea acestui raționament au fost luate în considerare prevederile articolului 27 din IFRS 15, *Un bun sau serviciu care este promis unui client este distinct dacă sunt îndeplinite criteriile următoare: (a) clientul poate beneficia de bunul sau serviciul fie singur, fie împreună cu alte resurse care sunt ușor disponibile clientului (adică bunul sau serviciul poate fi distinct); și (b) promisiunea entității de a transfera bunul sau serviciul către client este identificabilă separat de alte promisiuni din contract (adică promisiunea de a transfera bunul sau serviciul este distinctă în contextul contractului)*. Recunoașterea venitului se face conform prevederilor art. 35a din IFRS 15: *clientul primește și consumă simultan beneficiile oferite de prestația entității*. Clientul consumă beneficiile pe măsura livrării serviciilor, astfel că, satisfacerea obligației se realizează în timp. Costul echipamentului a fost capitalizat și se descarcă pe măsura realizării venitului.

C. Revenue from sales of goods

The Company also operates the sale of own brand goods / finished products and also other third party goods through its dedicated e-commerce sites: *softcare.ro*, *soundon.ro* and *gps-auto.ro*. The Company also sells its goods on third-party websites, online and offline: *Altex*, *Emag*, *Flanco*, *Carrefour*, *Auchan*, *Cel.ro*, *Evomag.ro* being its main distribution partners.

Revenue from the sale of goods is recognized when the performance obligation established through a contract with a customer is fulfilled, being the actual delivery and transfer of control over that good sold to the customer. The payment terms are between 30 and 90 days from the fulfillment of the performance obligation.

31.2. Property, Plant and Equipment

Initial recognition

Property, plant and equipment are initially measured at historical cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

This cost includes the replacement cost of the tangible asset in question at the time of replacement and the borrowing cost for long-term construction projects if the recognition criteria are met.

All other repair and maintenance costs are recognised in the income statement when incurred. The present value of the expected costs of casing the asset after use is included in the cost of that asset if the criteria for recognition of a provision are met.

Usefull life

Average usefull life for each fixed assets category are as follows:

Buildings	40 - 50 years
Investments in leased buildings	1 - 15 years
Monitoring equipment	3 years
Installations and equipment	3 - 8 years
Vehicles	3 - 6 years
Offices equipment	1 - 13 years
Stationary	4 - 9 years
Protection systems	8 - 16 years

The carrying amount of an item of property, plant and equipment shall be derecognized on disposal; or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment (calculated as the difference between the net proceeds on disposal and the carrying amount of the item) shall be included in profit or loss when the item is derecognized.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

As at 31 December 2023, management has completed its assessment of the estimated useful lives and has decided that no revision is required as the consumption pattern of its assets is consistent with the current best estimate of the period over which these assets will generate future economic benefits.

31.3. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets recognized following a business combination is their fair value at acquisition date, as determined through the purchase price allocation exercise. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expense is reflected in the income statement when the expense is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with an indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The useful life of an intangible asset that is not being amortised is reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It is recognised in profit or loss when the asset is derecognised.

Research and development expenditure

The research and development expenditure are recognized when they are incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, the entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the intangible asset and use or sell it and its ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development;
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

După recunoașterea inițială a cheltuielii cu dezvoltarea unui activ, este aplicat modelul bazat pe cost, care prevede contabilizarea activelor la cost minus orice amortizare acumulată și orice pierderi din depreciere cumulate. Amortizarea imobilizărilor începe atunci când dezvoltarea este finalizată și activul este disponibil în vederea vânzării/utilizării. Acesta este amortizat pe perioada beneficiului viitor preconizat. Amortizarea este recunoscută în costul bunurilor vândute. În perioada de dezvoltare, activul este testat anual pentru depreciere.

The Company's intangible assets are mainly represented by: internally generated applications (Track GPS, Optimall) and software licences.

Average useful life for each fixed assets category are as follows:

Computer programs, software, licenses, other intangible assets	3 years or contractual duration
Customers relationship	10 years

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

31.4. Assets relating to rights to use leased assets

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Assets relating to rights to use leased assets

The determination of whether an agreement is or contains a lease is based on the commitment made at the inception of the agreement. The commitment is or contains a lease :

- if performance of the commitment is dependent on the use of a specific asset or assets
- or if the commitment confers a right to use the asset or assets, even if that right is not explicitly specified in a commitment.

Under IFRS 16, at the commencement date of the lease contract, the entity measures a right-of-use asset (as of the date on which the underlying asset is available for use). The right-of-use asset are evaluated at cost, less any accumulated depreciation and accumulated impairment losses and adjusted for any revaluation of lease liabilities. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any initial direct costs incurred by the lessee and any lease payments made at or before the commencement date, less any lease incentives received.

Lease liability related to right-of-use asset

Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For such leases, at inception, a lessee must recognise a right-of-use asset and an interest-bearing liability under the lease.

At the commencement date, the lessee measures the lease liability at the present value of the lease payments that has to be paid during the contract period. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be payable by the lessee under residual value guarantees. The lease payments include the payments of penalties for terminating the lease, if the lease term reflects the entity exercising an option to terminate the lease. Variable lease payments that are not dependent on an index or rate are recognised as an expense in the period in which the triggering event or event occurs.

In calculating the present value of lease payments, the Company uses the marginal borrowing rate at the lease inception date if the interest rate cannot be determined immediately from the lease contract. After the commencement date, the amount of lease liabilities is increased to reflect interest and reduced by the amount of lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (for example, changes in future lease payments resulting from a change in an index or the rate used to determine those payments) or a change in the valuation of a call option on the underlying asset.

31.5. Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Property, plant and equipment Note 18
- Intangible assets Note 16

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or s of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

31.6. IFRS 9 Financial instruments

Financial assets

Initial recognition and measurement

Company financial assets consist of loans granted and receivables (trade receivables, contractual assets, other receivables), cash and cash equivalents.

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Subsequent measurement

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for debt instruments not held at fair value through profit or loss. For trade receivables and contract assets, the Entity applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company analyses claims individually and takes into account the effect of financial guarantees received from insurers in the calculation of expected credit losses. For more information, see Note 14 - Trade and other receivables.

Financial liabilities

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities not recorded at fair value through profit or loss, net of directly attributable transaction costs, on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Subsequent measurement

The Company evaluates financial liabilities according to their classification as follows:

- Interest bearing loans and borrowings: Interest bearing loans and borrowings and trade and other payables are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in profit or loss.
- Financial collateral contracts: The Company initially recognises financial collateral contracts as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

The Company’s financial statements are presented in Romanian New Lei (‘‘RON’’).

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

28.1. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant.

29.1.IAS 19 Employee Benefits

Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are recognized as an expense as the related services are rendered. A liability is recognized at the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount for services previously provided by the employee and the obligation can be reliably estimated.

Defined benefit plans

In the normal course of business, the Company makes payments on behalf of its employees to public pension schemes and public health insurance, which are calculated according to the rates in force during the year. Meal allowances, travel expenses, bonuses and holiday allowances are also calculated in accordance with the legislation applicable to each Company company.

The cost of these payments is recognized in profit or loss in the same period as the related salary cost. Provision is made for unused leave if there are any unused days, in accordance with local legislation.

All Company employees are members of state-administered pension schemes.

The Company does not operate any other pension scheme or post-retirement benefit plan and therefore has no pension liabilities.

In order to retain employees, the Company has implemented a Stock Option Plan, which offers employees stock options based on seniority and performance criteria in the Company's business.

31.7. Income tax

Income tax expense includes current tax and deferred tax. Income tax expense is recognized in the statement of profit or loss unless it relates to business combinations or items recognized directly in equity or other comprehensive income.

Current income tax

Current tax includes tax expected to be paid or received on taxable profit or tax loss realized in the current year and any adjustment for tax payable or recoverable in respect of previous years.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

Deffered tax

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- The initial recognition of goodwill; or
- The initial recognition of an asset or a liability in a transaction which: -is not a business combination, and at the time of the transaction affects neither accounting profit nor taxable profit or loss and at the time of transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for: all deductible temporary differences and the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax reflects the tax consequences that would result from the way the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred tax assets and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

If the carrying amount of goodwill arising in a business combination is less than its tax base, the difference gives rise to a deferred tax asset. The deferred tax asset arising from the initial recognition of goodwill shall be recognized as part of the accounting for a business combination to the extent that it is probable that taxable profit will be available against which the deductible temporary difference could be utilized.

For deductible temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements, a deferred tax asset must be recognized.

The reversal of deductible temporary differences results in deductions in determining taxable profits of future periods. However, economic benefits in the form of reductions in tax payments will flow to the entity only if it earns sufficient taxable profits against which the deductions can be offset. Therefore, an entity recognizes deferred tax assets only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

At the end of each reporting period, an entity reassesses unrecognized deferred tax assets. The entity recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

31.8. Inventories and work in progress

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Goods and work in progress are valued at the lower of cost and net realizable value. The 's management analyses inventory age, product quality and potential non-conformity issues, products that cannot be sold further or are rejected based on quality issues and considers their implications in determining the net realizable value of old inventory. Net realizable value is the selling price, in the normal course of business, less costs of completion, marketing and distribution, considering the future evolution of selling prices. Also it is analysed the recoverability of ongoing work in progress projects registered at the end of the year..

Management analyzed the net realizable value of the goods and work in progress annually, considering market selling prices as well as regulations specific to the industry in which it operates.

All assumptions are reviewed annually.

31.9. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

31.10. Equity

Share capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recognised as additional paid-in capital.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in other reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium. When treasury shares are cancelled the excess of cost above nominal value is debited to retained earnings.

Dividends

The Company recognizes a liability to make cash or non-cash distributions to owners of equity when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws of Romania, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

31.11. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset, All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

31.12. Provisions and contingent liabilities

General

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less (when appropriate) cumulative amortisation recognised in accordance with the requirements for revenue recognition.

Fees, taxes, and provisions for taxes

Uncertainties exist regarding the interpretation of complex fiscal regulations, changes in tax legislation and the value and timing of future taxable profit.

The Company is subject to income tax in several jurisdictions. There are several transactions and calculations for which the final tax determination is uncertain. Therefore, the Company will constitute provisions, if applicable, for possible consequences of future tax inspections. If the final fiscal result of these matters is different from the amounts initially recorded, the respective differences will have an impact on the current and deferred income tax assets and liabilities in the period in which the respective differences occur.

32. OTHER INFORMATION

Environment

Romania is currently in a period of rapid harmonization of environmental legislation with the European Economic Community legislation in force. As at 31 December 2023, 2022 and 2021 the Company has not recorded any liabilities relating to anticipated costs, including legal and consultancy fees, studies, design and implementation of environmental remediation plans. The Company does not consider costs associated with environmental issues to be significant.

Transfer price

Romanian tax legislation has contained rules on transfer pricing between related persons since 2000. The current legislative framework defines the "market value" principle for transactions between related persons, as well as the transfer pricing methods. Under the relevant tax legislation, the tax valuation of a related party transaction is based on the concept of the market price of that transaction. Based on this concept, transfer prices must be adjusted to reflect market prices that would have been established between unrelated entities acting independently on the basis of "normal market conditions". As a result, it is expected that the tax authorities will initiate thorough transfer pricing verifications to ensure that the tax result and/or the customs value of imported goods are not distorted by the effect of prices charged in dealings with related persons. It is likely that transfer price verifications will be carried out in the future by the tax authorities to determine whether these prices comply with the "arm's length" principle and that the Romanian taxpayer's tax base is not distorted. The Company cannot quantify the outcome of such a verification. The Entity considers that the transactions with related parties were carried out at arm's length values.

AROBS TRANSILVANIA SOFTWARE SA
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2023
(All amounts are in LEI, unless otherwise mentioned)

The Company is a large taxpayer. At the date of preparation of the individual financial statements, the transfer pricing file for the Parent Company is in progress.

Russia - Ukraine conflict

The invasion of Ukraine by the Russian F

ederation and the subsequent global response to these military actions could have a significant impact on a number of companies, in particular companies with physical operations on the territory of Ukraine, Russia and Belarus, but also entities with indirect interests (with suppliers, customers, investments and creditors with operations on the territory of these countries).

We assessed the impact of the ongoing military operation in Ukraine and the related targeted sanctions against the Russian Federation. This may require revisions to certain assumptions and estimates which may result in significant adjustments to the carrying value of certain assets and liabilities in the next financial year. At this stage, we cannot reliably estimate the impact as events unfold on a daily basis.

Based on the information available to date, the 's management has not identified any concrete potential risks related to the Russia-Ukraine conflict, and thus at this time does not expect a significant impact on the conduct of current operations. The Company has no direct exposure to third parties affected by the sanctions imposed since the conflict began (customers, suppliers, banking institutions with which the Company collaborates). Indirect exposure (customers, suppliers, with whom the Company collaborates, with links to third parties affected by sanctions), as well as risks related to future volatility of commodity prices, foreign exchange rates, or possible cyber attacks, are currently unquantifiable, as the's management has so far given no indication of any significant impact on the 's business.

Audit expenses

The fees for the audit of the 's financial statements in accordance with the International Reporting Standards adopted by the European Union for the financial years ending 31 December 2023, 31 December 2022 and 31 December 2021 were in accordance with the contract concluded with BDO Auditors & Accountants S.R.L.

33. SUBSEQUENT EVENTS

Infobest acquisition

On 27 February 2024, the Company informed the market about the full acquisition of Infobest, which is specialized in the development of custom software solutions, with offices in Timisoara and Leverkusen, Germany. Through this acquisition AROBS wants to consolidate position in Germany, and also in the DACH region. The transaction is subject to legal approval.

These financial statements were signed and approved on March 29, 2024, by:

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Shareholders of: AROBS TRANSILVANIA SOFTWARE SA

Registered Office: DONATH STR, no 11, M4 building, 3rd floor, SC. 2, AP. 28, CLUJ NAPOCA, ROMANIA
Unique Code of Registration: 11291045

Opinion

1. We have audited the individual financial statements of AROBS TRANSILVANIA SOFTWARE SA ("the Company"), which comprise the non-consolidated statement of financial position as at December 31, 2023, and the non-consolidated statement of comprehensive income, non-consolidated statement of changes in equity and non-consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The individual financial statements as at and for the year ended 31 December 2023 are identified as follows:

- Total equity: 280.835.730 Lei
- Net profit for the year: 46.488.533 Lei

2. In our opinion, the accompanying individual financial statements give a true and fair view of the non-consolidated financial position of the Company as at December 31, 2023, and of its non-consolidated financial performance and its non-consolidated cash flows for the year then ended in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of the accounting regulations compliant with International Financial Reporting Standards (OMFP nr. 2844/2016).

Basis for opinion

3. We conducted our audit in accordance with International Standards on Auditing (ISAs), UE Regulation no. 537/2014 of the European Parliament and of the Council („The Regulation”) and Law no. 162/2017 („The Law”). Our responsibilities under those standards and regulations are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants (“IESBA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Romania, including the Regulation and the Law, and we have fulfilled out other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. Revenue recognition	
Key audit matter	How our audit addressed the key audit matter
Information regarding revenue from contracts with customers are presented in Note 4 “Turnover” while the recognition policies are presented in Note 31.1 “Revenue from contracts with customers”	Our audit procedures included, among other: <ul style="list-style-type: none">▪ Evaluation of processes and controls on the existence and accuracy of the recorded revenues, also to identify fraud and errors in revenue recognition.

A. Revenue recognition	
Key audit matter	How our audit addressed the key audit matter
<p>In accordance with International Standards on Auditing, there is an implicit risk on revenue recognition due to the pressure on management in obtaining the planned results.</p> <p>The main activities from which the Group generates revenues are custom software and software development, fleet tracking monitoring solutions, HR applications licensing and implementation of integrated hardware and software solutions.</p> <p>Revenues are recognized when control is transferred to the customer, which generally happens at the time of receipt by him of the products sold, respectively over time or when the service was provided.</p>	<ul style="list-style-type: none"> ▪ Testing a sample of agreements concluded with customers to understand terms and conditions for delivery. ▪ Verification of sale register to identify unusual transactions and to check the supporting documents to confirm that revenues are properly recorded. ▪ Audit procedures for testing that revenues were recorded in the appropriate period, for a sample of transactions recorded around the year-end. ▪ Testing a sample of sales and receivables balance by sending direct confirmation letters.
B. Valuation of shares in affiliates	
Key audit matter	How our audit addressed the key audit matter
<p>Shares held in related entities presented in Note 17.</p> <p>Those are presented in the balance sheet at the acquisition value less the accumulated value adjustments.</p> <p>Impairment adjustment testing is based on management estimate of future discounted cash flows, as the shares are not listed.</p> <p>Therefore, there is significant measurement uncertainty inherent in this assessment.</p>	<p>Our audit procedures included, exclusively for the purpose of testing for impairment of shares (which are not presented at fair values):</p> <ul style="list-style-type: none"> ▪ testing the historical accuracy of management's estimates through retrospective review; ▪ testing the assumptions, methodologies and other data used in the computation model, for example by comparing them with external information; ▪ reviewing growth rates and cash flow forecasts by reference to historical performance and our expectations based on understanding the current environment.

Other information - Annual Report of the Board of Directors

5. Management is responsible for the preparation and presentation of other information. The Other information comprise Annual Consolidated Report of the Board of Directors which include information regarding individual financial statements, and the Remuneration Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the individual financial statements for the period ended at 31 December 2023, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

7. In respect to the Annual Report of the Board of Directors, we read and report whether the Report is prepared, in all material respects, in accordance with the Order of Minister of Public Finance no 2844/2016, articles 15-19 of the accounting regulations in accordance with International Financial Reporting Standards.

In respect of Remuneration Report, we read and report if this was prepared, in all material respects, in accordance with Law 24/2017, articles 106-107.

8. Based solely on the work required to be undertaken in the course of the audit of the financial statements, in our opinion:

- a) The information given in the Annual Report of the Board of Directors for the financial year for which the financial statements are prepared, is consistent, in all material respects, with the individual financial statements;
- b) The Annual Report of the Board of Directors, including the non-financial representation has been prepared, in all material respects, in accordance with OMFP no. 2844/2016, points 15-19 and 26-28, of the accounting regulations compliant with the International of Financial Reporting Standards.
- c) The Remuneration Report has been prepared, in all material respects, in accordance with the provisions of Law 24/2017, articles no. 106-107.

9. In addition, based on our knowledge and understanding of the entity and its environment obtained in the course of the audit for the financial year ended December 31, 2023, we are required to report if we have identified material misstatements in the Board of Directors Report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

10. Management is responsible for the preparation of the individual financial statements that give a true and fair view in accordance with the Order of the Minister of Public Finance no. 2844/2016. and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
12. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

18. Am fost numiți auditor financiar al AROBS TRANSILVANIA SOFTWARE SA de Adunarea Generală a Acționarilor la data de 7 martie 2022. Durata totală neîntreruptă a angajamentului nostru este de 3 ani, respectiv pentru exercițiile financiare 2021-2023.
19. We confirm that:
- Our audit opinion is consistent with the additional report presented to the Audit Committee of the Company, which is issued with the same date as the current report. We also remain independent of the audited entity in conducting the audit.
 - We have not provided to the Company the prohibited non-audit services referred to in article 5 (1) of EU Regulation no 537/2014.



Other matters

20. This report of the Independent Auditor is addressed exclusively to the Company's shareholders, as a body. Our audit was undertaken in order to report to the Company's shareholders all those aspects that we are required to state to them in a financial audit report and for no other purposes whatsoever. To the extent permitted by law, we do not accept or take responsibility to anyone other than the Company and its shareholders, as a body, for our audit work, for the report on the financial statements, or for the opinion we have formed.

For and behalf of

BDO AUDITORS & ACCOUNTANTS SRL

Registered in the Public Electronic Report of financial auditors and audit firms with no. FA1003

Partner's name: Cristian Iliescu

Registered in the Public Electronic Report of financial auditors and audit firms with no. AF1530

29 March 2024

Cluj-Napoca, Romania

Refer to original signed version in Romanian language
--

Date de identificare ▶

* Campuri obligatorii

* Entitatea

AROB TRANSILVANIA SOFTWARE SA

FORMULAR VALIDAT

* Numar inregistrare in Registrul Comertului

J12/1845/1998

* Cod Unic de Inregistrare

11291045

Cod LEI(Legal entity identifier)

315700L7KC3G71QD8133

* Activitatea preponderenta: Cod CAEN--Denumire activitate

6201--Activ.de realiz.soft la comanda
(software orientat client)

* Activitatea preponderenta efectiv desfasurata: Cod CAEN--Denumire activitate

6201--Activ.de realiz.soft la comanda
(software orientat client)

* Forma de proprietate

34--Societati pe actiuni

Strada

DONATH

Numar

11

Bloc

M4

Scara

2

Apartament

28

Telefon

0364143201

e-mail

* Județ

Cluj

Sector

* Localitatea

Cluj Napoca

 **Raportare contabilă
anuală**

Formularul S1040

 Situație financiară anuală

Formularul S1041

 Situațiile financiare anuale
au fost aprobate potrivit legii

Bifați dacă este cazul

 **Mari contribuabili care
depun bilanțul la București** Sucursala Activ net mai mic de
jumătate din valoarea
capitalului subscris**Semnături** ▶

* Campuri obligatorii

Semnatura electronica poate fi aplicata
doar in urma finalizarii cu succes a actiunii
de validare a formularului

Semnatura electronica

Administrator

* Nume si prenume

OPREAN VOICU

Semnatura

Intocmit

* Nume si prenume

CIUNGRADI BOGDAN

* Calitatea

11--Director economic

Nr.de inregistrare in organismul profesional

Cod de identificare fiscala

Semnatura

*) Raportări contabile anuale la 31 decembrie 2023 întocmite de către entitățile cărora le sunt incidente Reglementările contabile conforme cu IFRS, aprobate prin Ordinul ministrului finanțelor publice nr. 2.844/2016, cu modificările și completările ulterioare, prevăzute la pct. 1.1 din Anexa 3 la Ordinul ministrului finanțelor nr. 5394/2023 privind principalele aspecte legate de întocmirea și depunerea situațiilor financiare anuale și a raportărilor contabile anuale ale operatorilor economici la unitățile teritoriale ale Ministerului Finanțelor precum și pentru reglementarea unor aspecte contabile.

Indicatori

Campuri cu valori calculate

Capitaluri - total

280.835.730

Profit/ pierdere

46.488.533

Capital subscris

87.129.361

COD 10. SITUAȚIA ACTIVELOR, DATORIILOR ȘI CAPITALURILOR PROPRII la data de 31.12.2023 (lei)

se vor avea în vedere rândurile și corelațiile din coloana Nr. rând și nu cele cuprinse în coloana CodRd

codRd	Denumirea elementului	Nr. rând	Sold an curent la:	
			01.01.2023	31.12.2023
	A	B	1	2
	A. ACTIVE IMOBILIZATE			
	I. IMOBILIZARI NECORPORALE			
01	1. Cheltuieli de dezvoltare (ct. 203 - 2803 - 2903)	01	3.893.497	2.264.610
02	2. Concesiuni, brevete, licențe, mărci comerciale, drepturi și active similare și alte imobilizări necorporale (ct. 205 + 208 - 2805 - 2808 - 2905 - 2907 - 2908)	02	7.567.760	11.430.664
03	3. Fond comercial (ct. 2071)	03		
04	4. Avansuri acordate pentru imobilizari necorporale (ct. 4094 - 4904)	04		
05	5. Active necorporale de explorare și evaluare a resurselor minerale (ct. 206 - 2806 - 2906)	05		
06	TOTAL (rd. 01 la 05)	06	11.461.257	13.695.274
	II. IMOBILIZĂRI CORPORALE			
07	1. Terenuri și construcții (ct. 211 + 212 - 2811 - 2812 - 2911 - 2912)	07	929.324	571.266
08	2. Instalații tehnice și mașini (ct. 213 + 223 - 2813 - 2913)	08	5.479.566	6.040.863
09	3. Alte instalații, utilaje și mobilier (ct. 214 + 224 - 2814 - 2914)	09	1.424.251	1.310.759
10	4. Investiții imobiliare (ct. 215 + 251* - 2815 - 285* - 2915 - 295*)	10		
11	5. Imobilizări corporale în curs de execuție (ct. 231 - 2931)	11	774.789	344.062
12	6. Investiții imobiliare în curs de execuție (ct. 235 - 2935)	12		
13	7. Active corporale de explorare și evaluare a resurselor minerale (ct. 216 - 2816 - 2916)	13		
14	8. Plante productive (ct. 218 - 2818 - 2918)	14		
15	9. Avansuri acordate pentru imobilizari corporale (ct. 4093 - 4903)	15	172.059	
16	TOTAL (rd. 07 la 15)	16	8.779.989	8.266.950
17	III. ACTIVE BIOLOGICE PRODUCTIVE (ct. 241 + 227 - 284 - 294)	17		
303	IV. DREPTURI DE UTILIZARE A ACTIVELOR LUATE ÎN LEASING (ct. 251* - 285* - 295*) ¹	18	7.868.878	9.458.236
	V. IMOBILIZĂRI FINANCIARE			
18	1. Acțiuni deținute la filiale (ct. 261 - 2961)	19	143.821.510	212.955.994

A		B	1	2
19	2. Împrumuturi acordate entităților din grup (ct. 2671 + 2672 - 2964)	20	1.819.534	3.945.897
20	3. Acțiunile deținute la entitățile asociate și la entitățile controlate în comun (ct. 262 + 263 - 2962)	21	9.130	9.130
21	4. Împrumuturi acordate entităților asociate și entităților controlate în comun (ct. 2673 + 2674 - 2965)	22	6.947.338	14.740.387
22	5. Alte titluri imobilizate (ct. 265 - 2963)	23		
23	6. Alte împrumuturi (ct. 2675* + 2676* + 2677 + 2678* + 2679* - 2966* - 2968*)	24	3.907.454	2.958.908
24	TOTAL (rd. 19 la 24)	25	156.504.966	234.610.316
25	ACTIVE IMOBILIZATE – TOTAL (rd. 06 + 16 + 17 + 18 + 25)	26	184.615.090	266.030.776
B. ACTIVE CIRCULANTE				
I. STOCURI				
26	1. Materii prime și materiale consumabile (ct. 301 + 302 + 303 +/- 308 + 321 + 322 + 323 + 328 + 351 + 358 + 381 +/- 388 - 391 - 392 - 3951 - 3958 - 398)	27	381.049	250.840
27	2. Active imobilizate deținute în vederea vânzării (ct. 311)	28		
28	3. Producția în curs de execuție (ct. 331 + 332 + 341 +/- 348* - 393 - 3941 - 3952)	29	45.940	
29	4. Produse finite și mărfuri (ct. 326 + 327 + 345 + 346 + 347 +/- 348* + 354 + 356 + 357 + 361 +/- 368 + 371 +/- 378 - 3945 - 3946 - 3947 - 3953 - 3954 - 3955 - 3956 - 3957 - 396 - 397 - din ct.4428)	30	1.195.215	864.256
30	5. Avansuri (ct. 4091 - 4901)	31	271.545	378.537
31	TOTAL (rd. 27 la 31)	32	1.893.749	1.493.633
II. CREANȚE				
32	1. Creanțe comerciale (ct. 2675* + 2676* + 2678* + 2679* - 2966* - 2968* + 411 + 413 + 418 + 4642 - 491 - 494)	33	44.978.151	62.114.565
33	2. Avansuri plătite (ct. 4092 - 4902)	34	282.711	79.365
34	3. Sume de încasat de la entitățile din grup (ct. 451** - 495*)	35	23.614.479	12.413.936
35	4. Sume de încasat de la entitățile asociate și entitățile controlate în comun (ct. 453** - 495*)	36		
36	5. Creanțe rezultate din operațiunile cu instrumente derivate (ct. 4652)	37		
37	6. Alte creanțe (ct. 425 + 4282 + 431** + 436** + 437** + 4382 + 441** + 4424 + 4428** + 444** + 445 + 446** + 447** + 4482 + 4582 + 461 + 4662 + 473** + 4762** - 496 + 5187)	38	2.670.561	3.719.485
38	7. Capital subscris și nevărsat (ct. 456 - 495*)	39		
301	8. Creanțe reprezentând dividende repartizate în cursul exercițiului financiar (ct. 463)	40		
39	TOTAL (rd. 33 la 40)	41	71.545.902	78.327.351

40	III. INVESTIȚII PE TERMEN SCURT (ct. 505 + 506 + 507 + 508* - 595 - 596 - 598 + 5113 + 5114)	42	523.375	302.033
41	IV. CASA ȘI CONTURI LA BĂNCI (ct. 508* + 5112 + 512 + 531 + 532 + 541 + 542)	43	72.777.713	58.263.292
42	ACTIVE CIRCULANTE – TOTAL (rd. 32 + 41 + 42 + 43)	44	146.740.739	138.386.309
43	C. CHELTUIELI ÎN AVANS (ct. 471 + 474) (rd. 46 + 47) , din care	45	1.613.259	1.323.501
44	Sume de reluat într-o perioadă de până la un an (ct. 471* + ct.474*)	46	1.610.369	1.175.956
45	Sume de reluat într-o perioadă mai mare de un an (din ct. 471* + ct.474*)	47	2.890	147.545
D. DATORII: SUMELE CARE TREBUIE PLATITE INTR-O PERIOADA DE PANA LA UN AN				
46	1. Împrumuturi din emisiunea de obligațiuni, prezentându-se separat împrumuturile din emisiunea de obligațiuni convertibile (ct. 161 + 1681 - 169)	48		
47	2. Sume datorate instituțiilor de credit (ct. 1621 + 1622 + 1624 + 1625 + 1627 + 1682 + 5191 + 5192 + 5198)	49	18.470.922	20.122.257
48	3. Avansuri încasate în contul comenzilor (ct. 419)	50	374.905	176.002
49	4. Datorii comerciale - furnizori (ct. 401 + 404 + 408 + 4641)	51	8.293.630	3.849.213
50	5. Efecte de comerț de plătit (ct. 403 + 405)	52		
52	6. Sume datorate entităților din grup (ct. 1661 + 1685 + 2691 + 451***)	53	7.881.140	5.629.706
53	7. Sume datorate entităților asociate și entităților controlate în comun (ct. 1663 + 1686 + 2692 + 453***)	54		
54	8. Datorii rezultate din operațiunile cu instrumente derivate (ct. 4651)	55		
55	9. Alte datorii, inclusiv datoriile fiscale și datoriile privind asigurările sociale (ct. 1623 + 1626 + 167 + 1687 + 2693 + 2695 + 421 + 422 + 423 + 424 + 426 + 427 + 4281 + 431*** + 436*** + 437*** + 4381 + 441*** + 4423 + 4428*** + 444*** + 446*** + 447*** + 4481 + 455 + 456*** + 457 + 4581 + 462 + 4661 + 467 + 473*** + 4761*** + 509 + 5186 + 5193 + 5194 + 5195 + 5196 + 5197)	56	12.921.563	15.794.216
56	TOTAL (rd. 48 la 56)	57	47.942.160	45.571.394
57	E. ACTIVE CIRCULANTE NETE/DATORII CURENTE NETE (rd. 44 + 46 - 57 - 74 - 77 - 80)	58	96.504.084	90.569.925
58	F. TOTAL ACTIVE MINUS DATORII CURENTE (rd. 26 + 47 + 58)	59	281.122.064	356.748.246
G. DATORII: SUMELE CARE TREBUIE PLĂTITE ÎNTR-O PERIOADĂ MAI MARE DE UN AN				
59	1. Împrumuturi din emisiunea de obligațiuni, prezentându-se separat împrumuturile din emisiunea de obligațiuni convertibile (ct. 161 + 1681 - 169)	60		
60	2. Sume datorate instituțiilor de credit (ct. 1621 + 1622 + 1624 + 1625 + 1627 + 1682 + 5191 + 5192 + 5198)	61	49.494.614	49.841.347
61	3. Avansuri încasate în contul comenzilor (ct. 419)	62		
62	4. Datorii comerciale - furnizori (ct. 401 + 404 + 408 + 4641)	63		

63	5. Efecte de comerț de plătit (ct. 403 + 405)	64		
65	6. Sume datorate entităților din grup (ct. 1661 + 1685 + 2691 + 451***)	65	1.122.070	14.686.659
66	7. Sume datorate entităților asociate și entităților controlate în comun (ct. 1663 + 1686 + 2692 + 453***)	66		
67	8. Datorii rezultate din operațiunile cu instrumente derivate (ct. 4651)	67		
68	9. Alte datorii, inclusiv datoriile fiscale și datoriile privind asigurările sociale (ct. 1623 + 1626 + 167 + 1687 + 2693 + 2695 + 421 + 422 + 423 + 424 + 426 + 427 + 4281 + 431*** + 436*** + 437*** + 4381 + 441*** + 4423 + 4428*** + 444*** + 446*** + 447*** + 4481 + 455 + 456*** + 4581 + 462 + 4661 + 467 + 4761*** + 473*** + 509 + 5186 + 5193 + 5194 + 5195 + 5196 + 5197)	68	5.056.697	6.708.754
69	TOTAL (rd. 60 la 68)	69	55.673.381	71.236.760
H. PROVIZIOANE				
70	1. Provizioane pentru beneficiile angajaților (ct. 1517)	70		
71	2. Alte provizioane (ct. 1511 + 1512 + 1513 + 1514 + 1518)	71	3.214.799	4.100.313
72	TOTAL (rd. 70 + 71)	72	3.214.799	4.100.313
VENITURI ÎN AVANS				
73	1. Subvenții pentru investiții (ct. 475) - total (rd. 74 + 75), din care:	73	609.034	460.681
74	Sume de reluat într-o perioadă de până la un an (ct. 475*)	74	424.284	158.741
75	Sume de reluat într-o perioadă mai mare de un an (ct. 475*)	75	184.750	301.940
76	2. Venituri înregistrate în avans (ct. 472) - total (rd. 77 + 78), din care:	76	3.988.373	3.535.708
77	Sume de reluat într-o perioadă de până la un an (ct. 472*)	77	3.480.580	3.262.205
78	Sume de reluat într-o perioadă mai mare de un an (ct. 472*)	78	507.793	273.503
79	3. Venituri în avans aferente activelor primite prin transfer de la clienți (ct. 478) - total (rd. 80 + 81) , din care:	79		
80	Sume de reluat într-o perioadă de până la un an (ct. 478*)	80		
81	Sume de reluat într-o perioadă mai mare de un an (ct. 478*)	81		
82	TOTAL (rd. 73 + 76 + 79)	82	4.597.407	3.996.389
J. CAPITAL ȘI REZERVE				
I. CAPITAL				
83	1. Capital subscris vărsat (ct. 1012)	83	91.139.499	87.129.361
84	2. Capital subscris nevărsat (ct. 1011)	84		

85	3. Capital subscris reprezentând datoriile financiare(ct. 1027) ²		85		
302	4. Patrimoniul regiei (ct. 1015)		86		
86	5. Ajustări ale capitalului social/ patrimoniul regiei(ct. 1028)	SOLD C	87	263.971	263.971
87		SOLD D	88		
88	6. Alte elemente de capitaluri proprii (ct. 103)	SOLD C	89	4.206.340	12.628.497
89		SOLD D	90		
90	TOTAL (rd. 83 + 84 + 85 + 86 + 87 - 88 + 89 - 90)		91	95.609.810	100.021.829
91	II. PRIME DE CAPITAL (ct. 104)		92	23.185.001	23.185.001
92	III. REZERVE DIN REEVALUARE (ct. 105)		93		
	IV. REZERVE				
93	1. Rezerve legale (ct. 1061)		94	4.882.913	7.664.524
94	2. Rezerve statutare sau contractuale (ct. 1063)		95		
95	3. Alte rezerve (ct. 1068)		96	1.209.959	1.749.420
96	TOTAL (rd. 94 la 96)		97	6.092.872	9.413.944
97	Diferențe de curs valutar din conversia situațiilor financiare anuale individuale într-o monedă de prezentare diferită de monedă funcțională (ct. 1072)	SOLD C	98		
98		SOLD D	99		
99	Acțiuni proprii (ct. 109)		100	7.535.897	5.689.379
100	Câștiguri legate de instrumentele de capitaluri proprii (ct. 141)		101	1.805.558	10.578.504
101	Pierderi legate de instrumentele de capitaluri proprii (ct. 149)		102	1	2.225.627
102	V. REZULTAT REPORTAT, CU EXCEPȚIA REZULTATULUI REPORTAT PROVENIT DIN ADOPTAREA PENTRU PRIMA DATA A IAS 29 (ct. 117)	SOLD C	103	64.155.489	102.647.968
103		SOLD D	104		
104	VI. REZULTAT REPORTAT PROVENIT DIN ADOPTAREA PENTRU PRIMA DATA A IAS 29 (ct. 118)	SOLD C	105		0
105		SOLD D	106	263.971	263.971
106	VII. PROFITUL SAU PIERDEREA LA SFÂRȘITUL PERIOADEI DE RAPORTARE (ct. 121)	SOLD C	107	41.843.559	46.488.533
107		SOLD D	108		

108	Repartizarea profitului (ct. 129)	109	3.351.079	3.321.072
109	CAPITALURI PROPRII – TOTAL (rd. 91 + 92 + 93 + 97 + 98 - 99 - 100 + 101 - 102 + 103 - 104 + 105 - 106 + 107 - 108 - 109)	110	221.541.341	280.835.730
110	Patrimoniul privat (ct. 1023) ³	111		
111	Patrimoniul public (ct. 1026)	112		
112	CAPITALURI - TOTAL (rd. 110 + 111 + 112)	113	221.541.341	280.835.730

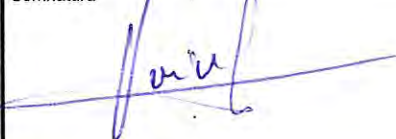
FORMULAR VALIDAT	Suma de control Formular 10: 5116446604 / 1224211291300535789332900318
------------------	--

Semnaturi ►
Administrator

Nume si prenume

OPREAN VOICU

Semnatura


Intocmit

Nume si prenume

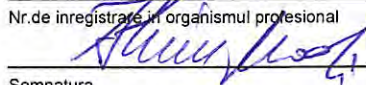
CIUNGRADI BOGDAN

Calitatea

11--Director economic

Nr. de inregistrare in organismul profesional

Semnatura



* Conturi de repartizat după natura elementelor respective.

** Solduri debitoare ale conturilor respective.

*** Solduri creditoare ale conturilor respective.

1) La acest rând nu se cuprind drepturile de utilizare care se încadrează în definiția unei investiții imobiliare și care vor fi prezentate la rd. 10.

2) În acest cont se evidențiază acțiunile care, din punct de vedere al IAS 32, reprezintă datorii financiare.

3) Se va completa de către entitățile cărora le sunt incidente prevederile Ordinului ministrului finanțelor publice și al ministrului delegat pentru buget nr. 668/2014 pentru aprobarea Precizărilor privind întocmirea și actualizarea inventarului centralizat al bunurilor imobile proprietate privată a statului și a drepturilor reale supuse inventarierii, cu modificările și completările ulterioare.

COD 20. SITUAȚIA VENITURILOR SI CHELTUIELILOR la data de 31.12.2023 (lei)
se vor avea în vedere rândurile și corelațiile din coloana Nr. rând și nu cele cuprinse în coloana CodRd

codRd	Denumirea indicatorilor	Nr. rând	Perioada de raportare	
			01.01.2022 - 31.12.2022	01.01.2023 - 31.12.2023
	A	B	1	2
01	1.Cifra de afaceri netă (rd. 03 + 04 - 05 + 06)	01	228.626.301	266.685.347
306	- din care, cifra de afaceri netă corespunzătoare activității preponderente efectiv desfășurate	02	186.165.876	224.677.840
02	Producția vândută (ct. 701 + 702 + 703 + 704 + 705 + 706 + 708 - ct. 6815*)	03	220.353.014	259.591.597
03	Venituri din vânzarea mărfurilor (ct. 707 - ct. 6815*)	04	8.704.704	7.151.792
04	Reduceri comerciale acordate (ct. 709)	05	431.417	58.042
05	Venituri din subvenții de exploatare aferente cifrei de afaceri nete (ct. 7411)	06		
06	2.Venituri aferente costului producției în curs de execuție(ct. 711 + 712 + 713)	SOLD C	8.688	0
07		SOLD D		51.427
08	3.Venituri din producția de imobilizări și investiții imobiliare (rd. 10 + 11)	09	1.814.038	2.591.161
09	Venituri din producția de imobilizări necorporale și corporale (ct. 721 + 722)	10	1.814.038	2.591.161
10	Venituri din producția de investiții imobiliare (ct. 725)	11		
11	4.Venituri din activele imobilizate (sau grupurile destinate cedării) deținute în vederea vânzării (ct. 753) (rd.13 + rd.14)	12	0	0
310	Castiguri din evaluarea activelor deținute în vederea vânzării (ct.7351)	13		
311	Venituri din cedarea activelor deținute în vederea vânzării (ct. 7532)	14		
12	5.Venituri din reevaluarea imobilizărilor (ct. 755)	15		
13	6.Venituri din investiții imobiliare (ct. 756)	16		
14	7.Venituri din active biologice și produse agricole (ct. 757)	17		
15	8.Venituri din subvenții de exploatare (ct. 7412 + 7413 + 7414 + 7415 + 7416 + 7417 + 7419)	18	1.044.173	472.683
16	9.Alte venituri din exploatare (ct. 758 + 751), din care	19	1.055.673	1.424.789
17	- venituri din subvenții pentru investiții (ct. 7584)	20	328.362	426.673
301	- câștiguri din cumpărări în condiții avantajoase (ct. 7587)	21		
18	VENITURI DIN EXPLOATARE - TOTAL (rd. 01 + 07 - 08 + 09 + 12 + 15 + 16 + 17 + 18 + 19)	22	232.548.873	271.122.553
19	10.a) Cheltuieli cu materiile prime și materialele consumabile (ct. 601 + 602)	23	1.486.279	1.480.420
20	Alte cheltuieli materiale (ct. 603 + 604 + 606 + 608)	24	279.736	269.426

	A	B	1	2
21	b) Cheltuieli privind utilitățile (ct. 605), din care:	25	797.035	791.171
307	- cheltuieli privind consumul de energie (ct. 6051)	26	564.876	522.943
312	- cheltuieli privind consumul de gaze naturale (ct. 6053)	27	208.906	233.812
22	c) Cheltuieli privind mărfurile (ct. 607)	28	4.823.433	3.290.075
23	Reduceri comerciale primite (ct. 609)	29	4.390	3.350
24	11.Cheltuieli cu personalul (rd. 31+ 32), din care:	30	69.680.068	132.677.117
25	a) Salarii și indemnizații (ct. 641 + 642 + 643 + 644)	31	67.916.866	129.612.156
26	b) Cheltuieli privind asigurările și protecția socială (ct. 645 + 646)	32	1.763.202	3.064.961
27	12.a) Ajustări de valoare privind imobilizările (rd. 34 + 35 + 36 - 37)	33	9.887.626	11.637.407
28	a.1) Cheltuieli de exploatare privind amortizarea imobilizărilor (ct. 6811)	34	5.342.224	6.679.165
303	a.2) Cheltuieli cu amortizarea activelor aferente drepturilor de utilizare a activelor luate în leasing (ct. 685)	35	4.276.704	4.722.528
317	a.3) Alte cheltuieli (ct. 6813 + 6816 + 6817 + din ct. 6818)	36	358.698	404.900
29	a.4) Venituri (ct. 7813 + 7816 + din ct. 7818)	37	90.000	169.186
30	b) Ajustări de valoare privind activele circulante (rd. 39 - 40)	38	-2.552	1.722.167
31	b.1) Cheltuieli (ct. 654 + 6814 + din ct. 6818)	39	3.064.311	2.972.365
32	b.2) Venituri (ct. 754 + 7814 + din ct. 7818)	40	3.066.863	1.250.198
33	13.Alte cheltuieli de exploatare (rd. 42 + 43 + 47 + 49 + 51 + 53 + 54 + 55 + 58 + 59 + 60 + 61 + 62)	41	95.156.748	89.551.334
34	13.1. Cheltuieli privind prestațiile externe (ct. 611 + 613 + 614 + 615 + 621 + 622 + 623 + 624 + 625 + 626 + 627 + 628)	42	63.496.479	71.917.433
318	13.2. Cheltuieli cu redevențele, locațiile de gestiune și chirii (ct. 612) din care:	43	1.090.275	1.465.063
319	- cheltuieli cu redevențe (ct. 6121)	44	0	0
320	- cheltuieli cu locațiile de gestiune (ct. 6122)	45	0	0
321	- cheltuieli cu chirii (ct. 6123)	46	1.090.275	1.465.063
322	13.3. Cheltuieli aferente drepturilor de proprietate intelectuală (ct. 616)	47	0	0
323	- din care, cheltuielile în relația cu entitățile afiliate	48	0	0
324	13.4. Cheltuieli de management (ct. 617)	49	83.333	100.000
325	- din care, cheltuielile în relația cu entitățile afiliate	50	0	0

326	13.5. Cheltuieli de consultanță (ct. 618)	51	27.421.328	11.952.797
327	- din care, cheltuielile în relația cu entitățile afiliate	52	276.996	276.680
35	13.6. Cheltuieli cu alte impozite, taxe și vărsăminte asimilate; cheltuieli reprezentând transferuri și contribuții datorate în baza unor acte normative speciale (ct. 635 + 6586)	53	770.656	855.608
36	13.7. Cheltuieli cu protecția mediului înconjurător (ct. 652)	54		
37	13.8. Cheltuieli legate de activele imobilizate (sau grupurile destinate cedării) deținute în vederea vânzării (ct. 653) (rd.56 + rd.57)	55		
313	13.8.1. Pierderi din evaluarea activelor deținute în vederea vânzării (ct.6531)	56		
314	13.8.2. Cheltuieli cu cedarea activelor deținute în vederea vânzării (ct.6532)	57		
38	13.9. Cheltuieli din reevaluarea imobilizărilor (ct. 655)	58		
39	13.10. Cheltuieli privind investițiile imobiliare (ct. 656)	59		
40	13.11. Cheltuieli privind activele biologice (ct. 657)	60		
41	13.12. Cheltuieli privind calamitățile și alte evenimente similare (ct. 6587)	61		
42	13.13. Alte cheltuieli (ct. 651 + 6581 + 6582 + 6583 + 6584 + 6585 + 6588)	62	2.294.677	3.260.433
43	14.Ajustări privind provizioanele (rd. 64 - 65)	63	2.617.920	885.514
44	- Cheltuieli (ct. 6812)	64	3.214.799	2.804.917
45	- Venituri (ct. 7812)	65	596.879	1.919.403
46	CHELTUIELI DE EXPLOATARE – TOTAL (rd. 23 la 25 + 28 - 29 + 30 + 33 + 38 + 41 + 63)	66	184.721.903	242.301.281
PROFITUL SAU PIERDEREA DIN EXPLOATARE:				
47	- Profit (rd. 22 - 66)	67	47.826.970	28.821.272
48	- Pierdere (rd. 66 - 22)	68	0	0
49	15.Venituri din acțiuni deținute la filiale (ct. 7611)	69		23.300.756
50	16.Venituri din acțiuni deținute la entități asociate (ct. 7612)	70	4.569	5.127
51	17.Venituri din acțiuni deținute la entități asociate și entități controlate în comun (ct. 7613)	71		
52	18.Venituri din operațiuni cu titluri și alte instrumente financiare (ct. 762)	72		1.371
53	19.Venituri din operațiuni cu instrumente derivate (ct. 763)	73		
54	20.Venituri din diferențe de curs valutar (ct. 765)	74	5.328.714	4.839.047
55	21.Venituri din dobânzi (ct. 766)	75	1.869.476	3.096.249

56	- din care, veniturile obținute de la entitățile afiliate	76		
57	22.Venituri din subvenții de exploatare pentru dobânda datorată (ct. 7418)	77		
58	23.Venituri din investiții financiare pe termen scurt (ct. 7617)	78		
308	24.Venituri din amânarea încasării peste termenele normale de creditare (ct. 7681)	79		
59	25.Alte venituri financiare (ct. 7615 + 764 + 767 + 7688)	80	39.077	417.421
60	VENITURI FINANCIARE – TOTAL (rd. 69 la 75 + 77 la 80)	81	7.241.836	31.659.971
61	26.Ajustări de valoare privind imobilizările financiare și investițiile financiare deținute ca active circulante (rd. 83 - 84)	82		
62	- Cheltuieli (ct. 686)	83		
63	- Venituri (ct. 786)	84		
64	27.Cheltuieli privind operațiunile cu titluri și alte instrumente financiare (ct. 661)	85		
65	28.Cheltuieli privind operațiunile cu instrumente derivate (ct. 662)	86		
66	29.Cheltuieli privind dobânzile (ct. 666)	87	862.725	2.234.615
67	- din care, cheltuielile în relația cu entitățile afiliate	88		
309	30.Cheltuieli cu amânarea plății peste termenele normale de creditare (ct. 6681)	89		
304	31.Cheltuieli privind dobânzile aferente contractelor de leasing (ct. 6685)	90		
68	32.Alte cheltuieli financiare (ct. 663 + 664 + 665 + 667 + 6682 + 6688)	91	5.582.020	5.509.875
69	CHELTUIELI FINANCIARE – TOTAL (rd. 82 +85 + 86 + 87 + 89 + 90 + 91)	92	6.444.745	7.744.490
PROFITUL SAU PIERDEREA FINANCIAR(Ă):				
70	- Profit (rd. 81 - 92)	93	797.091	23.915.481
71	- Pierdere (rd. 92 - 81)	94	0	0
72	VENITURI TOTALE (rd. 22 + 81)	95	239.790.709	302.782.524
73	CHELTUIELI TOTALE (rd. 66 + 92)	96	191.166.648	250.045.771
PROFITUL SAU PIERDEREA BRUT(Ă):				
74	- Profit (rd. 95 - 96)	97	48.624.061	52.736.753
75	- Pierdere (rd. 96 - 95)	98	0	0

76	33.Impozitul pe profit curent (ct. 691)	99	6.791.488	5.824.278
77	34.Impozitul pe profit amânat (ct. 692)	100		
78	35.Venituri din impozitul pe profit amânat (ct. 792)	101	10.986	-423.942
305	36.Cheltuieli cu impozitul pe profit, determinate de incertitudinile legate de tratamente fiscale (ct. 693)	102		
315	37.Cheltuieli cu impozitul pe profit rezultat din decontarile in cadrul grupului fiscal in domeniul impozitului pe profit (ct.694)	103		
316	38.Venituri din impozitul pe profit rezultat din decontarile in cadrul grupului fiscal in domeniul impozitului pe profit (ct.794)	104		
302	39.Impozitul specific unor activități (ct. 695)	105		
79	40.Alte impozite neprezentate la elementele de mai sus (ct. 698)	106		
PROFITUL SAU PIERDEREA NET(Ă) A PERIOADEI DE RAPORTARE:				
80	- Profit (rd. 97 - 98 - 99 - 100 + 101 - 102 - 103 + 104 - 105 - 106)	107	41.843.559	46.488.533
81	- Pierdere (rd. 98 + 99 + 100 - 101 + 102 + 103 - 104 + 105 + 106); (rd. 98 + 99 + 100 - 101 + 102 + 103 - 104 + 105 + 106 - 97)	108	0	0

FORMULAR VALIDAT

Suma de control Formular 20:

4132305401 /
12242112913005357893329003182224182224550
46721684307229886239815561049291885013943
41729642394958939589348882300000077478913
3043117611580344062000000000000017205901
72059027489542529045131928903830462958710
30000155213556311886218332411645098068234
33424002278X22529482510333151212597876383
04600005585731174910807334839000055857311
74910807334839000044285696870611822244933
40611363506198373153796112809276291747875
23909239735774710000000000001870955334231
82812582213201530000765247747225280123750
05319477619894818812582410299971890360018
90360000538098005380980000727134007271340
00

Semnături ►

Administrator

Nume si prenume

OPREAN VOICU

Semnatura



Intocmit

Nume si prenume

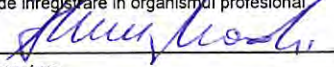
CIUNGRADI BOGDAN

Calitatea

11--Director economic

Nr.de inregistrare in organismul profesional

Semnatura



*) Conturi de repartizat după natura elementelor respective.

La rândul 42 - se cuprind și drepturile colaboratorilor, stabilite potrivit legislației muncii, care se preiau din rulajul debitor al contului 621 „Cheltuieli cu colaboratorii”, analitic „Colaboratori persoane fizice”.

COD 30. DATE INFORMATIVE la data de 31.12.2023 (lei) <i>se vor avea în vedere rândurile și corelațiile din coloana Nr. rând și nu cele cuprinse în coloana CodRd</i>					
<i>codRd</i>	I. Date privind rezultatul înregistrat	Nr. rând	Nr.unitati	Sume	
	A	B	1	2	
01	Unități care au înregistrat profit	01	1	46.488.533	
02	Unități care au înregistrat pierdere	02	0	0	
03	Unități care nu au înregistrat nici profit, nici pierdere	03	0	0	
II. Date privind plățile restante		Nr. rând	Total (col.2 + 3)	Din care:	
	A	B	1	2	3
04	Plăți restante – total (rd.05 + 09 +15 la 17 + 19), din care:	04	240.463	240.463	0
05	Furnizori restanți – total (rd. 06 la 08), din care:	05	240.463	240.463	0
06	- peste 30 de zile	06	20.638	20.638	0
07	- peste 90 de zile	07	133.280	133.280	0
08	- peste 1 an	08	86.545	86.545	0
09	Obligații restante față de bugetul asigurărilor sociale – total (rd.10 la 14), din care:	09	0	0	0
10	- contribuții pentru asigurări sociale de stat datorate de angajatori, salariați și alte persoane asimilate	10	0	0	0
11	- contribuții pentru fondul asigurărilor sociale de sănătate	11	0	0	0
12	- contribuția pentru pensia suplimentară	12	0	0	0
13	- contribuții pentru bugetul asigurărilor pentru șomaj	13	0	0	0
14	- alte datorii sociale	14	0	0	0
15	Obligații restante față de bugetele fondurilor speciale și alte fonduri	15	0	0	0
16	Obligații restante față de alți creditori	16	0	0	0
17	Impozite, taxe și contribuții neplătite la termenul stabilit la bugetul de stat, din care:	17	0	0	0
301	- contribuția asiguratorie pentru muncă	18	0	0	0
18	Impozite și taxe neplătite la termenul stabilit la bugetele locale	19	0	0	0
III. Număr mediu de salariați		Nr. rând	31 decembrie 2022		31 decembrie 2023
	A	B	1		2
19	Număr mediu de salariați	20	505		669
20	Numărul efectiv de salariați existenți la sfârșitul perioadei, respectiv la data de 31 decembrie	21	673		718

	A	B	1	
	IV. Redevențe plătite în cursul perioadei de raportare, subvenții încasate și creanțe restante	Nr. rand	Sume (lei)	
	A	B	1	
21	Redevențe plătite în cursul perioadei de raportare pentru bunurile din domeniul public, primite în concesiune, din care:	22		
22	- redevențe pentru bunurile din domeniul public plătite la bugetul de stat	23		
23	Redevență minieră plătită la bugetul de stat	24		
24	Redevență petrolieră plătită la bugetul de stat	25		
25	Chirii plătite în cursul perioadei de raportare pentru terenuri ¹⁾	26		
26	Venituri brute din servicii plătite către persoane nerezidente, din care:	27		
27	- impozitul datorat la bugetul de stat	28		
28	Venituri brute din servicii plătite către persoane nerezidente din statele membre ale Uniunii Europene, din care:	29		
29	- impozitul datorat la bugetul de stat	30		
30	Subvenții încasate în cursul perioadei de raportare, din care:	31		
31	- subvenții încasate în cursul perioadei de raportare aferente activelor	32		
32	- subvenții aferente veniturilor, din care:	33		
33	- subvenții pentru stimularea ocupării forței de muncă*)	34		
316	- subvenții pentru energie din surse regenerabile	35		
317	- subvenții pentru combustibili fosili	36		
34	Creanțe restante, care nu au fost încasate la termenele prevăzute în contractele comerciale și/sau în actele normative în vigoare, din care:	37	32.166.238	
35	- creanțe restante de la entități din sectorul majoritar sau integral de stat	38		
36	- creanțe restante de la entități din sectorul privat	39	32.166.238	
	V. Tichete acordate salariaților	Nr. rand	Sume (lei)	
	A	B	1	
37	Contravaloarea tichetelor acordate salariaților	40	2.725.125	
302	Contravaloarea tichetelor acordate altor categorii de beneficiari, alții decât salariații	41	0	
	VI. Cheltuieli efectuate pentru activitatea de cercetare – dezvoltare**)	Nr. rand	31 decembrie 2022	31 decembrie 2023
	A	B	1	2
38	Cheltuieli de cercetare - dezvoltare	42	3.782.331	3.773.820
318	- din care, efectuate în scopul diminuării impactului activității entității asupra mediului sau al dezvoltării unor noi tehnologii sau a unor produse mai sustenabile	43	0	

39	- după surse de finanțare (rd. 45 + 46), din care	44	3.782.331	3.773.820
40	- din fonduri publice	45	0	0
41	- din fonduri private	46	3.782.331	3.773.820
42	- după natura cheltuielilor (rd. 48 + 49), din care:	47	3.782.331	3.773.820
43	- cheltuieli curente	48	0	0
44	- cheltuieli de capital	49	3.782.331	3.773.820
	VII. Cheltuieli de inovare ***)	Nr. rand	31 decembrie 2022	31 decembrie 2023
	A	B	1	2
45	Cheltuieli de inovare	50	0	0
319	- din care, efectuate în scopul diminuării impactului activității entității asupra mediului sau al dezvoltării unor noi tehnologii sau a unor produse mai sustenabile	51	0	0
	VIII. Alte informații	Nr. rand	31 decembrie 2022	31 decembrie 2023
	A	B	1	2
46	Avansuri acordate pentru imobilizări necorporale (ct. 4094), din care:	52	538.098	538.098
303	- avansuri acordate entităților neafiliate nerezidente pentru imobilizări necorporale (din ct. 4094)	53	0	0
304	- avansuri acordate entităților afiliate nerezidente pentru imobilizări necorporale (din ct. 4094)	54	0	0
47	Avansuri acordate pentru imobilizări corporale (ct. 4093), din care:	55	172.059	0
305	- avansuri acordate entităților neafiliate nerezidente pentru imobilizări corporale (din ct. 4093)	56	0	0
306	- avansuri acordate entităților afiliate nerezidente pentru imobilizări corporale (din ct. 4093)	57	0	0
48	Imobilizări financiare, în sume brute (rd. 59 + 65), din care:	58	164.509.806	242.850.870
49	Acțiuni deținute la entitățile afiliate, interese de participare, alte titluri imobilizate și obligațiuni, în sume brute (rd. 60 + 61 + 62 + 64), din care:	59	143.990.849	213.125.333
50	- acțiuni necotate emise de rezidenți	60	0	
51	- părți sociale emise de rezidenți	61	143.309.326	188.686.435
52	- acțiuni și părți sociale emise de nerezidenți, din care	62	681.523	24.438.898
307	- dețineri de cel puțin 10%	63	681.523	24.438.898
53	- obligațiuni emise de nerezidenți	64	0	
54	Creanțe imobilizate, în sume brute (rd. 66 + 67), din care:	65	20.518.957	29.725.537
55	- creanțe imobilizate în lei și exprimate în lei, a căror decontare se face în funcție de cursul unei valute (din ct. 267)	66	7.725.476	16.619.421
56	- creanțe imobilizate în valută (din ct. 267)	67	12.793.481	13.106.116

57	Creanțe comerciale, avansuri pentru cumpărări de bunuri de natura stocurilor și pentru prestări de servicii acordate furnizorilor și alte conturi asimilate, în sume brute (ct. 4091 + 4092 + 411 + 413 + 418 + 4642), din care:	68	48.118.951	65.657.109
58	- creanțe comerciale în relația cu entitățile neafiliate nerezidente, avansuri pentru cumpărări de bunuri de natura stocurilor și pentru prestări de servicii acordate furnizorilor neafiliați nerezidenți și alte conturi asimilate, în sume brute în relație cu neafiliații nerezidenți (din ct. 4091 + din ct. 4092 + din ct. 411 + din ct. 413 + din ct. 418 + din ct.4642)	69	9.963.116	7.463.701
308	- creanțe comerciale în relația cu entitățile afiliate nerezidente, avansuri pentru cumpărări de bunuri de natura stocurilor și pentru prestări de servicii acordate furnizorilor afiliați nerezidenți și alte conturi asimilate, în sume brute în relație cu afiliații nerezidenți (din ct. 4091 + din ct. 4092 + din ct. 411 + din ct. 413 + din ct. 418 + din ct.4642)	70	0	0
59	Creanțe neîncasate la termenul stabilit (din ct. 4091 + din ct. 4092 + din ct. 411 + din ct. 413)	71	12.660.251	28.246.056
60	Creanțe în legătură cu personalul și conturi asimilate (ct. 425 + 4282)	72	0	1.116
61	Creanțe în legătură cu bugetul asigurărilor sociale și bugetul de stat (din ct. 431 + 436 + 437 + 4382 + 441 + 4424 + 4428 + 444 + 445 + 446 + 447 + 4482), (rd.74 la 78), din care:	73	2.482.502	3.673.987
62	- creanțe în legătură cu bugetul asigurărilor sociale (ct. 431 + 437 + 4382)	74	0	1.151.789
63	- creanțe fiscale în legătură cu bugetul de stat (ct. 436 + 441 + 4424 + 4428 + 444 + 446)	75	1.467.736	2.326.624
64	- subvenții de încasat (ct. 445)	76	535.818	195.574
65	- fonduri speciale - taxe și vărsăminte asimilate (ct. 447)	77	0	0
66	- alte creanțe în legătură cu bugetul statului (ct. 4482)	78	478.948	0
67	Creanțele entității în relațiile cu entitățile afiliate (ct.451), din care:	79	25.073.840	14.961.938
68	- creanțe cu entități afiliate nerezidente (din ct.451), din care:	80	1.830.188	2.666.088
69	- creanțe comerciale cu entități afiliate nerezidente (din ct.451)	81	1.680.270	1.514.010
70	Creanțe în legătură cu bugetul asigurărilor sociale și bugetul de stat neîncasate la termenul stabilit (din ct. 431 + din ct.436 + din ct. 437 + din ct. 4382 + din ct. 441 + din ct. 4424 + din ct. 4428 + din ct. 444 + din ct. 445 + din ct. 446 + din ct. 447 + din ct. 4482)	82	0	0
71	Creanțe din operațiuni cu instrumente derivate (ct. 4652)	83	0	0
72	Alte creanțe (ct. 453 + 456 + 4582 + 461 + 4662 + 471 + 473 + 4762), din care:	84	188.059	44.382
73	- decontări cu entitățile asociate și entitățile controlate în comun, decontări cu acționarii privind capitalul și decontări din operațiuni în participație (ct. 453 + 456 + 4582)	85	0	0
74	- alte creanțe în legătură cu persoanele fizice și persoanele juridice, altele decât creanțele în legătură cu instituțiile publice (instituțiile statului) (din ct. 461 + 4662+ din ct. 471 + din ct. 473)	86	164.328	16.835
75	- sumele preluate din contul 542 "Avansuri de trezorerie" reprezentând avansurile de trezorerie, acordate potrivit legii și nedecontate până la data de raportare (din ct. 461)	87	23.731	27.547
76	Dobânzi de încasat (ct. 5187), din care:	88	0	0

77	- de la nerezidenți	89	0	0
314	Dobânzi de încasat de la nerezidenți (din ct. 4518 + din ct. 4538)	90	1.496	42.742
78	Valoarea împrumuturilor acordate operatorilor economici****)	91	30.749.396	31.736.254
79	Investiții pe termen scurt, în sume brute (ct. 505 + 506 + 507 + din ct. 508), din care:	92	523.375	302.033
80	- acțiuni necotate emise de rezidenți	93	0	0
81	- părți sociale emise de rezidenți	94	0	0
82	- acțiuni emise de nerezidenți	95	0	0
83	- obligațiuni emise de nerezidenți	96	0	0
320	- dețineri de obligațiuni verzi	97	0	0
84	Alte valori de încasat (ct. 5113 + 5114)	98		
85	Casa în lei și în valută (rd. 100 + 101), din care:	99	102.993	44.908
86	- în lei (ct. 5311)	100	36.630	10.355
87	- în valută (ct. 5314)	101	66.363	34.553
88	Conturi curente la bănci în lei și în valută (rd. 103 + 105), din care:	102	55.748.197	40.738.869
89	- în lei (ct. 5121), din care:	103	27.610.053	12.652.369
90	- conturi curente în lei deschise la bănci nerezidente	104	0	0
91	- în valută (ct. 5124), din care:	105	28.138.144	28.086.500
92	- conturi curente în valută deschise la bănci nerezidente	106	0	0
93	Alte conturi curente la bănci și acreditive (rd. 108 + 109), din care:	107	16.891.178	17.444.004
94	- sume în curs de decontare, acreditive și alte valori de încasat, în lei (ct. 5112 + din ct.5125 + 5411)	108	5.305	3.247
95	- sume în curs de decontare și acreditive în valută (din ct. 5125 + 5414)	109	16.885.873	17.440.757
96	Datorii (rd. 111 + 114 + 117 + 118 + 121 + 124 + 127 + 128 + 133 + 137 + 140 + 141 + 147), din care:	110	39.638.377	50.380.259
97	Credite bancare externe pe termen scurt (credite primite de la instituții financiare nerezidente pentru care durata contractului de credit este mai mică de 1 an) (din ct. 519), (rd. 112 + 113), din care:	111	0	0
98	- în lei	112	0	0
99	- în valută	113	0	0

100	Credite bancare externe pe termen lung (credite primite de la instituții financiare nerezidente pentru care durata contractului de credit este mai mare sau egală cu 1 an) (din ct. 162), (rd. 115 + 116), din care:	114	0	0
101	- în lei	115	0	0
102	- în valută	116	0	0
103	Credite de la trezoreria statului și dobânzile aferente (ct. 1626 + din ct. 1682)	117	0	0
104	Alte împrumuturi și dobânzile aferente (ct. 166 + 1685 + 1686 + 1687), (rd. 119 + 120), din care:	118	0	0
105	- în lei și exprimate în lei, a căror decontare se face în funcție de cursul unei valute	119	0	0
106	- în valută	120	0	0
107	Alte împrumuturi și datorii asimilate (ct. 167), din care:	121	9.429.492	10.648.136
108	- valoarea concesiunilor primite (din ct. 167)	122	0	0
321	- valoarea obligațiunilor verzi emise de entitate	123	0	0
109	Datorii comerciale, avansuri primite de la clienți și alte conturi asimilate, în sume brute (ct. 401 + 403 + 404 + 405 + 408 + 419 + 4641), din care:	124	8.668.536	4.025.215
110	- datorii comerciale în relația cu entitățile neafiliate nerezidente, avansuri primite de la clienți neafiliați nerezidenți și alte conturi asimilate, în sume brute în relație cu neafiliații nerezidenți (din ct. 401 + din ct. 403 + din ct. 404 + din ct. 405 + din ct. 408 + din ct. 419 + din ct.4641)	125	738.154	647.555
309	- datorii comerciale în relația cu entitățile afiliate nerezidente, avansuri primite de la clienți afiliați nerezidenți și alte conturi asimilate, în sume brute în relație cu afiliații nerezidenți (din ct. 401 + din ct. 403 + din ct. 404 + din ct. 405 + din ct. 408 + din ct. 419 + din ct.4641)	126	150.279	43.665
111	Datorii în legătură cu personalul și conturi asimilate (ct. 421 + 422 + 423 + 424 + 426+ 427 + 4281)	127	4.111.998	6.083.237
112	Datorii în legătură cu bugetul asigurărilor sociale și bugetul de stat (ct. 431 + 436 + 437 + 4381 + 441 + 4423 + 4428 + 444 + 446 + 447 + 4481), (rd. 129 la 132), din care:	128	4.436.764	5.771.597
113	- datorii în legătură cu bugetul asigurărilor sociale (ct. 431 + 437 + 4381)	129	2.151.783	3.232.376
114	- datorii fiscale în legătură cu bugetul de stat (ct.436 + 441 + 4423 + 4428 +444 + 446)	130	2.253.206	2.480.209
115	- fonduri speciale – taxe și vărsăminte asimilate (ct. 447)	131	31.775	58.929
116	- alte datorii în legătură cu bugetul de stat (ct.4481)	132	0	83
117	Datoriile entității în relațiile cu entitățile afiliate(ct. 451), din care:	133	2.409.055	1.867.946
118	- datorii cu entități afiliate nerezidente ²⁾ (din ct. 451), din care:	134	1.364.358	1.632.547
310	- cu scadența inițială mai mare de un an	135	0	0
119	- datorii comerciale cu entități afiliate nerezidente indiferent de scadență (din ct. 451)	136	1.364.358	1.632.547

120	Sume datorate acționarilor/asociaților (ct. 455), din care:	137	0	0
121	- sume datorate acționarilor/asociaților persoane fizice	138	0	0
122	- sume datorate acționarilor/asociaților persoane juridice	139	0	0
123	Datorii din operațiuni cu instrumente derivate (ct. 4651)	140	0	0
124	Alte datorii (ct. 269 + 453 + 456 + 457 + 4581 + 462 + 4661+ 467 + 472 + 473 + 4761 + 478 + 509), din care:	141	10.582.532	21.984.128
125	- decontări cu entitățile asociate și entitățile controlate în comun, decontări cu acționarii/asociații privind capitalul, dividende și decontări din operații în participație (ct. 453 + 456 + 457 + 4581 + 467)	142	0	0
126	- alte datorii în legătură cu persoanele fizice și persoanele juridice, altele decât datoriile în legătură cu instituțiile publice (instituțiile statului) ³⁾ (din ct. 462 + ct. 4661+ din ct. 472 + din ct. 473)	143	3.977.123	3.535.708
127	- subvenții nereluate la venituri (din ct. 472)	144	11.254	0
128	- vărsăminte de efectuat pentru imobilizări financiare și investiții pe termen scurt (ct. 269 + 509)	145	6.594.155	18.448.420
129	- venituri în avans aferente activelor primite prin transfer de la clienți (ct. 478)	146	0	0
130	Dobânzi de plătit (ct. 5186), din care:	147	0	0
311	- către nerezidenți	148	0	0
315	Dobânzi de plătit către nerezidenți (din ct. 4518 + din ct. 4538)	149	0	0
131	Valoarea împrumuturilor primite de la operatorii economici****)	150	0	0
132	Capital subscris vărsat (ct. 1012) din care:	151	91.139.499	87.129.361
133	- acțiuni cotate ⁴⁾	152	91.139.499	87.129.361
134	- acțiuni necotate ⁵⁾	153	0	0
135	- părți sociale	154	0	0
136	- capital subscris vărsat de nerezidenți (din ct.1012)	155	0	0
137	Brevete și licențe (din ct.205)	156	3.702.493	3.782.777
	IX. Informații privind cheltuielile cu colaboratorii	Nr. rand	31 decembrie 2022	31 decembrie 2023
	A	B	1	2
138	Cheltuieli cu colaboratorii (ct. 621)	157	0	0
	X. Informații privind bunurile din domeniul public al statului	Nr. rand	31 decembrie 2022	31 decembrie 2023
	A	B	1	2
139	Valoarea bunurilor din domeniul public al statului aflate în administrare	158	0	0
140	Valoarea bunurilor din domeniul public al statului aflate în concesiune	159	0	0

141	Valoarea bunurilor din domeniul public al statului închiriate	160	0	0		
XI. Informații privind bunurile din proprietatea privată a statului supuse inventarierii cf. OMFP nr. 668/2014		Nr. rand	31 decembrie 2022	31 decembrie 2023		
A		B	1	2		
142	Valoarea contabilă netă a bunurilor ⁶⁾	161	0	0		
XII. Capital social vărsat		Nr. rand	31 decembrie 2022		31 decembrie 2023	
			Suma (col.1)	% ⁷⁾ (col.2)	Suma (col.3)	% ⁷⁾ (col.4)
A		B	1	2	3	4
143	Capital social vărsat (ct. 1012) ⁷⁾ (rd. 163 + 166 + 170 + 171 + 172 + 173), din care:	162	91.139.499	X	87.129.361	X
144	- deținut de instituții publice (rd. 164 + 165), din care:	163			0	0
145	- deținut de instituții publice de subordonare centrală;	164			0	0
146	- deținut de instituții publice de subordonare locală;	165			0	0
147	- deținut de societățile cu capital de stat, din care:	166			0	0
148	- cu capital integral de stat;	167			0	0
149	- cu capital majoritar de stat;	168			0	0
150	- cu capital minoritar de stat;	169			0	0
151	- deținut de regii autonome	170			0	0
152	- deținut de societățile cu capital privat	171	18.697.997	20,52	12.805.181	14,7
153	- deținut de persoane fizice	172	72.441.502	79,48	74.324.180	85,3
154	- deținut de alte entități	173			0	0
		Nr. rand	Sume (lei)			
A		B	2022	2023		
155	XIII. Dividende/vărsăminte convenite bugetului de stat sau local, de repartizat din profitul exercițiului financiar de către companiile naționale, societățile naționale, societățile și regiile autonome, din care:	174	0	0		

	A	B	1	2
156	- către instituții publice centrale;	175	0	0
157	- către instituții publice locale;	176	0	0
158	- către alți acționari la care statul/unitățile administrativ teritoriale/ instituțiile publice dețin direct/indirect acțiuni sau participații indiferent de ponderea acestora.	177	0	0
		Nr. rand	Sume (lei)	
	A	B	2022	2023
159	XIV. Dividende/vărsăminte convenite bugetului de stat sau local și virate în perioada de raportare din profitul reportat al companiilor naționale, societăților naționale, societăților și al regiilor autonome, din care:	178	0	0
160	- dividende/vărsăminte din profitul exercițiului financiar al anului precedent, din care virate:	179	0	0
161	- către instituții publice centrale;	180	0	0
162	- către instituții publice locale;	181	0	0
163	- către alți acționari la care statul/unitățile administrativ teritoriale/ instituțiile publice dețin direct/indirect acțiuni sau participații indiferent de ponderea acestora.	182	0	0
164	- dividende/vărsăminte din profitul exercițiilor financiare anterioare anului precedent, din care virate:	183	0	0
165	- către instituții publice centrale;	184	0	0
166	- către instituții publice locale;	185	0	0
167	- către alți acționari la care statul/unitățile administrativ teritoriale/ instituțiile publice dețin direct/indirect acțiuni sau participații indiferent de ponderea acestora.	186	0	0
	XV. Dividende distribuite acționarilor/asociaților din profitul reportat	Nr. rand	Sume (lei)	
	A	B	2022	2023
313	- Dividende distribuite acționarilor/ asociatilor în perioada de raportare din profitul reportat	187	0	0
	XVI. Repartizări interimare de dividende potrivit Legii nr. 163/2018	Nr. rand	Sume (lei)	
	A	B	2022	2023
312	- dividendele interimare repartizate ⁸⁾	188	0	0
	XVII. Creanțe preluate prin cesionare de la persoane juridice *****)	Nr. rand	Sume (lei)	
	A	B	31 decembrie 2022	31 decembrie 2023
	A	B	1	2
168	Creanțe preluate prin cesionare de la persoane juridice (la valoarea nominală), din care:	189	0	0
169	- creanțe preluate prin cesionare de la persoane juridice afiliate	190	0	0
170	Creanțe preluate prin cesionare de la persoane juridice (la cost de achiziție), din care:	191	0	0
171	- creanțe preluate prin cesionare de la persoane juridice afiliate	192	0	0

	XVIII. Venituri obținute din activități agricole *****)	Nr. rand	Sume (lei)	
			31 decembrie 2022	31 decembrie 2023
	A	B	1	2
172	Venituri obținute din activități agricole	193	0	0
322	XIV. Cheltuieli privind calamitățile și alte evenimente similare (ct. 6587), din care:	194	0	0
323	- inundații	195	0	0
324	- secetă	196	0	0
325	- alunecări de teren	197	0	0

FORMULAR VALIDAT	Suma de control Formular 30: 2884721088 / 12242112913005357893329003182224182224550 46721684307229886239815561049291885013943 41729642394958939589348882300000077478913 3043117611580344062000000000000017205901 72059027489542529045131928903830462958710 30000155213556311886218332411645098068234 33424002278X22529482510333151212597876383 04600005585731174910807334839000055857311 74910807334839000044285696870611822244933 40611363506198373153796112809276291747875 23909239735774710000000000001870955334231 82812582213201530000765247747225280123750 05319477619894818812582410299971890360018 90360000538098005380980000727134007271340 00
-------------------------	--

Semnături ►	Administrator Nume si prenume OPREAN VOICU	Intocmit Nume si prenume CIUNGRADI BOGDAN
	Semnatura 	Calitatea 11--Director economic Nr. de inregistrare in organismul profesional Semnatura 

*) Subvenții pentru stimularea ocupării forței de muncă (transferuri de la bugetul statului către angajator) - reprezintă sumele acordate angajatorilor pentru plata absolvenților instituțiilor de învățământ, stimularea șomerilor care se încadrează în muncă înainte de expirarea perioadei de șomaj, stimularea angajatorilor care încadrează în muncă pe perioadă nedeterminată șomeri în vârstă de peste 45 ani, șomeri întreținători unici de familie sau șomeri care în termen de 3 ani de la data angajării îndeplinesc condițiile pentru a solicita pensia anticipată parțială sau de acordare a pensiei pentru limita de vârstă, ori pentru alte situații prevăzute prin legislația în vigoare privind sistemul asigurărilor pentru șomaj și stimularea ocupării forței de muncă.

**) Se va completa cu cheltuielile efectuate pentru activitatea de cercetare-dezvoltare, respectiv cercetarea fundamentală, cercetarea aplicativă, dezvoltarea tehnologică și inovarea, stabilite potrivit prevederilor Ordonanței Guvernului nr. 57/2002 privind cercetarea științifică și dezvoltarea tehnologică, aprobată cu modificări și completări prin Legea nr. 324/2003, cu modificările și completările ulterioare.

***) Se va completa cu cheltuielile efectuate pentru activitatea de inovare.

La completarea rândurilor corespunzătoare capitolelor VI și VII sunt avute în vedere prevederile Regulamentului de punere în aplicare (UE) 2020/1197 al Comisiei din 30 iulie 2020 de stabilire a specificațiilor tehnice și a modalităților în temeiul Regulamentului (UE) 2019/2152 al Parlamentului European și al Consiliului privind statisticile europene de întreprindere și de abrogare a 10 acte juridice în domeniul statisticilor de întreprindere, publicat în Jurnalul Oficial al Uniunii Europene, seria L, nr. 271 din 18 august 2020. Prin acest Regulament a fost abrogat Regulamentul de punere în aplicare (UE) nr. 995/2012 al Comisiei din 26 octombrie 2012 de stabilire a normelor de punere în aplicare a Deciziei nr. 1.608/2003/CE a Parlamentului European și a Consiliului privind producția și dezvoltarea statisticilor comunitare în domeniul științei și al tehnologiei.

****) În categoria operatorilor economici nu se cuprind entitățile care intră în sfera de reglementare contabilă a Băncii Naționale a României, respectiv a Autorității de Supraveghere Financiară, societățile reclasificate în sectorul administrației publice și instituțiile fără scop lucrativ în serviciul gospodăriilor populației.

*****) Pentru creanțele preluate prin cesionare de la persoane juridice se vor completa atât valoarea nominală a acestora, cât și costul lor de achiziție.

Pentru statutul de „persoane juridice afiliate” se vor avea în vedere prevederile art. 7 pct. 26 lit. c) și d) din Legea nr. 227/2015 privind Codul fiscal, cu modificările și completările ulterioare.

*****) Conform art. 11 din Regulamentul Delegat (UE) nr. 639/2014 al Comisiei din 11 martie 2014 de completare a Regulamentului (UE) nr. 1307/2013 al Parlamentului European și al Consiliului de stabilire a unor norme privind plățile directe acordate fermierilor prin scheme de sprijin în cadrul politicii agricole comune și de modificare a anexei X la regulamentul menționat, „(1) ... veniturile obținute din activitățile agricole sunt veniturile care au fost obținute de un fermier din activitatea sa agricolă în sensul articolului 4 alineatul (1) litera (c) din regulamentul menționat (R (UE) 1307/2013), în cadrul exploatației sale, inclusiv sprijinul din partea Uniunii din Fondul european de garantare agricolă (FEGA) și din Fondul european agricol pentru dezvoltare rurală (FEADR), precum și orice ajutor național acordat pentru activități agricole, cu excepția plăților directe naționale complementare în temeiul articolelor 18 și 19 din Regulamentul (UE) nr. 1307/2013. Veniturile obținute din prelucrarea produselor agricole în sensul articolului 4 alineatul (1) litera (d) din Regulamentul (UE) nr. 1307/2013 ale exploatației sunt considerate venituri din activități agricole cu condiția ca produsele prelucrate să rămână proprietatea fermierului și ca o astfel de prelucrare să aibă ca rezultat un alt produs agricol în sensul articolului 4 alineatul (1) litera (d) din Regulamentul (UE) nr. 1307/2013.

Orice alte venituri sunt considerate venituri din activități neagricole.

(2) În sensul alineatului (1), „venituri” înseamnă veniturile brute, înainte de deduceri și impozitelor aferente. ...”.

- 1) Se vor include chiriile plătite pentru terenuri ocupate (culturi agricole, pășuni, fânețe etc.) și aferente spațiilor comerciale (terase etc.) aparținând proprietarilor privați sau unor unități ale administrației publice, inclusiv chiriile pentru folosirea luciului de apă în scop recreativ sau în alte scopuri (pescuit etc.).
- 2) Valoarea înscrisă la rândul „datorii cu entități afiliate nerezidente (din ct. 451), din care:” NU se calculează prin însumarea valorilor de la rândurile „cu scadența inițială mai mare de un an” și „datorii comerciale cu entitățile afiliate nerezidente indiferent de scadență (din ct. 451)”.
- 3) În categoria „Alte datorii în legătură cu persoanele fizice și persoanele juridice, altele decât datoriile în legătură cu instituțiile publice (instituțiile statului)” nu se vor înscrie subvențiile aferente veniturilor existente în soldul contului 472.
- 4) Titluri de valoare care conferă drepturi de proprietate asupra societăților, care sunt negociabile și tranzacționate, potrivit legii.
- 5) Titluri de valoare care conferă drepturi de proprietate asupra societăților, care nu sunt tranzacționate.
- 6) Se va completa de către operatorii economici cărora le sunt incidente prevederile Ordinului ministrului finanțelor publice și al ministrului delegat pentru buget nr. 668/2014 pentru aprobarea Precizărilor privind întocmirea și actualizarea inventarului centralizat al bunurilor imobile proprietate privată a statului și a drepturilor reale supuse inventarierii, cu modificările și completările ulterioare.
- 7) La secțiunea „XII Capital social vărsat” la rd. 163 - 173 în col. 2 și col. 4 entitățile vor înscrie procentul corespunzător capitalului social deținut în totalul capitalului social vărsat înscris la rd. 162.
- 8) La acest rând se cuprind dividendele repartizate potrivit Legii nr. 163/2018 pentru modificarea și completarea Legii contabilității nr. 82/1991, modificarea și completarea Legii societăților nr. 31/1990, precum și modificarea Legii nr. 1/2005 privind organizarea și funcționarea cooperăției.

COD40. SITUATIA ACTIVELOR IMOBILIZATE la data de 31.12.2023						-lei
Elemente de imobilizari	Nr. rand	Valori brute				
		Sold initial	Cresteri ¹	Reduceri ²		Sold final (col.5 = 1 + 2 - 3)
				Total	Din care: dezmembrari si casari	
A	B	1	2	3	4	5
I. Imobilizări necorporale						
1.Cheltuieli de dezvoltare	01	4.082.533	3.773.820	5.402.708	X	2.453.645
2.Concesiuni, brevete, licente, marci comerciale, drepturi si active similare si alte imobilizari necorporale	02	13.153.491	5.612.013	0	X	18.765.504
3.Fond comercial	03	0	0	0	X	0
4.Avansuri acordate pentru imobilizări necorporale	04	538.098	0	0	X	538.098
5.Active necorporale de explorare și evaluare a resurselor minerale	05	0	0	0	X	0
TOTAL (rd. 01 la 05)	06	17.774.122	9.385.833	5.402.708	X	21.757.247
II. Imobilizări corporale						
1.Terenuri și amenajări de terenuri	07	0	0	0	0	0
2.Construcții	08	5.357.893	329.003	182.224	182.224	5.504.672
3.Instalații tehnice și mașini	09	16.843.072	2.988.623	981.556	104.929	18.850.139
4.Alte instalații, utilaje și mobilier	10	4.341.729	642.394	95.893	95.893	4.888.230
5.Investiții imobiliare	11	0	0	0	0	0
6.Imobilizari corporale in curs de executie	12	774.789	1.330.431	1.761.158	0	344.062
7.Investitii imobiliare in curs de executie	13	0	0	0	0	0
8.Active corporale de explorare și evaluare a resurselor minerale	14	0	0	0	0	0
9.Plante productive	15	0	0	0	X	0
10.Avansuri acordate pentru imobilizări corporale	16	172.059	0	172.059	X	0
TOTAL (rd. 07 la 16)	17	27.489.542	5.290.451	3.192.890	383.046	29.587.103
III. Active biologice productive	18	0	0	0	X	0
IV. Drepturi de utilizare a activelor luate în leasing	19	15.521.355	6.311.886		X	21.833.241

V. Imobilizări financiare	20	164.509.806	82.343.342	4.002.278	X	242.850.870
ACTIVE IMOBILIZATE –TOTAL (rd. 06 + 17 + 18 + 19 + 20)	21	225.294.825	103.331.512	12.597.876	383.046	316.028.461

► SITUAȚIA AMORTIZĂRII ACTIVELOR IMOBILIZATE					
Elemente de imobilizari	Nr. rand	Sold initial	Amortizare in cursul anului ¹	Reducerea/ eliminarea in cursul anului a valorii amortizarii ²	Amortizare la sfarsitul anului (col.9 = 6+7-8)
A	B	6	7	8	9
I. Imobilizări necorporale					
1.Cheltuieli de dezvoltare	22	0	0	0	0
2.Concesiuni, brevete, licente, mărci comerciale, drepturi și active similare și alte imobilizari necorporale	23	5.585.731	1.749.108	0	7.334.839
3.Active necorporale de explorare și evaluare a resurselor minerale	24	0	0	0	0
TOTAL (rd. 22 + 23 + 24)	25	5.585.731	1.749.108	0	7.334.839
II. Imobilizări corporale					
1.Amenajări de terenuri	26	0	0	0	0
2.Construcții	27	4.428.569	687.061	182.224	4.933.406
3.Instalații tehnice și mașini	28	11.363.506	1.983.731	537.961	12.809.276
4.Alte instalații, utilaje și mobilier	29	2.917.478	752.390	92.397	3.577.471
5.Investiții imobiliare	30	0	0	0	0
6.Active corporale de explorare și evaluare a resurselor minerale	31	0	0	0	0
7.Plante productive	32	0	0	0	0
TOTAL (rd. 26 la 32)	33	18.709.553	3.423.182	812.582	21.320.153
III. Active biologice productive	34	0	0	0	0
IV. Drepturi de utilizare a activelor luate în leasing	35	7.652.477	4.722.528	0	12.375.005
AMORTIZĂRI – TOTAL (rd. 25 + 33 + 34 + 35)	36	31.947.761	9.894.818	812.582	41.029.997

► SITUATIA AJUSTARILOR PENTRU DEPRECIERE

Elemente de imobilizari	Nr. rand	Sold initial	Ajustari constituite in cursul anului	Ajustari reluate la venituri	Sold final (c.13 = 10+11-12)
A	B	10	11	12	13
I. Imobilizări necorporale					
1.Cheltuieli de dezvoltare	37	189.036	0	0	189.036
2.Concesiuni, brevete, licente, marci comerciale, drepturi si active similare si alte imobilizari necorporale	38	0	0	0	0
3.Avansuri acordate pentru imobilizări necorporale	39	538.098	0	0	538.098
4.Active necorporale de exploatare si evaluare a resurselor minerale	40	0	0	0	0
TOTAL (rd. 37 la 40)	41	727.134	0	0	727.134
II. Imobilizări corporale					
1.Terenuri și amenajări de terenuri	42	0	0	0	0
2.Construcții	43	0	0	0	0
3.Instalații tehnice și mașini	44	0	0	0	0
4.Alte instalații, utilaje și mobilier	45	0	0	0	0
5.Investiții imobiliare	46	0	0	0	0
6.Imobilizari corporale în curs de execuție	47	0	0	0	0
7.Investiții imobiliare în curs de execuție	48	0	0	0	0
8.Active corporale de explorare și evaluare a resurselor minerale evaluate la cost	49	0	0	0	0
9.Plante productive	50	0	0	0	0
10.Avansuri acordate pentru imobilizari corporale	51	0	0	0	0
TOTAL (rd. 42 la 51)	52	0	0	0	0
III. Active biologice productive	53	0	0	0	0
IV. Drepturi de utilizare a activelor luate în leasing	54	0	0	0	0
V. Imobilizări financiare	55	8.004.840	414.353	178.639	8.240.554
AJUSTĂRI PENTRU DEPRECIERE – TOTAL (rd. 41 + 52 + 53 + 54 + 55)	56	8.731.974	414.353	178.639	8.967.688

SITUAȚIA ACTIVELOI IMOBILIZATE

1 se cuprind și creșterile rezultate din reevaluare sau alte operațiuni care presupun debitarea conturilor de active immobilizate

2 se cuprind și reducerile rezultate din reevaluare sau alte operațiuni care presupun creditarea conturilor de active immobilizate

SITUAȚIA AMORTIZĂRII ACTIVELOI IMOBILIZATE

1 se cuprind și creșterile rezultate din reevaluare sau alte operațiuni care presupun creditarea conturilor aferente amortizării activelor immobilizate

2 se cuprind și reducerile rezultate din reevaluare sau alte operațiuni care presupun debitarea conturilor aferente amortizării activelor immobilizate

FORMULAR VALIDAT

Suma de control Formular 40: NaN / 12242112913005357893329003182224182

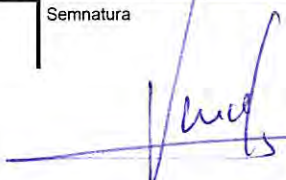
Semnături ►

Administrator

Nume și prenume

OPREAN VOICU

Semnatura



Intocmit

Nume și prenume

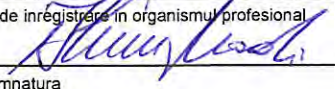
CIUNGRADI BOGDAN

Calitatea

11--Director economic

Nr.de înregistrare în organismul profesional

Semnatura



SITUATII FINANCIARE ANUALE CONSOLIDATE

Exercitiul financiar de la 01.01.2023 la 31.12.2023

Tip situație financiară BC

12 2023

Exercitiul financiar este diferit de anul calendaristic (art.27 alin.(3) din Legea contabilitatii 82/ 1991)

DATE DE IDENTIFICARE SOCIETATE - MAMA

Societati comerciale (Mari Contribuabili) care depun Situatii financiare consolidate la Bucuresti (se bifeaza daca este cazul)

Entitatea AROBS TRANSILVANIA SOFTWARE SA

Adresa
Judet Cluj Sector Localitate Cluj Napoca
Strada Donath Nr. 11 Bloc M4 Scara 2 Ap. 28 Telefon 0364143201

Număr din registrul comertului J12/1845/1998 Cod' unic de inregistrare 1 1 2 9 1 0 4 5

Activitatea preponderentă (cod si denumire clasa CAEN)

6201 Activități de realizare a soft-ului la comandă (software orientat client)

Indicatori :

Capitaluri proprii consolidate	273.687.158
Profitul consolidat / Pierderea consolidată	31.915.886

DATE DE IDENTIFICARE - ENTITATI CARE SUNT CUPRINSE IN SITUATIILE FINANCIARE ANUALE CONSOLIDATE

Nr.cr.	1.Statul 2.Codul fiscal 3.Denumirea 4.Adresa entitatii
1	RO-Romania 1 1 2 9 1 0 4 5 AROBS TRANSILVANIA SOFTWARE SA JUD. Cluj, Cluj Napoca, STR. Donath, NR.11, AP.28
2	RO-Romania 1 3 4 7 3 9 1 4 AROBS DEVELOPMENT & ENGINEERING SRL București, sect. 6, Splaiul Independenței, nr. 319
3	RO-Romania 4 5 7 3 6 3 8 5 AROBS ETOLL SOLUTIONS Cluj-Napoca, str. Minerilor, nr 63C, jud. Cluj
4	RO-Romania 4 6 0 3 4 0 0 1 AROBS SYSTEMS SRL Cluj-Napoca, str. Minerilor, nr 63, jud. Cluj
5	DE-Germania DE-Germania AROBS SOFTWARE SOLUTIONS GmbH

6	ATS ENGINEERING LLC 1200 South Pine Island Road, Plantation, Florida, 33324	
7	RO-Romania BERG COMPUTERS SRL Com.Ghiroda, sat Ghiroda, str. Lugoj, nr.4, Jud. Timiș	1 8 2 4 0 0 0
8	NL-Olanda CABRIO INVEST B.V Tolweg 7, 4851SJ, Ulvenhout	
9	RO-Romania CENTRUL SE SOFT GPS SRL Jud. Ilfov, Chiajna, str. Rezervelor, nr. 46A	4 6 4 6 8 0 7 8
10	GB-Marea Britanie COSO TEAM UK LTD 10 Bridge Street Christchurch Dorset BH23 1EF, UK	
11	BE-Belgia COSO BY AROBS BVBA De Vis 20, cod 2930, Brasschaat	
12	NL-Olanda COSO BY AROBS B.V Tolweg 7, 4851SJ, Ulvenhout	
13	RO-Romania NORDLOGIC SOFTWARE Cluj-Napoca, Str. Descartes Rene 10-12 C, jud. Cluj	1 8 6 3 3 7 0 6
14	US-S.U.A. NORDLOGIC USA, Inc. 137 NW 145th Street, Seattle, Washington 98177	
15	ID-Indonezia PT AROBS SOLUTIONS Puri Indah Financial Tower, et. 8 809-810, Jalan Puri Lingkar Dalam Blok T8, Jakarta Barat	
16	RO-Romania SAS FLEET TRACKING SRL București, sect. 6, Bld. Ghencea, nr. 43B, Ghencea Business Center, et. 5	1 5 1 0 5 5 0 1
17	RO-Romania SILVER BULLET SRL Cluj-Napoca, Str. Descartes Rene 10-12, jud. Cluj	3 6 4 5 8 7 2 7
18	RO-Romania	4 0 6 9 9 5 8 8

19	RO-Romania	8 8 7 6 7 3 2
	UCMS GROUP ROMANIA SRL	
	Cluj-Napoca, str. Campului 84-86 Cluj	
20	HU-Ungaria	
	AROBS PANNONIA SOFTWARE KFT	
	Ungaria, 1191 Budapesta, calea Ullői nr.206	
21	PL-Polonia	
	AROBS POLSKA	
	Poland, Gdansk, ul. Trzy Lipy 3B/ 3.11.5	
22	MD-Republica Moldova	
	AROBS SOFTWARE SRL	
	Moldova, str. Renașterii Naționale nr. 12, of. 401-405	
23	MD-Republica Moldova	
	AROBS TRACKGPS SRL	
	Moldova, str. Puskin nr. 26A, of. 301	
24	RO-Romania	4 5 4 1 5 1 5 6
	FUTURE WORKFORCE SA	
	Romania, Cluj-Napoca, Strada Serpuitoare, Nr. 53A, Ap. 1, Judet Cluj	
25	RO-Romania	3 8 9 8 1 7 7 2
	FUTURE WORKFORCE SRL	
	Romania, Cluj-Napoca, Strada Serpuitoare, Nr. 53A, Ap. 1, Judet Cluj	
26	DE-Germania	
	FUTURE WORKFORCE GmbH	
	Germania, Munchner Str. 191 85757 Karlsfeld	
27	GB-Marea Britanie	
	FUTURE WORKFORCE Limited	
	Regatul Unit al Marii Britanii, 45 Fitzroy St, London, W1T 6EB	
28	HU-Ungaria	
	SKYSHIELD Kft	
	Ungaria, 1191 Budapesta, calea Ullői nr.206	

