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**SECURITY COVER**

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**THIS ENGLISH LANGUAGE PROSPECTUS REPRESENTS AN UNOFFICIAL TRANSLATION OF THE ROMANIAN LANGUAGE PROSPECTUS APPROVED BY THE FINANCIAL SUPERVISORY AUTHORITY. THIS ENGLISH LANGUAGE PROSPECTUS IS FOR INFORMATION PURPOSES ONLY. IN CASE OF ANY DISCREPANCIES BETWEEN THE ENGLISH AND THE ROMANIAN LANGUAGE VERSIONS, THE ROMANIAN LANGUAGE PROSPECTUS, AS APPROVED BY THE FINANCIAL SUPERVISORY AUTHORITY, SHALL PREVAIL. NEITHER THE ISSUER, NOR THE INTERMEDIARY ACCEPT ANY LIABILITY IN CONNECTION WITH THE ACCURACY OF THIS TRANSLATION.**



## **AROBS TRANSILVANIA SOFTWARE S.A.**

*(a joint-stock company managed on a unitary system, incorporated under the laws of Romania, having its registered headquarters at 11 Donath Str., building M4, entrance 2, 3rd floor, apartment 28, Cluj-Napoca, Cluj county, Romania, registered at the Trade Registry Office of the Cluj Court under No. J12/1845/1998, (EUID): ROONRC. J12/1845/1998, unique registration code 11291045)*

### **PROSPECTUS FOR THE ISSUANCE OF NEW SHARES FOR THE EXERCISE OF PREFERENCE RIGHTS WITHIN THE CAPITAL INCREASE OF AROBS TRANSILVANIA SOFTWARE S.A. WITH CASH CONTRIBUTION**

**The price for exercising the preference rights is the maximum value of the subscription range, i.e., RON 0.93 RON per New Share ("Maximum Subscription Price")**

**Preference rights exercise period: 3 June 2024 – 4 July 2024**

**Approved by the Financial Supervisory Authority ("FSA") by decision no. 507 from 30 May 2024**

**INTERMEDIARY:**



**READ THE OFFER PROSPECTUS CAREFULLY BEFORE SUBSCRIBING!**

**THE APPROVAL OF THE PROSPECTUS FOR PUBLIC OFFER DOES NOT CONSTITUTE A GUARANTEE OR ANY OTHER FORM OF ASSESSMENT OF THE FSA AS TO THE DESIRABILITY, ADVANTAGES OR DISADVANTAGES, PROFIT OR RISKS THAT MAY BE PRESENTED BY THE TRANSACTIONS THAT ARE TO BE CONCLUDED BY ACCEPTING THE OFFER THAT IS THE SUBJECT OF THE APPROVAL DECISION. THE DECISION OF APPROVAL ONLY CERTIFIES THE REGULARITY OF THE PROSPECTUS WITH RESPECT TO THE REQUIREMENTS OF THE LAW AND THE REGULATIONS ADOPTED IN ITS APPLICATION THEREOF.**

## NOTE TO INVESTORS

This Prospectus (the "**Prospectus**") has been approved by the Romanian Financial Supervisory Authority ("**FSA**"), which is the Romanian competent authority under Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 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 (the "**Prospectus Regulation**") and the norms implementing the Prospectus Regulation in Romania.

In accordance with Art. 2 and 12, corroborated with the provisions contained in Annexes 1 and 11 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 ("**Delegated Regulation 2019/980**"), the Issuer states the following:

- (a) This prospectus ("**Prospectus**") has been approved by the Romanian Financial Supervisory Authority (the "**FSA**"), which is the competent Romanian authority in the sense of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 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 (the "**Prospectus Regulation**");
- (b) The FSA has approved this Prospectus only as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation;
- (c) Such approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus;
- (d) Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Prospectus; and
- (e) Investors should make their own assessment as to the suitability of investing in the securities that are the subject of this Prospectus;

The Prospectus will be made available to the public in accordance with the Romanian law.

This Prospectus concerns an offering (the "**Offering**") by AROBS Transilvania Software S.A., a joint stock company incorporated in accordance with the laws of Romania, with its registered headquarters located at 11 Donath Street, building M4, entrance 2, 3rd floor, apartment 28, Cluj-Napoca, Cluj County, Romania, registered at the Trade Registry Office attached to the Cluj Court under no. J12/1845/1998, (EUID): ROONRC. J12/1845/1998, unique registration code 11291045 (the "**Issuer**") regarding the subscription of up to 174,258,721 new ordinary, nominal and dematerialized shares with a nominal value of 0.1 RON per share and a total nominal value of 17,425,872.1 RON ("**New Shares**"), as well as the admission of the New Shares to trading on the Regulated Market administered by the Bucharest Stock Exchange, the Premium category (the "**Admission**"). The offer corresponds to an increase in share capital through cash contributions, approved by the extraordinary general meeting of the shareholders of the Issuer dated 22 December 2022, published in the Official Gazette of Romania Part IV no. 442 dated 30.01.2023 and by the decision of the board of directors of the Issuer ("**Board of Directors**") dated 18 April 2024, published in the Official Gazette of Romania Part IV no. 2167 dated 30.04.2024 (the "**Capital Increase**").

The New Shares will be offered during the exercise of preference rights to shareholders registered in the Shareholders' Register maintained by Central Depository S.A. ("**Preference Rights Holder**"), with the registration date of 10 May 2024 ("**Registration Date**"). The total number of preference rights issued in connection with the Social Capital Increase will be equal to the number of shares issued by the Issuer, registered in the Issuer's Shareholders Register maintained by Central Depository S.A. at the Registration Date, i.e., 871,293,609 preference rights. A Preference Rights Holder may purchase a maximum number of New Shares calculated as the ratio of the number of Preference Rights held to the number of Preference Rights required to subscribe for one New Share. Consequently, a number of 5 Preference Rights ("**Subscription Ratio**") is required to subscribe for one New Share. If the maximum number of New Shares which may be subscribed for during the Subscription Period (as calculated above) is not an integer, the maximum number of New Shares which may actually be subscribed for will be obtained by rounding down to the nearest whole number. For the avoidance of doubt, the use of the term "Offering" in this Prospectus is made exclusively by reference to the New Shares to be offered in the exercise of preference rights to the Preference Rights Holders.

The New Shares remaining unsubscribed after the exercise period of the preference rights will be offered for subscription in a private placement addressed to certain persons in the European Union on the basis of permitted exceptions from the publication of a prospectus, including those set out in Article 1(4)(a) to (d) of the Prospectus Regulation and/or investors to whom such private placements may lawfully be addressed and directed, pursuant to the exemptions of Regulation S (“**Regulation S**”) of the United States Securities Act of 1933 (“**Securities Act**”) and without any obligation to comply with any other formalities under any applicable law, only if and to the extent that an investment in the New Shares does not constitute a violation of any applicable law by such investor (the “**Private Placement**”).

The Private Placement is not the subject of this Prospectus. The Private Placement will take place after the end of the exercise of the preference rights, and is anticipated to start on the second Business Day from the completion of the Offer and will last for 3 (three) Business Days. The Board of Directors may decide to close the Private Placement early or, if appropriate, may extend the period of the Private Placement, subject to applicable law, taking into account the applicable market conditions.

The New Shares remaining unsubscribed after the Private Placement will be cancelled by decision of the Board of Directors establishing the final results of the Share Capital Increase (the Board of Directors may initiate a new increase after the Share Capital Increase, pursuant to the delegation granted by the EGMS, for a number of shares equal to the number of shares thus cancelled).

The subscription price of the New Shares offered during the exercise of preference rights will be the maximum value of the subscription range, i.e. RON 0.93 RON per New Share (the “**Maximum Subscription Price**”). At the time of completion of the Private Placement, the final subscription price for the New Shares offered under the exercise of preference rights (“**Final Subscription Price**”) will be announced. The subscription price per New Share under the Private Placement will be equal to or higher than the Final Subscription Price. In the event that the Final Subscription Price is lower than the Maximum Subscription Price, the Preference Rights Holders who exercised their preference rights will be refunded the difference between the Maximum Subscription Price and the Final Subscription Price.

Subscriptions for the New Shares during the preference rights exercise period can be made from 3 June 2024 to 4 July 2024.

The Issuer's shares are admitted to trading on the Regulated Market managed by the Bucharest Stock Exchange (“**BVB**”) under the symbol 'AROB5', ISIN code ROWMR49B0RG5.

After the closing of the Offering and the registration of the Share Capital Increase with the Trade Registry Office attached to the Bucharest Tribunal, the FSA and the Central Depository, the New Shares issued under the Share Capital Increase will be traded on the Spot Regulated Market of the BVB, which is a regulated market within the meaning of Directive 2014/65/EC of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as subsequently amended. Preference rights will not be admitted to trading and will not be traded.

At the date of admission to trading of the New Shares, no application for admission to trading or applications regarding any other transactions concerning the New Shares on any other trading platform are intended to be submitted, except for the Regulated Market managed by the Bucharest Stock Exchange (Premium category).

The Offer is brokered by BT Capital Partners S.A. (the “**Intermediary**” or “**BTCP**”). The Intermediary acts solely on behalf of the Issuer and shall not be legally or contractually liable to any other party regarding the Offer and the admission to trading of New Shares, legally or contractually, for any damage arising out of or in connection with the Offer and/or the admission to trading of New Shares.

The Issuer and the Intermediary shall have no responsibility to update or supplement the information in the event of any change that may occur in the Issuer's situation, except as expressly provided in the applicable legal framework.

The Intermediary has not separately verified the information contained in the Prospectus and, to the extent permitted by applicable law, assumes no responsibility for the contents of this Prospectus or other statements made herein in relation to the Issuer and/or the securities issued by them.

Investors should make decisions based on their own analysis of the Issuer's situation, taking into account the risks outlined in this Prospectus.

The information provided in this Prospectus is intended solely for informational purposes and should not be interpreted as legal, financial, or tax advice. Nothing contained in this Prospectus shall be construed as a recommendation to invest

or an opinion of the Intermediary as to the condition of the Issuer or as legal, tax, financial or professional business advice.

Each investor will need to consult their legal, financial, tax or other advisers on legal, tax, business, financial or other matters relating to the subscription, purchase, holding or transfer of shares. The Intermediary and the Issuer do not assume any responsibility in respect of such matters.

The Intermediary acts solely for the Issuer in connection with the admission to trading and shall not be legally or contractually liable to any other person.

This Prospectus does not constitute or is not part of an offer or invitation to sell or issue or of any solicitation to purchase any securities other than the securities to which it refers or any offer or invitation to sell or to issue or any proposal or offer to purchase such securities by any person in any circumstances where such an offer or proposal would be illegal.

#### **Notice addressed to foreign investors**

The New Shares have not been and will not be registered under the Securities Act. The New Shares may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements in the Securities Act and any applicable securities laws of any state of the United States. No action has been taken to allow a public offering of Offered Shares in accordance with securities laws of any jurisdiction (other than Romania), including without limitation Australia, Canada or Japan. This Prospectus does not constitute an offer or offer to purchase any New Shares to any person in any jurisdiction in which such an offer or proposal would be illegal.

The New Shares have not been and will not be registered according to the securities laws in Australia, Canada or Japan. Subject to certain exceptions, the New Shares may not be offered or sold in any jurisdiction or to or on behalf of any resident or citizen of Australia, Canada or Japan. The New Shares have not been recommended by any federal or state commission in the United States of America or any other regulatory authority. In addition, the above-mentioned authorities have not confirmed the correctness or the compliant nature of this Prospectus. Any statement to the contrary is an offense in the United States of America.

The distribution of this Prospectus and the offer and sale of New Shares in certain jurisdictions may be restricted by law. No action has been nor will be taken by the Issuer or the Intermediary to allow a public offering of the New Shares in accordance with securities laws in other jurisdictions. Other than in Romania, no action has been nor will be taken to allow the holding or distribution of this Prospectus (or any other offer material or advertising release regarding the New Shares) in any jurisdiction where an action is required in this sense or where such action is restricted by law. Therefore, neither this Prospectus nor any advertising release and other offer material may be distributed or published in any jurisdiction except in circumstances that would lead to compliance with any applicable laws or regulations. The persons in possession of this Prospectus must be informed of and comply with these restrictions. Any breach of these restrictions may result in a violation of the laws applicable in these jurisdictions.

#### **Notice addressed to Romanian investors**

This Prospectus may be distributed to the public and the New Shares may be offered for sale or purchase in Romania only in accordance with Law no. 24/2017 on issuers of financial instruments and market operations, FSA Regulation no. 5/2018 on issuers of financial instruments and market operations (as subsequently amended), the Prospectus Regulation and the Delegated Regulation 2019/980.

## IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

This document contains a prospectus ("**Prospectus**") for the purpose of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published in the case of a public offering of securities or the admission of securities trading on a regulated market, and repealing Directive 2003/71/EC, including all relevant implementing measures ("**Prospectus Regulation**") and in accordance with the provisions of Delegated Regulation (EU) 2019/980 of Decision of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, verification and approval of the prospectus to be published in the case of a public offering of securities or the admission of securities when trading on a regulated market and repealing Regulation (EC) No Commission Regulation (EC) No 809/2004 ("**Delegated Regulation 2019/980**").

This Prospectus will be published on the website of the Bucharest Stock Exchange (<http://www.bvb.ro>), on the website of the Intermediary (<https://btcapitalpartners.ro/>), as well as on the Issuer's own website in the Investors section ([www.arobsgrup.ro/arobs-for-investors/](http://www.arobsgrup.ro/arobs-for-investors/)). One must note that information about the Final Subscription Price and other such information should be published on these web pages. Potential investors are advised to access this information before making a decision to invest.

The information in this Prospectus is accurate only on the date mentioned on the first page of this Prospectus, namely the date of approval of this Prospectus. It is possible that after this date there be changes in the activity and financial situation of the Issuer as of that date.

### Financial information

Unless otherwise indicated, the financial information in this Prospectus, relating to the Issuer, has been extracted from (i) the audited consolidated financial statements of the Issuer and its subsidiaries (jointly referred to as the "Group") prepared in accordance with the Order of the Minister of Public Finance No. 2844/2016, as amended, for the approval of Accounting Regulations in accordance with International Financial Reporting Standards adopted by the European Union, as amended, as at and for the financial years ending 31 December 2021, 31 December 2022 and 31 December 2023, accompanied by the independent auditor's report (financial statements, as at and for the financial years ending 31 December 2021, 2022 and 2023 are hereinafter jointly referred to as the "**Annual Financial Statements**"), and (ii) the simplified interim consolidated financial statements for the period ending 31 March 2024 ("**Interim Financial Statements**" and together with the Annual Financial Statements, "**Financial Statements**"), prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, as amended, for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards as adopted by the European Union, as amended. The independent auditor has not audited or reviewed the Interim Financial Statements in the Prospectus and, accordingly, has not expressed an opinion or conclusion on them.

The Issuer's financial year ends on 31 December and references to any year in this Prospectus are references to the 12 month period ended 31 December of that year.

The presentation and functional currency of the Issuer is RON. Accordingly, the Financial Statements are presented in RON unless otherwise indicated.

## Currency presentation

Unless otherwise indicated, all references in this document to "RON", "Romanian Leu", "Leu" (singular) or "Lei" (plural) are references to legal currency in circulation in Romania. All references to the euro, "euro" "EUR" "eurocents" or "€" are references to the currency introduced at the start of the third stage of European Economic and Monetary Union in accordance with the Treaty establishing the European Community, as amended. All references to "U.S. dollars" or "US\$", "dollars" are references to the legal currency in circulation in the United States of America.

There is no guarantee that any amount expressed in a particular currency in this Prospectus could or could not have been converted into any of the other currencies presented in this Prospectus at any exchange rate. There are limited markets for the Romanian Leu outside Romania. The limited availability of the Romanian Leu may lead to volatility in the exchange rate.

The following table presents the exchange rate at the end of the reference period, the highest, the lowest and the average exchange rate, for the periods and dates indicated, of the Romanian Leu against the EUR and the US dollar, in each case according to the exchange rate published by the National Bank of Romania for the relevant periods on the website [www.bnr.ro](http://www.bnr.ro).

### Exchange rate against RON

Year	Euro			At the end of the period
	Highest	Lowest	Media	
2021.....	4.9495	4.8691	4.9208	4.9481
2022.....	4.9492	4.8215	4.9315	4.9474
2023	4.9783	4.8858	4.9465	4.9746

Source: National Bank of Romania.

Year	US Dollar			At the end of the period
	Highest	Lowest	Media	
2021.....	4.4127	3.9468	4.1604	4.3707
2022.....	5.1794	4.3131	4.6885	4,6346
2023	4.7430	4.3915	4.5743	4.4958

Source: National Bank of Romania.

## Roundings

Certain information appearing in this Prospectus, including financial, statistical and operational information, has been rounded. Accordingly, as a result of rounding, the totals presented in this Prospectus may vary somewhat from the arithmetic sum of the respective numbers. The percentages shown in the tables have been rounded and therefore may not add up to 100%. Calculations, variances and other percentages may differ slightly from the actual calculations due to rounding of the underlying financial, statistical or operational information.

## Economic, market and industry information

The information on macroeconomic trends, market position and other industry data relating to the activity of the Issuer and of the group contained in this Prospectus has been extracted from official sources and industry publications, data compiled by professional organisations and analysts, information from other external sources and the Issuer's knowledge of the market. The sources of such information, data and statistics include independent industry publications, market studies, internal surveys, reports and estimates and other publicly available information. This information is subject to change and cannot be verified with complete certainty due to limitations on the availability and certainty of raw information and other limitations and uncertainties inherent in any statistical study.

Although the Issuer believes that the third party information contained herein is accurate, such information has not been independently verified and neither the Issuer nor the Intermediary makes any statement or warranty as to the accuracy or completeness of such information as contained in this Prospectus. The Issuer confirms that the information in this Prospectus from third parties has been accurately reproduced and, to the best of its knowledge of its ability to evaluate the information published by such third parties, no facts have been omitted which would cause the reproduced information to be incorrect or misleading.

Where information from external sources is included in this Prospectus, the source has been identified.

### **Communication of procedural documents and enforcement of civil obligations**

The issuer is incorporated under and subject to the laws of Romania. All of the Board Members of the Issuer are residents in Romania and the entities referred to in this Prospectus are organised under the laws of Romania. All or a substantial part of the assets of such persons and entities are located in Romania.

Romanian law allows for the filing of an action before a competent court in Romania for recognition and enforcement of a final judgment in personam delivered by a court in an EU Member State, if the relevant conditions set out in EC Regulation 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters are met. However, other conditions may be applicable in relation to particular issues imposed by specific Romanian legislation or international conventions. Similar rules on the recognition and enforcement of judgments given by foreign courts apply to judgments issued in non-EU countries that are party to the 2007 Lugano Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters.

Judgments handed down by courts in other Member States outside the EU that are not party to the 2007 Lugano Convention are subject to different requirements and thus enforcement of these judgments may be more difficult. Subject to specific domestic legislation (including ratified international conventions) governing the recognition and enforcement of foreign judgments on certain issues, Romanian law allows for an action to be filed before a competent Romanian court for recognition of an in personam judgment delivered by a court of a non-EU state, if the relevant conditions for recognition of foreign judgments established under the Romanian civil procedure code are met. In addition, the recognition and enforcement of foreign judgments in matters relating to administrative, customs, criminal or other branches of public law are subject to special legislation and certain additional conditions may need to be met.

### **Definitions and glossary**

Certain terms used in this document, including all capitalized terms and certain technical terms and terms of another nature, are defined and explained in the "*Definitions*" section of this Prospectus.

### **Information not included in this document**

The information contained in this Prospectus has been provided by the Issuer or has been obtained from public sources as indicated in the Prospectus. No natural or legal person other than the Intermediary and the Issuer has been authorised to provide any information or documents, or to make any statement other than those contained herein. Any information or documents provided other than the Prospectus or the incorporated documents shall not be deemed to have been authorised by the Intermediary or the Issuer or any of their affiliates. Under no circumstances shall the submission of this document imply that there has been no change in the business of the Issuer since the date of this document or that the information in this document is correct at any time subsequent to the date of this document.

### **Information on prospective statements**

This document contains certain forecasts, predictions and prospective statements - which are statements relating to future events and not past events (within the general meaning of the term and within the meaning of applicable securities laws) - with respect to the financial performance, results of operations and activities of the Issuer and certain of the Issuer's goals and objectives with respect thereto. Certain statements, including those regarding: plans for growth in the Issuer's financial performance, expected levels of investment, prospects for the creation of additional value in the future resulting from new investments by the Issuer, the Issuer's prospects, including intentions for growth (organic or otherwise), plans to explore future growth opportunities, expectations regarding the impact of certain regulations on the Issuer's business, future capital expenditures, taxation, leverage and the Issuer's intention to maintain financial stability, are naturally forward-looking.

These prospective statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Issuer and all of which are based on current assumptions and estimates about the future. Prospective statements are sometimes identified by the use of forward-looking expressions such as "believes", "expects", "may", "will", "could", "would", "should", "risks", "intends", "estimates", "targets", "plans", "predicts", "continues", "assumes", "positioned" or "anticipates" or negative forms of such expressions, other variations thereof or similar expressions. These prospective statements include matters that are not historical facts. They appear in several places in this document and include statements regarding the Issuer's intentions, considerations and expectations with respect to, among other things, the operating results, financial condition, liquidity, plans, development, strategies and dividend policy of the Issuer and the industry in which it operates. In particular, the statements contained in the sections headed



"Summary", "Risk Factors" and "Description of the Issuer" regarding the Issuer's strategy and future events or prospects are prospective statements.

These prospective statements and other statements contained herein regarding matters that are not historical facts involve predictions. No assurance can be given that such results will be attained; subsequent events or results could differ materially as a result of the risks and uncertainties to which the Issuer is exposed. Subsequent results may differ materially from those expressed in such statements depending on a number of factors, such as: receipt of third party and/or governmental approvals; operational matters; economic and financial market conditions; political stability and economic growth; legislative changes; development and use of new technologies; success of partnerships; actions of competitors, business partners, creditors and others; natural disasters; wars and terrorism; cyber attacks or sabotage. In addition to the factors mentioned elsewhere in this document, the foregoing are important, but not exhaustive, factors that could cause future results and developments to differ materially from those expressed or implied by these prospective statements. New risks may periodically arise and the Issuer cannot predict all such risks. Such risks and uncertainties could cause actual results to vary materially from future results indicated, expressed or implied by such prospective statements. Such prospective statements contained herein are made only as of the date hereof. The Issuer expressly disclaims any obligation or undertaking to update any prospective statements contained in this document to reflect any change in their expectations or any change in events, conditions or circumstances on which such statements are based, except to the extent that such update is required by applicable law, the Prospectus Rules or disclosure and transparency rules imposed by Romanian law or the regulations of the Bucharest Stock Exchange.

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## SUMMARY

<b>Section A - Introduction and warnings</b>	
<b>Element</b>	
<b>A.1</b>	<p>The Issuer draws attention to the following elements:</p> <ul style="list-style-type: none"> <li>a) This summary should be read as an introduction to the Prospectus, is not exhaustive and has been prepared solely on the basis of the information detailed in the Prospectus and should be read in conjunction with it. Any decision to invest in the securities must be based on an examination of the entire Prospectus, investors should not limit themselves to reading this Summary only.</li> <li>b) Being a shareholder implies, by definition, participation in the profits and losses of the issuing company in proportion to the share capital held. Therefore, given the characteristics of shares as securities, an investment in shares - irrespective of the issuer - entails the risk of losing all the capital invested in the event of the bankruptcy of the company or part of it in the event of a negative trend in the shares on the capital market due to causes internal or external to the issuer.</li> <li>c) If an action is brought before a court concerning the information contained in the Prospectus, the claimant investor may, in accordance with national law, be required to bear the costs of translating the Prospectus before the commencement of legal proceedings.</li> <li>d) The responsible persons shall not be civilly liable solely on the basis of the summary, including a translation thereof, unless the summary is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus, or if it does not provide investors with information essential to make an informed investment decision with respect to these securities in relation to the other parts of the Prospectus.</li> </ul>
<b>A.2</b> Name of securities and International Securities Identification Number (ISIN)	The Issuer has a subscribed and paid-up share capital of 87,129,360.9 lei, divided into 871,293,609 ordinary, registered, dematerialised shares of equal value, with a nominal value of 0.1 lei each. ISIN code: ROWMR49B0RG5.
<b>A.3</b> Identity and contact details of the issuer, including the legal entity identifier ("LEI")	The Issuer is AROBS Transilvania Software S.A., the issuer of the shares presented in this Prospectus, having its registered headquarters at 11 Donath Street, building M4, entrance 2, 3rd floor, apartment28, Cluj-Napoca, Cluj, Romania, investor relations contact +40 754 908 742, email address ir@arobsgroup.com, website: www.arobsgroup.ro, Trade Registry number J12/1845/1998, unique tax identification code RO 11291045. LEI Code: 315700L7KC3G71QD8133.
<b>A.4</b> The identity and contact details of the competent authority approving the prospectus and, if different, of the competent authority that approved the registration document or the universal registration document.	The Prospectus has been approved by the Financial Supervisory Authority ("FSA"), with registered headquarters at Splaiul Independenței nr.15, District 5, postal code 050092, Bucharest, Romania, telephone: 021 668 1208, fax: 021 659 6051, email: office@asfromania.ro, website: www.asfromania.ro.
<b>A.5</b> Date of approval of the Prospectus	This Prospectus was approved by the FSA on _____ 2024 by FSA Decision no. _____
<b>Section B - Issuer</b>	
<b>Element</b>	
<i>Who is the issuer of the securities?</i>	

<p><b>B.1</b> Its registered headquarters and legal form, its LEI code, the law under which it operates and the country in which it is incorporated</p>	<p>The issuer is AROBS Transilvania Software S.A., a joint-stock company duly incorporated and validly operating in accordance with the laws of Romania, having its registered headquarters at 11 Donath Street, building M4, entrance2, 3rd floor, apartment 28, Cluj- Napoca, Cluj, Romania, number in the Trade Registry J12/1845/1998, unique tax identification code RO 11291045, LEI code 315700L7KC3G71QD8133.</p>																		
<p><b>B.2</b> Its main activities</p>	<p>AROBS is a technology company that provides custom software development services in areas as diverse as fleet management, international transportation solutions, business optimization, digitization of business receipts, human resource management, IT support, IoT, and more.</p> <p>According to the Issuer's articles of association, the main activity is carried out under the NACE code 6201 - "Custom software development activities (client-oriented software)".</p>																		
<p><b>B.3</b> Its majority shareholders, including whether the issuer is owned or controlled, directly or indirectly, and by whom</p>	<p>At the date of the Prospectus, Mr. Voicu Oprean directly holds a number of 579,893,968 Shares, representing 66.5555% of the Issuer's share capital, indirectly controlling a number of 75,202,758 Shares representing 8.6312% of the Issuer's share capital through CABRIO INVESTMENT S.R.L. (50% owned by Voicu Oprean and 50% by Delia Alina Oprean, a person closely related to Mr. Voicu Oprean.</p> <p>The issuer holds 24,822,307 of its own shares, representing 2.8489% of the total number of issued shares.</p> <p>Other shareholders hold a total of 191,372,671 shares representing 21.9642% of the Issuer's issued share capital, without exceeding the threshold of 5% of the share capital.</p>																		
<p><b>B.4</b> Identity of its main directors</p>	<p>The company has a unitary management structure. Currently, the Issuer's Board of Directors consists of the following members:</p> <table border="1" data-bbox="613 1024 1318 1329"> <thead> <tr> <th><u>Name</u></th> <th><u>Function</u></th> <th><u>Date of expiry of mandate</u></th> </tr> </thead> <tbody> <tr> <td>Voicu Oprean</td> <td>president</td> <td>29.09.2027</td> </tr> <tr> <td>Mihaela Stela Cleja</td> <td>membru</td> <td>29.09.2027</td> </tr> <tr> <td>Aurelian-Călin Deaconu</td> <td>membru</td> <td>29.09.2027</td> </tr> <tr> <td>Ioan – Alin Nistor</td> <td>membru</td> <td>29.09.2027</td> </tr> <tr> <td>Răzvan-Dimitrie Gârbacea</td> <td>member</td> <td>29.09.2027</td> </tr> </tbody> </table> <p>The management of the Issuer is delegated to the General Director or "CEO" of the Issuer, Mr. Voicu Oprean. His term of office as CEO is due to expire on .11 octombrie 2027. Mr Aurelian Deaconu and Mr Ovidiu Bojan are also Executive Directors of the Issuer with power of representation. The terms of office of Aurelian Deaconu and Ovidiu Bojan as Executive Directors are due to expire on 11 October 2027.</p>	<u>Name</u>	<u>Function</u>	<u>Date of expiry of mandate</u>	Voicu Oprean	president	29.09.2027	Mihaela Stela Cleja	membru	29.09.2027	Aurelian-Călin Deaconu	membru	29.09.2027	Ioan – Alin Nistor	membru	29.09.2027	Răzvan-Dimitrie Gârbacea	member	29.09.2027
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Ioan – Alin Nistor	membru	29.09.2027																	
Răzvan-Dimitrie Gârbacea	member	29.09.2027																	
<p><b>B.5</b> Identity of its statutory auditors</p>	<p>The financial auditor of the Issuer is BDO AUDITORS &amp; ACCOUNTANTS S.R.L., a Romanian company, with registered headquarters in Romania, Cluj-Napoca, 3Mihai Eminescu Street, 1st floor, authorization no 1003/26.11.2010, issued by the Chamber of Financial Auditors of Romania, registered at the Trade Registry under no J12/2609/2002, with unique identification code 15106663, registered in the Public Register of Financial Auditors under number FA1003 ("BDO").</p>																		
<p><i>What is the key financial information about the Issuer?</i></p>																			
<p><b>B.6 Selected financial information</b></p>																			
<p><b>Consolidated statement of comprehensive income and profit and loss account</b></p>																			

Consolidated Statement of Comprehensive Income for the years ended 31 December 2022 and 31 December 2023, respectively, as extracted from the Annual Financial Statements:

	For the financial year ended	
	31 December 2023 (IFRS audited)	31 December 2022 (IFRS audited)
<b>Turnover</b>	<b>427,294,137</b>	<b>299,815,687</b>
<b>Result from operating activity</b>	<b>43,559,372</b>	<b>53,182,304</b>
<b>Attributable overall net result:</b>		
- Group owners	31,585,137	47,104,440
- uncontrolled interests	79,290	75,162
<b>Overall net result for the period</b>	<b>31,664,427</b>	<b>47,179,602</b>

Source: Annual Financial Statements

Consolidated Statement of Profit and Loss Account for the years ended 31 December 2020 and 31 December 2021 respectively, as extracted from the Annual Financial Statements:

	For the financial year ended	
	31 December 2022 (audited IFRS)	31 December 2021 (audited IFRS)
<b>Net turnover</b>	<b>299,815,687</b>	<b>186,582,712</b>
<b>Result from operating activity</b>	<b>53,182,304</b>	<b>51,885,977</b>
<b>Attributable overall net result:</b>		
- Group owners	47,104,440	45,681,607
- uncontrolled interests	75,162	111,448
<b>Overall net result for the period</b>	<b>47,179,602</b>	<b>45,793,055</b>

Source: Annual Financial Statements

Simplified interim consolidated statement of Profit and Loss for the three months period ended March 31, 2024 (unaudited and unrevised), presented compared to the simplified interim consolidated statement of Profit and Loss for the three months period ended March 31, 2023 (unaudited and unrevised):

	For the period of 3 (three) months ending on	
	31 March 2024 (unaudited, unrevised, IFRS)	31 March 2023 (unaudited, unrevised, IFRS)
<b>Net turnover</b>	<b>105,045,328</b>	<b>110,659,907</b>
<b>Result from operating activity</b>	<b>9,670,635</b>	<b>17,769,058</b>
<b>Attributable net result:</b>		
- Group owners	8,030,439	13,874,166
- uncontrolled interests	(168,514)	64,410
<b>Net result for the period</b>	<b>7,861,925</b>	<b>13,938,577</b>

Source: Interim Financial Statements (unaudited, unrevised).

#### Consolidated statement of financial position

Statement of financial position as of 31 December 2021, 31 December 2022 and 31 December 2023, respectively, as extracted from the Annual Financial Statements:

	31 December 2023 (IFRS audited)	31 December 2022 (IFRS audited)	31 December 2021 (IFRS audited)
<b>Total assets</b>	<b>480,366,434</b>	<b>396,794,840</b>	<b>234,633,069</b>
<b>Total equity</b>	<b>273,587,158</b>	<b>229,722,939</b>	<b>181,097,849</b>

<b>Total debts</b>	206,679,276	167,071,901	53,535,219
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*Source: Annual Financial Statements*

Simplified interim consolidated statement of financial position as of 31 March 2024 (unaudited and unrevised), presented compared with the consolidated statement of financial position as at 31 December 2023 (unaudited and unrevised).

	<b>31 March 2024</b> <i>(unaudited, unrevised, IFRS)</i>	<b>31 December 2023</b> <i>(unaudited, unrevised, IFRS)</i>
<b>Total assets</b>	493,075,919	480,366,434
<b>Total equity</b>	284,575,446	273,687,158
<b>Total debts</b>	208,500,473	206,679,276

*Source: Interim Financial Statements (unaudited, unrevised).*

From 31 December 2023 to the date of approval of the Prospectus, there have been no material adverse changes to the Group's prospects, financial or trading position.

#### **Consolidated cash flow statement**

	<b>For the financial year ended</b>	
	<b>31 December 2023</b> <i>(IFRS audited)</i>	<b>31 December 2022</b> <i>(IFRS audited)</i>
Net cash flows from operating activities	54,555,296	62,710,466
Net cash flows used in investing activities	(80,003,400)	(133,572,486)
Net cash flow from financing activities	11,848,361	70,022,827
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(13,599,743)</b>	<b>(839,193)</b>
Cash and cash equivalents at 1 January	101,373,631	102,212,824
<b>Cash and cash equivalents at 31 December</b>	<b>87,773,888</b>	<b>101,373,631</b>

*Source: Annual Financial Statements*

#### **Brief description of any qualifications in the audit report relating to historical financial information**

None of the Issuer's financial reports relating to the historical information for the years and three-month period presented in this Prospectus did not receive any qualifications in the corresponding audit reports. None of the financial statements of the Issuer relating to the historical information for the years and three months presented in this Prospectus have been subject to any expressed concerns in the respective auditors' reports.

#### **B.7 What are the main risks specific to the Issuer?**

##### **RISKS RELATED TO THE GROUP'S BUSINESS AND FIELD OF ACTIVITY**

- The Issuer operates in an intensely competitive environment, thereby exists a possibility that it may not have sufficient financial or other resources to maintain or improve its competitive position;
- The risk of scaling the Issuer's business;
- If the Issuer does not accurately anticipate, prepare for and respond promptly to technological and market developments and does not successfully manage the market introduction and transition of products and services to meet the changing needs of end customers, its competitive position and prospects will suffer;
- If the Issuer fails to hire, integrate, train, retain and motivate qualified staff and senior management, its business could suffer;
- Acquisitions, joint ventures and strategic alliances may have a negative effect on the Issuer's business;
- Part of the Issuer's business is in the automotive industry, which involves dependence on third-party suppliers, strict regulation and rapid technological progress, as well as a certain cyclical demand;
- A network or data security incident may allow unauthorized access to the Issuer's network or data, damage the Issuer's reputation, create additional liability issues and negatively impact financial results;
- Operating results may vary significantly from period to period and may be unpredictable;
- Reputational risk is an inherent part of the Issuer's business;

- The rate of revenue growth in recent periods may not be indicative of the Issuer's future performance;
- The Issuer's current research and development efforts may not produce successful products or services that will result in significant revenue, cost savings or other benefits in the foreseeable future;
- Risks related to intellectual property rights;
- Liquidity risk and cash-flow risk;
- Risk associated with interest rates and funding sources;

#### **LEGAL, REGULATORY AND LITIGATION RISKS**

- Changes in tax laws or interpretations (such as the elimination of the income tax exemption facility for IT professionals), as well as unfavourable decisions by tax authorities (for example, the risk that certain subcontractor relationships may be treated by tax authorities as dependent activities which may lead to the recalculation of the related taxes), could have a material adverse effect on the Issuer's results of operations and cash flows;
- Risks related to the application of existing laws and regulations;
- Legislative risk associated with the fleet management industry;
- Litigation risk;

#### **RISKS RELATED TO INVESTMENTS IN ROMANIA**

- Political and military instability in the region may have negative consequences for the Issuer's business;
- The unpredictability of the inflation rate evolution could have significant negative consequences on the Issuer's financial performance;
- A potential deterioration of the general economic, political and social conditions in Romania could have negative effects on the Issuer's business;
- The LEU may be subject to high volatility;
- Romania's economy is more vulnerable to fluctuations in the global economy than developed economies. Negative global economic developments could have an adverse effect on the value of the New Shares issued;
- Any downgrading of Romania's credit ratings by an international rating agency could have an adverse impact on the New Shares;
- Romania's legal and judicial system is less developed than those of other European countries, which makes an investment in New Shares more risky than an investment in the securities of an issuer operating in a more developed legal and judicial system.

### **Section C - Securities**

*What are the main characteristics of securities?*

<b>C.1</b> Their type, class and ISIN code	The shares are ordinary, registered and issued in dematerialised form and have the ISIN code ROWMR49B0RG5.
<b>C.2</b> Their currency, denomination per unit, number of securities issued and maturity of securities	Each Share is issued, fully paid up, with a nominal value of 0.1 lei each and gives the holders equal rights. At the date of this Prospectus, the Issuer's share capital is divided into 871,293,609 Shares. The currency of the shares is Romania's national currency, LEU.
<b>C.3</b> Rights attached to securities	Each Share entitles the shareholder to one vote at the GMS. There are no restrictions on voting rights. All Shares have full dividend rights attached. All Shares also confer the following rights: (i) a shareholder's pre-emptive right to subscribe for any issue of new Shares on a pro rata basis, except where such right is restricted by the GMS in accordance with the law; (ii) the right to be informed; (iii) the right to withdraw in certain prescribed circumstances and under certain conditions prescribed by law; (iv) the right to vote at the GMS; (v) the right to receive dividends; (vi) to elect and be elected to governing bodies
<b>C.4</b> Relative ranking of securities in the issuer's capital structure in the event of insolvency, including it	The Issuer's share capital consists of a single class of ordinary shares of the same rank. In the event of insolvency, followed by bankruptcy and liquidation, the liquidators can not pay to the shareholders any sum of money which they would be entitled to receive according to their share of the share capital, before paying the claims of the creditors of the Company.
<b>C.5</b> Any restrictions on the free transferability of securities	The New shares will be freely transferable, in accordance with applicable Romanian laws and regulations. Certain transfer restrictions may be applicable

	depending on the jurisdiction of the Investor.
<b>C.6</b> Dividend policy or distribution policy	The General Meeting of Shareholders annually adopts the decision on the allocation of profits on the basis of a proposal from the Board of Directors of the Issuer. As a growth company with great potential for development and consolidation, AROBS management seeks to strike a balance between rewarding shareholders and maintaining access to the capital needed for growth. Therefore, the Company proposes to shareholders that, depending on the investment needs in a given year, it will either reward investors by granting shares free of charge following the capitalisation of a portion of the net profits earned by the Company, or grant a cash dividend. The Issuer is also considering introducing a hybrid model, where part of the profits will be capitalised and shareholders will receive free shares in the Company, while another part will be granted through cash dividends.
<i>Where will the securities be traded?</i>	
<b>C.7</b> It is indicated whether the securities are or will be the subject of an application for admission to trading on a regulated market or for trading on an MTF, as well as the identity of all markets on which the securities are or will be traded	After the closing of the Offering, registration of the Share Capital Increase with the Bucharest Trade Registry Office, respectively the registration of the New Shares with the FSA and the Central Depository, the New Shares will be admitted to trading on the Spot Regulated Market of the Bucharest Stock Exchange, in the Premium category.
<i>Is there any guarantee attached to the securities? - No.</i>	
<b>C.8</b> <i>What are the main risks specific to securities?</i>	
<p>Below are some of the main risks specific to securities:</p> <ul style="list-style-type: none"> <li>• The Issuer's majority Shareholder will retain a significant shareholding in the Issuer and will continue to exercise substantial influence over the Group as a result of the Offer and its interests may differ from or conflict with those of the other Shareholders;</li> <li>• The risk of a possible cancellation of the Share Capital Increase and/or the Offer;</li> <li>• The New Shares may not be an appropriate investment for all investors;</li> <li>• Shares may be affected by market price volatility and their market price may fall disproportionately as a result of events unrelated to the Issuer's business performance;</li> <li>• Shares may not have an active trading market;</li> <li>• The issuance of additional Shares of the Issuer, any incentive plan, stock options or debt reduction (or other) may dilute the holdings of existing shareholders;</li> <li>• The Issuer's ability to pay dividends to shareholders may be limited.</li> </ul>	
<b>Section D - Offer and admission to trading</b>	
<b>D.1</b> <i>What are the conditions and timing for investing in this security?</i>	
<p>Preference Rights Holders may subscribe the New Shares through the Intermediary and any other Eligible Participant. The Offer consists in offering for subscription to Preference Rights Holders up to 174,258,721 New Shares representing ordinary, nominative and dematerialised shares with a nominal value of RON 0.1 per share, as part of the Share Capital Increase.</p> <p>A number of 5 Preference Rights is required to subscribe for one New Share. If the mathematical calculation results in fractions of New Shares that can be subscribed, the maximum number of New Shares will be rounded down to the nearest whole number. Preference Right will not be traded.</p> <p>The Offer is addressed exclusively to Preference Rights Holders.</p> <p>The subscription price of the New Shares offered in the exercise of preference rights will be the maximum value of the subscription range, i.e. RON 0.93 RON per New Share (the "<b>Maximum Subscription Price</b>"). At the time of the completion of the Private Placement, the final subscription price for the New Shares offered under the exercise of preemption rights (the "<b>Final Subscription Price</b>") will be announced. The subscription price per New Share under the Private Placement will be equal to or higher than the Final Subscription Price. In the event that the Final Subscription Price is lower than the Maximum Subscription Price, Preference Rights Holders who have exercised their</p>	



preemption rights will be refunded the difference between the Maximum Subscription Price and the Final Subscription Price.

**Admission to trading on a regulated market:** After the closing of the Offering and the completion of the Private Placement, respectively the registration of the Share Capital Increase with the Trade Registry Office attached to the Bucharest Tribunal, the FSA and the Central Depository, the New Shares issued under the Share Capital Increase will be traded on the Spot Regulated Market of the Bucharest Stock Exchange.

**Amount and percentage of immediate dilution resulting from the Offering:** If all the New Shares are subscribed, the Issuer's share capital will be increased by a number of 174,258,721 ordinary shares, with a nominal value of RON 0.1 each and a total nominal value of RON 17,425,872.1, representing an increase of approximately 20% compared to the level of the Issuer's share capital at the date of this Prospectus. The Offering is carried out pursuant to the exercise of the preference rights of the Preference Rights Holders. Therefore, if all Preference Rights Holders were to exercise their preference rights, no interest of any Preference Rights Holder would be diluted. In the event that there are Preference Rights Holders who do not exercise their Preference Rights, and as a result of the Private Placement the share capital of the Issuer is increased by the maximum number of New Shares subject to the Share Capital Increase, the amount of dilution of the Preference Rights Holders who have not exercised their Preference Rights will be 20%.

**Estimation of the total cost of the Offering, including the estimated costs charged to investors by the Issuer/offeree:** The fees and amounts related to fees charged by the Romanian Financial Supervisory Authority, Bucharest Stock Exchange S.A. and Central Depository S.A., due by the Issuer are estimated at RON 166,061 (assuming that all the New Shares will be subscribed within the Offering and less the intermediary fee payable to the Intermediary, which will be paid separately).

The Offer timetable:

<b>Event</b>	<b>Time and date</b>
First day of the Offering	On 3 June 2024
Closing of the preemption rights exercise period	On 4 July 2024
Opening of the Private Placement	On 8 July 2024
Completion of the Private Placement	On or around 10 July 2024

*Who is the person applying for admission to trading?*

**D.2** Not applicable.

*Why was this prospectus developed?*

**D.3** In the opinion of the Board of Directors, the Offering will allow the Issuer to obtain funds to finance the current activity of the Group, both by acquiring new companies and organically by generating new products/solutions.

**D.4** Use and estimated net revenue  
By selling the New Shares in accordance with the Offering, it is expected that the Issuer will collect, in total, a net value of approximately RON 161,897,550 (calculated after deducting the commissions and fees incurred in connection with the Offer to the competent authorities, less the Intermediary's commission, which will be paid separately, and assuming that all New Shares are subscribed for under the Offer at the Maximum Subscription Price).  
The proceeds obtained from the Offering will be used to for the growth and consolidation of the Group. For details of the principal uses of the proceeds, in descending order of importance, see Section 14 - Reasons for the Offer and Use of Funds.

**D.5** Indication of whether the offer is subject to a firm underwriting commitment agreement, indicating  
Not applicable/ Not the case

whether there is any uncovered portion	
<b>D.6</b> Interests having an impact on the Offer	This is not the case. The Intermediary has no interest and there is no conflict of interest that could materially influence the admission to trading other than the performance of the contract signed with the Issuer for the admission of the New Shares to trading.
<b>D.7</b> Who is the bidder?	The Offeror is the Issuer.

**PARTEA 1**  
**RESPONSIBLE PERSONS, THIRD PARTY INFORMATION, EXPERT REPORTS AND COMPETENT AUTHORITY APPROVAL**

**1. Responsible persons**

**Issuer: AROBS Transilvania Software S.A.**, the issuer of the shares presented in this Prospectus, with registered headquarters at 11 Donath Street, buildingM4, entrance 2, 3rd floor, apartment 28, Cluj- Napoca, Cluj, Romania, investor relations contact +40 754 908 742, email address ir@arobsgrup.com, website: www.arobsgrup.ro, Trade Registry number J12/1845/1998, unique tax identification code RO 11291045 and declare that accepts responsibility for the information contained in this Prospectus.

The persons responsible on behalf of the Issuer for the information contained in this Prospectus are the members of the Board of Directors respectively:

- Mr Voicu Oprean - Chairman of the Board of Directors and General Director of the Issuer;
- Mrs. Mihaela Stela Cleja - Non-executive member of the Board of Directors;
- Mr Aurelian-Călin Deaconu - Executive Member of the Board of Directors;
- Mr Ioan-Alin Nistor - Non-executive and independent member of the Board of Directors;
- Mr. Răzvan-Dimitrie Gârbacea - Non-executive and independent member of the Board of Directors.

**2. Statements by responsible persons**

**The Issuer's Representative** declares that, to the best of their knowledge and belief and having made all reasonable enquiries, this Prospectus provides information which is true and fair and contains no omission likely to significantly affect its content.

To the best of the knowledge of the Issuer's representative, the information contained in the Prospectus is correct as of the date of preparation of the Prospectus stated on the first page, unless otherwise expressly stated in this Prospectus. The business and financial condition of the Issuer and the information contained in the Prospectus may change after this date. Except as expressly stated in the applicable legal framework, the Issuer undertakes no obligation to update or revise the information contained in this Prospectus.

**3. Expert statements / reports**

Not applicable except for audit reports incorporated by reference in this Prospectus.

**4. Information from third party sources**

Information on macroeconomic trends, market position and other industry data relating to the Group's business contained in this Prospectus has been extracted from official sources and industry publications, data compiled by professional organisations and analysts, information from other external sources and the Issuer's knowledge of the market. The sources of such information, data and statistics include independent industry publications, market studies, internal surveys, reports and estimates and other publicly available information. This information is subject to change and cannot be verified with complete certainty due to limitations on the availability and certainty of raw information and other limitations and uncertainties inherent in any statistical study.

Although the Issuer believes that the third party information contained herein is accurate, such information has not been independently verified and neither the Issuer nor the Intermediary makes any statement or warranty as to the accuracy or completeness of such information as contained in this Prospectus. The Issuer confirms that the information in this Prospectus from third parties has been accurately reproduced and, to the best of their knowledge and belief, and to the best of their ability to evaluate the information published by such third parties, no facts have been omitted which would cause the reproduced information to be incorrect or misleading.

Where information from external sources is included in this Prospectus, the source has been identified.

#### **5. Statement**

This Prospectus has been approved by the Financial Supervisory Authority as competent authority under Regulation on Prospectus, by decision no. \_\_\_\_\_/\_\_\_\_\_.

The Financial Supervisory Authority approves this Prospectus only in terms of meeting the standards of completeness, comprehensibility and consistency required by Regulation (on Prospectus and Delegated Regulations (EU) 2019/979 and 2019/980. This approval shall not be deemed to be an approval of the Issuer which is the subject of this Prospectus.

Investors should assess for themselves the extent to which investing in the the New Shares is appropriate.

#### **6. Interests of natural and legal persons involved in the issue/offer**

There are no conflicts of interest that could significantly influence the issue/Offer.

## **PART 2 RISK FACTORS**

*Any investment in the New Shares involves some risks. Before investing in the New Shares, potential investors must carefully consider the risk factors associated with any investment in the New Shares, the Group's business and the area in which the Group operates, as well as all other information contained in this Prospectus, including, in particular, the risk factors described below.*

*Potential investors should bear in mind that the risks relating to the Group, the industry in which the Group operates and those relating to the New Shares, as set out in the "Summary" section of this Prospectus, are the risks that the Issuer considers to be the most important for the analysis carried out by a potential investor in the context of his investment decision regarding the New Shares. However, as the risks to which the Group is exposed are related to events and depend on circumstances that may or may not materialize in the future, potential investors should consider not only the information on key risks described in the section entitled "Summary" of this Prospectus, but also the risks and uncertainties described below.*

*The occurrence of any of the following events could have a material adverse effect on the Issuer's business, prospects, operations results and financial condition. The risk factors described below are not an exhaustive list or an explanation of all the risks to which investors may be exposed when making an investment in the New Shares and should only be used for guidance. Additional risks and uncertainties regarding the Group that are not currently known to the Group or that the Group currently considers to be insignificant may also, individually or cumulatively, have a material adverse effect on the Group's business and operations results, as well as on the financial situation of the Group and, if such a risk materializes, the price of the New Shares could decrease and investors could lose the investment made, in whole or in part. An investment in Shares involves complex financial risks and is suitable only for investors who (either alone or together with a financial or other specialist adviser) are able to assess the risks of such an investment and who have sufficient financial resources to be able to bear the losses that may result. Potential investors should carefully consider whether an investment in the New Shares is suitable for them taking into account the information in this Prospectus and their personal circumstances.*

### **RISKS RELATING TO THE GROUP'S BUSINESS AND FIELD OF ACTIVITY**

**The Issuer operates in an intensely competitive environment, thereby exists a possibility that it 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 longer operating history;
- bigger budgets and resources for sales and marketing;
- wider distribution and established relationships with distribution partners and end customers;
- more customer support resources;
- greater resources to make strategic acquisitions or enter into strategic partnerships;
- lower labour costs and the development of new services and/or products;
- newer and/or disruptive services, products and/or technologies;
- more extensive and mature intellectual property portfolios; and/or
- much greater financial, technical and other resources.

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

Organisations using traditional services and products may consider that these services and products are sufficient to meet their needs or that the Issuer's offerings only meet the needs of one part of the industry. Accordingly, these organisations may continue to allocate their information technology budgets to traditional services and products and

may not adopt the Issuer's services and products. Also, many organisations have invested substantial financial and personnel resources to design and operate their own networks and have established deep relationships with other service and product providers. As a result, these organisations may prefer to buy 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 organisations may also be willing to incrementally add solutions to their existing solutions rather than replace it entirely with the Issuer's solutions/products.

Conditions in the market in which the Issuer operates may change rapidly and significantly as a result of technological advances, partnerships or acquisitions by the Issuer's competitors or continued market consolidation. Innovative start-up companies and major competitors of the Issuer 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 offered and to more quickly adapt to new technologies and new end-customer needs. The Issuer's current and potential competitors may also enter into cooperative relationships with each other or with 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. Any failure to confront and address these factors could seriously harm the business and operating results.

The Issuer's competitiveness in the current concurrent environment depends to a large extent on its ability to adapt quickly to new market developments and trends. If the Issuer is unable to compete effectively with its competitors, whether local or international, this may have a negative impact on the Issuer's business, financial condition, results of operations and prospects.

#### ***The risk of scaling the Issuer's business***

In recent years, the Issuer has experienced growth and increased demand for its products and services. As a result, the number of staff has increased significantly in recent years. For example, from the end of fiscal 2022 to the end of fiscal 2023, the number of staff at a consolidated level has increased from 796 to 1,254. In addition, as the Issuer has grown, the number of end customers has also increased significantly, and the Issuer has increasingly managed service projects and implementations of its products and services. The growth and expansion of the business, services, products and the level of support it provides to customers places significant strain on management, operational and financial resources. In order 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 infrastructure, and that of systems and administrative and operational control, and its ability to effectively manage its workforce, capital and processes, all of which may be more difficult to achieve as a number of the Issuer's employees continue to work remotely.

The Issuer may not be able to successfully implement or expand its system and process improvements in an efficient or timely manner. In addition, existing systems and processes may not be able to prevent or detect all errors, omissions or fraud. The Issuer may also have difficulty managing enhancements to its systems and processes or in connection with software provided by third parties that is licensed to support the Issuer in connection with such enhancements. Any future growth regarding products and services offered by the Issuer would add complexity to the Issuer's organisation and would require effective organisation-wide coordination. Failure to effectively manage any future growth could result in increased costs, disruption of existing end-customer relationships, reduced demand or limit the Issuer to reduced distribution of its services and/or smaller deployments of its products or impair business performance and operating results.

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

The field of software solutions and service delivery or software development has grown rapidly and is expected to continue to evolve rapidly. Moreover, many of Issuer's customers operate in markets characterized by continually evolving technologies and business plans that require them to add numerous network access points and adapt increasingly complex networks to their businesses, incorporating a variety of hardware products, software, operating systems and network protocols, and for this reason, the Issuer must continually adapt its services and/or products.

In addition, the Issuer must commit significant resources to the development of new services and products before knowing whether its investments will result in products and services that the market will accept. The success of new features depends on several factors, including the appropriate definition of new services and products, the differentiation

of new products, services and features from those of the Issuer's competitors and the market acceptance of such products, services and features.

New software services and technologies may not be widely adopted by users or customers. This could be due to multiple reasons, such as lack of awareness of the benefits of new services and technologies, resistance to change or preference for existing solutions and technologies. In such cases, the investment and effort put into the development of new services and technologies may not provide an adequate return and market success may be limited.

Although the Issuer is making efforts to analyse and address this risk through appropriate market research, user testing and feedback in the development stages, and effective marketing and communication strategies to promote the innovative benefits and advantages of new services and technologies, the failure of the Issuer to adapt its services and products to market developments could have significant negative consequences for the Group's business, prospects, results of operations and financial position.

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

The success of the Issuer depends to a large extent on its ability to continue to bring, integrate and motivate qualified staff, especially highly skilled IT programmers and engineers. The Issuer is substantially dependent on the continued services of its existing staff, primarily due to the complexity of the Issuer's service and product offerings and products. Although the Issuer strives to motivate its staff, both by offering competitive remuneration packages (including through the implementation of stock option plans) and through career development opportunities, the failure of the Issuer to manage its existing workforce and/or recruit sufficient staff in a timely manner could materially harm the Issuer's business, prospects, results and/or financial condition.

In addition, any failure to adequately hire, integrate, train and incentivize sales personnel or the inability of newly hired sales and operational personnel to effectively achieve targeted productivity levels could adversely impact the Issuer's growth and marginal operations. Competition for highly skilled personnel, particularly in engineering, is often intense, especially in large business centers where the Issuer has a substantial presence and need for such personnel.

Moreover, the industry in which the Issuer operates is generally experiencing high employee utilization. If the Issuer is unable to hire, integrate, train or retain the skilled and highly qualified personnel necessary to meet its current or future needs, its business, financial condition and operating results could suffer.

The Issuer's future performance also depends on the continued service 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 individuals, a decrease in the effectiveness of such services or ineffective management of any transition in management could significantly delay or impede ability to develop projects, business plans and financial projections or marketing capacity efficiently and to high quality standards, which could adversely affect the Issuer's business, financial condition and results of operations. In particular, the continued involvement of the current management in the pursuit of the Issuer's strategic objectives is a key factor for the continued development of the Issuer and its competitive position. The future results of the Issuer's operations depend in large part on the continued contribution of the Issuer's existing management. If any of the Issuer's executive officers or other key persons terminate their employment or collaboration with the Issuer, the Issuer's business, prospects, results of operations and financial condition could be materially adversely affected. Furthermore, the loss of key persons within the Issuer would mean that their experience could be used by competitors in the market.

***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. The 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 the Issuer may face difficulties in implementing its strategy, that the Issuer achieves an unsatisfactory return on its investment, that they generate new obligations and compliance challenges, that there are difficulties in integrating and retaining new employees, business systems and technology, that they distract management's attention from the Issuer's other businesses or that the announced transactions may not be completed.

The Issuer's ability to make such investments may also be limited by many factors, including the availability of financing, applicable regulations and competition from other potential buyers in M&A transactions. For example, if an agreement fails to adequately anticipate a party's changing circumstances and interests, it 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 enhance existing services and products or 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. Although the Issuer analyses the companies being acquired, these valuations are subject to a number of assumptions regarding profitability, growth, etc. There is no guarantee that the Issuer's valuations and assumptions regarding the objectives of the acquisition will prove to be correct, and actual developments may differ significantly from the Issuer's expectations, especially in an uncertain macro-economic environment.

Factors such as the costs of developing the Issuer's projects could affect the Issuer's plans to derive added value from the projects it is considering. Even if implemented, there is no guarantee that the Issuer's plans will be successful. Failure to successfully implement the contemplated strategies (or to exceed the contemplated costs and timetable) and failure to achieve the anticipated benefits from the implementation of such strategies may adversely affect the Issuer's business, financial condition, results of operations or prospects.

***Part of the Issuer's business is in the automotive industry, which involves dependence on third party partners and suppliers, strict regulation and rapid technological progress, as well as a certain cyclicity of demand.***

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 supply chain. This includes suppliers of hardware components, electronic systems and other essential components required for the operation of automotive software solutions. The risk lies in the potential disruptions or problems that may arise from these dependencies, which may have significant implications for the Issuer's operations and reputation.

Thus the supply chain can be complex and interconnected, involving numerous suppliers in different geographical locations. Any disruption in the supply chain, such as component shortages, production delays, quality issues or logistical challenges, can have a direct impact on 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 supplied by third parties. If supplied components are defective or of inferior quality, this may lead to software malfunctions, system failures or safety problems in automotive products that include software. This may cause customer dissatisfaction, possible recalls, may lead to liability for the Issuer and may damage the reputation of the Issuer.

In addition, working with third party suppliers and partners involves sharing intellectual property, trade secrets and sensitive information. There is a risk of unauthorised use, misappropriation or unauthorised disclosure of valuable intellectual property, which can 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 regulations, the automotive industry is subject to strict regulations, standards and safety requirements. The issuer must ensure that its solutions comply with all applicable regulations, such as functional safety standards and cyber security requirements. Failure to comply with these regulations can result in fines, legal consequences and the inability to operate in the industry.

With regard to technological progress in this area, the Issuer's solutions may become obsolete. Emerging technologies such as autonomous driving, connected cars and electric vehicles may disrupt traditional automotive software paradigms. The Issuer must continually invest in research and development to keep pace with technology trends and evolving customer requirements.

The occurrence of any of these risks may create technical problems, damage the Issuer's reputation, result in the loss of customers and have a material adverse effect on the Issuer's business, prospects, results of operations and financial condition.

***A network or data security incident may allow unauthorized access to the Issuer's network or data, damage the Issuer's reputation, create additional liability issues and negatively impact financial results***

Companies are subject to a wide variety of attacks on their networks on a constant, increasing basis. In addition to traditional hacker-led attacks, malicious code (such as viruses and worms), phishing attempts, employee theft or misuse, sophisticated actors are engaging in intrusions and attacks (including advanced persistent attacks) that increase the risks to Issuer's internal networks and customer-facing environments and the information they store and process.

The incidence of cyber security breaches has increased. Despite significant efforts to create security barriers to such threats, it is virtually impossible for the Issuer to fully mitigate these risks. 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 the actions of external parties, employee error, malicious misconduct, 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 the Issuer's or its service providers' services and products could affect the Issuer's networks or secure product networks and, by creating disruptions or slowdowns in systems and exploiting security vulnerabilities in the Issuer's products and information stored on the Issuer's or its service providers' networks, such data could be accessed, publicly disclosed, altered, lost or stolen, which could result in financial harm.

Although the Issuer has not yet suffered significant damage as a result of unauthorized third party access 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, end-customers and sales, loss of competitive advantage over its competitors, increased costs to remediate any problems and to respond to incidents, regulatory investigations and enforcement actions, costly litigation and other liability.

In addition, the Issuer may incur significant costs and operational consequences for investigating, remediating, eliminating and putting in place additional tools and devices designed to prevent actual or perceived security breaches and other security incidents, as well as costs to comply with any notification obligations resulting from any security incident.

Any of these risks could have a negative impact on the market perception of the Issuer's services and products, as well as on end-customer's and investor's confidence in the Issuer, and could seriously affect business or operating results.

***Operational results can vary significantly from period to period and can 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 New Shares to decline. Even if operating results, in particular revenues, gross margins, operating margins and operating expenses have increased in the prior period, they are likely to 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 to sell additional services and/or products to existing end-customers;
- budget cycles, seasonal buying patterns and end-customer buying practices, including the likelihood of slower 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 changes in the competitive landscape of the industry in which the Issuer operates, including consolidation among its competitors or end-customers and strategic changes, partnerships entered into by and among the Issuer's competitors;
- the ability of the Issuer to successfully and continuously expand its business domestically and internationally, particularly in light of the current global economic downturn;
- the inability of the Issuer to complete or effectively integrate any acquisitions it may undertake;
- increase in unforeseen expenses or liabilities and any impact on the Issuer's operating results as a result of any acquisitions it makes;
- the Issuer's ability to increase the breadth and productivity of the distribution channel;
- decisions by potential end-customers to purchase services and products from larger, internationally recognised suppliers or from 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 for the Issuer's products and services in a timely manner/at all, or faced by the Issuer's key suppliers, including the Issuer's sole suppliers, which could disrupt the Issuer's supply chain;
- failure of third parties to fulfil their obligations to the Issuer, including in relation to the implementation of certain investment projects envisaged by the Issuer;
- any disruption in the distribution channel or termination of relationships that the Issuer has with major distribution partners, including as a result of consolidation among distributors and resellers of products and services;

- the inability of the Issuer to honour orders from end-customers due to supply chain delays or events affecting the Issuer's suppliers and partners or their suppliers, and the unavailability of internal resources or partners for the execution of services and delivery of requested products, all of which may be adversely affected by the effects of the global economic situation;
- the cost and outcome of potential litigation, which could have a material adverse effect on the Issuer's business;
- seasonality or cyclical fluctuations of the market in which the Issuer operates, including the market for IT resources, employees and subcontractors;
- political, economic and social instability caused by the military conflict initiated by the Russian Federation in Ukraine, continuing 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 these events may cause to the global industrial economy;
- general macroeconomic conditions, both domestically and in the foreign markets in which the Issuer operates, which could impact some or all of the regions in which the Issuer operates, including the expected slowdown in global economic growth, increased inflation risk and the potential for global recession;

Any of the foregoing factors or the cumulative effect of any of the foregoing factors may result in significant fluctuations in the Issuer's financial and other operating results. This unpredictability could result in the failure of the Issuer to meet its revenue, margin or other operating result expectations.

***Reputational risk is an inherent part of the Issuer's business***

The ability to retain and attract customers is influenced in part by the Issuer's brand recognition and public perception of the Issuer. Negative views of the Issuer may result from actual or perceived practices, affecting its overall reputation, including the quality of products or services provided or the way it is perceived to conduct its business.

Although the Issuer makes every effort to comply with applicable regulations and to improve the positive perception of customers and potential customers regarding its services, negative publicity and negative public opinion could affect the Issuer's ability to retain and attract customers.

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

The Issuer's revenues for any prior quarterly or annual period should not be taken as an indication of the Issuer's future revenues or revenue growth for any future period, whether such growth is generated both organically and through M&A activities. If the Issuer is unable to maintain consistent revenue or revenue growth, its shares could experience high volatility, making it difficult for the Issuer to achieve and maintain profitability or maintain and/or grow 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 near future***

Developing services and products related to the Issuer's business is a costly 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 realise the anticipated cost savings or performance improvements it had anticipated (it may take a longer period of time to generate revenue). The Issuer's future plans include significant investment in research and development. The Issuer believes that it must continue to devote a significant amount of resources to its research and development efforts in order to maintain its competitive position. However, it is possible that the Issuer may not earn significant revenues from these investments in the foreseeable future or these investments may not yield the expected benefits, either of which could adversely affect the business and operating results.

***Risks related to intellectual property rights***

Given the specific nature of the Issuer's business, there may be persons claiming that the Issuer infringes their intellectual property rights. The number of such claims may increase due to constant technological change in the markets in which the Issuer competes, the extensive patent coverage of existing technologies, the rapid rate of issuance of new patents and its supply. To resolve these claims, the Issuer may enter into royalty and license agreements on terms less favorable than those currently available, cease selling or redesigning affected services or products, or pay damages to satisfy indemnification commitments to its customers. These circumstances may result in lower operating margins. In addition to monetary damages, in some jurisdictions, claimants may seek court-to limit or prevent the importation, marketing and sale of our services or products that have infringing technologies.

While the Issuer pays attention to how it manages these risks, claims by third parties of infringement of their intellectual property rights may have a significant impact on the Issuer's business or operating results.

#### ***Liquidity and cash-flow risk***

Liquidity risk also includes the risk of possible non-recovery of claims. By the nature of its business, the Issuer shall maintain a level of receivables and payables that enables it to conduct its business optimally.

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 run its business efficiently.

One of the factors contributing to this risk is the nature of IT services, which can often involve long-term contracts with corporate or government clients. In such cases, there is a possibility that some customers may be late or fail to pay invoices in full, or fail to meet agreed payment deadlines. This may lead to an increase in uncollected receivables and pressure on the Issuer's liquidity.

Also, in the IT industry, competition is strong and the rapid evolution of technology can cause a sudden shift in customer demand and preferences. If the Issuer is unable to respond quickly to changes in the market or fails to retain existing customers, it may have difficulty generating revenue and thus maintaining an adequate liquidity.

Furthermore, the high costs associated with the development and implementation of the technology may result in significant expenses and pressures on the Issuer's cash flow. These expenses may include the purchase of equipment, payment of IT specialists and investment in research and development. If the Issuer fails to manage these costs effectively or does not achieve an adequate return on investment, its liquidity may be adversely affected.

To minimise 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 customer portfolio. The Issuer also maintains an adequate liquidity reserve and establishes strong relationships with suppliers and financial partners to deal with contingencies and ensure long-term financial stability.

#### ***Risk associated with interest rates and sources of funding***

There can be no assurance that the Issuer will be able to generate or accumulate sufficient funds to cover its contemplated long-term capital expenditures or that it will be able to do so at a reasonable cost. If the economic environment in which the Issuer operates deteriorates, the Issuer may not be able to take out a new loan on the terms they have previously benefited from, which could lead to increased financing costs and adversely affect the Issuer's financial position, or may even face a lack of available funding.

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

Also, if the economic environment deteriorates and investor and lender confidence declines, the Issuer may have difficulty obtaining the necessary financing for ongoing operations or development projects. In these circumstances, financial institutions may impose tighter restrictions and increase security requirements for lending. This may limit the Issuer's access to convenient and adequate funding, affecting its ability to finance its activities and develop efficiently.

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

Although, the Issuer constantly assesses the economic environment, monitors interest rate fluctuations and develops risk management strategies that 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, it is not excluded that the Issuer may face the risks described above, which could have a material adverse effect on the Issuer's ability to finance potential new projects or capital needs or to engage in other activities that may be in the Issuer's interest

#### **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 and there may be changes in the interpretation and application of tax legislation. These changes in tax law and/or in the interpretation and application of tax law may be

swiftly adopted/applied by the authorities, difficult to anticipate and therefore the Issuer may not be prepared for these changes. The Issuer therefore considers that there is a risk that certain working relationships with subcontractors may be considered by the tax authorities as dependent activities which may lead to the recalculation of the related taxes. For example, the Issuer has faced the removal of the income tax exemption facility for IT employees. Thus, from November 2023, for gross monthly income exceeding RON 10,000, income tax of 10% will be payable. Until this change, no income tax was payable on any income earned from the activity of creating computer programs. Also, from the same date, for gross monthly income exceeding RON 10,000, the tax facility relating to the reduction of the CAS rate by the percentage of the contribution to the privately managed pension fund will no longer apply. This change had a significant economic impact on the Issuer.

Also, in recent years, the Romanian government has implemented a number of fiscal measures, including increasing property taxes, expanding the scope of social security contributions and imposing certain taxes, which have directly affected our results of operations or resulted in lower disposable income for consumers. Such measures may continue to be adopted in the future, particularly in the context of international political and economic developments and the political changes that will take place in 2024 following the scheduled elections. Uncertainty as to the application of tax measures by the government and the continued instability of the tax regime as well as special taxation could ultimately have a direct negative impact and/or tax regulations indirectly on consumer spending and/or on the prices we may charge for our products and services and therefore on the Group's profitability.

#### ***Risks related to the application of existing laws and regulations***

The business of the Issuer and the Group is regulated by various entities, government agencies and local public authorities. Regulatory authorities may be subjective in their implementation and interpretation of applicable laws, regulations and standards, as well as in the issuance and renewal of licences, permits, approvals and authorisations, and in monitoring licensees' compliance with their terms.

Situations may arise in the Group's business where the way legal provisions are interpreted or applied by regulators differs from the interpretation given by the Group's management. In such cases, the Group's management may decide to challenge regulatory decisions issued by the competent authorities, which could affect the Group's relationship with these authorities.

The competent authorities have the right to carry out periodic inspections of the Group's activities. Such inspections may lead to conclusions that the Group has infringed laws, decrees or regulations. There is a possibility that the Group may not be able to successfully challenge such findings or remedy violations identified during inspections.

In addition, the authorities may decide from time to time to change the interpretation of applicable legal provisions, policies or views applicable to the Group's business in ways that may have a significant impact on its operations.

#### ***Legislative risk associated with the fleet management industry***

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

As a provider of fleet management solutions, the Issuer is aware of these regulations and ensures that every effort is made to ensure that the services offered comply with all legal and administrative requirements. However, should the Issuer's solutions fail to comply with all applicable regulations, such as environmental protection standards and personal data protection requirements, failure to comply may result in fines and other legal consequences that may affect the Issuer's business, prospects, results of operations and financial condition.

#### ***Litigation risk***

In the context of the conduct of its business, the Issuer is subject to a risk of litigation, inter alia, as a result of 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, employees, customers, competitors or regulators, as well as any adverse publicity that such an event attracts.

At the time of preparation of this Prospectus, the Issuer was not involved in any significant litigation in an active or passive capacity.

### **RISKS RELATED TO INVESTMENTS IN ROMANIA**

#### ***Political and military instability in the region may have negative consequences for the Issuer's business***

Political and military instability in the region, triggered by the invasion of Ukraine by the Russian Federation in February 2022, preceded by the loss of control of the Crimean Peninsula to the Russian Federation and the conflict in

Eastern Ukraine with pro-Russian separatists in 2014, as well as international sanctions imposed on the Russian Federation as a result of these events, may lead to deeply unfavourable economic conditions, social unrest or, at worst, widespread military confrontation in the region. The effects are largely unpredictable and may include a drop in investments, significant currency fluctuations, increases in interest rates, reduced availability of credit, trade and capital flows, increases in energy prices, etc.

Responses and threats to Russia may also affect markets for certain commodities, such as oil and natural gas, and may have collateral impacts, including increased volatility, and cause disruptions in the availability of certain commodities, commodity prices and the global supply chain, as well as the freedom to provide services. At this time, the situation is evolving rapidly and may evolve in a manner that could adversely impact the Issuer in the future. The scope of the sanctions in force at any given time may be expanded or modified in a way that could adversely affect the Issuer. Sanctions could also cause Russia to take countermeasures or other actions in response.

These adverse conditions could lead to reductions in sales of the Issuer's services and products, longer sales cycles, reductions in the length and value of contracts with the Issuer's customers, slower adoption of new technologies and increased price and pricing competition. As a result, any continued or more significant uncertainty or deterioration in global macroeconomic and market conditions could cause end customers to alter their spending priorities or defer decisions to outsource services or purchase products, which could result in extended sales cycles, either of which could harm the Issuer's business and operating results.

In addition, political and military instability in the region, the upward trend in inflation rates, and rising interest rates are causing and may continue to cause a significant decrease in demand in the IT and custom software market.

These and other unforeseen adverse effects of the crisis situations in the region could have significant negative consequences for the Group's business, prospects, results of operations and financial position.

***The unpredictability of the inflation rate could have significant negative consequences on the Issuer's financial performance***

The annual inflation rate fell to 6.61% in December 2023, lower than forecast, from 6.72% in November 2023, amid continued slowing of growth in processed food and energy prices. In 2023, the annual inflation rate thus fell by 9.76 percentage points (from 16.38% in December 2022).

The new statistics reconfirm the significant but below-expected slowdown in economic growth in the third quarter of 2023, to 0.9%, from 1.5% in the previous three months (quarter-on-quarter change), implying a relatively subdued narrowing of the aggregate demand surplus over this period.

The inflation rate evolution continues to be unpredictable, which may have negative effects on the Issuer's business by making it more difficult for the Issuer to estimate the total costs of its activities and by creating a potential misalignment between the prices charged by the Issuer to its customers and the Issuer's costs, with a material adverse effect. A significant difference between the expected inflation rate in a given period and the actual amount recorded in that period may have a material adverse effect on the manner in which the Issuer's resources are allocated, thereby affecting the Issuer's business, financial resources, prospects and profitability.

Moreover, an unpredictable rise in inflation rates can lead to macroeconomic imbalances, characterised by rising interest rates, lower living standards and, in general, a slowdown in the development of the Romanian economy, which can contribute to a decrease in demand in the market for IT services and products, which could have significant negative consequences for the Group's business, prospects, results of operations and financial position.

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

The success of the Issuer is closely linked to the general economic developments in Romania. Negative developments or a general weakening of the Romanian economy, falling living standards, limited liquidity resources of potential customers and rising unemployment could have a direct negative impact on demand in the market in which the Issuer operates in Romania.

In recent years, Romania has undergone far-reaching political, economic and social changes. As you would expect from emerging markets, they do not have the full business infrastructure, legal and regulatory framework that generally exists in more mature free market economies. Also, Romania's tax legislation is subject to multiple, diverse interpretations and can undergo frequent and sometimes sudden or too quickly implemented changes.

The future direction of Romania's economy remains largely dependent on the effectiveness of economic, financial and monetary measures adopted at government level, as well as on fiscal, legal, regulatory and political developments.

Unfavourable economic conditions in Romania, 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.

The fact that in 2024 there will be four rounds of elections - European parliamentary, parliamentary, local and presidential respectively - increases the risk of economic instability in the context of the anticipated frequent debates and changes. This instability can affect entrepreneurs' business plans and influence investment and development decisions.

Moreover, political changes or election-related uncertainties can lead to market fluctuations, including increased currency volatility or decreased investor confidence, which can affect business revenues and profitability.

***Leu may be subject to high volatility***

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

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

***Romania's economy is more vulnerable to fluctuations in the global economy than developed economies. Negative economic developments globally could have an adverse effect on the value of the issued Shares.***

Romania's economy is more vulnerable to the global economic decline. The impact of global economic developments (such as the change in euro area monetary policy on interest rates in EUR or the increase in reference interest rates by the Federal Reserve, the central bank of the United States) is often felt more strongly in emerging markets, such as Romania, than in developed markets.

As in the past, the volatility of financial markets leads to an increase in perceived risks associated with investments in emerging economies and, therefore, could reduce foreign investment in Romania. In this case, the Romanian economy could face serious liquidity problems which could lead, among other things, to increased tax rates or the imposition of new taxes and duties, with a negative impact on activity, operating results and the financial situation of the Group.

***Any decrease in Romania's credit ratings by an international rating agency could have a negative impact on the New Shares.***

Romania's long-term sovereign rating in both national and foreign currency currently has the ratings BBB- (stable) given by S&P, Baa3 stable given by Moody's and BBB- (negative) given by Fitch. The decrease in Romania's credit rating given to debt in national or international currency by these international rating agencies (especially in the event of a significant downgrade) may have a negative impact on the Group's ability to obtain financing as well as on interest and other interest margins and other commercial conditions under which such financing would be available. Negative effects on the Group's ability to obtain financing may also have a negative effect on the Group's business, prospects, operating results and financial condition.

***The legal and judicial system in Romania is less developed than those in other European countries, which makes an investment in Shares riskier than the investments in securities of an issuer operating in a developed legal and judicial system.***

The legal and judicial system in Romania is less developed than those in other European countries. Commercial, competition, capital market law, company law, insolvency law and other branches of law in Romania are relatively new to judges, and related legal provisions have been and continue to be subject to constant change as new laws are adopted in order to keep pace with the transition to a market economy and European Union law. It is possible that the existing laws and regulations in Romania are applied inconsistently or interpreted in a restrictive and non-business-oriented way. In certain circumstances, obtaining timely legal remedies may be impossible in Romania. The relatively limited experience of a significant number of magistrates practicing in Romania, especially with regard to issues in the capital markets, as well as the existence of issues related to the independence of the judiciary, can lead to unfounded decisions or decisions based on they are not grounded in law.

In addition to the above, case resolution can sometimes involve considerable delays. The judicial systems in Romania are underfunded compared to those of other European countries. Enforcement of judgments can be difficult, which means that enforcement through these court systems can be laborious, especially if unfavourable judgments can even lead to the cessation of business or the loss of jobs. This lack of legal certainty and the inability to make use of effective legal remedies in a timely manner can have a negative effect on the business and can also make it difficult to resolve any claims that investors in Shares may have.

The uncertainty that characterizes the Romanian judicial system could have a negative effect on the economy and could thus determine an unsafe environment for investments and, consequently, on the activity, operating results, financial situation, and prospects of the Group.

## **RISKS RELATED TO THE OFFER AND THE NEW SHARES OFFERED**

***Majority shareholder of the Issuer will retain a significant interest in the Issuer and will continue to exercise substantial influence over the Group as a result of the Offer, and their interests may differ from with other Shareholders or may be in conflict with them .***

After the completion of the Offer, under the presumption that the majority shareholder, Mr. Oprean Voicu, has subscribed for the maximum number of New Shares to which he is entitled by virtue of his pre-emptive rights, he will continue to control at least 66.3701% of the total voting rights of the Issuer.

According to the Articles of Incorporation, the quorum requirement for the first convocation of the AGM is at least half of the total number of voting rights (present or represented), with resolutions being passed by a majority of the voting rights cast. A quorum of at least half of the total number of voting rights (present or represented) is required for the first convocation of the EGM to be valid, and a quorum of at least 25% of the total number of voting rights (present or represented) is required for subsequent convocations, with resolutions being adopted by a majority of the votes held by shareholders present or represented. Higher quorum and majority requirements also apply in cases expressly provided for by law and the Articles of Association.

According to the applicable laws, at the second convocation of the AGM, the meeting may deliberate on the items on the agenda of the first meeting, regardless of the quorum present, by taking decisions by a majority of the votes cast. Therefore, no resolutions can be adopted at the EGM, i.e. at the AGM at first call, if the majority shareholder, Mr Oprean Voicu, is not present or represented.

Thus, by voting in favour of certain items on the agenda, shareholder Oprean Voicu will be able to exercise control over matters requiring shareholder approval, including the payment of dividends and the approval of major corporate transactions. Oprean Voicu's interests may not be the same as those of the other Shareholders.

***The risk of a possible cancellation of the Share Capital Increase and/or the Offer.***

Decisions taken by the GMS of a joint stock company may be challenged in court by a third party justifying an interest. Decisions of the Board of Directors to increase the share capital pursuant to the authorisation received from the AGM are subject to the same legal regime as decisions adopted by the AGM, so that they can be challenged in court by third parties justifying an interest. In addition, public share offers, such as the Offer, may be cancelled if the conditions for approving the Prospectus have not been met or if the approval decision issued by the FSA regarding the Prospectus is annulled.

Consequently, if the decision adopted by the EGMS approving the Share Capital Increase or the subsequent acts thereto is declared null and void or if the Offer is cancelled, the New Shares may be annulled, as the case may be, by court decision. Any delay of the Trade Register in approving and registering the Share Capital Increase will cause delays in the delivery to investors of the New Shares and in their admission to trading. In addition, if a court orders the suspension of the EGMS decision approving the Share Capital Increase, as well as any subsequent decisions following a request for annulment, whether or not such annulment is ordered, the period during which the New Shares will not be delivered to investors and admitted to trading will expand accordingly.

***The New Shares may not be a suitable investment for all investors.***

Each potential investor in the New Shares must determine the extent to which that investment is appropriate to their own circumstances. Specifically, each potential investor should:

- have sufficient knowledge and experience to make their own proper assessment of the advantages and benefits of investing in the New Shares;

- have access to, and knowledge of, the appropriate analytical tools to assess, in the context of its specific financial statement, an investment in the New Shares as well as the impact that such investment will have on its investment portfolio;
- have sufficient financial resources and liquidity to bear all the risks of an investment in the New Shares;
- be able to assess (alone, or with the help of a specialised consultant) possible scenarios on the factors that could affect the investment and its ability to bear the associated risks.

It is not recommended for potential investors to invest in the New Shares unless they have experience in assessing (alone or with the help of a specialised consultant) how the New Shares will behave in the context of changing circumstances, what are the effects of these changes on the value of those New Shares and what is the impact that this investment could have on the overall investment portfolio of the potential investor. Investment activities are subject to applicable investment laws and regulations and/or analysis or regulations issued by certain authorities, and each potential investor should discuss with his or her specialised consultants or relevant regulators.

***Trading on the Bucharest Stock Exchange may be suspended.***

FSA is authorized to suspend the trading of securities or to request the Bucharest Stock Exchange to suspend from trading the securities traded on the Bucharest Stock Exchange, if the continuation of trading would adversely affect the interests of investors or to the extent that the relevant issuer violates its obligations incumbent upon it according to the relevant laws and regulations on securities. Also, the Bucharest Stock Exchange has the right to suspend from trading the Issuer's Shares in other circumstances, in accordance with its regulations. Any suspension could affect the trading price of the Issuer's Shares and affect the transfer of the Issuer's Shares.

***The Shares may be affected by market price volatility, and the market price of Shares may decrease disproportionately as a result of events unrelated to the performance of the Group's business.***

The market price of Shares may be volatile and may be affected by large fluctuations. The market price of the Offered Shares may fluctuate due to a large number of factors, including, but not limited to, the factors mentioned in these "Risk Factors", as well as due to variations from one period to another of the operating results or changes in revenue or any profit estimates made by the Issuer, industry participants or financial analysts. Also, the market price could be adversely affected by events unrelated to the performance of the Group's business, such as, for example, the performance and share price of other companies that investors may consider comparable to the Issuer, media speculation or in the investor community regarding the Group, unfavourable press articles, strategic actions of competitors (including acquisitions and restructurings), changes in market and legislative conditions. Any of these factors can cause significant fluctuations in the price of Shares (including the New Shares), which could lead to a negative return for investors.

***The issuance of additional Shares of the Issuer, any incentive plan, stock options or debt reduction (or others) may dilute the holdings of existing shareholders.***

The Issuer may seek to raise financing for future acquisitions and other growth opportunities, issue shares to implement share option plans for the grant of shares to members of the management of the Issuer or employees of the Issuer, and raise debt reduction financing. In order to achieve these or other purposes, the Issuer may issue additional equity securities or convertible securities. As a result, the percentage ownership of existing holders of Shares may be diluted or the market price of the Shares may be adversely affected. As a result, such shareholders' interests in the Issuer's share capital may be diluted.

***The Issuer's ability to pay dividends to shareholders may be limited***

The actual payment of future dividends by the Issuer and their amount will depend on a number of factors, including (but not limited to) the amount of distributable profits and reserves, investment plans, achievement of budgeted revenue, level of return, rate of indebtedness of equity, applicable restrictions on the payment of dividends in accordance with applicable law and restrictions in credit agreements (of the Issuer or its subsidiaries), the level of dividends paid by other companies listed from the same business sector or related sectors and other factors that the Board of Directors may consider relevant at certain intervals. Therefore, the Issuer's ability to pay dividends in the future may be limited and/or the Issuer's dividend policy is subject to change. If the Issuer does not pay dividends in the future, raising the price of the New Shares, if any, would be the only source of gain for investors.





**PART 3**  
**DESCRIPTION OF THE ISSUER AND ORGANISATIONAL STRUCTURE**

**Identification data**

**Legal name and business name of the Issuer**

AROBS Transilvania Software S.A.

**Place of registration of the issuer, its identification number and legal entity identifier**

The issuer is registered as a commercial company in the Trade Registry of the Cluj Court, with number J12/1845/1998, unique identification code RO 11291045, LEI code 315700L7KC3G71QD8133.

**Date of incorporation and duration of existence of the issuer, unless the period is indefinite**

The date of incorporation of the Issuer is 24.11.1998.

**The registered headquarters and legal form of the issuer, the law under which the issuer operates, the country of incorporation, the address, the telephone number of the registered headquarters (or main office if different from the registered headquarters) and the website of the issuer, if any, together with a disclaimer that the information on the website does not form part of the prospectus, unless such information is incorporated by reference in the prospectus**

The issuer is a Romanian legal person under private law organized as a joint-stock company and operating under the laws of Romania, having its registered headquarters at 11 Donath Street, building M4, entrance 2, 3rd floor, apartment 28, Cluj- Napoca, Cluj, Romania, investor relations contact +40 754 908 742, e-mail address ir@arobsgroup.com, website: www.arobs.com, Trade Registry number J12/1845/1998, unique tax identification code RO 11291045.

The Issuer operates under applicable Romanian law, including (but not limited to) under the Companies Law, the Law on Issuers and Regulation no. 5/2018.

The Issuer declares that the information on the website does not form part of the Prospectus unless such information is incorporated by reference into the Prospectus.

If the issuer is part of a group, a brief description of the group and the issuer's position within it. This may take the form of an organisation chart or may be accompanied by such a chart if this helps to clarify the structure.

At the date of this Prospectus, the structure of the Group is as follows (the subsidiaries on the left side of the table are those registered in Romania):

**AROBS TRANSILVANIA SOFTWARE S.A.**

AROBS DEVELOPMENT & ENGINEERING SRL 100%	AROBS PANNONIA SOFTWARE KFT (Hungary) 100%
AROBS ETOLL SOLUTIONS SRL 100%	AROBS POLSKA (Poland) 94%
AROBS SYSTEMS SRL 100%	AROBS SOFTWARE SOLUTIONS GMBH (Germany) 60%
BERG COMPUTERS SRL 100%	AROBS SOFTWARE SRL (Moldova) 100%
CENTRUL DE SOFT GPS SRL 100%	AROBS TRACKGPS SRL (Moldova) 100%
FUTURE WORKFORCE S.A 100%	ATS ENGINEERING LLC (USA) 100%
FUTURE WORKFORCE SRL 100%	CABRIO INVEST B.V. (The Netherlands) 90%

NORDLOGIC SOFTWARE SRL 100%	COSO BY AROBS B.V. NL (The Netherlands) 90%
SAS FLEET TRACKING SRL (SAS GRUP) 100%	COSO BY AROBS B.V. BE (Belgium) 90%
SILVER BULLET SRL 100%	COSO TEAM UK LTD (United Kingdom) 90%
SOFTMANAGER SRL 70%	FUTURE WORKFORCE GmbH (Germany) 65%
UCMS GROUP ROMANIA SRL 97,67%	FUTURE WORKFORCE Limited (United Kingdom) 80%
INFOBEST ROMANIA SRL 100% (acquisition in the course of completion at the date of this Prospectus)	INFOBEST SYSTEMHAUS GmbH (Germany) 100% (acquisition in the course of completion at the date of this Prospectus)
	NORDLOGIC USA, INC (USA) 100%
	PT AROBS SOLUTIONS INDONESIA (Indonesia) 70%
	SKYSHIELD MAGYARORSZAG KFT (Hungary) 100%

A list of the issuer's major subsidiaries, including their names, their country of registration, their share of the issuer's equity and, if different, the percentage of voting rights held by the issuer

This information is presented above.

## PART4 DESCRIPTION OF THE ACTIVITY

### OVERVIEW

#### Main activities

AROBS is a technology company providing custom software development services under NACE code 6201 - "Custom software development activities (client-oriented software)".

**A description of the nature of the issuer's operations and its principal activities, including the key factors relating thereto, stating the principal categories of products sold and/or services provided in each financial year during the period covered by the historical financial information**

Since its incorporation, AROBS has relied on excellent specialists and fine-tuned, yet flexible processes to consistently deliver custom software and the highest quality software products and applications. The service excellence and dedication of AROBS specialists has helped the company establish strong, long-term partnerships with over 11,000 partners in Romania and around the world.

AROBS' passion for technology, combined with sustained efforts in acquiring new skills and aligning with market trends, has transformed AROBS into one of the leading Romanian software development companies. The company's **SOFTWARE SERVICES** division is the largest within the Issuer and is structured in two pillars: Automotive - Embedded, Marine, Aerospace, Medical Devices, etc, and *High-Level Industries*. The *High-Level Industries* specialization is made up of the Travel & Hospitality, IoT, Life Sciences, Enterprise Solutions and Fintech divisions.



- **Automotive** - The Issuer's automotive software and engineering solutions are an integral part of its DNA and are based on extensive domain expertise through long-standing projects with leading global companies. AROBS Transilvania Software won the Continental - Best Engineering Services Supplier 2021 award, and this award marked an important milestone for recognition of the quality of the Issuer's services. **Aerospace** Through its teams in Romania and Poland, the issuer has experience in the development of complex embedded systems for the aerospace industry, in the development of software, validation, research, products and technologies for quantum and optical communications, data storage and processing, satellite mechanics and instrument control and is a technical partner in several European Space Agency projects and missions.
- **Marine** - the Issuer's teams have expertise in developing solutions for multifunctional navigation systems, forradars, sonars, audio devices, instruments, cameras and autopilot.
- **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), 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 a strong expertise in recent years around collaborations with large US pharmaceutical companies. During this time, medical software solutions have been developed that simplify clinical trials applied to new drugs.
- **IoT** - The IoT systems that the Issuer develops are mainly specialised in home automation and forest management Customers are global corporations based in Germany, France and Italy.
- **Enterprise Solutions** - High expertise in cloud-based application development, 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 gained in partnership with **leading banks and financial institutions**, including BCR Romania, part of the Erste Bank.
- **Intelligent Automation** - In the area of software services the **Robotic Process Automation can be also listed**. The expertise has been complemented by the April 2023 acquisition of the Company - the takeover of the Future WorkForce Global (FWF) group. This transaction confirms 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 Central and Western Europe.

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

**Nordlogic Software's** joining of the AROBS Group has also brought a number of 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**

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

Automotive is the most important specialisation, both 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 automotive engineering expertise includes both software and hardware expertise. Furthermore, the Issuer's projects benefit from more than ten years of experience in providing software services to leading companies in the industry, from Germany, France, Japan, Romania, China, USA.

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.

The 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:** classic platform.



AUTOSAR custom configuration tools, EB Tresos Studio. Vector Da Vinci, AUTOSAR Builder

**AEROSPACE**

**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 airborne equipment.

The issuer has experience in developing complex aerospace engineering solutions for internationally renowned clients, solutions, including the European Space Agency and ClearSpace Switzerland.



**MARINE**

**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 maritime industry. With the help of solutions, companies in the maritime industry can deploy optimal products in the marketplace, operate more efficiently and profitably, and provide a more enjoyable and safer experience for their customers. The Issuer's teams keep pace with the highest industry standards in performance, quality and safety.



## MEDICAL DEVICES

**Services:** requirements and specification analysis, design and development, validation, testing and quality assurance. The issuer offers extensive experience in dealing with complex R&D projects with numerous technical and regulatory requirements. The company's teams specialize in developing integrated software platforms and high-tech medical device solutions that enhance healthcare capabilities and medical treatments by leveraging cutting-edge technologies such as artificial intelligence (AI), augmented reality (AR), internet of things (IoT) and wearable devices.

The company has contributed to the development of various types of medical devices such as infusion pumps, robotic surgery and cancer detection solutions.

## TRAVEL TECHNOLOGY

**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 automating reservations), Cybersecurity (cybersecurity component for implementing 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).

The combination of niche knowledge and technical capabilities has helped the Issuer build long-term partnerships with clients. To date, end-to-end solutions have been created and delivered for companies in the US, France, Spain, Germany and the Netherlands. Experience in software development for the travel and hospitality industries gives AROBS specialists market insight and adaptability in delivering solutions that are customized for each client.





## LIFE SCIENCES & IOT

**Life Sciences services:** medical software solutions that simplify the clinical study of new drugs launched in the niche market, medical device software, fitness applications, patient monitoring.

**IoT services:** customised home automation or building monitoring applications, centralised environmental management system such as forest planning, smart thermostat application.

In the Life Sciences specialisation, the Issuer has built a solid expertise in recent years around long-standing collaborations with major US pharmaceutical companies.

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



## ENTERPRISE SOLUTIONS

**Services:** customised solutions, including music industry apps for management, recording, portal, copyright processing and track tracking/reporting, intellectual property management apps, malicious app and cyber attack detection apps – for iOS and Android devices.



This business group has expertise in cloud-based applications, Big Data, NoSQL or any other advanced software technology on which to build custom solutions needed for companies and organizations to function well.

The issuer develops enterprise cloud applications with specific challenges, created by professionals with many years of experience, that are focused on ease of use.



## FINTECH

**Services:** The issuer has developed software audit, cloud solutions, SaaS and integration services, security, artificial intelligence and machine learning projects.

Also, in the banking field, the Issuer collaborates with one of the leading players in the Romanian banking sector, including BCR, and one of the largest financial service providers in Central and Eastern Europe. Issuer's teams will contribute to the development of 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, quality assurance (QA) services including web, mobile and desktop application testing,

The quality assurance (QA) services that AROBS offers are delivered by teams of professionals specialising in manual and automated testing. The AROBS QA team has extensive experience testing on a variety of devices.

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 for business partners around the world, AROBS has created a strong team of cybersecurity experts who can assess, analyze data, consult and implement a security strategy to protect the organizations they work with.

AROBS Group has strengthened 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. They are designed to automate repetitive and time-consuming tasks, allowing companies to focus on activities with significant strategic business value. Specialist teams are located 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 over 27 years of experience in this field. CoSo by AROBS specializes in software development, with high qualifications in process automation, TMS and educational software. RPA is now the key element of CoSo, starting in 2019.

In 2023, the CoSo Teams specialized in Robotic Automation have been integrated operationally and as a brand under the Future WorkForce for everything related to the Intelligent Automation specialization. FWF and CoSo have harnessed the synergy between organisations within the Issuer. AROBS Group, with CoSo taking steps to strengthen its presence in the Benelux market for Intelligent Automation expertise.



**Berg Computers** joined AROBS in December 2021, being the first acquisition to be made by the company after the private placement organized in October 2021 to list AROBS on the AeRO market of the Bucharest Stock Exchange. Berg Computers' expertise complements the service offering of AROBS Group's software services business line. 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 its efforts on consolidating its position of strength in the markets in which it operates, more specifically on increasing the number of customers in the SAP area (3 new customers in 2023) and on accelerated growth in biomedical business volume.

In 2024, BERG will continue to expand in the DACH market - Germany, Austria and Switzerland - with a focus on retail automation, biomedical and cyber security. There has been a significant increase in demand for cybersecurity solutions, especially for anti-ransomware protection. BERG Software is also still in the process of integrating into the AROBS Group.



**AROBS Engineering** represents the former Enea Software Services Romania, an entity taken over by 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 whereby it is involved in the development of innovative AI-enabled Smart products for electric car charging systems. Complex new projects have also emerged in the integration of software security systems for ECU devices.

Also in 2023, AROBS Engineering started the largest ISVV (expert services in full validation of SW systems) project - AROBS was chosen as the lead partner for this service in the SpaceRider mission.

In the medical device industry, AROBS Engineering continued its collaboration with global partners, market leaders in the field.



**Nordlogic Group**, which specialises in the development of custom software products and platforms, joined AROBS' Software Services division in July 2022.

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



**AROBS Polska - formerly SYDERAL Polska** - is a company based in Gdansk, Poland, specialising in the development of 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. AROBS Polska's expertise complements the new business line within the group brought by AROBS Engineering - development of embedded systems and software for the aerospace sector.

For AROBS Polska, 2023 was a year of significant events. The company joined the AROBS Group and strengthened its position on the European space market. In 2023, AROBS Polska developed in the area of quantum communication - in particular in a project for the European Space Agency. In addition, the company continued to expand its competence in mechanism control for space missions, with plans to introduce a dedicated product on this market by the end of 2025. Another 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** specialises in providing complex business process automation solutions joined AROBS in April 2023. The acquisition of FWF brings a consolidation of 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 and thus the companies will continue to be present in the Benelux area under the Future WorkForce brand. As a result, the company has quickly capitalised on the synergy between the organisations 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 smart automation and digital transformation with significant increases in the number of new partnerships.

One of FWF's successful pillars remains its specialisation in the financial-banking sector, where they use both RPA technologies and low-code solutions to deliver complex programmes to digitise operations.

Another notable development in 2023 was the increased interest from the public sector in the company's solutions. They won 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** and **dpPayroll** - HR and payroll management solutions;
- **Optimall SFA** - sales force automation solution;
- **RateWizz** - channel manager for the hotel industry;
- **The solution for digitising school textbooks;**

- **MonePOS**- contactless and paperless solution for mobility industries;
- **SoftManager** - CRM+ solution;
- **E-toll Solutions** - a solution for transport companies to pay tolls in Europe.



## AROBS solutions for digitisation and efficiency

### 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 main Fleet Management brand developed and owned by AROBS. It is a comprehensive fleet management and monitoring solution that helps companies reduce maintenance and operating costs, improve the efficiency of resource allocation and utilization, increase driving safety and improve service delivery.

At the beginning of 2023, AROBS acquired Centro de Soft GPS, a Romanian company specialized in providing fleet management solutions. The newly acquired entity consolidates AROBS' leading market position in Romania with more than 1,000 customers complementing the existing portfolio of more than 10,000 customers. With this acquisition, the Issuer confirms the strategic importance of the software products business line, in particular fleet management.

Arobs TrackGPS SRL from the Republic of Moldova joined the Group in February 2023; it is an experienced fleet management company for companies in all industries, with an active customer portfolio of around 450 companies with approximately 5,000 tracked vehicles. The integration of the company into the group has meant for AROBS' fleet management business line to strengthen its presence in the Central and Eastern European market.

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

Through acquisitions and consolidations in recent years, AROBS TrackGPS has earned its place among the relevant players in the Central and Eastern European fleet management market. The TrackGPS division aims to expand its activity in the countries where 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 the localisation of IT systems and investments in specialised personnel.





TrackGPS has continued its development on the Romanian market, with more than 850 new customers choosing TrackGPS solutions in 2023. Thus, more than 5,500 new vehicles have been enrolled in the TrackGPS platform. In 2023, the development and large-scale deployment of solutions based on 4G and 5G technologies continued, increasing presence in the international transport segment, monitoring consumption and CAN data, as well as promoting new solutions: video telematics, safety driving, Electric Vehicle Location, TachoReader module, GDPR module (functionality to activate private mode for personal trips).

It continued work with Orange Business Services partners, one of the important partnerships of the AROBS TrackGPS division, which promotes fleet management solutions through the operator's portfolio of services and products on a SaaS model.

In recent years, there has been a growing customer appetite for data solutions and shared knowledge as well as for solution as a service. Customers are also becoming increasingly interested in interfacing the fleet management solution with other systems, such as ERP, Transport Exchanges and HR management solutions (provided by UCMS by AROBS), as well as solutions to reduce environmental impact through responsible and environmentally friendly behaviour.

The TrackGPS app is currently aligned with industry trends and fleet owner needs.

One of the most powerful tools available to fleet managers is the TrackGPS Fleet Management mobile app, currently considered the most powerful fleet management app available on the Romanian, Moldovan and Hungarian markets.

Requirements related to carbon reduction, electrification requirements or related to the introduction of Electronic Toll Collection solutions, including in Romania, lead to a future of connected vehicles. Meeting any Sustainability, Corporate Governance and Driver Safety indicators requires connected fleets.

For all transport service providers or all companies that own or manage fleets, the digitisation of transport and fleet management is no longer optional.

AROBS TrackGPS positions itself as a digitization partner in this respect with more than 16 years of experience in implementing complex projects.



**SASFleet Tracking - better known in the market as alarm.ro** - is the second fleet management brand owned by AROBS. SASFleet offers complete tracking solutions through a wide range of GPS - fleet tracking systems. SASFleet Tracking has continued its consolidation in the enterprise customer segment as well as the SME segment. The Company continues to make strides in meeting customer interest in cost efficiency, routing and predictive maintenance modules.

In over 20 years of experience in GPS tracking services for your fleet, SAS Fleet Tracking has built strong partnerships with companies in all industries. The SAS Fleet Tracking portfolio includes companies and fleets of all sizes.

And their fleet tracking solutions manage fleets of the most diverse types, consisting of personal cars, vans, machinery, trucks, vans, electric vehicles and more.

SAS Fleet Tracking's strategic direction is one in which the two core components of customer care and the adoption of new technologies are happily intertwined. In terms of Customer Care, the company boasts the successful implementation of the most modern and complex Fleet Management system, called Fleet Care, whereby SAS customers have permanent control over fleet costs, receive alerts on expiry of essential documents and the possibility to easily manage documents related to fleet management - both the authorisation/insurance side and the cost side (invoices, bills, fuel receipts).

The company enjoyed growth in 2023, with two very important partners in the energy industry added to the customer portfolio, whose combined fleets reach over 1,700 vehicles.

For one of the above customers, the company developed new functionality. This is an advanced Pool Car system, created in partnership, whereby, using a mobile app for remotely locking and unlocking vehicles, the fleet can be controlled, multiple users on the emergency vehicles can be monitored.

There is a growing trend in the market for customer interest in tools to control fleet costs, especially fuel consumption. Thus, the FleetCare solution has been very well received by the new partners, especially the modules fuel consumption vs. budget, document expiry, driver behaviour, as well as the special FMB 140 type products through which the customer has access to extremely useful information such as: stationary with the engine running, fueling by reading the car's native litre sensor, engine speed, etc.



**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 tonnes) and coaches - can pay tolls in Europe via an integrated system. The company also offers services for toll payment for Romania, compulsory car insurance, car roadside assistance and car damage assistance.

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

In 2025, it will start the process of integrating the solution with the Group's fleet management platforms.



**GPS Soft Center** represented the fleet management division of Pro Soft Center until June 2022, when a spin-off process took place and AROBS took over the new entity created under this name in full in December 2022. Centro de Soft GPS specialises in developing ERP applications and providing fleet management solutions, fleet monitoring, security applications or stolen car recovery. GPS Soft Center's customer portfolio consists of more than 1,000 companies with approximately 9,000 monitored vehicles.

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

**HR Solutions**

**TrueHR** is a software solution created by UCMS by AROBS, a company with +26 years of experience, for human resources management that automates all industry-specific processes and facilitates the recruitment, administration and training of employees. Carefully built with multiple functionalities, its aim is to help facilitate the management of tasks in HR departments, automating a good part of them, through its +15 modules.

**Dp-Payroll** is a professional payroll management solution that automates payroll processes to eliminate human error. The Dp-Payroll solution simplifies financial processes through a payroll calculation program and helps to get a true business insight with accurate and fast reports generated by the system. It ensures efficient and comprehensive management of employee contract data and collects and processes timekeeping, leave, delegations, deductions, etc. with over 15 distinct modules. The multitude of functionalities make dp-Payroll the holistic payroll department solution that reduces costs and optimises the financial-accounting processes in the company.



UCMS by AROBS continues its consolidation in the human resource management solutions segment, developing new partnerships with target customers such as Banking, Retail, Manufacturing, Automotive and IT

The company, which distinguishes itself on the market by the particularly high quality of its customer services, promotes and attracts new partners especially through a series of functionalities that have attracted the interest of its customers: the automation of time clocking (True Electronic Time Clocking), digitization of the configuration of internal reports/reports requested by the authorities (dp-Reports), evaluation of employees (True Employee

Evaluation), delegations and settlements (True Delegations and Settlements), 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 Optimisation**



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

Of the solutions promoted, Optimall SFA has the most traction in the Romanian market, which has recently launched new modules for sales team performance - Target and Supervisor. Optimall customers show interest in digitizing and improving internal company processes through various automations. In the case of SFA, but also for the Logistic application - which

optimises the costs of distribution activities by up to 25% - the company has seen an increase in requests from customers, both for the implementation of new projects and for various customisations of the application.

In 2023, Optimall by AROBS celebrated its 20th anniversary, which we marked with the launch of the new Optimall SFA Android mobile app. By refactoring the app, we have offered our customers innovative functionalities that support the automation of sales processes in the distribution and production business. We have also developed four additional modules of the Optimall SFA app: Sell Sheet Module (view sales history), Supervisor Module (monitor sales agent activity), Target Module (monitor sales targets) and Promotions Module (create attractive promotional packages for customers).

The Optimall division continues to strengthen 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.



**MonePOS** - the digital payment system supports the cash collection operations of companies in several industries: passenger transport, taxi, FMCG, delivery or for any type of business whose activity can be improved by contactless and paperless payments. MonePOS has continued to strengthen its position in the taxi services market throughout the country, in Horeca & Tourism and cross-sale with other AROBS Group software solutions such as Optimall SFA for the customers in the distribution area.



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

In 2023, SoftManager CRM+ continued its consolidation actions in the SME data automation market by implementing new modules and functionalities such as Warehouse management. Another direction is the promotion of the new product, SoftManager Sport, which is aimed at resource management in organisations and companies with a focus 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 educational sector and the "smart city" concept by digitizing the existing process and services.

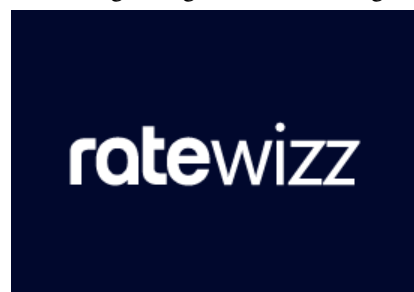


**Solution for digitising school textbooks - AROBS takes learning into the Digital Age:** Since 2014, at the initiative of the Ministry of Education, digital textbooks have become compulsory, firstly for first and second grade. The Issuer, in partnership with Aramis publishing house, has produced and contributed to the digitization of almost 3 million electronic textbooks, for grades I-VIII, to date.

The tablets have pre-installed interactive apps that will help children to reinforce or summarise the knowledge they have learned in 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 students the opportunity to improve overall learning. 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 is 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 the channels dedicated to reservation management, providing the interface between the reservation software and ADS-type solutions: Booking, Expedia, Sabre/ SynXis, Travelport. More than 200 hotels already use RateWizz in the Nordics.

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 profitability of the project 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 growing interest from the small hotel segment. RateWizz has also identified new partnerships in the Romanian market, where there is a real need for tailor-made 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.



**AROBS Systems** is one of the new directions of diversification in the group, with AROBS Systems being responsible for implementing hardware and software solutions for contracting authorities in the public sector. This company has a team of professionals in the field of public sector digitisation and its technical expertise covers the integration of complex systems and ORACLE, HP, DELL and Microsoft.

AROBS Systems has continued its growth in the sub-segment of public sector digitisation, to which it provides 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 for the acquisition of hardware and software solutions, aimed at consolidating the databases necessary for the operation of the components of the Integrated Customs Information System.

#### **5.1.2. Indicate all significant new products and/or services launched on the market and, to the extent that the development of new products or services has been made public, their stage of development.**

In 2022 the Arobs E-Toll solutions were launched and in 2022 the GPS Soft Centre joined the Group's portfolio. In 2023, AROBS TrackGPS completed the process of migrating customers to the new TrackGPS platform. See descriptions above for details on this product.

#### **5.2. Main markets**

The excellent service and dedication of the Issuer's specialists has helped to establish strong, long-term partnerships. More than 70 global customers benefit from AROBS software services expertise, and more than 11,000 companies in Romania and Central and Eastern Europe, and Asia use AROBS software products every day.

AROBS has 25 years of experience in developing custom software solutions for customers in over 15 countries in Europe, Asia and America.

**In 2022, with the inclusion of AROBS Engineering in the Group, new expertise and target markets entered the portfolio - aerospace, medical devices and marine. Aerospace specialisation was strengthened with the joining of AROBS Polska to the Group.**

In 2023, Intelligent Automation became the new emerging technologies specialisation in the Group with the acquisition of Future WorkForce.

The company is headquartered in **Cluj-Napoca** and has regional operational offices in **Bucharest, Iasi, Targu Mures, Baia Mare, Timisoara, Lugoj, Oradea, Craiova, Suceava** and **Arad**.

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

Also, as of June 2022, the Issuer has strengthened its Software Services division by integrating approximately 160 employees through the acquisition of Enea Services Romania from Enea Software AB in Sweden. With the acquisition of Enea (officially registered as AROBS Development & Engineering), AROBS has new offices in **Bucharest, Craiova, Iasi** and **Florida (USA)**.

With the acquisition of Nordlogic Group in July 2022, AROBS has new locations in **Cluj-Napoca, Oradea** and **Seattle, USA**.

At the end of January 2023, the Issuer acquired a majority stake of 94% in SYDERAL Polska, a company with offices in **Gdansk, Poland**.

As of February 2023, the financial results of the acquired companies in the Republic of Moldova, AROBS Software Moldova and TrackGPS by AROBS, are also reflected.

As such, the companies attracted to the Issuer are an important source of growth in Q1 2023 and contribute to the increase of the geographic footprint of the business and the diversification of AROBS services and products.

With the takeover of Future WorkForce Global (FWF) in April 2023, AROBS has new offices in **Cluj-Napoca** and **Bucharest**, as well as subsidiaries in **London, UK** and **Munich, Germany**.

As of February 2024, AROBS has started the process of strengthening its presence in Romania, as well as in the DACH market, by signing the contract for the acquisition of Infobest, a company specialized in the development of customized software solutions, with offices in **Timisoara** and **Leverkusen, Germany**. The acquisition of Infobest is in the process of being finalised at the date of this Prospectus.

Considering the time of the Issuer's establishment, as well as the collaboration it has with numerous clients and suppliers in various fields, corresponding to AROBS' business lines, the Issuer's experience is vast, the most relevant aspects in this respect being:

- 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 customers from over 15 countries on 3 continents;
- Dedicated, challenge-oriented team and new technologies;
- Focus on customers, employees and collaborators;
- Expertise in software solutions including high growth industries: Automotive, IoT, Fintech, Aerospace, Medical, Maritime, LifeSciences, Travel Technology, Enterprise Solutions, RPA, Transportation & Logistics, Retail, Manufacturing, Retail, Office automation, IT, Storage and Cloud, and 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-East Europe;

- Organic growth, but also through strategic acquisitions, to strengthen business lines and complete the solutions portfolio.

Regarding the breakdown of turnover by business segments and geographical markets during the period covered by the historical financial information:

Turnover by business segment	For the financial year ended	
	31 December 2023	31 December 2022
	(IFRS audited)	(IFRS audited)
Revenue from software services	344,775,332	239,774,681
Revenue from software products	70,537,191	58,113,647
Income from distribution of goods	11,981,614	710,817
Other services		1,216,542
<b>Total turnover</b>	<b>427,294,137</b>	<b>299,815,687</b>

Source: Annual Financial Statements

Turnover by geographical area	For the financial year ended	
	31 December 2023	31 December 2022
	(IFRS audited)	(IFRS audited)
Romania*	243,152,981	175,033,071
Europe (without Romania)	105,024,477	62,693,298
USA	76,687,606	59,809,632
Asia and the Middle East	2,429,074	2,279,687
<b>Total turnover</b>	<b>427,294,137</b>	<b>299,815,687</b>

Source: Annual Financial Statements

\*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.

#### Important events in the development of the issuer's activities

AROBS Transilvania Software S.A. is an IT company founded in 1998, currently the largest and most liquid technology company listed on the Bucharest Stock Exchange. The company is focused on custom software development 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 solutions and FinTech.

Since 2003, AROBS Transilvania Software has started to develop its own solutions and products, the most important of which are Optimall, TrackGPS, RateWizz, as well as the solution for digitizing school textbooks. Also, through acquisitions of new companies, AROBS has expanded its portfolio of software solutions that are extremely well known in the market, such as SasFleet, TrueHR, dpPayroll, and SoftManager.

In 2018, AROBS makes its first acquisition outside the country and expands into the Western European market by acquiring CoSo in Belgium and the Netherlands, specialising in logistics, education and Robotic Process Automation (RPA). This transaction was an opportunity for a new specialisation in the AROBS Group: the RPA sub-sector, with a clear target in the Benelux market.

Another very important acquisition in 2018 was SAS Grup, headquartered in Bucharest, the third largest player in the car fleet management and monitoring market in Romania. With this transaction, AROBS has consolidated its position as market leader in this segment and now provides monitoring for over 80,000 vehicles.

In 2019, AROBS reached a consolidated level, with over 800 employees and collaborators, 7 offices in Romania and internationally and was one of the award recipients of the Made in Romania program, implemented by the Bucharest Stock Exchange.

Also in 2019, AROBS acquired a majority stake in SoftManager, a company that develops and implements one of the most complex CRM+ (Customer Relationship Management) solutions on the Romanian market.

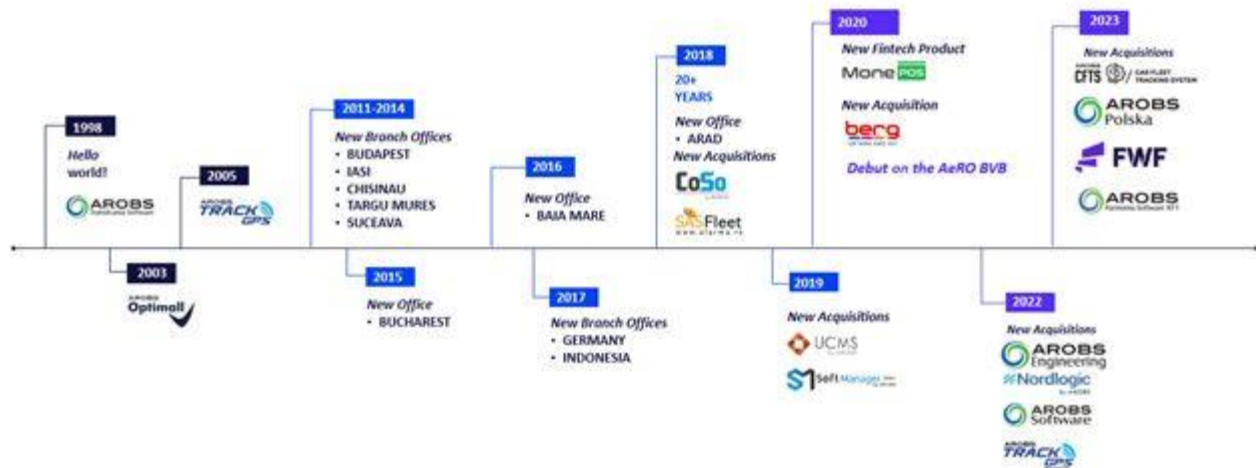
In 2019, AROBS added UCMS to the group, which supports the business environment with robust, yet configurable solutions to each client's needs for complete HR management through TrueHR and dpPayroll solutions.

In October 2021, AROBS attracted 74.2 million lei in the largest private placement in the history of the AeRO market, capital for the Company's M&A process. With the support of the capital raised from BVB investors, bank financing and its own sources, AROBS has completed the following acquisitions since listing on the BVB AeRO market in December 2021:

- December 2021 - AROBS acquires **Berg Computers**, a Romanian custom software development and outsourcing company with offices in Timisoara, Lugoj and Oradea. Following the completion of the transaction, AROBS Group has strengthened its presence in Western Romania and increased its visibility in the German, Austrian and Swiss markets.
- June 2022 - AROBS takes over **Enea Services Romania**, a business line and team wholly owned by Enea Software AB, whose parent company Enea AB is listed on Nasdaq Stockholm. With this transaction, the largest in the company's history, AROBS has strengthened its Software Services division by integrating approximately 160 employees into the group and has strengthened its presence in Romania and the US, while expanding its customer portfolio in the European and US markets. Shortly after, the company announced its new name - AROBS Engineering.
- August 2022 - AROBS fully acquires **Nordlogic**, a local group of companies specialized in the development of custom software products and platforms, with offices in Cluj-Napoca, Oradea and Seattle, USA. Following the completion of the transaction, AROBS expanded its Software Services division team by adding more than 60 programmers, testers and software development consultants.
- December 2022 - AROBS acquires **Centrul de Soft GPS**, known on the market under the brand CDS GPS, a Romanian company specialized in providing fleet management solutions. Following this transaction, AROBS has strengthened its leading position in the fleet management market.
- January 2023 - AROBS enters the Polish market by acquiring **SYDERAL Polska** (which has since become AROBS Polska Sp. z o.o., with offices in Gdansk, Poland. The company specializes in the development of products and technologies for quantum and optical communication, data storage and processing, as well as control of satellite mechanisms and instruments.
- February 2023 - AROBS announced the acquisition of the entirety of the Moldovan entities **AROBS Software SRL** and **AROBS TrackGPS SRL**. The two transactions were approved by the company's shareholders at the Extraordinary General Meeting of Shareholders on 22 December 2022. The market values of the two companies were established by valuation reports carried out in the first six months of 2022 by an ANEVAR accredited evaluator.
- April 2023 - AROBS acquires the **Future WorkForce Global** group, specialising in providing complex business process automation solutions. In addition to Romania, where it has offices in Cluj-Napoca and Bucharest, the group has subsidiaries in London, UK and Munich, Germany. Immediately after the public announcement of the acquisition, the RPA division of CoSo by AROBS Netherlands and Belgium joined forces with Future WorkForce and thus the companies will continue to be present in the Benelux area under the Future WorkForce brand. As a result, the company has quickly capitalised on the synergy between the organisations within the AROBS Group and now has a team of over 100 Intelligent Automation experts in the UK, Benelux, Germany and Romania.
- July 2023 - AROBS acquires 100% of **AROBS Pannonia Software Kft**, specializing in car fleet management services and custom software development. AROBS Pannonia Software currently employs more than 20 specialists and, since its inception in 2011, the team has served more than 1,000 customers in Hungary in the fleet

management specialization. With this acquisition, AROBS has a presence in Hungary, leveraging synergies with other group companies in both the fleet monitoring and software development businesses. The company's financial results will be included in AROBS' consolidated financial statements from T3 2023.

- As of February 2024, AROBS has started the process of consolidating its presence in Romania, as well as in the DACH market, by signing the contract to acquire Infobest, a company specialized in the development of custom software solutions, with offices in Timisoara and Leverkusen, Germany. The acquisition of Infobest is in the process of being completed as of the date of this Prospectus



Today, AROBS has over 25 years of experience in developing custom software solutions for customers in over 15 countries in Europe, Asia and the Americas. AROBS creates software solutions and products - for which AROBS owns the intellectual property - for fleet management and GPS tracking, business optimization (SFA, WMS, CRM, contactless mobile payments and more), HR and payroll management, channel management for the hospitality industry and more.

### Strategy and objectives

AROBS aims to continue to focus on expansion, innovation and operational efficiency in order to strengthen its position in services and software products both locally and internationally. The Group's priorities for the coming period are therefore:

### Integration of Group entities

- AROBS will continue the process of integrating group entities in order to optimise 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 the provision of services and software products, while developing an organisational culture that promotes knowledge transfer and best practices between teams within the Group companies.

### Organic growth, as well as acquisition-based expansion in the EU and USA

- AROBS' strategic expansion into the markets of the European Union and the USA will focus, among other things, on strengthening relationships with existing clients. By deeply understanding their specific needs and challenges, the Group aims to adapt its range of services and software products to better meet these needs, while simultaneously facilitating access to AROBS' technological innovations.
- In parallel, AROBS will continue its acquisition-based growth strategy, pursuing geographical expansion, access to new clients, and strengthening its portfolio of products and services. AROBS constantly monitors and evaluates the opportunity to acquire companies active in the same industry or in complementary industries. Currently, AROBS is analyzing several potential acquisition targets, with an aggregated turnover of approximately 18.4 million EUR and an approximate EBITDA margin for the year 2023 in line with that

at the Group level. The aforementioned targets are engaged in the field of software services, and software products for fleet management and business solutions, with the targeted geographical areas being Romania, Germany, Austria, Switzerland, Turkey, the United Kingdom, and Serbia.

**Motivation and retention with a focus on efficiency**

- The success of AROBS is directly linked to the talented and dedicated colleagues within the Group. In 2024 and beyond, AROBS will continue to implement innovative motivation and retention programs that not only recognize and reward individual and team achievements, but also promote operational efficiency and excellence. As such, the Group plans to continue to support professional development opportunities for teams by covering the related costs, as well as continuing Stock Option Plan programmes. Through these initiatives, management ensures that AROBS remains a place where talent is not only nurtured but also valued.

At the same time, in 2024 and 2025, the distribution cycle of the shares transferred by the founder Voicu Oprean at par value to AROBS before the listing of the company on the AeRO market of the Bucharest Stock Exchange in 2021 will be completed. The 40 million shares covered all three SOP programs implemented by the company as of November 2021.

**In so far as they have a significant influence on the issuer's business or profitability, summary information on the extent to which the issuer is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes**

For the conduct of the company's business in the service industry, the Issuer uses Microsoft Licenses for everything from server hosting, code writing, databases, Azure license for cloud, .Net programming software/platforms, Java, Microsoft SQL related services.

In order to carry out the company's activity on the product branch, in addition to the above mentioned, map licenses (e.g. Suncart, OSM, Google or Here) and also communication contracts with providers such as Orange, Vodafone, Telkomsel, Orange Moldova are required.

**The elements on which any statement by the Issuer of its competitive position is based**

The Issuer bases its statements on its competitive position on its own estimates, constructed either through an analysis of data available from the Ministry of Finance (on the business of companies considered to be competitors) or through feedback received by the sales team from interactions with existing and potential customers.

**Investments**

**A description of the Issuer's significant investments (including their value) for each financial year in the period covered by the historical financial information, up to the date of the registration document**

The Issuer's significant investments relate to investments in software applications (TrackGPS and HR) as well as real estate investments.

The TrackGPS solution is grouped into 4 main pillars: productivity (route planning, basic monitoring), optimisation (CAN data, fuel consumption, car sharing), safety (secure transport, asset tracking, driver behaviour), and compliance (Tacho Reader, etoll, temperature monitoring, video telematics, snow removal). In the coming period, all efforts will be focused on the development and large-scale deployment of solutions based on 4G and 5G technologies, increasing presence in the international transport segment, monitoring consumption and CAN data, as well as promoting new solutions: video telematics, safety driving, Electric Vehicle Location.

The HR app is developed according to the latest technology and this is necessary to meet current market requirements. This means that the application will be able to work in Software as a Service (SaaS) mode, a method that will open up new markets for us (customers who cannot invest in their own systems but only rent). Also, the new marketing package of the application will open up the market for medium to small customers with 20-100 employees.

The dynamics of the last 3 years of the Issuer motivate the decision to invest in new, modern workspaces that meet the current requirements of the labour market, but also the carbon reduction policy of our company.

<b>For the financial year ended</b>		
<b>31 Decembrie 2023</b>	<b>31 Decembrie 2022</b>	<b>31 Decembrie 2021</b>
<i>(audited IFRS)</i>	<i>(audited IFRS)</i>	<i>(audited IFRS)</i>

Software solutions investment	7,272,987	8,458,268	2,867,105
Real estate investment	22,245,859	7,135,219	289,571

*Source: Annual Financial Statements*

**A description of the issuer's significant investments in progress or for which firm commitments have already been made, including information on the geographical distribution of these investments (domestic and foreign) and the sources of their financing (domestic or foreign)**

Not applicable.

**Information on joint ventures and undertakings in which the issuer holds a proportion of the share capital that may have a significant impact on the valuation of the assets and liabilities, financial position or profits and losses of the issuer**

Not applicable.

**A description of any environmental issues that may affect the issuer's use of its property, plant and equipment**

Not applicable.

### **COMPETITIVE ADVANTAGES**

Given the time of establishment of the Issuer, as well as the collaboration it has with numerous customers and suppliers in various fields, corresponding to AROBS business lines, the Issuer's experience is vast, the most relevant aspects in this regard being:

- - 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, LifeSciences, 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;

### **IDIFFERENTIATION FROM THE COMPETITION**

The issuer differentiates itself from the competition through its business model and the integrated way in which the group companies operate and the synergies that are created between them, creating a complete package of digitisation 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 product development experience: Dozens of specialists in web, mobile, and complete solutions development 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 of solutions, agility and adaptability, based on analysis of market needs;
- Frequent launch of new software solutions, 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;

## **STRATEGY**

The Issuer is targeting a rapid expansion of the company, both in terms of revenue and profit. Benefiting from a strong financial position as well as experience and expertise in integrating business lines, this growth will be achieved by pursuing a mergers and acquisitions (M&A) strategy that will drive organic growth of the integrated companies. To this end, the Company is considering using own reserves and obtaining funding from market-specific sources capital, which will help it to achieve its growth strategy through acquisitions of companies with potential for obtaining business synergies with AROBS.

Companies targeted 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 need to have representation in the countries where clients are located and, on the other hand, to have top talent predominantly located in Eastern Europe.

Also, through the Software Services division, the Issuer aims to strengthen its global presence by reinforcing existing specialisations, developing new expertise in response to both global industry trends and portfolio customer requests. The company aims to stabilise its position as a global partner of first choice for IT outsourcing and custom software development. One of AROBS' goals is to become an outsourced R&D centre for global companies, recognised for quality delivery as well as full ownership of service development responsibility for partners.

Part of the growth strategy is to own satellite offices on three continents, with a focus on Western Europe and the US in order to be closer to key customers. The work of these offices will focus on sales, cross-selling and up-selling. In this respect, the Company plans to intensify operational activity in the US market in the coming period. The integration into the AROBS Group of AROBS Engineering and Nordlogic Group, which also have working points in the US, acquisitions completed in 2022, is a significant step towards strengthening the presence in the US, as well as expanding partnerships in North America through the new customer portfolio.

The German and UK subsidiaries play a major role in connecting with these two highly valuable markets through direct access to strategic prospects. The acquisition of Berg Computers as well as Future WorkForce Global strengthens AROBS' footprint in the DACH market and the UK. The subsidiaries in the Republic of Moldova, integrated into the Group from February 2023, are also of great strategic importance to the Company, through the expertise they bring, but also through the footprint they have in the Republic of Moldova ecosystem.

The TrackGPS business line, which manages vehicle fleet monitoring platforms, aims to expand its activity in the countries where it is present by supporting customers who are increasingly interested in interfacing the fleet management solution with other systems, such as ERPs, Transport Exchanges, but also in consumption monitoring solutions amidst the energy crisis.

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

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

At the same time, AROBS aims to position the MonePOS payment solution as the most secure, fast and environmentally friendly contactless and paperless payment solution.

The SoftManager CRM+ solution will aim to consolidate in the SME data automation market.

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



The company aims to maintain the RateWIZZ solution in the Scandinavian market, gaining new customers and refine the AROBS offering in the digital textbook segment to increase its current market share.

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

At the same time, through AROBS Engineering, specialising in the medical, maritime, aerospace and embedded industries, and the acquisition of SYDERAL Polska in early 2023 (meanwhile called AROBS Polska), AROBS' activity is aligned with its strategic directions - developing new areas of expertise with high demand in the global software services market, concomitant with the continuous transfer of in-house knowledge to future generations of programmers and hardware specialists and horizontal integration (inorganic development) through acquisitions of existing players operating in the same industry, which can enable synergies and are easy to integrate, with solid EBITDA, as well as expansion in Europe, North America and Asia.

## **MAIN MARKETS AND COMPETITIVE POSITION**

AROBS is a leading provider of software products and services. The issuer holds a consolidated position in the Romanian market being present in the major cities of the country: Cluj-Napoca, Baia Mare, Oradea, Targu Mures, Arad, Timisoara, Lugoj, Craiova, Bucharest, Suceava and Iasi.

AROBS is also present internationally through 10 entities, which are mainly sales centres for software products and services. The countries where the Issuer is present with local subsidiaries are: Belgium, Germany, Hungary, Indonesia, Poland, Republic of Moldova, Netherlands, United Kingdom and United States of America.

The Group also has approximately 70 partners in the software services segment in Europe and America, serving a total of more than 11,000 customers worldwide through software products.

## **ESTIMATES AND OTHER USED INDICATORS**

**Where an issuer has published a profit forecast or estimate (which is still current and valid), that forecast or estimate is included in the registration document. Where a profit forecast or estimate has been published and is still in effect but is no longer valid, a statement to that effect and an explanation of why that forecast or estimate is no longer valid shall be provided. Such an invalid forecast or estimate is not subject to the requirements of the following two paragraphs.**

This is not the case. The Issuer has chosen not to include profit estimates.

**Where an issuer chooses to include a new profit forecast or a new profit estimate or a previously published profit forecast or a profit estimate previously published under item 11.1, the profit forecast or estimate must be clear and unambiguous and contain a statement setting out the principal assumptions on which the issuer has based its forecast or estimate. The forecast or estimate must comply with the following principles: (a) a clear distinction must be made between assumptions about factors which the members of the administrative, management and supervisory bodies can influence and assumptions about factors which are wholly outside the influence of those persons; (b) the assumptions must be reasonable, understandable to investors, clear and precise and unrelated to the overall accuracy of the estimates on which the forecast is based; (c) in the case of a forecast, the assumptions must draw the investor's attention to uncertain factors which could materially change the outcome of the forecast**

This is not the case. See the paragraph above.

**The prospectus includes a statement that the profit forecast or estimate has been developed and prepared on a basis that is both (a) comparable with historical financial information and (b) consistent with the accounting policies of the issuer**

This is not the case. The prospectus does not include profit forecasts or estimates.

## **MARKETING AND SALES**

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

- Focused diversification based on research and innovation - by improving the existing product portfolio, adding new functionalities and modules, as well as testing products on the Romanian market before launching on regional markets and beyond.

- Development of new areas of expertise - by developing new specialisations that are in high demand in the global software services market, while continuously transferring in-house knowledge to future generations of programmers and hardware specialists.
- Acquisitions through 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 South East Asia.
- Employee stimulation and retention - by consistently supporting the professional and personal growth of colleagues and making them partners in the success of AROBS.

## INTELLECTUAL PROPERTY

The Issuer and its subsidiaries own a relatively large number of trade marks, including word marks (protecting words) and combination marks (protecting words and graphics), including marks such as AROBS Transilvania Software (EUIPO registration), Smailo (EUIPO and UK Intellectual Property Office registration), True (OSIM registration), True HR (OSIM registration) and dp-Payroll (OSIM registration). Fleet TrackGPS, TrackGPS, TrackGPS4 dp-Payroll and True HR - UCMS are also registered with ORDA and are listed in the National Computer Software Register.

The protection offered by the trademark registration lasts for 10 years and can be extended for further 10-year periods on specific request.

## IT INFRASTRUCTURE

**Types of Servers and Hardware:** Our IT infrastructure uses a wide range of servers, including dedicated servers for virtualization, applications, databases and web services. We use high-performance hardware from leading vendors such as HP and Dell, optimized for energy efficiency and maximum performance.

**Data Centers:** Our data centers are located in two distinct locations to ensure redundancy and high availability. They are equipped with cooling, uninterruptible power supply and physical security.

**Essential Software:** Operating systems used include Linux and Windows for both workstations and servers. Specific applications vary by department, including software for human resource management, CRMs, and financial tools.

**Network Infrastructure:** Our network infrastructure includes switches, routers and firewalls from established vendors, configured to ensure the security and efficiency of data traffic.

**Cybersecurity:** We adopt comprehensive cybersecurity measures, including end-to-end encryption, VPNs for remote connections, and multi-factor authentication. Our security policies are regularly reviewed and include strict protocols for data and system access.

**IT Infrastructure Upgrade Plans and Investments:** We have plans to invest in emerging technologies, such as cloud computing, to improve operational efficiency and data analytics capabilities. These investments are directed towards expanding storage capacity and improving security.

## INSURANCE

The issuer has the following types of insurance policies:

- Adllianz Protect D&O Managers' Legal Liability Insurance;
- IT professional liability insurance;
- Liability insurance for fleet monitoring equipment installations;
- RCA and Casco insurance for the fleet;
- Health insurance for employees;

The values of the main insurance policies structured by type of insurance are described below:

- Allianz Protect D&O Managers Legal Liability Insurance:
  - The liability limit for the Issuer is 1,000,000 EURO;
  - The limit of liability for affiliated companies is 500,000 EURO;
  - Sublimits: (i) emergency costs: 10% of the limit of liability; (ii) pollution defence costs: 10% of the limit of

liability; (iii) image restoration costs: 10% of the limit of liability; (iv) employer's wrongful liability: EUR 250,000; (v) civil and administrative fines: EUR 10,000.

- IT professional liability insurance: limit of liability for the Issuer is EUR 5,000,000;

Liability insurance for fleet monitoring equipment installation accidents: limit of liability for the Issuer is RON 100,000.

## EMPLOYEES

**The number of employees at the end of the period covered by the historical financial information, or the average number of employees for each financial year in the period concerned up to the date of the registration document (and changes in these figures, if material) and, if possible and if such information is material, a breakdown of employees by main categories of activity and geographical locations. Where the issuer employs a significant number of temporary employees, information on the average number of temporary employees for the most recent financial year shall also be included**

The Issuer had, as of 31 December 2023, 1,254 employees at consolidated level, an increase of 49% compared to the same period of 2022. 82% of the Issuer's employees have higher education (university), and 35% are between 25 and 29 years old.

The evolution of the average number of employees, at consolidated level, is shown below, by department:

	<b>The exercise concluded at 31 December 2021 audited</b>	<b>The exercise concluded at 31 December 2022 audited</b>	<b>Financial year ending 31 December 2023 audited</b>
Management	34	32	31
Administrative Staff	19	22	40
Procurement Staff	2	2	3
Financial Staff	22	27	44
Legal Staff	5	4	4
Personnel Management	5	6	6
Personal Marketing	19	13	19
Design-Development Staff	477	577	935
Personnel Labour protection	1	1	3
Human Resources Staff	13	25	36
Personal Service-Installations	40	27	40
IT Support Staff	10	16	27
Sales Staff	33	45	66
<b>Total</b>	<b>680</b>	<b>796</b>	<b>1.254</b>

There is no collective labour agreement negotiated at the Issuer's level, as the employees are not organised in a trade union.

### **A description of any arrangement providing for employee participation in the capital of the issuer**

In October 2021, the Issuer's shareholders approved a Stock Option Plan compensation and reward program, under which employees of the Issuer may be beneficiaries.

For the beneficiaries, this Plan is an additional source of income to their remuneration and motivates them to make a sustainable contribution and ensure that their interests and those of the company are always aligned.

"Stock Option Plan" is a loyalty program for employees in key positions, initiated by the management of Arobs Transilvania Software S.A.

This programme is an option for beneficiaries, not an obligation. Thus, as an option, the decision to determine the group of potentially eligible employees, the rules for determining who will be eligible to benefit from this plan, the dates of the pledgee, the period within which the option may be exercised, the conditions of eligibility and the number of units granted, as well as any limitations thereon, was the responsibility of the Issuer's Management/ Board at the time of grant.

In the process of granting options, consideration was given to the employee's seniority, time actually worked, involvement in project development and current work, involvement in new procedures and, last but not least, the employee's lack of disciplinary action.

The selection of the persons to whom these stock options were offered, was made by each Manager, Director, Business Group Manager and Project Manager and with the final approval of the General Manager/ Administrator, according to the above criteria, in conjunction with the importance of the position held by the respective employee, in relation to the Issuer's desire to retain him and make him responsible to perform his job as well as possible, being directly involved in the growth of the company as a future partner / shareholder.

The number of stock options granted was proposed by the person's direct manager or by the person above him/her, according to a formula involving 2 net salaries and a loyalty bonus, the latter being proposed by the superior.

Thus, with this SOP the Issuer wanted to ensure its investment in the professional development of key people, preventing migration to the competition and capitalizing on the expertise developed within the Issuer, thus eliminating the cost of replacing these people.

The conditions set out in the contracts/stock option grant letters with the Issuer's employees are:

- holding the status of employee of AROBS Transilvania Software S.A.;
- seniority in the company of more than 1 year;
- the employee has actually worked for at least 10 months out of the 12 months of the year;
- the employee has performed outstandingly in the current job and you have been appreciated by customers;
- the employee has not received any disciplinary sanctions in connection with his work with the company;
- the employee has demonstrated commitment to the objectives of the department to which he/she belongs and/or which he/she leads;
- the employee has contributed to increasing customer satisfaction with the company's services/products;
- the employee has been involved in developing new products and/or improving existing ones, or in developing and/or improving the working environment/processes/internal processes and flows;
- the employee has demonstrated and will continue to demonstrate moral, professional and social conduct in accordance with company standards;
- the employee has been actively and effectively involved in promoting the interests of AROBS Transilvania Software SA, related to his/her field of activity and, in general, at company level;
- the employee promoted good communication and created a work climate suitable for performance;
- the employee has accepted the rules for the implementation of the loyalty/stock option plan approved by the EGMS Decision no. 4/23.08.2021.

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

## **ENVIRONMENTAL ISSUES**

We believe that the business of the Issuer and its subsidiaries does not generally have a significant negative impact on the environment, as the Issuer implements sustainable practices and manages sustainability risks. However, the Group is required to comply with a number of environmental laws and regulations through its telematics services business.

Thus, for packaging placed on the market in Romania, the company must comply with the updated Law 249/2015 on the recovery and recycling of packaging. Pursuant to Art. 16, para. 2 of the Law, the company has concluded a contract with the company 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 RLG Systems Romania SRL to take responsibility for the collection of this waste. The company makes monthly declarations to the National Agency for Environmental Protection and has staff responsible for monitoring and assessing the company's environmental impact. The Issuer will also always be involved in environmental and quality of life actions in its communities. Our environmental initiatives range from greening and planting actions, attention to resource use and recycling, prioritizing recycled and/or locally produced materials.

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

The issuer is in the process of preparing its 2023 sustainability report (expected to be completed in June 2024), which will bring together the company's initiatives in line with sustainable development. The report will be produced in line with international standards in the field and aims to provide a comprehensive picture of our work 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 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 support future generations such as:

- Innovation Labs - we are a national partner of the largest competition for startups
- FIX Cluj-Napoca - we support the local youth entrepreneurship program
- We support Hard&Soft Suceava - 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 in Cluj, Mures, Arad etc.
- Technical articles contest - Writers of AROBS
- Drag de Şcoale project, Suceava, against school dropouts

With regard to **employee health and safety**, the company has responsible staff who are in charge of training staff and updating policies with regard to OHSAS. The ultimate goal of occupational health and safety 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 with stable physical, mental and social comfort.

#### **LITIGATION AND LEGAL PROCEEDINGS**

There are no governmental, judicial or arbitration proceedings in the last 12 months that could have or have had a material effect on the financial position or profitability.

**PART 5**  
**REPORTING UNDER THE REGULATORY FRAMEWORK**

From the date of the Initial Public Offering to the date of this Prospectus, the Issuer has published information in accordance with the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (“MAR”), namely a total number of 174 current reports, available on the Issuer’s website at www.a.robs.com, under the section containing information of specific interest for investors (section “*Investor Relations*”). Please note that the information on the Issuer’s website is not part of the Prospectus.

The most important current reports of the Issuer are summarised below, grouped by category of interest:

**Corporate governance. Financial information. Share capital and dividends.**

Crit.	Current report	Summary
1.	Current Report No 31 of 14 May 2024	The issuer has informed investors of the publication of financial results for Q1 2024.
2.	Current Report No 27 of 30 April 2024	The issuer informed investors about the publication of the annual report for the year 2023, approved by the AGOA on 29 April 2024.
3.	Current report no. 22 dated 18 April 2024	The Issuer informed investors about the Decision of the Board of Directors dated 18.04.2024 whereby, pursuant to the Resolution of the Extraordinary General Meeting of Shareholders dated 22.12.2022, the Board of Directors approved the increase of the share capital by up to RON 17,425,872.1 (nominal value) (" <b>Share Capital Increase</b> "), by issuing up to 174,258,721 new shares with a nominal value of RON 0.1 per share and a total nominal value of RON 17,425,872.1.
4.	Current report no. 16 dated 1 April 2024	The issuer has informed investors of the availability of the Consolidated Revenue and Expenditure Budget for FY2024.  Turnover: 494,876,000  Total cost of sales: 341,555,000  Gross result: 153,321,000  Operating profit: 54,477,000  EBITDA: 84,870,000  Normalised EBITDA: 92,869,000  Net profit: 40,832,000  Normalized net profit: 48,831,000
5.	Current Report No 9 of 28 February 2024	The issuer has informed investors of the publication of preliminary financial results for 2023.
6.	Current Report No 7 of 19 February 2024	The issuer has informed investors that global index provider FTSE Russell has announced, following its quarterly review, that the Company's shares will be included from 18 March 2024 in the FTSE Global Micro Cap Index.
7.	Current Report No 5 of 15 February 2024	The issuer has informed investors of the change in the financial calendar for 2024, the updated dates are:  Conference call - presentation of preliminary annual financial results - 04.03.202
8.	Current Report No 1 of 26 January 2024	The issuer informed investors of the Company's financial calendar for 2024:  Preliminary financial results 2023 - 28.02.2024

Crit.	Current report	Summary
		<p>Investor conference call - 01.03.2024</p> <p>Annual General Meeting of Shareholders - 29.04.2024</p> <p>Annual Report for 2023 - 30.04.2024</p> <p>Financial report Q1 2024 - 14.05.2024</p> <p>Investor conference call - 16.05.2024</p> <p>Financial report H1 2024 - 30.08.2024</p> <p>Investor conference call - 03.09.2024</p> <p>Financial report Q3 2024 - 14.11.2024</p> <p>Investor conference call - 18.11.2024</p>
9.	Current Report No 73 of 15 November 2023	The Issuer has informed investors of the availability of the Issuer's condensed interim consolidated and separate financial statements for the nine months ended 30 September 2023, accompanied by the Directors' Report.
10.	Current Report No 71 of 20 October 2023	<p>The issuer has informed investors of the change in the financial calendar for 2023, the updated dates are:</p> <p>Conference call for analysts and investors - 20.11.2023</p>
11.	Current Report No 67 of 12 October 2023	The Issuer informed investors that following the Ordinary General Meeting of Shareholders of the Company held on 29.09.2023, during which the new structure of the Company's Board of Directors ("BoD") was approved, the Board of Directors met and decided to appoint Mr. Voicu Oprean as General Manager of the Company and Mr. Deaconu Aurelian Călin and Mr. Bojan Ovidiu as Directors with the power to represent the Company.
12.	Current Report No 66 of 10 October 2023	The Issuer informed investors that following the Ordinary General Meeting of Shareholders of the Company held on 29.09.2023, at which the new structure of the Company's Board of Directors ("BoD") was approved, the Board of Directors held a meeting and decided on the appointment of the Chairman of the BoD and the members of the Company's committees.
13.	Current Report No 64 of 5 October 2023	The issuer informed investors about the appointment of Ms Gabriela Mechea as Integration Director of the Company.
14.	Current Report No 61 of 28 September 2023	The Issuer has informed investors of the availability of the Issuer's condensed interim consolidated and separate financial statements for the six months ended 30 June 2023, accompanied by the Directors' Report.
15.	Current Report No 54 of 8 September 2023	The Issuer has informed investors of the publication of the Company's Prospectus for admission to trading on the Regulated Market administered by the Bucharest Stock Exchange ("Prospectus"), as approved by the Financial Supervisory Authority ("FSA").
16.	Current Report No 50 of 14 August 2023	The issuer has informed investors that the Company's shares will be included in the MSCI Frontier Markets Small Cap Index and the MSCI Romania Small Cap Index as of August 31, 2023.
17.	Current Report No 47 of 14 July 2023	The issuer has informed investors about the initiation of the final phase of the transfer on the Main Market of the Bucharest Stock Exchange.
18.	Current Report No 46 of 13 July 2023	The issuer has informed investors of the receipt from the Financial Supervisory Authority of 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



<b>Crit.</b>	<b>Current report</b>	<b>Summary</b>
		General Meeting of Shareholders of the Company no. 1 dated 19.04.2023. Following the reduction, the share capital of Arobs Transilvania Software S.A. is RON 87,129,360.9, divided into 871,293,609 registered shares with a nominal value of RON 0.1 per share.
19.	Current Report No 45 of 5 July 2023	The Issuer informed investors about the registration with the Commercial Register of the reduction of the Company's share capital, as approved by the Extraordinary General Meeting of Shareholders' Resolution No. 1 / 19.04.2023. As a result of the reduction, the Company's share capital is in the total amount of RON 87,129,360.9, divided into 871,293,609 registered shares, each with a nominal value of RON 0.1.
20.	Current Report No 41 of 30 May 2023	The Issuer has informed investors of the availability of the Issuer's condensed consolidated and individual interim financial statements for the three months ended 31 March 2023, accompanied by the Directors' Report.
21.	Current Report No 34 of 28 April 2023	The issuer informed investors about the publication of the annual report for the year 2022, approved by the AGOA on 28 April 2023.
22.	Current Report No 24 of 6 April 2023	The issuer has informed investors of the availability of the Consolidated Revenue and Expenditure Budget for FY2023. Turnover: 421,250,000 Total operating income: 427,236,000 Total operating expenses: 371,794,000 Operating profit: 55.442.000 EBITDA: 74.235.000 Normalised EBITDA: 92.460.000 Gross profit: 53,835,000 Net profit: 45.221.000 Normalised net profit: 63.446.000
23.	Current Report No 15 of 28 February 2023	The issuer has informed investors of the publication of preliminary financial results for 2022.
24.	Current Report No 11 of 8 February 2023	The issuer informed investors of the appointment of Mr. Bogdan Ciungradi as Chief Financial Officer of the Company. Mr Ciungradi's mandate is granted for an indefinite period of time.
25.	Current Report No 3 of 10 January 2023	The issuer informed investors of the Company's financial calendar for 2023: Preliminary financial results 2022 - 28.02.2023 Annual General Meeting of Shareholders - 28.04.2023 Annual Report for 2022 - 28.04.2023 Financial Report Q1 2023 - 30.05.2023 Financial Report H1 2023 - 28.09.2023 Financial Report Q3 2023 - 28.11.2023
26.	Current Report No 61 of 24 November 2022	The Issuer has advised investors of the availability of the Issuer's condensed interim consolidated and separate financial statements for the nine months ended 30 September 2022, accompanied by the Directors' Report.

<b>Crit.</b>	<b>Current report</b>	<b>Summary</b>
27.	Current Report No 48 of 27 September 2022	The Issuer has advised investors of the availability of the Issuer's condensed interim consolidated and separate financial statements for the six months ended 30 June 2022, accompanied by the Directors' Report.
28.	Current Report No 44 of 6 September 2022	The issuer informed investors about the launch of AROBS E-toll Solutions (a newly established company), a complementary fleet management solution, through which international transport companies - freight (capacity over 3.5 tonnes) and coaches - will be able to pay tolls in Europe via an integrated system.
29.	Report dated 2 August 2022	The issuer has informed investors of the availability of the 2021 consolidated financial statements report.
30.	Annual Report 2021	The issuer informed investors about the publication of the annual report for 2021, approved by the AGOA on 31 May 2022.
31.	T1 2022 report dated 26 May 2022	The Issuer has advised investors of the availability of the Issuer's condensed interim separate financial statements for the three months ended 31 March 2022, accompanied by the Directors' Report.
32.	Current Report No 16 of 2 May 2022	The Issuer has informed investors of the availability of the Individual Level Revenue and Expenditure Budget for FY2022.  Turnover: 197,300,000  Total operating income: 200,100,000  Total operating expenses: 147,200,000  Operating profit: 52.900.000  EBITDA: 54.900.000  Gross profit: 54.700.000  Net profit: 47.300.000
33.	Current Report No 11 of 5 April 2022	The issuer has informed investors of the receipt from the Financial Supervisory Authority of the Certificate of Registration of Financial Instruments (CIIF) no. AC-5433-2/04.04.2022. The CIIF certifies the registration of the share capital increase operation with 455,697,494 new shares that were issued pursuant to the Resolution of the Extraordinary General Meeting of Shareholders of the Company No. 2 dated 07.03.2022. Following the increase, the share capital of Arobs Transilvania Software S.A. is RON 91,139,498.80, divided into 911,394,988 registered shares with a nominal value of RON 0.1 per share.
34.	Current Report No 10 of 16 March 2022	The issuer has informed investors of the change in the financial calendar for 2022, the updated dates are:  Annual General Meeting of Shareholders - 31.05.2022  Annual Report for 2021 - 31.05.2022  The update of the financial calendar is a result of the inability of the financial auditor to deliver the audit on time.
35.	Preliminary Financial Results Report 2021 dated 28 February 2022	The issuer has informed investors of the publication of preliminary financial results for 2022.
36.	Current Report No 2 of 25 January 2022	The issuer informed investors of the Company's financial calendar for 2022:  Preliminary financial results 2022 - 28.02.2022

<b>Crit.</b>	<b>Current report</b>	<b>Summary</b>
		Annual General Meeting of Shareholders - 28.04.2022 Annual Report for 2021 - 29.04.2022 Financial Report T1 2022 - 26.05.2022 Financial Report S1 2022 - 27.09.2022 Financial Report T3 2022 - 24.11.2022
37.	Current Report No 1 of 14 January 2022	The issuer has informed investors of the signing of a contract with BRK Financial Group ("BRK") for the provision of market making services, starting from 18.01.2022  For market making services, the minimum cumulative volume corresponding to the firm bid-ask quotes provided by BRK will be the equivalent of EUR 60,000, with a maximum bid-ask spread of 3%. BRK will provide market making services for at least 95% of a trading session.

### Reportable transactions

<b>Crit</b>	<b>Current report</b>	<b>Summary</b>
1.	Current Report No 32 of 16 May 2024	The issuer has informed investors of transactions made that fall under Article 19 of the EU Market Abuse Regulation 596/2014. The transactions, i.e. the allocation of options to receive shares according to the "Stock Option Plan" approved by means of AGOA no. 2 dated 29.04.2024 were carried out by Voicu Oprean, Chairman of the Board of Directors and Managing Director of the Company, Aurelian Calin Deaconu, Executive Member of the Board of Directors of the Company, Ovidiu Bojan, Executive Director of the Company and Mihaela Cleja, Member of the Board of Directors.
2.	Current Report No 21 of 18 April 2024	The issuer has informed investors of transactions made that fall under Article 19 of the EU Market Abuse Regulation 596/2014. The transactions, i.e. the acceptance of Options under the stock option plan approved by the Resolutions of the Extraordinary General Meeting of Shareholders of the Company no. 6/01.08.2022 and no. 7/22.12.2023 were carried out by Voicu Oprean, Chairman of the Board of Directors and Chief Executive Officer of the Company and Aurelian Calin Deaconu, Executive Director of the Company. The transactions were notified to the Company in accordance with the applicable capital market legislation.
3.	Current Report No 20 of 18 April 2024	The issuer has informed the investors about the start of the share buyback program in accordance with the provisions of the AGEA Resolution no. 1 dated 04.03.2024. The programme will run for a period of 18 months from the date of publication of the AGEA Decision no. 1 of 04.03. 2024 in the Official Gazette of Romania, part IV and provides for the repurchase of 3,000,000 shares. The daily volume is a maximum of 25% of the average daily quantity of shares that are traded on the market on which the purchase is carried out, calculated according to the applicable legislation, pursuant to Article 3 (3) (b) of EU Delegated Regulation 2016/1052. The repurchase price per share will be between RON 0.1 per share and a maximum price of RON 1.4 per share, while complying with the legal provisions in force regarding the repurchase price. The program aims to provide a stock of shares for distribution to members of the Board of Directors, directors and employees of the Company, as well as members of the management bodies and employees of any subsidiaries of the Company.
4.	Current Report No 18 of 15 April 2024	The Issuer informed investors about the transactions carried out by Aurelian Deaconu, Executive Administrator of the Issuer, namely the sale of a number of 18,010 shares of the Issuer at an individual aggregate price of RON 0.9380 lei per share on 9 April 2024 and the sale of a number of 30,000 shares of the Issuer at an individual aggregate price of RON 0.9400 per share on 12 April 2024.
5.	Current Report No 14 of 22 March 2024	The Issuer informed investors about the transactions carried out by Aurelian Deaconu, Executive Administrator of the Issuer, namely the sale of 1,000,000 shares of the Issuer

Crit	Current report	Summary
		at an individual aggregate price of RON 0.94 per share on 19 March 2024 and the sale of 1,000,000 shares of the Issuer at an individual aggregate price of RON 0.9303 per share on 21 March 2024.
6.	Current Report No 13 of 7 March 2024	The Issuer informed investors about the transactions carried out by Aurelian Deaconu, Executive Administrator of the Issuer, namely the sale of 2,000,000 shares of the Issuer at an individual aggregate price of RON 1.00 per share on 5 March 2024.
7.	Current Report No 4 of 31 January 2024	The issuer has informed investors of the availability of the Independent Limited Assurance Report on the information included in the current reports issued by the Group in accordance with the requirements of Law 24/2017, as amended and supplemented, and the provisions of ASF Regulation No. 5/2018, prepared by BDO Auditors & Accountants SRL.
8.	Current Report No 78 of 18 December 2023	The Issuer informed investors about the transactions carried out by Ovidiu Bojan, Executive Director of the Issuer, namely the sale of 300,000 shares of the Issuer at an individual aggregate price of RON 0.965 per share on 14 December 2023.
9.	Current Report No 77 of 8 December 2023	The issuer has informed investors about related party transactions carried out by the Company that exceed the statutory threshold.
10.	Current Report No 76 of 23 November 2023	The issuer has informed investors of transactions made that fall under Article 19 of the EU Market Abuse Regulation 596/2014. The transactions, i.e. the acceptance of Options under the stock option plan approved by the Extraordinary General Meeting of the Company No. 4 on 23.08.2021, were carried out by Deaconu Aurelian Călin, Executive Member of the Board of Directors of the Company and Bojan Ovidiu, Executive Director of the Company. The transactions were notified to the Company in accordance with the capital market legislation in force.
11.	Current Report No 59 of 27 September 2023	The issuer has informed investors of transactions made that fall under Article 19 of the EU Market Abuse Regulation 596/2014. The transactions, i.e. the acceptance of Options under the stock option plan approved by the Extraordinary General Meeting of the Company No. 6 on 01.08.2022, were carried out by Oprean Voicu, Cleja Mihaela Stela and Garbacea Razvan Dimitrie, Members of the Board of Directors of the Company. The transactions were notified to the Company in accordance with the capital market legislation in force.
12.	Current Report No 43 of 6 June 2023	<p>The issuer has informed investors of the completion, on 02.06.2023, of the share buyback programme 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 in accordance with 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, pursuant to Article 3 para. (2) Delegated Regulation No 1052/2016 supplementing Regulation (EU) No 596/2014.</p> <p>The payment for the repurchased shares was made from the distributable profit or from the Company's available reserves, recorded in the last approved financial statement, as provided for in Art. 103<sup>^</sup>1 of the Companies Act No. 31/1990. The redemption was carried out for the purpose of implementing the Stock Option Plan, a remuneration and loyalty system for employees and members of the Company's governing bodies, designed to reward them for their work within the Company.</p> <p>The results of the buyback program carried out between July 11, 2022 and June 2, 2023 are as follows:</p>

Crit	Current report	Summary			
		Year	2022	2023	Total shares repurchased
		Number of shares repurchased	4,530,136 shares	6,406,604 shares	10,936,740 shares
		Average repurchase price	RON 0,8650 per share	RON 0,9745 per share*	
		Price paid for repurchased shares (excluding brokerage commissions and other acquisition costs)	RON 3,918,703.63	RON 6,243,482.77*	
		Total price paid for repurchased shares (excluding brokerage commissions and other acquisition costs)	RON 10,162,186.41*		
		*On 09 March 2023, due to a clerical error, an average price and therefore a purchase value 324.66 lei higher than the actual value was communicated. Thus, the values in the above table are updated with the differences found.			
13.	Current Report No 52 of 11 October 2022	The issuer has informed investors of transactions made that fall under Article 19 of the EU Market Abuse Regulation 596/2014. The transactions were carried out in the period 07-10.10.2022 by Iulian-Ioan Fratila, a person exercising managerial responsibilities, namely the sale of a number of 134,000 shares of the Issuer at an individual aggregate price of RON 0.8802 per share on 7 October 2022.			
14.	Current Report No 37 of 2 August 2022	The issuer has informed investors of transactions made that fall under Article 19 of the EU Market Abuse Regulation 596/2014. The transactions were carried out on 01.08.2022 by Pop Adrian Horatiu, a person exercising managerial responsibilities, namely the sale of a number of 542,537 shares of the Issuer at an individual aggregate price of 0.8766 lei/share on 1 August 2022.			

### Significant acquisitions and contracts

Crit	Current report	Summary
1.	Current Report No 8 of 27 February 2024	The issuer has informed investors about the acquisition of the entire Infobest Group, specialized in the development of customized software solutions, with offices in Timisoara and Leverkusen, Germany.
2.	Current Report No 44 of 4 July 2023	The issuer has informed investors of the acquisition in full of AROBS Pannonia Software Kft, based in Budapest, Hungary, specialising in fleet management and custom software development.
3.	Raport curent nr. 31 din data de 26 aprilie 2023	The issuer informed investors about the full acquisition of the Future WorkForce Global (FWF) group, based in Cluj-Napoca, which specializes in providing complex business process automation solutions. In addition to Romania, where it has offices in Cluj-Napoca and Bucharest, the group has subsidiaries in London, UK and Munich, Germany.

Crit	Current report	Summary
4.	Current Report No 9 of 2 February 2023	The issuer has informed investors of 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.
5.	Current Report No 5 of 18 January 2023	The Issuer has informed investors of the acquisition in its entirety of Centrul de Soft GPS S.R.L. ("Centrul de Soft GPS"). 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 fully took over the new entity created under this name.
6.	Current Report No 50 of 3 October 2022	The issuer has informed investors of the final price for the acquisition of AROBS Development & Engineering SRL (formerly Enea Services Romania), the final transaction price being set at EUR 17,633,059.
7.	Current Report No 33 of 28 July 2022	Emitentul a informat investitorii cu privire la faptul că în data de 27.07.2022, Compania a semnat un contract de achiziție a întregului pachet de acțiuni al Nordlogic, grup de companii local specializat în dezvoltarea de produse și platforme software personalizate, cu birouri în România și Statele Unite ale Americii.
8.	Current Report No 24 of 9 June 2022	Emitentul a informat investitorii cu privire la faptul că în urma aprobării primite în data de 31.05.2022 de la acționarii Companiei în cadrul Adunării Generale Extraordinare a Acționarilor, în data de 08.06.2022 a avut loc finalizarea tranzacției de achiziție a întregului pachet de acțiuni al Enea Services România S.R.L.
9.	Current Report No 22 of 6 June 2022	<p>The issuer has informed investors about the increase of a credit facility, the cumulative amount of the contract exceeding 10% of the total income, related to the last annual financial statements. The details of the additional credit facility increase agreement are provided below: Borrower: Arobs Transilvania Software S.A.</p> <p>Lender: Citibank Europe Plc, Dublin - Romania Branch.</p> <p>Type of contract: Supplemental Deed of Credit Facility Increase</p> <p>Total amount of credit facility increase: EUR 13,000,000</p> <p>Purpose of the loan: EUR 12.5 million to co-finance the acquisition of 100% of the share capital of Enea Services Romania S.R.L. and EUR 0.5 million for treasury transactions (for protection against exchange rate fluctuations and other hedging operations), related to the term loan</p> <p>Maturity date: 31.05.2027</p>
10.	Current Report No 12 of 7 April 2022	The issuer has informed investors of the signing of an agreement to acquire all the shares of Enea Services Romania S.R.L., with offices in Romania and the United States. The acquisition represents the software development services team of the Enea AB group of companies. The purchase price of EUR 17.9 million, which will be adjusted according to the net debt and working capital of the acquired entity, will be paid upon completion of the transaction. Completion of the transaction is subject to the satisfaction of certain customary conditions precedent.
11.	Current Report No 7 of 28 February 2022	The issuer informed the investors about the signing of the contract for the acquisition by the Company of 100% of the share capital of Berg Computers S.R.L., the price at which the transaction was carried out exceeding 10% of the Company's assets, on the date of the conclusion of the contract, i.e. 16.12.2021. The purchase price is to be paid in two instalments, the first, in the amount of EUR 2,848,800, to be paid on the date of signing the contract, with the remaining 20% of the contract value to be paid within 18 months of the conclusion of the contract subject to the fulfilment of certain requirements included in the contract.

### Free allotment of shares under the Stock Option Plan (SOP)

Crit.	Current report	Summary
1.	Current Report No 19 of 16 April 2024	The issuer has informed investors about the free allotment of 12,157,414 shares to employees and members of the management bodies of the Company and affiliated companies, and therefore publishes 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.
2.	Current Report No 75 of 21 November 2023	The issuer has informed investors about the free allotment of 1,816,472 shares to employees and members of the management bodies of the Company and affiliated companies, and therefore publishes 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.
3.	Current Report No 58 of 26 September 2023	The issuer has informed investors about the free allotment of 10,979,553 shares to employees and members of the management bodies of the Company and affiliated companies, and therefore publishes 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.
4.	Current Report No 62 of 24 November 2022	The issuer has informed investors about the free allotment of 3,040,396 shares to employees and members of the management bodies of the Company and affiliated companies, and therefore publishes the Information Document prepared 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.

In the last 12 months to the date of this prospectus, there have been three AGMs and four EGMs, which have been reported in accordance with MAR, as follows:

#### OGMS dated on 28 April 2023

On 28 April 2023, the AGM was held, during which the Issuer's shareholders approved, among other things, the following:

- Approval of the income and expenditure budget for the financial year 2023;
- Approval of the allocation of the Company's net profit in the amount of RON 41,898,453.37 for the financial year ended 31 December 2022, determined in accordance with the applicable laws, as follows: the amount of RON 38,547,374.37 net profit not distributed (retained earnings), the amount of RON 2,403,521.88 shall be allocated to constitute the legal reserve and the amount of RON 947,557.12 shall be allocated to constitute 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 dated on 19 April 2023

On April 19 2023, the AGM was held at which the Issuer's shareholders approved, among other things, the following:

- 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 a number of 40,101,379 own shares (in the proportion of 4.4% of the total number of shares) acquired by the Company, pursuant to the AGEA Resolution no. 4 of 23.08.2021 and AGEA Resolution no. 8 of 11.10.2021 and not distributed within the legal term, pursuant to art. 1041 para. (3) of the Companies Act no. 31/1990 republished, as amended. After the reduction, the share capital of Arobs Transilvania Software SA will amount to RON 87,129,360.9 divided into 871,293,609 ordinary, registered, dematerialised shares with a nominal value of RON 0.1 each.

#### **EGMS and OGMS dated on 29 September 2023**

On September 29 2023, the EGMS and OGMS were held, at which the Issuer's shareholders approved, among others, the following:

- Approval of the amendment of the Company's Articles of Incorporation in order to correlate it with the status of a company listed 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 a period of 3 years, with the possibility of exercising the shareholders' pre-emptive 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 for the purpose of financing investments and/or 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 shares of the Company), 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 for the purpose of carrying out the Company's ESOP plans, provided that no more than 5,000,000 shares are used for this purpose annually (with the possibility of carry forward 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.

#### **EGMS dated on 4 March 2024**

On 4 March 2023, the AGM was held, at which the Issuer's shareholders approved, among other things, the following:

- Approval of the Company's share buyback programme, on the market where the shares are listed or by conducting public tender offers, in accordance with applicable legal provisions under certain conditions.

#### **EGMS and OGMS dated on 29 April 2024**

On April 29, 2024, the AGM and AGM were held, at which the Issuer's shareholders approved, among other things, the following:

- Approval of the individual and consolidated financial statements prepared for the financial year ended 31 December 2023, accompanied by the annual report of the Board of Directors and the independent auditor's report.
- Approval of the income and expenditure budget for the financial year 2024.
- Approval of the allocation of the Company's net profit, on an individual basis, recorded for the financial year ended 31 December 2023
- Approval of the Company's Remuneration Report for the financial year ended 31 December 2023 .



- Approval of a stock option plan to be granted to the members of the Board of Directors, officers and employees of the Company, as well as to members of the governing bodies and employees of any subsidiaries of the Company.

The Issuer's AGM and EGM resolutions are available on the Issuer's website at [www.arobsgrup.ro](http://www.arobsgrup.ro), section with information of specific interest to investors (section [www.arobsgrup.ro/arobs-pentru-investitori/](http://www.arobsgrup.ro/arobs-pentru-investitori/)). Please note that the information not available on the Issuer's website does not form part of the Prospectus.

**PART 6**  
**SELECTED FINANCIAL INFORMATION**

The financial information in the Prospectus consists of the audited consolidated financial statements of the Issuer and its subsidiaries (together with the “**Group**”) for the financial years ended on December 31, 2019, 2020 and 2021 (the “**Annual Financial Statements**”), as well as the interim condensed consolidated financial statements for the period ended on 31 March 2024 (the “**Interim Financial Statements**”). The Annual Financial Statements prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, as subsequently amended, for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards adopted by the European Union, as subsequently amended, have been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) adopted by the European Union (issued by the International Accounting Standards Committee).

The Annual Financial Statements have been approved by the Board of Directors and approved by the shareholders in the OGMS. The financial information included in this Prospectus should be read in conjunction with the Annual Financial Statements mentioned above and, where applicable, together with the explanatory notes to the Annual Financial Statements and the Annual Financial Statements.

**Functional and presentation currency**

The annual financial statements and interim financial statements are expressed in Romanian lei (RON), unless otherwise stated, which is the Group's functional currency. **Consolidated statement of profit or loss at Group level**

STATEMENT OF OVERALL RESULT	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
<b>Turnover:</b>	<b>427,294,137</b>	<b>299,815,687</b>	<b>186,582,712</b>
Revenue from software services	344,775,332	239,774,681	128,537,523
Revenue from software products	70,537,191	58,113,647	48,873,571
Revenue from embedded systems	11,981,614	710,817	-
Revenue from distribution of goods	-	1,216,542	8,314,533
Other services	-	-	857,085
<b>Total cost of sales:</b>	<b>295,755,657</b>	<b>190,210,574</b>	<b>113,404,187</b>
Cost of sales of software services	254,215,350	162,025,518	84,713,052
Cost of sales of software products	31,653,344	26,493,027	21,375,803
Cost of sales of integrated systems	9,886,963	256,464	-
Cost of distribution of goods	-	1,435,565	7,269,994
Cost of sales of other services	-	-	45,338
<b>Gross margin</b>	<b>131,538,480</b>	<b>109,605,113</b>	<b>73,178,525</b>
Other income	1,131,751	659,412	(906,518)
Sales and marketing expenses	(18,370,931)	(11,157,950)	(7,476,766)
General and administrative expenses	(70,739,928)	(45,924,271)	(18,606,607)
<b>Operating profit</b>	<b>43,559,372</b>	<b>53,182,304</b>	<b>46,188,634</b>
Interest income	3,300,289	2,019,179	1,589,222
Interest expenses	(2,595,577)	(1,124,450)	(472,173)
Net foreign exchange income/(expense)	(1,222,348)	(812,569)	1,672,593
Other financial income/(expenses), net	-	-	377
Income from shares held in affiliated entities	-	-	2,907,323
<b>Gross profit</b>	<b>43,041,736</b>	<b>53,264,464</b>	<b>51,885,977</b>
Income tax	(11,125,850)	(6,195,378)	(5,965,587)
<b>Net profit</b>	<b>31,915,886</b>	<b>47,069,086</b>	<b>45,920,390</b>

Profit/(loss) on investments held for sale	-	-	(70,652)
<b>Net profit</b>	<b>31,915,886</b>	<b>47,069,086</b>	<b>45,849,738</b>
relating to parent company	-	-	45,758,147
related to Non-controlling interests interests	-	-	91,591
<b>Other comprehensive income</b>	<b>(251,459)</b>	<b>110,516</b>	<b>(56,683)</b>
<b>Comprehensive income</b>	<b>31,664,427</b>	<b>47,179,602</b>	<b>-</b>
for the parent company	31,585,137	47,104,440	-
attributable to non-controlling interests interests	79,290	75,162	-
<b>Basic earnings per share</b>	<b>0.0385</b>	<b>0.0566</b>	<b>0.0757</b>
<b>Diluted earnings per share</b>	<b>0.0372</b>	<b>0.0559</b>	<b>0.0749</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

*Consolidated statement of financial position of the Group*

SITUAȚIA POZIȚIEI FINANCIARE	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
Commercial fund	104,761,369	57,763,288	12,285,869
Customer relations	76,561,802	74,953,751	-
Other intangible assets	23,044,459	18,364,676	28,487,394
Tangible fixed assets	35,556,876	19,626,077	9,044,894
Assets related to rights of use of leased assets	17,236,489	12,170,189	12,146,933
Loans to affiliated entities	15,555,506	7,749,356	-
Other financial fixed assets	3,700,985	4,557,083	1,799,534
Deferred tax	2,129,265	3,131,036	2,175,593
<b>Total non-current assets</b>	<b>278,546,751</b>	<b>198,315,456</b>	<b>65,940,216</b>
Inventories	6,975,925	8,922,718	4,024,189
Trade and other receivables	103,338,304	74,925,395	63,529,693
Loans to affiliated entities	1,413,707	10,787,651	-
Prepaid expenses	2,015,826	1,946,614	1,824,159
Short-term investments	302,033	523,375	-
Cash and cash equivalents	87,773,888	101,373,631	102,212,824
<b>Total current assets</b>	<b>201,819,683</b>	<b>198,479,384</b>	<b>171,590,865</b>
<b>Total assets</b>	<b>480,366,434</b>	<b>396,794,840</b>	<b>234,633,069</b>
Share capital	87,129,361	91,139,499	45,569,749
Hyperinflation adjustments to equity capital	263,971	263,971	263,971
Share premium	23,185,001	23,185,001	68,754,750
Reserves	9,680,545	6,367,437	3,017,170
Treasury shares	(5,689,379)	(7,535,897)	(4,010,000)
Gains related to equity instruments	8,352,878	1,805,558	-
Other equity items	12,574,918	4,206,340	229,123
Retained earnings	139,037,200	110,215,599	67,174,052
Translation differences on consolidation	(163,971)	151,199	40,681
<b>Total equity</b>	<b>274,370,524</b>	<b>229,798,707</b>	<b>181,039,496</b>
Non-controlling interests interests	(683,366)	(75,768)	58,353
<b>Total equity</b>	<b>273,687,158</b>	<b>229,722,939</b>	<b>181,097,849</b>
<b>Long-term liabilities</b>			
Trade and other payables	49,746	182,159	5,251,016
Equity related liabilities	14,686,660	1,122,070	-
Leasing liabilities	11,309,563	7,693,558	8,620,464
Bank loans	62,629,398	55,381,056	-
Deferred income tax liabilities	12,200,152	13,077,720	2,786,622
Prepaid income	3,523,269	1,913,309	689,301
Grants	301,940	184,750	382,077
Provisions	11,789,374	11,227,077	-
<b>Total long-term liabilities</b>	<b>116,490,102</b>	<b>90,781,699</b>	<b>17,729,480</b>

<b>Current liabilities</b>			
Trade and other payables	39,059,657	31,231,838	15,863,243
Tax liabilities	-	-	154,062
Liabilities related to participating interests	3,763,224	5,473,548	-
Leasing liabilities	7,919,498	6,137,902	5,238,509
Bank loans	24,184,008	18,470,922	2,226,645
Dividends payable	-	-	662,311
Prepaid income	8,796,705	9,685,836	10,052,003
Grants	158,741	424,284	392,319
Provisions	6,307,341	4,865,872	1,216,647
<b>Total short-term liabilities</b>	<b>90,189,174</b>	<b>76,290,202</b>	<b>35,805,739</b>
<b>Total liabilities</b>	<b>206,679,276</b>	<b>167,071,901</b>	<b>53,535,219</b>
<b>Total capital and liabilities</b>	<b>480,366,434</b>	<b>396,794,840</b>	<b>234,633,068</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

**Consolidated statement of cash flows at Group level**

<b>CASH FLOW STATEMENT</b>	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	(exprimate in RON, auditate)		
<b>Cash flows from operating activities:</b>			
<b>Gross profit</b>	<b>43,041,736</b>	<b>53,264,462</b>	<b>51,815,325</b>
<b>Adjustments for:</b>			
Depreciation expense	20,711,679	11,158,537	10,358,591
Expenditure on disposed assets	(503,221)	46,781	82,076
Proceeds from sale of assets	(835,138)	(209,820)	(525,915)
Employee benefits SOP	19,131,306	6,038,931	229,123
Adjustments for inventory write-downs	(30,041)	(921,178)	(380,463)
Adjustments for impairment of receivables	2,196,790	3,206,523	2,021,898
Expense/(Income) related to provisions for risks and charges	923,727	4,586,656	879,115
Subsidy income	(148,353)	(165,362)	(390,568)
Interest and other financial expenses	2,629,077	1,113,987	472,173
Interest and other financial income	(3,126,355)	(1,968,688)	(1,589,222)
Expenses/(income) relating to value adjustments on tangible and intangible assets	127,551	200,562	119,845
Dividend income/financial investments disposed of	-	-	(193,724)
Non-controlling interests adjustment	(265,889)	(607,600)	(119,437)
<b>Operating profit before changes in working capital</b>	<b>83,852,869</b>	<b>75,743,791</b>	<b>62,778,815</b>
Change in trade and other receivables account balances	(29,934,716)	(39,736,919)	420,713
Change in stock account balances	1,976,834	(3,977,351)	547,540
Change in trade and other payables account balances	8,345,990	33,774,794	9,461,181
Change in prepaid expenses account balances	(69,212)	(122,455)	(635,343)
Change in prepaid income account balances	720,828	857,841	3,603,575
Interest paid	(2,629,077)	(1,113,987)	(472,173)
Interest received	2,859,430	3,560,998	96,821
<b>Cash generated from operations</b>	<b>65,122,946</b>	<b>68,986,712</b>	<b>75,801,128</b>
Income tax paid	(10,567,650)	(6,276,246)	(4,920,435)
<b>Net cash from operating activities</b>	<b>54,555,296</b>	<b>62,710,466</b>	<b>70,880,693</b>
<b>Cash flows from investing activities:</b>			
Payments for acquisition of subsidiaries, less cash acquired	-	-	(1,050)
Loans (granted)/repaid to affiliated entities	3,017,607	1,292,385	55,433
(Payments) related to acquisitions of subsidiaries	(45,775,455)	(104,330,588)	(11,510,487)
(Payments) on acquisition of tangible and intangible assets	(31,087,866)	(26,228,854)	(15,074,529)
Repurchase of own shares	(6,379,028)	(3,782,054)	(4,010,000)
Other investment in financial assets	-	-	-
(Payments)/receipts on other investment in financial assets	221,342	(523,375)	483,545
<b>Net cash from investing activities</b>	<b>(80,003,400)</b>	<b>(133,572,486)</b>	<b>(30,057,087)</b>
<b>Cash flows from financing activities:</b>			
Proceeds from issue of shares	-	-	74,230,955
Proceeds/(repayments) of bank loans	12,961,428	71,625,333	(19,031,903)

Payment of finance lease liabilities	(1,113,067)	(1,602,506)	(5,947,854)
Dividends paid/received	-	-	(34,263,158)
<b>Net cash from financing activities</b>	<b>11,848,361</b>	<b>70,022,827</b>	<b>14,988,040</b>
<b>Net increase in cash and cash equivalents</b>	<b>(13,599,743)</b>	<b>(839,193)</b>	<b>55,811,646</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>101,373,631</b>	<b>102,212,824</b>	<b>46,401,178</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>87,773,888</b>	<b>101,373,631</b>	<b>102,212,824</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

*Situation of changes in equity capital*

	Share capital	Adjustments of share capital to hyperinflation	Share premium	Legal and other reserves	Equity attributable to owners of the Group	Gains related to equity instruments	Other equity items	Retained earnings	Conversion reserves	Total equity	Non-controlling interests	Total equity
Balance 31 December 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 for the year	-	-	-	-	-	-	-	46,993,924	-	46,993,924	75,162	47,069,086
Conversion differences	-	-	-	-	-	-	-	-	110,516	110,516	-	110,516
Overall result	-	-	-	-	-	-	-	46,993,924	110,516	47,104,440	75,162	47,179,602
Profit distribution	-	-	-	3,345,398	-	-	-	(3,394,091)	-	(48,693)	-	(48,694)
Retained earnings	-	-	-	-	-	-	-	49,314	-	49,314	-	49,314
Increase in 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 related to equity instruments	-	-	-	-	-	1,805,558	(1,805,558)	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	(607,599)	-	(607,599)	-	(607,600)
interest correction	-	-	-	4,869	-	-	-	-	-	4,869	(209,282)	(204,412)
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-

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Balance 31 December 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
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Source: Information has been extracted from the Consolidated Annual Financial Statements

	Share capital	Adjustments of share capital to hyperinflation	Share premium	Legal and other reserves	Equity attributable to owners of the Group	Gains related to equity instruments	Other equity items	Retained earnings	Conversion reserves	Total equity	Non-controlling interests	Total capitaluri
Balance 31 December 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 for the year	-	-	-	-	-	-	-	31,851,026	-	31,851,026	64,860	31,915,886
Translation differences	-	-	-	-	-	-	-	(265,889)	(265,889)	(265,889)	14,430	(251,459)
Overall result	-	-	-	-	-	-	-	31,851,026	(265,889)	31,585,137	79,290	31,664,427
Profit	-	-	-	3,362,572	-	-	-	(3,362,572)	-	-	-	-
distribution	-	-	-	-	-	-	-	-	-	-	-	-
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 related to equity instruments	-	-	-	-	-	8,772,946	(8,772,947)	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	283,682	-	283,682	(283,682)	1
interest correction	-	-	-	-	-	-	-	-	-	-	-	-
Losses on issue, redemption, sale, transfer free of charge or cancellation of equity instruments	-	-	-	-	-	(2,225,627)	2,225,627	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	(403,206)	(403,206)
Balance 31 December 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	(683,365)	273,687,159

Source: Information has been extracted from the Consolidated Annual Financial Statements

### Significant accounting policies

The Group has consistently applied the same accounting policies for all periods presented in the Annual Financial Statements, except for new and amended standards and interpretations effective for the relevant reporting period, as included in Note 32 to the Annual Financial Statements.

### Change of accounting reference date

This is not the case.

### Modification of the accounting framework

This is not the case.**Date of financial information (as per Section 18.1.7 of Annex 1 of Delegated Regulation 2019/980)**

The balance sheet for the last financial year for which the financial information was audited ended on 31 December 2023.**Audit of annual financial information**

The financial auditor of the Issuer is BDO AUDITORS & ACCOUNTANTS S.R.L., a Romanian company, with registered headquarters in Romania, Cluj-Napoca, s3 Mihai Eminescu Street, 1st floor, authorization nr. 1003/26.11.2010, issued by the Chamber of Financial Auditors of Romania, registered at the Trade Registry under nr. J12/2609/2002, with unique identification code 15106663.

### Pro forma financial information

This is not the case.

### Significant changes in the issuer's financial position

The issuer declares that there have been no significant changes in its financial position since the end of the last financial year for which audited financial statements or interim financial information have been published.

### Related party transactions

For information on significant related party transactions as defined in the Annual Financial Statements, please refer to Note 30 to the Consolidated Financial Statements, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, as at and for the year ended 31 December 2023 and Note 21.8 (b) to the Consolidated Financial Statements as at and for the financial year ended 31 December 2022 prepared in accordance with the Order of the Minister of Public Finance No. 1802/2014 as amended.

The main types of transactions with related parties are software services, sales of GPS equipment, tablets, car sales and subletting of premises, hotel services, loans to cover operational needs, to support working capital needs or to develop specific projects.

### Related party transactions

The following table shows related party transactions as included in the Consolidated Financial Statements:

	2023	2022	2021
	(IFRS, audited)	(IFRS, audited)	(IFRS, audited)
<b>Sales to related parties:</b>	<b>500,324</b>	<b>3,333,906</b>	<b>1,890,598</b>
<b>Purchases from related parties:</b>	<b>5,867,353</b>	<b>20,857,390</b>	<b>14,118,199</b>
Loan value	13,964,989	15,778,879	15,334,041
Interest value	3,132,437	2,767,582	3,769,477

Source: Information has been extracted from the Consolidated Annual Financial Statements

### Outstanding balances arising from transactions with related parties

The following balances are outstanding at year-end in relation to related party transactions:

	<b>2023</b> <i>(IFRS, audited)</i>	<b>2022</b> <i>(IFRS, audited)</i>	<b>2021</b> <i>(IFRS, audited)</i>
<b>Receivables from related parties:</b>	<b>2,964,133</b>	<b>4,064,077</b>	<b>2,233,013</b>
<b>Payables to related parties:</b>	<b>519,653</b>	<b>1,119,169</b>	<b>1,153,579</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

Other than as disclosed above, the Issuer is not aware of any significant related parties or transactions with significant related parties at the date of this Prospectus.



## PART 7 EXAMINATION OF THE RESULTS OF OPERATIONS AND FINANCIAL SITUATION

### OVERVIEW

The Issuer's business is mainly structured on services and software products. Since its inception, the Company has relied on excellent specialists and well-adjusted, yet flexible processes to consistently deliver custom software and software products and applications of the highest quality.

The excellence of the Company's services and the dedication shown by its specialists have helped to establish strong, long-term partnerships with more than 10,000 partners in Romania and around the world, making it now an international software development company with European and Romanian roots.

- The company's software services division is the largest within the Issuer and is structured in two pillars: Automotive and HighLevel Industries. The High-Level Industries specialization is made up of the Travel & Hospitality, IoT, Life Sciences, Enterprise Solutions and Fintech divisions. **Automotive** - The Issuer's automotive software and engineering solutions are an integral part of its DNA and are based on extensive domain expertise through long-standing projects with leading global companies.
- **Travel Technology** - The combination of niche know-how and technical skills has helped the company build long-term 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 strong expertise over the past years around collaborations with large US companies in the pharmaceutical industry. During this time, medical software solutions have been developed that simplify clinical trials applied to new drugs 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, realtime 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 accumulated knowledge and experience in partnership with leading banks and financial institutions.

In the area of software services, the Benelux subsidiary CoSo by AROBS specialises in Robotic Process Automation. Separate from the software services division, the issuer also provides its customers with fleet management solutions, IT solutions for business optimisation, human resource management solutions and innovative projects - a dedicated research department.

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 and dpPayroll - human resources and payroll management solutions
- Optimall - sales force automation solution;
- RateWizz - channel manager for the hospitality industry
- School textbook digitisation solution
- MonePOS- contactless and paperless solution for mobility industries
- SoftManager - CRM+ solution

### RECENT DEVELOPMENTS

#### *Acquisition of Infobest*

On 27 February 2024, the Issuer announced the signing of a contract for the full acquisition of Infobest Group, which specialises in the development of customised software solutions, with offices in Timisoara and Leverkusen, Germany. Infobest currently has a team of over 100 specialists in developing custom software solutions for the ecommerce, 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. As of the date of this Prospectus, the transaction is pending completion.

Infobest will continue to be managed 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 EUR 4.8 million.

## **BASIS OF FINANCIAL REPORTING**

The Group has prepared its Annual Financial Statements for the years ended 31 December 2021, 2022 and 2023 in accordance with IFRS. For the periods referred to in this prospectus, the Group's functional and presentation currency was RON. The Group's financial year ends on 31 December of each calendar year.

## **REVENUE AND EXPENDITURE STRUCTURE OF THE OPERATING SEGMENTS**

The Issuer currently earns revenues and records expenses for each of the three operating segments reported. These reporting segments are software services, software products and embedded systems. Revenue and expenses for each segment include both items directly attributable to a segment and those that can be allocated on a reasonable basis.

Until 2022, the Issuer also reported the revenues from merchandise distribution but at the beginning of 2022, the merchandise distribution business, in the software products segment, was transferred to an entity outside the Group as it was not one of the Issuer's strategic development directions.

### ***Software services segment***

Revenues recorded by the issuer in the software services category refer to revenues from the provision of custom software development and implementation services.

Cost of sales from 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 service 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.

### ***Software products segment***

This category includes revenue from sales of proprietary software licences and their implementation.

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, 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 and services performed by third parties.

### ***Integrated systems segment***

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.

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 the partners under the joint venture contracts and the related revenues and expenses corresponding to the contracts where AROBS Systems acted as a agent have been adjusted. The impact of the adjustment on both revenue and related expenses was RON 21.8 million.

## **SIGNIFICANT FACTORS IMPACTING THE ISSUER'S OPERATING RESULTS**

The evolution and demand of the global software development services market, including through the emergence of new technologies, may have a significant impact on the Issuer's turnover, and therefore on its operating performance.

Competition in attracting resources with the required expertise may lead to increased operating costs impacting profitability.

Increased financing costs may have the effect of slowing growth through acquisitions

## **ANALYSIS OF FINANCIAL STATEMENT DATA THAT HAVE A SIGNIFICANT IMPACT**

### **BALANCE SHEET**

This section includes an analysis of the development of some of the Issuer's balance sheet data as at 31 December 2021, 31 December 2022 and 31 December 2023.

#### **ASSETS**

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
<b>Fixed assets</b>			
Goodwill	104,761,369	57,763,288	12,285,869
Customer relationships	76,61,802	74,953,751	-
Other intangible assets	23,044,459	18,364,676	28,487,394
Tangible fixed assets	35,556,876	19,626,077	9,044,894
Assets related to rights of use of leased assets	17,236,489	12,170,189	12,146,933
Loans to affiliated entities	15,555,506	7,749,356	-
Other financial fixed assets	3,700,985	4,557,083	1,799,534
Deferred tax	2,129,265	3,131,036	2,175,593
<b>Total non-current assets</b>	<b>278,546,751</b>	<b>198,315,456</b>	<b>65,940,216</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

#### *Goodwill*

The value of goodwill increased in 2023 to RON 104.7 million from RON 57.7 million 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. The goodwill in the net amount of RON 104,761,369 resulted from the positive difference between the acquisition cost and the value, at the transaction date, of the part of the net assets acquired.

The increase in value of goodwill, relating to 2022, is due to the acquisition of the shareholdings of AROBS Development & Engineering SRL (Enea Services Romania), Nordlogic Group and Centro de Soft GPS (CDS). Goodwill in net value of RON 57,763,288 resulted from the positive difference between the acquisition cost and the value, at the transaction date, of the part of the net assets acquired.

In order to determine the 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 previous years. Following impairment testing based on the DCF method, goodwill is not impaired at December 31, 2021, 2022 and 2023.

#### *Customer relations*

As a result of consolidation adjustments made by applying IFRS 3, customer relationships have been included in 2022 in addition to goodwill on the acquisition of new Group companies. As at 31 December 2023, the value of customer relationships was RON 76.5 million, up 2.1% compared to 2022.

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

#### *Other intangible assets*

The category of other intangible assets recorded an increase of 25.5% in 2023, reaching a value of RON 23 million at 31 December 2023 from RON 18.4 million in 2022. As at 31 December 2022, the Issuer recorded a decrease in

intangible assets by 35.5% from RON 28.5 million as at 31 December 2021. This category mainly includes internally developed software as well as software purchased from third parties.

#### *Tangible fixed assets*

As at 31 December 2023, the Issuer reported property, plant and equipment of RON 35.5 million, up 81.2% compared to 31 December 2022 when it amounted to RON 19.6 million. At 31 December 2022, an increase of 117% was recorded compared to the value of RON 9 million at 31 December 2021. This increase is mainly due to the investment in a new building, amounting to RON 15.1 million, during 2023. Other acquisitions recorded during the period include the purchase of laptops, switches and other workstations.

#### *Assets related to rights of use of leased assets*

The issuer recorded right-of-use assets of RON 17.2 million as at 31 December 2023, up 41.6% from RON 12.2 million as at 31 December 2022. The issuer has leases for various elements of buildings and vehicles used in its operations. It leases office space and cars for a period ranging from 2 to 7 years.

#### *Other financial fixed assets*

As at 31 December 2023, the Issuer reported other financial fixed assets amounting to RON 3.7 million, down 18.8% compared to RON 4.5 million as at 31 December 2022. Compared to the previous year, the amount recorded in 2022 was 153.2% higher than the amount of RON 1.8 million reported at 31 December 2021. This category mainly includes investments in government securities and guarantees for leased premises. The decrease recorded as at 31 December 2023 compared to the previous year is due to the closing of the advance paid for the acquisition of the subsidiary in Poland (Syderal Polska) in December 2022.

#### *Deferred tax*

In terms of deferred tax, the Issuer reported an amount of RON 2.1 million as at 31 December 2023, 32% less than at 31 December 2022 when it reported an amount of RON 3.1 million. The amount recorded as at 31 December 2022 for deferred tax is 43.9% higher than the amount reported as at 31 December 2021 of RON 2.1 million. Deferred tax assets arise from temporary tax differences related to trade receivables, inventories, lease liabilities recognised following IFRS 16 restatements and provisions for unused leave. The deferred income tax receivable will be recovered based on future profits earned by the Group.

	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	<b>(expressed in RON, audited)</b>		
<b>Current assets</b>			
Inventories	6,975,925	8,922,718	4,024,189
Trade and other receivables	103,338,304	74,925,395	63,529,693
Loans to affiliated entities	1,413,707	10,787,651	-
Prepaid expenses	2,015,826	1,946,614	1,824,159
Short-term investments	302,033	523,375	-
Cash and cash equivalents	87,773,888	101,373,631	102,212,824
<b>Total current assets</b>	<b>201,819,683</b>	<b>198,479,384</b>	<b>171,590,865</b>
Assets held for sale	-	-	(2,898,013)
<b>Total asset</b>	<b>480,366,434</b>	<b>396,794,840</b>	<b>234,633,069</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

#### *Stocks*

As at 31 December 2023, the Issuer recorded a value of inventories of approximately RON 7 million, down 21.8% from the value of RON 8.9 million recorded as at 31 December 2022. The decrease in the inventory balance as at 31.12.2023, compared to 2022, is mainly due to the discontinuation of the business segment related to the distribution of goods

Compared to 31 December 2021, the inventory value increased by 121.7% as at 31 December 2022. The increase in the inventory balance as at 31.12.2022 compared to 2021 is mainly due to the increase in work in progress and the

value of goods held with third parties, following the contribution of new projects in progress. Work in progress refers to contracts that run for longer periods of time.

#### *Trade and other receivables*

The total amount of receivables reported by the Issuer increased during the period under review from RON 63.5 million in 2021 to RON 103.3 million in 2023, representing a cumulative increase of 62.7% between 2021 and 2023. This evolution is mainly due to the appreciation of trade receivables due to the increase in activity at Group level through organic growth and acquisitions.

The table below shows the situation of trade receivables by seniority.

	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	<b>(expressed in RON, audited)</b>		
Due receivables	55,785,966	44,054,736	24,980,559
0-30	18,353,793	10,314,180	4,339,497
31-90	12,363,440	7,914,047	4,792,745
91-360	3,742,309	1,752,835	972,616
Peste 360	5,336,481	3,475,226	2,844,908
<b>Total</b>	<b>95,581,990</b>	<b>67,511,024</b>	<b>37,930,326</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

On 31 December 2023, 91% of trade receivables are up to 90 days old, 4% are between 91-360 days old and 6% are more than 360 days old. Analysing previous years, it can be seen that these proportions remained at a similar level to 2023, so that claims up to 90 days old represented 92% of claims on 31 December 2022 and 90% on 31 December 2021.

#### *Loans to affiliated entities*

As at 31 December 2023, the Entity reported an amount of RON 1.4 million for loans granted to affiliated entities, down 86.9% from the level as at 31 December 2022 when an amount of RON 10.8 million was recorded. This decrease is due to the fact that a good part of these loans were reclassified from short-term to long-term as a result of the renegotiation of collection terms with related parties to whom these loans were granted. This change is reflected in the statement of non-current assets as shown above.

#### *Prepaid expenses*

At 31 December 2023, the Issuer reported prepaid expenses of RON 2 million, representing an increase of 3.6% compared to the same date in 2022. As at 31 December 2022, the Issuer reported an increase in prepaid expenses of 6.7% to RON 1.9 million from RON 1.8 million as at 31 December 2021. This category includes services contracted from third parties, including on a subscription basis, and subscriptions for licenses purchased for a longer period of time.

#### *Short-term investments*

Short-term investments represent purchases of shares of companies listed on the Bucharest Stock Exchange made by the Issuer. As of 31 December 2023, the value of these investments was RON 302,033, down 42.3% compared to 31 December 2022 when the value was RON 523,375.

#### *Cash and cash equivalents*

For the financial year 2023, the Issuer's cash at the end of the financial year recorded a decrease of 13.4% compared to 31 December 2022, reaching RON 87.8 million from RON 101.3 million. The cash level at the end of 2022 recorded a small decrease of 0.8% from RON 102.2 million at the end of 2021. This change during the period under review is due to the normal course of business as well as to the implementation of the Issuer's acquisition strategy and the attraction of additional funds from bank loans to meet these objectives.

Cash in the bank bears interest at the daily interest rate when deposits are made. Short-term deposits are made for various time periods between 1 day and 3 months, depending on the cash requirements of the Group companies.

Below is a statement of balances in RON and foreign currency held in the bank and deposits.

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
RON	20,781,961	38,149,459	51,260,155
EUR	46,558,865	48,803,406	41,092,810
USD	16,591,938	13,783,453	8,905,916
GBP	864,329	14,595	60,120
Other currencies	2,762,065	354,131	232,384
<b>Total</b>	<b>87,559,158</b>	<b>101,105,044</b>	<b>101,551,385</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

#### Total current assets

The value of the Issuer's current assets as at 31 December 2023 increased by 1.7% compared to 31 December 2022, from RON 198.4 million to RON 201.8 million, and an increase of 15.7% as at 31 December 2022 compared to 31 December 2021, from RON 171.6 million to RON 198.4 million. This increase is due to the company's development and sales growth, which resulted in higher trade receivables.

#### Total assets

Against the background of the above developments, the value of the Issuer's total assets as at 31 December 2023 increased by 21.1% compared to 31 December 2022, from RON 396.8 million to RON 480.4 million. The Issuer also recorded an increase in total assets as at 31 December 2022 of 69.1% compared to the value of RON 234.6 million as at 31 December 2021.

## EQUITY AND LIABILITIES

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
<b>Equity</b>			
Share capital	87,129,361	91,139,499	45,569,749
Hyperinflation adjustments to equity capital	263,971	263,971	263,971
Share Premiums	23,185,001	23,185,001	68,754,750
Legal reserves	9,680,545	6,367,437	3,017,170
Equity attributable to owners of the Group	(5,689,379)	(7,535,897)	(4,010,000)
Earnings related to equity instruments	8,352,878	1,805,558	-
Other capital reserves	12,574,918	4,206,340	229,123
Retained earnings	139,037,200	110,215,599	67,174,052
Conversion differences on consolidation	(163,971)	151,199	40,681
<b>Total equity attributable to owners of the Group</b>	<b>274,370,524</b>	<b>229,798,707</b>	<b>181,039,496</b>
Non-controlling interests	(683,366)	(75,768)	58,353
<b>Total equity</b>	<b>273,687,158</b>	<b>229,722,939</b>	<b>181,097,849</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

#### Share capital

As at 31 December 2023, the share capital of the Issuer was in the amount of RON 87,129,361, divided into 871,293,609 registered shares with a nominal value of RON 0.1 per share.

As at 31 December 2023, the Issuer reported a share capital value of RON 87.1 million, down 4.4% compared to the value of RON 91.1 million reported as at 31 December 2022, as a result of an operation to cancel 40,101,379 treasury shares in July 2023. Also, the value of the share capital as at 31 December 2022 increased by 100% compared to the value of RON 45.6 million reported as at 31 December 2021. The share capital was increased by issuing new shares allocable to shareholders in a ratio of 1:1 by incorporating share premiums.

#### *Adjustments of share capital to hyperinflation*

For each year from 2021 to 2023, the Issuer reported hyperinflationary share capital adjustments of RON 263,971 at 31 December 2021, 2022 and 2023. These adjustments result from the restatement of Arobs Transilvania's share capital following the application of IAS 29. This standard requires all entities whose functional currency is the currency of a hyperinflationary economy to present their financial statements adjusted by the price index.

#### *Legal reserves*

As at 31 December 2023, the issuer reported legal and other reserves in the amount of RON 9.7 million, an increase of 52% compared to 31 December 2022, when the amount of legal reserves was RON 6.4 million, due to the application of the legal provisions regarding the constitution of reserves to the profit generated during the period. These reserves also had a similar evolution as at 31 December 2022 compared to the same date in 2021, recording an increase of 111%, from RON 3 million to RON 6.4 million.

#### *Equity attributable to owners of the Group*

As at 31 December 2023, the Issuer reported treasury shares amounting to approximately RON 5.7 million, down 24.5% compared to RON 7.5 million as at 31 December 2022. This value recorded at the end of 2022 is 87.9% higher than the value of RON 4 million as at 31 December 2021. These fluctuations are due to the share buyback programs and their distribution to employees through the Equity Stock Option Plan program run by the Issuer.

#### *Earnings related to equity instruments*

As at 31 December 2023, the Issuer reported gains related to equity instruments of approximately RON 8.4 million, an increase of 362.6% compared to RON 1.8 million as at 31 December 2022. These gains are recorded at the time of distribution to employees of stock options committed to ESOP programs and represent the difference between the market value at the time of the grant of stock options and the weighted average cost of treasury shares committed to these ESOP programs. The change from the previous year is due to the fact that two distributions of shares to employees under ESOP 1 and 2 took place in 2023.

#### *Other capital reserves*

As at 31 December 2023, the Issuer reported other equity items amounting to RON 12.6 million, 199% more than the RON 4.2 million recorded as at 31 December 2022. Also, the value in 2022 is 1,735.8% higher than the value of RON 229,123 recorded as at 31 December 2021. In this category is recorded the countervalue of stock options committed under ESOP programs. The balance as at 31 December 2023 is RON 8.4 million higher than the previous year due to the fact that two ESOP programmes, 2 and 3, were ongoing at the end of the year.

#### *Retained earnings*

As at 31 December 2023, the Issuer recorded a retained earnings amount of RON 139 million, an increase of 26.1% compared to 31 December 2022, when the Issuer recorded a retained earnings amount of RON 110.2 million. The increase is due to the profit generated during the period. Also due to the profit for 2022, the Issuer recorded an increase of 64.1% in retained earnings as at 31 December 2022 compared to 31 December 2021, when the Issuer recorded a retained earnings amount of RON 67.2 million.

#### *Conversion differences on consolidation*

During the period under review, differences arising from the translation of transactions of foreign entities under consolidation were recognised in equity. As at 31 December 2023, translation differences recorded a negative amount of RON 163,971. In previous years, positive values of RON 101,918 were recorded in 2022 and RON 40,681 in 2021.

### *Total equity attributable to owners of the Group*

As at 31 December 2023, the Issuer reported an equity value attributable to the Group of RON 274.4 million, up 19.4% from 31 December 2022, when the equity value attributable to the Group was RON 229.8 million. The change between the value reported at 31 December 2022 and that at 31 December 2021 of RON 181 million was 26.9%. The increase is mainly due to the capital increase through the issuance of new shares allocated to shareholders in a 1:1 ratio, through the incorporation of share premiums, carried out in 2022, and the increase in retained earnings as a result of the profit generated each year.

### *Non-controlling interests*

As at 31 December 2023, the Issuer reported a value of minority interests of RON -683,365, down 801.9% from the value of RON -75,768 recorded as at 31 December 2022. A decrease of 229.8% was also recorded in the period 2021 - 2022, when the value of minority interests decreased from RON 58,353 on 31 December 2021 to RON -75,768 on 31 December 2022. These changes result from the individual performance of the Group entities where minority interests exist.

### *Total equity*

Following adjustments for minority interests, the total equity reported by the Issuer as at 31 December 2023 amounted to RON 273.7 million, an increase of 19.1% compared to 31 December 2022 when total equity amounted to RON 229.7 million. Also, the value recorded at the end of 2022 was up 26.9% compared to the end of 2021, when the Issuer reported a value of RON 181.1 million.

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
<b>Non-current liabilities</b>			
Loans and others	49,746	182,159	5,251,016
Loans and borrowings from minority shareholders	14,686,660	1,122,070	-
Lease liabilities - long term	11,309,563	7,693,558	8,620,464
Borrowings from bank	62,629,398	55,381,056	-
Deferred income tax liabilities	12,200,152	13,077,720	2,786,622
Advance income	3,523,269	1,913,309	689,301
Grants	301,940	184,750	382,077
Provisions	11,789,374	11,227,077	-
<b>Total non-current liabilities</b>	<b>116,490,102</b>	<b>90,781,699</b>	<b>17,729,480</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

### *Loans and others*

Trade and other payables reported by the issuer as at 31 December 2023 had a value of RON 49,746, down by 72.7% compared to the value of RON 182,159 recorded as at 31 December 2022, which in turn was down by 96.5% compared to 31 December 2021 when a value of RON 5.2 million was recorded. Of the amount of 5,251,016 recorded as at 31 December 2021, the amount of 5,069,367 represents debts related to shareholdings. From 2022 onwards, this category is presented separately in the financial statements, which explains the significant decrease. Thus, if we eliminate debts related to shareholdings, only RON 181,649 remain in the category of trade and other payables.

*Loans and borrowings from minority shareholders* As at 31 December 2023, the Issuer reported debt related to equity investments amounting to RON 14.7 million, an increase of 1,208.9% compared to RON 1.1 million as at 31 December 2022. These liabilities relate to unpaid amounts related to acquisitions of companies made by the company during the



period. As at 31 December 2021, debts in the amount of approximately RON 5.1 million were recorded, but at that time they were reported together with trade and other payables, as explained in the previous paragraph.

#### *Lease liabilities - long term*

The balance of debts related to leasing contracts recorded a value of RON 11.3 million as of 31 December 2023, representing an increase of 47% compared to the end of 2022 when a value of RON 7.7 million was recorded. The value reported at 31 December 2022 was 10.8% lower than at 31 December 2021 when an amount of RON 8.6 million was recorded. These leases relate to motor vehicles and various equipment, and their evolution is normal and is due to organic growth and acquisitions by the Issuer.

#### *Borrowings from bank*

Regarding long-term bank loans, as at 31 December 2023 the Issuer reported an amount of RON 62.6 million, which represents an increase of 13.1% compared to the year ended 31 December 2022, when it reported an amount of long-term loans of RON 55.4 million. As at 31 December 2021, the Issuer did not record any long-term bank debt. These bank loans were taken out to finance company acquisitions during 2022 and 2023, to access a line of credit to streamline working capital as well as to take out a bank loan for the construction of a new headquarters.

#### *Deferred income tax liabilities*

As at 31 December 2023, the Issuer recorded deferred income tax liabilities of RON 12.2 million, a slight decrease compared to 31 December 2022 when the amount was RON 13.1 million. The level recorded at the end of 2022 was 369.3% higher than at 31 December 2021 when these liabilities amounted to RON 2.8 million. This difference is due to acquisitions of companies made in 2022 and 2023. Deferred tax liabilities are mainly generated by the difference in fair value of assets recorded on the acquisition of subsidiaries and the recognition of assets related to rights of use of leased assets following restatements in accordance with IFRS16.

#### *Advance income*

For December 31, 2023, the Issuer reported an advance income of RON 3.5 million, 84.1% more than the amount of RON 1.9 million recorded as of December 31, 2022, which in turn was 177.6% higher than the amount recorded as of December 31, 2021, of RON 689,301. Deferred revenues were recorded based on medium- and long-term customer contracts and mainly relate to car fleet monitoring services and HR solution licensing.

#### *Grants*

During the three years under review, the Issuer recorded reduced amounts of long-term debt related to grants, which as at 31 December 2023 had a value of RON 301,940, up by 63.4% compared to RON 184,750 as at 31 December 2022. The amount reported as at 31 December 2022 was 51.6% lower than at the end of 2021 when the subsidy liabilities were RON 382,077. These grants relate to the SMIS project developed by the parent company and the project for the realization of a self-calibrating electronic controller of the satellite quantum cross source developed by AROBS Polska, which received a grant from the National Research and Development Centre of Poland.

#### *Provisions*

As at 31 December 2023, the Issuer reported provisions of RON 11.8 million, representing an increase of 5% compared to the previous year, when the Issuer reported provisions of RON 11.2 million as at 31 December 2022. The Issuer recorded provisions for unused leave, performance bonuses and other charges for contractual employment relationships. Part of these provisions is also due to subsidiaries that joined the group in 2023. As at 31 December 2021, the Issuer has not reported any long-term provisions.

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
<b>Non-current liabilities</b>			
Loans and others	39,059,657	31,231,838	15,863,243
Tax liabilities	-	-	154,062

Loans and borrowings from minority shareholders	3,763,224	5,473,548	-
Lease liabilities	7,919,498	6,137,902	5,238,509
Borrowings from bank	24,184,008	18,470,922	2,226,645
Dividend payment	-	-	662,311
Advance income	8,796,705	9,685,836	10,052,003
Grants	158,741	424,284	392,319
Provisions	6,307,341	4,865,872	1,216,647
<b>Total short-term debt</b>	<b>90,189,174</b>	<b>76,290,202</b>	<b>35,805,739</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

#### *Loans and others*

Trade and other payables reported by the issuer as at 31 December 2023 had a value of approximately RON 39.1 million, up by 25.1% compared to the value of RON 31.2 million recorded as at 31 December 2022, which in turn was up by 96.9% compared to 31 December 2021 when a value of RON 15.9 million was recorded. This increase, similar to trade receivables, follows the same upward trend with the expansion of the business, through organic growth and the contribution of new companies established and acquired in 2022 and 2023.

#### *Tax liabilities*

As at 31 December 2023 and 31 December 2022, at Group level, there were no tax payables, but recoverable amounts recorded in the receivables position. For the yearended 31 December 2021, tax liabilities amounted to RON 154,062.

*Loans and borrowings from minority shareholders* As at 31 December 2023, the Issuer reported debt related to equity investments of approximately RON 3.8 million, down 31.2% from RON 5.5 million as at 31 December 2022. These liabilities relate to unpaid amounts related to acquisitions of companies made by the company during the period. As at 31 December 2021, no such debts were recorded.

#### *Lease liabilities*

The balance of debts related to leasing contracts recorded an amount of RON 7.9 million as at 31 December 2023, representing an increase of 29% compared to the end of 2022 when an amount of RON 6.1 million was recorded. The value reported at 31 December 2022 was 17.2% higher than at 31 December 2021 when an amount of RON 5.2 million was recorded. These leases relate to motor vehicles and various equipment and their development is normal and is due to organic growth and through acquisitions by the Issuer.

#### *Borrowings from bank*

With regard to short-term bank loans, as at 31 December 2023 the Issuer reported an amount of RON 24.2 million, which represents an increase of 30.9% compared to the year ended 31 December 2022, when it reported an amount of short-term loans of RON 18.5 million. Compared to the level recorded in the previous year, the balance of short-term bank borrowings as at 31 December 2022 was 729.5% higher compared to 31 December 2021 when RON 2.2 million was recorded. These increases are largely due to working capital financing needs, plus the current portion of long-term loans.

#### *Dividend payment*

The issuer did not distribute dividends for the financial years ending 31 December 2023, 31 December 2022 and 31 December 2021. The amount reported as at 31 December 2021 of dividends payable in the amount of RON 662,311 relates to dividends paid prior to the period under review.

#### *Advance income*

For December 31, 2023, the Issuer reported an advance revenue of RON 8.8 million, 9.2% lower than the RON 9.7 million recorded as of December 31, 2022, which in turn was 3.6% lower than the RON 10 million recorded as of

December 31, 2021. Deferred revenues were recorded based on medium - and long-term customer contracts and mainly relate to car fleet monitoring services and HR solution licensing.

### Grants

Similar to the long-term liabilities related to the grants, the Issuer also recorded reduced values for the current portion of the grants, which as at 31 December amounted to RON 158,741, 62.6% less than the value of RON 424,284 reported as at 31 December 2022. The value at the end of 2022 was a slight increase of 8.1% compared to 31 December 2021 when the Issuer reported a value of RON 392,319. These grants relate to the SMIS project developed by the parent company and the project for the realization of a self-calibrating electronic controller of the satellite quantum cross source developed by AROBS Polska, which received a grant from the National Research and Development Centre of Poland.

### Provisions

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
<b>Total short-term debt</b>	<b>116,490,102</b>	<b>90,781,699</b>	<b>17,729,480</b>
<b>Total long-term debt</b>	<b>90,189,174</b>	<b>76,290,202</b>	<b>35,805,739</b>
<b>Total liabilities</b>	<b>206,679,276</b>	<b>167,071,901</b>	<b>53,535,219</b>
<b>Total equity and liabilities</b>	<b>480,366,434</b>	<b>396,794,840</b>	<b>234,633,068</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

Against the background of the above developments, the Issuer's long-term debt increased by 28.3% from RON 90.8 million as at 31 December 2022 to RON 116.5 million as at 31 December 2023. Also, long-term debt reported as at 31 December 2022 also increased compared to 31 December 2021, recording a 412% increase compared to the amount of RON 17.7 million reported at the end of 2021.

A similar evolution was recorded for the Issuer's current liabilities, which increased each year, from RON 35.8 million at 31 December 2021 to RON 76.3 million at 31 December 2022 (+113.1%), and also from 31 December 2022 to 31 December 2023, when current liabilities of RON 90.2 million were recorded (+18.2%).

As a result, the Issuer's total liabilities increased by 212.1% from RON 53.5 million on 31 December 2021 to RON 167.1 million on 31 December 2022, and to RON 206.7 million on 31 December 2023, up 23.7%.

## INCOME AND EXPENDITURE

This section includes an analysis of the evolution of some of the data related to the results of the Issuer's operations for the financial years ended on 31 December 2021, 31 December 2022 and 31 December 2023

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
<b>Turnover:</b>	<b>427,294,137</b>	<b>299,815,687</b>	<b>186,582,712</b>
Revenue from software services	344,775,332	239,774,681	128,537,523
Revenue from software products	70,537,191	58,113,647	48,873,571
Revenue from integrated systems	11,981,614	710,817	-
Revenue from distribution of goods	-	1,216,542	8,314,533
Other services	-	-	857,085

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

#### *Revenue from software services*

Revenue recorded by the issuer in the software services category refers to revenue from the provision of custom software development and implementation services.

During the financial year for the year 2023, the Issuer recorded revenues from software services amounting to RON 344.8 million, an increase of 43.8% compared to the financial year ended 31 December 2022, when the Issuer recorded revenues of RON 239.8 million. This evolution is due both to the contracting of new customers in the area of software services provision, as well as to the integration of new companies acquired by the Issuer.

An increase in revenues was also recorded between financial years 2021 and 2022, when software services revenues marked an 86.5% increase, from RON 128.5 million in 2021 to RON 239.8 million in 2022. This evolution is due to both the contracting of new customers in the area of software services provision, the increase in the hourly rates applied to the services, as well as due to the integration of new companies acquired by the Issuer.

#### *Revenue from software products*

This category includes revenues from sales of proprietary software licenses and their implementation.

The issuer reported for the year ended 31 December 2023 revenues of RON 70.5 million, an increase of 21.4% compared to FY2022, when revenues were RON 58.1 million. A similar increase was recorded in the financial year 2022 compared to the year ended 31 December 2021, when revenues recorded an increase of 18.9% compared to the 2021 level of RON 48.9 million. This development is due to the contracting of new customers, expansion of collaboration with existing customers, increase in product prices, as well as as a result of the integration of new companies acquired by the Issuer.

#### *Revenue from integrated systems*

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. 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.

Thus, reported revenues for the year ended 31 December 2023 were approximately RON 12 million, an increase of 1,585.6% compared to 2022, when reported revenues were RON 710,817.

#### *Other services*

The issuer no longer reports income from other services from 2022 onwards. This category recorded a value of RON 857,085 during the financial year 2021 and represents revenues from various activities such as equipment rental services, access fee, maintenance and support for various applications, upgrades and customizations of software solutions, depending on customer needs.

#### *Total turnover*

Against the background of the developments presented above, the total turnover reported by the Issuer for the financial year 2023 was RON 427.3 million, an increase of 42.5% compared to 2022 when a turnover of RON 299.8 million was recorded. A similar increase was observed in FY2022 when the total turnover recorded an increase of 60.7% compared to the amount of RON 186.6 million in FY2021.

The table below shows the breakdown of turnover by geographical area.

	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	<b>(expressed in RON, audited)</b>		
Romania*	243,152,981	175,033,071	124,427,306

Europe (without Romania)	105,024,477	62,693,298	37,399,420
USA	76,687,606	59,809,632	23,026,533
Asia and Middle East	2,429,074	2,279,687	1,729,452
<b>Total turnover</b>	<b>427,294,137</b>	<b>299,815,687</b>	<b>186,582,712</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

\*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.

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
<b>Total cost of sale:</b>	<b>295,755,657</b>	<b>190,210,574</b>	<b>113,404,187</b>
Cost of sales from software services	254,215,350	162,025,518	84,713,052
Cost of sales of software products	31,653,344	26,493,027	21,375,803
Cost of sales from integrated systems	9,886,963	256,464	-
Cost of goods distribution	-	1,435,565	7,269,994
Cost of sales of other services	-	-	45,338

Source: Information has been extracted from the Consolidated Annual Financial Statements

#### Cost of sales of software services

For the financial year ending 31 December 2023, the Issuer reported a cost of sales from software services of RON 254.2 million, up 56.9% from RON 162 million in 2022. The cost of sales reported in 2022 registered an increase of 91.3% compared to 2021, when it was RON 84.7 million. This evolution is due to the increase in the Issuer's activity, the integration of the acquired companies, as well as the increase in salary expenses in order to maintain competitiveness in the market.

The cost of sales of software services consists of salaries and benefits (including remuneration in equity instruments) of directly productive personnel involved in the delivery of these services, the cost of services performed by third parties related to software service 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.

Below is a breakdown of the cost of sales of software services.

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
Expenditure on staff salaries	11,951,806	8,463,173	8,758,287
Expenditure on remuneration in equity instruments	688,342	503,245	31,799
Depreciation, amortisation and impairment of tangible fixed assets and right to use assets	6,605,960	3,797,151	3,715,911
Expenditure on services performed by third parties	6,139,601	5,330,909	3,118,444
Expenditure on equipment sold	1,993,038	4,461,904	4,157,593
Other operating expenses	4,274,598	3,936,646	1,593,770
<b>Cost of sales of software products</b>	<b>31,653,344</b>	<b>26,493,027</b>	<b>21,375,803</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

#### Costul vânzărilor din sisteme integrate

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, the related income and expenses were reflected in the income statement in 2023.

For the financial year ended 31 December 2023, the Issuer reported a cost of sales of integrated systems of approximately RON 9.9 million, an increase of 3,755.1% compared to 2022 when these costs amounted to RON 256,464.

Below is a breakdown of the cost of sales of integrated systems.

	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	<b>(expressed in RON, audited)</b>		
Cheltuieli privind echipamentele vândute	6,960,379	-	-
Cheltuieli cu serviciile executate de terți	2,462,299	14,097	-
Cheltuieli cu salariile personalului	446,579	236,582	-
Cheltuieli cu amortizarea si deprecierea imobilizarilor corporale si a dreptului de utilizare a activelor	17,706	5,335	-
Alte cheltuieli operaționale	-	450	-
<b>Costul vânzărilor din sisteme integrate</b>	<b>9,886,963</b>	<b>256,464</b>	<b>-</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

#### *Cost of distribution of goods*

Until 2022, the Issuer also reports commodity distribution costs but at the beginning of 2022, the commodity distribution activity, in the ,software products segment, was transferred to an entity outside the Group. as it did not represent one of the strategic development directions of the Issuer.

For this reason, there is a decrease in costs from merchandise distribution in 2022 of 80.3% to RON 1.4 million, from RON 7.2 million recorded in FY 2021.

#### *Cost of sales of other services*

Given that the Issuer no longer reports revenues from other services as of 2022, the costs related to this category have not been reported either For 2021, the Issuer reported costs related to these services in the amount of RON 45,338.

#### *Gross margin*

	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	<b>(expressed in RON, audited)</b>		
Turnover	427,294,137	299,815,687	186,582,712
Total cost of sales	295,755,657	190,210,574	113,404,187
<b>Gross margin</b>	<b>131,538,480</b>	<b>109,605,113</b>	<b>73,178,525</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

#### *Other operating income and expenses (net)*

In 2023, the Issuer reported other income of RON 1.1 million, an increase of 71.6% compared to 2022 when the Issuer reported other income of RON 659,412. For the year 2021, the Issuer reported, after netting other operating income and expenses, a net expense of RON 906,518. This category mainly includes income and expenses from the sale of fixed assets, income and expenses from provisions, grants and other expenses.

#### *Sales and marketing expenses*

For 2023, the Issuer reported sales and marketing expenses of RON 18.4 million, up 64.6% from 2022 when the level of expenses was RON 11.2 million. A similar evolution was also observed in 2022, with these expenses increasing by 49.2% compared to the amount reported in 2021 of RON 7.5 million.

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.

A breakdown of sales and marketing expenses is presented below.

	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	<b>(expressed in RON, audited)</b>		
Expenditure on staff salaries	11,599,150	6,652,843	4,449,786
Expenditure on remuneration in equity instruments	542,918	219,679	10,231
Expenditure on protocol, advertising and publicity	4,129,722	2,534,647	1,365,082
Expenditure on services provided by third parties	1,028,605	955,884	700,331
Depreciation and amortisation of tangible fixed assets and right to use assets	736,556	631,325	278,658
Other operating expenses	333,979	163,571	672,678
<b>Sales and marketing expenses</b>	<b>18,370,931</b>	<b>11,157,950</b>	<b>7,476,766</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

#### *General and administrative expenses*

The issuer reported in 2023 general and administrative expenses amounting to RON 70.7 million, which represents an increase of 54% compared to 2022 when these expenses amounted to RON 45.9 million. An increase of 146.8% was also recorded in 2022 compared to 2021, when these expenses were reported at RON 18.6 million.

General and administration 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 from expenses for services performed by third parties, consultancy expenses, rent expenses and other expenses generated by the Group's management actions.

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 programmes 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.

Below is a breakdown of general and administrative expenditure.

	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	<b>(expressed in RON, audited)</b>		
Expenditure on staff salaries	23,878,623	18,381,643	8,241,208
Expenditure on remuneration in equity instruments	7,895,972	1,765,065	49,638
Depreciation and amortisation of tangible fixed assets and right of use of assets including in relation to customers	13,692,801	7,639,111	1,546,340
Expenditure on services performed by third parties	11,911,958	8,231,454	4,967,853
Other operating expenses	7,318,611	7,648,175	1,149,043
Travel and transport costs	2,462,561	1,761,529	-
Expenditure on depreciation adjustments for current assets	2,196,790	(103,170)	2,055,644
Costs related to acquisitions of subsidiaries	1,382,611	600,464	-
Expenditure on provisions	-	-	596,879
<b>General and administrative expenses</b>	<b>70,739,928</b>	<b>45,924,271</b>	<b>18,606,607</b>

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

#### *Operating profit*

As a result of the above, the Issuer reported an operating profit of RON 43.6 million in 2023, representing a decrease of 18.1% compared to 2022, when the Issuer reported an operating profit of RON 53.2 million. Also, the result in 2022 represents an increase of 15.1% compared to 2021, when the Issuer reported an operating profit of RON 46.2 million.

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
Interest income	3,300,289	2,019,179	1,589,222
Interest expense	(2,595,577)	(1,124,450)	(472,173)
Interest income/(expense), net	(1,222,348)	(812,569)	1,672,593
Other financial income/(expenses)	-	-	377
Income from shares held in affiliated entities	-	-	2,907,323
<b>Gross profit</b>	<b>43,041,736</b>	<b>53,264,464</b>	<b>51,885,977</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

#### Interest income

The Issuer's interest income was RON 3.3 million in 2023, up 63.4% from 2022 when the Issuer reported interest income of RON 2 million. The Issuer's 2023 revenues increased by 27.1% compared to the 2022 revenues of RON 1.6 million. These revenues come from interest received from loan contracts of affiliated entities.

#### Interest expenses

For 2023, the Issuer reported interest expenses of RON 2.6 million, up 130.8% compared to 2022 when they were around RON 1.1 million. The expenses also increased in 2022 compared to 2021 when they amounted to RON 472,173, resulting in an increase of 138.1%. This increase is due to bank loans contracted by the Issuer, as described above.

#### Income and expenses from exchange rate differences

In view of the Issuer's international exposure, the Issuer also records income or expenses resulting from exchange rate differences. In 2023, the Issuer reported expenses of RON 1.2 million, 50.4% more than in 2022 when it recorded expenses from exchange rate differences of RON 812,569. In 2021, the Issuer recorded a favourable foreign exchange income of approximately RON 1.7 million.

#### Income from shares held in affiliated entities

Income from shares held in affiliated entities refers to the profit from the sale of the subsidiary AROBS Trading&Distributions GmbH. In 2021, this income amounted to RON 2.9 million.

#### Gross profit

As a result of the developments described above, the gross profit for the financial year ended 31 December 2023 was RON 43 million, down 19.2% compared to the result for the financial year ended 31 December 2022 of RON 53.3 million, which in turn represents an increase of 2.7% compared to the gross profit for the financial year ended 31 December 2021 of RON 51.9 million.

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
Corporate tax	(11,125,850)	(6,195,378)	(5,965,587)
<b>Net profit</b>	<b>31,915,886</b>	<b>47,069,086</b>	<b>45,920,390</b>
Profit/(loss) on investments held for sale	-	-	(70,652)
<b>Net profit</b>	<b>31,915,886</b>	<b>47,069,086</b>	<b>45,849,738</b>
relating to parent company	-	-	45,758,147
related to minority interests	-	-	91,591
Other comprehensive income	(251,459)	110,516	(56,683)
<b>Aggregate result</b>	<b>31,664,427</b>	<b>47,179,602</b>	-
for the parent company	31,585,137	47,104,440	-
attributable to non-controlling interest	79,290	75,162	-
<b>Basic earnings per share</b>	<b>0.0385</b>	<b>0.0566</b>	<b>0.0757</b>



<b>Diluted earnings per share</b>	<b>0.0372</b>	<b>0.0559</b>	<b>0.0749</b>
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Source: Information has been extracted from the Consolidated Annual Financial Statements

#### Corporate income tax

For the year 2023, the Issuer reported a corporate income tax of RON 11.1 million, up 79.6% from 2022 when the corporate income tax was RON 6.2 million. This, in turn, was 3.9% higher compared to the tax paid in 2021, amounting to approximately RON 6 million.

#### Net profit

Against the background of the above developments, net profit for the financial year ended 31 December 2023 decreased by 32.2% compared to the financial year ended 31 December 2022, to RON 31.9 million. Net profit for the financial year ended 31 December 2022 was RON 47.1 million, up 2.5% compared to net profit for the financial year ended 31 December 2021 of RON 45.9 million.

In addition, in 2021, the Issuer also reported a loss of RON 70,652 related to the sale of the subsidiary AROBS Trading&Distribution GmbH as the subsidiary's merchandise distribution business did not represent a strategic direction of the Group. The decision to sell was taken at the end of 2020.

#### Overall result

##### Other elements of the overall result

The overall result is divided into two categories, namely the overall result of the parent company and that of the minority interests. Thus, the overall result related to the parent company in 2023 was RON 31.6 million, down 32.9% compared to 2022 when an amount of RON 47.1 million was reported, and the overall result related to minority interests was RON 79,290, up 5.5% compared to 2022 when an amount of RON 75,162 was reported.

In the category other items of the overall result are recorded the exchange differences from the translation of the financial statements of the foreign subsidiaries.

#### Earnings per share

As a result of the developments described above, in 2023 the Issuer reported a basic earnings per share of RON 0.0385, down 32% from 2022 when it reported earnings per share of RON 0.0566. In turn, the 2022 result is 25.2% lower than the 2021 result when it reported RON 0.0757 per share.

#### Non-IFRS measures - EBITDA

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

The Group presents these non-IFRS measures as it believes they enhance investor understanding of the Group's financial performance. The Group also uses the non-IFRS measures presented in this Prospectus in the Group's business operations to, among other things, assess operating performance, develop budgets and measure performance against those budgets. The Company also believes that these non-IFRS measures are commonly reported by comparable businesses and used by investors to compare the performance of businesses.

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

	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>	<b>31-Dec-2021</b>
	<b>(expressed in RON, audited)</b>		
Operating income	430,399,492	301,630,925	199,003,101
Operating expenses	356,910,127	231,099,448	142,523,243
<b>EBITDA</b>	<b>73,489,365</b>	<b>70,531,477</b>	<b>56,479,859</b>
<b>EBITDA margin</b>	<b>17%</b>	<b>23%</b>	<b>28%</b>
ESOP	19,129,411	6,038,932	229,122
<b>Normalised EBITDA*</b>	<b>92,618,775</b>	<b>76,570,408</b>	<b>56,708,981</b>
<b>Normalised EBITDA margin*</b>	<b>22%</b>	<b>25%</b>	<b>28%</b>
Depreciation and impairment of fixed assets	28,547,381	16,748,710	10,353,051

Incidental expenses	1,382,611	600,464	-
Financial result	517,637	(82,159)	(5,688,517)
<b>Gross profit</b>	<b>43,041,736</b>	<b>53,264,462</b>	<b>51,815,325</b>
Tax	11,125,850	6,195,378	5,965,587
<b>Net profit</b>	<b>31,915,886</b>	<b>47,069,084</b>	<b>45,849,738</b>
<b>Net profit margin</b>	<b>7%</b>	<b>16%</b>	<b>23%</b>
<b>Normalized net profit**</b>	<b>51,045,297</b>	<b>53,108,016</b>	<b>46,078,860</b>
<b>Operating income</b>	<b>12%</b>	<b>18%</b>	<b>23%</b>

Source: Information has been extracted from the Consolidated Annual Financial Statements

\*Normalized EBITDA = EBITDA without SOP impact

\*\*Normalized net income excludes non-cash effect of Stock Option Plan programs

For the financial year 2023, the Issuer reported a normalized EBITDA of RON 92.6 million, up 21% compared to 2022 when normalized EBITDA was RON 76.6 million. A similar evolution was recorded in 2022, with an increase of 35.5% compared to 2021 when normalized EBITDA was RON 56.7 million.

The issuer presents normalized EBITDA and net profit indicators as they exclude the non-cash effect generated by Stock Option Plan (SOP) programs as they represent a more accurate and relevant assessment of financial performance.

Thus, the reported normalized net profit for 2023 was RON 51 million, down 3.9% from the reported profit in 2022 of RON 53.1 million. Compared to the normalized net profit of RON 46.1 million reported in 2021, the profit for 2022 was 15.3% higher.

## LIQUIDITY AND CASH FLOWS

### Liquidity

The Group's liquidity needs are mainly related to the need to finance the Group's day-to-day activities and the investments it undertakes. During the period under review, the Group was generally able to cover its liquidity needs from operating results and borrowings from financial institutions.

### Cash flows

The following section presents the main developments associated with the Issuer's cash flows for the financial years ended 31 December 2023, 31 December 2022 and 31 December 2021.

	31-Dec-2023	31-Dec-2022	31-Dec-2021
	(expressed in RON, audited)		
Net cash from operating activities	54,555,296	62,710,466	70,880,693
Net cash from investing activities	(80,003,400)	(133,572,486)	(30,057,087)
Net cash from financing activities	11,848,361	70,022,827	14,988,040
<b>Net increase in cash and cash equivalents</b>	<b>(13,599,743)</b>	<b>(839,193)</b>	<b>55,811,646</b>
Cash and cash equivalents at beginning of financial year	101,373,631	102,212,824	46,401,178
Cash and cash equivalents at end of financial year	87,773,888	101,373,631	102,212,824

Source: Information has been extracted from the Consolidated Annual Financial Statements

### Cash flows from operating activities

The issuer reported at the end of 2023 a cash flow from operating activities of RON 54.5 million, down 13% from the amount recorded at the end of 2022 of RON 62.7 million. This decrease is mainly due to the Group's development process through acquisitions and the integration of newly acquired entities which have a temporary impact on the financial results. The value reported by the Issuer at the end of 2022 of RON 62.7 million is 11.5% lower than the value of RON 70.9 million at the end of 2021, and is similarly due to the Issuer's expansion and development strategy.

### Cash flows from investing activities

The issuer reported a net cash flow from financing activities of RON 11.8 million for the financial year 2023, down by % from the amount reported at the end of 2022 of RON 70 million. This change is due to the fact that in 2022 the Issuer took out bank loans to finance company acquisitions. In 2023 the volume of new financing decreased and was mainly limited to financing working capital needs. Thus, the amount of net cash generated from financing activities at the end of 2022 was also 367.2% higher than the amount reported at the end of 2021 of approximately RON 15 million.

## **PLANNED CASH REQUIREMENTS AND CAPITAL EXPENDITURE PLAN**

The Issuer anticipates that cash requirements for the coming period, in the short and medium term, will consist mainly of expenses related to financial obligations resulting from bank loans and expenses related to potential future acquisitions of companies.

### **FINANCIAL OBLIGATIONS**

As at 31 December 2023, AROBS TRANSILVANIA SOFTWARE SA appears with a term loan of EUR 2,137,500 (RON 10,633,208) maturing on 27 February 2026, a term loan of EUR 9,583,334 (RON 47,673,253) maturing on 31 May 2027 and a term loan of EUR 350,000 (RON 21,639,510) maturing on 14 August 2028, contracted with Citi Bank. The interest on this loan is in accordance with the contract negotiated between the parties.

The loans are guaranteed by the company by:

- Movable hypothec on bank accounts opened with Citi;
- Assignment of receivables from third parties acceptable to Citi;
- Movable hypothec on the universality of the inventory;
- Movable hypothec on all the shares of the Joint Debtor S.A.S FLEET TRACKING SRL (formerly S.A.S GRUP S.R.L.), wholly owned by the Company;
- Movable hypothec on the bank accounts of S.A.S FLEET TRACKING SRL (formerly S.A.S GRUP S.R.L.) opened with Citi;
- Movable hypothec on the universality of receivables to be collected by S.A.S FLEET TRACKING SRL (formerly S.A.S GRUP S.R.L.) from third parties acceptable to Citi;
- A chattel mortgage on a universality of receivables relating to the following two types of activities: GPS Track Monitoring services, wholesale of GPS navigation systems and software outsourcing services;
- Movable hypothec on all the shares of BERG COMPUTERS SRL, wholly owned by AROBS TRANSILVANIA SOFTWARE;
- Movable hypothec on the bank accounts of the Joint Debtor BERG COMPUTERS SRL;
- Movable hypothec on the universality of the receivables to be collected by BERG COMPUTERS SRL;
- Movable hypothec on all shares of AROBS DEVELOPMENT & ENGINEERING SRL wholly owned by the Borrower AROBS TRANSILVANIA SOFTWARE SA;
- Movable hypothec on the bank accounts of AROBS DEVELOPMENT&ENGINEERING SRL (formerly ENEA SERVICES ROMANIA SRL), opened with Citi;
- Movable hypothec on the universality of the receivables to be collected by AROBS DEVELOPMENT&ENGINEERING SRL;
- Movable hypothec on the universality of receivables to be collected by the Borrower AROBS SYSTEMS SRL;
- Movable hypothec on the universality of claims receivable by the Borrower FUTURE WORK FORCE SRL;
- Assignment of receivables of the Borrower FUTURE WORK FORCE SRL receivable from third parties acceptable to the Bank;
- Movable hypothec on all shares of FUTURE WORK FORCE SRL, wholly owned by FUTURE WORKFORCE GLOBAL SA (sole shareholder);
- Movable hypothec on all shares of FUTURE WORKFORCE GLOBAL SA, wholly owned by the Borrower AROBS TRANSILVANIA SOFTWARE SA and CABRIO INVESTMENTS SRL

The obligations related to these credits are:

- The company undertakes to run through its accounts opened with the bank an amount of money equivalent to at least 80% of its turnover, i.e. the receipts from third parties on its accounts opened with the bank shall 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 Agreement.
- The Company undertakes to maintain the "Financial Debt Ratio" below 3.5x for the duration of its contractual obligations.
- The Borrower undertakes to notify the Bank in the event that it takes out Bank Loans from other financial-banking institutions.
- The Company undertakes to notify the Bank if it is contemplating a transaction to acquire an interest in another company that exceeds 10% of the value of the assets of this Borrower as at 31.12.2022 as soon as there is reasonable assurance that the transaction will materialise. Information may be provided under a Confidentiality Agreement before the information becomes public and will contain as a minimum: name of the company, details of the scope of business 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
- The Company undertakes to take all steps to ensure that the joint and several DEBTORS fulfil the terms of the loan agreement.
- In the event that FUTURE WORKFORCE GLOBAL SA (the sole shareholder of the Borrower FUTURE WORK FORCE SRL) is dissolved (including by absorption by the Borrower AROBS TRANSILVANIA SOFTWARE SA), the Borrower undertakes to promptly create a new Movable Hypothec in favour of the Bank on all the shares of FUTURE WORK FORCE SRL, as they will be transferred, if applicable, to the Borrower AROBS TRANSILVANIA SOFTWARE SA. In the event that the dissolution / liquidation of FUTURE WORKFORCE GLOBAL SA will result in the transfer of its shares to the Borrower FUTURE WORK FORCE SRL and to other entities, the Bank's prior express consent shall be required and its absence shall be deemed an event of default under Article 9.2 of Part II.A of the Agreement.
- The Debtor, S.A.S FLEET TRACKING SRL (formerly S.A.S GRUP S.R.L.), undertakes to run through its accounts opened with the Bank an amount of money equivalent to at least 90% of its business volume, i.e. the receipts from third parties on its accounts opened with the Bank shall 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 with the Bank an amount of money that is equivalent to at least 90% of its business volume, i.e. the receipts from third parties on its accounts opened with the Bank shall represent the equivalent of at least 90% of its turnover, but not less than the equivalent of EUR 250,000 per month.
- The debtor AROBS DEVELOPMENT&ENGINEERING SRL undertakes to run through its accounts with the Bank an amount of money equivalent to at least 90% of its business volume, i.e. the receipts from third parties on its accounts with the Bank shall represent the equivalent of at least 90% of its turnover, but not less than the equivalent of EUR 900,000 per month.
- The Borrower AROBS SYSTEMS SRL undertakes to run through its accounts with the Bank an amount of money equivalent to at least 90% of its business volume, i.e. the receipts from third parties on its accounts with the Bank equivalent to at least 90% of its turnover.
- The borrower FUTURE WORK FORCE SRL undertakes to run through its accounts with the Bank an amount of money equivalent to at least 90% of its business volume, i.e. the receipts from third parties on its accounts with the Bank equivalent to 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 at 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/financing a maximum of 70% of the cost, excluding VAT, of the investment project on a plot of land over which a right of superficies is established for a period of 8 years, located in Cluj Napoca, Constantin Brâncuși Street no 78-78A, with an area of 991 sqm, consisting of "Construction of an office building, with height G+G+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:

- Movable hypothec on current accounts opened with the Bank and on claims on third parties to be collected through the respective current accounts
- Movable hypothec on all collections relating to any commercial contracts concluded with eligible debtors approved by the Bank
- Mortgage on the real estate located in Loc. Constantin Brâncuși str. 78-78A, Cluj-Napoca, Jud. Cluj - land in the countryside with an area of 925 sqm.

The obligations related to this credit are:

- UCMS GROUP ROMANIA S.R.L. undertakes to make any change in the shareholder structure only with the prior written notification of the Bank, unless the beneficial owner does not maintain its 50+1% shareholding, in which case the prior consent of the Bank shall be required, otherwise all amounts due in connection with 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 debt;
- The Company undertakes to incur other loans or similar debts from banks with the Bank's prior consent;
- The Company undertakes to make dividend payments to shareholders with the prior consent of the Bank;
- All debts of the Company to shareholders or other non-banks 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 comply with its commitments under the Surface Contract;
- The Company will allow the Bank's representatives access to the construction site to verify the progress of the Project and the quality of the works executed. 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 on its current business 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 respect the financial indicator Debt Service Coverage Ratio = min 1.2x;
- 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 in favour of the Bank. The Company will be able to dispose monthly of the amounts accrued from rentals in the collector account only 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;
- Lease agreements 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 within 30 days after the construction has been registered in the Land Register an additional deed to the facility agreement and the mortgage agreement 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 conclude lease contracts with a duration stipulated in the contract of at least 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 maturity, 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**

As at 31  
December  
2023, the  
Group  
held  
contingent  
liabilities  
in the  
form of  
bank  
letters of  
guarantee  
totalling  
EUR  
300,415.6  
4, as  
shown in  
the table  
below: **Am**

	<b>Currency</b>	<b>Date of the document certifying the occurrence of the obligation</b>	<b>Date of payment/due date</b>
<b>ount</b>			
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

*Source: Information has been extracted from the Consolidated Annual Financial Statements*

## **OFF-BALANCE SHEET COMMITMENTS**

With the exception of the contingent obligations in the form of bank letters of guarantee set out in the paragraph above, the Issuer has no other off-balance sheet commitments as at the date of this Prospectus.

## **QUANTITATIVE AND QUALITATIVE INFORMATION ON MARKET RISKS**

The Group's financial liabilities comprise loans, including finance leases, derivative financial instruments, trade payables, other payables and contractual payables. The primary purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets consist of trade and other receivables and contractual assets, cash and short-term deposits, restricted cash, available-for-sale financial assets and derivative financial instruments. The Group is exposed to interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's management ensures that the Group's financial risk activities are carried out in accordance with appropriate procedures and that financial risks are identified, measured and managed in accordance with the Group's risk appetite.

For further details on the classification of these risks and a description of how the Group's management manages these

risks, please refer to Note 29 of the Consolidated Annual Financial Statements for the year ended 31 December 2023.

### **CRITICAL/ESSENTIAL ACCOUNTING ESTIMATES**

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates. The underlying estimates and assumptions are reviewed periodically. Revisions to estimates are recognised prospectively.

The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to changes in the market or circumstances beyond the Group's control. Such changes are reflected in the assumptions when they occur.

For a description of the principal judgements, estimates and assumptions used in the preparation of the Group's consolidated financial statements, please refer to Note 4 of the Consolidated Annual Financial Statements for the year ended 31 December 2023.

### **TAX ASPECTS OF THE ISSUER AND GROUP OF COMPANIES**

#### *Taxes, duties and tax provisions*

There is uncertainty about the interpretation of complex tax regulations, changes in tax law and the amount and timing of future taxable profits.

The Group is subject to corporate income tax in several jurisdictions. There are several transactions and calculations for which the final tax determination is uncertain. The Group will record provisions, if any, for the possible future consequences of tax inspections. If the final tax outcome of these matters differs from the amounts originally recorded, those differences will impact current and deferred income tax receivables and payables in the period in which the difference arises. *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 methods for establishing transfer prices. 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 "arm's length 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.

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.

**PART 8**  
**CAPITALISATION AND INDEBTEDNESS**

The tables below set out the Group's capitalisation and indebtedness position based on the historical financial statements extracted from the audited financial statements as at 31 December 2023 as well as information adjusted to reflect the estimated gross proceeds from the sale of the New Shares at an assumed offer price in the middle of the Offer Price Range.

This table should be read in conjunction with Part 6 "Selected Financial Information" and Part 7 "Review of Results of Operations and Financial Condition" of this Prospectus.

**Capitalisation**

	<b>31-Dec-2023</b>	<b>Adjusted to reflect effect of capital increase<sup>1</sup></b>
	(expressed in RON, audited)	(expressed in RON, neaudited)
<b>Equity</b>		
Share capital	87,129,361	104,555,233
Share premiums	263,971	263,971
Legal reserves	23,185,001	156,492,923
Own shares	9,680,545	9,680,545
Other equity items	(5,689,379)	(5,689,379)
Retained earnings	8,352,878	8,352,878
<b>Equity attributable to owners of the Group</b>	<b>12,574,918</b>	<b>12,574,918</b>
Non-controlling interests	139,037,200	139,037,200
<b>Total equity</b>	<b>274,370,524</b>	<b>425,104,318</b>
<b>Equity</b>	<b>(683,365)</b>	<b>(683,365)</b>
Share capital	<b>273,687,159</b>	<b>424,420,953</b>
<b>Non-current liabilities</b>		
Loans and others	49,746	49,746
Loans and borrowings from minority shareholders	14,686,659	14,686,659
Lease liabilities	11,309,563	11,309,563
Borrowings from banks	62,629,398	62,629,398
Deferred tax liabilities	12,200,152	12,200,152
Income in advance	3,523,269	3,523,269
Grants	301,940	301,940
Provisions	11,789,374	11,789,374
<b>Total non-current liabilities</b>	<b>116,490,101</b>	<b>116,490,101</b>
<b>Current liabilities</b>		
Loans and others	39,059,657	39,059,657
Loans and borrowings from minority shareholders	3,763,224	3,763,224
Lease liabilities	7,919,498	7,919,498
Borrowings from banks	24,184,008	24,184,008
Income in advance	8,796,705	8,796,705
Grants	158,741	158,741
Provisions	6,307,341	6,307,341
<b>Total current liabilities</b>	<b>90,189,174</b>	<b>90,189,174</b>
<b>Total liabilities</b>	<b>206,679,275</b>	<b>206,679,275</b>
<b>Total equity and liabilities</b>	<b>480,366,434</b>	<b>631,100,228</b>

<sup>(1)</sup>The calculations assume placement of all New Shares, using an Offer Price at the midpoint of the Offer Price Range.

**Net financial debt**

	<b>31-Dec-2023</b>	<b>Adjusted to reflect effect of capital increase<sup>1</sup></b>
	(expressed in RON, audited)	(expressed in RON, neaudited)



Lease liabilities	11,309,563	11,309,563
Borrowings from banks	62,629,398	62,629,398
<b>Long-term liabilities (A)</b>	<b>73,938,961</b>	<b>73,938,961</b>
Lease liabilities	7,919,498	7,919,498
Borrowing from banks	24,184,008	24,184,008
<b>Current liabilities (B)</b>	<b>32,103,506</b>	<b>32,103,506</b>
<b>A+B=Overall liabilities(C)</b>	<b>106,042,467</b>	<b>106,042,467</b>
Cash and cash equivalents	87,773,888	238,507,682
Short-term investments	302,033	302,033
<b>Liquidity (D)</b>	<b>88,075,921</b>	<b>238,809,715</b>
<b>C-D=Net financial debt</b>	<b>17,966,546</b>	<b>(132,767,248)</b>

<sup>(1)</sup>The calculations assume placement of all New Shares, using an Offer Price at the midpoint of the Offer Price Range.

## PART 9 DIVIDEND POLICY

**A description of the issuer's policy on the distribution of dividends and any restrictions thereon. If the issuer does not have such a policy, an appropriate negative statement must be included**

The General Meeting of Shareholders adopts the annual decision on the allocation of profits. As a *growth company* with high growth potential, AROBS management seeks to strike a balance between rewarding shareholders and maintaining access to capital for growth. Therefore, the Company proposes to shareholders that, depending on the investment needs in a given year, it will either pay a cash dividend or reward investors by granting shares free of charge following the capitalisation of a portion of the net profits earned by the Company. The Company is also considering introducing a hybrid model, whereby part of the profits will be capitalised and shareholders will receive free shares in the Company, while another part will be granted through cash dividends.

In formulating a dividend distribution, in accordance with the Company's dividend policy, the Board of Directors will take into account the following:

- the investment needs and opportunities of the Company;
- the availability of funds for the payment of dividends and the Company's level of indebtedness;
- the reduction of fluctuations in the dividend yield from one period to another and the absolute amount of the dividend per share;
- any contributions of non-cash items to the reporting of net profit; and
- the establishment of a dividend yield comparable to that of other listed companies in the same or related industries.

The proposal for dividend distribution made by the Board of Directors shall be submitted to the AGM for vote, as a rule, at the same meeting at which the audited annual financial statements of the Company are approved, i.e. no later than four(4) months after the end of the financial year. **For each financial year during the period covered by the historical financial information, the amount of dividends per share, adjusted, if necessary, to allow for comparisons where the number of shares of the issuer has changed**

For the financial year ended 31 December 2020, dividends of RON 9,985,408.34 gross (relating to 2020) were distributed, representing a dividend per share (adjusted for the current number of shares) of approximately RON 0.0115 (non-financial information, unaudited).

No dividends were distributed for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023.

## PART 10 INDUSTRY OVERVIEW

### Macroeconomic considerations on Romania

Romania is located at the crossroads of Central and South-Eastern Europe and borders the Republic of Moldova, Bulgaria, Serbia, Hungary and Ukraine. Romania has a total surface area of 238,397 km<sup>2</sup>, making it the eighth largest country in the European Union and the 83rd largest in the world. On 1 January 2022, Romania will have a resident population of 19.04 million (Source: National Institute of Statistics), which places it second in the Central and Eastern Europe region and sixth in the European Union.

The table below shows the evolution of some key economic indicators for Romania over the period from 31 December 2020 to 31 December 2023:

On the date and for the year ended December 31				
Key economic indicators	2020	2021	2022	2023
Real GDP growth	-3.9%	5.7%	4.1%	2.1%
Nominal value of GDP ( <i>billion EUR</i> )	220.5	241.7	285.9	323.1
Nominal value of GDP/capita ( <i>EUR</i> )	11,443	12,642	15,013	16,965
Inflation ( <i>annual average</i> )	2.6%	5.1%	13.8%	10.4%
Unemployment rate	6.1%	5.6%	5.6%	5.6%

In 2023, Romania's GDP grew by 2.1%, lower than the government's initial estimate of 2.8% for that year, due to a higher budget deficit (4.4% of GDP forecast vs. 5.7% actual) and inflation that fell at a slower pace than expected (8% estimated vs. 10.4% actual).

For 2024, Gross Domestic Product is forecast to grow by 3.4%, based on the improvement in the construction sector and a slight dampening of the revival in industry, taking into account the reserved outlook for economic developments in Romania's main trading partners (Source: National Strategy and Forecasting Commission). This is more optimistic compared to the European Commission's forecast of 2.9% GDP growth in 2024, while the International Monetary Fund revised its previous growth forecast of 3.8% (as of October 2023) to 2.8% (as of April 2024). The forecasts for Romania's economic growth also take into account the funding it can attract through two mechanisms at EU level, namely the Multiannual Financial Framework (MFF) 2021-2027 (worth EUR 1,074.3 billion) and the European Economic Recovery Plan - NextGenerationEU (worth EUR 750 billion). Of the total EUR 750 billion Recovery Plan, €390 billion is provided to Member States in grants and EUR 360 billion in loans. In Romania, a total of EUR 32.2 billion will be allocated under the MFF 2021-2027, of which EUR 1.7 billion is earmarked for digitisation. Romania's EUR 29.2 billion National Recovery and Resilience Plan (NRRP), approved by the European Commission, is also made up of EUR 14.2 billion in grants and EUR 14.9 billion in loans. One of the pillars of Romania's NRRP is the digital transition, which has been allocated a total of EUR 1.8 billion.

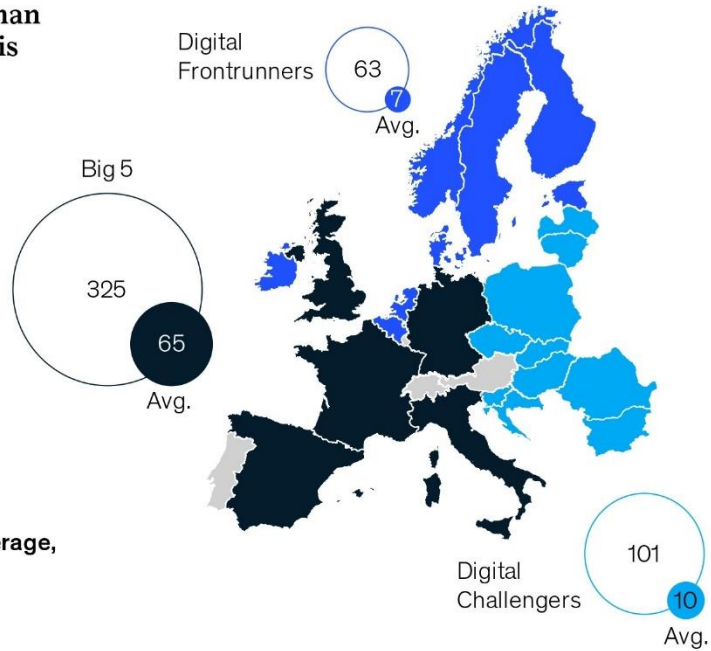
### The Romanian technology industry context

According to an analysis published by McKinsey & Company, Romania is one of the 10 countries in the Central and Eastern European region dubbed Digital Challengers, along with Bulgaria, Croatia, Latvia, Lithuania, Poland, Czech Republic and Hungary, as countries with significant potential for accelerated digitisation. This category outperformed the other two groups identified by McKinsey, the Digital Frontrunners - relatively small countries with high levels of digitisation (Belgium, Denmark, Estonia, Finland, Ireland, Luxembourg, the Netherlands, Norway and Sweden) and the Big 5, Europe's five largest economies (France, Germany, Italy, Spain and the United Kingdom) in terms of two criteria during the period under review, 2017-2021: GDP growth (Digital Challengers - 3.6%, Digital Frontrunners - 2.8%, Big 5 - 0.2%) and digital economy growth (Digital Challengers - 10.9%, Digital Frontrunners - 7.0%, Big 5 - 6.5%) - this includes digital commerce and IT&C.

**Digital Challengers are 30% bigger than Digital Frontrunners, but their GDP is at almost 50% of the Frontrunners. GDP growth rate is the highest amongst regions**

**Total regional population vs country average, 2021, million**

- Digital Challengers
- Digital Frontrunners
- Big 5



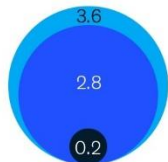
**Total GDP, 2021, € trillion**



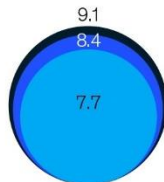
**GDP country average, 2021, € trillion**



**GDP growth, 2017–21, %**



**Digital economy as % of GDP, 2021**



**Digital economy per capita, 2021, €**



**Growth of digital economy, 2017–21, %**

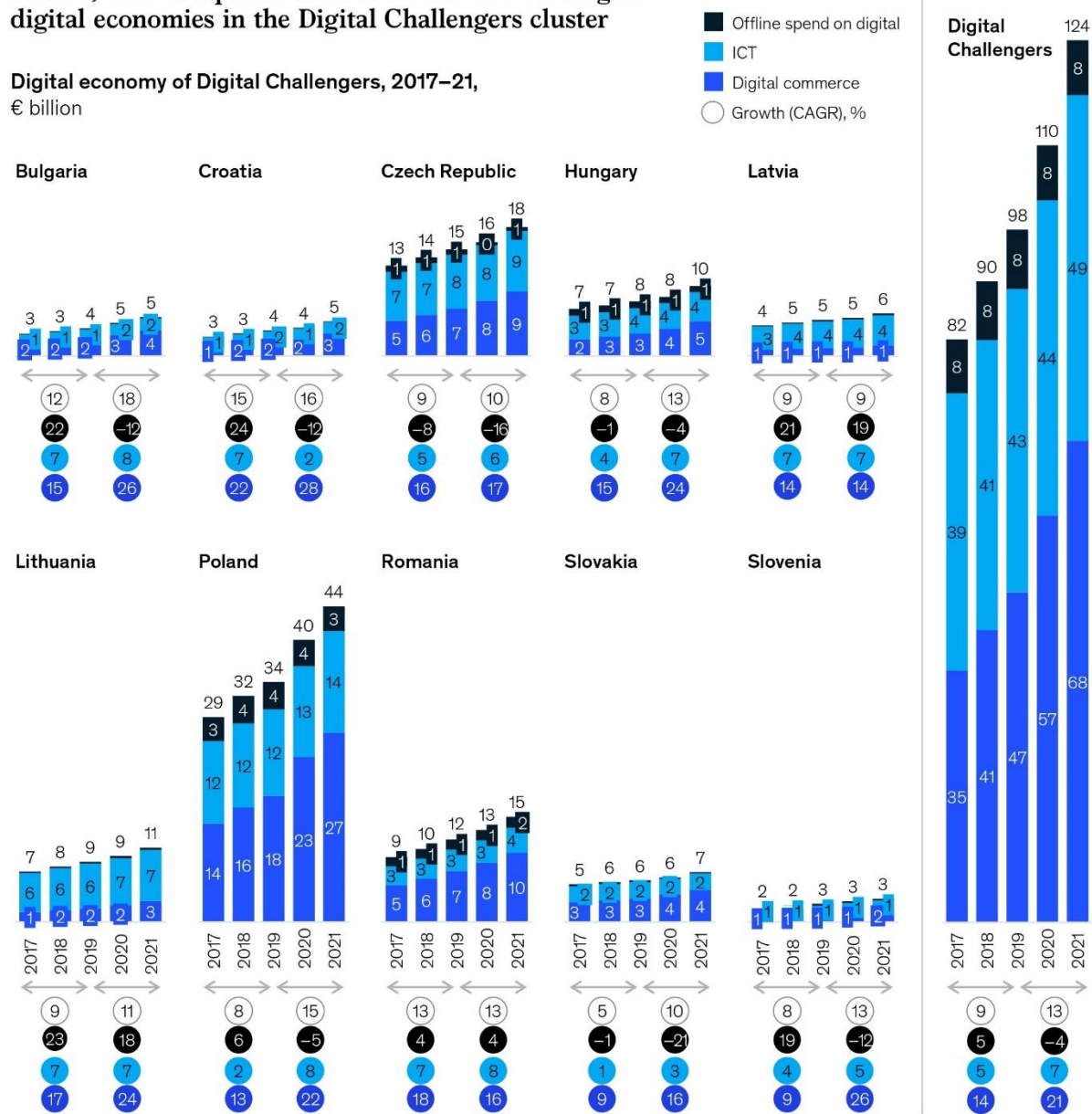


Source: McKinsey report "Digital challengers on the next frontier", McKinsey

In addition, Digital Challengers countries almost caught up with the other two groups in terms of the share of the digital economy in GDP over the same period, 2017-2021 - 7.7%, compared to 8.4% - Digital Frontrunners and 9.1% - Big 5. This is due to a 10.9% compound annual growth rate of the digital economy between 2017-2021 for the Digital Challengers countries, well above the GDP growth rate over the same period, which was only 1.9%. This development had a significant impact during the COVID-19 pandemic, particularly in 2020, when the technology sector was able to partially compensate for the decline in industries operating offline. However, the level of digitisation in Digital Challengers countries remained at a low level compared to the other two categories, with a value of the digital economy per capita of €1,232, compared to €3,319 for Big 5 countries and €4,552 for Digital Frontrunners (Source: Digital challengers on the next frontier report, McKinsey).

## Poland, Czech Republic and Romania have the largest digital economies in the Digital Challengers cluster

Digital economy of Digital Challengers, 2017–21, € billion



Source: McKinsey report "Digital challengers on the next frontier", McKinsey

Globally, Romania's technology industry is recognised as a leading one, ranking 3rd in the top countries with the best programmers and 6th in the top countries with the best IT freelancers in 2022 (Source: Pentalog). Romania is also ranked 12th in the world in terms of the most successful programmers on the Topcoder platform in 2024 and ranked 30th in AT Kearney's top digital outsourcing destinations in 2023. In addition, Romania ranked 35th in the IMD World Digital Competitiveness in 2022 in the Europe, Middle East and Africa region. The growth of Romania's technology industry has also contributed to the development of the technology infrastructure in recent years, with Romania ranking 13th in the world in 2024 in terms of fixed internet speed and 44th in the top countries with the fastest mobile internet (Source: Speedtest Global Index).

In terms of the number of IT specialists per 1,000 inhabitants, Romania is the leader in Europe and ranks 6th globally, ahead of the United States and Russia (Source: U.S. Department of Commerce, International Trade Administration).

### Local technology market

In recent years, Romania's technology industry has experienced significant growth, influenced by, among other things, foreign and local investment, an increase in the number of skilled professionals, government support and the start-up ecosystem. Following Romania's accession to the European Union in 2007, several global technology companies have opened local subsidiaries, the specifics of which have evolved over time, from outsourcing processes from other countries to opening R&D centres and innovation hubs. At the same time, many major local companies have emerged and grown to compete with multinationals for industry talent, with the demand for specialists on an upward trend in recent years. Last but not least, the Romanian government has offered various support programmes and facilities for IT companies in recent years, some of which have since been cancelled.

Over the period 2017-2021, although the Romanian IT&C industry grew by about 8% annually, it failed to catch up with other Digital Challengers (Source: U.S. Department of Commerce, International Trade Administration). According to data for 2023, the Information and Communications industry had a 7.1% share in GDP, meaning around €23 billion, an increase of 0.4 percentage points compared to 2022, while the industry's volume of activity increased by 5.1% (Source: National Institute of Statistics). By 2030, Romania's digital economy is estimated to reach €52 billion, representing almost 10% of the country's GDP (Source: U.S. Department of Commerce, International Trade Administration). At the same time, Romania's technology exports are estimated to grow from around €7.5 billion in 2023 to around €8.7 billion in 2026 (Source: N-iX).

Romania's software development industry is projected to reach revenues of €3.2 billion in 2023, declining at an average rate of 5.4% per year over the 2018-2023 period, due to challenges in the sector globally (Source: U.S. Department of Commerce, International Trade Administration).

In 2024, the number of programmers in Romania is estimated at 202,000 (Source: N-iX), located in several developed economic centres, such as Bucharest, Cluj-Napoca, Iasi, Brasov, Timisoara and Sibiu. Their number has increased in recent years, with 140,000 software engineers in Romania in 2020 (Source: U.S. Department of Commerce, International Trade Administration). The development of the IT sector in Romania is also reflected in the salary component, with the average salary in the industry being double the average salary in the economy. At the same time, the services offered by Romanian professionals are competitively priced, with programmers' salaries 20-50% lower than in other developed countries in Europe and the United States (Source: N-iX).

IT companies in Romania cover a wide range of industries, with almost a quarter of them having expertise in business services. This is followed by sectors such as finance, healthcare, e-commerce. Other industries covered to a significant extent are consumer products and services, education, retail, telecoms, automotive and manufacturing (Source: N-iX).

The competitiveness of IT specialists in Romania is also determined by the level of knowledge of English of the local population, our country being ranked 15th in the world and 13th in Europe in 2023 in terms of skills in this international language (Source: Education First). This is of great interest to Romanian programmers, with companies from four continents outsourcing their services to Romania. Thus, Romanian companies deliver projects for clients in Western Europe (62%), as well as the Middle East and Africa (56%). In addition, Romanian IT service providers also collaborate with companies in the United States, with 30% of outsourcing partnerships being with American organisations, as well as with companies in the Asia-Pacific region, with a share of 24% (Source: N-iX).

The city of Cluj-Napoca is home to one of the largest number of software development companies in Romania, around 200, with over 44% of medium and large companies located here. In terms of the industries in which they specialise, service providers in Cluj-Napoca offer assistance in implementing solutions in areas such as IT, financial services, business, healthcare and e-commerce (Source: N-iX).

In terms of education, in 2021, there were around 40,000 students majoring in technology, an increase of 20% compared to 2015, with Romania having one of the highest shares of graduates in IT&C and STEM (Science, Engineering, Technology and Mathematics) in the European Union. The top three universities in Romania training IT specialists, which are also included in the QS World University Rankings 2023, are Babeş-Bolyai University in Cluj-Napoca, the University of Bucharest and Alexandru Ioan Cuza University in Iaşi (Source: N-iX).

## **Trend information**

### **A description of:**

- (a) the main trends affecting production, sales and stocks, costs and selling prices since the end of the last completed financial year and up to the date of the registration document;**

During 2024, the Issuer felt the effect of the following socio-economic trends:

- **Commoditisation of IT services** - This trend leads to lower selling prices for the Issuer's products and services, which, combined with the rising cost of human resources, puts pressure on the gross margin (revenue minus direct costs). In addition, it induces a customer preference to pay only for what they consume, moving away from subscriptions or major upfront investments. Massive investments in recent years in the development of new IT solutions have led to an acute need to monetise these investments and test the market. This trend may lead to a short-term decline in demand from some customers as investment budgets are reduced.
- **The need for effective human capital management** - This trend has been observed for several years and is particularly evident in the IT industry, in which the Issuer operates. Within this industry, any person can provide services from anywhere in the world, for clients anywhere in the world. Thus, the Romanian market for IT experts is a market with global competition. Due to the existence of multinational companies based in Romania, as well as freelancing platforms that accept Romanian citizens as members of the platform, there are many options for qualified staff, which translates into an increase in human resource costs. The Issuer's management recognizes these opportunities that AROBS employees have, as well as the fact that human resources are the Company's greatest asset. For this reason, in an attempt to retain its own staff, the Issuer runs a Stock Option Plan, which, among other things, aims to increase the retention of AROBS employees, as well as to be able to bring new staff into key positions that can help the Company grow;
- **Shifting business model to services** - Many IT&C vendors are moving to a service-based business model, such as software-as-a-service (SaaS) or cloud platforms. This transition can affect traditional sales models and bring changes in pricing and costs;
- **Technological innovation** - Rapid technological advances such as artificial intelligence (AI), the internet of things (IoT), blockchain and cloud computing have changed the IT&C landscape. Intelligent automation is becoming increasingly important in today's business landscape as organizations look to streamline operations and reduce costs, all while increasing the efficiency of their teams. Companies need more than ever, under the pressure of the macro-economic climate, to automate their repetitive and time-consuming tasks, allowing organisations to focus on value-added activities.
- **Globalisation and international trade** - The IT&C industry is strongly influenced by international trade and global exchanges. Trade tariffs, regulations and trade policy can have a significant impact on production, sales, costs and selling prices, especially for companies that depend on global supply chains.
- **Cybersecurity** - With the increasing reliance on technology and the spread of cyber threats, cybersecurity has become a major concern. Companies need to invest in cybersecurity solutions to protect themselves against attacks and safeguard their data and infrastructure, which can lead to increased costs;
- **In Automotive** - Electrification, Connectivity, the move towards increasingly powerful ADS systems - **Autonomous Driving** - creates an even greater focus on functional safety and data security. In the area of electrification and battery management in electric cars, there has been a plateau in technological innovation and a need for manufacturers to recoup previous investments. There is a trend in the market for car manufacturers (OEMs) to internalise software development by migrating some of the projects from Tier1 (generally hardware component manufacturers).
- Data security, system interconnectivity, increasingly sophisticated performance standards are important trends in all industries based on embedded systems - Medical, Marine, Consumer Electronics, along with Aerospace, mentioned above.
- **In Aerospace**, the growth of what is called New Space is interesting. Private companies can now develop and launch satellites and offer remote sensing, telecommunications and Earth observation services. New business models are emerging and generating significant investment in the space industry, which represents an opportunity for the Aerospace specialisation.

**(b) any significant change in the financial performance of the group since the end of the last financial year for which financial information has been published up to the date of the registration document, or an appropriate negative statement.**

No significant changes have been identified in the Issuer's financial performance since the end of the last financial year and up to the date of this Prospectus.

**Information about any known trends, uncertainties, requirements, commitments or events that are reasonably likely to materially affect the issuer's prospects, at least for the current financial year**

At this time, the Issuer does not anticipate the occurrence or consolidation of any significant factors, including unusual or rare events, that would materially affect the Issuer's prospects.

However, given the current geopolitical context, including the invasion of Ukraine by the Russian Federation and conflict in the Gaza Strip, the socio-economic situation may fluctuate in an unpredictable manner, which may ultimately affect the Issuer's revenues. However, even in this context, AROBS, maintains its income and expenditure budget as approved at the Ordinary General Meeting of Shareholders in April 2024.



**PART 11**  
**ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR**  
**MANAGEMENT AND THEIR FUNCTIONING**

**BOARD OF DIRECTORS**

The name, business address and position in the issuing company of the following persons and their principal activities outside the issuing company, if such activities are significant to the issuing company: (a) members of the administrative, management or supervisory bodies; (b) limited partners, in the case of a limited partnership limited by shares; (c) founders, in the case of a company less than five years old; (d) any member of senior management whose name may be mentioned to prove that the issuing company has the necessary training and experience for the conduct of its business.

**Board of Directors (BoD) of the Issuer**

The issuer has a unitary management structure composed of five (5) members.

The Board of Directors consists of executive members ("Executive Directors") and non-executive members ("Non-Executive Directors"). The members of the Board of Directors are appointed and removed by the AGM. As at the date of this Prospectus, the Board of Directors is composed of the Directors listed below, elected at the Ordinary General Meeting of Shareholders of the Issuer held on 29.09.2023. The composition of the Board of Directors will be the same at the closing of the Offer and at the time of the admission to trading of the shares resulted from the Share Capital Increase:

Name	Age	Title	Date of expiry of the mandate
Voicu Oprean	53	Executive Director (General Director) and Chairman of the Board of Directors	29.09.2027
Aurelian -Calin Deaconu	55	Executive Director	29.09.2027
Mihaela-Stela Cleja	56	Non-Executive Director	29.09.2027
Ioan-Alin Nistor	48	Non-Executive Director	29.09.2027
Razvan-Dimitrie Garbacea	47	Non-Executive Director	29.09.2027

The members of the Issuer's Board of Directors carry out their specific activity mainly at the Issuer's secondary office, located in Cluj-Napoca, Cluj County, 63 Minerilor Street.

**Biographical details of the Issuer's Board of Directors**

***Voicu Oprean (Founder, Chairman of the Board of Directors and General Director)***

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

Voicu Oprean is a graduate of the Technical University of Cluj-Napoca, holding a bachelor's degree in Computer Automation and a Master's degree in Business Administration from Babes Bolyai University. He has also completed an EMBA from Wu Wien in 2008, as well as the London Executive Business School in 2018 and the OMP YPO at Harvard Business School in 2021.

Aurelian Deaconu has been Executive Director of the Software Services Division at AROBS Transilvania Software since 2011, having previously held CFO positions at Endava Romania (2007-2011), AGS Romania (1999-2004) and Alfasoft SA (1993-1999). He holds a degree in Electronics and Telecommunications from the Technical University, in Industrial and Financial Management from Babeş Bolyai University and an MBA from the Conservatoire de Arte et Métiers, Paris.

Mr Deaconu became member of the Issuer's Board of Directors on 29.09.2023.

***Mihaela Stela Cleja (Non-Executive Director)***

She joined the Issuer in 2008 as Chief Financial Officer (CFO) and has been a non-executive member of the Board of Directors since 2021. Prior to this position, she has held management positions in several companies, accumulating a professional experience of over 28 years in the financial and economic field.

She graduated in 1993 from the Faculty of Economics of the Babeş Bolyai University, and in 2008 she obtained a Master's degree in Management of Credit Institutions and Commercial Companies. Since 2000, she has been an accredited chartered accountant C.E.C.C.A.R, and in 2006 she obtained the certification of Manager in Human Resources, Finance and Marketing at the Polytechnic University of Timișoara.

Mrs. Mihaela Stela Cleja has held in the last 5 years positions as member of the Board of Directors of the following companies: SC CONTGRUP EXIM SRL - director until 22.11.2018, Fundatia Transilvania Pro Humanitas - no activity.

Mrs. Cleja became a member of the Issuer's Board of Directors on 01.10.2021.

***Ioan-Alin Nistor (Non-Executive Director)***

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 MBA programme at Hull University in the UK. His commitment to values-based leadership has been reinforced by his graduation from the prestigious Aspen Institute - Public Service Leadership program.

Mr. Nistor became a member of the Board of Directors of the Issuer on 29.09.2023

***Răzvan-Dimitrie Gârbacea (Non-Executive Director)***

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

Mr. Gârbacea became a member of the Board of Directors of the Issuer on 29.09.2023

**MANAGEMENT TEAM**

The Directors of the Issuer are:

Name	Age	Title	Expiry date of term of office
Voicu Oprean	53	General Director	11.10.2027
Aurelian -Calin Deaconu	55	General Director	11.10.2027
Ovidiu Bojan	50	General Director	11.10.2027

The Issuer's CEO carry out their specific activity mainly at the Issuer's secondary office, located in Cluj-Napoca, Cluj County, 63 Minerilor Street. Also included below are the biographical details of some key persons in the Group, namely Mr. Bogdan Ciungradi (Chief Financial Officer of the Issuer).

***Details about the nature of any family relationship***

Biographical details of Mr Oprean and Mr Deaconu have been given above

***Ovidiu Bojan (Executive Director)***

Ovidiu Bojan - is the Executive Director of the Products division starting 11.10.2023. He joined Arobs Transilvania Software in 2011, holding management positions in the Distribution and Optimall departments. Since 2017 he has taken over the management of the TrackGPS division. Previously he held management positions in companies in the Automotive and Retail Industry. He is a graduate of the Faculty of Mathematics and Computer Science of Babeş - Bolyai University in Cluj Napoca.

***Bogdan Ciungradi (Chief Financial Officer)***

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, Țiriac Imobiliare, SIVCO Romania and Flanco, where he contributed to the optimization of their business and financial processes.

As CFO of the Company, Bogdan Ciungradi is responsible for coordinating the activities of the finance department and streamlining operations in order to boost financial performance at group level. At the same time, he was involved in the process regarding the transfer of the Issuer's shares to the Main Market of the Bucharest Stock Exchange, a goal that the Issuer achieved in 2023.

#### ***Details of disputes in relation to Directors***

From the information available to the Issuer, there are currently no kinship relations between any of the members of the Board of Directors and / or its Directors. ***Positions held by Board members and Directors***

During the five years prior to the date of this document, none of the Directors and/or Managers:

- (i) has been convicted of fraud;
- (ii) has been a member of the administrative, management or supervisory bodies or director or member of the management of any company on the date on which they went bankrupt, judicial administration or liquidation; or
- (iii) has been prosecuted and/or has been sanctioned by any statutory or regulatory body (including professional bodies designated for the application of sanctions) and has never been barred by the court from serving as a member of a administration, management or supervision of a company or to be involved in the management or conduct of the business of a company.

#### **Functioning of the Board of Directors**

In addition to the management positions held at the level of the Issuer, the Directors and Managers of the Issuer hold or have held, in the last five (5) years, the following positions:

<b>Name</b>	<b>Company</b>	<b>Title</b>	<b>Current title</b>	<b>Comments</b>
Voicu Oprean	CABRIO INVEST B.V.	General Director	General Director	Shareholder 10%
	NEWCAR4FUTURE SRL.	Director	Director	Shareholder 45%
	AROBS BUSINESS CENTER S.R.L.	Director	Director	Shareholder 90%
	AXISPOINT SOLUTIONS S.R.L.	Trustee management current activities	Trustee management current activities	Shareholder 40%
	AROBS BUSINESS CENTER PLUS S.R.L.	Director	Director	Shareholder 100%
	AROBS BUSINESS SERVICES S.R.L.	Director	Director	Shareholder 60%
	UCMS GROUP ROMANIA S.R.L.	Director	Director	Shareholder 2,33%
	CABRIO INVESTMENT S.R.L.	Director	Director	Shareholder 50%

#### **MANAGEMENT**

The Board of Directors is collectively responsible for the general activities of the Issuer, for fulfilling all the necessary and useful acts for the achievement of the Issuer's object of activity, except those reserved by law to the GMS, and the Issuer's management is delegated to the Executive Administrators, who are also the Issuer's Directors. The directors are responsible for taking all measures related to the management of the Issuer, within the limits of the Issuer's object of activity and for observing the limits imposed by the Board of Directors.

The Board of Directors may not delegate the following powers to a Director: (i) the establishment of the Issuer's principal areas of activity and development, (ii) the establishment of accounting policies and the financial control system, as well as the approval of financial planning, (iii) the appointment and revocation of Directors, the supervision of Directors' activity and their remuneration, (iv) approval of the mandate contracts of the Directors, (v) preparing the annual report, organizing the GMS and implementing its decisions, (vi) introducing the request for opening the insolvency procedure of the Issuer, (vii) fulfilling the duties delegated by the Board of Directors to the GMS, (viii) the representation of the Issuer in its relationships with the Directors, (ix) the relocation of the Issuer's headquarters, (x) the change of the Issuer's object of activity (except for the Issuer's main field and activity which can be modified only by extraordinary GMS), (xi) adopting decisions on investments made in other companies and the distribution of profits and losses arising from these investments.

The Board of Directors is jointly and severally liable to the Issuer for: (i) making the payments made by the Issuer's shareholders, (ii) the actual existence of the dividends paid, (iii) the existence of the registers required by law and their correct keeping, (iv) the exact fulfillment of the GMS decisions and (v) the strict fulfillment of the duties the law and the Articles of Incorporation impose.

The Board of Directors, among others, has the following tasks: (i) determine the duties of the directors, the manner in which the work of the directors is organized and supervise the work carried out by the directors of the company; (ii) periodically verify that the requirements of experience and integrity are met by the persons holding management and control positions in the company; (iii) approve significant transactions with related parties; (iv) establish relevant criteria for monitoring the performance of the executive/senior management and the company as a whole and to evaluate annually the application of the criteria; (v) adopt other resolutions on matters, proposals or assignments given within its competence by the AGM, the Companies Act, the regulations of the Financial Supervisory Authority, the Issuer's Rules of Organization and Operation or by other internal procedures and rules.

It is the duty of each Director to properly perform the duties assigned to him and to act in the best interests of the Issuer. Tasks that have not been specifically assigned fall within the competence of the Board of Directors as a whole. All Directors shall remain collectively responsible for the proper management of the Company as a whole, irrespective of the allocation of tasks. All Directors shall remain collectively responsible for the proper management of the Fund as a whole, irrespective of the allocation of tasks. The Board of Directors is composed of five (5) members, of which two (2) members are Executive Directors and three (3) members are Non-Executive Directors. Two (2) Non-Executive Directors are independent within the meaning of the BVB Corporate Governance Code.

Candidates for membership positions on the Board of Directors may be nominated by shareholders or other members of the Board of Directors in office. The Chairman of the Board of Directors is appointed by the members of the Board of Directors, with a simple majority of the members present. In the event of a vacancy for a member of the Board of Directors, it shall meet and elect an interim member until the OGMS meeting, with the appointment of a member of the Board of Directors on the agenda.

Each member of the Board of Directors will conclude with the Issuer a mandate contract for the duration of his term of office as a member of the Board of Directors, which will stipulate the rights and obligations of that member towards the Issuer and the remuneration received by that member. In the event of unilateral termination of the management contract by the Issuer, the director whose contract is terminated shall not be entitled to compensation.

## **Functioning of the Administrative Board**

### ***Board meetings***

The Board of Directors will meet in regular meetings, convened by the Chairman of the Board of Directors, once every three (3) months. The convocation for the regular meetings shall be sent to all members of the Board of Directors at least three (10) calendar days before the proposed date for the regular meeting.

When the situation so requires, special meetings of the Board of Directors may be convened, either by the Chairman of the Board of Directors or at the reasoned request of two members of the Board of Directors or any of the Issuer's General Managers, in each case by written notice, transmitted to each member of the Board of Directors at least one (10) calendar day before the date of the meeting. Notices of meetings of the Board of Directors shall be sent in writing, in Romanian and/or English, by electronic mail, to each member of the Board of Directors by the Chairman of the Board of Directors, unless the Board of Directors determines otherwise.

Meetings of the Board of Directors may be held at any time without notice if all members of the Board of Directors are present or if those who are not present have expressly waived in writing the requirement to receive a notice of

meeting.

Meetings of the Board of Directors shall be held at the registered office of the Company and/or at one or more different locations by telephone conference or videoconference through which all members can hear and communicate with each other at the same time, or at any other address in Romania agreed upon by all members of the Board of Directors.

#### ***Voting at Board meetings***

For a meeting of the Board of Directors to be validly held, at least three (3) members of the Board of Directors must be present at the meeting, one of whom must be the Chairman of the Board of Directors. 15.2. All resolutions of the Board of Directors shall be adopted by a simple majority of more than fifty percent (50%) of the votes cast by the members of the Board of Directors present at the meeting.

Members of the Administrative Board may be represented at meetings of the Administrative Board by other members of the Administrative Board. A member of the Administrative Board may represent only one absent member

#### ***Issuer Directors***

The Issuer's Directors are appointed by the Board of Directors for a term of four years, with the possibility of re-election for subsequent terms.

The Issuer Directors represent the Issuer in relation to third parties and in legal proceedings. The Issuer's Directors are responsible for taking all measures relating to the management of the Issuer and representing it in accordance with the powers delegated to them by the Board of Directors and in compliance with the exclusive powers reserved by the Articles of Association and the Companies Act to the Board of Directors and the General Meeting of Shareholders.

#### ***Board Committees***

The Nomination and Remuneration Committee is composed of at least two (2) members, one of whom is independent, and is currently composed of four (4) members. The members of the Nomination and Remuneration Committee are Voicu Oprean, as Chairman of the Committee, and Ioan Alin Nistor, Răzvan-Dimitrie Gârbacea and Mihaela Stek Cleja as members.

The role of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its responsibilities by establishing the principles for the selection of candidates for the position of member of the Board of Directors, selecting candidates for election or re-election to the Board of Directors, engaging in the process of selecting directors, remunerating the Issuer's directors and officers, formulating proposals to be submitted to the decision of the Board of Directors, drafting a proposal on remuneration policy and managing share buy-back programmes for employees and directors.

#### ***Terms of Reference of the Nomination and Remuneration Committee:***

The Nomination and Remuneration Committee aims to:

- (a) prepare and establish criteria for the selection of members of the Board of Directors, including criteria for assessing their independence;
- (b) to evaluate and propose candidates to the Board of Directors for appointment, reappointment or removal to/from office;
- (c) ensuring that persons standing for election to the Board of Directors have the necessary training and experience to perform their duties;
- (d) establishing and submitting to the Board of Directors for approval the procedure for the selection of directors; establishing the selection criteria for directors; making a final assessment of the candidates for the position of directors with a view to their appointment and termination of their term of office;
- (e) drafting a proposal for a remuneration policy to be adopted by the AGM;
- (f) issuing recommendations and making a proposal on the remuneration of each member of the Board of Directors and Directors, within the limits of the remuneration policy;

When developing the proposal for the remuneration of Board members and directors, the Committee shall take into account their individual views on the amount and structure of their own remuneration

- (g) the preparation of the remuneration report;

- (h) advising the Board of Directors on any major changes in employee benefit structures at the level of the Issuer or its subsidiaries;
- (i) managing all aspects of any share buy-back programme for senior executives.

The Committee shall meet at least two (2) times per year on such dates as may be agreed by its members or as determined by the Chairman of the Committee

#### **Conflicts of interest**

This is not the case. There is no conflict of interest between the obligations to the Issuer of any of the members of the Board of Directors and Issuer's CEOs and their private interests and other obligations.

#### **Information on any arrangements or agreements with Major Shareholders, customers, suppliers or other persons pursuant to which any of the Board of Directors or Directors have been elected/appointed.**

This is not the case. **Details of any restrictions accepted by any member of the Board of Directors or the Directors on the sale, within a specified period of time, of securities of the Issuer held by them.** This is not the case.

#### **REMUNERATION AND BENEFITS**

**The amount of remuneration** gross remuneration paid to members of the Board of Directors and to the Issuer's CEOs, for the year ending 31 December 2023 was RON 3.526.033,34 compared to the year ended 31 December 2022, when this amount was equal to RON 1,246,159.89 to which 2,003,952 stock option rights were added as part of the remuneration.

The above-mentioned difference is also due to the fact that at the level of the year ended 31 December 2023, the management of the Issuer was carried out by a Board of Directors consisting of three (3) members until 29 September 2023, after this date, the Board of Directors consists of five (5) members, elected by OGMS Resolution No. 4 / 29.09.2023.

The remuneration of the members of the Board of Directors and the Issuer's Directors is granted in accordance with the Issuer's Remuneration Policy, approved by the OGMS Resolution no. 2 / 28.04.2023, the level of the fixed as well as the variable remuneration being determined by the OGMS.

The members of the Board of Directors have a legal liability insurance for managers, D&O Allianz Protect, in the amount of 11,880 euro/year.

Also, according to the company's remuneration policy, the Issuer may provide members of the Board of Directors with the tools and means necessary to carry out their work such as laptop, phone, car or other benefits (including health benefits - see relevant information above).

Please see below an extract from the remuneration report of the Issuer, as approved (advisory vote) by the AGM held on 29 April 2024, showing, for the financial year ended 31 December 2023, the amount of remuneration paid and benefits in kind granted by the Issuer and its subsidiaries to the members of the Board of Directors and Directors of the Issuer for the financial year ended 31 December 2023:

Nr. crt	Nume si Prenume/ Funcție	Data de început	Perioada	Remuneratie fixă brută	Remuneratie brută în acțiuni la pretul de la data alocării	Remunerati e primită de la orice entitate din grup (brut)	Alte beneficii *	Total remuneratie anuală ( brut)	Informații privind utilizarea posibilității de recuperare a remuneratiei variabile	Proportie relativă a remuneratiei fixe/ variabile	Informații privind orice abatere/derogare de la procedura pentru punerea în aplicare a politicii de remunerare excepționale
1	<b>OPREAN VOICU</b> membru executiv și președinte al Consiliului de Administrație, Director General	01.10.2021	ian.-dec. 2023	669,325.00	1,302,000.00	0.00	64,514.00	2,035,839.00	N/A	36%/64%	-
2	<b>CLEJA MIHAELA-STELA</b> membru neexecutiv al Consiliului de Administrație	01.10.2021	ian.-dec. 2023	445,395.00	380,680.00	0.00	7,136.57	833,211.57	N/A	54%/46%	-
3	<b>GÂRBACEA RĂZVAN-DIMITRIE</b> membru neexecutiv al Consiliului de Administrație	01.10.2021	ian.-dec. 2023	153,840.00	56,749.00	0.00	5,876.57	216,465.57	N/A	74%/26%	-
4	<b>DEACONU AURELIAN CALIN</b> membru executiv al Consiliului de Administrație și Director Executiv Divizia Software Services	29.09.2023	sept.-dec. 2023	166,703.00	102,999.00	0.00	1,973.59	271,675.59	N/A	62%/38%	-
5	<b>NISTOR IOAN ALIN</b> membru neexecutiv al Consiliului de Administrație	29.09.2023	sept.-dec. 2023	38,460.00	0.00	0.00	1,302.32	39,762.32	N/A	100%/0%	-
6	<b>BOJAN OVIDIU</b> Director Executiv Divizia TrackGPS	11.10.2023	oct.-dec. 2023	91,755.00	34,563.00	0.00	2,761.28	129,079.28	N/A	73%/27%	-

## SHAREHOLDINGS AND SHARE OPTIONS

In October 2021, the Issuer's shareholders approved a Stock Option Plan (“SOP”) compensation and reward program, under which members of the Issuer's governing bodies may be beneficiaries of the SOP program.

The SOP 2022 option rights were granted on 21 September 2022 and 60% of the shares will be transferred on 24 September 2023. The remaining 40% will be transferred on 24 September 2024.

The SOP 2023 option rights were granted on 10 April 2023 and 60% of the shares will be transferred on 15 April 2024. The remaining 40% will be transferred on 15 April 2025.

Accordingly, during the period September 2022 and April 2023, the Issuer entered into SOP 2022 and SOP 2023 option grant agreements with the members of the Board of Directors, each of whom will have the opportunity, upon the expiry of the option term (12 months from the date of signing the option grant agreements), to exercise their vested options under the option grant agreements.

Mr Voicu Oprean received 3,115,196 shares on 25 September 2023 and 15 April 2024, and holds 3,135,380 option rights, Mrs Mihaela Stela Cleja received 438,572 shares on 25 September 2023, and Mr Răzvan-Dimitrie Gârbacea received 65,380 shares on 25 September 2023.

Separate from the condition of expiry of a 12-month period from the date of signing the option grant agreements, the fulfilment of the performance conditions implies:

- Membership of the Board of Directors of Issuer. at the date of allocation of the option rights and at the date of transfer of the shares;
- Contribution to the performance of the Issuer through decisions taken;
- Acceptance of the rules for the implementation of the loyalty/stock option plan approved by the Decision of the Board of Directors of the Issuer dated 21 September 2022 and 07 April 2023.

The assessment of the individual objectives of the option holder will be carried out in accordance with the Decision of the Board of Directors of the Issuer dated 21 September 2022 and 07 April 2023.

In addition, the following general conditions must be met in order for the options to be exercised:

- Expiry of the minimum period of twelve (12) months from the date of the conclusion of the option agreement (receipt and acceptance of the Information Letter);
- The Eligible Person has met the criteria established by the Board of Directors;
- The Eligible Person has an engagement at the time of the transfer of shares.

On 29 April 2024, the AGOA approved a new SOP, under which free options were granted for the financial year ending 31 December 2024. Under this SOP:

- Mr Voicu Oprean was granted 500,000 options on 7 May 2024, 60% exercisable on the one-year anniversary of the grant date, 15% exercisable on the two-year anniversary of the grant date and 25% exercisable on the three-year anniversary of the grant date;
- Mr Aurelian Călin Deaconu received 350,000 options on 7 May 2024, 60% exercisable on the one-year anniversary of the grant date, 15% exercisable on the two-year anniversary of the grant date and 25% exercisable on the three-year anniversary of the grant date; and
- Ms Mihaela Stela Cleja was granted 150,000 options on 7 May 2024, 60% exercisable on the one-year anniversary of the grant date, 15% exercisable on the two-year anniversary of the grant date and 25% exercisable on the three-year anniversary of the grant date.

The performance conditions attached to the most recent SOP consist of holding the relevant qualification and meeting the conditions included in the Remuneration Policy.

## **CORPORATE GOVERNANCE**

The Issuer complies with the Corporate Governance Code of BVB, as it applies to companies listed on the Securities Regulated Market of the Bucharest Stock Exchange, with the following difference:

The Nomination and Remuneration Committee has an executive member, Mr. Voicu Oprean. The good corporate governance pursued by the Corporate Governance Code of BVB is achieved by the fact that Mr. Voicu Oprean, in his capacity as founder of the Issuer, proved that his involvement is essential in the recruitment process of any members of the Board of Directors and Managers, but also in what concerns their remuneration for the positions held, by reference to the financial situation and strategy of the Issuer. The benefits of his presence on the Nomination and Remuneration Committee are therefore compatible with the Committee's mission.

The BVB Corporate Governance Code requires all companies listed on the Bucharest Stock Exchange to include a statement in their annual report on their compliance with the BVB Corporate Governance Code. Any non-compliance with the provisions of the Corporate Governance Code of BVB must be declared in a current report submitted to the Bucharest Stock Exchange, the principle applied being "apply or explain".

The Corporate Governance Code of BVB contains several principles and provisions that must be observed by the companies listed on the Bucharest Stock Exchange, regarding, among others, the composition, role, functioning and remuneration of management bodies, risk management and internal control, reporting financial information and disclosure of information

The Issuer also ensures on an ongoing basis that it complies with regulations on preventing and combating money laundering and terrorist financing, as well as regulations on preventing and combating corruption. Integrity and transparency are fundamental values in the Group's business and the Issuer is committed to maintaining the highest standards of ethics and compliance in the above areas, which is essential to maintaining the trust of investors, clients and all business partners.



**PART 12**  
**PRINCIPAL SHAREHOLDERS**

At the date of this Prospectus, the Issuer is controlled by Mr Voicu Oprean and CABRIO INVESTMENT S.R.L., 50% owned by Voicu Oprean and 50% owned by Delia Alina Oprean, a person closely related to Mr. Voicu Oprean. The table below shows the shareholdings of each of Voicu Oprean and CABRIO INVESTMENT S.R.L. before the Offer and after the Offer:

<b>Shareholder</b>	<b>Participation immediately prior to the Offer</b>	<b>Shareholding immediately after the Offer<sup>1</sup></b>	<b>Voting power immediately after the Offer<sup>2</sup></b>	<b>Shareholding immediately after the Offer<sup>3</sup></b>	<b>Voting power immediately after Offer<sup>4</sup></b>
Voicu Oprean	66.5555%	66.5555%	68.1740%	55.4629%	56.8117%
CABRIO INVESTMENT S.R.L.	8.6312%	8.6312%	8.8411%	7.1926%	7.3675%

<sup>1</sup>Assuming all the New Shares are subscribed for under the Offer and each of Voicu Oprean and CABRIO INVESTMENT S.R.L., will subscribe for the maximum number of New Shares to which they would be entitled under the Preference Rights.

<sup>2</sup>Voting Power is given by the Issuer Shares held by each of Voicu Oprean and CABRIO INVESTMENT S.R.L. immediately after the Offer and Admission and is determined on the basis of the voting rights of each of Voicu Oprean and CABRIO INVESTMENT S.R.L., conferred by the shares held, out of the total voting rights of the issued shares of the Issuer, assuming that each of Voicu Oprean and CABRIO INVESTMENT S.R.L. subscribe for the maximum number of New Shares to which they would be entitled under the Preference Rights.

<sup>3</sup>In the event that all New Shares are subscribed for under the Offer and none of Voicu Oprean and CABRIO INVESTMENT S.R.L. subscribe for any New Shares.

<sup>4</sup>Voting power is given by the Issuer Shares. The voting power of the Issuer is determined on the basis of the voting rights of each of Voicu Oprean and CABRIO INVESTMENT S.R.L., held by each of Voicu Oprean and CABRIO INVESTMENT S.R.L., conferred by the shares held, out of the total voting rights of the issued shares of the Issuer, assuming that none of Voicu Oprean and CABRIO INVESTMENT S.R.L. will subscribe for any New Shares.

At the date of the Prospectus, Mr Voicu Oprean holds 579.893.968 Shares, representing 66.5555% of the Issuer's share capital. CABRIO INVESTMENT S.R.L. also holds 75,202,758 Shares, representing 8.6312% of the Issuer's share capital. Thus, Mr. Voicu Oprean and CABRIO INVESTMENT S.R.L. together hold 655,096,726 ordinary shares, representing 75.1867% of the Issuer's share capital, holding majority control of the Issuer.

The Issuer also holds 24,822,307 shares representing 2.8489% of the total number of shares issued by the Issuer.

**AGREEMENTS WITH MAJOR SHAREHOLDERS**

At the date of this Prospectus there are concluded with the Major Shareholders whose application may result, at a later date, in a change of control over the Issuer.

**DILUTION**

If all the New Shares are subscribed, the share capital of the Issuer will be increased by a number of 174,258,721 ordinary shares with a nominal value of RON 0.1 each and a total nominal value of RON 17,425,872.1, representing an increase of approximately 20% compared to the level of the share capital of the Issuer at the date of this Prospectus. The Offer is being made pursuant to the exercise of the pre-emptive rights of the Preference Rights Holders of the Issuer registered in the Issuer's shareholders registry on the Registration Date. Accordingly, if all Preference Rights Holders on the shareholders registry as at the Registration Date were to exercise their pre-emption rights, no holding of any Preference Rights Holder would be diluted.

## PART 13 REGULATORY FRAMEWORK

The following are the main legal provisions applicable to the Issuer's field of activity, i.e. the development of software products and the provision of services. The purpose of the presentation below is only to introduce the general legal framework applicable to this market, and not to be exhaustive or to include all applicable laws and regulations.

Thus, the IT sector, although a rapidly developing field, is subject to several legal regulations. In particular, this section is intended to be an overview of the applicable legal framework with regard to: (i) the legal regime applicable to companies and the Issuer's current business; (ii) the legal regime applicable to intellectual property rights and related rights; (iii) the legal regime applicable to cyber security; (iv) the tax regime applicable to entities and employees/collaborators operating in the IT sector.

**(i) Legal regime applicable to companies and the current business of the Issuer**

- Companies Law No. 31/1990, republished, as amended ;
- Law No, 287/2009 on the Civil Code.

**(ii) Legal regime applicable to intellectual property and related rights**

- Law No. 8/1996 on copyright and related rights;
- Law No. 64/1991 on patents;
- Law No. 83/2014 on service inventions;
- Law No. 84/1998 on trademarks and geographical indications;
- Regulation (EU) 2017/1001 on the European Union trade mark;
- Paris Convention of 20 March 1883 for the Protection of Industrial Property;
- Munich Convention of 5 October 1973 on the Grant of European Patents.

**(iii) Legal regime for cyber security**

- EU Directive 2016/1148 of the European Parliament and of the Council approved in 2016 on measures for a high common level of network and information security across the Union;
- Law No. 362/2018 on ensuring a high common level of security of networks and information systems.

**(iv) Tax regime applicable to entities and employees/collaborators operating in the IT sector**

- Tax Code and other incidental and subsequent regulations applicable to entities and employees/collaborators operating in the IT field.

The Issuer is also subject to numerous technical and legal regulations in order to obtain the necessary certifications to carry out its activity.

Certifications are the key way to ensure credibility in the market, especially for companies providing services.

The Issuer's main certificates are:

- **Information privacy and security** - an Information Security Management System - ISMS - has been implemented. This system is created in accordance with 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. This management standard therefore regulates how to operate in a secure way when it comes to information. This demonstrates that the Issuer operates according to the strictest international information standards;
- **TISAX** - Trusted Information Security Assessment Exchange - is the most prestigious information security standard in the automotive industry. This certification is achieved through the international ENX ASSOCIATION platform. This platform hosts the online information interaction of automotive level 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** - Provision of software and service delivery with respect to application development, implementation and support activities;



**PART 14**  
**REASONS FOR THE OFFER AND USE OF FUNDS**

Through the sale of the Shares offered under the Offer, the Issuer is expected to receive net proceeds of approximately RON 161,897,550, assuming that all New Shares are subscribed for, at the Maximum Subscription Price of 0.93 lei/share, calculated after deducting the commissions and fees incurred in connection with the Offer to the competent authorities, less the Intermediary's commission, which will be paid separately. Expenses and amounts related to fees charged by the Romanian Financial Supervisory Authority, Bucharest Stock Exchange S.A. and Central Depository SA, payable by the Issuer in connection with the Offer are estimated at RON 163,061.

The Offer will enable the Issuer to continue its growth strategy, both through acquisitions of new companies and organically. In this respect, the net proceeds of the Offer, together with other potential sources of financing, will be used for the growth and consolidation of the Group, listed in order of importance and proportion of proceeds attracted, which may vary depending on the final amount of funds attracted:

- between 50% and 70% for the acquisition of companies active in the Software Services business, operating in the verticals in which the Group is active (Embedded, Automotive, Medical, Travel & Hospitality, IoT, Life Sciences, Enterprise Solutions and Fintech, Intelligent Automation), mainly located in Central and Eastern Europe or the USA, with a solid portfolio of customers in the geographies of interest to the Issuer and with a profitability similar to that of the Group companies operating within the Software Services division;
- between 10% - 30% for the acquisition of companies active in the Software Products business, with activity and software products both in the field of fleet management (both in Romania and in the countries of the region) and in the field of Digitisation and Business Optimisation in Romania;
- between 10% - 20% for working capital to support organic growth and the generation of new products/solutions (greenfield type).

**PART 15**  
**EXPECTED TIMETABLE OF MAIN EVENTS**

<b>Event</b>	<b>Time and date<sup>i</sup></b>
Opening of the stage for the exercising of the preference rights by the Preference Rights Holder	On 3 June 2024
Closing the exercising of the preference rights by the Preference Rights Holder	On 4 July 2024
Opening of the Private Placement	On 8 July 2024
Closing the Private Placement <sup>ii</sup>	On or around 10 July 2024

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<sup>i</sup> All time references in this calendar take into account Eastern European Time (EET).

<sup>ii</sup> The Board of Directors may decide to close the Private Placement early or, if necessary, extend the period of the Private Placement, under the terms of the applicable law, taking into account the applicable market conditions

**PART 16**  
**INFORMATION ON THE SECURITIES TO BE OFFERED. INFORMATION CONCERNING**  
**THE OFFER.**

**1. CONTEXT AND OVERVIEW OF THE OFFER**

The Issuer will offer a maximum of 174,258,721 New Shares for which it will receive expected net proceeds of up to approximately RON 161,897,550 in total (if all the shares are subscribed at the Maximum Subscription Price of RON 0.93 per share and, respectively, after deducting the commissions and fees incurred in connection with the Offer vis-à-vis the competent authorities, less the Intermediary's commission, which will be paid separately). The Issuer will receive all proceeds from the sale of the New Shares following the action to increase the share capital by cash contribution.

Subsequent to the registration of the Share Capital Increase with the Bucharest Trade Registry, ASF and the Central Depository, the New Shares issued will be traded on the Bucharest Stock Exchange, with ISIN number ROWMR49B0RG5 (the same as the Shares) and traded under the symbol "AROBS".

• **GENERAL INFORMATION ON THE OFFERED SHARES**

**Type and class:** The securities which are the subject of this Prospectus are ordinary, registered, indivisible shares, freely transferable of equal value, issued in dematerialised form, with a nominal value of 0.1 lei / share, issued by AROBS Transilvania Software S.A., traded on the Regulated Market administered by the BVB, (Premium category), bearing the symbol AROBS. The ISIN code of the securities issued is: ROWMR49B0RG5. The Offer is addressed exclusively to holders of Preference Rights

**Shareholders registry:** the register of AROBS shareholders is kept by Depozitarul Central S.A., a company with registered headquarters at 34-36 Bulevardul Carol I, postal code 020922, Bucharest, telephone 021 408 5826, website <https://www.roclear.ro/>.

The entity responsible for making the necessary entries in the register of holders of Shares is the Central Depository S.A.

**Currency:** The New Shares are issued in RON and have a nominal value of RON 0.10 each.

**Approval of the Offer:** The Offer was approved by the resolution of the extraordinary general meeting of shareholders of the Issuer dated 26 December 2022 and the decision of the Board of Directors dated 18 April 2024.

**Relevant legislation:** the New Shares are issued and offered in accordance with Romanian law, and in the event of any disputes arising out of or in connection with the New Actions, the competent courts shall be those provided by the Romanian Code of Civil Procedure.

**Intermediation method: Best efforts method**

**Rights of Preference:** 871,293,609 preferential rights. A Preference Right Holder may purchase a maximum number of New Shares calculated as the ratio of the number of Preference Rights held to the number of Preference Rights required to subscribe for one New Share. Accordingly, a number of 5 Preference Rights ("Subscription Ratio") is required to subscribe for one New Share. If the maximum number of New Shares which may be subscribed for during the Subscription Period (as calculated above) is not an integer, the maximum number of New Shares which may actually be subscribed for will be obtained by rounding down to the nearest whole number.

**Subscription Period for New Shares:** The period during which the New Shares may be subscribed for by the Preference Holders by exercising their Preference Rights is 32 calendar days (the first and last day being taken into account in calculating the period), and if the last day of such period falls on a non-business day, the period will be extended until the first business day thereafter, i.e. from 31 mai 2024 to 1 iulie 2024.

**Information as to whether the Principal Shareholders or members of the management, supervisory or administrative bodies of the Issuer intend to subscribe to the Offer or whether any person intends to subscribe for more than 5% of the Offer:** As at the date of this Prospectus no decision has been taken by the Principal Shareholders or members of the management or administrative bodies of the Issuer to subscribe to the Offer.

**Withdrawal of subscriptions**

Subscriptions under the Offer are irrevocable, except as provided in Article 23 para. (2) of the Prospectus Regulation. In this case, investors who have already agreed to purchase or subscribe for New Shares prior to the publication of the supplement have the right to withdraw their acceptance within two Business Days of the publication of the supplement, provided that the material new factor, material error or material inaccuracy which led to the publication of the

supplement has arisen or has been discovered prior to the expiry of the relevant Offer Period. Investors who have a right of withdrawal will be informed by means of the publication of a current report in accordance with the applicable regulations of the possibility for them to exercise this right by the end of the first Business Day following the day on which the supplement is published. Withdrawal of subscription shall be effected by means of the Withdrawal Form, submitted in accordance with the procedures described in this Part 16 (Section 8 - *Withdrawal Rights*) to the Intermediary/Participant, such notification to be submitted no later than 2 (two) Business Days after the date on which the prospectus supplement was published (or any later date specified in the prospectus supplement). Withdrawal of subscription submitted by any other means or which is submitted or received after the expiry of this period shall not constitute a valid withdrawal.

No later than 1 Business Day after the end of the Subscription Period, the Board of Directors will publish on the BVB website (<http://www.bvb.ro>) and on the Issuer's website (<https://arobs.com/>) a report on the results of the subscriptions made during the Subscription Period.

For details on the refund of amounts paid by investors who have withdrawn their subscriptions, see the subsection Refunds in Part 16.

New Shares remaining unsubscribed after the exercise period of the Pre-emptive Rights during the Subscription Period will be offered for subscription under the Private Placement, which is not the subject of this Prospectus. It is anticipated that the Private Placement will commence on the second Business Days following the completion of the Offering and will have a duration of 3 (three) Business Days, which may, if applicable, be closed early or extended by decision of the Board of Directors, taking into account applicable market conditions. New Shares remaining unsubscribed after the closing of the Private Placement will be cancelled by decision of the Board of Directors.

The Board of Directors shall, by decision, ascertain the actual results of the Issuer's Share Capital Increase based on the exercise of Pre-emptive Rights during the Subscription Period and the Private Placement, respectively the cancelled New Shares, as the case may be.

Based on the results of the Issuer's Share Capital Increase as determined by decision of the Board of Directors, the Intermediary shall notify the ASF of the results of the Share Capital Increase within a maximum of five (5) Business Days calculated from the last Business Day following the Closing Date and the Private Placement Date.

The Issuer shall take all necessary steps to complete the Share Capital Increase, namely registering the Share Capital Increase with the Commercial Registry Office in order to issue the certificate of registration of the new share capital, requesting the issuance by the ASF of the certificate of registration of the financial instruments and requesting the registration of the New Subscribed Shares in the Register of Shareholders kept at the Central Depository.

Following the registration of the Share Capital Increase with the Central Depository, the New Shares will be traded on the Regulated Market administered by the BVB (Premium category).

**Provisions of Annex 11 to Delegated Regulation 980/2019 which are not applicable to the Share Capital Increase transaction that is the subject of this Prospectus**

The following sections of Annex 11 to Delegated Regulation 980/2019 which are not applicable to the Share Capital Increase transaction which is the subject of this Prospectus: (i) Section 4.9, the sentence regarding the Issuer's declaration as to the existence of any national takeover legislation applicable to the Issuer which may prevent such takeovers, (ii) Section 4.10 regarding takeover bids made by third parties for the Issuer's capital during the previous or current financial year, (iii) Section 5.2.3 (Pre-allotment Information); (v) Section 7 regarding security holders wishing to sell.

**• RIGHTS ATTACHED TO THE OFFERED SHARES**

Each New Share grants equal rights and obligations to shareholders holding ordinary shares and confers on the holder thereof all the rights provided for by the Companies Act 31/1990, as amended and republished (the "Companies Act"), in accordance with applicable capital market regulations and the provisions of the Memorandum of Association. In accordance with the Companies Act, shareholders must exercise their rights in good faith, taking into account the legitimate interests and rights of the Issuer and other shareholders.

Set out below are the principal rights attaching to the Issuer's ordinary shares which will attach to the New Shares to be issued in the Share Capital Increase as follows:

- The right to elect and be elected to governing bodies;
- The right to participate in the distribution of the annual net profit recorded, corresponding to the share held in the Issuer's share capital;

- The right to be informed about the results of the Issuer's activity and management, in accordance with the legal provisions in force
- The right to participate and vote in the General Meeting of Shareholders of the Issuer;
- Pre-emptive right, a right attached to the operation of increasing the share capital and which gives the shareholder the possibility of subscribing for the newly issued shares first, protecting him against the risk of dilution of the share of the share capital held prior to the increase;
- Other rights provided for in the Company's articles of association.

*i. The entitlement to dividends*

According to the Companies Law, the GMS has, among other things, the obligation to discuss and approve the annual financial statements and to fix the dividend. The GMS must be convened at least once a year, no later than 4 (four) months after the end of the financial year, in order to examine the financial statements for the previous year and to establish the work programme and budget for the current year. The GMS decides on the possibility of distributing the profit as a dividend.

In the event of a loss of net assets, the share capital must be replenished or reduced before a distribution or allocation change of profits is made.

Dividends may only be distributed from profits determined in accordance with the law. Dividends shall be paid to shareholders in proportion to their share in the paid-up share capital of the Issuer.

According to capital market legislation, the GMS fixing the dividend sets out the details of the execution of that event, i.e. the *ex-date* (the date preceding the record date by one settlement cycle minus one business day, from which the financial instruments subject to the resolutions of the corporate bodies are traded without the rights deriving from that resolution), *record date* (the expressly specified calendar date, i.e. zz/ll/year, set by the GMS, which serves to identify the shareholders who are to receive dividends or other rights and upon whom the effects of the GMS's decisions impact) and *payment date* (the expressly specified calendar date, i.e. zz/ll/year, on which the results of a corporate event relating to the holding of financial instruments are due).

According to the Law 24/2017, the identification of shareholders to receive dividends (record date) will be made by the GMS and will be at least 10 working days after the date of this GMS.

Under capital market law, the date on which dividends will be paid (payment date) is the date set by the GMS, which fixes the dividend, so that this date is on a business day no later than 15 business days after the record date, but no later than 6 months after the date of the GMS fixing the dividend.

The GMS resolution fixing the dividend shall be submitted within 15 days to the Trade Registry to be mentioned in the register and published in the Official Gazette of Romania, Part IV.

According to the Law on Issuers, if the GMS does not set the dividend payment date, the dividend shall be paid within 30 days from the date of publication of the GMS resolution setting the dividend in the Official Gazette of Romania, Part IV, after which date the Issuer is automatically in default. The resolution constitutes an enforceable title, on the basis of which the shareholders may start enforcement against the Issuer, according to the law.

If dividends are not paid on time, the Issuer shall pay interest for the period of delay at the statutory interest rate, unless the GMS resolution approving the financial statements for the financial year ended has fixed a higher interest rate.

Dividends paid contrary to the legal provisions shall be refunded if the Issuer proves that the shareholders knew of the irregularity of the distribution or, under the circumstances, should have known of it.

The right of action for the return of dividends paid contrary to the legal provisions is prescribed within 3 years from the date set by the GMS for granting them.

Also, the right to claim payment of dividends is time-barred 3 years after the date set by the GMS for their payment.

Dividends payable after the date of transfer of the shares shall belong to the transferee, unless the parties agree otherwise.

According to the NBR Regulation No 4/2005 on foreign exchange regime, republished, as amended and supplemented, the repatriation of net income in the form of dividends from capital operations by non-residents may be carried out without restrictions.

Romanian law does not provide for cumulative dividend shares.



*ii. Right to attend and vote at general meetings of shareholders*

Each Share issued by the Issuer entitles the holder to one vote at the GMS.

Shareholders entitled to attend and vote at the GMS are those shareholders registered in the Issuer's shareholders registry on the Reference Date, as determined in accordance with the provisions of the capital market legislation. According to the Law 24/2017, the Reference Date shall be set by the Issuer and may not be earlier than 30 days before the date of the general meeting to which it applies.

If the shares are encumbered by a right of usufruct, the voting rights conferred by these shares belong to the usufructuary in ordinary general meetings and to the bare owner in extraordinary general meetings.

In the case of shares over which security interests have been given, the voting right belongs to the owner.

Shareholders registered on the Reference Date may attend General Meetings directly or may be represented by persons other than shareholders on the basis of a special or general power of attorney.

According to the Companies Law, members of the Board of Directors, directors or officers of the Issuer may not represent the shareholders, under penalty of nullity of the resolution, if without their vote the required majority would not have been obtained. According to the Law 24/2017, this prohibition on representation does not apply to special powers of attorney granted for representation at a single general meeting containing specific voting instructions from the shareholder, clearly specifying the voting option for each item on the agenda of the general meeting.

According to the Law 24/2017, the procedure for obtaining special power of attorney for representation at the GMS, the deadline and the place where powers of attorney are submitted/received will be mentioned in the GMS notice. Powers of attorney will be made available to shareholders on the Issuer's website or at the Issuer's registered headquarters and at such other places as may be determined by the Issuer and specified in the convening notice.

According to the Law 24/2017 the powers of attorney, before their first use, shall be deposited with the Issuer, 48 hours before the general meeting or within the time limit provided for in the articles of association, in copy, with a statement of conformity with the original under the signature of the representative. Copies of the powers of attorney shall be retained by the company and shall be recorded in the minutes of the general meeting.

Furthermore, shareholders who are members of the Board of Directors may not vote, on the basis of the shares they hold, either personally or by power of attorney, the discharge of their management or a matter in which their person or management would be in question. They may, however, vote on the annual financial statements if, holding at least half of the share capital, the majority required by law or the articles of association cannot be formed without their vote.

A shareholder who, in a given transaction, has, either personally or as representative of another person, an interest contrary to that of the Issuer, must abstain from deliberations on that transaction. Otherwise, they are liable for damages to the company if, without their vote, the required majority would not have been obtained.

Shareholders may not transfer their voting rights, and any agreement to exercise voting rights in accordance with instructions given or proposals made by the Issuer or its power of attorney holders is void.

*iii. Preferential subscription rights to securities of the same class;*

According to the Companies Law, the share capital may be increased by issuing new shares or by increasing the nominal value of existing shares in exchange for cash and/or in-kind contributions by shareholders. New shares may also be issued by incorporating available reserves, with the exception of legal reserves, as well as profits or share premiums, or by offsetting certain claims on the Issuer against shares of the Issuer. The share capital may not be increased and new shares may not be issued until the shares subscribed in a previous issue have been fully paid up.

The shares issued to increase the share capital will be offered for subscription first to existing shareholders in proportion to the number of shares held. According to the Companies Law, the period for exercising pre-emptive rights may not be less than one month from the date of publication of the resolution in the Official Gazette of Romania, Part IV.

According to the Law 24/2017, the increase of the share capital by cash contribution is carried out by issuing new shares which are offered for subscription:

- holders of pre-emptive rights, belonging to shareholders existing at the Registration Date who have not disposed of them during their trading period, and who have acquired them during their trading period, if any;
- to the public if the new shares have not been fully subscribed during the period of exercise of the pre-emptive rights, unless the Issuer decides at the EGM to cancel them.

The number of preference rights issued is equal to the number of shares registered in the register of the issuer on the Registration Date. The resolution of the EGM to increase the share capital shall specify including the number of pre-emptive rights required to subscribe for a newly issued share, the subscription price or the method of determining the subscription price of new shares on the basis of pre-emptive rights and the period during which the subscription will take place, the price/method of determining the price at which the new shares are offered to the public after subscription on the basis of pre-emptive rights, if any.

The operation of increasing the share capital carried out in violation of the provisions of the Companies Law on the exercise of the right of pre-emption is annulable.

Shareholders' pre-emptive rights may be limited or waived only by resolution of the EGMS. The Board of Directors shall provide the GMS with a written report stating the reasons for the limitation or withdrawal of the pre-emptive right and how the issue value of the shares was determined.

According to the Companies Law, the EGM may decide to waive or limit the pre-emptive rights that the law confers on shareholders in the event of an increase in share capital, the decision to be taken in the presence of shareholders representing 3/4 of the subscribed share capital, by a majority of the votes of the shareholders present. In the absence of more restrictive conditions under the Law 24/2017 regarding the lifting of the right of pre-emption in the event of an increase in share capital by contribution in kind, the provisions of the Law on Companies shall apply.

The Law on Issuers stipulates that, in the case of share capital increases by cash contribution, the lifting of the shareholders' pre-emptive right to subscribe for new shares must be decided at the EGMS attended by shareholders representing at least 85% of the subscribed share capital, and with the vote of shareholders holding at least 3/4 of the voting rights.

As regards increases in share capital by contribution in kind, the Law 24/2017 stipulates that they must be approved by an EGMS attended by shareholders representing at least 85% of the subscribed share capital and with the vote of shareholders representing at least 3/4 of the voting rights. Contributions in kind may only consist of new and efficient assets necessary for the realisation of the issuer's business purpose, and the valuation of the contribution in kind shall be made by independent experts in accordance with the provisions of Article 215 of Law no. 31/1990.

The number of shares to be issued in the case of share capital increases with cash contribution made by waiving the pre-emptive right or in the case of share capital increases with contribution in kind shall be determined by the Board of Directors of the Issuer and shall be equal to the ratio between the amount of the contribution, determined in compliance with the relevant provisions, and the highest of the following values:

- the weighted average trading price for the last 12 months preceding the date of the GMS;
- the value per share calculated on the basis of the net book value of the issuer's latest published audited financial statements;
- the nominal value of the share.

*iv. The right to participate in the profits of the Issuer;*

The GMS may decide on the distribution of net profit for the purpose of allocating free shares to existing shareholders. The distribution of free shares will be made in proportion to the number of shares held. This right to allocate free shares arises in the event of increases in the share capital by incorporation of reserves, with the exception of legal reserves, as well as profits or share premiums.

*v. Rights to share in the surplus in the event of liquidation;*

This right may be exercised by the shareholders in the event of the Issuer ceasing to exist and they are entitled to receive their share following liquidation.

In the event that the cash obtained from the liquidation of the assets exceeds the aggregate amount of the liabilities, the shareholders of the Issuer shall be entitled to the distribution of the net assets in proportion to their respective share of the paid-up share capital.

Following completion of the liquidation, the liquidators shall draw up the final financial statement showing the portion due to each share from the distribution of the Issuer's assets. The financial statement signed by the liquidators shall be filed with the Trade Registry and published in the Official Gazette of Romania, Part IV.

Any shareholder may object at the Trade Registry Office within 15 days from the date of publication of the financial statement, which objection shall be entered in the Registry and subsequently submitted to the competent court. If no

shareholder objects within 15 days, the financial statements shall be deemed to be approved in their entirety and the liquidators shall be released subject to the distribution of the net assets of the Issuer.

Amounts due to shareholders, not received within two months of the publication of the financial statement, shall be deposited with a bank or one of its establishments, showing the name and surname of the shareholders.

*vi. Right of withdrawal in certain cases and under certain conditions laid down by Law No 31/1990*

Shareholders may withdraw from the Company, in strictly determined cases, under the conditions laid down in the Companies Law and the Law 24/2017.

Shareholders of the Issuer who do not agree with the decisions taken by the GMS have the right to withdraw from the company under certain conditions. Thus, the Companies Law provides for the right of shareholders to withdraw from the Company and to request the buyback of Shares when they have not voted in favour of a resolution taken on: (i) a change of the object of business; (ii) a move of the registered office abroad; (iii) a change of the legal form of the company; (iv) a merger or division of the company.

Dreptul de retragere se aplică și în cazul în care, urmare a unei oferte publice de cumpărare/ preluare derulată de către un acționar al Emitentului, acesta ajunge să dețină o anumită participație în cadrul Emitentului. În acest caz, ceilalți acționari au dreptul de a solicita respectivului ofertant de a le achiziționa acțiunile în Emitent, în anumite condiții (a se vedea punctul vii de mai jos).

*vii. Withdrawal provisions of Law 24/2017*

In accordance with the Law 24/2017, a shareholder who has conducted a public purchase offer addressed to all shareholders for all their holdings, has the right to request shareholders who did not subscribe to the offer to sell their shares to him at a fair price, if he is in one of the following situations:

- a) holds shares representing at least 95% of the total number of shares in the share capital that confer voting rights and at least 95% of the voting rights that can be effectively exercised;
- b) has acquired, within the public purchase offer addressed to all shareholders for all their holdings, shares representing at least 90% of the total number of shares in the share capital that confer the right to vote and at least 90% of the voting rights targeted in the offer.

The offeror may exercise this right within three (3) months from the date of the conclusion of the public offer. Furthermore, if a shareholder conducts a public purchase offer, the minority shareholder has the right to ask an offeror who falls into one of the situations mentioned above to buy his shares at a fair price, calculated in accordance with legal provisions. This right must also be exercised within three (3) months from the date of the conclusion of the public offer.

The right of withdrawal is also recognized for shareholders who disagree with the resolution adopted by the extraordinary general meeting of the Issuer's shareholders to withdraw from trading, if the conditions set forth in the regulations issued by the FSA are met. The price paid to withdrawing shareholders cannot be lower than the market value of their shares established in accordance with international valuation standards by an independent evaluator registered with the FSA.

*viii. Conversion clauses*

The Issuer declares that there are no securities convertible into shares of the Issuer.

As at the date of the Prospectus, the Issuer held 24,822,307 of its own shares. The Issuer has no securities outstanding which are convertible, exchangeable or which have attached warrants indicating the procedures for conversion, exchange or subscription into shares.

With respect to the foregoing, see Section 15 - Employees, subsections "15.2 - Equity Interests and Stock Options" and "15.3 - A Description of Any Arrangement Providing for Employee Equity Participation in the Issuer" with respect to the Issuer's approved SOP program.

*ix. Obligation to report a major shareholding*

According to Law 24/2017, if a shareholder acquires or sells shares of the Issuer in a percentage that reaches, exceeds or falls below 5%, 10%, 15%, 20%, 25%, 33%, 50% or 75% of the total voting rights in the Issuer, as well as of the total voting rights attached to all shares of the same class (as the case may be), such shareholder must immediately

notify the Issuer of the percentage of voting rights he holds as a result of such acquisition or sale. Voting rights shall be calculated on the basis of the total number of voting rights of the shares, even if the exercise of such rights is suspended.

For the purpose of calculating the above-mentioned thresholds, the Issuer shall make public the total number of shares issued and the voting rights attached to them at the end of each calendar month, if during that month there has been an increase or decrease in the share capital or in the number of voting rights (as the case may be, per class of shares, including in the case of conversion of shares from one class to another).

- x. *The obligation to make a mandatory takeover bid after admission to trading on the regulated market administered by the Bucharest Stock Exchange, where this obligation applies*

Law 24/2017 requires any person who, as a result of its acquisitions or the acquisitions of persons with whom it acts in concert, holds more than 33% of the voting rights of an issuer admitted to trading on a regulated market to launch a public offer to all holders of securities. Such a mandatory takeover bid must be aimed at obtaining all the holdings and must be made at a fair price as soon as possible but not later than two months after the 33% threshold is reached.

There is no obligation to launch a mandatory takeover bid for shareholders who already hold stakes of more than 33% of the voting rights before the entry into force of Law 24/2017 and in accordance with the legal provisions in force at the time such threshold was reached.

The mandatory takeover offer provisions do not apply if the 33% voting rights holding in the Issuer was acquired as a result of an exempt transaction. Exempt transaction means the acquisition of such a position:

- a) in a privatisation process;
- b) through the acquisition of shares from the Ministry of Public Finance or other entities legally entitled in the procedure for the enforcement of budgetary claims;
- c) as a result of the transfer of shares between a parent company and its subsidiaries or between subsidiaries of the same parent company;
- d) following a voluntary takeover bid addressed to all holders of such securities and in respect of all such securities held.

Pending the launch of a mandatory takeover bid, the voting rights attaching to securities exceeding the 33% threshold shall be suspended and that shareholder (and any person with whom it is acting in concert) may not acquire shares of the same issuer by any other means.

If the holding of shares representing more than 33% of the voting rights in the Issuer is reached unintentionally, the holder of such shares may either make a takeover bid or renounce the number of shares which triggered this obligation. The acquisition of shares representing more than 33% of the voting rights in the Issuer is presumed to be unintentional if it is the result of a transaction such as:

- a) a reduction of the share capital by the Issuer repurchasing its own shares after their cancellation;
  - b) the exercise of pre-emptive rights, subscription or conversion of the rights originally allotted, as well as the conversion of preference shares into ordinary shares;
  - c) merger/division or succession.
- xi. Other rights of shareholders

The Companies Act, Law 24/2017 and Regulation 5/2018 also provide for the following rights for certain categories of shareholders, compliance with which is closely monitored by the Issuer:

- a) the right of the shareholder/s, holding separately or jointly at least 5% of the Issuer's share capital, to request internal auditors to investigate complaints concerning the Issuer;
- b) the right of the shareholder(s), holding separately or jointly at least 5% of the share capital of the Issuer, to request the convening of a general meeting of shareholders, to propose new items on the agenda of the meeting and to propose draft resolutions for items on the agenda of the general meeting of shareholders; if this request is not complied with, the shareholders concerned have the additional right to request the court to

convene a general meeting immediately;

- c) the right of the shareholder(s), holding separately or jointly at least 5% of the share capital of the Issuer, to request the court to appoint one or more experts to investigate certain operations in the management of the Issuer and to prepare a report thereon;
- d) the right of the shareholder/s directly or indirectly holding at least 5% of the Issuer's share capital or voting rights to request the election of the members of the Board of Directors by cumulative voting;
- e) directors, officers, members of the Board of Directors and auditors or financial auditors, for damages caused to the company by them, through breach of their duties towards the Issuer. If the general meeting does not decide to bring an action for damages, nor does it act on the proposal of one or more shareholders to bring such an action, the shareholders representing, individually or jointly, at least 5% of the share capital shall have the right to bring an action for damages, in their own name but on behalf of the Issuer, against any of the above-mentioned persons.

- **SALE RESTRICTIONS**

The distribution of this document and the offering of New Shares in certain jurisdictions may be restricted by law and, accordingly, persons in possession of this document should be informed of and comply with these restrictions, including those set out in the following paragraphs. Any breach of these restrictions may represent a violation of the securities law of any such jurisdiction.

- ***No public bid shall be made outside Romania***

No action has been taken and no action shall be taken in another jurisdiction (other than Romania) that could allow an offer to the public of the New Shares, or the possession or distribution of this document or any other offer material in any country or jurisdiction in which any action is sought for that purpose or in which such action could be restricted by law. Therefore, the New Shares may not be offered or sold, directly or indirectly, and neither this document nor any offer or advertising material in connection with the New Shares may be distributed or published in or from any other country or jurisdiction, except in circumstances that shall be consistent with the rules and regulations applicable in such a country or jurisdiction. The persons in possession of this document should be informed of and comply with any restrictions related to the distribution of this document and the offering of the New Shares contained in this document. Any breach of these restrictions may represent a violation of the securities law of any such jurisdiction. This document does not constitute an offer to purchase any New Shares that are offered to any person in any jurisdiction where it is illegal to make such an offer or request in that jurisdiction.

This Prospectus may be distributed to the public and the New Shares may be offered for sale or purchase only in Romania in conformity with the Law no. 24/2017, Regulation 5/2018 and the Prospectus Regulation.

- ***European Economic Area***

By reference to each Member State of the European Economic Area ("EEA"), no New Share has been or shall be offered, in line with the Offer, to the public in that Member State before the publication of a prospectus in relation to the New Shares, approved by the competent authority of that Member State or, where necessary, approved in another Member State and notified to the competent authority of that Member State, in line with the Prospectus Regulation.

For the purposes of this provision, the expression "public offer" in relation to any New Shares in any Member State means the communication, in any form and by any means, of sufficient information regarding the terms of the offer and any New Shares to be offered to allow an investor to decide to acquire any New Shares, as this expression may vary in that Member State due to any measure implementing the Prospectus Regulation in that Member State.

If any New Shares are offered to a financial intermediary, as is the term used in the Prospectus Regulation, it shall be deemed that such financial intermediary has declared, acknowledged and accepted that the New Shares purchased by it under the Offer have not have been acquired in a non-discretionary manner and have not been acquired for the purpose of being offered or resold to persons who are not entitled to do so. The Issuer and the Intermediary and others shall rely on the veracity and accuracy of the above statements, confirmations and agreement.

- ***Notice addressed to foreign investors***

Due to the following restrictions prospective investors are advised to consult legal counsel prior to making any resale, pledge or transfer of New Shares.

The New Shares have not been, and will not be, registered under the Securities Act, or the securities laws of any state in the United States, and such securities may be offered or sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. The New Shares may only be transferred (i) outside the United States in compliance with Rule 903 or 904 of Regulation S, or (ii) pursuant to an available exemption from registration under the Securities Act.

Each person who subscribes for New Shares will be deemed to represent and warrant to the Issuer that it can lawfully subscribe for the New Shares and, in particular, that it and the person, if any, for whose account or benefit it is acquiring such Rights or subscribing for such New Shares (i) unless agreed with the Issuer (based on an undertaking provided by the Issuer upon request), it is subscribing for the New Shares in an offshore transaction meeting the requirements of Regulation S and (ii) is aware that the New Shares have not been and will not be registered under the Securities Act and such New Shares are being offered and sold outside the United States in reliance on Regulation S. Each investor that subscribes for New Shares shall be deemed to acknowledge and agree that the Issuer, its financial and other advisors, their respective affiliates and others may rely upon the truth and accuracy of the foregoing representation and warranty.

The New Shares have not been and will not be registered according to the securities laws in Australia, Canada or Japan. Subject to certain exceptions, the New Shares may not be offered or sold in any jurisdiction or to or on behalf of any resident or citizen of Australia, Canada or Japan. The New Shares have not been recommended by any federal or state commission in the United States of America or any other regulatory authority. In addition, the above-mentioned authorities have not confirmed the correctness or the compliant nature of this Prospectus. Any statement to the contrary is an offense in the United States of America.

The distribution of this Prospectus and the offer and sale of New Shares in certain jurisdictions may be restricted by law. No action has been nor will be taken by the Issuer or the Intermediary to allow a public offering of the New Shares in accordance with securities laws in other jurisdictions. Other than in Romania, no action has been nor will be taken to allow the holding or distribution of this Prospectus (or any other offer material or advertising release regarding the New Shares) in any jurisdiction where an action is required in this sense or where such action is restricted by law. Therefore, neither this Prospectus nor any advertising release and other offer material may be distributed or published in any jurisdiction except in circumstances that would lead to compliance with any applicable laws or regulations. The persons in possession of this Prospectus must be informed of and comply with these restrictions. Any breach of these restrictions may result in a violation of the laws applicable in these jurisdictions.

- **Notice addressed to UK investors**

This Prospectus and any other material in relation to the New Shares described herein is only being distributed in the United Kingdom to, and is only directed at, persons that are qualified investors (“qualified investors”) within the meaning of Article 2(e) of the Prospectus Regulation that also: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”); or (ii) who fall within Article 49(2)(a) to (d) of the Order; or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as the “relevant persons”). The New Shares are only available in the United Kingdom to, and any invitation, offer or agreement to purchase or otherwise acquire the New Shares will be engaged in only with, the relevant persons. This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this Prospectus or any of its contents.

**Statement as to the existence of any national procurement legislation applicable to the Issuer which may prevent such procurement, if applicable. A brief description of the rights and obligations of shareholders if there are mandatory takeover and/or squeeze-out or mandatory redemption regulations in relation to the securities**

The Issuer declares that it has no information about the existence of any national takeover legislation applicable to the Issuer which may prevent such purchases of securities. The Issuer declares that it has no information about mandatory takeover bids and/or mandatory squeeze-out offers or offers to buy back securities addressed to the Issuer. The Company has not been the subject of a request for compulsory withdrawal from the Company and has never had shareholders who have requested such withdrawal under the law following the adoption of AGM resolutions. For the rights and obligations of shareholders in relation to mandatory takeover bids and mandatory withdrawal or mandatory redemption in relation to securities respectively, see Section 3 (Rights attaching to Offered Shares), subsections vi, vii

and x above.

**Statement on takeover bids made by third parties for the Issuer's capital during the previous or current financial year.**

Neither during the previous financial year nor in the current financial year were/are there any takeover bids made by third parties for the Issuer's capital.

**With regard to restriction contracts, details of the following elements shall be provided: (a) the parties involved; (b) the content of the contract and the exceptions provided for; (c) an indication of the length of the restriction period**

**Not applicable.**

• **TERMS AND CONDITIONS OF THE OFFER**

○ *Offer Terms*

The offer is initiated and conducted in line with the terms, specifications and requirements under:

- Resolution of the General Extraordinary Meeting of the Issuer's Shareholder of 22 December 2022, published in the Official Gazette of Romania, part IV, no. 442 of 30 January 2023;
- Decision of the Issuer's Board of Directors of 18 April 2024, published in the Official Gazette of Romania, part IV, no. 2167 of 30 April 2024;
- Law no. 24/2017 on the issuers of financial instruments and market operations, republished;
- Companies law no. 31/1990 republished, as further amended and supplemented;
- FSA Regulation no. 5/2018 on the issuers of financial instruments and market operations, as further amended and supplemented;
- Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market supplemented by Delegated Regulation (EU) 2019/979 and Delegated Regulation (EU) 2019/980 on the rules for drawing up the summary and contents of the prospectus, as amended and supplemented

○ *Validity duration of the offer, including any possible amendment*

The Offer Period (the period throughout which the Preference Rights are exercised) is of 32 calendar days, namely between: 3 June 2024 and 4 July 2024; the subscription within the Offer will be conducted during the time interval 9:00 – 17:00 of each Business Day, except for the last Business Day when the subscription program ends at 12:00 – for all investors irrespective of the Central Depository Section in which they hold Preference Rights. During the Preference Rights phase, only the Preference Rights Holders will be able to subscribe.

○ *Subscription proceedings*

**By subscribing for New Shares, each Preference Holder confirms that it has read this Prospectus, that it has unconditionally accepted the terms and conditions set out in this Prospectus and that it has subscribed for the New Shares in accordance with the terms contained in this Prospectus and warrants to the Issuer and the Intermediary that it is an investor who may lawfully subscribe for New Shares (without being subject to any restrictions or limitations) in its jurisdiction of residence. Any subscription made in breach of this Prospectus or applicable law will not be deemed valid and will be void. Signing the Subscription Form constitutes unconditional acceptance of the terms and conditions of the New Shares in their entirety.**

New Shares may be subscribed for by Preference Holders as follows:

- Holders of Preference Rights whose Preference Rights are registered at the time of subscription in Section I of the Central Depository may subscribe only through the Intermediary, at its offices listed on the Intermediary's website at [www.btcapitalpartners.ro](http://www.btcapitalpartners.ro), and by e-mail at [office@bt-cp.ro](mailto:office@bt-cp.ro), signed with a qualified electronic signature in accordance with the provisions of Regulation (EU) No. 910/2014 on electronic identification and trust services for electronic transactions in the internal market; Holders of Preference Rights who have submitted the Subscription Form by e-mail will receive confirmation from the Intermediary of receipt of the e-mail, receipt of

the electronically signed Subscription Form and, respectively, compliance, as the case may be, with the subscription conditions set out in the Prospectus, within a maximum of 3 (three) Business Days of receipt thereof.

- Holders of Preference Rights whose Preference Rights are registered at the time of subscription in an account opened by a Participant/Intermediary in Section II or Section III of the Central Depository will be able to subscribe through the Intermediary or the Participant managing the securities accounts in which the Preference Rights exercised are evidenced. Such subscriptions shall be made in accordance with the provisions of this Prospectus, and with the internal regulations of each Participant applicable to the taking, validation and transmission of orders relating to subscriptions received, as well as those relating to the management of settlement in the Central Depository system of subscription instructions. Payment for subscribed shares shall also be made in accordance with the regulations of the Central Depository and the procedures of the intermediary through which the investor subscribes.

No placement of subscription/purchase orders to participants other than the Intermediary and/or to Participants in the case of subscriptions made by holders of Preference Rights registered in Section II or Section III of the Central Depository will be taken into account and the Issuer and the Intermediary will have no liability in relation thereto.

**a) Subscription of New Shares by holders of Preference Rights who, at the time of subscription, have Preference Rights registered in Section I**

Subscription shall be made exclusively through the Intermediary, at the Intermediary's offices mentioned on the Intermediary's website [www.btcapitalpartners.ro](http://www.btcapitalpartners.ro), as well as by e-mail at [office@bt-cp.ro](mailto:office@bt-cp.ro), signed with a qualified electronic signature in accordance with the provisions of Regulation (EU) No 910/2014 on electronic identification and trust services for electronic transactions in the internal market, throughout the Subscription Period every Business Day between 9:00 a.m. and 5:00 p.m. Romanian time, and between 9:00 a.m. and 5:00 p.m. Romanian time, respectively. and 12:00 p.m., Romanian time on the last Business Day of the Subscription Period.

The Intermediary will validate subscriptions provided that the Preference Holder subscribing for New Shares complies with all of the requirements set out below:

- hold the Preference Rights registered in Section I;
- submit/send the signed Subscription Form in two original copies (or sent by e-mail in accordance with the procedures in this Prospectus) for the number of New Shares he/she wishes to subscribe for up to the maximum number of New Shares he/she is entitled to subscribe for under the Preference Rights he/she holds. The Subscription Form will be available on the Intermediary's website ([www.btcapitalpartners.ro](http://www.btcapitalpartners.ro)) and on the Issuer's website ([www.aobs.com](http://www.aobs.com));
- submit/transmit the document confirming payment for the New Shares subscribed for (including transmission by e-mail in accordance with the procedures set out in this Prospectus) in accordance with the conditions set out in this Prospectus;
- submit/transmit with the Subscription Form the documents required for the subscription (including transmission by e-mail in accordance with the procedures set out in this Prospectus) referred to in the "Subscription Documents" section of this Prospectus.

Holders of Preference Rights may submit/transmit the above documents using the following means:

- (i) Personal deposit at the Intermediary's head office in Cluj-Napoca, Constantin Brâncuși Street no. 74-76, ground floor, Cluj County and the Intermediary's agencies mentioned on the Intermediary's website [www.btcapitalpartners.ro](http://www.btcapitalpartners.ro), during business hours, between 9:00 a.m. and 5:00 p.m., Romanian time, on each Business Day of the Subscription Period, with the exception of the last Business Day of the Subscription Period, when subscriptions may be registered only between 9:00 a.m. and 12:00 p.m., Romanian time.
- (ii) By courier or registered letter with acknowledgement of receipt, during the Subscription Period, with delivery to the registered office of the Intermediary in Cluj-Napoca, Constantin Brâncuși Street no. 74-76, ground floor, Cluj County. The envelope shall bear the following text in capital letters: "For the Increase of the Share Capital of Aobs Transilvania Software S.A.". The Intermediary will only consider Subscription Forms registered by 12:00



p.m., Romanian time, on the last Business Day of the Subscription Period.

- (iii) By email to office@bt-cp.ro, with the reference "For the Increase of the Share Capital of Arobs Transilvania Software S.A.", from Monday to Friday between 9:00 a.m. and 5:00 p.m., Romanian time, on each Business Day of the Subscription Period, with the exception of the last Business Day of the Subscription Period, when the subscription can be registered only between 9:00 a.m. and 5:00 p.m., Romanian time, and 12:00 p.m., Romanian time. The Intermediary will confirm to the Subscriber, by reply to the e-mail received from the Subscriber within a maximum of 3 (three) Business Days, the receipt of the documents required for the subscription and whether they comply with the conditions set out in the Prospectus.

Regardless of the means of transmission chosen, subscriptions made on the basis of documents received outside the Subscription Period and/or which do not meet the conditions for subscription in the Prospectus will not be validated.

Regardless of the means chosen to transmit/deposit documents, subscription under this Offer constitutes unconditional acceptance of the terms and conditions of the Offer and of this Prospectus, with each Preference Holder confirming that it has received, read, understood and accepted the terms and conditions contained in this Prospectus and has subscribed in accordance therewith.

Subscriptions for New Shares during the Subscription Period will be made in accordance with the Intermediary's internal procedures. Subscription for New Shares will not be validated if the subscription procedures contained in the Prospectus have not been complied with.

**b) Subscription of New Shares by the Preference Rights Holders that have a valid contract for financial investment services concluded with a Participant, including the Intermediary, and that, at the time the subscription is made, have their Preference Rights registered in an account opened by that Participant in Section II and the Preference Rights registered in Section III**

The Preference Rights Holders may validly subscribe the New Shares by exercising the Preference Rights, without being necessary to submit the identification documents mentioned below, unless changes have occurred with respect to identification data from the date of the last update.

The subscription is made by sending a subscription instruction according to the provisions of a valid contract for financial investment services/custody concluded with the Participant/ Intermediary, by any communication means included in the respective contract. In this case, it is not mandatory for the Preference Rights Holders to fill in a Subscription Form.

The Participant/ Intermediary will accept the subscriptions according to the present Prospectus and the internal regulations applicable for receiving, validating and sending for execution the subscriptions received, as well as the ones pertaining to managing the settlement of subscription instructions.

The validation of subscriptions by the Participant/ the Intermediary includes also checking the fact that the Preference Rights Holder has not subscribed a number of New Shares larger than it was entitled based on the number of Preference Rights held. After checking each subscription, the Intermediary or the Participant, as the case may be, will register the respective subscription in the Central Depository's system. Subscription instructions are placed based on the Preference Rights held by the Preference Rights Holders, and the funds are settled using the settlement mechanism managed by the Central Depository, within the daily settlement sessions.

During the Subscription Period, the Participant/ Intermediary taking over the subscription will receive the subscription instructions and will process, validate and register, in the shortest time possible, all the subscriptions validly received. The subscriptions for the New Shares shall not be validated if the subscription procedures included in the present Prospectus were not observed. The subscriptions for New Shares that were not validated will be cancelled, and the Preference Rights Holders will be informed accordingly, as per the conditions included in the contract for investment/custody contract concluded with the Participant/Intermediary. The liability for the funds necessary for the settlement of the subscription instructions lies completely with the Participant/ Intermediary through which subscriptions were made under the Offering. The subscribed New Shares will have to be paid according to the

procedures communicated by the Participant/ Intermediary. The subscription of New Shares during the Subscription Period shall be made by observing the regulations and procedures of the Central Depository, as well as the internal procedures of the Participant/ Intermediary by which the subscription of New Shares is made.

Participants must inform the Preference Rights Holders about the conditions for implementing the Offering and are solely responsible for implementing the Offering and for complying with this Prospectus and the FSA regulations, including, but not limited to, the settlement of the underwriting instructions validated and recorded in the Central Depository's system.

**c) Common provisions**

Irrespective of the means chosen to send/submit the documents, a subscription for the New Shares by a Preference Rights Holder means that the subscribing investor agrees to purchase the New Shares at the Maximum Subscription Price. Each investor must comply with the appropriate money laundering controls requested by the relevant Intermediary or the Participant through which it has subscribed for the New Shares.

Irrespective of the manner in which the subscription was made, at the time of making the subscription, each Preference Rights Holder represents and warrants to the Issuer that it may lawfully subscribe for New Shares and, in particular, that it and the person, if any, on whose behalf or for whose benefit it acquires such rights or subscribes for such New Shares (i) unless it has agreed with the Issuer (pursuant to an undertaking provided by the Issuer on request), subscribes for the New Shares in an offshore transaction that meets the requirements of Regulation S and (ii) is aware that the New Shares have not been and will not be registered under the Securities Act and that such New Shares are being offered and sold outside the United States pursuant to Regulation S. Each investor subscribing for New Shares is deemed to acknowledge and agree that the Issuer, its financial and other advisers, their respective affiliates and other persons may rely on the truth and accuracy of the foregoing representation and warranty.

It shall be considered that each Preference Rights Holder who subscribes for the New Shares has confirmed and agreed that said investor may not rely on information or statements other than those contained in this Prospectus or any supplement to the prospectus, that, if the laws of any jurisdiction outside Romania are applicable to the contract of that investor with the Intermediary or Eligible Participant by which the Subscription for the New Shares was made, that investor complied with all those laws and the Issuer or Intermediary shall not breach any law of any jurisdiction outside Romania as a result of the rights and obligations of that investor resulting from that investor's contract, and that the personal information of that investor may be held or used by the Intermediary or Eligible Participant or Issuer for purposes related to the Offer, which may include providing its data to third parties to perform checks on previous credit references, money laundering checks and to file tax returns, and also to keep a record of subscriptions based on the Offer for a reasonable period of time.

It shall be considered that the Preference Rights Holder have invested exclusively on the basis of the Prospectus, together with any supplements thereof and their respective subscription for the New Shares.

The Subscriptions of New Shares by the Preference Rights Holders shall not be validated if:

- the amount transferred to the Collector Accounts is less than the Maximum Subscription Price multiplied by the number of New Shares subscribed by the respective investor; or
- the subscription procedures were not followed.

The validation of subscriptions made by shareholders with holdings in Section I of the Central Depository through the Intermediary will be made after verification of the documents submitted or presented by the Preference Rights Holder and after verification of the existence of the Preference Rights and of the receipt of the consideration for the New Shares subscribed for in the Issuer's account. The shareholders registry with holdings registered in Section I of the

Central Depository and the number of Preference Rights allotted to them will be communicated to the Intermediary by the Issuer.

Validation of subscriptions made by shareholders with holdings in Section II and III of the Central Depository will be carried out by the Intermediary/Participants only after verification of the holding of Preference Rights by each Preference Rights Holder. Subscription instructions are entered by the Preference Rights Holders on the basis of Preference Rights held by investors and the funds are settled through the settlement mechanism administered by the Central Depository during the daily settlement session. The responsibility for validating and settling subscriptions lies with the Intermediary and the other Participants through which investors will make subscriptions. A subscription for the purchase of New Shares cannot be covered by a combination of amounts available in the client account(s) and direct payment orders into a bank account for the remaining amounts. Cash held in a client account with the Intermediary or Participant which is intended for payment of New Shares may not be used by the Preference Holder for other transactions.

The subscriptions made by the Preference Rights Holders with holdings registered in Section I of the Central Depository shall be validated, provided that, by the end of 4 July 2024, the subscription is accompanied by the subscription documents (if applicable) and the proof of payment of the Maximum Subscription Price multiplied by the number of New Shares subscribed for (the “**Proof of Payment**”), representing the bank transfer to the Collector Account, opened in RON, with IBAN RO47BTRLRONCRT0092110302, opened at Banca Transilvania, beneficiary of Arobs Transilvania Software S.A. (the “**Collector Account**”) (the only Proof of Payment accepted for Preference Rights Holders holding shares of the Issuer in Section I of the Central Depository), provided that such account is credited no later than 12:00 p.m., Romanian time, on the last Business Day of the Subscription Period. The Intermediary and/or the Issuer shall not be held liable if, for reasons beyond their control, the Collection Account is not effectively credited with the amounts representing the value of the New Shares subscribed for by the holders of Preference Rights before 12:00 p.m., Romanian time, on the last Business Day of the Subscription Period.

The payment order must include the personal numeric code/passport series/identification code of the investor. The account number to be completed by an investor in the subscription form must be the account number from which the subscription amount is actually transferred. The amounts transferred to the bank account or to the client account will not bear interest in favor of that investor.

Combining multiple payment orders for a single valid subscription is not allowed. The price for the New Shares purchased does not include bank charges or other applicable fees, including any applicable fees or charges of relevant capital market institutions. Investors should consider the fees applicable to bank transfers and their duration.

Subscriptions will be considered only for the amount actually transferred to the relevant Collector Account or to the respective customer account(s).

If the amount transferred by a Preference Rights Holder to the relevant Collector Account or to the respective client account(s) is greater than the Maximum Subscription Price multiplied by the number of New Shares mentioned in the subscription form/order, the subscription will be validated only for the number of New Shares mentioned in the respective form/order.

If the amount transferred by a Preference Rights Holder to the relevant Collector Account or to the respective client account(s) is less than the Maximum Subscription Price multiplied by the number of New Shares mentioned in the subscription form/order, or if the subscription procedures in this document were not met, the subscription shall be invalidated for the total number of subscribed New Shares, and the investor will be refunded the amount transferred within 5 (five) Business Days from the end of the subscription for the respective category of investors.

If a Preference Rights Holder subscribed a higher number of New Shares than it could subscribe according to the Preference Rights it holds and transferred to the Collector Account a higher amount, the subscription shall be validated only for the number of New Shares that could be subscribed according to the number of Preference Rights held by the respective Preference Rights Holder.

Subscriptions for New Shares that are not validated shall not be considered. Subscriptions for New Shares will not be validated if the subscription procedures set out in this Prospectus have not been complied with. Subscriptions for New Shares which have not been validated will be cancelled and investors will be notified accordingly under the terms of the investment services/custody agreement with the Participant or the Intermediary respectively. Subscriptions made on the basis of documents received outside the Subscription Period or which do not comply with the conditions set out in this Prospectus will not be validated.

Any refunds to investors shall be made without interest and net of any bank transfer fees and any applicable fees of market institutions, in the bank account specified by each investor in the subscription form submitted in relation with the purchase of the New Shares, in the contract of financial investment services or otherwise agreed with the Intermediary or Participant through which the subscription was made, as the case may be. No interest shall be paid to investors in respect of those amounts. If an investor has indicated more than one account for the refund of any such amounts, the full amount may be refunded only in one of the accounts indicated by the investor, at the free choice of the Intermediary or Participant, as the case may be.

The price of the New Shares does not include bank charges or other applicable fees. Investors should consider the fees applicable to bank transfers and their duration.

o ***Subscription documentation***

In the case of subscriptions made through the Intermediary corresponding to Preference Rights registered in Section I at the time of subscription, the Preference Rights Holder shall submit or forward to the Intermediary the Subscription Form duly completed by the Preference Rights Holder in two original copies (or sent by e-mail in accordance with the procedures in this Prospectus), accompanied by a Proof of Payment and the documents listed below, which shall be provided in English or Romanian.

In the case of a Preference Holder whose Preference Rights, at the time of subscription, have been registered in an account of a Participant, including the Intermediary, opened in Section II or Section II of the Central Depository, the Preference Holder may validly subscribe through that Participant/Intermediary, if it has entered into an investment services agreement with the latter, without being required to submit the identification documentation set out below, unless there has been a change in its identification details since the last update.

For the avoidance of doubt, the Intermediary is responsible for verifying the documents corresponding to the subscriptions it receives and will not be responsible for verifying or validating subscriptions for New Shares made by Participants, for the latter the responsibility rests with the Participant through whom the subscription was made.

The Subscription Form is available at the Intermediary's branches mentioned on the Intermediary's website [www.btcapitalpartners.ro](http://www.btcapitalpartners.ro), on the Intermediary's website, on the Issuer's website ([www.arobs.com](http://www.arobs.com)) and on the BVB ([www.bvb.ro](http://www.bvb.ro)). The Subscription Form shall be submitted in original, completed, signed by the investor in handwriting, or by e-mail, accompanied by the Proof of Payment and the following documents:

- |  |  |
|--|--|
| <b>A. Natural persons resident who subscribe for New Shares in their own name:</b> | - Identity card/ID card (original and copy);P<br>- Bank statement for the bank account mentioned in the Subscription Form          |
| <b>B. Natural persons resident who subscribe for New Shares on behalf of other</b> | - Identity card/ID card (in original and copy) of the representative and ID card/ID card (copy) of the represented natural person; |

- natural persons:**
  - Proxy in authentic form given to the representative (in original and copy)
  - Bank statement for the bank account mentioned in the Subscription Form
  
- C. Natural persons incapable of residence (without discernment) or under guardianship:**
  - Identity card/card (original and copy) of the resident natural person subscribing for the represented natural person and identity card/copy (copy) of the incapable person
  - Passport (original and copy) and/or residence permit (original and copy) of the natural person subscribing for the incapacitated person – applicable only to foreign citizens
  - The legal act establishing the guardianship or, as the case may be, the document establishing the guardianship
  - Bank statement for the bank account mentioned in the Subscription Form
  
- D. Non-resident natural persons who subscribe in their own name:**
  - Passport and proof of residence, if not mentioned in the passport, or identity card issued by an EU/EEA Member State (original and copy)
  - Proof of MIFIR code (if applicable, depending on citizenship);
  - Bank statement for the bank account mentioned in the Subscription Form.
  
- E. Non-resident natural persons who subscribe by resident authorized representatives:**
  - Passport and proof of domicile, if not mentioned in the passport, or identity card of the represented natural person issued by an EEA Member State (copy)
  - Authorized representative's identity card (original and copy)
  - Proof of MIFIR code (if applicable, depending on citizenship)
  - Power of attorney in authentic form (and, if the case, apostille) for the representative (copy)
  - Bank statement for the bank account mentioned in the Subscription Form.
  
- F. Resident legal entities subscribing in their own name:**
  - Registration Certificate issued by the Trade Register (copy)
  - Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the legal person)
  - Confirmation of company details issued by the Trade Register no later than 30 Business Days before the date of subscription (in original)
  - Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided

for all such persons) (power of attorney in original and any other documents certified in accordance with the original by the legal representative of the entity)

- Identity card (in original and copy) of the person subscribing on behalf of the legal entity
- Declaration of beneficial owners filed with the ONRC (copy) or extract from the Register of Beneficial Owners with their current status;
- Proof of LEI code;
- Bank statement for the bank account mentioned in the Subscription Form.

**G. Non-resident legal persons subscribing in their own name:**

- Registration Certificate or deed of incorporation issued by the Trade Register or an equivalent institution in the jurisdiction of establishment, if any (copy)
- Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the non-resident legal person)
- Confirmation of company details/certificate on the current situation or equivalent documents issued by the Trade Register or an equivalent institution in the jurisdiction of establishment or, if no institution is authorized to issue such a certificate, any other document proving the quality of legal representatives of that entity (in original), and to be issued no later than 30 Business Days before the date of subscription (in original); such a corporate document of the non-resident legal person shall clearly state whether the legal representatives have the right to act separately or together
- If the subscriptions are carried out by a person other than the legal representative(s) of the non-resident legal person(s), the power of attorney/mandate signed by the legal representatives of the non-resident legal person authorizing that person to subscribe the New Shares on behalf of the non-resident legal person (original and copy)
- Identity card of the subscriber acting as legal representative or agent of the non-resident legal person: passport and proof of domicile, if not mentioned in the passport, identity card (for EU/EEA citizens) (copy)
- Declaration of beneficial owners filed with the ONRC (copy) or extract from the Register of Beneficial Owners with their current status;
- Proof of LEI code;
- Bank statement for the bank account mentioned in the Subscription Form.

**H. Non-resident legal persons subscribing by a resident legal person**

- Registration Certificate or deed of incorporation issued by the Trade Register or an equivalent institution in the jurisdiction of establishment, if any (copy)

- Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the non-resident legal person)
- Confirmation of company details/certificate on the current situation or equivalent documents issued by the Trade Register or an equivalent institution in the jurisdiction of establishment or, if no institution is authorized to issue such a certificate, any other document proving the quality of legal representatives of that entity (in original), and to be issued no later than 30 Business Days before the date of subscription (in original); such a corporate document of the non-resident legal person shall clearly state whether the legal representatives have the right to act separately or together
- Registration Certificate of the resident legal person representative issued by the Trade Register (copy)
- Up-to-date Articles of Incorporation/Statute of the resident legal person representative (certified true copy to the original certified for conformity with the original by the legal representative of the legal person)
- Confirmation of company details for the resident legal person representative issued by the Trade Register no later than 30 Business Days before the date of subscription (in original)
- Identity card of the legal representative of the resident legal person who subscribes acting as representative on behalf of the non-resident legal person (in original and copy);
- Power of attorney signed by the legal representative(s) of the non-resident legal person empowering the resident legal person to subscribe within the Offer;
- Declaration of beneficial owners filed with the ONRC (copy) or extract from the Register of Beneficial Owners with their current status;
- Proof of LEI code;
- Bank statement for the bank account mentioned in the Subscription Form.

**I. International Financial Institutions (IFIs)**

- Articles of Incorporation/Statute of the IFI or a copy of the Romanian law by which Romania accepted or adhered to the constitutive act of the IFI in question
- Power of attorney/certificate empowering the person who will sign the subscription form for subscription on behalf of IFI (in original or certified copy)
- Identity card of the person who will sign the subscription form on behalf of IFI (copy)
- Proof of LEI code;
- Bank statement for the bank account mentioned in the Subscription Form.

**J. Resident/non-resident natural persons represented by an asset management company by a portfolio management mandate.**

**Documents for the asset management company**

- Identity card (copy), for resident natural persons;
- Passport and proof of domicile, if not mentioned in the passport, or identity card for citizens of an EU/EEA Member State (copy), in the case of non-resident natural persons
- Power of representation (original and copy)
- Registration Certificate issued by the Trade Register (copy)
- Articles of Incorporation/up-to-date statute (copy in accordance with the original certified by the legal representative of the legal person)
- Confirmation of company details issued by the Trade Register no later than 30 Business Days before the date of subscription (in original)
- Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided for all such persons) (power of attorney in original and any other documents certified in accordance with the original by the legal representative of the entity)
- Identity card (in original and copy) of the person subscribing on behalf of the legal entity
- Proof of LEI code;
- Bank statement for the bank account mentioned in the Subscription Form.

**K. Entities managed by other resident/non-resident legal persons (e.g. investment funds, pension funds)**

- The documents listed below shall be submitted to the legal person that manages that entity and shall be accompanied by the authorization obtained by that entity from the competent supervisory authority
- Registration Certificate issued by the Trade Register (copy)
- Articles of Incorporation/up-to-date statute (copy in accordance with the original certified by the legal representative of the legal person)
- Confirmation of company details issued by the Trade Register no later than 30 Business Days before the date of subscription (copy)
- Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided for all such persons) (power of attorney in original and any other



documents certified in accordance with the original by the legal representative of the entity)

- Identity card (in original and copy) of the person subscribing on behalf of the legal entity
- Decision authorising the fund (copy);
- Fund prospectus (copy);
- Proof of LEI code for the management company;
- Proof of LEI code for the fund;
- Bank statement for the bank account mentioned in the Subscription Form.

The Intermediary or Participant, as the case may be, through which an investor subscribes for the purchase of the New Shares may request additional documents necessary to fulfill its obligations on compliance with the rules of “customer knowledge” and customer identification procedures, in accordance with its internal procedures. The Offer Intermediary or the Participant, as the case may be, shall verify the subscription forms received and the related documentation, and shall validate them in accordance with the terms and conditions of this Prospectus. The investors who have sent the subscription form by e-mail shall be notified of the receipt of the e-mail within one working day of its receipt, namely within 3 (three) Business Days of the validation of their subscription by Intermediary.

All documents submitted by investors in relation with their subscription for the purchase of the New Shares will be in English or Romanian or accompanied by a legalized translation copy into English or Romanian.

o ***New Shares Price***

The subscription price of the New Shares offered in the preference rights exercising stage will be the maximum value of the subscription range, *i.e.*, RON 0.93 RON per New Share (“**Maximum Subscription Price**”). At the time of completion of the Private Placement, the final subscription price for the New Shares offered under the exercise of preference rights (“**Final Subscription Price**”) will be announced. In the event that the Final Subscription Price is lower than the Maximum Subscription Price, the Preference Rights Holders who subscribed for New Shares in the first round will be refunded the difference between the Maximum Subscription Price and the Final Subscription Price, within 5 Business Days from the date the Final Subscription Price is announced to the bank account indicated by each investor in the subscription form submitted at the time of subscription for New Shares under the financial investment services agreement entered into (or otherwise agreed) with the Offer Intermediary or the Participant through which he subscribed, as the case may be. In any event, the amounts will be repaid without interest and net of any bank transfer fees and any fees of the relevant market institutions. If no subscriptions are made under the Private Placement, the Share Capital Increase will comprise only stage I of the exercise of the Pre-emptive Rights under this Prospectus and the Final Subscription Price will be equal to the Maximum Subscription Price.

The banking fees or any other taxes, including any other fees charged by the relevant market institutions, in relation to the payment of the Maximum Subscription Price, respectively of the Final Subscription Price will be borne separately by the investors. Such taxes cannot be quantified by the Issuer or the Offer Intermediary. Investors will not incur any additional costs or fees in connection with the submission of subscriptions for the New Shares, other than the costs (if any) of opening and administering a securities account (if such investor does not already have an account) and any fees of the Intermediary or Participants payable under any relevant contracts or pursuant to any regulations issued by the entity accepting such subscriptions.

Each investor who has subscribed for New Shares in the Offer will be refunded the full amount paid by that investor for the New Shares if:

- a) an investor’s subscription is not validated; and/or
- b) an investor’s subscription is withdrawn in case a supplement to the prospectus is published in accordance with the provisions herein.

In any case, the amounts shall be reimbursed without interest and net of any bank transfer fees and any fees of the

relevant market institutions. The resulting amount shall be refunded to the bank account indicated by each investor in the subscription form submitted on the occasion of subscribing the New Shares, under the financial investment services contract concluded (or otherwise agreed) with the Offer Intermediary or the Participant by which subscribed, as appropriate, and the refund shall be made within 5 (five) Business Days from the expiry of the relevant offer period.

If an investor has indicated more than one account for the refund of any such amounts, the full amount may be refunded only in one of these accounts, at the free choice of the Offer Intermediary or the Participant, as applicable. Payments to investors' bank accounts shall be made first to investors who have made valid subscriptions and only later to investors who have made invalid subscriptions. The Offer Intermediary shall not be held liable if those amounts are not transferred due to the fact that the information provided by an investor for the purpose of the transfer is incomplete or incorrect.

- **Refunds**

Preference Rights Holders will be returned:

- the amount representing the price paid for the New Shares subscribed for, if such subscription is not validated/is cancelled as provided for in this Prospectus;
- the amount paid representing the product of the Maximum Subscription Price and the New Shares subscribed for, in the event that such subscription is revoked in accordance with the provisions of this Prospectus;
- the amount paid in excess of the product of the Maximum Subscription Price and the New Shares subscribed for which the subscription is validated;
- the amount paid in excess of the New Shares which the holder of Preference Rights was not entitled to subscribe for in respect of the number of Preference Rights held.

In the above cases, payment will be made:

- (i) to holders of Preference Rights whose Preference Rights have been registered in Section I in the bank account specified in the Subscription Form within a maximum of five (5) Business Days from the end of the Subscription Period for the New Shares, unless the subscription is revoked, when payment will be made within a maximum of five (5) Business Days from the date of revocation of the subscription. Payments will be made by bank transfer to the holders of Preference Rights to the bank accounts specified in the Subscription Form;
  - (ii) to holders of Preference Rights whose Preference Rights have been registered in Section II or Section III of the Central Depository, the amount corresponding to the revoked subscriptions will be available in the investment account opened with the Participant/Intermediary through which the subscription was made, after settlement of the revocation instructions transmitted in the system administered by the Central Depository and in accordance with the internal procedures of the Participant/Intermediary.
- **Description of the possibilities for reducing underwriting and how to refund excess amounts paid by subscribers**

There is no possibility of reduction of subscription. The withdrawal of subscriptions is described above.

The increase of the Share Capital in the first stage of the exercise of Preference Rights is based on the Preference Rights. There is no possibility of oversubscription under this Offer.

- **Details of the minimum and/or maximum amount of a subscription (expressed either in terms of number of securities or aggregate amount of the investment)**

The volume of shares an investor is entitled to subscribe for falls within the range of 1 share and the maximum number of shares an investor is entitled to subscribe for, depending on the number of Preference Rights held.

- **Method and deadlines for payment and delivery of the securities respectively**

After the completion of the Offer (first stage of the Share Capital Increase) and the completion of the Private Placement (second stage of the Share Capital Increase), the Issuer will take all steps to register the new share capital with the Commercial Registry, obtain the registration certificate of the financial instruments from the ASF and allocate the

securities to the accounts of the subscribers of the Share Capital Increase.

The settlement of the Offer (first stage of the Share Capital Increase) will be carried out in accordance with the Central Depository's procedures for processing corporate events.

- ***Procedure for notifying underwriters of the amount allocated to them and information on whether trading may commence before such notification***

The Issuer will notify the Section I Subscriber Shareholders of the number of shares allocated to them following the completion of the Share Capital Increase by electronic means to the e-mail address specified in the Subscription Form.

Notification shall be made no later than the first Business Day following the date of receipt of the registration certificate of the financial instruments issued by the ASF.

Subscribing Shareholders in Section II or Section III will be informed by the Subscribing Participants, according to their own procedures, of the processing of the Corporate Event.

The New Shares shall be freely tradable immediately after the processing of the Share Capital Increase by the Central Depository, irrespective of the time of notification to subscribing Shareholders.

- **Detailed description of how and when the results of the tender will be published**

After the completion of the Offer (first stage of the Share Capital Increase), the Issuer will inform the Bucharest Stock Exchange and ASF, as well as investors, through a current report, about the results of the Offer. This report will be made public on the website of the Bucharest Stock Exchange within a maximum of one Business Day after the end of the exercise period of the Pre-emptive Rights.

The New Shares remaining unsubscribed after the exercise period of the Pre-emptive Rights for the New Shares will be offered for subscription in a private placement addressed to certain persons in the European Union on the basis of the permitted exceptions to the publication of a prospectus, including those provided for in Article 1 paragraph 4(a) and (b) of the Prospectus Regulation and/or investors to whom such private placements may lawfully be addressed and directed, pursuant to the exemptions from Regulation S ("Regulation S") of the United States Securities Act of 1933 ("Securities Act") and without any obligation to comply with any other formalities under any applicable law, to the extent and only to the extent that an investment in the New Shares does not constitute a violation of any applicable law by such investor ("Private Placement"). The Private Placement is not the subject of this Prospectus.

The results of the subscription in both stages of the Share Capital Increase will be made public through a current report on the BVB website ([www.bvb.ro](http://www.bvb.ro)) and on the Issuer's website ([www.a.robs.com](http://www.a.robs.com)) respectively, in accordance with the applicable legal provisions.

- **LISTING, TRADING AND SETTLEMENT ARRANGEMENTS**

After the closing of the Offer and the registration of the Share Capital Increase at the Commercial Registry Office of the Cluj Court, ASF and the Central Depository, the New Shares issued under the Share Capital Increase will be traded on the Regulated Market administered by the Bucharest Stock Exchange (Premium category).

Settlement of transactions under the Offer will be carried out through RoClear (Settlement and Clearing, Custody, Depository and Registry System), administered by the Central Depository.

There is no commitment by any party to act as an intermediary in the secondary markets and to guarantee the liquidity of the New Shares.

Except as described above, there are no other regulated markets, third country markets, SME growth markets or multilateral trading facilities where securities of the same class as the Shares (including the New Shares) are already admitted to trading. Also, except as described above, Shares (including New Shares) are not the subject of an application for admission to trading with a view to their distribution on a regulated market other than the Regulated Market administered by the BVB, a third country market, an SME growth market or a multilateral trading facility.

Details of over-allotment options/price stabilisation activities in relation to the Offer: Not applicable.

- **CENTRAL DEPOSITORY**

All classes of securities (except for derivatives) traded on a regulated market in Romania or in an alternative trading

system, including New Shares after the Date of Admission, are obligatorily deposited with the Central Depository for centralized execution of securities transactions and ensuring a unitary record of these operations. All securities admitted to the Romanian Central Depository system are dematerialised and highlighted by registering in the account.

The New Shares are issued in dematerialised form and highlighted by registration in the account and shall be registered with the FSA and the Central Depository. The Central Depository shall keep records of all holdings of New Shares.

The Central Depository is a joint stock company organized and operating in compliance with the Romanian law, having its registered office located at Bd. Carol I no. 34-36, floor 3, floors 8 and 9, Bucharest, 020922, District 1, Romania, sole registration code RO9638020, registered at the Trade Register under no. J40/5890/1997, which is authorized and supervised by FSA and provides deposit, registration, clearing and settlement services and other related services in respect to the securities (except for derivatives) traded on the Bucharest Stock Exchange.

The ownership right over the securities listed on the Bucharest Stock Exchange is transferred to the buyer on the settlement date. Settlement is generally made at time T+2, by debiting/crediting the relevant accounts, based on the delivery against payment mechanism (for example, the securities being delivered only if the corresponding purchase price is paid).

Exceptionally, there are certain cases in which the Central Depository may operate direct transfers of ownership of securities listed on the Bucharest Stock Exchange, subject to the conditions provided in the regulations of the Central Depository, as a result, inter alia, of: (i) a final judgment issued by a court; (ii) succession; (iii) the transfer of shares between the issuer and its employees; (iv) the transfer of shares as a result of the merger, division or liquidation; (v) the transfer of shares between a parent company and its subsidiaries or between subsidiaries of the same parent company, with the prior agreement of the FSA; or (vi) other transfers, in compliance with applicable laws and regulations.

Although the above establishes the procedures of the Central Depository which, in principle, shall apply to transfers of New Shares after their Admission to trading on the Regulated Market of the Bucharest Stock Exchange, in certain cases, the Central Depository reserves the right to suspend or cancel the registration of an instruction, if there are doubts about its content, the authority of the person who initiated this instruction or if it finds that the provisions of its regulations or related contracts have been violated, or to ignore instructions containing errors or other defects or which are not properly performed by authorized persons. The Issuer, the Intermediary, or their respective agents shall not be liable for the fulfillment or non-fulfillment by the Central Depository or other participants of their obligations under the rules, procedures and contracts governing their operations on the date on which those obligations are or should have been met.

The Issuer shall not impose any commission in connection with the holdings of the New Shares; however, the holders of New Shares may incur commissions that are normally paid for the maintenance and operation of the accounts in the Romanian Central Depository system.

- **WITHDRAWAL RIGHTS**

Preference Rights Holders may not modify or withdraw any subscription regarding the New Shares, other than in accordance with the provisions of this section.

The subscriptions within the Offer are irrevocable, except for the provisions of art. 23 para. (2a) of the Prospectus Regulation. In this case, Investors which have already agreed to purchase or subscribe for the New Shares prior to the publication of the Supplement have the right to withdraw their acceptance, within three Business Days of the publication of the Supplement, provided that the new significant factor, material error or material inaccuracy led to the publication of the supplement to have appeared or been found before the relevant offer period expires. If the Investors have the withdrawal right mentioned above, the Intermediary / Participant through which they have subscribed will contact the respective Investors by the end of the first Business Day following the day on which the supplement is published. The withdrawal of the subscription is made through the Withdrawal of the Subscription Approval Form, sent according to the procedures described in this “Part 16” to the Intermediary/Eligible Participant, so that this notification is received no later than the third Business Day after the date on which the prospectus supplement was published (or any other later date specified in the prospectus supplement). Withdrawal of the subscription sent by any other means or which is sent or received after the expiration of this period shall not constitute

a valid withdrawal

The Withdrawal of Acceptance of Subscription Form is available, in electronic format, on the Issuer's ([www.arobs.com](http://www.arobs.com)), the Intermediary's ([www.btcapitalpartners.ro](http://www.btcapitalpartners.ro)) and the BVB's ([www.bvb.ro](http://www.bvb.ro)) website and will be submitted in two original copies.

Revocation of an underwriting may only be effected in whole and not in part and may only be effected during the period clearly indicated in the Prospectus Supplement.

- **SETTLEMENT**

For the Preference Rights Holders who subscribed based on the Preference Rights registered in Section II or Section III at the time the subscription was made, the New Shares shall be settled according to the Central Depository's regulations on processing corporate events.

For the Preference Rights Holders who subscribed through the Intermediary, based on the Preference Rights registered in Section I at the time the subscription was made, a list of the validated subscriptions shall be sent to the Central Depository around 7:00 pm, Romanian time on the last Business Day of the Subscription Period.

- **WARNING REGARDING FISCAL ASPECTS**

Potential holders of the New Shares should be aware that they may incur an obligation to pay fees or taxes under the laws and tax practices of the jurisdictions in which the New Shares will be transferred or from other relevant jurisdictions. Each potential investor should consult its own tax advisor in each state regarding the tax implications resulting from the acquisition or holding of New Shares. Only such a consultant can make a complete and correct analysis of the specific situation of the potential investor.

**PART 17**  
**SUPPLEMENTARY INFORMATION**

**1. ESTABLISHMENT AND SHARE CAPITAL**

**1.1 General information**

The issuer was established as a limited liability company on November 24, 1998, according to Romanian law, having from the beginning the name of AROBS Transilvania Software. In 2014, the Issuer was transformed into a joint-stock company.

At the date of transformation into a joint stock company, the Issuer's share capital was RON 100,000 divided into 10,000 shares, with a nominal value of RON 10 each.

The Issuer is resident for tax purposes in Romania

**History of the Issuer's share capital**

The history of the Issuer's share capital during the period covered by the historical financial information is as follows:

Date	No. of shares	Details
10.08.2021	4.010.000	share capital increase by RON 40,000,000, by incorporating other reserves amounting to RON 2,426,870.66 and unallocated profits from 2018 and 2019 amounting to RON 37,573,129.34. The increase was achieved by the Issuer issuing 4,000,000 new shares with a nominal value of RON 10 per share. Through this capital increase operation, the Issuer's share capital increased from RON 100,000 to RON 40,100,000 and the number of shares increased from 10,000 shares to 4,010,000 shares. The issued shares were distributed free of charge to shareholders registered in the shareholders' registry as of the date of the Resolution.
11.10.2021	455.697.494	Implementation of the operation to split (split) the nominal value of the Issuer's shares at a split ratio of 1:100, namely splitting the nominal value from RON 10 per share to RON 0.1 per share. Following the implementation of the split operation of the nominal value of the Issuer's shares, the Issuer's share capital and the shareholders' part in the benefits

		and losses of the Issuer remain unchanged.
		Share capital increase of AROBS TRANSILVANIA SOFTWARE SA from RON 40,100,000 to a maximum value of RON 45,569,749.4 by issuing a maximum of 54,697,494 new shares through a private placement worth a maximum of RON 74,224,499.36 , issuing a maximum of 54,697,494 new shares, each with a nominal value of RON 0.1 , at the maximum price of RON 1.357 per share.
29.04.2022	911.394.988	Share capital increase through the issuance of 455,697,494 new shares with a nominal value of RON 0.1 per share, by incorporating issue premiums, the shares being allocated free of charge to shareholders registered in the Shareholders' Registry kept by the Central Depository as of 28.04.2023.
05.07.2023	871.293.609	Reduction of share capital in accordance with the provisions of the Extraordinary General Meeting of Shareholders' Resolution No. 1 / 19.04.2023.

During the period covered by the historical financial information, no part of the share capital was paid through assets

#### **SITUATION OF CHANGES IN SHARE CAPITAL 2023 (RON)**

Through the Resolution of the Extraordinary General Meeting of Shareholders of the Issuer no. 1 / 19.04.2023 it was decided to reduce the capital from RON 91,139,498.8 to RON 87,129,360.9, i.e. by RON 4,010,137.9, following the cancellation of 40.101,379 treasury shares, acquired by the Issuer, in accordance with AGEA Resolution no. 4 of 23.08.2021 and AGEA Resolution no. 8 of 11.10.2021 and not distributed within the legal term, pursuant to art. 1041 para. (3) of the Companies Act no. 31/1990 republished, as amended. After the reduction, the Issuer's share capital amounts to RON 87,129,360.9 divided into 871,293,609 ordinary, registered, dematerialised shares with a nominal value of RON 0.1 each.

#### **SITUATION OF CHANGES IN SHARE CAPITAL 2022 (RON)**

Through the Resolution of the Extraordinary General Meeting of the Issuer's Shareholders No. 2/07.03.2022, it was decided to increase the share capital by RON 45,569,749.4, by granting one free share for every share held, following the capital increase the total value being RON 91,139,498.8 , divided into 911,394,988 shares.

#### **SITUATION OF CHANGES IN SHARE CAPITAL 2021 (RON)**

Throughout 2021, there were two operations to increase the share capital. Thus, through the Resolution of the Extraordinary General Meeting of the Issuer's Shareholders No. 3/10.08.2021, it was decided to increase the share capital by RON 40,000,000, with the share capital of the Issuer growing from RON 100,000 to RON 40,100,000, and the number of shares increasing from 10,000 shares to 4,010,000 shares.

Subsequently, through the Resolution of the Extraordinary General Meeting of the Issuer's Shareholders No. 8/11.10.2021, it was decided to split (split) the nominal value of the Issuer's shares, from RON 10 to RON 0.1 per share, resulting in 401,000,000 shares. Additionally, through the same resolution, it was decided to increase the share capital by RON 5,469,749.4 (through a private placement conducted prior to the Issuer's listing on the Bucharest Stock Exchange), resulting in a share capital of RON 45,569,749.4 divided into 455,697,494 shares.

## **2. SPECIFIC INFORMATION ON THE ACTIONS OFFERED**

### **2.1 Form**

The Shares (including the New Shares) are subject to and have been issued in accordance with the laws of Romania. All Shares are registered, ordinary, freely transferable shares, issued in dematerialised form by registration in the Issuer's shareholders' register, kept by the Central Depository.

### **2.2 Transfer of Shares**

When admitted for trading on the Regulated Market of Bucharest Stock Exchange, the New Shares will be registered under an ISIN number ROWMR49B0RG5 and traded under the symbol "AROBS", just as the existing shares.

The New Shares will be issued only by registration in the account and, on the settlement date, they will be registered in the investors' securities accounts, through RoClear (Romanian Clearing-Settlement, Custody, Depository and Registration System), which is administered by the Central Depository. The New Shares traded on the Regulated Market of Bucharest Stock Exchange will be transferred by registration in the accounts of the investors opened with participants in the RoClear System or intermediaries holding, directly or indirectly, accounts opened with participants in the RoClear System.

### **2.3 Dividends and distributions**

Shares (including New Shares) entitle to dividends and other distributions, if and when approved. Any such distributions will be made for each Share (including the New Shares), equally, regardless the rated value. All Shares (including New Shares) are of equal rank in all respects and will be eligible for any distribution of dividends, if and when they are approved, in the future. The tax implications of dividend distribution need to be considered very carefully.

## **3. SPECIFIC CORPORATE GOVERNANCE ISSUES**

### **3.1 General information**

Below is a summary of certain relevant information regarding the Articles of Incorporation, the Corporate Governance Code and certain provisions of Romanian law in force at the date of this Prospectus.

This summary does not aim to provide a complete picture of the Articles of Incorporation or the relevant provisions of Romanian law and must be read in the light of the provisions of the Articles of Incorporation as in force at the close of the Offering. This summary does not constitute a legal opinion on these matters and should not be considered as such. The full text of the Articles of Incorporation will be available free of charge, in Romanian and English, at the Issuer's headquarters, during normal business hours and in electronic format, on the Issuer's website [www.arobs.com](http://www.arobs.com) (English version) and [www.arobsgrup.ro](http://www.arobsgrup.ro) (Romanian version)), as well as on the Intermediary's website ([www.btcapitalpartners.ro](http://www.btcapitalpartners.ro)).

### **3.2 Object of activity**

The main business activity of the Issuer falls under the NACE code 6201 - "Custom software development activities (client-oriented software)." This field of activity includes the writing (programming), modifying, testing, and support of software products. It also includes writing programs according to user instructions (client-oriented programs).

The business activity is specified in Article 5 - Main field of activity and principal activity, from the Issuer's updated Articles of Association.



### **3.3 Shareholders Registry**

According to the Romanian law and the Articles of Incorporation, the Issuer must keep a register of shareholders. The Issuer's register of shareholders must be accurate and up-to-date and include records of the names and addresses of all holders of Shares, indicating the date the Shares were acquired, the date of confirmation by the Issuer or notification of the Issuer and the amount paid for each Share. The register also includes information on any mortgage rights established on the Shares.

According to the Romanian legislation and the Articles of Incorporation, the register of the Issuer's shareholders is kept, on behalf of the Board of Directors, by a register company designated for this purpose, respectively by the Central Depository. The Register of Issuer's shareholders is kept by the Board of Directors of the Issuer.

### **3.4 Transfer of Shares**

There are no restrictions on the transferability of Shares in the Articles of Incorporation.

### **3.5 Increase of Share Capital**

The share capital can be increased by the EGMS decision. The EGMS decision approving the share capital increase is adopted by a majority of at least two thirds of the voting rights held by the Shareholders present or represented in the General Meeting.

The Share Capital can be increased by issuing new Shares or by increasing the rated value of existing Shares in exchange for new cash and/or in-kind contributions. Also, the Share Capital may be increased by incorporating the reserves, except for the legal reserves, as well as the benefits or issue premiums, or by compensating certain, liquid and due receivables on the Issuer with its Shares.

The shares issued for the increase of the Share Capital will be offered for subscription primarily to the existing Shareholders, in proportion to the number of shares they own, and they may exercise the right of first refusal. The General Meeting may approve the limitation or suspension of the rights of first refusal of the Shareholders in case of increase of the Share Capital by cash contribution through a decision adopted in the presence of Shareholders representing 85% plus one of the share capital, with a majority of at least three quarters of the voting rights. The Board of Directors will make a written report available to the extraordinary general meeting of shareholders, specifying the reasons for limiting or cancellation of the right of first refusal. This report will also explain how to determine the issue value of the Shares.

The Articles of Incorporation or the decision of the Extraordinary General Meeting may authorize the increase of the Share Capital up to a maximum level. Within the limits of the set level, the Board of Directors may decide, following the delegation of powers, to increase the Share Capital. This competence is granted to the Directors for a maximum period of 3 years and may be renewed by the General Meeting for a period which, for each renewal, may not exceed 3 years. The Board of Directors may be delegated by decision of the Extraordinary General Meeting also the task of limiting or cancelling the right of first refusal in the respective operation, subject to the quorum and majority conditions stipulated above.

Thus in accordance with the provisions of the Articles of Incorporation, the Board of Directors of the Issuer was authorized to increase the share capital of the Issuer by a maximum nominal value of 45,569.749.4 RON, representing the authorized capital, for a period of 3 (three) years from the date of the resolution of the Extraordinary General Meeting of Shareholders of the Company dated 22 December 2022, through one or more issues of ordinary, registered and dematerialized shares, in compliance with the legal and statutory provisions, pursuant to the delegation of the powers of the Extraordinary General Meeting of Shareholders to increase the share capital.

Furthermore, in accordance with Article 9 of the Issuer's Articles of Incorporation, the Board of Directors, pursuant to the delegation of powers of the Extraordinary General Meeting of Shareholders to increase the share capital and the authorisation of the Board of Directors for a period of three (3) years ending on 29 September 2026, may decide to increase the share capital of the Issuer through one or more issues of ordinary, registered and dematerialised shares with a nominal value not exceeding 9.000,000 RON (representing 90,000,000 shares), with the power to increase or restrict the shareholders' pre-emptive rights for a given issue, of which (i) RON 7,500,000 nominal value (representing 75,000,000 shares) shall be used for the purpose of financing investments and/or acquisitions of shareholdings in other entities (including the possibility of paying the price of such acquisition partly or wholly in shares of the Issuer), provided that not more than RON 2.500,000 nominal value (representing 25,000,000 shares) will be 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 (ii) RON 1,500,000 nominal value (representing 15,000,000 shares) shall be used for the purpose of carrying out and implementing the provisions of any share allotment programme to persons in the management of the Issuer and/or in the management of members of the group of which the Issuer is a member or to employees of the Issuer and/or members of the group of which the Issuer is a member, approved or to be approved in the future at the level of the Issuer and/or the group of which it is a member, provided that not more than RON 500.000 nominal value (representing 5,000,000 shares) will be used for this purpose annually (with the possibility of carry forward to subsequent years to the extent that this limit is not reached in a given year), under the conditions set out in the Issuer's Memorandum of Association and in compliance with the provisions of Law no. 31/1990 on companies, republished, as amended, respectively with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, republished, as amended and supplemented, and any other provisions of capital market legislation. In order to be able to carry out the delegation of powers regarding the resolution to increase the share capital, the Board of Directors is authorized to determine the characteristics of the operation to increase the share capital (including determining the manner in which the increase will take place, i.e. whether the increase will take place through a cash subscription or by offsetting certain, liquid and payable claims in accordance with Article 89 of Law no. 24/2017 on issuers of financial instruments and market operations, republished, as amended and supplemented) and its implementation.

Decisions taken by the Board of Directors in the exercise of the powers delegated by the Extraordinary General Meeting shall have the same regime as the decisions of the General Meeting in terms of their publicity and the possibility of appeal in court.

### **3.6 Acquisition of own shares**

The Issuer may not subscribe for its own Shares. The Issuer may acquire its own Shares, either directly or through a person acting in its own name, but on behalf of the Issuer, subject to the following conditions: (i) the authorization to acquire its own Shares is granted by the General Meeting, which will establish the conditions of such acquisition, in particular the maximum number of Shares to be acquired, the duration for which the authorization is granted and which may not exceed 18 months from the date of publication of the decision in the Official Gazette of Romania, Part IV, and, in case of an acquisition for consideration, their minimum and maximum equivalent value; (ii) the nominal value of the Own Shares acquired by the Issuer, including those already in its portfolio, may not exceed 10% of the subscribed share capital; (iii) the transaction may have as object only fully paid-up Shares; and (iv) the payment of the Shares thus acquired will be made only from the distributable profit or from the available reserves of the Issuer, accounted in the last approved annual financial statement, except for the legal reserves.

Under the EGMS Resolution no. 1 of 4 April 2024, it was approved the redemption by the Issuer of its own shares, on the market where the shares are listed or by means of public offerings, in accordance with the applicable legal provisions, under the following conditions:

- The redemption program will be conducted at the minimum price of RON 0.1 per share and at a maximum price of RON 1.4 per share;
- the aggregate value of the redemption program is up to RON 15,400,000;
- the redemption program will consider the redemption of no more than 11,000,000 shares;
- the redemption program will be carried out for a maximum period of 18 months from the publication date of the resolution adopted in this respect in Part IV of the Official Gazette of Romania;
- redemption transactions may only relate to fully paid shares and will be carried out only out of the distributable profits or available reserves of the Company as shown in the last approved annual financial statements, except for legal reserves;

- the redemption program will have as purpose the operations described in article 5 par. (2) of MAR or, if the redemption transactions do not benefit from the exemptions set out in the Market Abuse Regulation and Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards regulatory technical standards for conditions applicable to repurchase programmes and stabilisation measures, subject to compliance (in relation to each redemption transaction) with the provisions of articles 14 and 15 of MAR; and
- The Board of Directors is authorized to issue any resolution and to do all legal acts and things necessary, useful and/or expedient to carry out the resolutions to be adopted by the EGMS in relation to this item on its agenda, including (but not limited to) with respect to appropriate disclosure prior to the commencement of trading under the redemption program of the purpose of such program.

The shares held by the Issuer in the share capital do not confer the right to dividends during the period of their holding by the Issuer. In addition, the voting rights conferred by these Shares will be suspended during their holding by the Issuer.

Any tax implications arising from the acquisition of own shares and subsequent transactions (including cancellation or redemption) must be considered in the light of the specific circumstances of each transaction.

### **3.7 Reduction of share capital**

The General Meeting may decide to reduce the subscribed share capital by (i) decreasing the number of shares; reducing the rated value of the shares; or (ii) the acquisition of its own shares, followed by their cancellation. In any case, the reduction will be subject to the applicable legal provisions.

A decision to reduce the share capital requires a majority of at least two-thirds of the voting rights held by the Shareholders present or represented at the General Meeting and must include the reasons for the reduction and the procedure to be used. In addition, in accordance with Romanian law, a reduction of the share capital implies a period of opposition of two months, during which the creditors have the right to oppose the reduction of the share capital, under certain conditions.

From the perspective of Romanian tax law, any distribution in cash or in kind made to Shareholders based on the reduction of share capital, which is made according to the shareholding of each Shareholder in share capital, is not considered dividend distribution and should therefore not fall within the scope of the withholding tax.

### **3.8 Annual financial statements and auditors**

The financial year of the Issuer coincides with the calendar year. Each year, within four months as of the end of the financial year, the Board of Directors must publish the annual financial statements and make them available to the public, and also submit them to the FSA. The annual financial statements must be accompanied by a report of the independent auditor, a report of the Board of Directors and certain other information required in accordance with Romanian law.

The financial statements of the Issuer will be audited by financial auditors, individuals or legal entities, under the conditions provided by law.

The financial auditor prepares the audit report on the annual financial statements, in which he/she presents his/her opinion, showing whether the annual financial statements present a true and fair view of the financial position, financial performance and other information related to the work carried out, according to the professional standards of the Romanian Chamber of Financial Auditors.

The financial auditor's report, together with his/her opinion, will be presented to the General Meeting and will be published together with the annual financial statements of the Issuer. The General Meeting may not approve the annual financial statements unless they are accompanied by the financial auditor's report.

### **3.9 Dividends and other distributions**

In accordance with Romanian law and the Articles of Incorporation, dividends are distributed to Shareholders prorated to the paid-in share capital, optionally quarterly based on interim and annual financial statements, after regularization through annual financial statements. Dividends may be distributed only from the Issuer's profits determined according to Romanian law.

The Issuer applies a policy regarding the annual distribution of dividends or other benefits to Shareholders, proposed by the Board of Directors, in the form of a set of guidelines that the Issuer follows regarding the distribution of net profit.

### **3.10 General Meeting of Shareholders**

See section 4 below, which provides a more detailed description of General Meetings.

### **3.11 Amendment of the Articles of Association**

The General Meeting may decide to amend the Articles of Incorporation. When the agenda of the General Meeting includes proposals for amending the Articles of Incorporation, the summoning will have to include the full text of the proposals.

A decision adopted by the General Meeting to amend the Articles of Incorporation requires a simple majority of the votes cast. The exercise of this powers may be delegated to the Board of Directors.

### **3.12 Dissolution and liquidation**

The General Meeting may decide to disband the Issuer, decided by a majority of at least two thirds of the voting rights held by the Shareholders present or represented in the General Meeting. If the General Meeting has decided to disband the Issuer, the dissolution of the Issuer has the effect of opening the liquidation procedure. From the moment of dissolution, the Directors and Administrators can no longer undertake new operations, otherwise, being personally and jointly and severally liable for the actions taken. The fiscal consequences of the division and liquidation will be determined in accordance with Romanian tax law and the legislation of the country in which each investor is a tax resident.

## **4. GENERAL MEETING OF SHAREHOLDERS**

### **4.1 Ordinary General Meetings of Shareholders**

The Ordinary General Meeting meets at least once a year, within four (4) months as of the end of the financial year, to approve, inter alia, the annual financial statements and to establish the work program and budget for the current year.

### **4.2 Extraordinary General Meetings of Shareholders**

Extraordinary General Meetings are convened whenever necessary, under the conditions provided by law.

The Board of Directors immediately convenes the General Meeting, at the request of the Shareholders representing, individually or together, at least 5% of the Share Capital, if the request contains provisions falling within the attributions of the General Meeting, so that the General Meeting is held, upon the first or second summoning, within 60 days from the date of the request.

### **4.3 Convener and agenda**

The General Meetings will be convened by the Board of Directors, based on a convening notice that must be published in the Official Gazette of Romania, Part IV, and in one of the widely circulated newspapers in the locality where the Issuer's headquarters are located or in the nearest town. The sitting term of the General Meeting may not be less than 30 days from the publication of the convening notice in the Official Gazette of Romania, part IV. This time limit shall not apply to the second or subsequent convening of the General Meeting due to the failure to meet the quorum required for the first convened meeting, provided that the applicable provisions have been met regarding the first convening, no new points are added on the agenda and at least 10 days pass between the final convening and the date of the General Meeting sitting.

The convening will include, among others: information on the following issues: (i) the place, date and time of the General Assembly; (ii) the agenda, with an explicit indication of all issues that will be the subject of the GMS debates; (iii) the reference date set by the Board of Directors (i.e. the date set by the Board of Directors which serves to identify the shareholders entitled to participate in and vote at the GMS), as well as the fact that only persons who are Shareholders at such time have the right to participate and vote in the General Meeting; (iv) a clear and precise description of the procedures to be followed by Shareholders in order to participate and vote in the General Meeting; (v) the place where it is possible to obtain the full text of the documents and draft decisions and the date from which they are available, as well as the procedure followed in this regard; (vi) issuer's website address and issuer's contact details; (vii) the proposal of the Board of Directors on the details of the corporate event, such as, and depending on the event, the date of registration, ex date, the date of guaranteed participation and the date of payment; (viii) the

express specification that the right to vote can be exercised directly, through a representative or by correspondence and the conditions under which it is exercised; and (ix) the manner in which the ballot paper and the special power of attorney form for the representation in the GMS are distributed, as well as the date from which they are available.

One or more Shareholders representing at least 5% of the Share Capital, may request by a written request addressed to the Board of Directors the supplementation of the agenda with new items, provided that each item is accompanied by a justification or a draft decision, proposed for adoption by the General Meeting, as well as within 15 days from the date of publication of the convening. Under the same conditions, one or more Shareholders representing at least 5% of the Share Capital may present draft decisions for the items included or proposed to be included on the agenda of the General Meeting.

Each Shareholder may address written questions regarding the Issuer's activity to the Board of Directors by sending them to the e-mail address intended for the relationship with investors, before the date of the General Meeting, to be answered at the general meeting. The issuer can formulate a general answer to questions with the same content. Also, the answer is considered given if the requested information is published on the Issuer's website, in the "Frequently Asked Questions" section.

The General Meeting is chaired by the Chairman of the Board of Directors or by a member of the Board of Directors appointed for this purpose by the Chairman of the Board of Directors. Minutes of the meetings will be drawn up.

Only Shareholders registered in the Register of Shareholders on the reference date established by the Board of Directors have the right to participate and vote in the General Meeting. Shareholders may attend the General Meeting in person (in the case of legal entities through the legal representative or legal representatives, as the case may be) or through representative, based on a general or special power of attorney, the special power of attorney being expressly granted for that General Meeting.

#### 4.4 Voting rights

Each Share confers the right to one vote. Unless Romanian law or the Articles of Incorporation provide for higher requirements, the general quorum and majority requirements for the General Assembly at the first and second convening are as follows: (i) The Ordinary General Meeting at the first convocation is legally convened if the Shareholders representing at least half plus one (50% + 1) of the total number of voting rights are present in person or represented in the Ordinary General Meeting and the decisions are adopted by at least half plus one (50% + 1) of the votes cast; (ii) The Ordinary General Meeting at the second convening is legally convened regardless of the number of Shareholders present in person or represented and decisions are adopted by a majority of the votes cast (50% + 1); (iii) The Extraordinary General Meeting at the first as well as at the second convening is legally convened if the Shareholders representing at least half (50% + 1) of the total number of voting rights are present in person or represented in the Extraordinary General Meeting and decisions are adopted by at least 50% (50% + 1) of the votes of the shareholders present or represented at the Extraordinary General Meeting. The Extraordinary General Meeting on second call is legally convened if Shareholders representing at least half (25% + 1) of the total number of voting rights are present in person or represented at the Extraordinary General Meeting and resolutions are passed with at least 50% (50% + 1) of the votes of the Shareholders present or represented at the Extraordinary General Meeting.

The Secretary of the General Meeting draws up the minutes of the meeting which are signed by the Chairman of the Board of Directors or by the person who chairs the General Meeting, as well as by the Secretary of the General Meeting. The minutes ascertain the fulfillment of the convening formalities, the date and place of the General Meeting, the Shareholders present or represented, the number of shares held by the Shareholders present or represented, the summary of the debates and decisions adopted and, at the Shareholders' request, the statements made by them in the meeting. All the documents related to the convening of the General Meeting, as well as the list of attendance of the Shareholders are attached to the minutes. These minutes are entered in the register of General Meetings.

### 5. OBLIGATIONS OF SHAREHOLDERS, COMPANY AND DIRECTORS TO NOTIFY HOLDERS OF SHARES AND VOTING RIGHTS

According to Law 24/2017, if after the acquisition or sale of Shares, the proportion of voting rights held by a person reaches, exceeds or decreases below one of the levels of 5%, 10%, 15%, 20%, 25%, 33%, 50% or 75% of the total voting rights, that person must notify the Issuer, FSA and the Bucharest Stock Exchange, within a maximum of 4 trading days from the confirmation of this operation. The relevant percentages will be calculated by reference to all voting rights in a given class of shares, regardless of whether all or certain voting rights in that class are suspended.

For the purpose of calculating the percentage of voting rights, the following holdings must, inter alia, be taken into

account: (i) voting rights held directly by any person; (ii) voting rights held or exercisable by an entity controlled by that person or by a third party on behalf of that person or by another person acting with that person; (iii) voting rights held by a third party with whom that person has concluded an agreement on the concerted exercise of voting rights; (iv) voting rights held by a third party with whom that person has entered into an agreement on the temporary transfer, for consideration, of those voting rights; (v) the voting rights attached to the Shares held by that person which are provided as security, provided that he/she controls the voting rights and that he/she states his/her intention to exercise them; (vi) the voting rights attached to the Shares, the usufruct right belonging to that person; (vii) the voting rights attached to the Shares held by that person, which he/she may, in the absence of instructions to the contrary from the owners of the Shares, exercise without restriction; (viii) the voting rights exercised by that natural or legal person as a proxy which, in the absence of specific instructions from the owners of the shares, he/she may exercise without restriction; and (ix) the voting rights attached to the shares issued that may be acquired by such person on the basis of other financial instruments held by him/her.

Failure to comply with these notification obligations constitutes a contravention. FSA may request the above persons to make the related disclosures, it may also request additional information regarding such disclosures. FSA may impose administrative sanctions for non-compliance and may make such non-compliance public.

Shareholders are advised to consult with legal advisers to determine whether notification obligations apply to them.

## **6. OBLIGATIONS OF SHAREHOLDERS TO MAKE PUBLIC OFFERS**

According to Directive 2004/25/EC ("Takeover directive"), each Member State must ensure the protection of minority shareholders by requiring any person acquiring control of a company to make an offer to all holders of securities voting rights of that company, for all their holdings, at a fair price.

The takeover directive applies to all companies governed by the laws of a Member State, for which all or certain securities conferring voting rights are admitted to trading on a regulated market in one or more Member States.

According to Romanian law, respectively according to Law 24/2017 and Regulation 5/2018, mandatory takeover public offerings must be launched immediately but, as a rule, no later than two months from the date on which the bidder has reached the threshold that gives him control. Until the public offering takes place, the voting rights related to the securities exceeding the threshold of 33% of the voting rights over the Issuer are suspended, and the respective shareholder and the persons with whom he acts together can no longer acquire, through other operations, shares of the Issuer.

The price offered in a mandatory takeover public offering will be at least equal to the highest price paid for shares by the bidder or by the persons acting together with the bidder, within 12 months after the submission of the documentation related to the approval of the public offering with FSA.

If the mandatory takeover offering is not launched within the deadline provided by Romanian law, the offer price is at least equal to the highest price of the following values: (i) the highest price paid by the bidder or the persons with whom he/she acts together during the 12 months preceding the date of submission of the offering documents with FSA; (ii) the highest price paid by the bidder or by the persons with whom he/she acts together in the last 12 months preceding the date on which the position conferring control of the voting rights in the company was reached; (iii) the trading weighted average price, corresponding to the last 12 months prior to the date of submission to the FSA of the offering documentation; (iv) the trading weighted average price, corresponding to the last 12 months prior to the date on which the position representing more than 33% of the voting rights was reached.

If the mandatory takeover public offering is launched within the deadline provided by Romanian law, but the bidder or persons acting together with it have not purchased shares of the company subject to takeover within 12 months prior to the date of submission to FSA of the offering documentation for its approval, or in the situation where FSA considers that the operations through which shares were purchased are likely to influence the correctness of the pricing method, the offer price within the mandatory takeover public offering is at least equal with the highest price of the following values determined by an authorized appraiser, according to the law, and designated by the bidder, as follows: (i) the trading weighted average price for the last 12 months prior to the date of submission of the offering documents to FSA; (ii) the value of the company's net assets, divided by the number of shares subscribed, according to the last audited financial statement; and (iii) the value of the shares resulting from an expertise performed in accordance with international valuation standards. If the mandatory takeover public offering is not launched within the deadline provided by Romanian law, and the bidder or persons acting together with it have not purchased shares of the company subject to takeover within 12 months prior to the date of submission to FSA of the offering documentation for its approval, or in the situation where FSA considers that the operations through which shares were purchased are likely

to influence the correctness of the pricing method, the offer price within the mandatory takeover public offering is at least equal with the highest price of the following values determined by an authorized appraiser, according to the law, and designated by the bidder, as follows: (i) the trading weighted average price for the last 12 months prior to the date of submission of the offering documents to FSA; (ii) the trading weighted average price, for the last 12 months prior to the date on which the position representing more than 33% of the voting rights was reached; (iii) the highest price paid by the bidder or by the persons with whom he acts together in the last 12 months preceding the date on which the position representing more than 33% of the voting rights was reached; (iv) the value of the company's net assets, divided by the number of shares subscribed, according to the last financial statement prior to the date of submission to FSA of the offering documentation; (v) the amount of the company's net assets, divided by the number of shares subscribed, according to the last audited financial statement prior to the date on which the position representing more than 33% of the voting rights was reached; and (vi) the value of the shares resulting from an expertise performed in accordance with international valuation standards.

## **7. MARKET ABUSE RULES**

As of 3 July 2016, the national legislation previously applicable in EU Member States has been repealed, the Market Abuse Regulation (Regulation (EU) No 596/2014) (“**MAR**”) provides for special rules to prevent market abuse, such as insider dealing, disclosure of inside information and unauthorized disclosure and market manipulation. The issuer, members of the Board of Directors and other inside information holders as well as persons carrying out transactions with financial instruments of the issuer, where applicable, shall be subject to the prohibition on insider dealing, the prohibition on the disclosure of inside information and its unauthorized transmission to certain persons, and the prohibition on market manipulation. In certain circumstances, Issuer's investors may also be subject to market abuse rules.

Inside information means any information of a certain nature, which relates (directly or indirectly) to the Issuer or to Issuer's shares or other financial instruments, which have not been made public and which, if made public, could have a significant impact on the price of the Shares or on the other financial instruments or on the price of the derivative financial instruments.

According to MAR, a person is prohibited from having inside information and using that information by acquiring or disposing, in his own name or on behalf of a third party, directly or indirectly, of Shares of the Issuer and other financial instruments to which that information relates. A person is also prohibited from using inside information by canceling or amending an Order on Shares of the issuer or other financial instruments to which the information relates, if the order was issued before that person had inside information. In addition, a person is also prohibited from recommending another person to engage in insider dealing or to induce another person to engage in insider trading when that person has information and (a) recommends, on the basis of such information, that such other person acquire or dispose of Shares of the Issuer or other financial instruments to which that information relates or cause that other person to make such a purchase or alienation; or (b) recommends, on the basis of such information, that such other person cancels or amends an order concerning the Shares or other instruments to which such information relates or causes that person to make such a cancellation or change.

The issuer will have the obligation to make public any inside information immediately. However, the issuer may delay the publication of inside information if it can ensure the confidentiality of the information. This delay is only possible if the publication of such information could harm the legitimate interests of the Issuer, if there is no risk that the delay will mislead the market and subject to the Issuer being able to ensure the confidentiality of the respective information. The Issuer will be subject to Romanian legislation regarding the publication of inside information. Also, the Issuer must immediately inform FSA of any information whose publication was postponed, as soon as such was made public.

The directors, other persons with management responsibilities and persons in close relations with them are subject to the notification obligations provided by MAR. The directors and other persons with management responsibilities as well as the persons in close relations with them, must notify FSA of each transaction carried out in their own name in connection with the Shares or debt securities of the Issuer or with derivative instruments or other financial instruments related to these Shares or debt securities. The notification must be made within three Business Days from the date of the transaction. According to MAR, it is not necessary to make any notification of a transaction if the transactions in a calendar year carried out by that Director, the persons with management responsibilities or the persons in close relations with them do not exceed the threshold of EUR 5,000 (without netting). Once the threshold has been reached, all transactions will have to be notified, regardless of the value and the place where they were concluded.

Failure to comply with these reporting obligations could lead to criminal sanctions, fines and cessation and termination orders (and their publication), imprisonment or other sanctions.

## **8. TRANSPARENCY REQUIREMENTS**

According to Law 24/2017, the Issuer must publish its audited annual financial statements within four months as of the end of each financial year and its half-yearly financial statements within three months as of the end of the first financial semester of the year.

In accordance with Law 24/2017, the Issuer shall publish its annual report, including its annual financial statements, together with a report and a statement of the Board of Directors and the independent auditor's report, within four months as of the end of each financial year. The same documents must be submitted to FSA and the Bucharest Stock Exchange, within the same term.

Furthermore, Regulation 5/2018 and Law 24/2017, provide that the Issuer will have to make public the inside information about the Issuer, as well as information about important recent events in the activity of the Issuer, which could have an impact on the price of the New Shares. E.g., the Issuer will need to submit information such as:

- convening of general meetings of shareholders;
- the decisions adopted by the general meeting of shareholders or, as the case may be, information relating to the non-fulfillment of the quorum or majority required for the adoption of a decision;
- changes in control of the company, including indirect change of control over the company;
- changes in management;
- replacement of the company's auditor and the reason for this replacement;
- termination or reduction of contractual relations that generated at least 10% of the company's revenues during the previous financial year;
- changes in the characteristics and/or rights related to the different classes of securities issued by the company, including changes in the rights related to the derivative instruments issued by the company that confer rights on the shares issued by it;
- disputes in which the company is involved;
- initiating of a procedure for cessation, respectively for resumption of the company's activity, initiation and conclusion of the insolvency/bankruptcy procedure, judicial reorganization or dissolution;
- off-balance sheet operations with significant effects on the company's financial results;
- changes in the company's obligations, with a significant effect on its business and financial position;
- substantial acquisitions or disposals of assets (acquisitions or disposals of assets will be considered substantial if the assets represent at least 10% of the total value of the company's assets either before or after the respective transaction);
- contracts concluded by the company the value of which exceeds 10% of the net turnover related to the last annual financial statements or contracts concluded outside the current activity of the company; and
- the realization of a product or the introduction of a new service or a development process that affects the company's resources.

## **9. INTERMEDIATION CONTRACTS**

On 3 July 2023, the Issuer concluded an Intermediation Agreement with the Intermediary.

## **10. SIGNIFICANT CONTRACTS**

During the reference period indicated in Annex 1, section 20 of the Delegated Regulation 2019/980, i.e. the last two years preceding the date of this Prospectus, the Issuer and the members of the Group, respectively, have not concluded significant contracts other than those concluded in the normal framework of the activity and referred to in this Prospectus.



## **11. WORKING CAPITAL**

In the Issuer's opinion, the Group has sufficient working capital for its current requirements, i.e. for at least the next 12 months after the date of this Prospectus, without taking into account the amounts that will be attracted from the share capital increase.

## **12. NO SIGNIFICANT CHANGE**

There has been no material change in the Issuer's financial or trading position since 31 December 2023, the date on which the Issuer's latest audited consolidated financial statements were prepared. For recent developments (since the date of the Annual Financial Statements), please see Part 7 "Review of Results of Operations and Financial Condition".

## **13. CONSENT**

BDO AUDITORS & ACCOUNTANTS SRL has given its written consent and has not withdrawn it, for the inclusion of its independent auditor's reports and for references to them in the form and context in which they appear and approved the content of those parts of this Prospectus which contain its reports for the purpose of the Prospectus Regulation.

The Intermediary has given and has not withdrawn its consent for the inclusion in this Prospectus of its name in the form and context in which they appear.

## **14. EXPENSES RELATING TO THE ISSUE/OFFER**

The expenses that will be borne by the Issuer in connection with the Offering, the Admission respectively, including the fees to FSA, the professional fees and expenses and the costs of printing and distributing the documents are estimated at approximately RON163,061 (less the Intermediary's fee, which will be paid separately, and assuming all New Shares are subscribed for under the Offer at the Maximum Subscription Price).

**15. DOCUMENTS AVAILABLE FOR CONSULTATION**The updated articles of association of the Issuer are available on its website, under the Investors section, and can be accessed here: <https://www.arobsgrup.ro/wp-content/uploads/2024/02/Act-Constitutiv-Arobs-29.09.2023.pdf>.

The financial statements of the Issuer, along with the corresponding audit reports, are available on the Issuer's webpage at <https://www.arobsgrup.ro/arobs-pentru-investitori/>, and are incorporated into the Prospectus by reference, in accordance with Article 19 of Regulation (EU) 2017/1129.

Date: \_\_\_\_ 2024

**ISSUER**

AROBS TRANSILVANIA SOFTWARE S.A.

By: Voicu Oprean

General Director

Signature: \_\_\_\_\_

**INTERMEDIARY**

BT CAPITAL PARTNERS S.A.

By: Daniela Secara

General Director

Signature: \_\_\_\_\_

**PART 18**  
**DEFINITIONS AND GLOSSARY**

Throughout this Prospectus, unless explicitly stated otherwise, the following capitalized terms shall have the following meanings, applicable to both singular and plural forms:

"Articles of Association" .....	The Issuer's Articles of Association, in force on the date of this Prospectus, which forms the basis for the establishment and operation of AROBS Transilvania Software S.A.
"Shares"/"Company Shares" .....	All shares issued by the Company at the date of approval of this Prospectus.
"Majority Shareholder"	Mr Voicu Oprean and CABRIO INVESTMENT S.R.L.;
"GMS" .....	General Meeting of Shareholders of the Company.
"EGMS" .....	Extraordinary General Meeting of Shareholders of the Company.
"OGMS" .....	Ordinary General Meeting of Shareholders of the Company.
"FSA" .....	Financial Supervisory Authority.
"BVB" .....	Bucharest Stock Exchange S.A. as market operator.
"Business Day" .....	Any day on which both the Romanian interbank market and the trading systems of the Bucharest Stock Exchange and the clearing and settlement systems of the Central Depository are open for business.
"NACE" .....	Classification of Activities in the National Economy.
"Company" / "Issuer" / "Company" / "AROBS" .....	AROBS Transilvania Software S.A., the issuer of the shares presented in this Prospectus, with registered office at 11 Donath Street, building M4, entrance 2, 3rd floor, apartment 28, Cluj-Napoca, Cluj, Romania, investor relations contact +40 754 908 742, email address ir@arobsgroup.com, website: www.arobsgroup.ro, Trade Registry number J12/1845/1998, unique tax identification code RO 11291045.
"Board of Directors" .....	Board of Directors of AROBS Transilvania Software S.A.
"Closing Date" .....	Last day of the offer, 4 July 2024;
"Central Depository" .....	Depozitarul Central S.A., with registered office in Bucharest, 34-36 Carol I Boulevard, floors 3, 8 and 9, 2nd District, is the institution that provides depository, registry, clearing and settlement services for transactions in financial instruments, as well as other related operations, as defined in Law no. 126/2018 on markets in financial instruments.
"Opening the Offer"	means 3 June 2024, being the first day of the Offer;
"Holders of Preference Rights"	means persons who may subscribe for New Shares under the Rights of Preference;

"Preference Rights"	Pre-emptive rights issued in connection with the Share Capital Increase equal to the number of shares issued by the Issuer registered in the Issuer's Register of Shareholders maintained by the Central Depository S.A. on the Record Date, i.e., 871,293,609 pre-emptive rights;
"EBITDA"	Operating profit before interest, income tax, depreciation and amortisation;
"BTCP" / "Intermediary" .....	BT Capital Partners S.A. with registered office in Cluj-Napoca, 74-76 Constantin Brâncuși Street, , ground floor, jud. Cluj, registered at the Trade Registry under No J12/3156/1994, unique registration code 6838953, company authorised by the A.S.F. by Decision No 2330/22.07.2003.
"IFRS"	International Financial Reporting Standards adopted by the European Union;
"Group" .....	means the Issuer and the wholly or partly owned subsidiaries of the Issuer as set out in " <i>Part I, Section 3 -Description of the Issuer and Organisational Structure</i> ".
"Law No 24/2017" / "Law on Issuers" .....	Law No 24/2017 on issuers of financial instruments and market operations, republished, as amended and supplemented.
"Companies Law" .....	Law no. 31/1990 on companies, republished in the Official Gazette no. 1066 of 17.11.2004, with subsequent amendments and additions.
"Leu" / "Lei" / "RON" .....	Romania's official currency.
"Share Capital Increase"	Increase of the Issuer's share capital, as resolved by the AGM resolution of 22 December 2022 and the Board of Directors' decision of 18.04.2024;
"MAR"	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as amended and supplemented;
"The Offer"	The Offer initiated by the Issuer, namely the issue of the New Shares, on the terms and conditions set out in this Prospectus;
"Participant"	means a Participant in the Central Depository's system, the Preference Rights being registered in an account opened by that Participant in Section II or Section III respectively of the register kept by the Central Depository;
"Regulated Market" .....	Regulated Market administered by the Bucharest Stock Exchange.
"Private Placement"	A private placement whereby New Shares remaining unsubscribed after the exercise period of the Rights of Preference will be offered for subscription, addressed to certain persons in the European Union on the basis of permitted exceptions from the publication of a prospectus, including those referred to in Article 1(4)(a) to (d) of the Prospectus Rules and/or investors to whom such private placements may lawfully be addressed and directed, pursuant to the exemptions from Regulation S ("Regulation S") of the United States Securities Act of 1933 ("Securities Act") and without any obligation to comply with any other formalities under any applicable law, to the extent

and only to the extent that an investment in the New Shares does not constitute a violation of any applicable law by such investor;

"Maximum Subscription Price"	The price at which each New Share will be subscribed for during the exercise of Preference Rights by Preference Rights Holders;
"Final Subscription Price"	The final subscription price for the New Shares offered during the exercise of the Rights of Preference, which will be communicated at the time of the completion of the Private Placement
"Prospectus" / "document" .....	This Prospectus on the share capital increase of AROBS Transilvania Software S.A. and admission to trading on the Regulated Market administered by the BVB.
"Trade Registry" .....	Database containing the registers and registration of traders and other entities required by law.
"Regulation No 5/2018" .....	FSA Regulation No 5/2018 on issuers of financial instruments and market operations, as amended.
"Regulation (EU) 2017/1129" .....	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 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, as amended and supplemented.
"Delegated Regulation (EU) 2019/979" .....	Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards regulatory technical standards relating to key financial information in the summary prospectus, publication and classification of prospectuses, advertisements for securities, supplements to prospectuses and the notification portal and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301 as it may be amended from time to time.
"Delegated Regulation (EU) 2019/980" .....	Delegated Regulation (EU) 2019/980 supplementing Commission Regulation (EU) 2017/1129 of 14 March 2019 as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Commission Regulation (EC) No 809/2004, as it may be amended from time to time.
" Financial Statements "	Annual Financial Statements and Interim Financial Statements;
"Annual Financial Statements "	The audited consolidated financial statements of the Issuer and its subsidiaries (together the " <b>Group</b> ") prepared in accordance with the Order of the Minister of Public Finance No. 2844/2016, as amended, approving the Accounting Regulations in accordance with International Financial Reporting Standards as adopted by the European Union, as amended, as at and for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023;
" Interim Financial Statements "	Simplified interim consolidated financial statements for the period ending 31 March 2024 prepared in accordance with the Order of the Minister of Public Finance No 2844/2016, as amended, approving the Accounting

Regulations in accordance with International Financial Reporting Standards  
as adopted by the European Union, as amended;

**PART 19**  
**HISTORICAL FINANCIAL INFORMATION**

**Consolidated financial statements of the Group as at 31 December 2023 and for the year ended 31 December 2023**

**Consolidated financial statements of the Group as at 31 December 2022 and for the year ended 31 December 2022**

**Consolidated financial statements of the Group as at 31 December 2021 and for the year ended 31 December 2021**

**Consolidated interim financial statements of the Group as at 31 March 2024 and for the three months ended 31 March 2024**

