



2024 BOARD OF DIRECTORS REPORT

AROBS Transilvania Software S.A.

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

Simbol: AROBS

TABLE OF CONTENTS

ISSUER INFORMATION	3
CONSOLIDATED FINANCIAL RESULTS AS OF DECEMBER 31, 2024	4
MESSAGE FROM THE CEO	5
DESCRIPTION OF THE ISSUER'S ACTIVITY	8
<i>CERTIFICATIONS</i>	24
<i>EXPERIENCE</i>	25
<i>DIFFERENTIATION FROM THE COMPETITION</i>	25
<i>EMPLOYEES</i>	26
<i>DIRECTORS</i>	27
<i>AROB'S SHARES ON THE BUCHAREST STOCK EXCHANGE</i>	29
KEY EVENTS IN 2024	31
ANALYSIS OF THE CONSOLIDATED FINANCIAL RESULTS	37
<i>CONSOLIDATED P&L ANALYSIS</i>	38
<i>BUSINESS AND SALES STRATEGY</i>	41
<i>SIGNIFICANT CLIENTS</i>	43
<i>KEY FINANCIAL RATIOS</i>	43
<i>CONSOLIDATED BALANCE SHEET ANALYSIS</i>	45
<i>DIVIDEND POLICY</i>	46
<i>PROPOSED DISTRIBUTION OF PROFIT FOR THE YEAR 2024</i>	46
OUTLOOK ON THE ISSUER'S ACTIVITY	47
RISKS	49
CONSOLIDATED PROFIT AND LOSS ACCOUNT	61
CONSOLIDATED BALANCE SHEET	62
CONSOLIDATED CASH-FLOW	64
INDIVIDUAL PROFIT AND LOSS ACCOUNT	65
INDIVIDUAL BALANCE SHEET	66
INDIVIDUAL CASH-FLOW	67
SUSTAINABILITY STATEMENT	68
BVB CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT	69
DECLARATION OF THE MANAGEMENT	78

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

The interim individual and consolidated simplified financial statements as of December 31, 2024 are audited.

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

ISSUER INFORMATION

INFORMATION ABOUT THIS FINANCIAL REPORT

Type of report	2024 Board of Directors Report
According to	Annex 15 of the FSA Regulation no. 5/2018
Date of publication of the report	28.03.2025
For the financial period	01.01.2024 – 31.12.2024

ISSUER INFORMATION

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

INFORMATION ABOUT FINANCIAL INSTRUMENTS

Subscribed and paid-up share capital	104,555,233,00 lei
The market on which securities are traded	Main Segment, Premium Category
Total number of shares	1,045,552,330
Symbol	AROBS

CONTACT DETAILS FOR INVESTORS

Phone number	+40 364 143 201
Email	ir@arobsgroup.com
Website	www.arobsgroup.ro and www.arobs.com

CONSOLIDATED FINANCIAL RESULTS AS OF DECEMBER 31, 2024



RON 415 million

TURNOVER

+2% vs. Budget



RON 66 million

NORMALIZED EBITDA*

NORMALIZED EBITDA MARGIN **16%**

* without non-cash impact of ESOP 2 and 3

+9% vs. Budget



RON 28 million

GROSS PROFIT

GROSS PROFIT MARGIN 7%

+9% vs. Budget



RON 21 million

NET PROFIT

NET PROFIT MARGIN 5%

+18% vs. Budget



RON 28 million

NORMALIZED NET PROFIT*

NORMALIZED NET PROFIT MARGIN 7%

+12% vs. Budget

* without non-cash impact of ESOP 2 and 3

MESSAGE FROM THE CEO

In 2024, we celebrated three years since our listing on the Bucharest Stock Exchange, a milestone that has significantly accelerated the company's development both financially and strategically. The period from our debut on the AeRO market on December 6, 2021, to the present has been marked by major achievements, culminating in our transfer to the Main Market of the Exchange in 2023 and the completion of the largest share capital increase operation for a technology company listed on the BVB in July 2024.

The capital increase in July 2024 was a defining moment in our journey on the BVB. We raised 143 million lei from local and international investors to support the continued development of the group. In total, 96% of the offered shares were subscribed by institutional investors, including the EBRD, whose support we are pleased to have. This transaction became the first capital increase in the technology sector in which the vast majority of capital was subscribed by institutional investors.

On the financial side, we revised our budget in November 2024 due to changing market conditions. We focused on cost optimizations, improving operational efficiency, and exploring new business opportunities and markets with high growth potential.

Regarding M&A activity, in 2024 we analyzed several significant opportunities, with some evaluation processes extending into 2025. A major step was taken on March 11, 2025, when we signed the acquisition of **SVT Electronics** – the Company's first transaction following the capital increase completed in July 2024. We continue to actively assess other opportunities that align with our long-term development vision.

The integration of **SVT Electronics** into the AROBS Group enables us to expand our offering of innovative and complex solutions for fleet, transport, and logistics management. This acquisition marks another step in our strategic direction to invest in advanced technological solutions aimed at accelerating growth in the European **telematics** market.

The year 2024 was one of the most challenging in the recent history of the technology industry, marking a turning point in the evolution of tech companies worldwide. It was a year of economic challenges, strategic shifts, and the need for rapid adaptation to an ever-changing environment, with a massive impact on AI and Cybersecurity. For AROBS, this period brought both obstacles to overcome and opportunities for consolidation and strategic growth in areas where we previously had a limited presence.

On a macroeconomic level, many industries went through a year of recalibration, and the technology sector was no exception. The global tech market's growth slowed, affected by declining investments, macroeconomic uncertainty, and tighter monetary policies that led to higher financing costs. High inflation and capital market volatility required significant adjustments in companies' financial strategies, resulting in increased caution regarding new hiring and investments across all economic sectors.

Uncertainty in the automotive industry remains a major question mark, but experience teaches us that times of crisis can bring significant advantages to companies that maintain agility and a positive outlook for accelerated growth.



On the other hand, the demand for software services in automation, artificial intelligence, and business process optimization continued to grow, driven by the pressure on companies to reduce costs and improve operational efficiency.

Faced with these challenges and opportunities, we adopted a strategic approach that was both prudent and agile, focusing on operational efficiency, cost control, and maintaining sustainable profitability. We implemented optimization measures at the group level, adjusting our cost structure and streamlining internal processes to remain competitive. Strict measures were taken to optimize human resources, including rigorous control over recruitment and adjustments to salary structures, ensuring a balance between business growth and long-term financial prudence.

Thus, general and administrative expenses decreased significantly at the end of 2024 by 1.1 million lei compared to 2023. At the same time, costs related to the Stock Option Plan (ESOP) programs were substantially reduced in 2024, decreasing by 5.4 million lei compared to 2023 due to the completion of ESOP 1, 2, and the first phase of ESOP 3, as well as lower expenses related to the ESOP 4 program.

Throughout the past year, balancing organic growth with expansion through M&A was a key priority. In 2024, we initiated a merger by absorption process aimed at consolidating operations and optimizing our organizational structure by integrating several entities within the group - AROBS Engineering, Berg Computers, and Nordlogic Software. However, we decided to halt this process due to ongoing legislative changes and also because we have identified more efficient solutions to execute a single merger operation involving a larger group of companies.

Despite all the challenges encountered, AROBS maintained a solid level of financial performance. Our turnover reached 414,7 million lei, exceeding the revised turnover budget published with the Q3 2024 results by 2%. The turnover for 2024 remained approximately at the same level as in 2023.

At the same time, our strategy of having multiple growth pillars, which has been well received by investors, helped offset the decrease in turnover from the "Software Services" segment (327,6 million lei, -5% compared to 2023) through the growth of the "Software Products" segment (79,8 million lei, +13% compared to 2023).

The digitalization projects involving AROBS Systems, "Integrated Systems" segment have an extraordinary growth potential in 2025. We anticipate that contract award decisions for the remaining projects where we have been selected will take place in the first half of 2025.

The largest contract was secured in December 2024, with the signing of an agreement with the National House of Public Pensions as part of a consortium between AROBS Systems and Wing Leading Edge. The total value of this contract is approximately 110 million lei, excluding VAT, of which approximately 44 million lei, excluding VAT, is allocated to AROBS Systems.

In terms of profitability, we closed 2024 with an EBITDA of 59,6 million lei (+10% vs. the budget) and with a net profit of 21,2 million lei, a solid result in a year marked by economic and market challenges for technology companies. This net result exceeded the revised budget by 18% and reflects the continued implementation of cost optimization measures and the agile adaptation of our operational strategy. Moreover, it underscores the resilience of our business model and our ability to generate value even in a challenging environment.

Alongside our efforts in consolidation and operational optimization, we have maintained our strategic focus on innovation and technological development through various projects implemented across the AROBS Group companies. We aim to be innovators and early adopters in the lifecycle of new technologies - ML, AI, Big Data, and more.

In this context, we aim to capitalize on the opportunities generated by this initiative and continue developing products and technological solutions relevant to the European market and beyond. Additionally, we will focus on expanding our international presence through acquisitions, the establishment of new sales offices and delivery centers, and, most importantly, by strengthening our partnerships and exploring new growth opportunities in Europe and the U.S.

As artificial intelligence and automation become increasingly integrated into business processes, we will continue to invest in these areas, recognizing their impact on the efficiency and expansion of our solutions. At the same time, we remain committed to optimizing resources and improving operational efficiency to ensure our competitiveness in an ever-evolving economic landscape.

Today we are publishing the proposed Budget for 2025 – an ambitious one aligned with our strategy of investing in technology, operational efficiency, and geographic expansion. 2025 marks the beginning of a new growth cycle for AROBS, focused on internationalization, innovation, and strengthening our position as a trusted global technology partner.

In conclusion, I would like to thank my colleagues for their professionalism and dedication during this challenging year, our partners for their strong collaboration, and our shareholders for their trust. With a clear strategy and a strong team, we are ready for the new opportunities and potential challenges that 2025 may bring.

I invite you to review the 2024 Preliminary Financial Report, which provides further details on the performance of the AROBS Group. For any inquiries regarding our business activities or the capital markets, please feel free to contact us at ir@arobsgroup.com.

Voicu Oprean, founder and CEO

DESCRIPTION OF THE ISSUER'S ACTIVITY

SOFTWARE SERVICES

Since its establishment, AROBS has relied on excellent specialists and well-adjusted, yet flexible processes to consistently deliver custom software, as well as high-quality software products and applications. The excellence of services and the dedication of AROBS specialists have helped the company establish strong, long-term partnerships with over 11,000 partners from Romania and around the world.

AROBS's 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 into two pillars: Automotive – Embedded, Marine, Aerospace, Medical Devices, etc., and High-Level Industries. The specialization in High-Level Industries consists of the Travel & Hospitality, IoT, Life Sciences, Enterprise Solutions, and Fintech divisions.



- **Automotive** - The Issuer's Software and Engineering solutions are an integral part of its DNA and are based on extensive expertise in the field gained through long-term projects with leading global companies. AROBS Transilvania Software won the Continental - Best Engineering Services Supplier 2021 award, which marked an important milestone for collaborating with the Issuer's clients. In February 2023, AROBS Software Moldova joined the Group, with more than 120 software engineers and developers, mostly specialized in automotive.

- **Aerospace - AROBS Engineering** - Experienced in developing complex embedded systems for the aerospace industry. These skills complement the expertise of AROBS Polska, which has a team of over 30 specialists in the development of products and technologies for quantum and optical communications, data storage and processing, satellite mechanics, and instrument control.
- **Marine – AROBS Engineering** – has expertise in developing solutions for multifunctional navigation systems. These systems are used on marine electronics such as radars, sonars, audio devices, instruments, cameras, and autopilot systems.
- **Embedded Systems for Medical Devices** - Embedded software platforms and solutions for high-tech, connected medical devices that provide improved healthcare capabilities and medical treatments by leveraging cutting-edge technologies such as Artificial Intelligence (AI), Augmented Reality (AR), the Internet of Things (IoT), and wearables.
- **Travel Technology** - Combining niche know-how and technical skills has helped the company build long-lasting and strong partnerships with customers. To date, end-to-end solutions have been created and delivered for companies in the US, France, Spain, Germany, and the Netherlands.
- **Life Sciences** – The Issuer has built solid expertise over the past years in working with large US companies in the pharmaceutical industry. During this time, medical software solutions have been developed that simplify the clinical trial process for new medicines launched in the niche market.
- **IoT** - The IoT systems that the Issuer develops define the 10+ years of expertise in finding the perfect solutions for its customers.
- **Enterprise Solutions** - High competence in developing cloud-based applications, real-time or reactive applications, Big Data, and more. The portfolio is built around projects for clients in countries such as the US, UK, Germany, Finland, Norway, and the Netherlands.
- **Fintech** – Built on knowledge and experience in partnership with leading **banks and financial institutions**.
- **Intelligent Automation** - In the software services field, the Benelux subsidiary CoSo by AROBS Netherlands and Belgium specializes in **Robotic Process Automation**. The expertise has been expanded by the April 2023 acquisition of the Company - the takeover of the Future WorkForce Global (FWF) group. This transaction asserts the Company's strategy of developing new software services expertise that will keep AROBS competitive in the global technology landscape. The acquisition of FWF strengthens the Company's position in the intelligent automation market through Robotic Process Automation (RPA), Artificial Intelligence (AI), and Machine Learning (ML) in Western Europe.

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

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

In addition, with the acquisition of Infobest in 2024, the AROBS Group team grew by over 100 specialists in the development of customized software solutions for the e-commerce, manufacturing, automotive, telecommunications, finance, media, and communications industries, covering the entire application lifecycle – from business analysis, architecture, and UX design to development, testing, and maintenance.

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

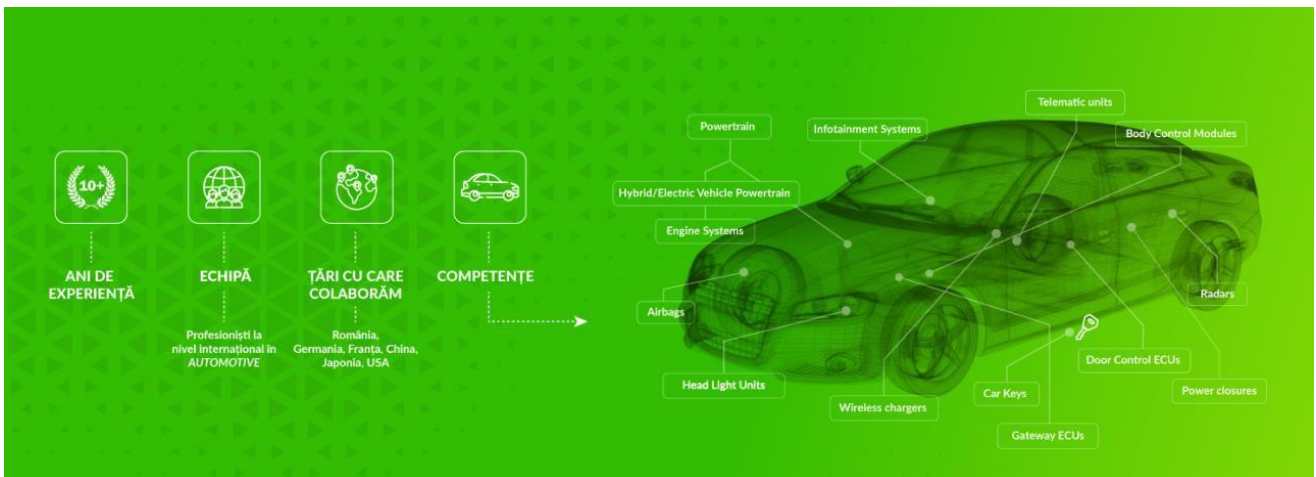
AROBS' expertise in automotive engineering includes both software and hardware expertise. Moreover, the Issuer's projects benefit from more than ten years of experience in providing software services for leading companies in the industry, from Germany, France, Japan, Romania, China, USA.

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

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

The issuer follows AUTOSAR (Automotive Open System Architecture) standards and is TISAX (Trusted Information Security Assessment Exchange) certified. TISAX is the most prestigious information security standard in the automotive industry. This certification is obtained through the international ENX ASSOCIATION platform. This platform facilitates the online interaction of companies, from product and service providers to international audits.

AUTOSAR Capabilities: Classical platform.



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

AEROSPACE

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

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



MARINE

Services: development of integrated technologies for various types of marine electronics used for fishing, navigation, cruising, and commercial use.

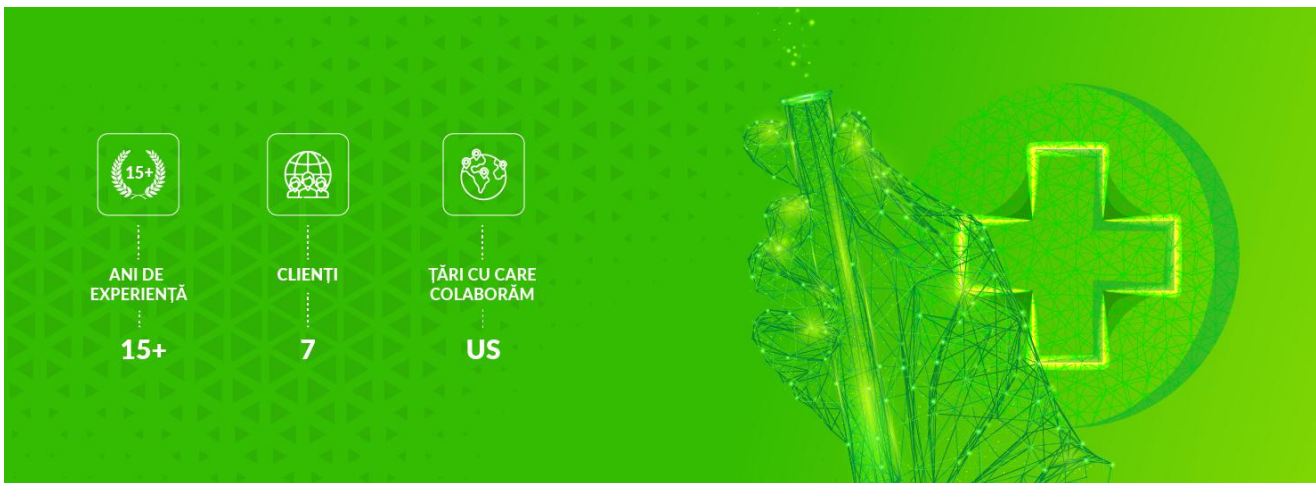
The Issuer has contributed to the development of internationally renowned devices for leading companies in the marine industry. With AROBS solutions, companies in the marine industry can deploy optimal products in the marketplace, operate more efficiently and profitably, and provide a more enjoyable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



MEDICAL DEVICES

Services: requirements and specifications analysis, design and development, validation, testing, and quality assurance. The Issuer offers extensive experience in handling complex research and development projects with numerous technical and regulatory requirements. The company's teams specialize in the development of integrated software platforms and solutions for high-tech medical devices that enhance healthcare capabilities and medical treatments by leveraging cutting-edge technologies such as artificial intelligence (AI), augmented reality (AR), the 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 systems, 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 booking automation), Cybersecurity (cybersecurity component for the implementation of Data Security Standards in the Travel industry), Custom Hotel Channel Integration Software (integration services with GDS, CRS, OTA, Property Management System, Hotel Channel Manager, Payment and Billing applications)

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



LIFE SCIENCES & IOT

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

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

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

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

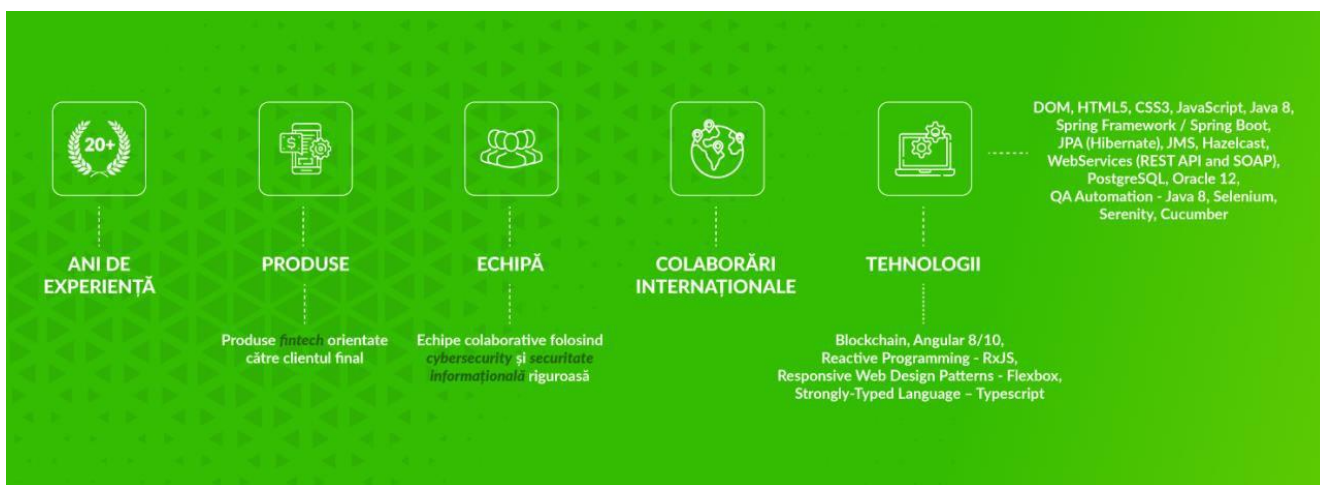


ENTERPRISE SOLUTIONS

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

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

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



FINTECH

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

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



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



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

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

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

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

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

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

Companies in the Software Services Division



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

In 2024, **BERG Software** focused on expanding into the U.S. market through a strategic partnership with KeborMed for cloud-connected medical devices. At the same time, it strengthened its presence in Europe, particularly in automation through the transition to SAP Cloud, as well as in the biomedical sector. The maturation of AI technologies has facilitated the development of AI-driven solutions (including generative AI) and the integration of AI functionalities into existing market solutions.

For 2025, **BERG Software** aims to further consolidate its position in the DACH region (Germany, Austria, Switzerland) and expand its presence in the U.S. market, with a particular focus on SAP, biomedical, and cybersecurity solutions.



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

AROBS Engineering continued to focus on the Medical, Aerospace, Marine, and Automotive industries, further strengthening its position as an expert in embedded software for real-time and safety-critical devices. The company concentrated its efforts on software platforms for autonomous vehicles, including autonomous driving, assisted parking, and driver monitoring systems. Additionally, the teams expanded their collaboration with off-highway vehicle solution providers, particularly in functional safety and software security for electronic control units (ECUs) and control panels used in cranes, agricultural machinery, and emergency vehicles such as fire trucks. A growing trend has been observed in the adoption of modern software processes and environments, such as Adaptive AUTOSAR and POSIX, alongside existing systems.

In the Aerospace sector, AROBS Engineering secured a new project with ESA to develop software platforms (Linux and RTOS) for next-generation RISC-V architecture, as well as its first joint project with AROBS Polska, involving the development of a fully integrated hardware and software solution for satellite navigation systems. The company has maintained steady growth, expanding its embedded software expertise for new ESA missions, leveraging RISC-V architecture.

In the medical devices and marine tech sectors, large-scale projects for globally renowned clients remained stable, focusing on the development of new modules and maintenance of previously delivered solutions.

A strong industry-wide shift has been observed across Automotive, Aerospace, and IoT, with increasing demand for security services in embedded systems. Key focus areas include firmware update security, encryption of stored data, secure communication protocols (CAN, Ethernet, RF, etc.), integration of dedicated security modules such as HSM (Hardware Security Module), as well as Penetration Testing and vulnerability assessments.

According to Lancet (2023), the number of people diagnosed with diabetes could rise from 537 million in 2021 to over 1.3 billion by 2050, driving accelerated growth in the medical device market for diabetes management. AROBS Engineering contributes to the development of personalized patient care technologies for one of the world's leading companies in this segment. Additionally, the company continued its collaboration with a developer of a rapid disease detection platform, including COVID-19. AROBS Engineering's end-to-end Verification and Validation expertise remains a key differentiator in the medical devices market.

In 2024, the company expanded its support for hybrid collaboration solutions, including video conferencing and presentation tools, ensuring end-to-end verification and validation of these technologies. In the maritime embedded technology segment, AE teams continued delivering robust software for multifunctional displays, despite a slight decline in activity within this sector.



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

In 2024, **Nordlogic Group** expanded its client portfolio by signing its first software development service contracts with two new United Nations agencies.

An exciting new project is the digitalization of Cluj County Council's operations, which entered a new, accelerated, and expanded implementation phase which started in fall 2024.



AROBS Polska - formerly SYDERAL Polska - is a company based in Gdansk, Poland, specializing in developing products and technologies for quantum and optical communication, data storage and processing, and control of satellite mechanisms and instruments. The company joined AROBS at the end of January 2023.

A key driver of AROBS Polska's growth in 2024 was its expansion into new market segments and technological domains.

The selection by the European Space Agency (ESA) for the implementation of post-quantum cryptography algorithms (PQC ASTrAL) marks a major advancement in satellite telecommunications security.

This progress is highlighted by the company’s involvement in several high-profile projects:

- **CRIMSON** – Development and qualification of the proximity operations control unit: This project represents a significant milestone for the company in the aerospace and defense sectors. By developing and qualifying a proximity operations control unit, AROBS Polska contributes to cutting-edge technologies with critical applications.
- **RASCOSA Project**: The company is developing electronic control components for infrared sensor cooling systems, showcasing its ability to collaborate internationally and tackle complex thermal management challenges.
- The successful commercialization of the IP Core Time-to-Digital Converter demonstrates the company’s expertise in developing IP Cores and its ability to turn research into profitable products.



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

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

In 2024, strengthened its position as a multi-technology digital transformation provider, expanding its client portfolio by 15% through new partnerships. A dedicated support and maintenance team was established, becoming a strategic pillar for growth in 2025.

The company gained international recognition, ranking in the top 10 in the AI competition organized by UiPath, and invested in emerging technologies such as Intelligent Document Understanding (IDU) and Communications Mining.

For 2025, FWF focuses on Agentic Automation, developing solutions for automating complex processes, diversifying revenue streams through support and maintenance services, and expanding international partnerships. The company aims to maintain its position as a global leader in digital transformation and automation innovation.



During 2024, the **CoSo** teams, specialized in Robotic Process Automation (RPA) and fully integrated both operationally and as a brand under the Future WorkForce name, remained focused on expanding and consolidating their Benelux market position.



In 2024, Infobest by AROBS successfully maintained and strengthened partnerships with all major clients despite a challenging economic environment. This achievement, along with the initiation of smaller-scale projects with both existing and new clients, led to a slight increase in the number of employees.

The goal of entering the Scandinavian markets proved more challenging than initially anticipated, leading to the decision to explore other geographic markets in the near future.

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

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



AROBS SOLUTIONS FOR DIGITALIZATION AND EFFICIENCY

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

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

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

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

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

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



TRACKGPS – Fleet Management Solutions

AROBS TrackGPS is a flagship brand of AROBS Transilvania Software. Launched nearly two decades ago, TrackGPS has continuously evolved, integrating cutting-edge technologies to deliver highly efficient fleet management solutions. Today, the TrackGPS brand is one of the market leaders in its sector, offering intelligent platforms that go beyond basic GPS tracking. Its extensive portfolio includes advanced services designed to increase productivity, optimize costs, ensure regulatory compliance, and

enhance fleet safety.

In 2024, over 850 new companies, managing approximately 11,000 new vehicles, chose the TrackGPS platform. AROBS TrackGPS continued to strengthen its position as a key player in the fleet management market in Central and Eastern Europe.

Investing in international transport solutions, AROBS TrackGPS launched TachoAnalytics in early 2024, one of the most advanced tachograph data analytics solutions available. TachoAnalytics enables real-time downloading of .DDD files from tachographs, providing detailed insights into driver activity, vehicle performance, and regulatory compliance. This innovation significantly strengthened the TrackGPS division's position in the "heavy truck" segment.

In compliance with current regulations, the company also continued to develop and optimize the e-Transport module, facilitating vehicle association with UIT codes and ensuring automated data transmission to the ANAF platform.

AROBS TrackGPS maintained its top position in fleet management by developing and promoting advanced solutions tailored to the industry's evolving needs. Key features that supported this growth include fuel consumption monitoring, CAN data tracking, safety driving solutions, a GDPR module for private mode activation during personal trips, video telematics solutions, and TrackGPS integration with payment platforms for direct vignette and RCA insurance purchases.

In 2024, Orange Romania SA became AROBS TrackGPS's most important strategic partner, strengthening collaboration in promoting fleet management solutions. Through this partnership, TrackGPS solutions are now integrated and distributed via Orange's service and product portfolio, ensuring greater accessibility and efficiency for customers.

To enhance customer experience and communication transparency, AROBS TrackGPS continued investing in the TrackGPS Customer Support portal. This platform provides real-time access to service request statuses, ensuring efficient and fast interaction. Additionally, customers benefit from a digital library with detailed guides and video materials, facilitating an intuitive and seamless user experience.

The TrackGPS Fleet Management mobile app remains an essential tool for fleet managers, recognized as the most advanced fleet management solution available in Romania, Moldova, and Hungary.

The growing demand for compliance solutions and operational performance optimization has driven increasing interest from transport service providers and companies managing their own fleets. These technologies play a key role in accelerating the digitalization of transport and fleet management, delivering efficiency, transparency, and enhanced control.

AROBS TrackGPS continues to reinforce its leadership in advanced fleet management solutions, remaining a trusted partner in the digital transformation of the industry.



SASFleet Tracking, better known on the market as alarma.ro - is the second fleet management brand owned by AROBS.

SASFleet Tracking continued to strengthen its position in both the enterprise and SME segments, addressing the growing interest from customers in cost optimization, route planning, and predictive maintenance modules. The company also advanced the development of the E-Transport module, designed to support freight carriers in communicating vehicle positioning data to ANAF.

The company experienced significant growth in portfolio, securing new partnerships, the most notable being a major service provider in the energy sector, managing a fleet of over 500 vehicles.

Market trends indicate an increasing demand for fleet cost control tools, particularly regarding fuel consumption monitoring. As a result, the FleetCare solution has been well received by new partners, especially its fuel consumption vs. budget module, document expiration alerts, driver behavior tracking, and specialized products like the FMB 140 device, which provides valuable data such as idling with the engine running, fuel level readings via the vehicle's native fuel probe, and engine RPM monitoring.

Additionally, 2024 saw a rise in customer demand for "Private Interest" solutions, which protect privacy during personal trips while still tracking mileage. SASFleet offers a comprehensive solution addressing this need with both hardware (Inhibit/Activate Position Button) and reporting features (Private Mileage Tracking).

To address connectivity challenges in regions where GPRS (2G) services have been discontinued (such as Switzerland, the Netherlands, and Belgium), SASFleet introduced LTE (4G) devices like FMC 130 into its portfolio, ensuring seamless communication with servers.

Fuel efficiency remains a top priority for customers, leading to a significant increase in hardware sales that directly query the vehicle's engine computer, enabling precise fuel consumption reporting.



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

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

In 2024, continued its efforts to increase market share, recording growth in new customer acquisitions and successfully integrating these clients with the

Group's fleet management platforms.



Centrul de Soft GPS was the fleet management division of the company Soft Pro Center until June 2022, when a division process took place, and AROBS fully took over the new entity created under this name in December 2022. Soft GPS Center is specialized in the development of ERP applications and the provision of fleet management solutions, fleet monitoring, security applications stolen cars recovery. The client portfolio of the Soft GPS Center consists of more than 1,000 companies with approximately 9,000 monitored vehicles. The company's 2024 objective was the migration of clients to the TrackGPS platform.

Main Categories of Products Sold and/or Services Provided in Business Optimization

TrueHR is a software solution created by the 26-year experienced UCMS by AROBS for human resources management that automates all industry-specific processes and facilitates the recruitment, administration and

training of employees. Carefully designed with a wide range of functionalities, its aim is to help facilitate the management of tasks in Human Resources departments, many of which it automates using its 15+ modules.

Dp-Payroll is a professional payroll management solution that automates processes specific to this field to eliminate human errors. The Dp-Payroll solution simplifies financial processes through a payroll calculation program and helps to obtain an objective view of the business with the help of accurate and fast reports generated by the system. It ensures the efficient and comprehensive management of employee contract data and collects and processes timekeeping, leave, delegations, detentions, etc. data with over 15 distinct modules. The wide range of functionalities makes dp-Payroll a comprehensive solution for the payroll department that reduces costs and optimizes the company's financial accounting processes.



UCMS by AROBS continues to strengthen its position in the human resource management solutions segment. New partnerships have been established in target industries such as Banking, Retail, Manufacturing, Automotive, and IT.

The company has been attracting new partners primarily through key automation and digitalization features that have gained significant client interest. These include automated timekeeping, digitalized internal and regulatory reporting, employee evaluation, delegation and reimbursement

management, and electronic document signing for employees.

Main Categories of Products Sold and/or Services Provided in Business Optimization



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

In 2024, the company expanded its partnership network. Among the promoted solutions, Optimall SFA has gained the strongest traction in the Romanian market. Market evolution has challenged the team to innovate, leading to the launch of new modules - Merchandising and Prospecting-

while also enhancing service quality.

Optimall clients are increasingly focused on digitalization and process improvement within their companies through various automation solutions. Within SFA, the most in-demand modules, aside from customer and order management, have been Supervisor, Flexible Promotions, Merchandising, and Sell Sheet.

The WMS (Warehouse Management System) solution has seen strong demand among clients looking to digitalize warehouse operations. In 2024, the solution benefited from new functionality investments and process redesign efforts to further enhance efficiency.



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

In 2024, **SoftManager CRM+** continued to develop solutions for the tourism and agriculture sectors. The company completed the integration with TINA Travel IntraNet, an ERP system designed for tourism professionals, and launched a new interface for grain purchase contracts, which automates distance calculations, pricing, and transport type selection. Additionally, new functionalities were implemented, including E-Transport for reporting goods transport with fiscal risk, E-Factura for individual customers, and Import invoices from SPV, which streamlines XML document archiving.

Innovative Projects - A Dedicated Research Department

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



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

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

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

In 2024, the Digital Textbooks project celebrates 10 years since its launch. The modern platform effectively complements traditional classroom learning, providing students with access to interactive resources.

Following successful tender bids in 2024, the executed print runs amounted to 80,000 copies for new textbooks and 170,000 copies for reprints. In 2025, the team, in partnership with Aramis, will participate in a new tender for 8th-grade textbooks in Technological Education and Practical Applications, Romanian Language and Literature, and Biology, with expected delivery to the Ministry by the end of March.

Looking ahead to 2025, key educational trends include Augmented Reality (AR) and Virtual Reality (VR), which provide immersive and interactive learning experiences. While implementation may present challenges, E-learning continues to be an essential part of modern education.



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

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

is showing a positive trend.

RateWizz is a stable product connected with the main OTAs. Offering premium support, a differentiating factor in the market, RateWizz has stable partnerships. There is an increase in interest in the small hotel units segment. For 2025, RateWizz will focus on optimizing operations and enhancing the efficiency of existing partnerships. Key priorities include maintaining the relationship with its main client, advancing integration with PMS systems

in Romania, and exploring opportunities for new sales channel connections based on market demand. In a competitive and uncertain landscape, the RateWizz team successfully delivered a stable and efficient solution in 2024, tailored to the needs of hoteliers.



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

AROBS Systems continued to strengthen its position in the digitalization of the public sector, providing hardware and software implementation services. The company is currently involved in several major projects, including the development and implementation of the new Integrated Information System for the National Public Pension House (CNPP), where it is part of a consortium delivering partial implementations. Additionally, it provides technical assistance services on demand for Nuclearelectrica and the National Bank of Romania (BNR).

The team successfully participated in the public tender for the "Automation of Workflow Processes in Public Administration," organized by the Authority for the Digitalization of Romania, a project with a budget of 106.8 million lei, in partnership with EY. Other tenders in which AROBS Systems took part include projects for the Romanian Air Traffic Services Administration (ROMATSA) and the implementation of intelligent local management systems in Mosoaia.

Beyond its work with government institutions, the company has expanded its client base in the private sector, securing new partnerships for IT infrastructure solutions.

CERTIFICATIONS

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

The Issuer's primary certificates are:

- **Confidentiality and information security** - an information security management system - ISMS - has been implemented. This system is created by some of the most rigorous international standards, **ISO 27001 and TISAX**;
- **ISO 27001 certification** - is an international management standard (International Organization for Standardization) that provides requirements for an information security management system. Therefore, this management standard regulates how to operate securely regarding information. It demonstrates that the Issuer operates according to the strictest international information standards;
- **TISAX** - Trusted Information Security Assessment Exchange - is the industry's most prestigious information security standard. This certification is obtained through the international ENX ASSOCIATION platform. This platform hosts the online information interaction of automotive companies, from product and service providers to international audits;
- **ORDA Certificate** - Certificate issued by the Romanian Copyright Office;
- **HU-GO Certificate** - National Toll Payment Services Plc. - Hungary;
- **ISO 9001: 2015** - Quality Management Systems;
- **ISO 45001: 2018** - Occupational health and safety management systems;
- **ISO 14001: 2015** - Environmental management systems;
- **ISO 9001:2015** - Provision of software and services in terms of application development, consulting, implementation and support activities;
- **ISO/IEC 27001:2013** - Supply of software and provision of services in respect of application development, implementation and support activities;



EXPERIENCE

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

The most relevant value points are:

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

DIFFERENTIATION FROM THE COMPETITION

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

At the level of services delivered by the Issuer:

- Experience in developing proprietary software solutions since 2003;
- Research and development teams;
- Dedicated teams with extensive experience in product development: Dozens of specialists in developing web, mobile, and complete solutions for dynamic industries;
- Experienced management team;
- Enduring partnerships with thousands of companies in Central and Southeast Europe and Asia;
- Presence in European rankings as a representative company in European fleet management;

- Continuous innovation, agility, and adaptability based on the market needs;
- Frequent launch of new software solutions testing on the Romanian market before expanding into Central and Southeast Europe;
- Organic growth, but also through strategic acquisitions, to strengthen business lines and complete the solutions portfolio

GROUP STRUCTURE

As of 31 December 2024, the AROBS Group consisted of AROBS Transilvania Software S.A. ("the Company" or "AROBS" or the "Parent Company") and 30 subsidiaries:

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

EMPLOYEES

As of 31.12.2024, the average number of employees at Group level was 1,187, compared to 2023, when the average number at Group level was 1,254.

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



DIRECTORS

The company is managed by a Board of Directors of five members appointed by the ordinary general meeting of shareholders for a four-year term of office, starting on 29.09.2023. In 2024, the Board of Directors of the Issuer was evaluated by its Chairman, the conclusions of which were that the members have fulfilled their duties in accordance with the provisions of the Articles of Association and the applicable legal provisions. In addition, 29 meetings of the Board of Directors were held during the past year.

The Board of Directors of the Issuer consists of:



Voicu Oprean – Președinte Consiliu de Administrație și CEO

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

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

Additional information as per legal regulations:

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

**Mihaela Cleja – Non-executive member**

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

Additional information according to legal regulations:

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

**Aurelian Deaconu – Executive Member**

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

Additional information as required by legal regulations:

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

**Ioan Nistor – Independent Member**

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

Additional information as required by legal regulations:

- Ioan Alin Nistor is not an active partner in any company currently.

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



Răzvan Gârbacea – Independent member

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

Additional information as per legal regulations:

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

All members of the Board of Directors are covered by professional liability insurance. Details of the remuneration of the members of the Board of Directors and Executive Directors are available in the Remuneration Report for 2024, available on the company's website under the Investors Section – Shareholders General Meetings – Ordinary General Shareholders Meeting – 28.04.2025.

AROBS SHARES ON THE BUCHAREST STOCK EXCHANGE

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

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

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

In July 2024, the Group also completed the largest share capital increase operation for a technology company listed on the Bucharest Stock Exchange. Through this operation, AROBS raised 143 million lei from local and international investors to support the continued development of the Group. In total, 96% of the shares offered were subscribed by institutional investors, making this the first capital increase of a technology company in which the significant majority of capital was subscribed by institutional investors.

Throughout 2024, the average daily volume of AROBS shares traded was approximately 511 thousand shares, with an average daily trading value of around 456 thousand lei. Moreover, in terms of liquidity, in 2024, AROBS ranked as the 20th most traded company overall (excluding volumes on the POF market) and the 10th most traded entrepreneurial company on the Bucharest Stock Exchange.

As of 31.12.2024, the company's shareholder structure was as follows:

Shareholder	No. of shares	Percentage
Voicu Oprean	494,232,967	47.2700%
Legal persons	275,441,628	26.3441%
Individual persons	171,320,977	16.3857%
Cabrio Investment SRL	104,556,758	10.0001%
TOTAL	1,045,552,330	100%

KEY EVENTS IN 2024

THE MAIN BUSINESS EVENTS

INFOBEST ACQUISITION

On **February 27, 2024**, the Company informed the market about the signing of the contract regarding the complete acquisition of Infobest group, specialized in the development of customized software solutions, with offices in Timisoara and Leverkusen, Germany. Infobest has a team of over 100 specialists in the development of customized software solutions for the e-commerce, manufacturing, automotive, telecommunications, finance, media, and communications industries, covering the entire life cycle of an application - from business analysis, architecture, and UX design to development, testing, and maintenance. Infobest has a strong presence on the DACH market with many long-term clients ranging from mid-size companies to multinational corporations, including Automotive, Telecom, Manufacturing global market leaders.

On **June 3, 2024**, the Company informed the market about the completion of this acquisition.

AROBS POLSKA AND AROBS ENGINEERING SELECTED BY ESA FOR CRIMSON PROJECT

On **October 21, 2024**, AROBS Polska and AROBS Engineering began the "Close Proximity Operations Control Unit Development and Qualification" (CRIMSON) project. The project, approved in September 2024, is funded by the European Space Agency (ESA) as part of its Core Activities for Clean Space under the COSMIC initiative within the Agency's Space Safety Program, Period 2.

The project addresses a specific need that has been identified for future Active Debris Removal (ADR) and In-Orbit Servicing (IOS) missions for a qualified control unit capable of interfacing with several sensors and imagers and with sufficient processing power and memory capacity to perform a variety of critical high-data rate functions, including image processing, relative navigation, and robotics control, as well as supporting functions such as image compression and data encryption.

More details are available [HERE](#)..

KEBORMED AND BERG SOFTWARE ANNOUNCE STRATEGIC PARTNERSHIP TO DRIVE CONNECTED HEALTH INNOVATION

On **November 12, 2024**, KeborMed, the leading connected care platform, and Berg Software, part of the AROBS Group, announced a strategic partnership to deliver compliant connectivity solutions tailored to the needs of the medical and life sciences industries. Through this collaboration, Berg Software joins as an official implementation partner for KeborMed's plug-and-play platform, supporting MedTech and Digital Pharma companies in bringing connected devices to market efficiently and securely.

More details are available [HERE](#).

AROBS ENGINEERING LAUNCHES INTO TESTING THE ALERTBOX PROTOTYPE

On **November 22, 2024**, AROBS Engineering, part of AROBS Group, announced the deployment of the testing phase for the AlertBox prototype devices created during their latest Research and Development (R&D) project, funded by the European Space Agency (ESA) as part of the Business Applications and Space Solutions (BASS) programme. AlertBox by AROBS prototype connects two global satellite constellation systems (Starlink and Iridium) to the national emergency response systems.

The AROBS AlertBox prototype tackles a societal pain point by addressing emergency communication challenges in the event of GSM coverage failure during a catastrophic event in isolated, remote, or busy urban areas. The product is a stand-alone unit connected via satellite with a centralized, secure server. The server, in turn, will communicate with local and national entities providing 112 and E-alert services.

More details are available [HERE](#).

SIGNING OF A SIGNIFICANT CONTRACT

On **December 9, 2024**, the Company informed the market about the signing of a significant contract by AROBS SYSTEMS SRL, a wholly owned subsidiary of AROBS Transilvania Software S.A., with the National Public Pension House. The contract is a partnership between AROBS Systems SRL and Wing Leading Edge SRL, in which AROBS Systems SRL holds a 40% share. The total contract value amounts to 109,931,387.31 lei (excluding VAT), of which 43,972,554.24 lei (excluding VAT) is allocated to AROBS SYSTEMS SRL. The contract duration is 17 months from the signing date.

More details are available [HERE](#).

MERGER PROJECT

On **December 19, 2024**, the Company informed investors about the publication of the Merger Project through absorption, involving AROBS TRANSILVANIA SOFTWARE S.A. (absorbing entity) and AROBS DEVELOPMENT & ENGINEERING S.R.L., BERG COMPUTERS S.R.L., and NORDLOGIC SOFTWARE S.R.L. (absorbed entities).

On February 7, 2025, the Company announced the market that the Board of Directors had decided to revise its approach to the organizational consolidation process within the Group. Following an internal assessment, the Group's management determined that the companies initially proposed for the second phase had either completed or were nearing the completion of their integration process. As a result, they are now considered suitable to be included in a single, extended merger operation.

More details are available [HERE](#) and [HERE](#).

KEY EVENTS RELATED TO GOVERNANCE

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS FROM 04.03.2024

On **January 31, 2024**, the Company informed the market about the decision to convene the EGMS for March 4, 2024. The legal and statutory quorum was constituted at the first convocation. The key point voted during the EGMS was:

- Approval of the company's buyback program of its own shares, in the market where the shares are listed or by conducting public purchase offers, in accordance with the legal provisions applicable under certain conditions.

More information is available [HERE](#).

ORDINARY AND EXTRAORDINARY GENERAL MEETINGS OF SHAREHOLDERS FROM 29.04.2024

On **March 28, 2024**, the Company informed about the decision to convene the OGMS and EGMS for April 29, 2024. The legal and statutory quorum was constituted at the first convocation. The key points voted during the two meetings were:

- Approval of the individual and consolidated financial statements prepared for the financial year ended on December 31, 2023, accompanied by the annual report of the Board of Directors and the report of the independent auditor.
- Approval of the revenue and expense budget for the 2024 financial year
- Approval of the allocation of the Company's net profit, at an individual level, recorded for the financial year ended on December 31, 2023
- Approval of the Company's Remuneration Report for the financial year ended 31 December 2023
- Approval of a share allocation program (of the "stock option plan") to the members of the Board of Directors, directors and employees of the Company, as well as to the members of the management bodies and employees of any subsidiaries of the Company

More information is available [HERE](#).

2024 REVENUE AND EXPENSE BUDGET

On **April 1, 2024**, the Company informed investors about the availability of the 2024 Consolidated Revenue and Expense Budget. The budget was approved at the Ordinary General Meeting of Shareholders, which took place on April 29, 2024.

More information is available [HERE](#).

FREE ASSIGNMENT OF CERTAIN SHARES

On **April 16, 2024**, the Company informed investors about the free assignment of 12,157,414 shares to employees and members of management bodies within the Company and other affiliated companies.

More details are available [HERE](#).

INITIATION OF THE SHARE BUYBACK PROGRAM

On **April 18, 2024**, the Company informed the market about the initiation of its share buyback program, with an initial phase involving the repurchase of 3,000,000 shares. More details are available [HERE](#).

Later, on **June 13, 2024**, the Company informed the market about the supplementing with 2,000,000 shares the buyback program initiated on April 18, 2024. More details are available [HERE](#).

Also, on **August 7, 2024**, the Company informed the market about the supplementing with 3,000,000 shares the buyback program initiated on April 18, 2024. More details are available [HERE](#).

Also, on **October 9, 2024**, the Company informed the market about supplementing with 3,000,000 shares the buyback program initiated on April 18, 2024. More details are available [HERE](#).

FREE ASSIGNMENT OF CERTAIN SHARES

On **September 25, 2024**, the Company informed investors about the free assignment of 1,983,770 shares to employees and members of management bodies within the Company and certain affiliated companies.

More details are available [HERE](#) and [HERE](#).

KEY EVENTS RELATED TO THE CAPITAL MARKET

INCLUSION OF AROBS SHARES IN THE FTSE GLOBAL MICRO CAP INDEX

On **February 19, 2024**, the Company informed the market that the global index provider FTSE Russell has announced, following its quarterly review, that the Company's shares would be included in the FTSE Global Micro Cap Index, effective March 18th, 2024. The FTSE Global Micro Cap Index includes global micro-sized companies and is suitable for investment products such as funds, derivatives, and exchange-traded funds (ETFs).

SHARE CAPITAL INCREASE OPERATION

On **May 30, 2024**, the Company informed the market that in the meeting held on May 30, 2024, the Board of the Romanian Financial Supervisory Authority ("FSA") approved the Prospectus for the increase of the share capital of the Company, with cash contributions, according to the information available on FSA's website. Later, on May 31, 2024, the Company published the EU Prospectus for the share capital increase according to the FSA Approval Decision no. 507/31.05.2024. The Prospectus, subscription and revocation forms, as well as the FSA Decision approving the Prospectus were available for investors on the Company's website, [HERE](#), as well as on the issuer's profile on the website of the Bucharest Stock Exchange.

More details are available [HERE](#) and [HERE](#).

On **July 5, 2024**, the Company informed the market about the conclusion of the first stage of the share capital increase operation, carried out between 06.03.2024 and 07.04.2024. In Stage 1, investors subscribed to newly issued shares based on AROBSR01 preference rights. In stage 1, investors subscribed for a total of 6,499,332 AROBS shares out of the 174,258,721 shares available.

On **July 8, 2024**, the Company informed investors that the Company's founder, Mr. Voicu Oprean, together with CABRIO INVESTMENT SRL (a person closely related to Mr. Voicu Oprean) expressed their intention to supplement the number of shares offered in the Private Placement with a number of up to 56,546,000 own shares, in the event of a high demand and/or an oversubscription during this stage of the share capital increase.

The second stage of the share capital increase was closed on July **10, 2024**, when the Company informed the market about the closing of the private placement with the following object:

- (i) 167,759,389 new shares remaining unsubscribed following stage 1 of the share capital increase; and
- (ii) up to 56,546,000 existing shares offered for sale by Mr. Voicu Oprean, together with CABRIO INVESTMENT SRL (a person closely related to Mr. Voicu Oprean).

Therefore, in stages 1 and 2 of the share capital increase, the shareholders subscribed a number of 174,258,721 new dematerialized registered shares, with a nominal value of RON 0.1 each and a total nominal value of RON 17,425,872.1. Consequently, the Company's share capital is thus increased from the nominal value of RON

87,129,360.9 to the nominal value of RON 104,555,233, by issuing a number of 174,258,721 new dematerialized registered shares with an individual nominal value of RON 0.1 and a total nominal value of RON 17,425,872.1. The share capital increase was completed on July 25, 2024, when the new shares were loaded into the shareholders' accounts.

More details are available [HERE](#).

PUBLICATION OF SUSTAINABILITY REPORT

On **June 18, 2024**, the Company informed the market about the availability of the Company's Sustainability Report for the 2023. The report can be accessed on the Company's website, [HERE](#), for English and [HERE](#) for the Romanian version. The decision to issue the first Sustainability Report was part of a broad strategy implemented by the Company, the report representing the first step in its commitment to transparency regarding ESG standards.

NOTICE OF MAJOR HOLDINGS >5% BY ALLIANZ SE

On **July 29, 2024**, the Company informed the market that it has received, on 26.07.2024, from Allianz SE, the notification of the increase of major holdings above the 5% threshold. More details are available [HERE](#).

NOTIFICATION OF MAJOR HOLDINGS < 50% and > 10%

On **October 15, 2024**, the Company informed the market about the receipt, on October 15, 2024, from Mr. Voicu Oprean and CABRIO INVESTMENT SRL, of the notification regarding the reduction of the major holdings of Mr. Voicu Oprean below the 50% threshold, respectively the increase of major holdings of CABRIO INVESTMENT SRL above the 10% threshold.

More details are available [HERE](#).

KEY EVENTS AFTER THE CLOSING OF THE REPORTING PERIOD

PRINCIPALELE EVENIMENTE LEGATE DE DEZVOLTAREA AFACERII

ACQUISITION OF SVT ELECTRONICS

On **March 11, 2025**, the Company informed the market about the full acquisition of SVT Electronics, a Romanian company specialized in the development of comprehensive solutions for tachograph data management and analysis.

More details are available [HERE](#).

AROBS POLSKA SELECTED BY ESA TO DEVELOP A SATELLITE COMMUNICATION SECURITY SYSTEM USING POST-QUANTUM ALGORITHMS

On **March 11, 2025**, AROBS Polska, part of the AROBS Group, has been selected by the European Space Agency (ESA) to develop and implement the *Post-Quantum Cryptography Algorithms for Satellite Telecommunication Applications* (PQC ASTrAL) project. This project, carried out under the ESA Advanced Research in Telecommunications Systems (ARTES) Space Systems for Safety and Security (4S) program within ESA's Connectivity and Secure Communications directorate, aims to develop a cryptographic system for satellites based

on post-quantum algorithms, ensuring the protection of communications against emerging threats posed by quantum computers.

More details are available [HERE](#).

KEY EVENTS RELATED TO GOVERNANCE

COMPLETION OF THE SHARE BUYBACK PROGRAM

On **January 8, 2025**, the Company informed the market about the completion of its share buyback program, which was initiated on April 18, 2024, and subsequently supplemented on June 13, 2024, August 7, 2024, and October 9, 2024. The purchasing of up to 11,000,000 shares was carried out in accordance with EGMS Resolution No. 1 dated March 4, 2024, published in the Official Gazette, Part IV, No. 1877/April 16, 2024, at a minimum price of 0.1 lei per share and a maximum price of 1.4 lei per share. The buyback program was managed by BRD - GROUPE SOCIETE GENERALE S.A., acting as an investment services firm, making independent trading decisions regarding the timing of the Company's share acquisitions, without influence from the Company.

More details are available [HERE](#).

ORDINARY GENERAL MEETINGS OF SHAREHOLDERS FROM 06.03.2024

On **February 3, 2025**, the Company informed the market of the decision to convene the Ordinary General Meeting of Shareholders (OGMS) on March 6, 2025. The legal and statutory quorum was met at the first call.

The key item approved during the OGMS was:

- The appointment of the financial auditor BDO AUDITORS & ACCOUNTANTS SRL until September 30, 2025.

More information is available [HERE](#).

KEY EVENTS RELATED TO THE CAPITAL MARKET

MARKET MAKER SERVICE AGREEMENTS WITH RAIFFEISEN BANK INTERNATIONAL AND INTERCAPITAL SECURITIES

On **January 3, 2025**, the Company informed the market about the signing of two Market Maker service agreements with Raiffeisen Bank International and InterCapital Securities.

More details are available [HERE](#).

ANALYSIS OF THE CONSOLIDATED FINANCIAL RESULTS

At the end of January 2023, AROBS acquired Syderal Polska. The financial performance (revenues and expenses) of this subsidiary has been reflected in the group's financials starting from February 2023.

In early February 2023, AROBS acquired the entire share capital of AROBS Software SRL and AROBS Trackgps SRL, both based in the Republic of Moldova, with their financial performance (revenues and expenses) reflected in the group's financials starting from February 2023.

In April 2023, AROBS acquired the Future WorkForce Global (FWF) group, with its financial performance (revenues and expenses) incorporated into the group's financials from May 2023.

In July 2023, AROBS acquired full ownership of AROBS Pannonia Software Kft and its subsidiary, Skyshield Magyarorszag Kft. The financial performance (revenues and expenses) of these subsidiaries has been included in the group's financials starting from July 2023.

In 2024, at the end of May, AROBS completed the acquisition of the Infobest group (Infobest Romania SRL, Infobest Romania SRL Niederlassung, Infobest Systemhaus GmbH), with its financial performance (revenues and expenses) reflected in the group's financials starting from June 2024.

CONSOLIDATED P&L ANALYSIS

Profit and Loss account indicators

INCOME SITUATION (LEI)	2024 AROBS Group Audited	2023 AROBS Group Audited	Variation % 2024 vs. 2023	2024 AROBS Group Budget	Variation % 2024 vs. Budget
Turnover:	414,667,612	427,294,137	-3%	404,866,000	2%
Revenue from software services	327,574,127	344,775,332	-5%	322,000,000	2%
Revenue from software products	79,823,305	70,537,191	13%	78,770,000	1%
Revenue from integrated systems	7,270,180	11,981,615	-39%	4,096,000	77%
TOTAL – Cost of sales	301,894,814	295,755,657	2%	294,803,000	2%
Cost of sales of software services	256,626,233	254,215,350	1%	253,485,000	1%
Cost of sales of software products	38,855,377	31,653,344	23%	37,950,000	2%
Cost of sales of integrated systems	6,413,204	9,886,963	-35%	3,368,000	90%
Gross result	112,772,798	131,538,480	-14%	110,063,000	2%
<i>Software Services - Gross margin</i>	22%	26%	-5%	21%	0%
<i>Software products - Gross margin</i>	51%	55%	-4%	52%	0%
<i>Integrated Systems - Gross margin</i>	12%	17%	-6%	18%	-6%
Other operating revenues	1,647,892	1,131,751	46%	922,000	79%
Sales and marketing expenses	(21,098,009)	(18,370,931)	15%	(19,892,000)	6%
General and administrative expenses	(69,633,618)	(70,739,928)	-2%	(67,392,000)	3%
Operating profit	23,689,063	43,559,373	-46%	23,701,000	0%
EBITDA	59,636,761	73,489,365	-19%	53,973,000	10%
EBITDA margin	14%	17%	-3%	13%	1%
Normalized EBITDA*	66,473,895	92,618,775	-28%	60,907,000	9%
Normalized EBITDA margin*	16%	22%	-6%	15%	1%
Financial revenue/ (financial expenses), net	3,934,628	(517,637)	-860%	1,563,000	152%
Profit before tax	27,623,691	43,041,736	-36%	25,264,000	9%
Profit tax	(6,391,433)	(11,125,850)	-43%	(7,220,000)	-11%
Net profit	21,232,258	31,915,886	-33%	18,044,000	18%
Net profit margin	5%	7%	-2%	4%	1%
Normalized net profit**	28,069,395	51,045,297	-45%	24,978,000	12%
Normalized net profit margin**	7%	12%	-5%	6%	1%

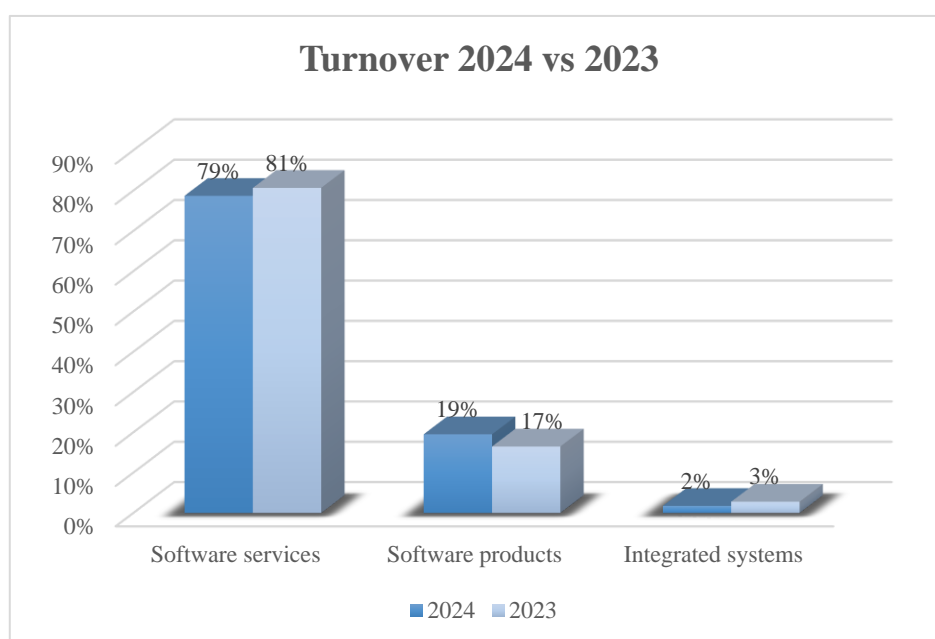
*Normalized EBITDA = EBITDA without the non-cash impact of ESOP 1,2 and 3.

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

Turnover analysis

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

Business lines (LEI)	2024 Turnover (Audited)	2023 Turnover (Audited)	Variation %
Software services	327,574,127	344,775,332	-5%
Software products	79,823,305	70,537,191	13%
Integrated systems	7,270,180	11,981,615	-39%
Total	414,667,612	427,294,137	-3%



The Group's strategy of relying on multiple growth pillars helped offset the temporary decline in revenue recorded in the "Software Services" segment through the increase in revenue from the "Software Products" segment, even though the contribution of the "Software Products" segment to the Group's total revenue stands at 19%. The revenue generated by the "Integrated Systems" segment, lower than in the same period of the previous year, was influenced by the type of contracts won and the timing of their signing. In December 2024, the largest integrated systems services contract since the subsidiary's establishment was signed with the National Public Pensions House. The results of the bids submitted during 2024 will be announced in the first part of 2025.

Organic vs. M&A

	2024			2023		
	Organic	M&A*	Total (Audited)	Organic	M&A*	Total (Audited)
Turnover:	260,152,908	154,514,704	414,667,612	300,503,384	126,790,753	427,294,137
Software services	181,545,276	146,028,851	327,574,127	224,258,668	120,516,664	344,775,332
Software products	71,337,451	8,485,853	79,823,304	64,263,102	6,274,089	70,537,191
Integrated systems	7,270,181	-	7,270,181	11,981,615	-	11,981,615

Cost of sales:	189,299,317	112,595,498	301,894,815	206,629,403	89,126,253	295,755,657
Software services	147,991,846	108,634,388	256,626,234	168,262,930	85,952,420	254,215,350
Software products	34,894,267	3,961,110	38,855,377	28,479,511	3,173,834	31,653,344
Integrated systems	6,413,204	-	6,413,204	9,886,963	-	9,886,963
Gross margin	70,853,591	41,919,206	112,772,797	93,873,981	37,664,500	131,538,480
Gross Margin %	27%	27%	27%	31%	30%	31%

* Companies acquired as of 2021

The revenues from the “Software Services” segment, recorded in 2024 on a consolidated level, decreased by 5% compared to the previous year. Companies in the M&A category contributed 146 million lei to the segment’s revenue as of December 31, 2024, up by 25.5 million lei (+21%) compared to last year, while the Organic business experienced a 19% decline due to delays in new projects and the downsizing of ongoing projects in the Automotive vertical, particularly in electrification, as well as in the medical field.

The revenues generated by the “Software Products” segment in 2024, on a consolidated level, increased by 9.2 million lei (+13%) compared to the previous year. As of December 31, 2024, the contribution of the acquired companies to the segment’s revenue was 8.5 million lei, and 2.2 million lei to the segment’s overall growth.

In the area of software products, such as fleet management, business optimization, and HR solutions, the market continues to grow, following the trend of recent years.

The “Integrated Systems” segment is developed by one of the Group’s subsidiaries, AROBS Systems, which is responsible for implementing hardware and software solutions, as well as software products for contracting authorities in the public sector. This company has a team of professionals specialized in the public sector and possesses technical expertise in integrating complex systems and technologies such as ORACLE, HP, DELL, and Microsoft. Revenues and expenses recorded within this segment have been restated following the application of IFRS accounting policies; namely, revenues and expenses related to consortium partners within joint contracts, as well as those in which AROBS Systems acted as an agent, were adjusted accordingly. The impact of this adjustment as of December 31, 2024, amounted to 31.4 million lei for both revenues and related expenses, compared to an impact of 21.8 million lei as of December 31, 2023, with zero effect on both EBITDA and net profit.

The gross margins achieved by both the Organic business and the acquired companies remained similar in both 2023 and 2024, indicating effective operational integration.

Additionally, revenue increased by 2% compared to the revenue budgeted for 2024.

The cost of sales in the software services segment rose by 2.4 million lei in 2024 compared to the previous year. This variation was driven by a significant 20 million lei decrease in costs in the Organic area, compared to the same period of the previous year, and by a 22.7 million lei increase in costs generated by companies acquired in 2023 and 2024. The evolution of costs, both for the Organic and M&A areas, was adjusted according to the dynamics of revenues and projects carried out in 2024.

Although the beginning of the year brought salary increases - also influenced by the partial elimination of income tax incentives - costs related to directly productive resources (including ESOP), both employees and third parties, were managed efficiently throughout 2024.

Contracted service expenses from third parties decreased by 0.8 million lei in 2024 compared to the previous year. These contracted services primarily included software and IT consulting services, recruitment services, and participation in trade fairs and conferences.

The cost of sales in the software products segment increased by 7.2 million lei compared to 2023 due to higher salary expenses and third-party services, following the internalization of some software development and maintenance processes. During this period, the contracted services primarily included device installation services for monitoring and software development services. The evolution of these costs aligns with the expansion of the segment's activity and the development of in-house products.

Sales and marketing expenses increased by 2.7 million lei in 2024 compared to 2023. The main increase stemmed from the effect of newly acquired companies and the sales efforts aimed at identifying new commercial opportunities.

General and administrative expenses decreased by 1.1 million lei as of December 31, 2024, compared to the previous year. This evolution was due to a 6.3 million lei decrease in general and administrative expenses (excluding the items listed below), partially offset by a 0.8 million lei increase in customer relationship amortization and a 4.4 million lei goodwill impairment expense.

The increase in customer relationship amortization resulted from the acquisition of the Infobest Group in 2024 and reflects the cost over the seven months following its entry into the Group. In 2024, based on goodwill impairment tests conducted following acquisitions, a 4.4 million lei expense was recorded for two subsidiaries for which there were indicators of value reduction, calculated based on future cash flows.

EBITDA as of December 31, 2024, stood at 59.6 million lei, while net profit amounted to 21.2 million lei. Furthermore, **EBITDA** as of December 31, 2024, exceeds the budgeted **EBITDA** for 2024 by 10%.

ESOP-related expenses as of December 31, 2024, were 5.4 million lei lower than in the same period of the previous year, due to the completion of ESOP 1, ESOP 2, and Stage 1 of ESOP 3, as well as reduced expenses for ESOP 4. The shares granted under ESOP programs 1, 2, and 3 were those acquired at nominal value from Voicu Oprean before the company's listing on the Bucharest Stock Exchange. The shares granted under ESOP 4 were acquired through the implementation of a buyback program.

Normalized EBITDA at the consolidated level amounted to 66.5 million lei as of December 31, 2024, and normalized net profit reached 28.1 million lei. These indicators were normalized by excluding the expenses related to ESOP 2 and 3. The expense related to ESOP 4, which began in May 2024, was not considered in the normalization of these indicators since the required shares for this program were purchased through buyback programs, thus generating a monetary effect. Compared to the 2024 budget, **normalized EBITDA** recorded a 9% increase.

BUSINESS AND SALES STRATEGY

AROBS's business strategy for the coming period is built on a sustainable growth model that combines expansion through strategic acquisitions, proximity to clients in international markets, and the capitalization of emerging technological opportunities in high-impact areas such as artificial intelligence, data engineering, and cybersecurity. Through this approach, the Group aims to strengthen

its position as a trusted global technology partner, continuously adapting to market dynamics and client needs.

Expansion through strategic acquisitions (M&A)

Acquisitions remain a key pillar of AROBS's growth strategy, with a clear focus on companies operating in the software services and products sectors, active in verticals where the Group already has a strong presence: Embedded, Automotive, Medical, Travel & Hospitality, IoT, Life Sciences, Enterprise Solutions, and Fintech, including areas such as Intelligent Automation.

The companies targeted for potential acquisitions are primarily based in Central and Eastern Europe or the United States, with a solid client portfolio in geographies relevant to the Group and profitability levels aligned with those of the existing entities within the Software Services division. In the Software Products area, the Group is particularly interested in companies developing solutions for fleet management, in Romania and neighboring countries, as well as for business digitalization and process optimization on the local market.

Through these acquisitions, AROBS aims to strengthen its technological expertise, expand delivery capabilities, and diversify its portfolio of products and services, supporting sustainable growth within complementary ecosystems.

Organic expansion in international markets through client proximity

Beyond the M&A component, AROBS continues to invest in organic expansion, particularly in the United States and the European Union, where it already maintains strong commercial relationships. The strategy is centered on proximity to clients, achieved through the opening of new sales offices and delivery centers, as well as the development of a commercial and technical presence tailored to the specific needs of each market.

Leveraging technological opportunities: AI, data engineering, and cybersecurity

In a context of accelerated digitalization and exponential growth in data volumes, AROBS is committed to investing in the development of capabilities and solutions that incorporate emerging technologies such as artificial intelligence, data engineering, and cybersecurity.

AROBS aims to be an active partner in the digital transformation journeys of organizations, contributing applied expertise to projects involving intelligent automation, advanced data processing, and information security. At the same time, the Group is focused on integrating these technologies into its own product portfolio, delivering scalable, modern solutions that meet today's performance and security requirements.

SIGNIFICANT CLIENTS

The following table presents the customer distribution by business line:

Business segment	Top clients 2024	% of revenue	Top clients 2023	% of revenue
Software services	Client 1	17.56%	Client 1	25.82%
	Client 2	3.82%	Client 2	4.21%
	Client 3	3.63%	Client 3	5.93%
	Client 4	3.48%	Client 4	0.00%
	Client 5	2.57%	Client 5	4.35%
Software products	Client 6	0.81%	Client 6	0.41%
	Client 7	0.52%	Client 7	0.37%
	Client 8	0.19%	Client 8	0.15%
	Client 9	0.10%	Client 9	0.14%
	Client 10	0.10%	Client 10	0.16%
Integrated systems	Client 11	0.91%	Client 11	0.00%
	Client 12	0.30%	Client 12	0.08%
	Client 13	0.18%	Client 13	0.00%

KEY FINANCIAL RATIOS

AROBS AT GROUP LEVEL

Current ratio as of 31.12.2024

$$\frac{\text{Current assets } 358,099,154}{\text{Current liabilities } 99,945,884} = 3.58$$

Quick ratio as of 31.12.2024

$$\frac{\text{Current assets inventories } 349,300,048}{\text{Current liabilities } 99,945,884} = 3.9$$

Debt to equity ratio as of 31.12.2024

$$\frac{\text{Borrowed capital } 82,515,623}{\text{Employed capital } 439,857,017} \times 100 = 18.76\%$$

$$\frac{\text{Borrowed capital } 82,515.623}{\text{Employed capital } 522,372,640} \times 100 = 15,80\%$$

Borrowed capital = Loans over 1 year

Employed capital = Borrowed capital + Equity

Debt turnover ratio - clients (days) as of 31.12.2024

$$\frac{\text{Average client balance}}{\text{Turnover}} \times 365 = \frac{88,770,729}{414,667,612} \times 365 = 78.14$$

Fixed assets turnover as of 31.12.2024

$$\frac{\text{Turnover}}{\text{Fixed assets}} = \frac{414,667,612}{285,457,927} = 1.45$$

Bank financing debt ratio as of 31.12.2024

$$\frac{\text{Total bank liabilities}}{\text{Normalized EBITDA}} = \frac{67,112,990}{66,473,895} = 1.01$$

Earnings per share as of 31.12.2024

$$\frac{\text{Profit}}{\text{Basic shares outstanding}} = \frac{20,992,051}{917,313,056} = 0.0229$$

Diluted earnings per share as of 31.12.2024

$$\frac{\text{Profit}}{\text{Diluted regular shares outstanding}} = \frac{20,992,051}{1,040,116,936} = 0.0202$$

CONSOLIDATED BALANCE SHEET ANALYSIS

BALANCE SHEET INDICATORS

Balance sheet indicators (LEI)	31.12.2024 AROBS Group Audited	31.12.2023 AROBS Group Audited	Variation %
Total fixed assets, out of which:	285,457,927	278,546,751	2%
Tangible assets	13,679,736	35,556,876	-62%
Right-of-use assets	25,396,600	17,236,489	47%
Investment properties	21,008,039	-	100%
Goodwill	111,230,318	104,761,369	6%
Customer relationship	74,155,381	76,561,802	-3%
Other intangible assets	27,031,719	23,044,459	17%
Loans granted to related parties	7,294,119	15,555,506	-53%
Other financial assets	3,687,246	3,700,985	0%
Deferred tax asset	1,974,769	2,129,265	-7%
Total current assets, out of which:	358,099,154	203,254,925	76%
Trade and other receivables	73,202,668	97,908,883	-25%
Loans granted to related parties	5,847,550	1,413,707	314%
Cash and cash equivalents	259,604,189	88,075,920	195%
Total assets	643,557,081	481,801,676	34%
Current liabilities, out of which	99,945,884	90,590,748	10%
Bank loans	24,677,989	24,184,008	2%
Leasing liabilities	8,206,905	7,919,498	4%
Total non-current liabilities, out of which:	103,754,180	117,523,771	-12%
Bank loans	42,435,001	62,629,398	-32%
Leasing liabilities	17,267,490	11,309,563	53%
Total liabilities	203,700,064	208,114,518	-2%
Total Equity	439,857,017	273,687,158	61%
Total equity and liabilities	643,557,081	481,801,676	34%
Net assets	439,857,017	273,687,158	61%

As of December 31, 2024, total assets reached 644 million lei, representing a 34% increase compared to the end of 2023, driven primarily by the developments detailed below.

In July 2024, the Company successfully completed a share capital increase operation, raising 142.9 million lei from institutional investors. The funds raised are reflected in the Company's cash and cash equivalents as of December 31, 2024. AROBS intends to use this capital to invest in newly acquired companies, expand commercial activities in key markets, and continue the development of software products in its portfolio.

Cash flows generated from operating activities increased by 66% compared to the previous year, strengthening the Group's financial position.

Fixed assets recorded a net increase of 6.9 million lei as a result of recognizing goodwill following the acquisition of the Infobest group at the end of May 2024, continued development of in-house products, and the completion in March 2024 of an investment in a new office building, which will be used for rental purposes to third parties, at a rate of 80%. Additionally, the value of right-of-use assets increased due to the extension of lease agreements and the indexation of rental payments during the year.

For the acquired companies, customer relationships were identified during the purchase price allocation process conducted by external evaluators and were recognized at fair value as intangible assets in the financial statements as of the acquisition date. The net book value of customer relationships as of December 31, 2024, amounts to 74.2 million lei. These assets are amortized on a straight-line basis over a period of 10 years.

The net book value of goodwill recorded as of December 31, 2024, amounts to 111.2 million lei. This value increased by 6.5 million lei in 2024 following the acquisition of the Infobest group. As of December 31, 2024, impairment testing of goodwill related to the acquired companies was performed. Based on future cash flow calculations, the testing concluded with an impairment charge of 4.4 million lei for two subsidiaries.

As of December 31, 2024, the bank debt ratio, calculated as total bank debt to normalized EBITDA, stood at 1.01, indicating a solid financial position that allows the Group to access additional financing to support its strategic objectives.

DIVIDEND POLICY

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

PROPOSED DISTRIBUTION OF PROFIT FOR THE YEAR 2024

The proposal of the Board of Directors regarding the distribution of the profit for the financial year ended December 31, 2024, in the amount of 30,516,880.36 lei, determined in accordance with applicable laws, is as follows: the amount of 28,752,991.67 lei as retained earnings (carried forward result), the amount of 1,652,001.56 lei allocated to the legal reserve, and the amount of 111,887.12 lei allocated to other reserves.

OUTLOOK ON THE ISSUER'S ACTIVITY

2025 CONSOLIDATED REVENUE AND EXPENSE BUDGET

PROFIT AND LOSS ACCOUNT	2025
Turnover:	460,000,000
Revenue from software services	333,000,000
Revenue from software products	105,000,000
Revenue from integrated systems	22,000,000
Total cost of sale:	320,000,000
Cost of sales of software services	252,000,000
Cost of sales of software products	50,000,000
Cost of sales of integrated systems	18,000,000
Gross result	140,000,000
Other net operating revenues (expenses)	1,000,000
Sales and marketing expenses	29,000,000
General and administrative expenses	74,000,000
Operating profit	38,000,000
EBITDA	73,000,000
EBITDA margin	16%
Profit before tax	45,000,000
Profit tax	8,000,000
Net profit	37,000,000
Net profit margin	8%

OUTLOOK ON THE GROUP'S PERFORMANCE

In 2025 and beyond, AROBS aims to continue its activities focused on expansion, innovation, and operational efficiency, in order to strengthen its position in software services and products both locally and internationally. Therefore, the Group's priorities for 2025 are as follows:

Integration of Group entities

- In 2025, AROBS will continue the integration process of the Group's entities with the aim of optimizing resources to increase the added value delivered to clients.

Streamlining Group operations

- Operational efficiency remains a key component of AROBS's strategy. By adopting advanced technologies and optimizing internal processes, the Group aims to strengthen its delivery capabilities for software services and products, while also fostering an organizational culture that encourages knowledge sharing and the dissemination of best practices across Group companies.

Technology opportunities – AI, data engineering and cybersecurity

- As artificial intelligence and automation become increasingly embedded in business processes, AROBS will continue to invest in these areas, recognizing their potential to enhance efficiency and expand the capabilities of its offered solutions. At the same time, the Group remains committed to resource

optimization and continuous improvement of operational efficiency to ensure competitiveness in a dynamic and constantly evolving economic environment.

Organic expansion in the US and EU through closer client engagement

- AROBS's strategic expansion into the United States and European Union markets focuses on strengthening relationships with existing clients. Through a deep understanding of their specific needs and challenges, the Group aims to continuously adapt its portfolio of software services and products to deliver relevant, customized solutions, while also providing access to the latest technological innovations developed by AROBS.
- AROBS seeks to be an innovative and forward-thinking player in the technology adoption cycle – including in areas such as machine learning, artificial intelligence, big data, and others. In this context, the Group will leverage the opportunities generated by closer proximity to clients to develop relevant and scalable technology solutions tailored to the European market and beyond.
- Additionally, AROBS will continue to expand its international presence both through strategic acquisitions and by opening new sales offices and delivery centers, in both Europe and the United States.

Public Sector Digitalization

- A high-potential growth area within the Group is represented by winning and implementing digitization projects in the public sector. The biggest project signed with the National House of Public Pensions in December 2024 will be implemented mainly in 2025. The digitalization projects in the pipeline have a high potential for development. The first results of the tenders for which AROBS Systems submitted offers are expected to be announced in the first half of 2025, thus contributing to the expansion and consolidation of the Group's presence in the public services sector.

RISKS

The occurrence of any of the following events could have a significant adverse effect on the Issuer's business, outlook, operating results, and financial position. The risk factors described below do not represent an exhaustive list or a comprehensive explanation of all risks that investors may be exposed to when investing in shares and should be used for guidance purposes only. Additional risks and uncertainties related to the Group that are not currently known to the Group, or that the Group currently considers to be immaterial, could also individually or cumulatively have a significant adverse effect on the Group's business, operating results, and financial condition. If any such risk materializes, the share price could decline and investors may lose their investment, 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 specialized financial or other advisor) are able to assess the risks of such an investment and who have sufficient financial resources to bear any losses that may result. Potential investors should carefully consider whether an investment in shares is appropriate for them, taking into account the information in this report and their personal circumstances.

RISKS RELATED TO THE GROUP'S BUSINESS AND INDUSTRY

The Issuer operates in a highly competitive environment, which may result in insufficient financial or other resources to maintain or improve its competitive position.

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

- greater name recognition and a longer operating history;
- larger budgets and more resources for sales and marketing;
- broader distribution channels and established relationships with distribution partners and end customers;
- more extensive customer support resources;
- greater resources to pursue strategic acquisitions or form strategic partnerships;
- lower labor and product/service development costs;
- newer and/or disruptive services, products, and/or technologies;
- more extensive and mature intellectual property portfolios; and/or
- significantly greater financial, technical, and other resources.

Moreover, some of the Issuer's larger competitors offer significantly broader and more diverse service and product portfolios, making them less vulnerable to slowdowns in specific markets and allowing them to leverage existing relationships or bundle features into their offerings in a way that deters customers from purchasing the Issuer's services and/or products. This may include selling at zero or negative margins, offering concessions, or bundling services. Many smaller competitors, often focused on a specific product or service type, may also deliver these specialized offerings to the market faster than the Issuer.

Organizations currently using traditional services and products may consider those offerings sufficient for their needs or view the Issuer's offerings as relevant only to a limited segment of the industry. As a result, they may continue to allocate their IT budgets to traditional solutions and may choose not to adopt the Issuer's services and products. Additionally, many organizations have made significant financial and human resource investments in designing and operating their own systems and have built deep relationships with existing service and product providers. Consequently, they may prefer to continue working with current providers rather than adopt or transition to a new vendor such as the Issuer, regardless of superior performance or features offered. These organizations may also prefer to incrementally enhance their existing systems rather than fully replace them with the Issuer's solutions.

Market conditions in which the Issuer operates may shift rapidly and significantly due to technological advances, partnerships or acquisitions made by competitors, or ongoing market consolidation. New startups bringing innovation and large competitors making significant R&D investments may create services, products, and technologies that rival or surpass those of the Issuer. Some of the Issuer's competitors have made - or could make

– acquisitions that enable them to offer more competitive and comprehensive solutions, allowing them to adapt more quickly to new technologies and evolving customer needs. Current and potential competitors may also form partnerships among themselves or with third parties, further increasing their available resources.

These competitive pressures or a failure to compete effectively may lead to price reductions, fewer orders, decreased revenues and gross margins, and loss of market share. Any failure to manage or respond to these factors could severely impact the business and operating results.

The Issuer's competitiveness in the current market environment largely depends on its ability to rapidly adapt to new developments and trends. Should the Issuer fail to compete effectively with both local and international competitors, this could negatively affect its operations, financial condition, results, and outlook.

Risk Related to the Issuer's Business Scalability

In recent years, the Issuer has experienced growth and increased demand for its products and services. As a result, the number of employees has grown significantly. For example, from the end of fiscal year 2022 to the end of fiscal year 2023, the consolidated headcount increased from 796 to 1,254. In addition, as the Issuer expanded, the number of end clients also grew significantly, and the Issuer has been managing an increasing number of service projects and implementations of its products and services. This growth and expansion - across the business, services, products, and the level of customer support provided - places significant pressure on management, operational, and financial resources. To effectively manage any future growth, the Issuer must continue to improve and expand its financial and IT infrastructure, enhance and scale its operational systems and administrative controls, and strengthen its capacity to efficiently manage workforce, capital, and processes. These efforts may prove increasingly difficult, especially considering that part of the Issuer's workforce continues to operate remotely.

The Issuer may not be able to successfully implement or scale improvements to its systems and processes efficiently or in a timely manner. Furthermore, the existing systems and processes may not be capable of preventing or detecting all errors, omissions, or fraud. The Issuer may also face challenges in managing enhancements to its systems and processes, or with the third-party software licensed to support such improvements. Any future growth in the Issuer's product and service offerings would increase organizational complexity and require effective coordination across the entire company. Failure to effectively manage such growth could lead to increased costs, disruption of existing customer relationships, reduced demand, limited ability to deliver services or implement products at scale, or negatively impact business performance and operating results.

If the Issuer does not accurately anticipate, prepare for, and respond promptly to technological and market developments – and does not successfully manage the introduction and transition to new services and products to meet the changing needs of end clients – its competitive position and outlook may be adversely affected.

The software services and solutions delivery field, as well as software development, has grown rapidly and is expected to continue evolving at a fast pace. Moreover, many of the Issuer's clients operate in markets characterized by continuously evolving technologies and business models, which require them to add numerous network access points and adapt increasingly complex business networks incorporating a variety of hardware, software, operating systems, and network protocols. As such, the Issuer must continuously adapt its services and/or products.

In addition, the Issuer must commit significant resources to the development of new services and products, often before knowing whether these investments will result in offerings the market will accept. The success of new features depends on multiple factors, including the proper definition of new services and products, their differentiation from those of competitors, and their market acceptance.

There is a possibility that new services and software technologies will not be widely adopted by users or clients. This may occur for various reasons, such as a lack of awareness about the benefits of new services and technologies, resistance to change, or a preference for existing solutions and technologies. In such cases, the

investments and efforts made in developing new services and technologies may not yield adequate returns, and market success may be limited.

Although the Issuer makes efforts to assess and mitigate this risk through appropriate market research, user testing and feedback during the development phases, and effective marketing and communication strategies to promote the benefits and innovative features of new services and technologies, the failure to adapt its services and products to market developments could have significant negative consequences on the Group's business, outlook, operating results, and financial position.

Risk Related to the Issuer's Ability to Attract, Retain, and Motivate Qualified Personnel and Senior Management.

The Issuer's success depends heavily on its ability to continue attracting, integrating, and motivating qualified personnel - especially highly skilled programmers and IT engineers. The Issuer relies significantly on the ongoing contribution of its current employees, primarily due to the complexity of its service and product offerings. Although the Issuer makes efforts to motivate its workforce by offering competitive compensation packages (including through stock option plans) and career development opportunities, any failure to manage its existing workforce and/or to recruit sufficient personnel in a timely manner could have a material adverse effect on its business, outlook, performance, and/or financial condition.

Additionally, failure to adequately recruit, integrate, train, and incentivize sales personnel - or the inability of newly hired sales and operations staff to reach target productivity levels - could negatively impact the Issuer's growth and marginal operations. Competition for highly qualified talent, especially in engineering, is often intense, particularly in major business hubs where the Issuer has a substantial presence and personnel needs.

The industry in which the Issuer operates is also generally characterized by high employee turnover. If the Issuer fails to hire, integrate, train, or retain qualified and highly skilled personnel required to meet its current or future needs, its business, financial condition, and operational performance may suffer.

The Issuer's future performance also relies on the continued service and contributions of its leadership team to execute the business plan and identify and pursue new opportunities and product innovations. The loss, decreased effectiveness, or mismanagement of leadership transitions could significantly delay or impair the Issuer's ability to develop high-quality projects, meet business objectives and financial targets, or execute marketing strategies - negatively impacting the Issuer's operations, financial position, and results. In particular, the ongoing involvement of the current management team in pursuing the Issuer's strategic objectives is a key factor in the company's continued development and competitive positioning. The Issuer's future operational results depend largely on the uninterrupted contribution of its existing leadership. If any of the Issuer's executive directors or other key individuals terminate their employment or engagement, the Issuer's business, outlook, operational results, and financial condition could be significantly and adversely affected. Furthermore, the loss of key personnel could lead to their expertise being used by competitors in the market.

Acquisitions, Partnerships, and Strategic Alliances May Have a Negative Impact on the Issuer's Business.

The Issuer expects to continue pursuing acquisitions and entering into strategic partnerships and alliances as part of its long-term business strategy. These acquisitions and other announced or future transactions and arrangements involve significant challenges and risks. These include potential difficulties in implementing the Issuer's business strategy, the risk of achieving an unsatisfactory return on investment, the generation of new obligations and compliance challenges, difficulties in integrating and retaining new employees, business systems and technologies, the potential distraction of management from the Issuer's core operations, or the possibility that announced transactions may not be completed.

Moreover, the Issuer's ability to carry out such investments may be limited by various factors, including the availability of funding, applicable regulations, and competition from other potential acquirers in M&A transactions. For example, if an agreement fails to adequately anticipate changing circumstances and interests of

one party, it may lead to early termination or renegotiation of the agreement. The success of these transactions and arrangements will partly depend on the Issuer's ability to leverage them to enhance existing services and products or develop new ones, as well as the ability of acquired companies to align with the Issuer's policies and processes in areas such as data governance, privacy, and cybersecurity. Although the Issuer conducts due diligence on acquisition targets, such assessments are based on assumptions regarding profitability, growth, and other factors. There is no guarantee that the Issuer's evaluations and assumptions about acquisition targets will prove accurate, and actual developments may differ significantly from expectations - particularly in a macroeconomic context marked by uncertainty.

Factors such as project development costs may also impact the Issuer's plans to generate added value from targeted projects. Even if implemented, there is no assurance that these plans will be successful. Failure to successfully execute the intended strategies (or doing so over budget or beyond the anticipated timeline) and failure to achieve the expected benefits may negatively affect the Issuer's business, financial condition, operating results, or outlook.

Part of the Issuer's Business Operates in the Automotive Industry, Which Involves Dependency on Third-Party Partners and Suppliers, Strict Regulation, Rapid Technological Progress, and Cyclical Demand.

As a software company also active in the automotive industry, the Issuer is highly dependent on third-party suppliers and partners involved in the supply chain. This includes suppliers of hardware components, electronic systems, and other critical elements required for the operation of automotive software solutions. The risk lies in potential disruptions or issues arising from these dependencies, which could have significant implications for the Issuer's operations and reputation.

The supply chain itself can be complex and highly interconnected, involving numerous suppliers across various geographic locations. Any disruption - such as component shortages, production delays, quality issues, or logistical challenges - can directly impact the Issuer's ability to deliver its solutions on time and meet customer expectations.

The Issuer also relies on the quality and reliability of components provided by third parties. If these components are defective or of substandard quality, this may result in software malfunctions, system failures, or safety issues in automotive products that incorporate the Issuer's software. This, in turn, can lead to customer dissatisfaction, product recalls, liability claims, and reputational damage.

Moreover, working with third-party suppliers and partners involves sharing intellectual property, trade secrets, and sensitive information. There is a risk of unauthorized use, misappropriation, or disclosure of valuable intellectual property, which could result in disputes or the loss of competitive advantage. Strong contractual agreements and robust intellectual property protection measures are essential to mitigate this risk.

Regarding regulatory matters, the automotive industry is subject to strict regulations, standards, and safety requirements. The Issuer must ensure that its solutions comply with all applicable regulations, including functional safety standards and cybersecurity requirements. Non-compliance could result in fines, legal consequences, or restrictions on operating within the industry.

In terms of technological progress, the Issuer's solutions risk becoming obsolete. Emerging technologies such as autonomous driving, connected cars, and electric vehicles are disrupting traditional automotive software paradigms. The Issuer must continuously invest in research and development to keep pace with technological trends and evolving customer demands.

The occurrence of any of these risks may cause technical issues, damage the Issuer's reputation, lead to customer losses, and have a significant adverse effect on the Issuer's business, outlook, operating results, and financial position.

A Network or Data Security Incident Could Lead to Unauthorized Access, Harm the Issuer's Reputation, Create Additional Liability, and Negatively Impact Financial Performance.

Companies are increasingly subjected to a wide range of cyberattacks on their networks. In addition to traditional threats posed by hackers, malicious code (such as viruses and worms), phishing attempts, and employee misuse or negligence, sophisticated actors now engage in intrusions and attacks - including advanced persistent threats - that heighten the risks to the Issuer's internal networks, client-facing environments, and the information stored or processed within them.

The incidence of cybersecurity breaches has increased. Despite significant efforts to implement protective security measures, it is practically impossible for the Issuer to fully mitigate these risks. The Issuer and its third-party service providers may be exposed to security threats and attacks from various sources. Data, corporate systems, third-party systems, and security measures may be compromised due to external attacks, employee errors, malicious acts, or a combination of these factors. As a result, unauthorized parties may gain access to the Issuer's data.

Furthermore, as a well-established provider and developer of software products, solutions, and services, the Issuer may be an attractive target for such attacks. A data breach or an attack on the availability of the Issuer's services and products - or those of its service providers - could compromise the Issuer's networks or product-related secure networks. This could result in system slowdowns or outages, exploitation of vulnerabilities in the Issuer's products, and unauthorized access to, public disclosure of, modification, loss, or theft of sensitive data, potentially causing financial harm.

Although the Issuer has not yet suffered significant damages due to unauthorized third-party access to its internal network, any actual or perceived breach of its systems or networks could damage its reputation, lead to negative publicity, loss of business partners and end clients, decreased sales, erosion of competitive advantage, higher remediation and incident response costs, regulatory investigations and enforcement actions, costly litigation, and other liabilities.

Additionally, the Issuer may incur substantial costs and operational consequences to investigate, remediate, remove, and deploy additional tools or infrastructure aimed at preventing actual or perceived security breaches and other security incidents. The Issuer may also face compliance costs associated with notification obligations triggered by any security incident.

Any of these risks could harm market perception of the Issuer's services and products, diminish customer and investor confidence, and severely impact its business or operational performance.

Operating Results May Vary Significantly from Period to Period and May Be Unpredictable.

The Issuer's operating results may vary significantly from one period to another and may be unpredictable, which could cause the market price of the New Shares to decline. Although the Issuer's operating results - particularly revenue, gross margins, operating margins, and operating expenses - have recorded growth in previous periods, these results may fluctuate due to a number of factors, many of which are beyond the Issuer's control and may be difficult to predict, including:

- the Issuer's ability to attract and retain new end clients or to sell additional services and/or products to existing clients;
- budget cycles, seasonal purchasing patterns, and procurement practices of end clients, including the potential slowdown in IT spending due to the global economic downturn;
- changes in the needs or requirements of end clients, distributors, or resellers, or in market demand;
- price competition;
- the timing and success of launching 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 clients, and strategic shifts or partnerships entered into by or among competitors;

- the Issuer's ability to successfully and continuously expand its business nationally and internationally, particularly in the context of the ongoing global economic slowdown;
- the Issuer's failure to complete or effectively integrate any acquisitions it may undertake;
- increased or unforeseen expenses or liabilities and any impact on the Issuer's operating results following such acquisitions;
- the Issuer's ability to grow the scale and productivity of its distribution channel;
- decisions by potential end clients to purchase services and products from larger and internationally recognized suppliers or from their main network equipment and/or service providers;
- insolvency risks or credit difficulties faced by end clients - potentially exacerbated by global economic conditions - that may negatively affect their ability to purchase or pay for the Issuer's products and services in full or on time, or issues faced by the Issuer's key suppliers (including sole-source suppliers), which could disrupt the Issuer's supply chain;
- failure of third parties to meet their obligations to the Issuer, including in relation to the implementation of investment projects pursued by the Issuer;
- any disruption in the distribution channel or termination of relationships with key distribution partners, including as a result of consolidation among distributors and resellers of products and services;
- the Issuer's inability to fulfill customer orders due to supply chain delays or events affecting the Issuer's suppliers, partners, or their suppliers, as well as the unavailability of internal resources or partners needed to deliver requested products or services, all of which may be negatively impacted by global economic conditions;
- the cost and outcome of potential litigation, which may have a significant adverse effect on the Issuer's business;
- seasonality or cyclical fluctuations in the market in which the Issuer operates, including in the IT labor and subcontractor market;
- political, economic, and social instability caused by the military conflict initiated by the Russian Federation in Ukraine, continued hostilities in the Middle East, terrorist activities, disruptions caused by COVID-19 and/or any other pandemic or global health crisis, and the disruptions such events may cause to the global industrial economy;
- general macroeconomic conditions, both nationally and in the foreign markets where the Issuer operates, which could impact some or all of the regions in which the Issuer is active - including the anticipated global economic slowdown, heightened inflation risk, and the potential for a global recession.

Any of the above factors, or the cumulative effect of several of them, could lead to significant fluctuations in the Issuer's financial and operating results. Such unpredictability could result in the Issuer failing to meet expectations regarding revenue, margins, or other performance indicators.

Reputational Risk Is an Inherent Part of the Issuer's Business Activity.

The Issuer's ability to maintain and attract clients is partly influenced by brand recognition and public perception. Negative opinions about the Issuer - whether based on actual or perceived practices - can harm its overall reputation, including the perceived quality of its products or services or the way it conducts business.

Even though the Issuer makes every effort to comply with applicable regulations and improve positive perception among current and potential clients, negative publicity or unfavorable public opinion could impair the Issuer's ability to retain and attract clients.

Recent Revenue Growth May Not Be Indicative of the Issuer's Future Performance

The Issuer's revenues for any prior quarterly or annual period should not be regarded as an indication of future revenue or future revenue growth - whether such growth is organic or driven by M&A activity. If the Issuer is

unable to maintain consistent revenue levels or revenue growth, its shares may experience significant volatility, and it may find it difficult to achieve and sustain profitability or to consistently maintain and/or grow its cash flows.

The Issuer's Current Research and Development Efforts May Not Result in Successful Products or Services That Generate Significant Revenues, Cost Savings, or Other Benefits in the Near Future.

The development of services and products related to the Issuer's operations is a costly process. The Issuer's investments in research and development may not lead to significant improvements, commercially viable services or products, or may result in offerings that are more expensive than initially anticipated. Furthermore, the Issuer may not achieve the expected cost savings or performance improvements, and it may take longer than expected for new offerings to generate revenue. The Issuer's future plans include significant investments in research and development. It believes that continuing to dedicate substantial resources to R&D is essential to maintaining its competitive position. However, the Issuer may not generate significant revenue from these investments in the near term, or these investments may not deliver the expected benefits - either of which could negatively impact its business and operating results.

Risks Related to Intellectual Property Rights

Given the nature of its business, the Issuer may face claims alleging that it infringes the intellectual property rights of others. The number of such claims may increase due to the rapid pace of technological change in the markets in which the Issuer competes, the broad patent coverage of existing technologies, the rapid issuance of new patents, and the scope of the Issuer's product and service offerings. To resolve such claims, the Issuer may be required to enter into royalty or licensing agreements on less favorable terms than those currently available, cease selling or redesign the affected services or products, or pay damages to fulfill indemnity obligations to its customers. These outcomes could reduce operating margins. In addition to monetary damages, in certain jurisdictions, plaintiffs may seek court orders that restrict or prevent the import, commercialization, or sale of the Issuer's services or products that are alleged to incorporate infringing technologies.

Although the Issuer takes measures to manage these risks, third-party claims of intellectual property infringement could have a significant adverse effect on its business or operating results.

Liquidity and Cash Flow Risk

Liquidity risk also includes the risk associated with the potential non-collection of receivables. Due to the nature of its operations, the Issuer maintains a level of receivables and payables that supports the optimal conduct of its business activities.

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

One contributing factor to this risk is the nature of IT services, which often involve long-term contracts with corporate or governmental clients. In such cases, there is a possibility that some clients may delay or fail to fully pay their invoices or may not comply with agreed payment terms. This can lead to an increase in outstanding receivables and put pressure on the Issuer's liquidity.

Additionally, the IT industry is highly competitive, and rapid technological change can cause sudden shifts in customer demand and preferences. If the Issuer fails to respond quickly to market changes or cannot retain existing clients, it may face challenges in generating revenue and, consequently, in maintaining adequate liquidity.

Moreover, the high costs associated with technology development and implementation can result in significant expenditures and place pressure on the Issuer's cash flow. These expenses may include the purchase of equipment, compensation for IT specialists, and investments in research and development. If the Issuer does not manage these costs effectively or fails to achieve a satisfactory return on its investments, its liquidity may be negatively impacted.

To minimize low liquidity risk, the Issuer applies rigorous financial management, carefully monitors cash flow, implements clear policies and procedures for receivables collection, and diversifies its client portfolio. The Issuer also maintains an adequate liquidity reserve and fosters strong relationships with suppliers and financial partners to be able to withstand unforeseen circumstances and ensure long-term financial stability.

Risk Associated with Interest Rates and Financing Sources

There is no guarantee that the Issuer will be able to generate or accumulate sufficient funds to cover its long-term capital expenditure plans or that it will be able to secure such funds at a reasonable cost. Should the economic environment in which the Issuer operates deteriorate, it may find itself unable to secure new loans under the same favorable terms as before, which could lead to increased financing costs and negatively affect the Issuer's financial position - or, in a more severe scenario, result in a lack of available financing altogether.

A directly related risk is the exposure to interest rate fluctuations. If market interest rates rise significantly, the Issuer may face higher financing costs when refinancing existing loans or securing new debt. An increase in interest rates could lead to higher interest payments on existing borrowings and adversely affect the Issuer's cash flow.

Furthermore, if the economic environment worsens and investor or creditor confidence declines, the Issuer may face difficulties in obtaining the necessary funding for ongoing operations or development projects. In such circumstances, financial institutions may impose stricter lending conditions and higher collateral requirements, limiting the Issuer's access to affordable and appropriate financing and hindering its ability to fund operations and grow effectively.

Another related risk is foreign exchange exposure. If the Issuer holds debt denominated in foreign currencies and the local currency depreciates, financing costs could rise significantly, potentially impacting profitability and liquidity.

Although the Issuer continuously monitors the economic environment, interest rate fluctuations, and develops risk management strategies - including diversifying funding sources, using financial instruments to hedge against interest rate fluctuations, maintaining adequate cash reserves, and sustaining strong relationships with financial institutions and creditors - there is still a possibility that the Issuer may be exposed to the risks outlined above. These risks could significantly impact its ability to finance new projects, cover capital needs, or engage in other activities aligned with its business interests.

RISKS RELATED TO LEGAL, REGULATORY, AND LITIGATION MATTERS

Changes in tax laws or interpretations, as well as unfavorable decisions by tax authorities, could have a significant negative impact on the Issuer's operating results and cash flows.

Tax laws and regulations in Romania are subject to change, and there may be modifications in the interpretation and enforcement of fiscal legislation. Such changes to tax laws and/or their interpretation and application may be adopted or implemented swiftly by the authorities, may be difficult to anticipate, and as a result, the Issuer may not be adequately prepared for these changes. Accordingly, the Issuer considers that there is a risk that certain collaboration arrangements with subcontractors could be reclassified by the tax authorities as dependent activities, potentially leading to a reassessment of the related taxes and contributions.

In recent years, the Romanian government has implemented several fiscal measures, including increases in real estate taxes, the expansion of the scope of social security contributions, and the introduction of certain levies, which have directly impacted the Group's operating results or have led to a reduction in consumers' disposable income. Such measures may continue to be adopted in the future, especially in the context of the current international political and economic environment, as well as political changes following the 2024 elections. Ongoing uncertainty regarding the government's implementation of fiscal measures and continued instability of the tax regime, along with potential special taxation, could ultimately have a direct and/or indirect negative

impact on consumer spending and/or on the prices the Group is able to charge for its products and services, and consequently, on the Group's profitability.

Risks Related to the Application of Laws and Regulations

The activity of the Issuer and the Group is subject to oversight by various entities, government agencies, and local public authorities. Regulatory authorities may exercise subjectivity in the enforcement and interpretation of applicable laws, regulations, and standards, as well as in issuing and renewing licenses, permits, approvals, and authorizations, and in monitoring compliance with their terms by licensed entities.

There may be situations in the Group's activity where the manner in which legal provisions are interpreted or applied by regulatory authorities differs from the interpretation adopted by the Group's management. In such cases, the Group's management may choose to challenge the regulatory decisions issued by competent authorities, which could affect the Group's relationship with those authorities.

Competent authorities have the right to conduct periodic inspections of the Group's activities. These inspections may result in findings that the Group has violated laws, decrees, or regulations. The Group may not be able to successfully challenge such findings or remediate the identified violations.

Additionally, authorities may periodically change their interpretation of applicable legal provisions, policies, or positions in the Group's area of activity in ways that could significantly impact its operations.

Legislative Risk Related to the Fleet Management Industry

The fleet management industry is subject to strict regulations related to road safety, environmental protection, and compliance with laws and regulations regarding the operation of commercial vehicles and the protection of personal data.

As a provider of fleet management solutions, the Issuer is aware of these regulations and makes efforts to ensure that its services comply with all applicable legal and administrative requirements. However, should the Issuer's solutions fail to meet all applicable regulations - such as environmental standards or personal data protection requirements - non-compliance could lead to fines and other legal consequences, which could adversely affect the Issuer's business, outlook, operating results, and financial condition.

Litigation Risk

In the course of its business activities, the Issuer is exposed to litigation risk, including as a result of changes and developments in legislation. The Issuer may be affected by contractual claims, complaints, and legal disputes - potentially initiated by third parties with whom it has contractual relationships, employees, clients, competitors, or regulatory authorities - as well as by any negative publicity that such events may generate.

As of the date of this Prospectus, the Issuer was not involved in any material litigation, either as claimant or defendant.

RISKS RELATED TO INVESTMENTS IN ROMANIA

Political and Military Instability in the Region May Have Adverse Effects on the Issuer's Operations.

Regional political and military instability - triggered by the Russian Federation's invasion of Ukraine in February 2022, following the annexation of Crimea and the conflict in Eastern Ukraine with pro-Russian separatists in 2014, as well as the international sanctions imposed on Russia as a result - may lead to deeply unfavorable economic conditions, social unrest, or, in the worst-case scenario, widespread military conflict in the region.

The consequences are largely unpredictable and may include a decline in investment, significant currency fluctuations, increased interest rates, reduced access to credit, disruptions in trade and capital flows, rising energy prices, and more.

Sanctions imposed on Russia, as well as retaliatory threats and responses, may also affect global commodity markets, particularly oil and natural gas. These could lead to increased volatility, disruptions in the availability and pricing of raw materials, supply chain bottlenecks, and restricted freedom to provide services. The situation

remains fluid and may evolve in ways that could negatively impact the Issuer. The scope of sanctions in place may be extended or amended in ways that adversely affect the Issuer. In turn, Russia may implement countermeasures or undertake additional actions in response.

Such unfavorable conditions could lead to reduced demand for the Issuer's services and products, longer sales cycles, shorter and lower-value client contracts, slower adoption of new technologies, and increased price-based competition. Consequently, continued or intensified macroeconomic and market uncertainty at the global level could prompt end clients to revise their spending priorities or delay decisions to outsource services or purchase products - resulting in prolonged sales cycles and potentially harming the Issuer's business and operating results.

In addition, political and military instability in the region, rising inflation, and interest rate hikes may - and are likely to continue to - contribute to a significant decline in demand within the custom software and IT services market.

These effects, along with other unforeseen negative outcomes stemming from regional crises, could have a material adverse impact on the Group's business, outlook, operating results, and financial position.

Unpredictable Inflation Trends Could Have a Significant Negative Impact on the Issuer's Financial Performance.

The evolution of inflation remains unpredictable and may negatively impact the Issuer's business by increasing the difficulty of accurately estimating total costs associated with its operations. This may lead to a potential mismatch between the prices charged to clients and the Issuer's actual cost base, resulting in significant adverse effects. A substantial discrepancy between forecasted inflation and the actual rate recorded during a given period can negatively influence how the Issuer allocates its resources, thereby affecting its operations, financial resources, outlook, and profitability.

Moreover, an unexpected increase in inflation could trigger broader macroeconomic imbalances, such as rising interest rates, a decline in living standards, and a general slowdown in Romania's economic growth. These imbalances may lead to reduced demand in the IT services and software market, which could have a material adverse effect on the Group's business, outlook, operating results, and financial position.

A Potential Deterioration in the General Economic, Political, and Social Conditions in Romania Could Negatively Impact the Issuer's Business.

The Issuer's success is closely tied to overall economic developments in Romania. Adverse trends or a general weakening of Romania's economy - such as a decline in living standards, limited liquidity resources among potential clients, or rising unemployment - could directly impact demand in the Issuer's local market.

In recent years, Romania has undergone significant political, economic, and social changes. As is typical for emerging markets, the country does not yet possess the full business infrastructure, legal, and regulatory framework generally found in more mature free-market economies. Additionally, Romanian tax legislation is often subject to varied interpretations and frequent changes, which are sometimes sudden or implemented too quickly. The future trajectory of Romania's economy will largely depend on the effectiveness of governmental economic, financial, and monetary policies, as well as developments in fiscal, legal, regulatory, and political areas.

The fact that four rounds of elections - European Parliament, parliamentary, local, and presidential - were held in 2024 increases the risk of economic instability amid ongoing debates and frequent changes. This instability may disrupt entrepreneurs' business plans and influence investment and development decisions.

Moreover, political changes or election-related uncertainties could result in market fluctuations, including increased currency volatility or decreased investor confidence, both of which may impact business revenues and profitability.

Unfavorable economic conditions in Romania, fiscal uncertainty, and higher taxation could ultimately have a direct and/or indirect negative effect on the prices the Issuer can charge for its products and services.

The Romanian Leu May Be Subject to High Volatility.

The Romanian leu operates under a floating exchange rate regime, whereby its value against foreign currencies is determined on the interbank foreign exchange market. The monetary policy of the National Bank of Romania (NBR) 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 may affect the economy. The NBR does not target a specific exchange rate level or range. Its ability to limit the volatility of the leu depends on a number of economic and political factors, including the availability of foreign currency reserves and the volume of new foreign direct investments.

In this context, any changes in global investors' perceptions of global or Romanian economic prospects may lead to a depreciation of the Romanian leu. A significant depreciation of the leu could negatively affect the country's economic and financial situation, which could in turn have a substantial adverse effect on the Issuer's operations, financial results, and overall financial position.

Moreover, considering AROBS's plans to expand its operations into the European Union and United States markets, the Group is increasingly exposed to exchange rate fluctuations between the leu and the euro, the leu and the US dollar, as well as between the euro and the US dollar. This expanded currency exposure may impact operational costs, reported revenues, and profit margins, especially in the event of significant and rapid currency movements. In a volatile economic environment, such risks may become more pronounced and may require operational adjustments, with potential implications for the Group's international development plans.

Romania's Economy Is More Vulnerable to Global Economic Fluctuations than Developed Economies. Global Economic Downturns Could Adversely Affect the Value of the Newly Issued Shares.

Romania's economy is more susceptible to global economic declines compared to developed economies. The impact of global economic developments - such as changes in Eurozone monetary policy related to EUR interest rates or increases in benchmark interest rates by the U.S. Federal Reserve - is often felt more strongly in emerging markets like Romania than in more mature economies.

As seen in the past, financial market volatility tends to increase perceived risk associated with investments in emerging markets, which can reduce foreign investment in Romania. Should this occur, the Romanian economy could face serious liquidity issues, which may lead to higher taxation or the introduction of new taxes and levies - negatively affecting the Issuer's business, operating results, and financial position.

Any Downgrade of Romania's Credit Rating by an International Agency Could Adversely Affect the Newly Issued Shares.

A downgrade of Romania's credit rating - whether related to local or foreign currency debt - by an international credit rating agency (especially a significant downgrade) could negatively impact the Issuer's ability to secure financing, as well as the interest margins and other commercial terms under which such financing would be available. Any adverse impact on the Issuer's access to funding could, in turn, negatively affect the Group's business, outlook, operating results, and financial condition.

The Romanian Legal and Judicial System Is Less Developed than in Other European Countries, Making an Investment in the New Shares Riskier Compared to Investments in Securities of Issuers Operating in More Developed Legal Systems.

The legal and judicial system in Romania is less developed than those of other European countries. Romanian commercial, competition, capital markets, corporate, and insolvency laws - and other areas of law - are relatively new to judges, and related legal provisions have been and continue to be subject to constant changes as new laws are adopted to align with Romania's transition to a market economy and with European Union legislation.

Existing Romanian laws and regulations may be inconsistently enforced or interpreted in a restrictive, business-unfriendly manner. In certain circumstances, timely legal remedies may be unavailable. The relatively limited experience of a significant number of Romanian magistrates, particularly with regard to capital market matters,

as well as concerns surrounding judicial independence, may lead to unfounded decisions or rulings influenced by non-legal considerations.

Furthermore, case resolution in Romania may involve substantial delays. The judicial system is underfunded compared to those of other European countries. Enforcement of court decisions can be difficult, meaning that the execution of such judgments may be burdensome - particularly where unfavorable rulings could result in business shutdowns or job losses. This lack of legal certainty and the inability to access timely and effective legal remedies may adversely affect the Issuer's operations and could also complicate the resolution of claims that investors in the New Shares might seek to pursue.

The overall uncertainty surrounding Romania's judicial system may negatively impact the economy, create an unstable environment for investment, and consequently have adverse effects on the Group's business, operating results, financial position, and future outlook.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	2024 AROBS Group Audited	2023 AROBS Group Audited	Variație %
TURNOVER:	414,667,612	427,294,137	-3%
Revenue from software services	327,574,127	344,775,332	-5%
Revenue from software products	79,823,305	70,537,191	13%
Revenue from integrated systems	7,270,180	11,981,615	-39%
TOTAL COST OF SALES:	301,894,814	295,755,657	2%
Cost of sales of software services	256,626,233	254,215,350	1%
Cost of sales of software products	38,855,377	31,653,344	23%
Cost of sales of integrated systems	6,413,204	9,886,963	-35%
GROSS MARGIN	112,772,798	131,538,480	-14%
Other operating revenues	1,647,892	1,131,751	46%
Sales and marketing expenses	(21,098,009)	(18,370,931)	15%
General and administrative expenses	(69,633,618)	(70,739,928)	-2%
OPERATING PROFIT	23,689,063	43,559,373	-46%
Financial revenue / (expenses), net	3,934,628	(517,637)	-860%
GROSS PROFIT – BEFORE TAX	27,623,691	43,041,736	-36%
Profit Tax	(6,391,433)	(11,125,850)	-43%
NET PROFIT	21,232,258	31,915,886	-33%
Other comprehensive income items	(52,768)	(251,459)	-79%
TOTAL COMPREHENSIVE INCOME	21,179,490	31,664,427	-33%
Attributable to the parent company	20,937,674	31,585,137	-34%
Attributable to non-controlling interests	241,816	79,290	205%

CONSOLIDATED BALANCE SHEET

Balance sheet indicators (LEI)	31.12.2024 AROBS Group Audited	31.12.2023 AROBS Group Audited	Variation %
Tangible assets	13,679,736	35,556,876	-62%
Right-of-use assets	25,396,600	17,236,489	47%
Investment properties	21,008,039	-	100%
Goodwill	111,230,318	104,761,369	6%
Customer relationship	74,155,381	76,561,802	-3%
Other intangible assets	27,031,719	23,044,459	17%
Loans granted to related parties	7,294,119	15,555,506	-53%
Other financial assets	3,687,246	3,700,985	0%
Deferred tax assets	1,974,769	2,129,265	-7%
Total fixed assets	285,457,927	278,546,751	2%
Work in progress services and inventories	8,799,106	6,975,925	26%
Trade receivables	73,202,668	97,908,883	-25%
Prepaid expenses	2,316,462	2,015,826	15%
Current tax receivables	1,470,248	1,758,512	-16%
Other receivables	6,858,931	5,106,152	34%
Loans granted to related parties and other Loans	5,847,550	1,413,707	314%
Cash and cash equivalents	259,604,189	88,075,920	195%
Total current assets	358,099,154	203,254,925	76%
Total assets	643,557,081	481,801,676	34%
Share capital	104,555,233	87,129,361	20%
Adjustments of equity capital to hyperinflation	263,971	263,971	0%
Share premium	146,472,470	23,185,001	532%
Reserves	11,4105,199	9,680,545	18%
Own shares	(12,885,372)	(5,689,379)	126%
Other components of equity	12,693,649	12,574,918	1%
Retained earnings	158,433,437	139,037,199	14%
Gains/Losses from own equity instruments	19,684,169	8,352,878	136%
Conversion differences from consolidation	(218,041)	(163,971)	33%
Total equity	440,404,715	274,370,522	61%
Non-controlling interest	(547,698)	(683,364)	-20%
Total equity	439,857,017	273,687,158	61%
Non-current liabilities:			
Advance income	3,232,865	3,523,269	-8%
Governments grants	768,378	301,940	154%
Equity liabilities	14,686,659	14,686,660	0%
Bank loans	42,435,001	62,629,398	-32%
Leasing	17,267,490	11,309,563	53%
Other liabilities	559,757	49,746	1025%
Provisions	13,102,084	12,823,043	2%
Deferred tax liabilities	11,701,946	12,200,152	-4%
Total non-current liabilities	103,754,180	117,523,771	-12%
Current liabilities:			
Trade payables	22,327,278	18,391,002	21%
Advance income	13,346,834	8,796,705	52%

Government grants	143,121	158,741	-10%
Equity liabilities	3,977,961	3,763,224	6%
Bank loans	24,677,989	24,184,008	2%
Leasing	8,206,905	7,919,498	4%
Employee-related liabilities	14,630,156	15,072,690	-3%
Current tax liabilities	813,583	1,435,243	-43%
Other liabilities	11,822,057	10,869,637	9%
Total current liabilities	99,945,884	90,590,748	10%
Total liabilities	203,700,064	208,114,518	-2%
Total equity and liabilities	643,557,081	481,801,676	34%

CONSOLIDATED CASH-FLOW

	31.12.2024 AROBS Group	31.12.2023 AROBS Group	Variation %
Profit before tax	27,623,691	43,041,736	-36%
Adjustments for:			
Depreciation of Goodwill	4,424,306	-	100%
Depreciation expenses	21,859,061	20,711,679	6%
Expenses related to disposed tangible and intangible assets	791,367	(503,221)	-257%
(Income) from the sale of tangible and intangible assets	(1,042,437)	(835,138)	25%
Expenses related to employee benefits – SOP	13,763,047	19,131,306	-28%
Expenses / (Income) related to adjustments for inventory write-downs	(168,847)	(30,041)	462%
Expenses / (Income) related to adjustments for receivables depreciation	(391,252)	2,196,790	-118%
Expenses / (Income) related to provisions for risks and charges	(742,203)	923,727	-180%
(Income) from subsidies	450,818	(148,353)	-404%
Expenses with interest and other financial expenses	4,217,537	2,629,077	60%
(Income) from interest and other financial income	(6,706,085)	(3,126,355)	115%
Expenses / (Incomes) related to value adjustments for tangible and intangible assets	-	127,551	-100%
Retained Earnings Adjustments	(54,378)	(265,889)	-80%
Operating profit before change in working capital	64,024,625	83,852,869	-24%
Change in trade and other receivables balances	26,851,314	(29,934,716)	-190%
Change in inventory balances	(1,654,334)	1,976,834	-184%
Change in trade and other payables balances	3,017,223	8,345,988	-64%
Change in prepaid expenses balances	(300,636)	(69,212)	334%
Change in deferred income balances	4,259,726	720,828	491%
Interest paid	(4,217,537)	(2,629,077)	60%
Interest received	4,371,911	2,859,430	53%
Cash generated from operating activities	96,352,292	65,122,943	48%
Income tax paid	(6,058,038)	(10,567,650)	-43%
Net cash from operating activities	90,294,254	54,555,293	66%
Cash flows from investing activities			
Loans (granted) to / repaid by affiliated entities and change in guarantees provided	3,745,065	3,017,607	24%
(Payments) for acquisitions of subsidiaries	(20,492,835)	(45,775,454)	-55%
(Payments) for acquisitions of tangible and intangible assets	(14,822,788)	(31,087,866)	-52%
Own Share buybacks	(9,509,018)	(6,379,028)	49%
(Payments) / Receipts from other investments in financial assets	302,033	221,342	36%
Net cash from investing activities	(40,777,543)	(80,003,401)	-49%
Cash flows from financing activities			
Collection of bank loans	2,624,127	12,961,428	-80%
Repayment of bank loans	(22,137,931)	-	-100%
Short term loan variation	(187,912)	-	-100%
Payment of debts related to financial leasing	(876,846)	(1,113,067)	-21%
Capital increase	142,892,151	-	100%
Net cash from financing activities	122,313,589	11,848,362	932%
(Decrease) / Net increase in cash and cash equivalents	171,830,301	(13,599,743)	-1363%
Cash and cash equivalents at the beginning of the financial period	87,773,888	101,373,631	-13%
Cash and cash equivalents at the end of the financial period	259,604,189	87,773,888	196%

INDIVIDUAL PROFIT AND LOSS ACCOUNT

	2024 AROBS Individual Audited	2023 AROBS Individual Audited	Variație %
TURNOVER:	232,872,943	266,685,347	-13%
Revenue from software services	184,241,443	224,677,840	-18%
Revenue from software products	48,631,500	42,007,506	16%
TOTAL COST OF SALES:	178,749,973	188,383,142	-5%
Cost of sales of software services	153,644,326	170,388,519	-10%
Cost of sales of software products	25,105,647	17,994,623	40%
GROSS PROFIT	54,122,970	78,302,205	-31%
Other revenues	3,735,258	451,959	726%
Sales and marketing expenses	(9,106,735)	(7,943,270)	15%
General and administrative expenses	(36,695,477)	(41,989,623)	-13%
OPERATING PROFIT	12,056,016	28,821,272	-58%
Income from shares held in affiliated entities	20,472,861	23,300,756	-12%
Financial revenues	6,891,611	3,262,373	111%
Financial expenses	(7,125,830)	(2,270,357)	214%
Revenue / (expenses) from exchange rate differences, net	1,006,849	(377,291)	-367%
GROSS PROFIT - BEFORE TAX	33,301,507	52,736,754	-37%
Profit tax	(2,784,627)	(6,248,221)	-55%
NET PROFIT	30,516,880	46,488,533	-34%

INDIVIDUAL BALANCE SHEET

Balance sheet indicators (LEI)	31.12.2024 AROBS Individual Audited	31.12.2023 AROBS Individual Audited	Variation %
Shares held in affiliated entities	234,583,941	212,955,994	10%
Intangible assets	5,029,988	8,266,950	-39%
Right-of-use assets related to leased assets	18,809,970	9,458,236	99%
Other intangible assets	15,344,054	13,695,274	12%
Loans granted to affiliated parties	12,434,136	9,267,407	34%
Loans granted to related parties and other loans	7,294,119	9,418,063	-23%
Other financial fixed assets	2,968,304	2,968,851	0%
Deferred tax	234,104	613,356	-62%
Total fixed assets	296,698,616	266,644,131	11%
Work in progress services and inventories	1,990,082	1,493,635	33%
Trade receivables	38,614,387	65,414,888	-41%
Prepaid expenses	1,595,274	1,323,501	21%
Current tax receivables	470,213	1,581,076	-70%
Other receivables	1,412,913	1,525,053	-7%
Loans granted to related parties and other loans	10,259,951	9,192,978	12%
Cash and cash equivalents	218,899,865	58,565,326	274%
Total current assets	273,242,685	139,096,457	96%
Total assets	569,941,301	405,740,588	40%
Share capital	104,555,233	87,129,361	20%
Share capital adjustments to hyperinflation	263,971	263,971	0%
Share premium	146,472,470	23,185,001	532%
Legal reserves	11,177,834	9,413,945	19%
Own shares	(12,885,372)	(5,689,379)	126%
Other components of equity	12,782,685	12,628,497	1%
Retained earnings	174,304,450	145,551,459	20%
Gains (losses) on equity instruments	19,684,169	8,352,878	136%
Total equity	456,355,440	280,835,732	62%
Total equity	456,355,440	280,835,732	62%
Non-current liabilities:			
Advance income	234,184	273,503	-14%
Governments grants	216,510	301,940	-28%
Liabilities related to equity investments	14,686,659	14,686,659	0%
Bank loans	29,716,103	49,841,347	-40%
Leasing	13,670,184	6,708,754	104%
Provisions	4,050,449	2,728,395	48%
Total non-current liabilities	62,574,089	74,540,598	-16%
Current liabilities:			
Trade liabilities	6,281,464	5,893,161	7%
Advance income	3,682,621	3,262,205	13%
Government grants	94,671	158,741	-40%
Equity liabilities	3,976,479	3,761,760	6%
Bank loans	20,122,370	20,122,257	0%
Leasing	4,950,253	3,939,382	26%
Employee-related liabilities	6,810,480	7,455,155	-9%
Other current liabilities	5,093,434	5,771,597	-12%
Total current liabilities	51,011,773	50,364,258	1%
Total liabilities	113,585,862	124,904,856	-9%
Total equity and liabilities	569,941,301	405,740,588	40%

INDIVIDUAL CASH-FLOW

	31.12.2024	31.12.2023	Variation %
Profit before tax	33,301,507	52,736,754	-37%
Adjustments for:			
Depreciation expenses on shares held in affiliated entities	2,023,784	-	100%
Depreciation expenses	7,537,750	6,679,165	13%
Expenses related to disposed tangible and intangible assets	199,551	(447,091)	-145%
(Income) from the sale of tangible and intangible assets	(463,285)	(607,668)	-24%
Expenses related to employee benefits – SOP	10,517,286	15,691,279	-33%
Expenses / (Income) related to adjustments for inventory write-downs	(168,847)	(30,041)	462%
Expenses / (Income) related to adjustments for receivables depreciation	254,457	1,556,698	-84%
Expenses / (Income) related to provisions for risks and charges	1,093,930	885,514	24%
(Income) from subsidies	(149,500)	(148,353)	1%
Expenses with interest and other financial expenses	3,255,406	2,234,615	46%
(Income) from interest and other financial income	(6,635,470)	(3,096,249)	114%
Expenses / (Incomes) related to value adjustments for tangible and intangible assets	-	235,714	-100%
Operating profit before change in working capital	50,766,570	75,690,337	-33%
Change in trade and other receivables balances	27,093,639	(17,495,204)	-255%
Change in inventory balances	(327,600)	430,155	-176%
Change in trade and other payables balances	(1,042,797)	(2,697,217)	-61%
Change in prepaid expenses balances	(271,773)	289,759	-194%
Change in deferred income balances	381,097	(452,664)	-184%
Interest paid	(3,255,406)	(2,234,615)	46%
Interest received	3,816,309	2,510,223	52%
Cash generated from operating activities	77,160,039	56,040,774	38%
Income tax paid	(3,895,490)	(4,846,426)	-20%
Net cash from operating activities	73,264,549	51,194,347	43%
Cash flows from investment activities			
Loans (granted) to / repaid by affiliated entities and change in guarantees provided	740,253	772,216	-4%
(Payments) for acquisitions of subsidiaries	(20,492,835)	(53,786,612)	-62%
(Payments) for acquisitions of tangible and intangible assets	(5,685,834)	(7,581,099)	-25%
Own Share buybacks	(9,509,018)	(6,379,028)	49%
(Payments) / Receipts from other investments in financial assets	302,033	221,342	36%
Net cash from investing activities	(34,645,401)	(66,753,181)	-48%
Cash flows from financing activities			
Collection from/ (Repayment of) bank loans	(20,125,495)	1,998,067	-1107%
Change in credit lines	2,136	-	100%
Payment of debts related to financial leasing	(751,366)	(953,655)	-21%
Capital increase	142,892,151	-	100%
Net cash from financing activities	122,017,426	1,044,412	11583%
(Decrease) / Net increase in cash and cash equivalents	160,636,573	(14,514,421)	-1207%
Cash and cash equivalents at the beginning of the financial period	58,263,292	72,777,713	-20%
Cash and cash equivalents at the end of the financial period	218,899,865	58,263,292	276%

SUSTAINABILITY STATEMENT

The 2024 Sustainability Report, which completes this Board of Directors report, prepared by AROBS Transilvania S.A., is available on the company's website, in the Investors section – General Shareholders' Meetings – Ordinary General Meeting of Shareholders dated April 28, 2025.

BVB CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT

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

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

				accordance with the provisions of the Companies Law and the Company's Articles of Association.
A.4. Most Board members shall not have an executive function. In the case of companies in the Premium Category, no less than two non-executive members of the Board shall be independent. Each independent Board member shall issue a statement at the time of nomination thereof for election or re-election, and whenever any change arises in the status thereof, indicating the elements on the basis of which the same is to be deemed independent in terms of character and judgment.	X			Three of the five members of the Board are non-executive. Two out of three non-executive members of the Board are non-executive and independent. On the occasion of each appointment of a member of the Board of Directors, the Company carries out an assessment of the independence of its members based on the independence criteria established in the Corporate Governance Code (which are essentially similar to those provided for in the Companies Law), consisting of an assessment individual assessment by the relevant Board member, followed by an external assessment.
A.5. Any other relatively permanent professional commitments and obligations of a member of the Board, including executive and non-executive positions in the Board of companies and non-profit institutions, shall be disclosed to the shareholders and prospective investors prior to nomination and during the term of office thereof.	X			Information on the permanent professional commitments and obligations of the Board members, including executive and non-executive positions within companies and non-profit institutions, can be found in the CVs of the Board members, available at the Company headquarters and published of the Company's website.
A.6. Any member of the Board shall present the Board with information on any relation with a shareholder holding, either directly or indirectly, shares representing more than 5% of all voting rights.	X			The information is included in the annual reports issued by the Company.
A.7. The Company shall appoint a Secretary of the Board to be in charge of supporting the activity of the Board.	X			The Company has a General Secretary who supports the Board activities.
A.8. The Corporate Governance Statement shall stipulate whether a Board assessment has taken place under the direction of either the Chairperson or the Nomination Committee and,			X	In 2024, the Company had no policy and no guidance regarding Board evaluation. There was no formal Council self-assessment for 2024.

<p>if so, shall summarize the key measures and the resulting changes. The Company shall have a policy/guide regarding Board assessment, including the purpose, criteria and frequency of the assessment process.</p>				
<p>A.9. The Corporate Governance Statement shall contain information on the number of Board and Committee meetings over the past year, the participation of the directors (in person and in default) and a Report by the Board and Committees on their activities.</p>	<p>X</p>			<p>The Board of Directors of AROBS Transilvania Software SA will meet whenever necessary, but at least once every three months. Throughout the year 2024, there were 29 Board of Directors meetings (29 meetings with full attendance), 4 Audit Committee meetings (4 meetings with full attendance), and 3 Nomination and Remuneration Committee meetings (3 meetings with full attendance).</p>
<p>A.10. The Corporate Governance Statement shall include information on the exact number of independent members of the Board.</p>	<p>X</p>			<p>In 2024, two (2) members of the Board met all the independence criteria set out by the Corporate Governance Code of AROBS Transilvania Software S.A.</p>
<p>Section B – The risk management and internal control system</p>				
<p>B.1. The Board shall set up an Audit Committee, in which at least one member shall be independent and non-executive. Most members, including the Chair, shall have proven appropriate qualification relevant to the functions and responsibilities of the Committee. At least one member of the Audit Committee shall have proven adequate experience in auditing or accounting. In the case of companies in the Premium Category, the Audit Committee shall consist of at least three members and most members of the Audit Committee shall be independent.</p>	<p>X</p>			<p>The Audit Committee began its activity on September 29, 2023, and consists of two non-executive and independent members and one non-executive member.</p> <p>All members of the Audit Committee, including the Chairman, have demonstrated adequate qualifications, according to the internal rules established by the Company.</p>
<p>B.2. The Chair of the Audit Committee shall be an independent non-executive member.</p>	<p>X</p>			<p>The Chair of the Risk & Audit Committee is an independent non-executive member.</p>

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

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

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

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

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

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

DECLARATION OF THE MANAGEMENT

Cluj-Napoca, March 28, 2025

I hereby confirm, to the best of my knowledge, that the audited consolidated and individual financial results for the period between January 1, 2024, and December 31, 2024, present a true and fair view of the assets, liabilities, financial position, and income and expenses of AROBS Transilvania Software S.A., and that the Board of Directors' report provides a true and fair view of the significant events that took place in 2024 and their impact on the company's financial statements.

Voicu Oprean

CEO



Henri Barbusse 44-46, CBC,
Cluj-Napoca 400616

+40 364 143 201



arobs.sales@arobs.com
arobs.com