FINANCIAL REPORT AS OF SEPTEMBER 30, 2025

AROBS Transilvania Software S.A.

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

Symbol: AROBS

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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 September 30, 2025 are unaudited.

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	Quarterly report – Q3 2025
According to	Annex 13 of the ASF Regulation no. 5/2018
Date of publication of the report	13.11.2025
For financial period	9M: 01.01.2025 – 30.09.2025
	Q3 2025: 01.07.2025 – 30.09.2025

ISSUER INFORMATION

Name	AROBS Transilvania Software S.A.
Fiscal code	RO 11291045
Trade Register number	J12/1845/1998
Registered office	11 Donath St., bl. M4, sc. 2, 3rd 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

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MESSAGE FROM THE CEO

The consolidated results of the AROBS Group for the first nine months of 2025 mark a return to a growth trajectory, reflecting the balance between the three business segments and the positive impact of acquisitions made over the past three years. This is the Group's strongest quarterly financial performance in the past two years, confirmed by the robust growth recorded across all key indicators.

In the first nine months of 2025, the AROBS Group recorded a turnover of 328 million lei, up 7% compared to the first nine months of 2024. EBITDA increased to 50 million lei, a 15% advance, while operating profit rose by 13% to 23 million lei. Net profit grew by 17%, reaching 19 million lei, with a 6% margin, slightly above the level recorded in the first nine months of 2024.

The growth in EBITDA and net profit, achieved in a competitive environment with higher personnel costs, highlights the improvement in the Group's operational efficiency. The revenue structure confirms the stability and complementarity of the three business segments: Software Services accounted for approximately 68% of consolidated turnover, Software Products around 22%, and Integrated Systems about 10%.

At a quarterly level, Q3 2025 was the best in the past two years, both in terms of EBITDA and net profit. The EBITDA result of 19 million lei was 35% higher than Q2 2025 and 30% above Q3 2024, reflecting a balanced contribution of the three business lines and visible optimization of operational costs. The sequential revenue growth rate of approximately 18% compared to the previous quarter indicates that activity has recovered to a sustained pace in the second half of the year, especially within the Software Services segment, where the gross margin increased to 23%. This trend confirms the effectiveness of the integration measures for the acquired companies and the Group's ability to maintain consistent profitability in a competitive market environment.

Margins evolution and market context

During the discussions with investors, we have often been asked about the trend of margin adjustments in the IT sector. This is a structural reality: as Romania continues to develop economically, labor costs rise, and traditional outsourcing activities operate with lower margins, approaching the levels seen in more mature markets.

AROBS anticipated this trend and built a model based on multiple growth pillars: expansion into mature markets, where high value-added projects and technological expertise are properly rewarded; the development of proprietary products; and diversification through integrated software-hardware solutions. Instead of focusing on a static percentage margin, our goal is to increase total revenue volume, ensuring that absolute net profit continues to grow.

However, the gross margin evolution in 2025 shows a gradual recovery, consolidated in Q3, when it rose to 29%, the highest level, both in absolute and percentage terms, reflecting a more efficient structure and a balanced contribution across business segments. This evolution mirrors the natural trajectory of economies transitioning from frontier to emerging market status. Romania is already part of this transition, with local competitiveness increasingly defined by quality, innovation, and global scalability.

International expansion and strategic acquisitions

In 2025, we continued to implement our growth-through-acquisitions strategy, strengthening our position across key segments and expanding our international presence.

In March, we signed for the full acquisition of SVT Electronics, a Romanian company specialized in tachograph data management and analysis solutions, strengthening our Software Products vertical dedicated to transport and logistics. Through this acquisition, AROBS expanded its presence in the digital transport management market, accessing new customer segments, increasing its geographical footprint in Europe, and broadening its portfolio of products and services.

In June, we signed for acquiring a 70% stake in Codingscape, an U.S.-based company with over 70 specialists, marking a major step in our expansion into the United States, one of the most competitive and dynamic technology markets globally. Today, AROBS has a presence in the North American market through a local team of over 70 specialists, supported by an extensive network of more than 1,000 professionals across Europe. Together, these teams deliver end-to-end services, from architecture and technology design to the development and implementation of enterprise software solutions, for large-scale American clients. This acquisition gives the Group direct access to a higher-margin market, significant innovation opportunities, and partnerships with top global players.

Additionally, in early November, we announced the signing process for the acquisition of a 65% stake in GESS Engineering, an engineering company based in Sibiu, specialized in testing and validation of complex systems for the automotive industry. Through this acquisition, we expand the Group's expertise in systems validation, safety, and vehicle integration, following a competence-driven approach with applications across the mobility, autonomous vehicles, and embedded systems ecosystem.

The three acquisitions completed in 2025 represent the materialization of our accelerated growth plan. At the same time, our philosophy remains constant: acquiring majority stakes while retaining founders and management teams to ensure continuity, technical culture, and real synergies within the Group.

Vision and strategic outlook

Today, AROBS is the largest technology company listed on the Bucharest Stock Exchange and one of the few Romanian-owned IT groups operating globally. Approximately 70% of our revenues are generated outside Romania, providing stability and diversification against economic cycles.

Looking ahead, we remain focused on strengthening the Group's position in international markets, integrating acquired companies, and accelerating investments in emerging technologies: AI, cybersecurity, big data, automotive engineering, and embedded systems. In a global context marked by rapid change, we prefer an active strategy of investment and expansion over one of waiting. Our experience has shown that strong positions are consolidated during periods of uncertainty, not comfort.

We believe the future belongs to companies that know how to combine genuine technical expertise, scalability, and financial discipline. AROBS remains such a company: independent, competitive, and ready to take the next step in its global evolution.

I would like to conclude by thanking the AROBS team for their professionalism and dedication, our partners for their collaboration and trust, and our investors for their continuous support.

We invite you to review our report for the first nine months of 2025 and join our investor results call on **November 18, 2025**, at **3:00 PM** (Romanian time), where we will discuss AROBS's performance during this period.

For additional questions, please do not hesitate to contact us at ir@arobsgroup.com.

Voicu Oprean

CONSOLIDATED FINANCIAL RESULTS AS OF SEPTEMBER 30, 2025

RON 328 million

TURNOVER

+7% vs. 9m 2024

RON 50 million

EBITDA

+15% vs. 9M 2024

RON 23 million

OPERATING PROFIT

+13% vs. 9M 2024

RON 19 million

NET PROFIT

6% NET PROFIT MARGIN

+17% vs. 9M 2024

Q3 2025 CONFERENCE CALL

18.11.2025 | 15:00

We invite you to join the quarterly financial results call with AROBS management to discuss the performance in the first nine months of 2025 and the outlook for the rest of the year.

The call will be hosted by:

- Voicu Oprean (Founder and CEO)
- Bogdan Ciungradi (CFO)
- Ovidiu Bojan (Executive Director, Software Products)
- Zuzanna Kurek (IR Manager).

The conference call will be in English and will take place on November 18, 2025, at 15:00 Romanian time (14:00 CET | 13:00 UK).

To participate in the conference call, interested parties are invited to register **HERE**.

KEY EVENTS IN Q3 2025 AND AFTER THE CLOSING OF THE REPORTING PERIOD

KEY EVENTS RELATED TO BUSINESS DEVELOPMENT

FWF BY AROBS NAMED UIPATH FAST TRACK PARTNER TO DRIVE AGENTIC AUTOMATION ADOPTION

On **July 1, 2025**, FWF, part of the AROBS Group and specialized in intelligent process automation solutions, has been recognized by UiPath, (NYSE: PATH), a global leader in agentic automation, as an Agentic Automation Fast Track Partner, joining an elite group of UiPath partners implementing the most advanced agentic automation solutions. This distinction recognizes FWF by AROBS's commitment to being at the forefront of innovation in enterprise automation by delivering solutions that build on Robotic Process Automation by fully utilizing the capabilities of Agentic AI to automate complex processes. It also confirms the AROBS Group's strategic focus on investing in technologies that fundamentally transform how organizations operate.

More details are available **HERE**.

AROBS SYSTEMS CONTRIBUTES TO THE DIGITAL TRANSFORMATION OF THE ROMANIAN NATIONAL EMPLOYMENT AGENCY (ANOFM) THROUGH A STRATEGIC PROJECT FINANCED VIA THE PNRR

On **August 26, 2025**, AROBS Systems, part of the AROBS Group, together with Power Net Consulting, acting as leader of the consortium, will deliver and implement an integrated IT system for the Romanian National Employment Agency (ANOFM), within a strategic project financed through Romania's National Recovery and Resilience Plan (PNRR). The project's objective is to modernize and digitalize ANOFM's operations through a unified IT platform designed to ensure the efficient management of all institutional processes and improve the quality of public employment services. The platform will cover a wide range of functionalities, from data and workflow management to reporting and interoperability with other governmental platforms.

More details are available **HERE**.

INCLUSION OF AROBS GROUP IN THE FINANCIAL TIMES – EUROPE'S LONG-TERM GROWTH CHAMPIONS RANKING

In October 2025, AROBS Group was included in the Europe's Long-Term Growth Champions ranking, compiled by the Financial Times in partnership with Statista, which features 300 European companies with the highest compound annual growth rate (CAGR) over the period 2014–2024.

This recognition confirms the Group's consistent performance and its ability to generate sustainable long-term growth through a business model built on a balance between international expansion, investments in advanced technologies, and maintaining financial discipline.

AROBS's presence in this ranking is all the more significant as most of the selected companies originate from Western Europe, thereby highlighting Romania's contribution to the European technology ecosystem and the Group's strong position among the most dynamic companies in the region.

ACQUISITION OF GLOBAL ENGINEERING SERVICES & SOLUTIONS S.R.L.

On **November 3, 2025**, the Company informed the market about the acquisition of a 65% majority stake in Global Engineering Services & Solutions S.R.L. (hereinafter referred to as "Gess Engineering"), a Romanian engineering company based in Sibiu that develops and implements complex vehicle testing, validation, and integration solutions. The company provides end-to-end services, from engineering and design, prototype testing and performance analysis, for major global automotive manufacturers and their Tier 1 suppliers.

The transaction strengthens AROBS's engineering service line by expanding the Group's expertise in system validation, safety, and vehicle integration, following a competence-based approach with broad applicability across the mobility ecosystem, autonomous vehicles, and embedded systems.

More details are available **HERE**.

KEY EVENTS RELATED TO GOVERNANCE

ORDINARY GENERAL MEETING OF SHAREHOLDERS FROM 03.11.2025

On **October 1, 2025**, the Company informed the market about the decision to convene the Ordinary General Meeting of Shareholders (OGMS) for November 3, 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 for the audit of the annual financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union, for the 2025, 2026, and 2027 financial years, both for the parent company and the Group entities, for the period from November 3, 2025, to September 30, 2028.

More details are available **HERE**.

ANALYSIS OF THE CONSOLIDATED FINANCIAL RESULTS

In May 2024, AROBS completed the acquisition of the Infobest Group (Infobest Romania SRL, Infobest Romania SRL Niederlassung, Infobest Systemhaus GmbH), whose financial performance (revenues and expenses) has been reflected in the Group's consolidated results as of June 2024.

In February 2025, the company TLG LLC was established, 85% owned by AROBS, and its financial performance (revenues and expenses) has been included in the Group's consolidated results as of March 2025.

In May 2025, AROBS completed the acquisition of SVT Electronics SRL, whose financial performance (revenues and expenses) has been consolidated as of May 2025.

In June 2025, the Company informed investors about the acquisition of a 70% stake in Codingscape LLC, whose financial performance (revenues and expenses) has been included in the Group's consolidated results as of July 2025.

In November 2025, the Company informed investors regarding the acquisition of a 65% interest in Company Global Engineering Services & Solutions S.R.L.. The financial performance of this entity (revenues and expenses) will be included in the Group's consolidated financial statements only upon completion of the transaction.

CONSOLIDATED P&L ANALYSIS

Profit and Loss account indicators

INCOME STATEMENT (LEI)	30.09.2025 AROBS Group Unaudited	30.09.2024 AROBS Group Unaudited	Variation %
Turnover:	**328,478,173**	**306,159,012**	**7%**
Revenue from software services	223,797,319	245,572,543	-9%
Revenue from software products	72,214,211	57,523,865	26%
Revenue from integrated systems	32,466,643	3,062,604	960%
TOTAL – Cost of sales	**238,788,202**	**222,162,296**	**8%**
Cost of sales of software services	177,068,184	191,313,939	-7%
Cost of sales of software products	34,325,117	27,882,732	23%
Cost of sales of integrated systems	27,394,901	2,965,625	824%
Gross result	**89,689,971**	**83,996,716**	**7%**
Software Services - Gross margin	**21%**	**22%**	**-1%**
Software products - Gross margin	**52%**	**52%**	**0%**
Integrated Systems - Gross margin	**16%**	**3%**	**13%**
Other operating revenues	4,036,237	914,034	342%
Sales and marketing expenses	(19,035,380)	(14,976,961)	27%
General and administrative expenses	(51,277,304)	(49,300,132)	4%
Operating profit	**23,413,524**	**20,633,657**	**13%**
EBITDA	**49,984,800**	**43,401,912**	**15%**
EBITDA margin	**15%**	**14%**	**1%**
Financial revenue/ (financial expenses), net	1,062,114	1,230,674	-14%
Profit before tax	**24,475,638**	**21,864,331**	**12%**
Profit tax	(5,652,360)	(5,728,150)	-1%
Net profit	**18,823,278**	**16,136,181**	**17%**
Net profit margin	**6%**	**5%**	**1%**

The AROBS Group's ***turnover*** recorded a positive evolution in the period ending September 30, 2025, compared to the same period of 2024, marking a 7% increase. A significant contribution to this growth during the first three quarters of 2025 came from the Integrated Systems segment, driven by deliveries under the project signed at the end of 2024 with the National House of Public Pensions, the organic growth of Software products segment, as well as from the newly acquired companies: SVT, whose results have been consolidated as of May 2025, and Codingscape, consolidated as of July 2025.

During the first nine months of 2025, the Group continued to place strong emphasis on controlling both direct and indirect expenses and on the efficient management of resources in line with revenue dynamics. Consequently, the cost of Software Services sales decreased by 7% in the period ended September 30, 2025, compared to the same period of the previous year. The cost of Software Products sales increased by 23% in the first nine months of 2025 versus the same period of 2024, in line with revenue growth, driven by the continued expansion of this segment.

Sales and marketing expenses increased by 4 million lei in the period ended September 30, 2025, compared to the same period in 2024, mainly due to the investment in a Greenfield company aimed at strengthening the sales force in the U.S. market, as well as the impact of the newly acquired companies in 2024 and 2025.

General and administrative expenses had a net increase of 2 million lei in the period ended September 30, 2025, compared to the same period last year, including in 2025 the general and administrative expenses of the newly acquired companies, amounting to 2.7 million lei. Additionally, in Q3 we recorded consulting expenses related to M&A transactions worth 1.2 million lei.

EBITDA for the first nine months of 2025 increased by 6.6 million lei (+15%) compared to the same period of 2024, reaching 50 million lei, corresponding to an EBITDA margin of 15%.

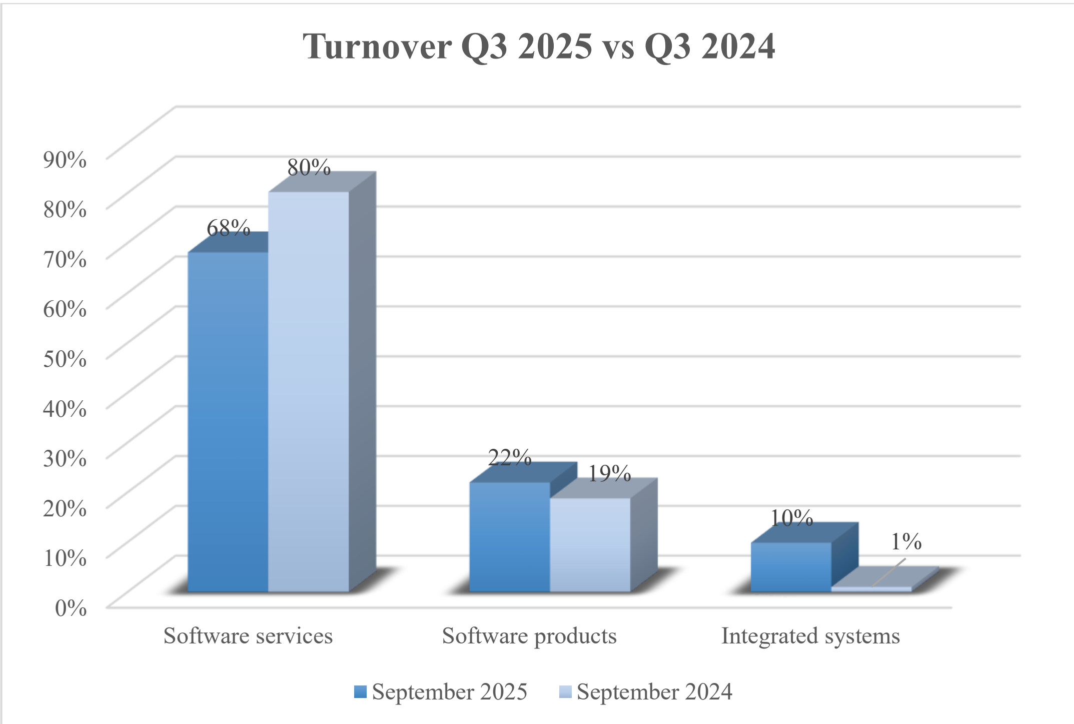
Net profit increased by 2.7 million lei (+17%) in the period ended September 30, 2025, compared to the same period of the previous year.

In October 2025, AROBS continued the share-based payment remuneration programs by expanding the ESOP program 4, compliant with OGMS of 28.04.2025, for which a number of 5,587,598 shares were allocated. The fair value of the shares is established at grant date, the date when the employees agreed to the program. The expense is incurred on a systematic basis as the services are rendered and until the vesting criteria are met.

Turnover analysis

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

Business lines (LEI)	9M 2025 Turnover Unaudited	9M 2024 Turnover Unaudited	Variation %
Software services	223,797,319	245,572,543	-9%
Software products	72,214,211	57,523,865	26%
Integrated systems	32,466,643	3,062,604	960%
Total	**328,478,173**	**306,159,012**	**7%**



In 2025, the Group's strategy remains focused on maintaining multiple growth pillars, continuing the development of the Software Services, Software Products, and Integrated Systems segments. In addition, the acquisitions completed during the first three quarters of 2025 aim to enhance the performance of the Software Services segment and expanding in the U.S. market through the results of Codingscape, while also contributing to the complementary development of the Software Products segment through SVT Electronics.

The turnover generated by the Software Services segment for the period ended September 30, 2025, amounted to 223.8 million lei, representing a 9% decrease compared to the same period of 2024. This evolution reflects the slowdown in activity within the Automotive vertical, which began last year and whose impact had been anticipated for 2025 as well. The performance of Codingscape, consolidated in the Software Services segment results as of July 2025, partially offset this negative trend in the Automotive area.

The Software Products segment contributed 22% to the Group's turnover and recorded a turnover of 72.2 million lei in the first three quarters of 2025, up 26% compared to the same period in 2024. The performance of the newly acquired company SVT Electronics has been reflected in the results of this segment as of May 2025.

Within the Integrated Systems segment, the Group recorded a turnover of 32.5 million lei in the period ended September 30, 2025. A significant part of the turnover for the Integrated Systems segment is generated by the development of the project with the National House of Public Pensions, signed at the end of 2024 and currently in progress during this year.

For 2025, the Group maintains the operational objectives set at the beginning of the year, with results expected to be in line with the budget at both EBITDA and operating profit levels. Regarding the net result, the Group is closely monitoring how exchange rate movements in the final months of the year will impact on the final financial results, given the higher volatility of the FX market during this year. In 2025, the depreciation of the U.S. dollar against the Romanian leu had a negative impact on the financial result and, implicitly, on net profit, due to the Group's exposure generated by the acquisition of the U.S.-based company Codingscape and by projects delivered for U.S. clients, while the euro-Romanian leu exchange rate movement provided a slight offsetting effect.

Organic vs. M&A

	9M 2025			9M 2024		
	Organic	**M&A***	**Total Unaudited**	**Organic**	**M&A***	**Total Unaudited**
Turnover:	**180,243,666**	**148,234,507**	**328,478,173**	**196,837,747**	**109,321,265**	**306,159,012**
Software services	86,796,296	137,001,023	223,797,319	142,601,650	102,970,893	245,572,543
Software products	60,980,727	11,233,484	72,214,211	51,173,493	6,350,372	57,523,865
Integrated systems	32,466,643	-	32,466,643	3,062,604	-	3,062,604
Cost of sales:	**133,371,554**	**105,416,648**	**238,788,202**	**143,680,384**	**78,481,912**	**222,162,296**
Software services	76,792,443	100,275,741	177,068,184	115,890,689	75,423,251	191,313,939
Software products	29,184,211	5,140,906	34,325,117	24,824,071	3,058,661	27,882,732
Integrated systems	27,394,901	-	27,394,901	2,965,624	-	2,965,624
Gross margin	**46,872,112**	**42,817,859**	**89,689,971**	**53,157,363**	**30,839,353**	**83,996,716**
Gross margin %	**26%**	**29%**	**27%**	**27%**	**28%**	**27%**

** Companies acquired as of 2021*

The M&A subsidiaries recorded a turnover increase of 38.9 million lei in the period ended September 30, 2025, compared to the same period of the previous year. This growth was driven by the performance of the Infobest Group, whose results were reflected for the entire three quarters of 2025, compared to only June-September in the previous year, as well as by the results of the newly acquired SVT Electronics (acquired in April 2025), Codingscape, and previous acquisitions.

The turnover contribution of the acquired companies represented 61% of the total Software Services segment, confirming the strategy for accelerated growth through M&A.

The increase in turnover recorded in the period ended September 30, 2025, compared to the same period of the previous year, in the Software Products segment, was driven by both the evolution of the organic operations, which increased by 9.8 million lei, and the evolution of M&A activity, with the acquired companies exceeding, in the first three quarters of 2025, the results from the same period of 2024, by 4.9 million lei.

Quarterly evolution – Turnover and Expenses

	Q1 2025 Unaudited	Q2 2025 Unaudited	Q3 2025 Unaudited	Q1 2024 Unaudited	Q 2024 Unaudited	Q3 2024 Unaudited
Turnover:	**119,617,569**	**95,734,184**	**113,126,420**	**105,045,331**	**101,221,104**	**99,892,575**
Software services	71,536,539	69,777,119	82,483,661	86,434,636	79,952,460	79,185,446
Software products	21,865,179	24,468,945	25,880,087	18,195,750	19,564,287	19,763,827
Integrated systems	26,215,851	1,488,120	4,762,672	414,945	1,704,357	943,302
Cost of sales:	**90,319,424**	**68,087,173**	**80,381,605**	**75,159,115**	**74,844,381**	**72,158,800**
Software services	57,552,222	55,666,549	63,849,413	66,480,843	63,226,711	61,606,385
Software products	10,315,753	11,939,238	12,070,126	8,365,992	10,064,288	9,452,452
Integrated systems	22,451,449	481,386	4,462,066	312,280	1,553,382	1,099,963
Gross margin	**29,298,145**	**27,647,011**	**32,744,815**	**29,886,216**	**26,376,723**	**27,733,775**
Gross margin %	**24%**	**29%**	**29%**	**28%**	**26%**	**28%**
Software services	20%	20%	23%	23%	21%	22%
Software products	53%	51%	53%	54%	49%	52%
Integrated systems	14%	68%	6%	25%	9%	-17%
Sales and marketing expenses	5,992,633	6,054,631	6,988,116	4,719,989	5,288,752	4,968,220
General and administrative expenses	16,360,014	16,917,389	17,999,901	16,031,876	17,066,016	16,202,240
EBITDA	**17,110,928**	**13,965,621**	**18,908,261**	**16,803,438**	**12,038,197**	**14,560,280**
EBITDA %	**14%**	**15%**	**17%**	**16%**	**12%**	**15%**
Net profit	**6,338,775**	**3,864,834**	**8,619,669**	**7,862,470**	**2,928,667**	**5,345,044**

The quarterly ***turnover*** was influenced by the seasonality of projects within the Integrated Systems segment. Software products segment records growth in every quarter of 2025 compared to 2024, marking an increase of over 30% in Q3 2025. Regarding the Software services segment, although it registered a decrease in the first half of 2025 compared to the first half of 2024 due to the automotive vertical, in the third quarter it achieved a 4% increase compared to last year due to new acquisitions during the year.

The gross margin for the Software Services segment remained stable at 20% during the first semester of 2025, reaching 23% in Q3 2025, due to Codingscape acquisition, but also a positive trend in profitability in the sector. The gross margin for the Software Products segment managed to record a slight increase compared to the previous year, despite the upward trend in operating expenses and continuous investments in product development.

The cost of Software Services sales decreased by 14.2 million lei as of September 30, 2025, compared to the same period in 2024. This variation resulted from a significant decrease in costs within the organic business, down by 39 million lei versus the same period last year, and an increase of 24.9 million lei generated by the M&A companies.

The cost of Software Products sales increased by 6.4 million lei compared to the same period in 2024, due to the inclusion of the newly acquired SVT Electronics and to third-party services, resulting from the increase in turnover in Software Products segment. During this period, third-party services mainly included installation services for monitoring devices and software development services. The evolution of these costs is consistent with the expansion of the segment's activity and the development of in-house products.

Sales and marketing expenses increased by 4 million lei in the first nine months of 2025 compared to the same period of 2024, of which 3.3 million lei are generated by companies joining the group during 2025.

General and administrative expenses remain stable during the first half of 2025, registering an increase of 1.8 million lei in Q3 2025 compared to the same period of last year, due to the consulting expenses related to M&A transactions (1.2 million lei) as well as the amortization expenses of customer relationships (0.6 million lei).

EBITDA records progressive growth in the first two quarters of 2025 compared to the same period of the previous year, and in Q3 2025, it marked a 30% increase compared to Q3 2024, reaching the highest evolution in the last two years. As of September 30, 2025, EBITDA amounted to 50 million lei, compared to 43.4 million lei as of September 30, 2024. Revenue growth in the Integrated Systems and Software Products segments, the contribution of digitalization projects in 2025, coupled with increased focus on cost control and expense reductions, including those related to personnel costs, led to an EBITDA increase (15% margin) in the first three quarters of 2025 compared to the same period of the previous year.

CONSOLIDATED BALANCE SHEET ANALYSIS

BALANCE SHEET

Balance sheet indicators (LEI)	30.09.2025 AROBS Group Unaudited	31.12.2024 AROBS Group Audited	Variation %
Total fixed assets, out of which:	**344,285,997**	**285,457,927**	**21%**
Tangible assets	12,588,333	13,679,736	-8%
Right-of-use assets	23,397,221	25,396,600	-8%
Investment properties	20,741,946	21,008,039	-1%
Goodwill	163,833,346	111,230,318	47%
Customer relationship	81,061,434	74,155,381	9%
Other intangible assets	31,759,033	27,031,719	17%
Loans granted to related parties	6,355,663	7,294,119	-13%
Other financial assets	2,236,215	3,687,246	-39%
Deferred tax asset	2,312,806	1,974,769	17%
Total current assets, out of which:	**328,091,935**	**358,099,154**	**-8%**
Trade and other receivables	88,036,549	73,202,668	20%
Loans granted to related parties	6,844,656	5,847,550	17%
Cash and cash equivalents	207,060,658	259,604,189	-20%
Total assets	**672,377,932**	**643,557,081**	**4%**
Current liabilities, out of which	**116,216,053**	**99,945,884**	**16%**
Bank loans	24,276,752	24,677,989	-2%
Leasing liabilities	8,849,356	8,206,905	8%
Total non-current liabilities, out of which:	**90,816,300**	**103,754,180**	**-12%**
Bank loans	27,881,742	42,435,001	-34%
Leasing liabilities	15,212,656	17,267,490	-12%
Total liabilities	**207,032,353**	**203,700,064**	**2%**
Total Equity	**465,345,579**	**439,857,017**	**6%**
Total equity and liabilities	**672,377,932**	**643,557,081**	**4%**
Net assets	**465,345,579**	**439,857,017**	**6%**

Intangible assets increased by 64.2 million lei as of September 30, 2025, compared to the beginning of the year, mainly due to the recognition of goodwill related to the companies acquired in 2025, the increase in customer relationship values associated with SVT Electronics, and the ongoing development of the Group's proprietary products, including the fleet management platform and the HR platform.

The values recorded as of September 30, 2025, for goodwill and customer relationships are based on the book value of net assets at the acquisition date of the respective companies. Upon completion of the purchase price allocation reports prepared by independent valuers, the estimated values may be subject to change, following the determination of the fair value of the assets and liabilities of the acquired entities.

The AROBS Group continues to maintain a solid cash position, totaling 207 million lei as of September 30, 2025. The net decrease in cash of 52.5 million lei was mainly driven by the acquisitions of SVT Electronics and Codingscape. During the first nine months of 2025, the Group generated net cash from operating activities amounting to 52.8 million lei.

As of September 30, 2025, the debt ratio related to bank financing, calculated as the ratio between total bank borrowings and normalized EBITDA, stood at 0.77, indicating a strong financial position that enables the Group to secure future financing to support its strategic objectives.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	30.09.2025 AROBS Group Unaudited	30.09.2024 AROBS Group Unaudited	Variation %
TURNOVER:	**328,478,173**	**306,159,012**	**7%**
Revenue from software services	223,797,319	245,572,543	-9%
Revenue from software products	72,214,211	57,523,865	26%
Revenue from integrated systems	32,466,643	3,062,604	960%
TOTAL COST OF SALES:	**238,788,202**	**222,162,296**	**7%**
Cost of sales of software services	177,068,184	191,313,939	-7%
Cost of sales of software products	34,325,117	27,882,732	23%
Cost of sales of integrated systems	27,394,901	2,965,625	824%
GROSS MARGIN	**89,689,971**	**83,996,716**	**7%**
Other operating revenues	4,036,237	914,034	342%
Sales and marketing expenses	(19,035,380)	(14,976,961)	27%
General and administrative expenses	(51,277,304)	(49,300,132)	4%
OPERATING PROFIT	**23,413,524**	**20,633,657**	**13%**
Financial revenue / (expenses), net	1,062,114	1,230,674	-14%
GROSS PROFIT – BEFORE TAX	**24,475,638**	**21,864,331**	**12%**
Profit Tax	(5,652,360)	(5,728,150)	-1%
NET PROFIT	**18,823,278**	**16,136,181**	**17%**
Attributable to the parent company	18,744,552	15,832,786	18%
Attributable to non-controlling interests	78,726	303,395	-74%

CONSOLIDATED BALANCE SHEET

Balance sheet indicators (LEI)	30.09.2025 AROBS Group Unaudited	31.12.2024 AROBS Group Audited	Variation %
Tangible assets	12,588,333	13,679,736	-8%
Right-of-use assets	23,397,221	25,396,600	-8%
Investment properties	20,741,946	21,008,039	-1%
Goodwill	163,833,346	111,230,318	47%
Customer relationship	81,061,434	74,155,381	9%
Other intangible assets	31,759,033	27,031,719	17%
Loans granted to related parties	6,355,663	7,294,119	-13%
Other financial assets	2,236,215	3,687,246	-39%
Deferred tax assets	2,312,806	1,974,769	17%
Total fixed assets	**344,285,997**	**285,457,927**	**21%**
Work in progress services and inventories	15,731,196	8,799,106	79%
Trade receivables	88,036,549	73,202,668	20%
Prepaid expenses	2,604,320	2,316,462	12%
Current tax receivables	348,702	1,470,248	-76%
Other receivables	7,465,854	6,858,931	9%
Loans granted to related parties and other Loans	6,844,656	5,847,550	17%
Cash and cash equivalents	207,060,658	259,604,189	-20%
Total current assets	**328,091,935**	**358,099,154**	**-8%**
Total assets	**672,377,932**	**643,557,081**	**4%**
Share capital	104,555,233	104,555,233	0%
Adjustments of equity capital to hyperinflation	263,971	263,971	0%
Share premium	146,472,470	146,472,470	0%
Reserves	11,405,199	11,405,199	0%
Own shares	(9,519,125)	(12,885,372)	-26%
Other components of equity	4,102,074	12,693,649	-68%
Retained earnings	177,180,812	158,433,437	12%
Gains/Losses from own equity instruments	29,905,555	19,684,169	52%
Conversion differences from consolidation	(1,206,517)	(218,041)	453%
Total equity	**463,159,672**	**440,404,715**	**5%**
Non-controlling interest	2,185,907	(547,698)	-499%
Total equity	**465,345,579**	**439,857,017**	**6%**
Non-current liabilities:			
Advance income	4,996,026	3,232,865	55%
Governments grants	716,823	768,378	-7%
Equity liabilities	15,426,438	14,686,659	5%
Bank loans	27,881,742	42,435,001	-34%
Leasing	15,212,656	17,267,490	-12%
Other liabilities	508,084	559,757	-9%
Provisions	13,102,649	13,102,084	0%
Deferred tax liabilities	12,971,882	11,701,946	11%
Total non-current liabilities	**90,816,300**	**103,754,180**	**-12%**
Current liabilities:			
Trade payables	31,590,060	22,327,278	41%
Advance income	12,712,190	13,346,834	-5%
Government grants	313,749	143,121	119%
Equity liabilities	10,562,500	3,977,961	166%
Bank loans	24,276,752	24,677,989	-2%
Leasing	8,849,356	8,206,905	8%
Employee-related liabilities	15,697,197	14,630,156	7%
Current tax liabilities	1,424,449	813,583	75%
Other liabilities	10,789,800	11,822,057	-9%
Total current liabilities	**116,216,053**	**99,945,884**	**16%**
Total liabilities	**207,032,353**	**203,700,064**	**2%**
Total equity and liabilities	**672,377,932**	**643,557,081**	**4%**

CONSOLIDATED CASH-FLOW

	30.09.2025 AROBS Group Unaudited	30.09.2024 AROBS Group Unaudited	Variation %
Profit before tax	**24,475,638**	**21,864,331**	**12%**
***Adjustments* for:**			
Depreciation expenses	17,725,058	15,514,684	14%
Expenses related to disposed tangible and intangible assets	512,199	(544,300)	-194%
(Income) from the sale of tangible and intangible assets	(801,137)	(763,822)	5%
Expenses related to employee benefits – SOP	5,047,838	10,453,586	-52%
Expenses / (Income) related to adjustments for inventory write-downs	44,513	(276,533)	-116%
Expenses /(Income) related to adjustments for receivables depreciation	334,513	391,829	-15%
Expenses / (Income) related to provisions for risks and charges	703,025	(65,561)	-1172%
(Income) from subsidies	119,073	135,573	-12%
Expenses with interest and other financial expenses	2,325,062	2,541,573	-9%
(Income) from interest and other financial income	(5,140,593)	(4,374,181)	18%
Expenses / (Incomes) related to value adjustments for tangible and intangible assets	-	(108,663)	-100%
Retained Earnings Adjustments	(640,181)	(272,791)	135%
Operating profit before change in working capital	**44,705,008**	**44,495,725**	**0%**
Change in trade and other receivables balances	(2,791,554)	15,017,548	-119%
Change in inventory balances	(6,976,603)	(1,281,537)	444%
Change in trade and other payables balances	21,887,261	11,993,689	82%
Change in prepaid expenses balances	(287,858)	(777,904)	-63%
Change in deferred income balances	1,128,517	2,485,299	-55%
Interest paid	(2,325,062)	(2,541,573)	-9%
Interest received	4,820,216	4,278,564	13%
Cash generated from operating activities	**60,159,925**	**73,669,812**	**-18%**
Income tax paid	(7,384,772)	(7,385,599)	0%
Net cash from operating activities	**52,775,153**	**66,284,213**	**-20%**
Cash flows from investing activities			
Loans (granted) to / repaid by affiliated entities and change in guarantees provided	785,640	1,846,585	-57%
(Payments) for acquisitions of subsidiaries	(68,815,349)	(19,640,962)	250%
(Payments) for acquisitions of tangible and intangible assets	(12,657,770)	(12,307,597)	3%
Own Share buybacks	(51,779)	(6,917,284)	-99%
(Payments) / Receipts from other investments in financial assets	-	302,033	-100%
Net cash from investing activities	**(80,739,258)**	**(36,717,226)**	**120%**
Cash flows from financing activities			
Proceeds from bank loans	-	2,609,603	-100%
(Withdrawal)/Repayment of bank loans	(17,307,833)	(16,177,865)	7%
Short term loan variation	1,124,403	32,763	3332%
Payment of debts related to financial leasing	(8,395,996)	(8,266,245)	2%
Share capital increase	-	142,892,151	-100%
Net cash from financing activities	**(24,579,426)**	**121,090,407**	**-120%**
(Decrease) / Net increase in cash and cash equivalents	(52,543,531)	150,657,394	-135%
Cash and cash equivalents at the beginning of the financial period	**259,604,189**	**87,773,888**	**196%**
Cash and cash equivalents at the end of the financial period	**207,060,658**	**238,431,282**	**-13%**

INDIVIDUAL PROFIT AND LOSS ACCOUNT

	30.09.2025 AROBS Individual Unaudited	30.09.2024 AROBS Individual Unaudited	Variation %
TURNOVER:	**133,143,336**	**180,147,804**	**-26%**
Revenue from software services	92,616,433	145,415,527	-36%
Revenue from software products	40,526,903	34,732,276	17%
TOTAL COST OF SALES:	**108,088,891**	**136,999,184**	**-21%**
Cost of sales of software services	87,118,962	119,541,920	-27%
Cost of sales of software products	20,969,929	17,457,264	20%
GROSS PROFIT	**25,054,445**	**43,148,620**	**-42%**
Other revenues	5,510,900	466,405	1082%
Sales and marketing expenses	(6,607,957)	(6,433,292)	3%
General and administrative expenses	(25,151,622)	(27,507,763)	-9%
OPERATING PROFIT	**(1,194,234)**	**9,673,970**	**-112%**
Income from shares held in affiliated entities	23,603,778	13,993,535	69%
Financial revenues	6,571,326	4,235,070	55%
Financial expenses	(1,818,821)	(1,980,172)	-8%
Revenue / (expenses) from exchange rate differences, net	(685,152)	(19,070)	3493%
GROSS PROFIT - BEFORE TAX	**26,476,897**	**25,903,334**	**2%**
Profit tax	(1,384,564)	(2,745,272)	-50%
NET PROFIT	**25,092,333**	**23,158,062**	**8%**

INDIVIDUAL BALANCE SHEET

Balance sheet indicators (LEI)	30.09.2025 AROBS Individual Unaudited	31.12.2024 AROBS Individual Audited	Variation %
Shares held in affiliated entities	279,686,601	234,583,941	19%
Intangible assets	4,663,301	5,029,988	-7%
Right-of-use assets related to leased assets	16,962,745	18,809,970	-10%
Other intangible assets	17,689,887	15,344,054	15%
Loans granted to affiliated parties	47,830,257	12,434,136	285%
Loans granted to related parties and other loans	6,355,663	7,294,119	-13%
Other financial fixed assets	1,212,655	2,968,304	-59%
Deferred tax	-	234,104	-100%
Total fixed assets	**374,401,109**	**296,698,616**	**26%**
Work in progress services and inventories	5,568,199	1,990,082	180%
Trade receivables	35,466,089	38,614,387	-8%
Prepaid expenses	1,468,490	1,595,274	-8%
Current tax receivables	-	470,213	-100%
Other receivables	1,812,377	1,412,913	28%
Loans granted to related parties and other loans	23,384,803	10,259,951	128%
Cash and cash equivalents	152,087,212	218,899,865	-31%
Total current assets	**219,787,170**	**273,242,685**	**-20%**
Total assets	**594,188,279**	**569,941,301**	**4%**
Share capital	104,555,233	104,555,233	0%
Share capital adjustments to hyperinflation	263,971	263,971	0%
Share premium	146,472,470	146,472,470	0%
Legal reserves	11,177,834	11,177,834	0%
Own shares	(9,519,125)	(12,885,372)	-26%
Other components of equity	4,135,013	12,782,685	-68%
Retained earnings	199,396,783	174,304,450	14%
Gains (losses) on equity instruments	29,905,556	19,684,169	52%
Total equity	**486,387,735**	**456,355,440**	**7%**
Total equity	**486,387,735**	**456,355,440**	**7%**
Non-current liabilities:			
Advance income	321,676	234,184	37%
Governments grants	152,767	216,510	-29%
Liabilities related to equity investments	15,426,438	14,686,659	5%
Bank loans	16,941,235	29,716,103	-43%
Leasing	11,829,733	13,670,184	-13%
Provisions	4,050,449	4,050,449	0%
Deferred income tax liabilities	195,860	-	100%
Total non-current liabilities	**48,918,158**	**62,574,089**	**-22%**
Current liabilities:			
Trade liabilities	9,924,247	6,281,464	58%
Advance income	3,875,703	3,682,621	5%
Government grants	86,612	94,671	-9%
Equity liabilities	10,561,072	3,976,479	166%
Bank loans	18,557,080	20,122,370	-8%
Leasing	5,578,618	4,950,253	13%
Employee-related liabilities	5,873,363	6,810,480	-14%
Current income tax liabilities	189,547	-	100%
Other current liabilities	4,236,144	5,093,434	-17%
Total current liabilities	**58,882,386**	**51,011,773**	**15%**
Total liabilities	**107,800,544**	**113,585,862**	**-5%**
Total equity and liabilities	**594,188,279**	**569,941,301**	**4%**

KEY FINANCIAL RATIOS

AROBS AT THE GROUP LEVEL

Current ratio as of 30.09.2025

$$\frac{\textbf{Current assets}}{\textbf{Current liabilities}} \quad \frac{\mathbf{328,091,935}}{\mathbf{116.216.053}} = \mathbf{2.82}$$

Quick ratio as of 30.09.2025

$$\frac{\textbf{Current assets} - \textbf{inventories}}{\textbf{Current liabilities}} \quad \frac{\mathbf{312,360,739}}{\mathbf{116.216.053}} = \mathbf{2.69}$$

Debt to equity ratio as of 30.09.2025

$$\frac{\textbf{Borrowed capital}}{\textbf{Equity}} x\mathbf{100} \quad \frac{\mathbf{64,381,890}}{\mathbf{465,345,579}} x\mathbf{100} = \mathbf{13.84\%}$$

$$\frac{\textbf{Borrowed capital}}{\textbf{Employed capital}} x\mathbf{100} \quad \frac{\mathbf{64,381,890}}{\mathbf{529,727,469}} x\mathbf{100} = \mathbf{12.15\%}$$

Borrowed capital = Loans over 1 year
Employed capital = Borrowed capital + Equity

Debt turnover ratio - clients (days) as of 30.09.2025

$$\frac{\textbf{Average client balance}}{\textbf{Turnover}} x\mathbf{270} \quad \frac{\mathbf{85,065,712}}{\mathbf{328,478,173}} x\mathbf{270} = \mathbf{69.92}$$

Fixed assets turnover as of 30.09.2025

$$\frac{\textbf{Turnover}}{\textbf{Fixed assets}} \quad \frac{\mathbf{328,478,173}}{\mathbf{344,285,997}} = \mathbf{0.95}$$

R Bank financing debt ratio as of 30.09.2025

$$\frac{\textbf{Total bank liabilities}}{\textbf{Normalized annualized EBITDA}} \quad \frac{\mathbf{52,158,494}}{\mathbf{68,023,322}} = \mathbf{0.77}$$

ABOUT AROBS TRANSILVANIA SOFTWARE

AROBS Transilvania Software SA is an IT company established in 1998, and currently, it is the largest and most liquid technology company listed on the Bucharest Stock Exchange.

The company's principal activity is developing custom software with high expertise in software engineering and embedded for the automotive, aerospace, medical, maritime, and others, but it also develops software for IoT, travel, clinical studies, enterprise solutions, Fintech and Intelligent Automation projects. AROBS has over 25 years of experience in developing customized software solutions for clients in 14 countries in Europe, Asia, and America.

Since its establishment, AROBS Transilvania Software has relied on excellent specialists and well-adjusted but flexible processes to consistently deliver the best quality customized software, products, and software applications, where the company has retained ownership.

The excellence of the software services and the dedication shown by the company's specialists have helped establish strong, long-term partnerships with over 11,000 companies in Romania, Central and Eastern Europe, and hundreds of international companies.

Since 2003, AROBS Transilvania Software has been creating its own solutions and products, the most important of which are **TrackGPS**, a solution for managing and monitoring car fleets, **Optimall** – a sales force automation solution, **RateWizz** – channel manager for the hotel industry, The **solution for digitizing school textbooks.**

The Company is headquartered in Cluj-Napoca and operates regional offices in 10 other cities across Romania and in 10 countries on three continents.

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

Following its listing on the Bucharest Stock Exchange, AROBS has completed 12 acquisitions, the most recent being Codingscape and GESS in the process of being finalized. The company has strengthened its presence in Romania and in the DACH market through the acquisition of Infobest, a company specializing in custom software development, with offices in Timișoara and Leverkusen, Germany.

In March 2025, AROBS completed the full acquisition of SVT Electronics (SVT Electronics S.R.L.), a Romanian company specialized in the development of comprehensive data management and tachograph analysis solutions.

In June 2025, AROBS acquired a 70% stake in Codingscape, a U.S.-based company specialized in technology consulting, design, and custom software development services for enterprise clients. Through this transaction, AROBS strengthens and expands its presence in North America, reaffirming its strategic direction of growth in the U.S. market and its active involvement in one of the world's most dynamic technology ecosystems. At the same time, the acquisition opens up new development opportunities for Codingscape, which now gains access to European markets through AROBS's network, client portfolio, and operational infrastructure.

GROUP STRUCTURE

As of September 30, 2025. The AROBS Group consisted of AROBS Transilvania Software SA (the "Company" or "AROBS" or "Parent Company") and 35 subsidiaries:

1	AROBS DEVELOPMENT & ENGINEERING SRL	100%
2	AROBS ETOLL SOLUTIONS SRL	100%
3	AROBS NORTH AMERICA LLC	100%
4	AROBS PANNONIA SOFTWARE KFT	100%
5	AROBS POLSKA (SYDERAL POLSKA)	94%
6	AROBS SOFTWARE SOLUTIONS GMBH	60%
7	AROBS SOFTWARE SRL	100%
8	AROBS SYSTEMS SRL	100%
9	AROBS TRACKGPS SRL	100%
10	ATS ENGINEERING LLC	100%
11	BERG COMPUTERS SRL	100%
12	CABRIO INVEST B.V.	90%
13	CENTRUL DE SOFT GPS SRL	100%
14	CODINGSCAPE BY AROBS	70%
15	CODINGSCAPE LLC	70%
16	COSO BY AROBS B.V. NL	90%
17	COSO BY AROBS B.V. BE	90%
18	COSO TEAM UK LTD	90%
19	FUTURE WORKFORCE S.A.	100%
20	FUTURE WORKFORCE SRL	100%
21	FUTURE WORKFORCE GmbH	65%
22	FUTURE WORKFORCE Limited	80%
23	INFOBEST ROMANIA SRL	100%
24	INFOBEST SYSTEMHAUS GmbH	100%
25	INFOBEST ROMANIA SRL Branch	100%
26	NORDLOGIC SOFTWARE SRL	100%
27	NORDLOGIC USA. INC	100%
28	PT AROBS SOLUTIONS INDONEZIA.	70%
29	SAS FLEET TRACKING SRL (SAS GRUP)	100%
30	SILVER BULLET SRL	100%
31	SOFTMANAGER SRL	70%
32	SKYSHIELD MAGYARORSZAG KFT	100%
33	SVT ELECTRONICS SRL	100%
34	TLG LLC	100%
35	UCMS GROUP ROMANIA SRL	97.67%

EMPLOYEES

As of 30.09.2025, AROBS Group had an average number of 1,068 employees compared to 1,194 employees on 30.09.2024.

DECLARATION OF THE MANAGEMENT

Cluj-Napoca, November 13, 2025

I confirm, according to the best information available, that the consolidated and individual interim simplified financial results for the period between 01.01.2025 and 30.09.2025 give a true and fair view of the assets, liabilities, financial position and revenue and expense statements of AROBS Transilvania Software SA and that the management report provides a true and fair view of the important events that took place in the first nine months of 2025 and their impact on the company's financial statements.

Voicu Oprean

CEO

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Transilvania Software

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AROBS TRANSILVANIA SOFTWARE S.A.

CONSOLIDATED FINANCIAL STATEMENTS

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

TABLE OF CONTENT

STATEMENT OF CONSOLIDATED INCOME	Note	September 30, 2025	September 30, 2024
Turnover:	5	**328,478,173**	**306,159,012**
Software services		223,797,319	245,572,543
Software products		72,214,211	57,523,865
Integrated systems		32,466,643	3,062,604
Total cost of sales:		**238,788,202**	**222,162,296**
Cost of sales of software services	76.1	177,068,184	191,313,939
Cost of sales of software products	76.2	34,325,117	27,882,732
Cost of sales of integrated systems	76.3	27,394,901	2,965,625
Gross profit		**89,689,971**	**83,996,716**
Other income	0	4,036,237	914,034
Sales and marketing	0	(19,035,380)	(14,976,961)
General and administration	9	(51,277,304)	(49,300,132)
Proft before tax		**23,413,524**	**20,633,657**
Interest income	12	6,209,560	4,364,909
Interest expense	12	(2,367,957)	(2,660,702)
Net Forex Income/(Expenses)	12	(2,779,489)	(473,533)
Proft before tax		**24,475,638**	**21,864,331**
Income tax	14	(5,652,360)	(5,728,150)
Net profit		**18,823,278**	**16,136,181**
Net profit		**18,823,278**	**16,136,181**
related to parent company		18,744,552	15,832,786
related to NCI		78,726	303,395
Basic earnings per share		**0.0236**	**0.0228**
Diluted earnings per share		**0.0232**	**0.0198**

These financial statements were signed and approved on November 13, 2025, by:

Voicu Oprean	**Bogdan Ciungradi**
Administrator	Chief Financial Officer

STATEMENT OF FINANCIAL POSITION	Note	September 30, 2025	December 31, 2024
Property, plant and equipment	17	12,588,333	13,679,736
Assets related to rights of use of leased assets	30	23,397,221	25,396,600
Investment Properties	18	20,741,946	21,008,039
Goodwill	19	163,833,346	111,230,318
Customer relationship	19	81,061,434	74,155,381
Other intangible assets	19	31,759,033	27,031,719
Loans granted to related parties and other loans	20,34	6,355,663	7,294,119
Other financial fixed assets	20	2,236,215	3,687,246
Deferred income tax assets	14	2,312,806	1,974,769
Total fixed assets		**344,285,997**	**285,457,927**
Work in progress services and inventories	21	15,731,196	8,799,106
Trade receivables	22	88,036,549	73,202,668
Prepaid expenses	23	2,604,320	2,316,462
Corporate income tax	14	348,702	1,470,248
Other trade receivables	24	7,465,854	6,858,931
Related parties loans	34	6,844,656	5,847,550
Cash and cash equivalents	25	207,060,658	259,604,189
Total current assets		**328,091,935**	**358,099,154**
Total assets		**672,377,932**	**643,557,081**
Share capital	26	104,555,233	104,555,233
Adjustments of equity capital to hyperinflation		263,971	263,971
Share premium		146,472,470	146,472,470
Reserves	26	11,405,199	11,405,199
Own shares		(9,519,125)	(12,885,372)
Other equity items		4,102,074	12,693,649
Retained earnings		177,180,812	158,433,437
Gains on equity instruments		29,905,555	19,684,169
Conversion differences from consolidation		(1,206,517)	(218,041)
Total capital		**463,159,672**	**440,404,715**
Non controlling interest		2,185,907	(547,698)
Total equity		**465,345,579**	**439,857,017**
Non-current liabilities			
Advance income	5	4,996,026	3,232,865
Grants	5	716,823	768,378
Equity liabilities	28	15,426,438	14,686,659
Bank loans	29	27,881,742	42,435,001
Leasing liabilities	30	15,212,656	17,267,490
Other payables	31	508,084	559,757
Provisions	32	13,102,649	13,102,084
Deferred income tax liabilities	14	12,971,882	11,701,946
Total non-current liabilities		**90,816,300**	**103,754,180**
Current liabilities			
Trade payables	27	31,590,060	22,327,278
Income in advance	5	12,712,190	13,346,834
Grants	5	313,749	143,121
Equity liabilities	28	10,562,500	3,977,961
Bank loans	29	24,276,752	24,677,989
Leasing liabilities	30	8,849,356	8,206,905
Personnel liabilities	33	15,697,197	14,630,156
Corporate income tax liabilities	14	1,424,449	813,583
Other payables	31	10,789,800	11,822,057
Total current liabilities		**116,216,053**	**99,945,884**
Total liabilities		**207,032,353**	**203,700,064**
Total equity and liabilities		**672,377,932**	**643,557,081**

These financial statements were signed and approved on November 13, 2025, by :

Voicu Oprean	**Bogdan Ciungradi**
Administrator	Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

	Equity	Equity adjustments for hyperinflation	Share premiums	Legal and other reserves	Own shares	Gains on own held equity instruments	Other equity elements	Retained earnings	Conversion reserves	Total equity	Non-controllig interests	Total equity
Closing balance 31.12.2023	**87,129,361**	**263,971**	**23,185,001**	**9,680,545**	**(5,689,379)**	**8,352,877**	**12,574,918**	**139,037,200**	**(163,971)**	**274,370,523**	**(683,366)**	**273,687,157**
Result of the exercise	-	-	-	-	-	-	-	15,832,786	-	15,832,786	303,395	16,136,181
Conversion difference	-	-	-	-	-	-		-	(275,387)	(275,387)	4,824	(270,563)
Overall result	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***15,832,786***	***(275,387)***	***15,557,399***	**308,219**	***15,865,618***
Retained earnings	-	-	-	-	-	-	-	(298,441)	-	(298,441)	-	(298,441)
Increase of share capital	17,425,872	-	-	-	-	-	-	-	-	17,425,872	-	17,425,872
Employee benefits in the form of equity instruments	-	-	-	-	-	-	10,453,586	-	-	10,453,586	-	10,453,586
Constituition /(incorporation) of share premium	-	-	123,287,469	-	-	-	-	-	-	123,287,469	-	123,287,469
Repurchase of own shares	-	-	-	-	(6,917,285)	-	-	-	-	(6,917,285)	-	(6,917,285)
Sale of own shares	-	-	-	-	2,313,025	-	(2,313,025)	-	-	-	-	-
Gains on equity instruments	-	-	-	-	-	11,331,292	(11,331,292)	-	-	-	-	-
Correction of minority interests	-	-	-	495	-	-	-	(8,918)	(2,596)	(11,019)	402,051	391,032
Closing balance 30.09.2024	**104,555,233**	**263,971**	**146,472,470**	**9,681,040**	**(10,293,639)**	**19,684,169**	**9,384,187**	**154,562,627**	**(441,954)**	**433,868,104**	**26,904**	**433,895,008**

	Equity	Equity adjustments for hyperinflation	Share premiums	Legal and other reserves	Own shares	Gains on own held equity instruments	Other equity elements	Retained earnings	Conversion reserves	Total equity	Non-controlling interests	Total equity
Closing balance 31.12.2024	**104,555,233**	**263,971**	**146,472,470**	**11,405,199**	**(12,885,372)**	**19,684,169**	**12,693,649**	**158,433,437**	**(218,041)**	**440,404,715**	**(547,698)**	**439,857,017**
Result of the exercise	-	-	-	-	-	-	-	18,744,552	-	18,744,552	78,726	18,823,278
Conversion differences	-	-	-	-	-	-	-	-	(988,471)	(988,471)	96,290	(892,181)
Overall result	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18,744,552**	**(988,471)**	**17,756,081**	**175,016**	**17,931,097**
Employee benefits in the form of equity instruments	-	-	-	-	-	-	5,047,838	-	-	5,047,838	-	5,047,838
Repurchase of own shares	-	-	-	-	(51,779)	-	-	-	-	(51,779)	-	(51,779)
Sale of own shares	-	-	-	-	3,418,026	-	(3,418,026)	-	-	-	-	-
Gains on equity instruments	-	-	-	-	-	10,221,387	(10,221,387)	-	-	-	-	-
Retained earnings from correction of accounting errors	-	-	-	-	-	(1)	-	2,823	(5)	2,817	-	2,817
Minority interests	-	-	-	-	-	-	-	-	-	-	2,558,589	2,558,589
Closing balance 30.09.2025	**104,555,233**	**263,971**	**146,472,470**	**11,405,199**	**(9,519,125)**	**29,905,555**	**4,102,074**	**177,180,812**	**(1,206,517)**	**463,159,672**	**2,185,907**	**465,345,579**

These financial statements were signed and approved on November 13, 2025, by :

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

CASH FLOW STATEMENT	Note	September 30, 2025	September 30, 2024
Cash flows from operating activities:			
Gross profit		**24,475,638**	**21,864,331**
Adjustments for:			
Amortization expenses	6	17,725,058	15,514,684
Expenses / (Income) related to disposed tangible and intangible assets		512,199	(544,300)
(Income) from the sale of tangible and intangible assets		(801,137)	(763,822)
Expenses related to employee benefits – SOP	10	5,047,838	10,453,586
Expenses/(Income) related to adjustments for inventory write-downs		44,513	(276,533)
Expenses/(Income) related to adjustments for receivables depreciation		334,513	391,829
Expenses/(Income) on provisions for risks and charges	32	703,025	(65,561)
(Income) from subsidies and grants		119,073	135,573
Expenses with interest and other financial expenses	12	2,325,062	2,541,573
(Income) from interest and other financial income	12	(5,140,593)	(4,374,181)
Expenses/(Income) relating to value adjustments on tangible and intangible fixed assets		-	(108,663)
Conversion differences from consolidation		(640,181)	(272,791)
Operating profit before changes in working capital		**44,705,008**	**44,695,725**
Change in trade and other receivables balances	22,24	(2,791,554)	15,017,548
Change in work in progress and inventories balances	21	(6,976,603)	(1,281,537)
Change in trade payable and other debt balances	27,31	21,887,261	11,993,689
Changes in prepaid expenses	23	(287,858)	(777,904)
Change in advance income balances	5	1,128,517	2,485,299
Interest paid		(2,325,062)	(2,541,573)
Interest earned		4,820,216	4,278,564
Cash generated from operating activities		**60,159,925**	**73,669,812**
Income tax paid	14	(7,384,772)	(7,385,599)
Net cash from operating activities		**52,775,153**	**66,284,213**
Cash flow from investing activities::			
Loans (granted) to/repayments from affiliated entities		785,640	1,846,585
(Payments) for acquisitions of subsidiaries		(68,815,349)	(19,640,962)
(Payments) for acquisitions of tangible and intangible assets	17,19	(12,657,770)	(12,307,597)
Own Share buybacks		(51,779)	(6,917,284)
(Payments)/Cash in from other investments in financial assets	20	-	302,033
Net cash from investing activities		**(80,739,258)**	**(36,717,226)**
Cash flow from financing activities::			
Cash in of bank loans		-	2,609,603
(Repayments) of bank loans	29	(17,307,833)	(16,177,865)
Credit lines variation		1,124,403	32,763
Payments of finance lease liabilities	30	(8,395,996)	(8,266,245)
Share capital increase		-	142,892,151
Net cash from financing activities		**(24,579,426)**	**121,090,407**
Net increase in cash and cash equivalents		**(52,543,531)**	**150,657,394**
Cash and cash equivalents at the beginning of the financial year		**259,604,189**	**87,773,888**
Cash and cash equivalents at the end of the financial year		**207,060,658**	**238,431,282**

These financial statements were signed and approved on November 13, 2025, by :

Voicu Oprean
Administrator

Bogdan Ciungradi
Chief Financial Officer

1. FINANCIAL REPORTING PRESENTATION

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

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

These consolidated interim financial statements of the AROBS Group are prepared in accordance with IAS 34 "Interim Financial Reporting" as endorsed by the European Union effective as of the Group's interim reporting date, September 30, 2025, These financial statements are the responsibility of the Parent Company Arobs Transilvania Software S,A,

INFORMATION ABOUT AROBS

INFORMATION ABOUT THE PARENT COMPANY

The parent company, AROBS TRANSILVANIA SOFTWARE S,A, was incorporated on 18,12,1998, under Law no. 31/1990, with tax code RO 11291045, registered at the Trade Register under no. J12/1845/1998. The company's main field of activity is custom software with high expertise in software services: software engineering for automotive, aerospace, medical, maritime and more but also software development in IoT, hospitality and tourism, clinical trials, enterprise and FinTech solutions. Arobs added also expertise in Intelligent Automation for processes optimisation in banking, health and logistics.

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

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

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

EXECUTIVE MANAGEMENT

The issuer's management for the first three quarters of 2025 has been carried out by the Board of Directors, which was comprised of 5 members: 2 executive members, 3 non executive members of which 2 independent.

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

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

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

Mr. Olosu-Ittu Răzvan Florin holds the following positions within the company: non-executive and independent member of the Board of Directors;

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

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

The Company is headquartered in Cluj Napoca, Street Donath No.11, Apt. 28 and has the following regional operational offices:
In Cluj-Napoca:
Str. Minerilor, No. 63;
Str. Săpătorilor, No.5;
Str. Henri Barbusse, No. 44-46, in office building Cluj Business Center, 2nd and 3rd floor;
Str. Trifoiului; No. 22;
Str. Constantin Brâncuși no. 55-59, office building ABC Incubator, 6th floor;
Str. Constantin Brâncuși no. 78-78A, 2nd floor;
In Iași – Str. Palat, No. 3E, Building United Business Center 1, ground floor;
In Tg, Mureș – Str. Georghe Doja, No. 64-68, Building Multinvest Business Center 2 (MBC2);
In Suceava – Str. Universității, No. 15A, 1st floor;
In București – Sector 4, Calea Șerban Vodă, No. 133, Central Business Park, Building A, 1st floor;
In Baia Mare – B-dul. Unirii, No. 18, Building Centrul de Afaceri Baia Mare, 1st floor;
In Arad – B-dul. Revoluției, No. 52-54, Building Arad Plaza, Sc. C, 3rd floor, ap. 12,

Shareholding structure as of 30.09.2025:

	September 30, 2025			December 31, 2024		
Shareholder	**Number of Shares**	**Value**	**Percent**	**Number of Shares**	**Value**	**Percent**
Oprean Voicu	497,681,710	49,768,171	47.5998%	494,232,967	49,423,297	47,2700%
Persoane Juridice	259,707,952	25,970,795	24.8394%	275,441,628	27,544,163	26,3441%
Persoane Fizice	183,605,910	18,360,591	17.5607%	171,320,977	17,132,098	16,3857%
Cabrio Investment SRL	104,556,758	10,455,676	10.0001%	104,556,758	10,455,676	10,0001%
Total	**1,045,552,330**	**104,555,233**	**100%**	**1,045,552,330**	**104,555,233**	**100%**

AROBS Transilvania Software S.A. has 26 years of experience in developing custom software solutions for customers in 14 countries in Europe, Asia and America.

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

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

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

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

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

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

- **TrackGPS** – Solution for managing and monitoring car fleets;
- **Optimall –** Sales force automation solution;
- **RateWizz** – Channel manager for the hotel industry;
- **School textbook digitization solution.**

Track GPS – Solution for managing and monitoring car fleets

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

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

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

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

Innovative Projects Division

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

- School textbook digitization solution;
- RateWizz Channel Management - an innovative property management product used by hoteliers in Finland;

The AROBS solution for textbook digitisation involves the continuous development of educational software products and contributes to the performance of the Romanian education system.

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

Optimall – Solution for Business Optimization

In 2023, Optimall by AROBS celebrated its 20th anniversary, which it marked with the launch of the new Optimall SFA Android mobile app. By refactoring the app, innovative functionalities were proposed to customers to support the automation of sales processes in the distribution and production business.

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

2. GROUP STRUCTURE

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

As of 30.09.2025, the AROBS Group is composed of the parent company and 35 subsidiary companies in 10 countries on 3 continents, with software development services and software products such as GPS fleet monitoring and HR solutions as its core business.

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

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

In the area of software products specifically addressed to the Romanian market. such as fleet management, business optimization, HR solutions, or implementation of digitalization projects in the public sector, the market is also experiencing moderate growth due to the challenges and the economic and social context. In fleet management, AROBS is continuing its campaign to acquire companies in Romania and Eastern Europe with a view to consolidating in this market and expanding into other markets with the TrackGPS solution.

The companies included in the consolidation, as at 30.09.2025, are as follows:

- AROBS TRANSILVANIA SOFTWARE SA, Romania, Cluj-Napoca, Donath Str. no. 11/28, Cluj county
- AROBS DEVELOPMENT & ENGINEERING SRL (previous ENEA Services Romania), Romania, Bucuresti, sect, 6, Splaiul Independentei, no. 319
- AROBS ETOLL SOLUTIONS SRL, Romania, Cluj-Napoca, Minerilor Str., no 63C, Cluj county
- AROBS NORTH AMERICA Inc, 3500 South DuPont Highway street, Dover, Kent, Delaware 19901, SUA
- AROBS PANNONIA SOFTWARE Kft, Hungary, 1191 Budapest, Üllői str., no.206
- AROBS POLSKA (SYDERAL POLSKA), Poland, Gdansk, ul, Trzy Lipy 3B/ 3,11,5
- AROBS SOFTWARE SOLUTIONS GmbH, Germany, Leopold Strasse 23, 80801, Munchen
- AROBS SOFTWARE SRL, Moldova, Renașterii Naționale Str. no. 12, of, 401-405
- AROBS SYSTEMS SRL, Romania, Cluj-Napoca, Minerilor Str. no 63, Cluj county
- AROBS TRACKGPS SRL, Moldova, str. Puskin no. 26A, of, 301
- ATS ENGINEERING LLC, SUA, 1200 South Pine Island Road, Plantation, Florida, 33324
- BERG COMPUTERS SRL, Romania, Com,Ghiroda, Lugoj Str., no.4, Timis county
- CABRIO INVEST B.V., The Netherlands,Tolweg 7, 4851SJ, Ulvenhout
- CENTRUL DE SOFT GPS SRL, Romania, Bucuresti Sectorul 4, SERBAN VODA Str., No. 133, Building A, CENTRAL BUSINESS PARK , Et 1
- CODINGSCAPE BY AROBS LLC, 3500 South DuPont Highway street, Dover, Delaware 19901, SUA
- CODINGSCAPE LLC, Nevada, 2915 Lake East DR, Las Vegas, NV 89117-2204
- COSO TEAM UK LTD, United Kingdom, 10 Bridge Street Christchurch Dorset BH23 1EF, UK
- COSO BY AROBS BVBA, Belgium, De Vis 20, cod 2930, Brasschaat
- COSO BY AROBS B.V., The Netherlands, Tolweg 7, 4851SJ, Ulvenhout
- FUTURE WORKFORCE SA, Romania, Cluj-Napoca, Serpuitoare Str. No. 53A, Ap, 1, Cluj County
- FUTURE WORKFORCE SRL, Romania, Cluj-Napoca, Strada Serpuitoare, Nr, 53A, Ap, 1, Cluj County
- FUTURE WORKFORCE GmbH – Germany, Münchner Str. 191 85757 Karlsfeld
- FUTURE WORKFORCE Limited, United Kingdom, 45 Fitzroy St, London, W1T 6EB
- INFOBEST ROMÂNIA SRL - România, Str. Simion Barnutiu, nr, 13, etaj 1 si 2, Timișoara, Jud, Timiş
- INFOBEST ROMÂNIA SRL NL DEUTSCHLAND, Max-Delbrück-Straße 20, 51377 Leverkusen, Germany
- INFOBEST SYSTEMHAUS GmbH, Humboldstraße 38, 51379 Leverkusen, Germany
- NORDLOGIC SOFTWARE, Romania, Cluj-Napoca, Descartes Rene Str. no 10-12 C, Cluj County
- NORDLOGIC USA, Inc., SUA, 137 NW 145th Street. Seattle, Washington 98177
- PT AROBS SOLUTIONS, Indonezia, Puri Indah Financial Tower, et. 8 809-810, Jalan Puri Lingkar Dalam Blok T8, Jakarta Barat
- SAS FLEET TRACKING SRL (SAS GRUP), Romania, Bucuresti, sect, 6, Bld, Ghencea, no. 43B, Ghencea Business Center, et. 5
- SILVER BULLET SRL, Romania, Cluj-Napoca, Descartes Rene Str. 10-12, Cluj county
- SKYSHIELD Kft, Hungary, 1191 Budapest, Üllői Str. no.206
- SOFTMANAGER S,R,L, Romania, Ploiesti, Zmeului Str. no. 21, Prahova County
- SVT ELECTRONICS S.R.L, Jud. Mureş, Mun. Târgu Mureș, str. Remetea, nr. 110/BIS
- TLG LLC, 251 Little Falls Drive street, Wilmington 19808, SUA
- UCMS GROUP ROMANIA S,R,L,, Romania, Cluj-Napoca, Constantin Brâncuși Str. No. 78-78A Cluj County

Group's structure as of 30.09.2025 is presented in the following table:

No.	Company	Percent of control (AROBS)	Perceent held by minority interests	Acquisition/ establishment date
1	AROBS DEVELOPMENT & ENGINEERING SRL (ENEA)	100%	0%	30 June 2022
2	AROBS ETOLL SOLUTIONS SRL	100%	0%	3 March 2022
3	AROBS NORTH AMERICA	100%	0%	24 June 2025
4	AROBS PANNONIA SOFTWARE KFT	100%	0%	1 July 2023
5	AROBS POLSKA (SYDERAL POLSKA)	94%	6%	1 February 2023
6	AROBS SOFTWARE SOLUTIONS GMBH	60%	40%	6 August 2020
7	AROBS SOFTWARE SRL	100%	0%	1 February 2023
8	AROBS SYSTEMS SRL	100%	0%	2 May 2022
9	AROBS TRACKGPS SRL	100%	0%	1 February 2023
10	ATS ENGINEERING LLC	100%	0%	30 June 2022
11	BERG COMPUTERS S,R,L,	100%	0%	31 December 2021
12	CABRIO INVEST B,V,	90%	10%	28 February 2018
13	CENTRUL DE SOFT GPS SRL	100%	0%	31 December 2022
14	CODINGSCAPE BY AROBS	70%	30%	26 June 2025
15	CODINGSCAPE LLC	70%	30%	26 June 2025
16	COSO TEAM UK LTD	90%	10%	31 March 2018
17	COSO BY AROBS BVBA	90%	10%	30 June 2018
18	COSO BY AROBS B,V,	90%	10%	28 February 2018
19	FUTURE WORKFORCE S,A,	100%	0%	1 May 2023
20	FUTURE WORKFORCE SRL	100%	0%	1 May 2023
21	FUTURE WORKFORCE GmbH	65%	35%	1 May 2023
22	FUTURE WORKFORCE Limited	80%	20%	1 May 2023
23	INFOBEST ROMANIA SRL	100%	0%	31 May 2024
24	INFOBEST SYSTEMHAUS GmbH	100%	0%	31 May 2024
25	INFOBEST ROMANIA SRL Branch	100%	0%	31 May 2024
26	NORDLOGIC SOFTWARE S,R,L	100%	0%	31 July 2022
27	NORDLOGIC USA, Inc,	100%	0%	31 July 2022
28	PT AROBS SOLUTIONS INDONESIA	70%	30%	13 March 2017
29	SAS FLEET TRACKING SRL	100%	0%	11 November 2019
30	SILVER BULLET SRL	100%	0%	31 July 2022
31	SOFTMANAGER S,R,L,	70%	30%	01 July 2019
32	SKYSHIELD MAGYARORSZAG KFT	100%	0%	01 July 2023
33	SVT ELECTRONICS SRL	100%	0%	30 April 2025
34	TLG LLC	100%	0%	1 February 2025
35	UCMS GROUP ROMANIA S,R,L,	97,67%	2,33%	31 May 2019

Changes in the group structure in 2025

In May 2025, AROBS completed the acquisition of SVT Electronics S.R.L., a Romanian company specialized in the development of complete tachograph data management and analysis solutions. The company's financial performance (revenues and expenses) is reflected within the Group starting with May 2025.

In June 2025, AROBS Group acquired a 70% stake in the American company Codingscape, specialized in technology consulting, design and custom software development services for enterprise clients. Through this transaction, AROBS consolidates and expands its presence in North America, confirming the strategic direction of growth in the American market and active involvement in the most dynamic global technological ecosystem. At the same time, the acquisition opens up new development opportunities for Codingscape, a company within the Group established in 2025 in the United States of America, which will have access to European markets through AROBS Group's network, customer portfolio and operational infrastructure.

3. BASIS OF PREPARATION

3.1. Statement of compliance

These consolidated interim financial statements of the Group are the responsibility of the management of the Parent Company and have been prepared in accordance with IAS 34 – Interim Financial Reporting adopted by the European Union, in force at the Group's reporting date, September 30, 2025, whose provisions are applicable to companies whose securities are admitted to trading on a regulated market.

They do not include all the information required for a complete set of financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. However, certain explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last consolidated annual financial statements as of and for the financial year ended 31 December 2024.

3.2. Evaluation basis

The consolidated interim financial statements have been prepared on a historical cost basis, except for situations in which fair value replaces the historical cost for assets and liabilities acquired in business combinations or for short-term investments measured at fair value through profit or loss.

3.3. Functional and presentation currency

For the purpose of preparing these financial statements, in accordance with IFRS, the presentation currency of the Group is considered to be the Romanian Leu (RON), the amounts being presented at the leu level, by rounding to one leu for fractions over 50 bani and by neglecting fractions up to 49 bani inclusive.

Significant accounting policies used by the Group in consolidated financial statements preparation are presented in Note 36.

3.4. The going concern principle

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

The budget prepared by the Group's management for the year 2025 and approved by the Board of Directors indicates positive cash flows from operating activities, an increase in sales and a net profitability of RON 37,000,000.

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

3.5. Basis of consolidation

Control

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

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

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

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

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

Non-controlling interests

The Group determines any non-controlling interests held in an entity at its proportionate share of the identifiable net assets of the acquired entity at the acquisition date. Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as transactions with shareholders. Adjustments to non-controlling interests are based on the subsidiary's share of net assets.

3.6. Business combinations and goodwill

Acquisition method

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

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

When the Group acquires a business, it evaluates the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and conditions pertinent at the acquisition date.

Goodwill is measured as the excess of the total consideration transferred over the amount recognised for non-controlling interests and any previously held interest in the identifiable net assets acquired and liabilities assumed. If the fair value of the net assets acquired exceeds the aggregate consideration transferred, the Group reassesses whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the revaluation results in an excess of the fair value of the net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

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

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

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

3.7. Fair value measurement

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

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

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

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

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

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

3.8. Tranzactions in foreign currencies

Foreign exchange transactions

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

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

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

Transactions and balances in foreign currency

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

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

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

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

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

The exchange rates as of September 30, 2025 and December 31, 2024 were:

	September 30, 2025	December 31, 2024
RON – EUR	5.0811	4.9741
RON – USD	4.3247	4.7768
RON – GBP	5.8159	5.9951

The average exchange rates for the periods ended September 30, 2025 and September 30, 2024 were:

	September 30, 2025	September 30, 2024
RON – EUR	5.0277	4,9743
RON – USD	4.4955	4,5763
RON – GBP	5.9092	5,8439

Operations abroad

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

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

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

3.9. Operating segments (IFRS 8)

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

An operating segment is a component of an entity:

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

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

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

AROBS Group's operational segments are:

- Software Services
- Software Products
- Integrated Systems.

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

If the entity has changed the structure of its internal organisation in a manner that causes the composition of its reportable segments to change and if segment information for earlier periods, including interim periods, is not restated to reflect the change, the entity shall disclose in the year in which the change occurs segment information for the current period on both the old basis and the new basis of segmentation, unless the necessary information is not available and the cost to develop it would be excessive.

Segmentation was performed for the income statement down to the gross profit level by presenting revenue and cost of sales for the following relevant segments: software services, software products and intergrated systems. Expenses related to the sale of products and services as well as marketing expenses have been considered as overheads. The segmentation of assets and liabilities into the same segment categories was also carried out.

3.10. New IFRS standards and amendments

a) New standards, interpretations and amendments adopted, effective January 1, 2025

The following amendments to existing standards issued by International Accounting Standards Board (IASB) and adopted by EU are effective for reporting periods beginning on or after January 1, 2024:

- **Lack of convertibility (Amendment to IAS 21 - The Effects of Changes in Foreign Exchange Rates). -** This amendment to IAS 21 clarifies how entities should measure and account for transactions in currencies that are not freely convertible in foreign exchange markets. The standard introduces new requirements for identifying and measuring the applicable exchange rate in situations where convertibility is restricted. The purpose of this amendment is to improve the consistency and comparability of financial reporting in economies with significant foreign exchange restrictions. Effective from 1 January 2025

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

- **Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) -** These amendments clarify and improve the rules for classifying and measuring financial instruments, ensuring more consistent application of IFRS 9 and IFRS 7 principles. The key changes include:
  - Clarification of the criteria for classifying financial assets based on the business model and cash flow characteristics.

- Enhancements to the recognition and measurement of financial liabilities, including aspects related to contractual term modifications.

- New disclosure requirements for entities using complex financial instruments, aiming to increase transparency and comparability in financial reporting.

Effective for the annual reporting period beginning 1 January 2026.

- **Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) -** These amendments clarify the accounting treatment for electricity purchase agreements where supply is dependent on natural factors such as wind, solar, or hydroelectric power.

- Clarification of IFRS 9 applicability in determining whether electricity purchase agreements should be accounted for as financial instruments or executory contracts.

- Modifications to IFRS 7 disclosure requirements to improve transparency regarding risks associated with such contracts and their impact on financial statements.

- Impact on revenue recognition and financial risk assessment, particularly for entities entering long-term renewable energy contracts.

Effective for the annual reporting period beginning 1 January 2026

- **IFRS 18** ***Presentation and Disclosure in Financial Statements*** **-** IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorization and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures. Effective for the annual reporting period beginning 1 January 2027.

- **IFRS 19** ***Subsidiaries without Public Accountability: Disclosures*** **-** Published by the IASB in May 2024, IFRS 19 introduces a simplified reporting framework for subsidiaries that do not have a public accountability obligation but apply IFRS in their financial reporting. This standard reduces disclosure requirements for such entities while maintaining transparency and comparability of financial information. The main benefit of IFRS 19 is the reduction of administrative and reporting costs without compromising the usefulness of financial statements for users. The standard will become effective on January 1, 2027, allowing early adoption.

The Company anticipates that the adoption of these new standards and amendments to existing standards will not have a significant impact on the Company's individual financial statements in the period of initial application.

4. APPLYING PROFESSIONAL JUDGEMENT, ESTIMATES AND ASSUMPTIONS

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

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

Main judgements on financial statementes preparation are:

- **Revenue recognisition from selling Track GPS monitoring solution –** presented in Note 36 and Note 5

- **Revenue recognisition from HR application license selling -** presented in Note 36
- **Revenue recognistion on a gross/net basis, based on the Group method of seeling as Principal or Agent –** presented in Note 36

Significant estimates on financial statemente preparation are:

- **Fair value measurement on business combinations** – presented in Note **Error! Reference source not found.** „ Mergers & Acquisitons";
- **Fair value measurement on goodwill** - presented in Note **Error! Reference source not found.** „Goodwill";
- **Leasing contract duration and discount rate** – presented in Note 32 „Leasing";
- **Loss on financial assets measurments –** presented in Note 35;
- **Recongnition and measurment on share options programs –** presented in Note 10.

5. TURNOVER

	September 30, 2025	September 30, 2024
Turnover		
Revenues from software services	223,797,319	245,572,543
Revenues from software products	72,214,211	57,523,865
Revenues from integrated systems	32,466,643	3,062,604
Total turnover	**328,478,173**	**306,159,012**

The Group's strategy is, also in 2025, to have several growth pillars, continuing to develop the Software Services, Software Products, and Integrated Systems segments.

The AROBS Group's ***turnover*** recorded a positive evolution in the period ended September 30, 2025, compared to the same period of 2024, marking a 7% increase. A significant contribution to this growth during the first three quarters of 2025 came from the Integrated Systems segment, driven by deliveries under the project signed at the end of 2024 with the National House of Public Pensions, the organic growth of Software products segment, as well as from the newly acquired companies: SVT, whose results have been consolidated as of May 2025, and Codingscape, consolidated as of July 2025.

The turnover generated by the Software Services segment for the period ended September 30, 2025, amounted to 223.8 million lei, representing a 9% decrease compared to the same period of 2024. This evolution reflects the slowdown in activity within the Automotive vertical, which began last year and whose impact had been anticipated for 2025 as well. The performance of Codingscape, consolidated in the Software Services segment results as of July 2025, partially offset this negative trend in the Automotive area.

The Software Products segment contributed 22% to the Group's turnover and recorded a turnover of 72.2 million lei in the first three quarters of 2025, up 26% compared to the same period in 2024. The performance of the newly acquired company SVT Electronics has been reflected in the results of this segment as of May 2025.

Within the Integrated Systems segment, the Group recorded a turnover of 32.5 million lei in the period ended September 30, 2025. Out of the turnover for the Integrated Systems segment, a significant part is generated by the project's development with the National House of Public Pensions, signed at the end of 2024 and currently in progress during this year.

Cost of carrying out contracts with customers

Cost of carrying out contracts with customers – HR licensing

	OB 2025	CAPITALISATION 2025	DEPRECIATION 2025	CB 09.2025
Licences	753,015	677,132	373,081	1,057,066

Cost **of carrying out contracts with customers** – GPS monitoring services

	OB 2025	CAPITALISATION 2025	DEPRECIATION 2025	CB 09.2025
GPS Monitoring services	1,663,236	1,208,444	1,626,463	1,245,217

Deffered revenue – contract performance obligations

	OB 2025	Entries	Disposals	CB 09.2025
Deffered revenue	16,579,699	23,570,286	22,441,769	17,708,216

	September 30, 2025	December 31, 2024
Deffered revenue, out of which:	**17,708,216**	**16,579,699**
Long term	4,996,026	3,232,865
Short term	12,712,190	13,346,834

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

6. COST OF SALES

6.1 Cost of sales of software services

	September 30, 2025	September 30, 2024
Salary Expeneses	111,517,984	122,225,604
Employee stock ownership plan costs	2,075,029	5,178,886
Third paty expenses	55,294,146	54,243,612
Expenses related to equipment sold	(117,763)	39,231
Property plant and equipment depreciation expeneses	5,934,481	6,631,770
Rental expenses	450,447	893,977
Telecommunications expenses	111,044	25,433
Fuel expenses	314,743	223,297
Transport of goods and personnel	600,650	1,067,432
Electricity, heating and water	596,388	405,804
Insurance premiums	178,836	154,331
Maintenance and repair expenses	631	175
Revenues from subsidies	(20,334)	(6,643)
Other operating expenses	131,902	231,030
Cost of sales of software services	**177,068,184**	**191,313,939**

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

Cost of sales from software services decreased by 14.2 million lei as of September 30, 2025, compared to the same period in 2024. This variation resulted from a significant decrease in costs in the parent company's core activity, down by 39 million lei versus the same period last year, and an increase of 24.9 million lei generated by the activity of the acquired companies.

6.2 Cost of sales of software products

	September 30, 2025	September 30, 2024
Salary Expeneses	13,019,927	11,504,063
Employee stock ownership plan costs	114,615	264,999
Third paty expenses	5,993,657	5,762,900
Expenses related to equipment sold	2,258,896	1,507,323
Property plant and equipment depreciation expeneses	7,391,572	4,464,182
Rental expenses	692,829	133,234
Telecommunications expenses	2,846,588	2,651,260
Fuel expenses	679,197	731,274
Transport of goods and personnel	334,948	260,673
Electricity, heating and water	187,867	251,744
Raw materials expenses	591,148	30,888
Insurance premiums	74,616	79,790
Maintenance and repair expenses	118,270	130,850
Other operating expenses	20,987	109,552
Cost of sales of software products	**34,325,117**	**27,882,732**

The cost of sales of software products consists of salaries and benefits (including remuneration in equity instruments) of directly productive personnel involved in the delivery of these products and the provision of related services, the cost of equipment sold, depreciation of equipment used and other operating expenses necessary for the delivery of software products and the provision of related services: telecommunication services, rent and energy and water costs, travel expenses, fuel, maintenance and repairs.

The cost of sales of software products increased by 6.4 million lei compared to the same period in 2024, due to the inclusion of the newly acquired company (SVT Electronics SRL) and to third-party services, resulting from the increase in turnover in Software Products segment. During this period, third-party services mainly included installation services for monitoring devices and software development services. The evolution of these costs is consistent with the expansion of the segment's activity and the development of in-house products.

6.3 Cost of sales of integrated systems

	September 30, 2025	September 30, 2024
Salary Expeneses	1,249,347	943,253
Third paty expenses	495,476	465,944
Expenses related to equipment sold	25,523,832	410,377
Property plant and equipment depreciation expeneses	67,276	42,806
Rental expenses	-	1,309
Insurance premiums	58,051	-
Electricity, heating and water	919	785
Raw materials expenses	-	1,101,151
Cost of sales of integrated systems	**27,394,901**	**2,965,625**

7. OTHER INCOME

	September 30, 2025	September 30, 2024
Other operating revenue	1,898,578	694,512
Rental income from investment property	1,088,250	-
Income from administration activities	760,471	-
Net revenue from the sale of Fixed Assets	288,938	219,522
Total	**4,036,237**	**914,034**

*As of September 2024, rental income in the amount of 474 thousand lei is presented in the software products income line and administrative income in the amount of 300 thousand lei is presented in the software services income line.

8. SALES AND MARKETING EXPENSES

	September 30, 2025	September 30, 2024
Salary Expeneses	12,998,449	10,985,504
Employee stock ownership plan costs	273,082	461,706
Third paty expenses	2,547,867	1,048,264
Property plant and equipment depreciation expeneses	318,154	548,708
Telecommunications expenses	9,860	7,275
Transport of goods and personnel	266,882	101,926
Entertaining, promotion and advertising	2,452,534	1,582,415
Fuel expenses	60,093	62,149
Rental expenses	28,085	65,908
Electricity, heating and water	69,155	81,032
Insurance premiums	14,760	13,320
Maintenance and repair expenses	105	-
Other operating expenses	(3,646)	18,754
Sales and marketing expenses	**19,035,380**	**14,976,961**

Sales and marketing expenses consist of salaries and benefits (including remuneration in equity instruments) of sales and marketing staff, protocol, advertising and publicity expenses and services performed by third parties generated by the Group's promotional activities.

Sales and marketing expenses increased by 4 million lei in the first nine months of 2025 compared to the same period of 2024, of which 3.3 million lei are generated by companies joining the group during 2025.

9. GENERAL & ADMINISTRATION EXPENSES

	September 30, 2025	September 30, 2024
Salary Expeneses	22,450,514	20,481,409
Employee stock ownership plan costs	2,586,101	4,544,829
Third paty expenses	6,901,368	6,774,487
Property plant and equipment depreciation expeneses	10,969,052	10,529,468
Expenses related to equipment sold	207,188	271,720
Telecommunications expenses	282,601	398,631
Transport of goods and personnel	694,727	844,116
Entertaining, promotion and advertising	-	51
Fuel expenses	311,390	303,040
Raw materials expenses	606	492
Other taxes, duties and similar expenses	1,215,231	1,415,224
Rental expenses	670,673	212,282
Depreciation of investment property	266,093	-
Electricity, heating and water	157,220	143,448
Insurance premiums	570,037	564,189
Maintenance and repair expenses	322,292	383,256
The cost related to the acqusition of the subsidiaries	1,624,658	551,326
Impairment losses/revenue on non current assets	309,695	391,829
Other operating expenses	1,737,858	1,490,335
General & Administration expenses	**51,277,304**	**49,300,132**

General and administrative expenses include salaries and benefits (including remuneration in equity instruments) of personnel in the management, administrative, procurement, finance, legal, administration, labor protection, human resources and IT support departments and from expenses for services performed by third parties, consulting expenses, rental expenses and other expenses generated by the Group's administrative actions.

General and administrative expenses had a net increase of 2 million lei in the period ended September 30, 2025, compared to the same period last year, including in 2025 the general and administrative expenses of the newly acquired companies, amounting to 2.7 million lei. Additionally, in Q3 we recorded consulting expenses related to subsidies acquisition transactions worth 1.2 million lei.

Customer relationships were recognized as intangible assets with a useful life of 10 years, for which period the amortization expense is calculated on a straight-line basis.

10. EMPLOYEE BENEFITS EXPENSES

	September 30, 2025	September 30, 2024
Salary Expeneses	159,842,478	163,434,314
Social security contributions	6,267,655	5,613,975
Meal ticket expenses	3,620,899	3,757,390
Capitalization	(9,197,837)	(6,600,285)
Untaken holidays provision	703,026	(65,561)
Subtotal personnel expenses	**161,236,221**	**166,139,833**
Employee stock ownership plan costs	5,048,827	10,450,420
Total personnel expenses	**166,285,048**	**176,590,254**

The average number of employees during the first three quarters of 2025, respectively of 2024, was as follows:

	September 30, 2025	September 30, 2024
Management personnel	27	25
Administrative personnel	36	34
Acquisition personnel	3	3
Financial personnel	42	42
Legal personnel	5	4
Warehouse administration personnel	2	5
Marketing personnel	23	21
Research & Development personnel	744	893
Occupational safety and health personnel	4	3
Human Resources personnel	22	28
Installation - Services personnel	56	40
Production personnel	2	-
IT Support personnel	29	29
Sales personnel	73	67
Total	**1,068**	**1,194**

Salary expenses for the first three quarters of 2025, respectively the first three quarters of 2024, were as follows:

	September 30, 2025	September 30, 2024
Management personnel	7,006,700	6,794,865
Administrative personnel	2,820,213	2,377,952
Acquisition personnel	349,387	343,202
Financial personnel	4,354,138	4,270,559
Legal personnel	653,110	635,792
Warehouse administration personnel	97,105	340,346
Marketing personnel	2,182,365	1,784,491
Research & Development personnel	121,565,810	128,761,878
Occupational safety and health personnel	115,701	108,678
Human Resources personnel	2,114,961	2,214,889
Installation - Services personnel	4,302,320	3,087,883
Production personnel	103,740	-
IT Support personnel	3,577,140	3,456,861
Sales personnel	10,599,788	9,256,918
Total salary exepenses	**159,842,478**	**163,434,314**

Expenses with benefits in the form of the entity's own shares (or other equity instruments), ESOP programs 1-4, related to the first three quarters of 2025, respectively the first three quarters of 2024 were as follows:

	September 30, 2025	September 30, 2024
Management personnel	2,465,701	4,314,518
Administrative personnel	17,754	22,445
Acquisition personnel	3,054	8,555
Financial personnel	32,937	86,746
Legal personnel	18,092	40,406
Warehouse administration personnel	-	7,789
Marketing personnel	5,296	28,647
Research & Development personnel	2,169,727	5,408,221
Occupational safety and health personnel	-	4,959
Human Resources personnel	6,973	313
Installation - Services personnel	19,917	28,079
Production personnel	-	0
IT Support personnel	41,589	66,683
Sales personnel	267,787	433,060
Total expenses with benefits in equity instruments	**5,048,827**	**10,450,421**

Salary expenses decreased by 11% compared to the same period of the previous year, as a result of the reduction in the number of employees, from 1,194 employees at 30.09.2024 to 1,068 employees at 30.09.2025, as well as the application of other cost-effectiveness measures.

Personnel rights are recorded in the accounting with the retention of related contributions and taxes established according to the legislation in force. Settlements with personnel include salary rights, bonuses, supplements, allowances for vacation leaves, as well as those for temporary incapacity for work, paid from the payroll fund, and other rights in money and/or in kind owed by the company to the personnel for the work performed.

The costs of ESOP programs recorded in the first semester of 2025 are lower by 2.4 million lei (-35%) than those recorded in the same period of the previous year, as a result of the completion of the ESOP 1, ESOP 2 and stage 2 of ESOP 3 programs as well as the reduced expenses related to the ESOP 4 program.

In October 2025, AROBS continued the share-based payment remuneration programs by expanding the ESOP program 4, compliant with OGMS of 28.04.2025, for which a number of 5,587,598 shares were allocated. The fair value of the shares is established at grant date, the date when the employees agreed to the program. The expense is incurred on a systematic basis as the services are rendered and until the vesting criteria are met.

The management of AROBS is ensured by the Board of Directors, the General Manager and 2 Executive Directors. The Board of Directors is composed of 5 members, of which 2 are executives and 3 are non-executive. The gross annual remuneration includes fixed remuneration, share-based remuneration and other benefits.

ESOP – Employee Stock Option Plan

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

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

In the steps regarding the repurchase of own shares for the purpose of implementing the Stock Option Plan program, the provisions of Law 31/1990 were taken into account.

11. CATEGORIES OF EXPENSES

	September 30, 2025	September 30, 2024
Salary Expeneses	161,236,221	166,139,833
Employee stock ownership plan costs	5,048,827	10,450,420
Third paty expenses	71,232,514	68.194.418
Property plant and equipment depreciation expeneses	24,680,535	22,216,934
Expenses related to equipment sold	27,872,153	2,228,651
Telecommunications expenses	3,250,093	3,082,599
Transport of goods and personnel	1,897,207	2,069,738
Entertaining, promotion and advertising	2,452,534	1,582,466
Fuel expenses	1,365,423	1,319,760
Raw materials expenses	591,754	1,132,531
Other taxes, duties and similar expenses	1,215,231	1,415,224
Rental expenses	1,842,034	1,306,710
Depreciation of investment property	266,093	-
Electricity, heating and water	1,011,549	882,813
Insurance premiums	896,300	811,631
Maintenance and repair expenses	441,298	514,281
Costs related to the acqusition of the subsidiaries	1,624,658	551,326
Impairment losses/revenue on non current assets	309,695	391,829
Revenues from subsidies	(20,334)	(6,643)
Other operating expenses	1,887,101	2,154,868
Total	**309,100,886**	**286,439,389**

12. FINANCIAL RESULT

	September 30, 2025	September 30, 2024
Income from shares held in affiliated and associated entities	-	5,617
Net income/(expense) from exchange rate differences	(2,779,489)	(473,533)
Interest income	5,140,593	4,374,181
Financial income from impairment adjustments	264,672	-
Other financial income	804,295	614
Interes expense	(2,325,062)	(2,541,573)
Financial expenses regarding impairment adjustments	(24,818)	-
Other financial expenses	(18,077)	(134,632)
Financial result	**1,062,114**	**1,230,674**

Other financial income includes the amount of 746,505 lei representing gain from the adjustment of the acquisition price of Infobest due to the conditions stipulated in the acquisition contract not accomplished. The price adjustment also included a component related to adjustments to working capital, amounting to 262,309 lei, a component that was reflected by the adjustment of goodwill in accordance with the provisions of IFRS 3.

13. SEGMENTS RECONCILIATION

REVENUE AND EXPENSES RECONCILIATION BY BUSINESS SEGMENTS	SOFTWARE SERVICES Sep 30, 2025	SOFTWARE SERVICES Sep 30, 2024	SOFTWARE PRODUCTS Sep 30, 2025	SOFTWARE PRODUCTS Sep 30, 2024	INTEGRATED SYSTEMS Sep 30, 2025	INTEGRATED SYSTEMS Sep 30, 2024	TOTAL Sep 30, 2025	TOTAL Sep 30, 2024
Revenue from software services	223,797,319	245,572,543	-	-	-	-	223,797,319	245,572,543
Revenue from software products	-	-	72,214,211	57,523,865	-	-	72,214,211	57,523,865
Revenue from integrated systems	-	-	-	-	32,466,642	3,062,604	32,466,642	3,062,603
Total turnover	**223,797,319**	**245,572,543**	**72,214,211**	**57,523,865**	**32,466,642**	**3,062,604**	**328,478,172**	**306,159,011**
Salary Expeneses	111,517,984	122,225,604	13,019,927	11,504,063	1,249,347	943,253	125,787,258	134,672,920
Employee stock ownership plan costs	2,075,029	5,178,886	114,615	264,999	-	-	2,189,644	5,443,885
Third paty expenses	55,294,146	54,243,612	5,993,657	5,762,900	495,476	465,944	61,783,279	60,472,456
Expenses related to equipment sold	(117,763)	39,231	2,258,896	1,507,323	25,523,832	410,377	27,664,965	1,956,931
Property plant and equipment depreciation expeneses	5,934,481	6,631,770	7,391,572	4,464,182	67,276	42,806	13,393,329	11,138,758
Rental expenses	450,447	893,977	692,829	133,234	-	1,309	1,143,276	1,028,520
Other operating expenses	1,913,859	2,100,859	4,853,621	4,246,031	58,970	1,101,936	6,826,450	7,448,826
Total cost of sales	**177,068,183**	**191,313,939**	**34,325,117**	**27,882,732**	**27,394,901**	**2,965,625**	**238,788,201**	**222,162,296**
Gross margin	**46,729,136**	**54,258,604**	**37,889,094**	**29,641,133**	**5,071,741**	**96,979**	**89,689,971**	**83,996,716**
Margin %	**21%**	**22%**	**52%**	**52%**	**16%**	**3%**	**27%**	**27%**
Interest Expenses	1,894,521	3,642,475	415,235	502,028	15,305	73,034	2,325,062	4,217,537

Sales and marketing and general administration expenses are unallocated costs.

FINANCIAL POSITION BY BUSINESS SEGMENTS	SOFTWARE SERVICES September 30, 2025	SOFTWARE SERVICES December 31, 2024	SOFTWARE PRODUCTS September 30, 2025	SOFTWARE PRODUCTS December 31, 2024	INTEGRATED SYSTEMS September 30, 2025	INTEGRATED SYSTEMS December 31, 2024	UNALLOCATED September 30, 2025	UNALLOCATED December 31, 2024	TOTAL September 30, 2025	TOTAL December 31, 2024
Additions to non-current assests	47,056,268	17,869,263	34,919,469	7,856,334	-	-	717,328	14,536,012	82,693,064	40,261,608
Allocated assets	309,293,000	267,421,014	112,119,896	83,600,047	16,117,107	3,590,021	7,084,909	6,751,416	444,614,912	361,362,498
Unallocated assets	-	-	-	-	-	-	227,763,020	282,194,583	227,763,020	282,194,583
Total assets	**309,293,000**	**267,421,014**	**112,119,896**	**83,600,047**	**16,117,107**	**3,590,021**	**234,847,929**	**288,945,999**	**672,377,932**	**643,557,081**
Allocated liabilities	115,511,322	134,064,380	52,900,667	40,884,568	12,834,854	3,731,426	12,032,605	10,912,794	193,279,448	189,593,168
Unallocated liabilities	-	-	-	-	-	-	13,752,905	14,106,896	13,752,905	14,106,896
Total liabilities	**115,511,322**	**134,064,380**	**52,900,667**	**40,884,568**	**12,834,854**	**3,731,426**	**25,785,510**	**25,019,690**	**207,032,353**	**203,700,064**

14. INCOME TAX AND DEFERRED TAX

	September 30, 2025	September 30, 2024
Current profit tax expense	6,208,531	6,616,708
Micro enterprise profit tax expense - Current	924,766	869,419
Subtotal – current tax	**7,133,297**	**7,486,127**
Deferred profit tax	(1,480,937)	(1,757,977)
Total	**5,652,360**	**5,728,150**

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

	September 30, 2025	September 30, 2024
Gross profit	**24,475,638**	**21,864,331**
Current profit tax expense	(6,208,531)	(6,616,708)
Micro enterprise profit tax expense - Current	(924,766)	(869,419)
Current tax	**(7,133,297)**	**(7,486,127)**
Deferred profit tax	1,480,937	1,757,977
Recalculated net profit	**18,823,278**	**16,136,181**

Income tax	**September 30, 2025**	**31 December 2024**
Income tax - receivable	348,702	1,470,248
Total	**348,702**	**1,470,248**

Income tax	**September 30, 2025**	**31 December 2024**
Income tax - payable	1,424,449	813,583
Total	**1,424,449**	**813,583**

Deferred income tax

	September 30, 2025	December 31, 2024
Deferred income tax assets	2,312,806	1,974,769
Total	**2,312,806**	**1,974,769**

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

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

	September 30, 2025	December 31, 2024
Deferred income tax liabilities	12,971,882	11,701,946
Total	**12,971,882**	**11,701,946**

Deferred tax liabilities are mainly generated by the difference in fair value of assets recorded upon acquisition of subsidiaries and the recognition of assets related to rights of use of leased assets following restatements in accordance with IFRS16.

15. EBITDA

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

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

	September 30, 2025	September 30, 2024
Operating revenues	332,502,144	307,073,051
Operating expenses	282,517,336	263,671,138
EBITDA	**49,984,808**	**43,401,912**
EBITDA Margin	**15%**	**14%**
ESOP 1-3	1,027,693	6,061,154
ESOP 4	4,021,134	4,389,267
Depreciation and amortization of assets	16,852,681	15,178,740
Customer relationship depreciation	8,093,947	7,038,190
Other operating expenses*	1,624,658	551,326
Financial result	1,062,115	1,230,674
Gross profit	**24,475,637**	**21,864,331**
Tax	5,652,360	5,728,150
Net profit	**18,823,278**	**16,136,181**
Net profit margin	**6%**	**5.3%**

* Expenses incurred in the activity of acquiring companies and stock exchange expenses, which do not represent current operating expenses of the company

EBITDA for the first nine months of 2025 increased by 6.6 million lei (+15%) compared to the same period of 2024, reaching 50 million lei, corresponding to an EBITDA margin of 15%.

16. EARNINGS PER SHARE

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

Basic	September 30, 2025	September 30, 2024
Profit (last 12 months)	24,018,701	19,800,806
Regular shares in circulation	1,017,606,926	868,495,050
Basic earnings per share	**0.0236**	**0.0228**

Diluted	September 30, 2025	September 30, 2024
Profit (last 12 months)	24,018,701	19,800,806
Diluted regular shares in circulation	1,034,657,258	1,002,550,787
Diluted earnings per share	**0.0232**	**0.0198**

The dilution effect is due to the treasury shares allocated in the ESOP programs that are to be distributed on the dates established in the ongoing programs.

Ordinary shares	**September 30, 2025**	**September 30, 2024**
Weighted average number of shares used in basic EPS	**1,017,606,926**	**868,495,050**
Capital increase	-	174,258,722
Capital decrease	-	-
ESOP	5,421,332	47,888,464
Weighted average number of shares used in diluted EPS	**1,034,657,258**	**1,002,550,787**

17. PROPERTY, PLANT AND EQUIPMENT

	Buildings	**Plant, machinery and motor vehicles**	**Other instalations and fixtures and fittings**	**Advances and WIP Tangible assets**	**Total**
Net value 31.12.2024	**5,387,787**	**6,463,355**	**1,545,661**	**282,933**	**13,679,736**
Purchases / Transfers	1,677	3,876,771	486,281	(25,505)	4,339,225
Depreciation / adjustments	31,137	(1,689,985)	(949,920)	-	(2,608,767)
Disposals	(183,310)	(2,330,000)	(197,968)	(110,583)	(2,821,861)
Net value 30.09.2025	**5,237,292**	**6,320,141**	**884,053**	**146,846**	**12,588,333**

The net value of tangible fixed assets decreased in the first 9 months of 2025 by 8% compared to the same period of previous year.

Purchases recorded during the first six moths of 2025 include the purchase of laptops, switches and other workstations for the optimal performance of activities.

18. INVESTMENT PROPERTY

	Buildings
31-Dec-24	**21,244,232**
Purchases / Receptions	-
Transfers from Buidlings	-
Disposals	-
30-Sep-25	**21,244,232**
Depreciation/Adjustments	
31-Dec-24	**236,193**
Period cost	266,093
Transfers	-
Disposals	-
30-Sep-25	**502,286**
Net value	
31-Dec-24	**21,008,039**
30-Sep-25	**20,741,946**

Investment properties were recognized following the completion of the investment in a new headquarters, which will be used for rental purposes to third parties, in a proportion of 80%. We estimate that the fair value of the investment property is not significantly different from its investment cost, at the end of the first semester of 2025.

The recognition of the investment property is made at cost, as a result of the fact that part of this property is used for its own administrative purposes and obtaining income from the use of additional spaces does not represent a main activity of the Group.

19. OTHER INTANGIBLE ASSETS

	Goodwill	Customer relationships	Research & development expenses	Other noncurrent assets	Total
Net value 31.12.2024	**111,230,318**	**74,155,381**	**2,976,241**	**24,055,479**	**212,417,418**
Purchases / Transfers	52,674,757	15,000,000	3,584,774	7,094,614	**78,354,145**
Depreciation / adjustments	(71,729)	(8,093,947)	-	(4,494,790)	**(12,660,466)**
Disposals	-	-	-	(1,457,284)	**(1,457,284)**
Net value 30.09.2025	**163,833,346**	**81,061,434**	**6,561,015**	**25,198,018**	**276,653,813**

Intangible assets increased by 64.2 million lei as of September 30, 2025, compared to the beginning of the year, mainly due to the recognition of goodwill related to the companies acquired in 2025, the increase in customer relationship values associated with SVT Electronics, and the ongoing development of the Group's proprietary products, including the fleet management platform and the HR platform.

The goodwill, in a net amount of 163,833,346 lei, resulted as a positive difference between the acquisition cost and the value, at the transaction date, of the part of the acquired net assets of the subsidiary. The variation in the goodwill balance is related to the acquisitions made this year for SVT and Codingscape companies.

For the acquired companies, customer relationships were identified in the process of allocating the purchase price by the appraisers, which were recognized at fair value as intangible assets in the financial statements at the date of each acquisition. The net book value of customer relationships as of 30.06.2025 is 81.1 million lei. Amortization of these assets is made on a straight-line basis over a period of 10 years.

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

20. FINANCIAL ASSETS

Cost	Balance at 30 September 2025	Balance at 31 December 2024
Affiliated company shares	10,181	10,181
Loans granted to affiliated entities and other loans	8,639,521	9,817,830
Bonds	-	2,110,053
Guarantees and other financial assets	2,226,034	1,567,012
Total	**10,875,735**	**13,505,076**

Value adjustments	Balance at 31 December 2024	Increase	Decrease	Balance at 30 September 2025
Loans granted to affiliated entities and other loans	2,523,711	653,982	893,835	2,283,858
Total	**2,523,711**	**653,982**	**893,835**	**2,283,858**

From the amount of 10,181 lei related to the shares held in affiliated entities and jointly controlled entities, 9,000 lei represents the contribution to the assets held by Cluj IT Association.

Loans granted to related parties and other loans, amounting to 8.6 million lei, represent long-term loans granted at group level whose value decreased in the first 9 months of 2025 compared to the end of the previous year as a result of their partial reimbursement.

Part of these loans granted to related parties have been fully adjusted, the amount of the adjustments at 30 September 2025 being 2,283,858 lei.

Guarantees granted and guarantees received

The outstanding guarantees in balance at the end of first semester 2025, amounting to 1,906,818 lei, are detailed in the statement presented below:

Guarantees	September 30, 2025	December 31, 2024
Building lease	1,602,697	1,297,427
Guarantees for adequate execution	224,253	5,586
Auctions	304,944	95,446
Other	94,140	189,104
Total	**2,226,034**	**1,587,563**

21. WORK IN PROGRESS SERVICES AND INVENTORIES

	Balance at September 30, 2025	Balance at December 31, 2024
Raw materials	1,091,027	-
Materials	399,016	274,657
Work in progress	10,647,374	5,467,236
Products	436,052	-
Merchandise	2,640,049	2,945,707
Inventories Advances	517,678	111,506
Total	**15,731,196**	**8,799,106**

The value of services in progress and outstanding inventories, as of 30.09.2025, increased compared to 2024, due to services in progress, raw materials and products. The latter are the result of the acquisition of the new subsidiary SVT Elecronics SRL, which produces hardware equipment and develops solutions for managing digital tachograph data and driver card data used in road freight transport.

Services in progress refer to contracts with customers that are carried out over longer periods of time. Direct costs involved in the provision of these services, mainly salaries, were recognized under this asset, taking into account the degree of completion of the projects by 30.09.2025.

Value adjustments related to inventories are calculated based on age, namely: 30% of the entry value for inventories with an age between 181 and 365 days and 100% of the value of inventories older than one year and with slow movement. The value of adjusted inventories for the first 3 quarters of 2025 is 920,914 lei, being at a similar level to that of the previous year (876,401 lei).

22. TRADE RECEIVABLES

	Balance at September 30, 2025	Balance at December 31, 2024
Accounts receivable	76,873,875	72,139,534
Accounts receivable - unissued invoices	13,281,103	5,220,971
Accounts payable adjustments	(7,356,897)	(6,876,594)
Accounts receivable - affiliate entities	2,504,712	2,627,697
Adjustments for accounts receivable - affiliate entities	(2,359,354)	(2,408,876)
Supplier advances	5,093,110	2,499,936
Total	**88,036,549**	**73,202,668**

The total value of trade receivables increased in the first half of 2025 compared to the previous year by 20%, mostly due to the increase in customer receivables - unissued invoices, by 8.1 million lei, compared to 2024, as a result of the newly acquired companies.

At the end of each financial year, doubtful receivables are analyzed and they are adjusted in a proportion of 100%.

At the end of the first half of 2025, the impairment adjustments related to customer receivables amounted to 7,356,897 lei. The determination of the value of adjustments for customer receivables is done by applying the accounting policy established according to IFRS 9, which involves recording impairment adjustments for receivables based on depreciation rates, calculated by age intervals.

Receivables ageing	**Balance at September 30, 2025**	**Balance at December 31, 2024**
Not due	52,039,935	47,227,934
0-30	11,400,703	12,704,199
31-90	3,873,163	1,943,805
91-360	2,865,708	4,153,596
Over 360	6,694,367	6,110,000
Total gross value (unadjusted)	**76,873,876**	**72,139,534**

Software services	**Expected average loss rate**	**Balance at September 30, 2025**	**Balance at December 31, 2024**
Not due	0,27%	45,707,741	43,140,518
1-30	0,38%	10,004,817	11,125,522
31-60	2,48%	1,704,920	1,028,967
61-90	4,02%	1,654,716	569,929
91-180	6,00%	1,737,530	1,950,518
181-270	20,02%	304,063	1,248,064
271-360	44,77%	429,915	710,291
Over 360	100,00%	4,539,230	4,132,079
Total gross value (unadjusted)		**66,082,932**	**63,905,887**

Software products – GPS tracking	**Expected average loss rate**	**Balance at September 30, 2025**	**Balance at December 31, 2024**
Not due	0,39%	4,911,968	2,824,996
1-30	0,84%	1,143,310	920,315
31-60	3,80%	357,692	238,781
61-90	9,58%	132,399	65,365
91-120	21,34%	67,490	41,314
Over 120	37,31%	1,393,125	1,076,502
Total gross value (unadjusted)		**8,005,984**	**5,167,272**

Software products – HR services	**Expected average loss rate**	**Balance at September 30, 2025**	**Balance at December 31, 2024**
Not due	0,24%	1,420,226	1,263,264
1-30	0,39%	252,576	658,363
31-60	1,44%	19,422	5,113
61-90	3,20%	4,014	35,900
91-120	7,17%	-	-
121-180	11,48%	1,301	42,902
181-270	26,97%	22,311	22,842
271-360	56,08%	-	-
Over 360	100,00%	79,770	52,651
Total gross value (unadjusted)		**1,799,619**	**2,081,034**

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

To estimate the potential losses related to trade receivables and assets related to contracts with customers, the AROBS Group used a calculation model based on the analysis of revenue collection behavior by aging periods in the last three financial years. Trade receivables and assets related to contracts with customers were grouped by category according to the services provided, namely: software services and other services, software products – GPS monitoring, software products – HR solution licensing. Based on the analysis, a historical weighted average rate of impairment was determined for each aging period, which was applied to the outstanding balance of receivables at September 30, 2025 for each category of receivables mentioned above. Contractual assets are initially recognised for revenue from services provided by the Group, since receipt of consideration is conditional on successful completion of services and delivery of goods. Upon completion of services, delivery of goods and acceptance by the customer, amounts recognised as contract assets are reclassified into trade receivables.

23. PREPAYMENTS

	Balance at September 30, 2025	Balance at December 31, 2024
Prepayments, out of which:	**2,604,320**	**2,316,462**
Long term	-	-
Short term	2,604,320	2,316,462

Advance expenses increased by 12% in the first 3 quarters of 2025 compared to the end of the previous year. These include expenses for third-party services, insurance, rent, expenses for delegations and employee training.

24. OTHER RECEIVABLES

	Balance at September 30, 2025	Balance at December 31, 2024
Other personnel-related claims	2,197,274	2,126,327
VAT receivable	3,683,439	3,106,441
VAT under settlement	483,222	311,877
Input VAT	468,830	114,647
Other claims receivable from the Treasury	223,966	844,559
Sundry debtors	351,733	257,185
Suspense account	52,065	90,052
Transactions with shareholders / associates related to capital	5,000	5,000
Other employee-related claims	325	2,843
Total	**7,465,854**	**6,858,931**

25. CASH AND CASH EQUIVALENTS

	Balance at September 30, 2025	Balance at December 31, 2024
Cash at bank and deposits in lei	18,433,555	80,425,779
Cash at bank and deposits in foreign currencies	188,374,402	178,825,630
Subtotal – Cash at bank and deposits	**206,807,957**	**259,251,409**
Petty cash	77,018	142,223
Other marketable securities	216,831	215,319
Amounts being settled	26,581	-
Other cash equivalents	(67,729)	(4,762)
Total	**207,060,658**	**259,604,189**

Balance of foreign and domestic currencies Current account	Balance at September 30, 2025	Balance at December 31, 2024
RON	18,433,555	80,425,779
EUR	139,416,899	162,556,418
USD	44,834,253	10,422,415
GBP	798,616	2,611,323
Other currencies	3,324,634	3,235,474
Total	**206,807,957**	**259,251,409**

Cash in hand and deposits decreased in the first 3 quarters of 2025 compared to the previous year, by 52.5 million lei, as a result of the payments done for the acquisition of new subsidiaries.

26. CAPITAL AND RESERVES

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

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

As of September 30, 2025, the paid-up share capital of the Parent Company is 104,555,233 lei, divided into 1,045,552,330 registered shares, with a nominal value of 0,1 lei per share. The share capital is fully subscribed and paid-up as of September 30, 2025. The Parent Company was transformed into a joint-stock company as of September 5, 2014.

Legal reserves are established in accordance with the regulations in place at Group company level. The legal reserve has been established in accordance with the terms of the Law on Commercial Companies. As at 30 September 2025, the value of the legal reserves amounts RON 9,461,505.

On September 30, 2025, differences resulting from the conversion of transactions of foreign entities under consolidation were recognized in capital.

	September 30, 2025	December 31, 2024
Number of shares	1,045,552,330	1,045,552,330
Subscribed and paid capital	104,555,233	104,555,233
TOTAL	**104,555,233**	**104,555,233**

27. TRADE PAYABLES

	Balance at September 30, 2025	Balance at December 31, 2024
Suppliers	19,795,755	12,880,506
Client advances	5,991,929	6,160,223
Suppliers - invoices not yet received	3,466,748	2,819,843
Supplier liabilities - affiliated entities	2,132,211	375,700
Other creditors	203,417	91,006
Total	**31,590,060**	**22,327,278**

The total value of debts increased in the first 3 quarters of 2025 compared to the previous year by 9.3 million lei, an increase of 41%.

The most significant increases were recorded on the side of supplier debts, amounting to 6.9 million lei.

28. EQUITY LIABILITIES

	Balance at September 30, 2025	Balance at December 31, 2024
Equity liabilities out of which	**25,988,938**	**18,664,617**
Long term	15,426,438	14,686,659
Short term	10,562,500	3,977,961
Total	**25,988,938**	**18,664,617**

Equity liabilities are generated following the estimation of contingent payments according to the clauses in the acquisition contracts of subsidiaries, payments that are conditioned on the fulfillment of certain financial indicators.

29. BANK LOANS

	Balance at September 30, 2025	Balance at December 31, 2024
Long terms bank loans	49,169,234	65,248,133
Short term bank loans	2,989,260	1,864,857
Total	**52,158,494**	**67,112,990**

Bank loans by due date:

	Balance at September 30, 2025	Balance at December 31, 2024
Bank loans due up to 1 year	24,276,752	24,677,989
Bank loans due between 1 and 5 years	27,881,742	42,435,001
Total	**52,158,494**	**67,112,990**

At the end of the third quarter 2025, the value of bank loans decreased by 15 million lei, compared to the end of 2024, as a result of the repayments made during the first 9 months of 2025, reaching a total value of 52.2 million lei.

Bank loans contingencies

Regarding the contingencies related to bank loans contracted by the Group, there are no significant changes as of September 30, 2025, compared to the contingencies at the end of 2024.

Obligations AROBS TRANSILVANIA SOFTWARE SA (to Citibank Europe PLC):

- The company undertakes to run through its bank accounts an amount of money that is equivalent to at least 80% of its business volume, i,e, the receipts from third parties on its bank accounts must represent the equivalent of at least 80% of its turnover;
- The Company undertakes not to distribute and/or pay dividends without the Bank's prior written consent for amounts exceeding EUR 1,000,000 cumulatively during a calendar year;
- The Company undertakes to maintain the "Debt Service" ratio greater than or equal to 1,3x for the duration of its obligations under the contract;

- The Company undertakes to maintain a "Financial Leverage Ratio" of less than 3,5x for the duration of its contractual obligations;
- The Company undertakes to notify the Bank in the event that it considers a transaction of acquisitions of shares in another company that exceeds 10% of the value of the assets of this Borrower on 31.12.2022 as soon as there is reasonable assurance regarding the materialization of the transaction. The information may be provided under a Confidentiality Agreement before the information becomes public and will contain as a minimum: company name, details regarding the scope of activity and number of employees, motivation behind the acquisition / strategy, shareholding, financial indicators (the last closed year): Turnover, EBITDA, Net Profit, Net Debts;
- Specific obligations arising from the use of the type of credit provided for in the contract negotiated between the parties;
- The company undertakes to take all steps so that the joint and several DEBTORS fulfill the conditions assumed in the loan agreement.

The company Arobs Transilvania Software SA has an overdraft facility, granted by Raiffeisen Bank, on 30.09.2025, in the amount of 2,400,000 Eur. At the reporting date, this facility was not used.

Obligations UCMS GROUP ROMANIA S.R.L (to Raiffeisen Bank S.A.) :

- UCMS GROUP ROMANIA S,R,L, undertakes to make any change in the shareholder structure only with prior written notification to the Bank;
- The Company undertakes to achieve through its current accounts opened with the Bank a minimum annual turnover in proportion to the share of the facilities granted by Raiffeisen Bank S,A, in the total bank debts;
- The Company undertakes to incur other loans or similar indebtedness from banks with the prior consent of the Bank;
- The Company undertakes to make dividend payments to shareholders with the prior consent of the Bank;
- All liabilities of the Company to shareholders or other non-bank entities will be subordinated to the obligations of the Company arising under the Facility pursuant to a Sobordination Deed on the form of the Bank;
- The Company will honour its commitments under the facility agreement;
- The company will comply with the financial indicator Debt Service Coverage Ratio = min 1,2x;
- All proceeds from the lease of the Project will be collected in the collector account opened with the Bank and mortgaged to the Bank. The Company will only be able to dispose of the rental income on a monthly basis to the collector account after monthly payment of the amount due to the Bank (principal, interest and commissions). At the request of the Company, the surplus on the collector account will be transferred to the current account;
- Leases will have a Rent Payment Guarantee in the form of a collateral deposit or bank guarantee amounting to the estimated rent for 3 months, unless the tenants are intra-group companies,
- The company undertakes to conclude with the bank an additional deed to the facility contract and the mortgage contract within 30 days after the construction has been registered in the Land Register in order to extend the mortgage to the construction;
- The company undertakes to enter into lease agreements with a minimum contract term of 3 years;
- A financial obligation of the company/group of which it is a part to the Bank under this contract and any other credit agreements, or a financial obligation of the company/group of which it is a part to third parties is not paid when due or becomes payable or may become payable before it is due, shall constitute an event of default or fault;
- The company and the guarantor undertake to seek the bank's approval for the amendment of the building lease.

30. LEASING

The Group has lease agreements for various elements of buildings and vehicles used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from divesting and subletting leased assets, and some contracts require the Group to maintain certain financial indicators.

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

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

	Land and buildings	Transport vehicles
Balance at December 31, 2024	**39,590,559**	**9,840,211**
Additions	5,136,569	4,536,124
Disposals	(4,333,547)	(2,997,351)
Accumulated depreciation	(22,857,302)	(5,518,042)
Balance at September 30, 2025	**17,536,279**	**5,860,942**

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

Balance at December 31, 2024	Leasing payments	Additions	Disposals	Interest	Net exchange difference	Balance at Sep 30, 2025
25,474,396	(8,395,996)	7,342,485	(1,786,605)	954,195	473,539	**24,062,014**

Commitments and contingencies - Leasing

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

	September 30, 2025	December 31, 2024
T0 (Under 1 year)	9,783,660	9,394,560
TL 1 (1-5 years)	16,273,085	18,053,736
TL 2 (Over 5 years)	279,621	956,050
Total	**26,336,366**	**28,404,347**

Lease contracts term and discount rate – significant estimates:

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

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

AROBS Group leases office space and cars for a period of 1 to 8 years, Lease contracts are concluded in LEI, EUR, GPB, HUF, IDR and PLN.

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

31. OTHER PAYABLES

Other payables	**Balance at September 30, 2025**	**Balance at December 31, 2024**
Liabilities related to employee social security expenses	5,721,554	6,155,475
Other liabilites to the state budget	3,958,795	4,676,218
Dividend payment	666,714	666,714
Shareholder loans	164,877	201,437
Guarantees	655,227	510,016
Other taxes	130,717	171,954
Total	**11,297,884**	**12,381,814**

32. PROVISIONS

The Group recorded provisions for taxes generated by contractual employment relationships.

	Balance at December 31, 2024	**Transfers in the account**	**Transfers from the account**	**Balance at September 30, 2025**
Provisions	13,102,084	565	-	13,102,649
Total	**13,102,084**	**565**	**-**	**13,102,649**

	Balance at September 30, 2025	**Balance at December 31, 2024**
Provisions – short term	-	-
Provisions – long term	13,102,649	13,102,084
Total	**13,102,649**	**13,102,084**

33. PERSONNEL LIABILITIES

Personnel liabilities	**Balance at September 30, 2025**	**Balance at December 31, 2024**
Owed amounts to personnel	10,329,555	10,191,387
Untatekn holiday provision	5,367,642	4,438,769
Total	**15,697,197**	**14,630,156**

34. RELATED AND AFFILIATED PARTIES

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

Related parties – Receivables	Balance at September 30, 2025	Balance December 31, 2024
AROBS BUSINESS CENTER SRL	9,924	39,833
AROBS BUSINESS CENTER PLUS SRL	-	-
AROBS BUSINESS SERVICES SRL	89,559	101,892
AROBS TRADING & DISTRIBUTION GMBH	482,054	471,008
AROBS TRADING & DISTRIBUTION SRL	1,395,178	1,500,130
AROBS TURKEY YAZILIM LIMITED	746	-
CABRIO INVESTMENT SRL	-	568
MANAGIS SERV SRL	143	-
MED CONTROL SOLUTION SRL	102,531	102,531
NEWCAR4FUTURE SRL	220,825	220,825
OOMBLA TRAVEL MANAGEMENT SRL	2,922	476
SMAIL COFFEE SRL	151,213	140,817
VISION PLUS MOBILE SRL	49,616	49,616
Total	**2,504,712**	**2,627,697**

Related parties – Payables	Balance at September 30, 2025	Balance December 31, 2024
AROBS BUSINESS CENTER SRL	154,995	25,846
AROBS BUSINESS CENTER PLUS SRL	1,272	2,452
AROBS BUSINESS SERVICES SRL	1,695,131	222,130
AROBS TRADING & DISTRIBUTION GMBH	-	5,726
AROBS TURKEY YAZILIM LIMITED	166,691	-
IKON SOFT	-	-
OOMBLA TRAVEL MANAGEMENT SRL	58,870	67,297
SMAIL COFFEE SRL	55,252	52,249
Total	**2,132,211**	**375,700**

Related parties - Sales	September 30, 2025	September 30, 2024
AROBS BUSINESS CENTER SRL	14,191	30,195
AROBS BUSINESS CENTER PLUS SRL	1,331,953	-
AROBS BUSINESS SERVICES SRL	494,139	315,685
AROBS TRADING & DISTRIBUTION GMBH	905	876
ATD CORNER SRL	41	17,269
AROBS TURKEY YAZILIM LIMITED	1,446	2,086
CABRIO INVEST SRL	-	34,358
MANAGIS SERV SRL	-	-
OOMBLA TRAVEL MANAGEMENT SRL	3,642	2,789
SMAIL COFFEE SRL	25,447	42,146
Total	**1,871,764**	**445,404**

Sales to related parties include the provision of software services, sales of GPS equipment, tablets, car sales and subletting of premises.

Related parties - Purchases	September 30, 2025	September 30, 2024
AROBS BUSINESS CENTER SRL	1,132,325	1,132,981
AROBS BUSINESS CENTER PLUS SRL	139,003	133,160
AROBS BUSINESS SERVICES SRL	3,258,162	1,950,311
ATD CORNER SRL	13,257	-
AROBS TURKEY YAZILIM LIMITED	837,896	820,141
CABRIO INVEST SRL	-	110,621
IKON SOFT SRL	581,776	484,101
OOMBLA TRAVEL MANAGEMENT SRL	619,158	753,180
SMAIL COFFEE SRL SRL	425,616	444,426
Total	**7,007,195**	**5,828,921**

The purchases from the affilitated entieties mainly represent software services and miscellaneous services with the exception of Cabrio Invest which offers hotel services.

Loan granted by AROBS to AROBS Trading & Distribution GmbH

	September 30, 2025	December 31, 2024
Loan value	3,152,340	3,583,367
Interest value	1,180,852	1,057,226
Adjustment	(64,760)	(64,760)
Total	**4,268,432**	**4,575,833**

AROBS Trading & Distribution GmbH is a trading and distribution company for premium electronics and household appliances with an international guarantee. Products are purchased with full payment in advance from distributors and manufacturers all over Europe and sold in Turkey, Dubai, France, Germany, Denmark.

Loan granted by AROBS to CABRIO INVESTMENT SRL

	September 30, 2025	December 31, 2024
Loan value	-	-
Interest value	610.185	609,092
Total	**610.185**	**609,092**

Loan granted by AROBS to AROBS BUSINESS CENTER

	September 30, 2025	December 31, 2024
Loan value	6,747,191	6,605,106
Interest value	1,637,151	1,414,281
Adjustment	(62,640)	(62,640)
Total	**8,321,702**	**7,956,747**

The loan granted to AROBS BUSINESS CENTER was used for the development of the "Business Incubator" project carried out through the absorption of European funds and for working capital, AROBS Transilvania Software S,A, is the administrator of this company.

35. FAIR VALUE

The financial instruments that are not recorded at fair value in the financial statements also include trade receivable and other receivables, contractual assets, cash and cash equivalents, restricted cash, trade payables, and other contractually derived payables. The value of these financial instruments is considered to approximate their fair value due to their short term nature (for the majority of them) and due to the low cost of transaction pertaining to these instruments (Level 1).

35.1.Financial assets

	Amortized cost	
	September 30, 2025	**December 31, 2024**
Loans granted to related parties and other loans	13,200,319	13,141,669
Trade receivables	88,036,549	73,202,668
Cash and cash equivalents	207,060,658	259,604,189
Total	**308,297,526**	**345,948,526**

Short term investments – fair value	**Category**	**Value at Sep 30, 2025**	**Fair value assesment at Sep 30, 2025**
Short term investments – fair value	Shares	216,831	Level 1
Total		**216,831**	

Short term investments – fair value	**Category**	**Value at December 31, 2024**	**Fair value assesment at December 31, 2024**
Short term investments – fair value	Shares	215,319	Level 1
Total		**215,319**	

35.2.Financial liabilities

	Amortized cost	
	September 30, 2025	**December 31, 2024**
Bank loans	52,158,494	67,112,990
Trade payables	31,590,060	22,327,278
Total	**83,748,554**	**89,440,268**

36. ACCOUNTING PRINCIPLES, POLICIES AND METHODS

The following paragraphs describe the significant accounting policies applied by the Group in preparing its Cosolidated Financial Statements:

36.1. Revenue from contracts with customers

In accordance with IFRS 15, revenue is recognized when or as the customer acquires control of the goods or services provided, at an amount that reflects the price the Group expects to be entitled to receive in exchange for those goods or services.

Revenues from contracts with customers are recognised when the control over the goods or services delivered is transffered for an amount ecqual to consideration expected by the Group for the good and services delivered to the customers.

When (or as) a performance obligation is satisfied, the Group will recognize as revenue the amount of the transaction price that is allocated to that performance obligation. The Group takes into consideration the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. For the purpose of determining the transaction price, an entity shall assume that the goods or services will be transferred to the customer as promised in accordance with the existing contract and that the contract will not be cancelled, renewed or modified.

In determining the transaction price, the entity will adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

The objective when allocating the transaction price is for an entity to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the entity will determine the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocate the transaction price in proportion to those stand-alone selling prices.

A customer receives a discount for purchasing a bundle of goods or services if the sum of the stand-alone selling prices of those promised goods or services in the contract exceeds the promised consideration in a contract. Except when an entity has observable evidence that the entire discount relates to only one or more, but not all, performance obligations in a contract, the entity shall allocate a discount proportionately to all performance obligations in the contract. The proportionate allocation of the discount in those circumstances is a consequence of the entity allocating the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of the underlying distinct goods or services.

The Group will recognise as an asset the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. When either party to a contract has performed, the Group will present the contract in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity’s performance and the customer’s payment. The Group must present any unconditional rights to consideration separately as a receivable.

The recognition and measurement requirements of IFRS 15 are also applicable to the recognition and measurement of any gains or losses arising from the disposal of non-financial assets (such as property, plant and equipment and intangible assets) when such disposal is not in the ordinary course of business. However, upon transition, the effect of these changes is not significant for the Group.

A. Revenue from software services

The Group's services are generally performed under time-and-material based contracts (where materials consist of travel and out-of-pocket expenses) and fixed-price contracts. The vast majority of our contracts are relatively short term in nature and have a single performance obligation.

Under time-and-materials based contracts, the Group charges for services based on daily or hourly rates and bills and collects monthly in arrears. The Company applies the practical expedient and revenue from time-and-materials contracts is recognised based on the right to invoice for services performed, with the corresponding cost of providing those services reflected as expenses when incurred.

Under fixed-price contracts, the Group bills and collects periodically throughout the period of performance. Revenue is recognised in the accounting periods in which the associated services are rendered. In limited instances where final acceptance of a milestone deliverable is specified by the client and there is risk or uncertainty of acceptance, revenue is deferred until all acceptance criteria have been met. For multi-year contracts, any deferral of revenue recognition does not generally span more than one accounting period.

The Group accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Group identifies its distinct performance obligations under each contract. A performance obligation is a promise in a contract to transfer a distinct product or service to the customer. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring products or services to a customer. With respect to all types of contracts, revenue is only recognised when the performance obligations are satisfied and the control of the services is transferred to the customer, either over time or at a point in time, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group considers the majority of its contracts to have a single performance obligation. In cases in which there are other promises in the contract, a separate price allocation is done based on relative stand alone selling prices.

Receivables are considered fully impaired when they exceed 365 days. The analysis regarding the impairment of receivables is carried out in Note 22 TRADE RECEIVABLES.

B. Revenue from sale of the Track GPS monitoring solution and other monitoring and fleet management

The Group's secondary source of revenue is the provision of its proprietary fleet tracking solution based on GPS technology, a special device and accesible from web and mobile interfaces, Track GPS. The Group offers a complex solution for the management and monitoring of car fleets that helps companies reduce their maintenance and operation costs, improve their efficiency in the allocation and use of resources, increase the professionalism of drivers, safety behind the wheel, as well as improve the services provided. Considering that the provision of the monitoring service is made by making available to the customer of an equipment that ensures the transmition of data, AROBS Group concluded that the equipment and the monitoring service cannot be regarded separately due to the contract and represents a single provision of obligations to the client. This assesment was based on articles 27a and 29c from IFRS 15:

- 27a: the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer

- 29c: the goods or services are highly interdependent or highly interrelated. In other words, each of the goods or services is significantly affected by one or more of the other goods or services in the contract. For example, in some cases, two or more goods or services are significantly affected by each other because the entity would not be able to fulfil its promise by transferring each of the goods or services independently.

As for the equipment, it is essential to the provision of the monitoring service, so that if the customer opts out of these services, then the benefits obtained through the use of the equipment are significantly diminished. In view of this assesment, the provisions of article 27 of IFRS 15 were taken into account: A good or service that is promised to a customer is distinct if both of the following criteria are met: (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (ie the good or service is capable of being distinct); and (b) the entity’s promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (ie the promise to transfer the good or service is distinct within the context of the contract). Revenue is recognized accoring to provisions of IFRS 15, paragraph 35 a: the customer simultaneously receives and consumes the benefits provided by the entity’s performance as the entity performs. The customer consumes the benefits as the services are delivered, so that the performance obligation is fulfilled over time. The cost of the equipment has been capitalized and is expensed as income is realized.

C. Revenue from sale of the HR application license

Licensing of the HR solution involves the provision of the following services: license sale/rental, implementation and provision of techical support and platform maintenance services. Given that the implementation of the HR solution is done only by the company providing this service and that without this implementation adapted to the specific needs and requirements of the client, the HR solution is not functional. AROBS Group concluded that the HR software and the implementation service cannot be seen as distinct due to the contract and represent a single performance of obligation to the client. This assesment was made based on articles 27a and 29c of IFRS 15:

- 27 (a): the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer
- 29 (c): the goods or services are highly interdependent or highly interrelated. In other words, each of the goods or services is significantly affected by one or more of the other goods or services in the contract. For example, in some cases, two or more goods or services are significantly affected by each other because the entity would not be able to fulfil its promise by transferring each of the goods or services independently.

As for the maintenance services and updates of the HR solution, they are essential for the operation of the platform, so if the customer opts out of these services, then the benefits obtained from the use of the HR solution are significantly diminished. Taking into account the provisions of Article 27 of IFRS 15 A good or service that is promised to a customer is distinct if both of the following criteria are met: (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (ie the good or service is capable of being distinct); and (b) the entity’s promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (ie the promise to transfer the good or service is distinct within the context of the contract) and that the company that provides the HR solution does not offer access to the platform without ensuring maintenance services, then AROBS Group concluded that the maintenance services are part of the same contractual promise together with the HR license and implementation services,). Revenue is recognized accoring to provisions of IFRS 15, paragraph 35 a: the customer simultaneously receives and consumes the benefits provided by the entity’s performance as the entity performs. The customer consumes the benefits as the services are delivered, so that the performance obligation is fulfilled over time. The salary expense related to the implementation service has been capitalized in an asset account and is expensed as the revenue is realized.

D. Revenue from sales of goods

The Group also operates the sale of own brand goods / finished products and also other third party goods through its dedicated e-commerce sites: softcare.ro, soundon.ro and gps-auto.ro. The Group also sells its goods on third-party websites, online and offline: Altex, Emag, Flanco, Carrefour, Auchan, Cel.ro, Evomag.ro being its main distribution partners.

Revenue form the sale of goods is recognized when the performance obligation established through a contract with a customer is fulfilled, being the actual delivery and transfer of control over that good sold to the customer. The payment terms are between 30 and 90 days from the fulfillment of the performance obligation.

E. Principal versus agent framework

The Group performs the services or supply the goods derived form it's obligations by it's own means or can employ the services of a third party (agent) to partially or completely execute these obligations on behelf of the Group.

An agent might satisfy its performance obligation (arranging for the transfer of specified goods or services) before the end consumer receives the specified good or service from the principal in some situations. For example, an agent that promises to arrange for a sale between a vendor and the vendor's customer in exchange for a commission will generally recognize its commission as revenue at the time a contract between the vendor and vendor's customer is executed (that is, when the agency services are completed). In contrast, the vendor will not recognize revenue until it transfers control of the underlying goods or services to the end consumer.

To assess whether it is acting on its own behalf, the Group considers the following indicators, without these being limiting:

a, The entity is primarily responsible for fulfilling the promise to provide the specified good or service. This typically includes responsibility for acceptability of the specified good or service (for example, primary responsibility for the good or service meeting customer specifications). If the entity is primarily responsible for fulfilling the promise to provide the specified good or service, this may indicate that the other party involved in providing the specified good or service is acting on the entity's behalf.

b, The entity has inventory risk before the specified good or service has been transferred to a customer, or after transfer of control to the customer (for example, if the customer has a right of return). For example, if the entity obtains, or commits to obtain, the specified good or service before obtaining a contract with a customer, that may indicate that the entity has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the good or service before it is transferred to the customer.

c, The entity has discretion in establishing the prices for the specified goods or service. Establishing the price that the customer pays for the specified good or service may indicate that the entity has the ability to direct the use of that good or service and obtain substantially all of the remaining benefits. However, an agent can have discretion in establishing prices in some cases. For example, an agent may have some flexibility in setting prices in order to generate additional revenue from its service of arranging for goods or services to be provided by other parties to customers.

36.2. Property, Plant and Equipment

Initial recognition

Tangible assets are initially valued at acquisition or production cost and subsequently at cost net of accumulated depreciation and/or accumulated impairment losses, if applicable.

This cost includes the replacement cost of the tangible asset in question at the time of replacement and the borrowing cost for long-term construction projects if the recognition criteria are met.

All other repair and maintenance costs are recognised in the income statement when incurred. The present value of the expected costs of casing the asset after use is included in the cost of that asset if the criteria for recognition of a provision are met.

Useful life

Average usefull life for each fixed assets category are as follows:

Buildings	40 - 50 years
Investments in leased bildings	1 - 15 years
Monitoring equipment	3 years
Installations and equipment	3 - 8 years
Vehicles	3 - 6 years
Office equipment	1 - 13 years
Stationary	4 - 9 years
Protection systems	8 - 16 years

The carrying amount of an item of property, plant and equipment shall be derecognized on disposal; or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment (calculated as the difference between the net proceeds on disposal and the carrying amount of the item) shall be included in profit or loss when the item is derecognized.

As at 30 September 2025, management has completed its assessment of the estimated useful lives and has decided that no revision is required as the consumption pattern of its assets is consistent with the current best estimate of the period over which these assets will generate future economic benefits.

36.3.Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets recognized following a business combination is their fair value at acquisition date, as determined through the purchase price allocation exercise. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expense is reflected in the income statement when the expense is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with an indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The useful life of an intangible asset that is not being amortised is reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It is recognised in profit or loss when the asset is derecognised.

Research and development expenditure

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, the entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the intangible asset and use or sell it and its ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development;
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset. the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

The Group's intangible assets are mainly represented by: internally generated applications (Track GPS, Optimall) and software licences.

Average usefull life for each fixed assets category are as follows:

Computer programs, software, licenses, other intangible assets	3 years or contractual duration
Customer relationships	10 years

36.4.Assets related to rights to use leased assets

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Assets related to the right of use of leased assets

The determination of whether an agreement is or contains a lease is based on the commitment made at the inception of the agreement. The commitment is or contains a lease :

- if performance of the commitment is dependent on the use of a specific asset or assets
- or if the commitment confers a right to use the asset or assets, even if that right is not explicitly specified in a commitment.

Under IFRS 16, at the commencement date of the lease contract, the entity measures a right-of-use asset (as of the date on which the underlying asset is available for use). The right-of-use asset are evaluated at cost, less any accumulated depreciation and accumulated impairment losses and adjusted for any revaluation of lease liabilities. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any initial direct costs incurred by the lessee and any lease payments made at or before the commencement date, less any lease incentives received.

The Company reassesses whether a contract is, or includes, a lease only if the terms and conditions of the contract change. The Company determines the lease term as the irrevocable period of a lease, together with:

- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Lease liabilities related to rights of use of assets

Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For such leases, at inception, a lessee must recognise a right-of-use asset and an interest-bearing liability under the lease.

At the commencement date, the lessee measures the lease liability at the present value of the lease payments that has to be paid during the contract period. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be payable by the lessee under residual value guarantees. The lease payments include the payments of penalties for terminating the lease, if the lease term reflects the entity exercising an option to terminate the lease. Variable lease payments that are not dependent on an index or rate are recognised as an expense in the period in which the triggering event or event occurs.

In calculating the present value of lease payments, the Group uses the marginal borrowing rate at the lease inception date if the interest rate cannot be determined immediately from the lease contract. After the commencement date, the amount of lease liabilities is increased to reflect interest and reduced by the amount of lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (for example, changes in future lease payments resulting from a change in an index or the rate used to determine those payments) or a change in the valuation of a call option on the underlying asset.

36.5. Investment property

***Investment property* is property (land or a building—or part of a building—or both) held (by the owner or by the lessee as a right-of-use asset) to earn rentals or for capital appreciation or both, rather than for:**

(a) use in the production or supply of goods or services or for administrative purposes; or

(b) sale in the ordinary course of business.

Investment property is held to earn rentals or for capital appreciation or both. Therefore, an investment property generates cash flows largely independently of the other assets held by an entity. This distinguishes investment property from owner-occupied property. The production or supply of goods or services (or the use of property for administrative purposes) generates cash flows that are attributable not only to property, but also to other assets used in the production or supply process. IAS 16 applies to owned owner-occupied property and IFRS 16 Leases applies to owner-occupied property held by a lessee as a right-of-use asset.

An owned investment property shall be recognised as an asset when, and only when:

(a) it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and

(b) the cost of the investment property can be measured reliably,

An entity evaluates under this recognition principle all its investment property costs at the time they are incurred. These costs include costs incurred initially to acquire an investment property and costs incurred subsequently to add to, replace part of, or service a property.

The entity does not recognise in the carrying amount of an investment property the costs of the day-to-day servicing of such a property. Rather, these costs are recognised in profit or loss as incurred. Costs of day-to-day servicing are primarily the cost of labour and consumables, and may include the cost of minor parts. The purpose of these expenditures is often described as for the 'repairs and maintenance' of the property.
An owned investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement.

The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure, Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs.

36.6.Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Property, plant and equipment Note 17
- Intangible assets Note 19

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset. unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used, These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased, If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

36.7.IFRS 9 Financial Instruments

Financial assets

Initial recognition and measurement

Group financial assets consist of loans granted and receivables (trade receivables, contractual assets, other receivables), cash and cash equivalents.

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

Subsequent measurement

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding,This assessment is referred to as the SPPI test and is performed at an instrument level.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for debt instruments not held at fair value through profit or loss. For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs, Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date, The Group analyses claims individually and takes into account the effect of financial guarantees received from insurers in the calculation of expected credit losses, For more information, see Note 22 - Trade receivables.

Financial liabilities

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts or contingent consideration recognised by the Group as acquirer in a business combination to which IFRS 3 applies.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities not recorded at fair value through profit or loss, net of directly attributable transaction costs, on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Subsequent measurement

The Company evaluates financial liabilities according to their classification as follows:

- Interest bearing loans and borrowings: Interest bearing loans and borrowings and trade and other payables are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR, The EIR amortization is included in finance costs in profit or loss.

- Financial collateral contracts: The Company initially recognises financial collateral contracts as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires, When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

The Group's financial statements are presented in Romanian New Lei (''RON''), which is also the parent company's functional currency, For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency, The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

36.8.Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset. based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant.

36.9.IAS 19 Employee Benefits

Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are recognized as an expense as the related services are rendered. A liability is recognized at the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount for services previously provided by the employee and the obligation can be reliably estimated.

Defined benefit plans

In the normal course of business, the Group makes payments on behalf of its employees to public pension schemes and public health insurance, which are calculated according to the rates in force during the year. Meal allowances, travel expenses, bonuses and holiday allowances are also calculated in accordance with the legislation applicable to each Group company.

The cost of these payments is recognized in profit or loss in the same period as the related salary cost. Provision is made for unused leave if there are any unused days, in accordance with local legislation.

All Group employees are members of state-administered pension schemes.

The Group does not operate any other pension scheme or post-retirement benefit plan and therefore has no pension liabilities.

In order to retain employees, the Company has implemented a Stock Option Plan, which offers employees stock options based on seniority and performance criteria in the Group's business.

36.10. Income tax

Income tax expense includes current tax and deferred tax. Income tax expense is recognized in the statement of profit or loss unless it relates to business combinations or items recognized directly in equity or other comprehensive income.

Current income tax

Current tax includes tax expected to be paid or received on taxable profit or tax loss realized in the current year and any adjustment for tax payable or recoverable in respect of previous years.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- The initial recognition of goodwill; or
- The initial recognition of an asset or a liability in a transaction which: -is not a business combination, and at the time of the transaction affects neither accounting profit nor taxable profit or loss and at the time of transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for: all deductible temporary differences and the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax reflects the tax consequences that would result from the way the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred tax assets and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

If the carrying amount of goodwill arising in a business combination is less than its tax base, the difference gives rise to a deferred tax asset. The deferred tax asset arising from the initial recognition of goodwill shall be recognized as part of the accounting for a business combination to the extent that it is probable that taxable profit will be available against which the deductible temporary difference could be utilized.

For deductible temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements, a deferred tax asset must be recognized.

The reversal of deductible temporary differences results in deductions in determining taxable profits of future periods. However, economic benefits in the form of reductions in tax payments will flow to the entity only if it earns sufficient taxable profits against which the deductions can be offset. Therefore, an entity recognizes deferred tax assets only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

At the end of each reporting period, an entity reassesses unrecognized deferred tax assets. The entity recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

36.11. Work in progress and inventories

Goods and work in progress are valued at the lower of cost and net realizable value. The Group's management analyses inventory age, product quality and potential non-conformity issues, products that cannot be sold further or are rejected based on quality issues and considers their implications in determining the net realizable value of old inventory. Net realizable value is the selling price, in the normal course of business, less costs of completion, marketing and distribution, considering the future evolution of selling prices. Also it is analysed the recoverability of ongoing work in progress projects registered at the end of the year.

Management analyzed the net realizable value of the goods and work in progress annually, considering market selling prices as well as regulations specific to the industry in which it operates.

All assumptions are reviewed annually.

36.12. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

36.13. Equity

Share capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recognised as additional paid-in capital.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in other reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium. When treasury shares are cancelled the excess of cost above nominal value is debited to retained earnings.

Dividends

The Group recognizes a liability to make cash or non-cash distributions to owners of equity when the distribution is authorized and the distribution is no longer at the discretion of the Group, As per the corporate laws of Romania, a distribution is authorized when it is approved by the shareholders, A corresponding amount is recognised directly in equity.

36.14. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

36.15. Provisions and contingent liabilities

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain, the expense relating to a provision is presented in profit or loss net of any reimbursement,

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities recognised in business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less (when appropriate) cumulative amortisation recognised in accordance with the requirements for revenue recognition.

Fees, taxes and provisions for taxes

Uncertainties exist regarding the interpretation of complex fiscal regulations, changes in tax legislation and the value and timing of future taxable profit.

The Group is subject to income tax in several jurisdictions. There are several transactions and calculations for which the final tax determination is uncertain. Therefore, the Group will constitute provisions, if applicable, for possible consequences of future tax inspections. If the final fiscal result of these matters is different from the amounts initially recorded, the respective differences will have an impact on the current and deffered income tax assets and liabilities in the period in which the respective differences occur.

37. OTHER INFORMATION

Environment

Romania is currently in a period of rapid harmonization of environmental legislation with the European Economic Community legislation in force. As at 30 June 2024, the Group has not recorded any liabilities relating to anticipated costs, including legal and consultancy fees, studies, design and implementation of environmental remediation plans. The Group does not consider costs associated with environmental issues to be significant.

Transfer price

Romanian tax legislation has contained rules on transfer pricing between related persons since 2000. The current legislative framework defines the "market value" principle for transactions between related persons, as well as the transfer pricing methods. Under the relevant tax legislation, the tax valuation of a related party transaction is based on the concept of the market price of that transaction. Based on this concept, transfer prices must be adjusted to reflect market prices that would have been established between unrelated entities acting independently on the basis of "normal market conditions". As a result, it is expected that the tax authorities will initiate thorough transfer pricing verifications to ensure that the tax result and/or the customs value of imported goods are not distorted by the effect of prices charged in dealings with related persons. It is likely that transfer price verifications will be carried out in the future by the tax authorities to determine whether these prices comply with the "arm's length" principle and that the Romanian taxpayer's tax base is not distorted. The Group cannot quantify the outcome of such a verification, The Group considers that the transactions with related parties were carried out at arm's length values.

The parent company is a large taxpayer and the group entities are small and medium taxpayers, In view of the size criteria laid down in the law, Group entities are not required to prepare a transfer pricing file. At the date of preparation of the consolidated financial statements, the transfer pricing file for the Parent Company is in progress.

Russia – Ukraine conflict

The invasion of Ukraine by the Russian Federation and the subsequent global response to these military actions could have a significant impact on a number of companies, in particular companies with physical operations on the territory of Ukraine, Russia and Belarus, but also entities with indirect interests (with suppliers, customers, investments and creditors with operations on the territory of these countries).

We assessed the impact of the ongoing military operation in Ukraine and the related targeted sanctions against the Russian Federation, This may require revisions to certain assumptions and estimates which may result in significant adjustments to the carrying value of certain assets and liabilities in the next financial year. At this stage, we cannot reliably estimate the impact as events unfold on a daily basis.

Based on the information available to date, the Group's management has not identified any concrete potential risks related to the Russia-Ukraine conflict, and thus at this time does not expect a significant impact on the conduct of current operations. The Group has no direct exposure to third parties affected by the sanctions imposed since the conflict began (customers, suppliers, banking institutions with which the Group collaborates). Indirect exposure (customers, suppliers, with whom the Group collaborates, with links to third parties affected by sanctions), as well as risks related to future volatility of commodity prices, foreign exchange rates, or possible cyber attacks, are currently unquantifiable, as the Group's management has so far given no indication of any significant impact on the Group's business.

38. SUBSEQUENT EVENTS

In early November, we announced the signing for the acquisition of a 65% stake in GESS Engineering, an engineering company based in Sibiu, specialized in testing and validation of complex systems for the automotive industry. Through this acquisition, we expand the Group's expertise in systems validation, safety, and vehicle integration, following a competence-driven approach with applications across the mobility, autonomous vehicles, and embedded systems ecosystem.

These financial statements were signed and approved on November 13, 2025, by:

Voicu Oprean
Director General

Bogdan Ciungradi
Director financiar