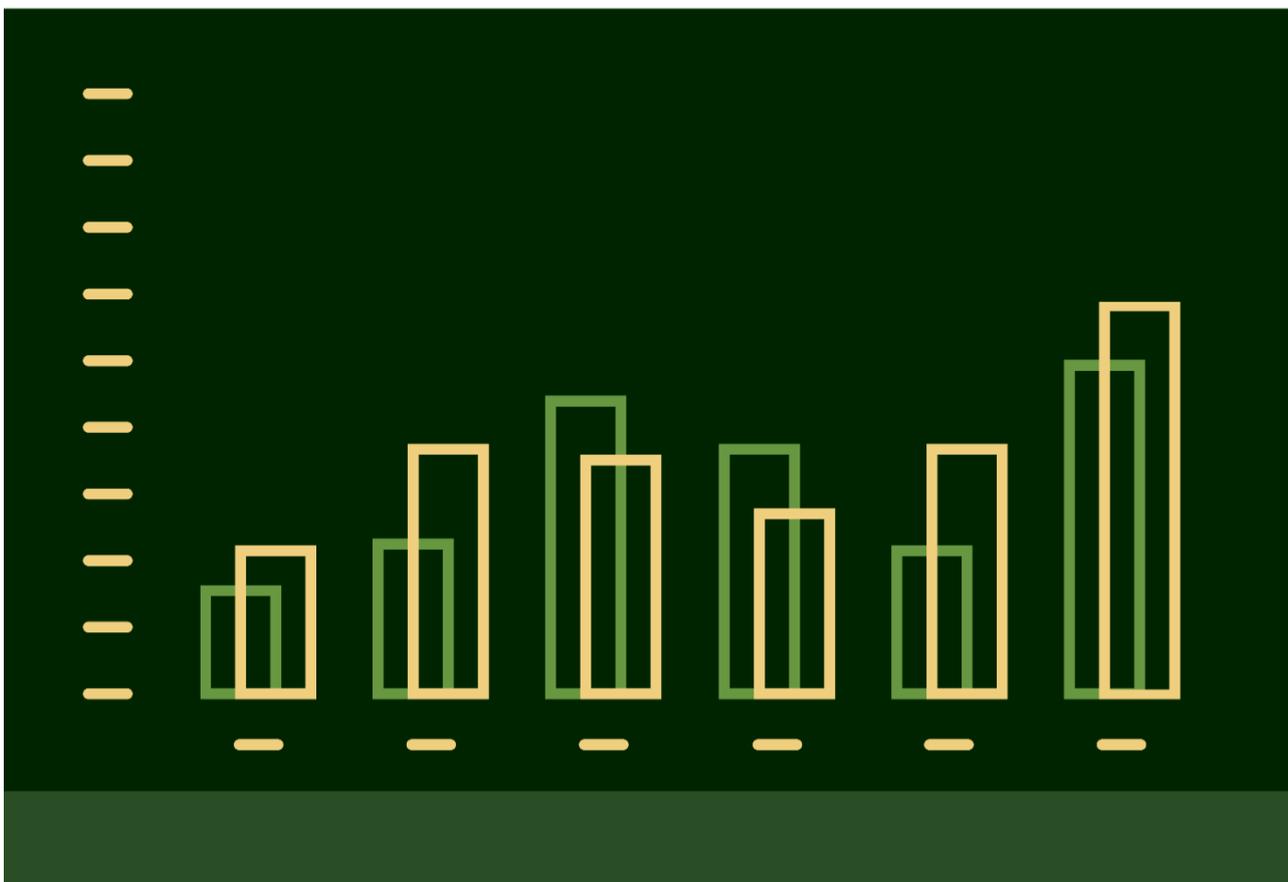
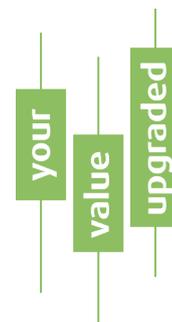


# Universal Registration Document - Bittnet Group



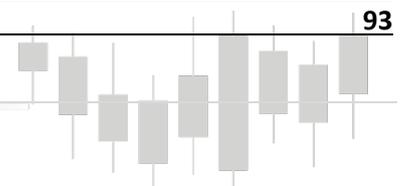
# Annual Report for FY2025

For the financial year	01.01.2025 - 31.12.2025
Report date	March 30th , 2026
Company name	BITTNET SYSTEMS SA
Headquarters	44 Sergent Ion Nuțu Street, One Cotroceni Park, Building A and Building B, 4th floor, sector 5, Bucharest
Mailing address / Work location	44 Sergent Ion Nuțu Street, One Cotroceni Park, Building A and Building B, 4th floor, sector 5, Bucharest
Telephone/fax number	021.527.16.00 / 021.527.16.98
Unique registration code at the Trade Register Office	21181848
Serial number in the Trade Register	J2007003752404
European Unique Identifier (EUID)	ROONRC.J2007003752404
NACE code (main activity)	6290 - Other technology service activities Information
The regulated market on which the issued financial instruments are traded	Bucharest Stock Exchange, Main Market / Standard Category
LEI code (Legal Entity Identifier)	315700A2302615467069
Subscribed and paid-up share capital	63,417,671.40 RON
The main characteristics of the financial instruments issued by the company	634,176,714 shares at a face value of RON 0.10 per share
BVB Trading Symbol	BNET - shares BNET26E, BNET27A, BNET28, BNET28A - bonds
ISIN code shares	ROBNETACNOR1
Contact	<a href="mailto:investors@bittnet.ro">investors@bittnet.ro</a>



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## Key figures

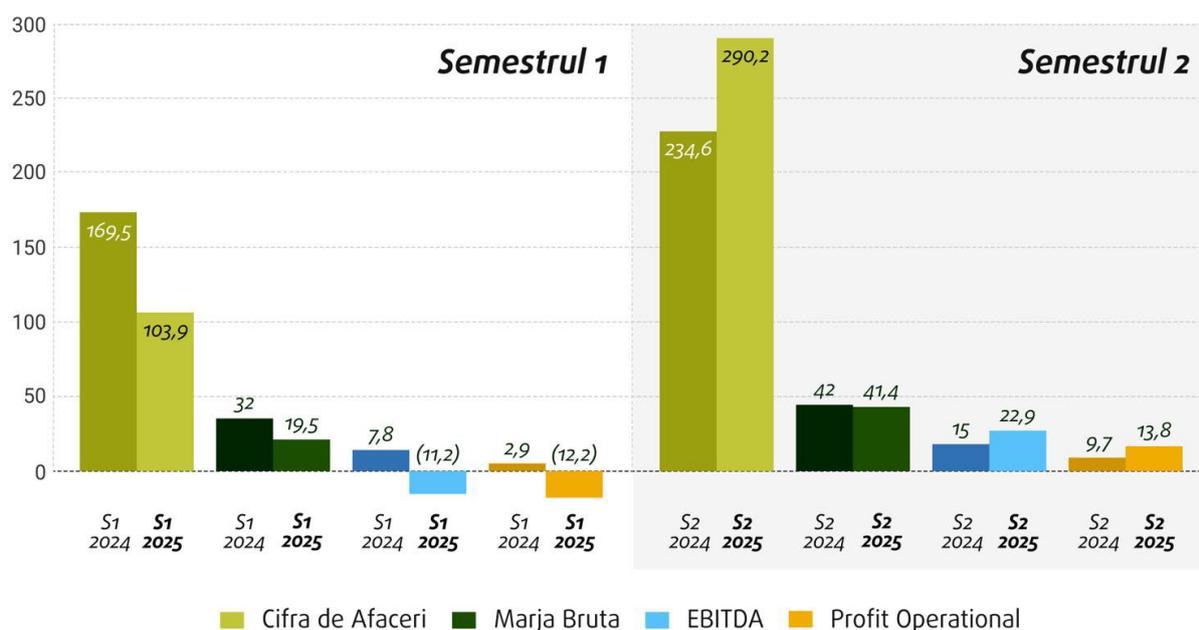
Year*	Revenues from customers	Operational Profit[1]	Net Profit	CashFlow from Operations	Total Assets	Cash at EOY	Equity	Market Cap. EOY	ROE (Operat. Profit)
2014	8,180	582	115	394	5,428	813	865	7,896	
2015	9,993	1,608	889	471	8,253	3,008	1,920	8,108	186%
2016	13,667	1,929	870	-1,768	10,446	2,355	3,100	21,418	100%
2017	27,682	2,743	1,206	373	30,898	11,060	5,961	31,941	88%
2018	47,891	1,319	4,408	3,397	59,069	13,048	14,001	55,530	22%
2019	99,750	838	-4,458	8,502	88,462	20,824	12,372	112,717	6%
2020	109,192	5,930	1,025	8,120	102,353	24,873	27,646	157,586	48%
2021	112,591	3,879	13,021	4,242	133,961	23,405	55,249	161,907	14%
2022	192,156	8,372	-2,192	17,995	220,596	42,300	57,494	155,902	15%
2023	359,089	9,560	1,466	60,989	293,881	73,013	81,292	174,398	21%
2024	404,113	12,684	9,118	21,999	335,160	73,355	77,195	96,368	14%
2025	394,256	1,639	-5,148	62,490	384,811	116,384	66,475	72,296	2%
CAGR	42%	10%	-241%	58%	47%	57%	48%	22%	42%
YoY	-2%	-87%	-157%	184%	15%	59%	-14%	-25%	
Main Market	261%	-73%	-607%	670%	276%	368%	140%	-36%	

\*amounts are expressed in thousands, RON

As every year, we begin the report by presenting the table with the main financial indicators. In the table below, we have summarized the essence of our operating model. The table presents the consolidated evolution of revenues (turnover), assets, market capitalization and operating profit, providing a visual perspective on our performance and strategic direction.

Below we offer a graphical perspective for each of the two semesters of 2025, an atypical year in many respects. The lack of revenue corroborated with the rigidity of fixed expenses, in the first semester, generated the largest semi-annual operating loss at HY2025. In contrast, 2nd semester, with a gross margin similar to previous years, but combined with the reduction of expenses, generated an operating profit of almost 14 million ron, the highest recorded in semester 2.

### Concentrarea veniturilor pe semestre



\*values are expressed in millions, RON



## NOTE TO INVESTORS

According to Regulation EU1129/2017, Article 9, paragraph (12): Where the Universal Registration Document (the "Document") filed with or approved by the competent authority is made public no later than four months after the end of the financial year and contains the information required to be disclosed in the annual financial report referred to in Article 4 of Directive 2004/109/EC, the issuer shall be deemed to have fulfilled its obligation to publish the annual financial report provided for in that Article, if:

- a) include in the universal registration document a cross-reference list indicating where in the universal registration document each item required to be included in the annual and semi-annual financial reports can be found;
- b) lodge the universal registration document in accordance with Article 19(1) of Directive 2004/109/EC and make it available to the designated official mechanism referred to in Article 21(2) of that Directive;
- c) include in the universal registration document a statement of responsibility under the conditions set out in Article 4(2)(c): statements by the responsible persons within the issuer, clearly identified by name and function, confirming that, in their opinion, the financial statements drawn up in accordance with the applicable body of accounting standards give a true and fair view of the assets and liabilities, the financial position and the financial result of the issuer and the undertakings involved in the consolidation, and that the management report presents a true and fair view of the development and results of the undertaking and of the situation of the issuer and the undertakings involved in the consolidation, as well as a description of the main risks and uncertainties facing them.

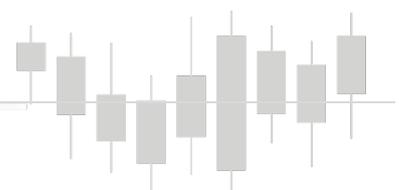
This Document has been prepared to serve both as an Annual Report for the financial year 2025 in accordance with the above points, as well as a reference source regarding the Issuer and the group to which it belongs, providing investors and analysts with the minimum information necessary to make an informed decision regarding the activity, financial situation, earnings and prospects, governance and shareholder structure of the Company as of the date of its preparation. This Document has also been prepared for its use for the purpose of future public offers of securities, regardless of their type or class, which may take place on a regulated market if completed with the amendments, as applicable, as well as with a securities note and a summary approved in accordance with Regulation (EU) 2017/1129. By submitting for approval and publishing this Document, Bittnet Systems SA aims to maintain the status of Frequent Issuer of Securities in accordance with Regulation (EU) No. 2017/1129.

The information contained in this Universal Registration Document presents the situation of the Issuer and the group to which it belongs, as of the date of the Document within the limits of the documents and information selected, except where another date or source is expressly mentioned.

The information contained in this Document is provided by the Issuer or comes from public sources, as indicated in the Registration Document. No other natural or legal person, other than the Issuer, has been authorized to provide information or documents.

The information in this Document is for informational purposes only and shall not be construed as legal, financial or tax advice. Nothing in this Registration Document shall be construed as a recommendation to invest or an opinion on the situation of the Issuer or the group to which it belongs, or as legal, tax, financial or professional business advice. Potential investors should be aware of the risk factors to which the Issuer is subject, both in terms of the industry in which it operates and the individual risks specific to the Issuer. The risks identified by the Issuer are presented in this Document: **Section 3 - Risk Factors**.

Regulation (EU) 2019/980 on the prospectus created the framework for a new document, known as the 'Universal Registration Document', designed to speed up the prospectus approval process for frequent issuers of financial instruments. Under the EU Regulation, frequent issuers are encouraged to draw up their prospectuses as separate documents, as this reduces the cost of compliance and allows them to react quickly to market opportunities. Therefore, issuers whose financial instruments are admitted to trading on regulated markets or on the SMT have the possibility to draw up and publish, in each financial year, a universal registration document containing legal, commercial, financial, accounting and shareholder information and providing a description of the issuer for that financial year. The preparation of a Universal Registration Document allows the issuer to update information and prepare a prospectus when market conditions become favorable for a public offer of financial instruments or an admission to trading on a regulated market, by adding a note on the presentation of the instruments (shares / bonds) and a summary. The Universal Registration Document is used as a reference source on the issuer, providing investors and analysts with the minimum information necessary to make an informed decision on the company's business, financial situation, earnings and prospects, governance and shareholder structure.



## Statement

This Document contains forward-looking statements within the meaning of the laws governing financial instruments (securities) in certain jurisdictions. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including statements preceded by, followed by, or including the words “may,” “will,” “would,” “should,” “expects,” “intends,” “estimates,” “anticipates,” “projects,” “believes,” “attempts,” “plans,” “forecasts,” “continues,” “commits,” “obliges,” “expects,” or, in each case, negative forms thereof or other variations or similar terminology or discussions of future strategies, plans, objectives, policies, goals, events and intentions. These forward-looking statements appear in several places throughout this document.

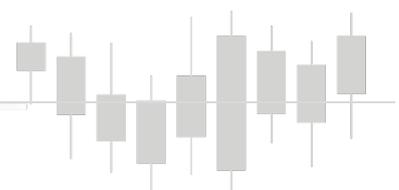
Forward-looking statements include statements of current intentions, beliefs or expectations regarding, among other things, the results of operations, vision, growth, dividend strategy and policy or the industry in which the Issuer and the group of which it is a part operate. The forward-looking statements contained in this document speak as of the date of this document. The Company undertakes no obligation to release any updates or revisions to any such forward-looking statements contained in this Document to reflect any change in the Company's expectations therewith or any change in the events, conditions or circumstances on which any such statements are based, except as required by applicable law.

Forward-looking statements involve known and unknown risks, uncertainties and other important factors that are beyond the Company's control and that could cause its actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the Company's current and future business strategies and the environment in which it will operate in the future.

Important factors that could cause the Company's actual results or performance to differ materially from those expressed in these forward-looking statements include the factors described in the “Risk Factors” section of the Universal Registration Document, as well as in other sections of this Document. These factors include, but are not limited to, fluctuations in interest rates; delays in deliveries by manufacturers or distributors caused by various overlapping global crises, the economic and social situation in Romania, affected by corruption and money laundering. These risks and the remaining information described in the “Risk Factors” section are not exhaustive. Other sections of this Document describe other factors that could adversely affect the Company's results of operations, financial position and the development of the industry in which the Company operates. From time to time, new risks may arise that affect the Group's operations and business, and it is not possible for the Company to foresee all of these risks, nor can it assess the impact of all of these risks or the extent to which any such risks, or a combination of these risks and other factors, could cause actual results to differ materially from those contained in any forward-looking statements.

When reading forward-looking statements, investors should carefully consider the above factors and other uncertainties or events, particularly in light of the political, economic, social and legal environment in which the Company operates.

**Given these risks and uncertainties, investors should not rely on forward-looking statements as a prediction of actual results.**



# Annex 1: Cross-references - Annual Report according to FSA Regulation no. 5/2018 vs. Universal Registration Document

The requirement of Regulation No. 5/2018	This document
The report includes the administrators' report, as well as, where applicable, the consolidated administrators' report, prepared in accordance with the applicable accounting regulations, and includes, in the case of the regulated market, also:	
II. Corporate governance statement, as well as, where applicable,	Section 14.4
III. Non-financial statement regarding environmental, social and personnel aspects, respect for human rights and combating corruption and bribery.	it is not the case
<b>1. Analysis of the issuer's activity</b>	
a) Description of the issuer's core business	Point 5.1.1
b) Specifying the date of establishment of the issuer	Point 4.3
c) Description of any significant merger or reorganization of the issuer, its subsidiaries or controlled companies, during the financial year	Point 6.2
d) Description of acquisitions and/or disposals of assets	Point 5.7
e) Description of the main results of the assessment of the issuer's activity:	
<b>1.1.1. General evaluation elements:</b>	
a) profit;	Point 5.3
b) turnover;	Point 5.3
c) export;	Point 5.2 and 5.3
d) costs;	Point 5.3
e) % of market held;	Point 5.2
f) liquidity (available in the account, etc.).	Point 7.1
<b>1.1.2. Evaluation of the issuer's technical level</b>	
<b>Description of the main products manufactured and/or services provided, specifying:</b>	
a) the main markets for each product or service and the distribution methods;	Point 5.2
b) the share of each category of products or services in the issuer's revenues and total turnover for the last 3 years;	Point 5.2
c) the new products envisaged for which a substantial volume of assets will be allocated in the next financial year, as well as the stage of development of these products.	Point 5.7.1.D
<b>1.1.3. Evaluation of technical and material supply activity (indigenous sources, imported sources)</b>	Point 5.8
<b>Specifying information on the security of supply sources and prices of raw materials and the size of stocks of raw materials and materials</b>	
<b>1.1.4. Sales activity evaluation</b>	
a) Description of the evolution of sales sequentially on the domestic and/or foreign market and of the medium and long-term sales prospects	Point 5.2 and 5.3
b) Description of the competitive situation in the issuer's field of activity, the market share of the issuer's products or services and the main competitors	Section 5.2
c) Description of any significant dependence of the issuer on a single customer or group of customers whose loss would have a negative impact on the issuer's company's revenues	Section 5.9
<b>1.1.5. Assessment of issues related to the issuer's employees/personnel</b>	
a) Specifying the number and level of training of the issuer's employees, as well as the degree of unionization of the workforce	Section 15.1
b) Description of the relationships between the manager and employees, as well as any conflicting elements that characterize these relationships	
<b>1.1.6. Evaluation of aspects related to the impact of the issuer's core activity on the environment</b>	Point 5.7.4
<b>A brief description of the impact of the issuer's core activities on the environment, as well as any existing or anticipated litigation regarding the violation of environmental protection legislation</b>	
<b>1.1.7. Evaluation of research and development activity</b>	Section 7.3
<b>Specifying the expenses in the financial year, as well as those anticipated in the following financial year for research and development activity</b>	
<b>1.1.8. Evaluation of the issuer's risk management activity.</b>	Section 3
<b>Description of the issuer's exposure to price, credit, liquidity and cash flow risk</b>	
<b>Description of the issuer's risk management policies and objectives</b>	
<b>1.1.9. Perspective elements regarding the issuer's activity</b>	
a) Presentation and analysis of trends, elements, events or uncertainty factors that affect or could affect the issuer's liquidity compared to the same period of the previous year	Point 5.3, Section 10
b) Presentation and analysis of the effects of capital expenditures, current or anticipated, on the issuer's financial situation compared to the same period last year	Point 5.3, Section 10

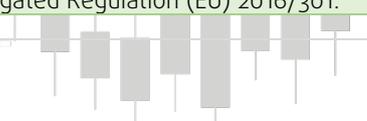
c) Presentation and analysis of events, transactions and economic changes that significantly affect revenues from the core activity	Point 5.3, Section 10
<b>2. Tangible assets of the issuer</b>	
2.1. Specification of the location and characteristics of the main production capacities owned by the issuer	Point 5.7.1. B
2.2. Description and analysis of the degree of wear and tear of the issuer's properties	Point 5.7.1. C
2.3. Specification of potential issues related to ownership of the issuer's tangible assets	Point 5.7.1.C
<b>3. Market for securities issued by the issuer</b>	
3.1. Specification of the markets in Romania and other countries on which the issued securities are traded	Point 9.2
3.2. Description of the issuer's dividend policy. Specification of dividends due/paid/accumulated in the last 3 years and, if applicable, the reasons for any decrease in dividends during the last 3 years	Point 9.3, Point 9.4, Point 18.5
3.3. Description of any activities of the issuer to acquire its own shares	Point 9.5
3.4. If the issuer has subsidiaries, specifying the number and nominal value of shares issued by the parent company held by the subsidiaries	Point 9.6
3.5. If the issuer has issued bonds and/or other debt securities, a description of how the issuer pays its obligations to the holders of such securities	Point 9.7
<b>4. Issuer management</b>	
4.1. Presentation of the list of the issuer's administrators and the following information for each administrator:	Section 12
a) CV (surname, first name, age, qualification, professional experience, position and length of service);	
b) any agreement, understanding or family relationship between the respective administrator and another person due to which the respective person was appointed administrator;	
c) the administrator's participation in the issuer's capital;	
d) list of persons affiliated with the issuer.	
4.2. Presentation of the list of members of the issuer's executive management For each, the following information must be presented:	Section 12, Point 14.1
a) the term for which the person is part of the executive management;	
b) any agreement, understanding or family relationship between the person concerned and another person due to which the person concerned was appointed as a member of the executive management;	
c) the participation of the respective person in the issuer's capital.	
4.3. For all persons presented in points 4.1 and 4.2, specification of any litigation or administrative procedures in which they have been involved, in the last 5 years, relating to their activity within the issuer, as well as those concerning the capacity of the respective person to perform their duties within the issuer.	Section 12
<b>5. Financial and accounting situation</b>	
Presentation of an analysis of the current economic and financial situation compared to the last 3 years, with reference at least to:	Section 7, Point 8.2
a) balance sheet items: assets that represent at least 10% of total assets; cash and	
b) other liquid assets; reinvested profits; total current assets; total current liabilities;	
c) profit and loss account: net sales; gross income; cost and expense items with a share of at least 20% in net sales or gross income;	
d) provisions for risks and miscellaneous expenses; reference to any sale or cessation of a segment of activity carried out in the last year or to be carried out in the following year;	
e) dividends declared and paid;	
f) cash flow: all changes in the cash level within the core activity, investments and financial activity, the cash level at the beginning and end of the period.	
<b>The annual report shall be accompanied by copies of the following documents:</b>	
a) the constituent documents of the issuer, if they were amended in the year for which the report is made;	Point 19.2
b) resignation/dismissal documents, if there were such situations among members of the administration, executive management, censors;	Point 14.1
c) list of the issuer's subsidiaries and entities controlled or controlling the issuer.	Section 6



## DEFINITIONS

In this Universal Registration Document, unless otherwise expressly provided, the following capitalized terms shall have the following meanings, applicable to both the singular and plural forms:

“The Constitutive Act”	The Articles of Association of the Issuer, in force and applicable as of the date of this Universal Registration Document
“Shares”, “Existing Shares” or “Company Shares”	All shares issued by the Company on the date of approval of this Document
“GMS”	General Meeting of Shareholders of the Company
“AGEA” / “EGMS”	Extraordinary General Meeting of Shareholders of the Company
“AGOA” / “OGMS”	Ordinary General Meeting of Shareholders of the Company
“ASF” / “FSA”	Financial Supervisory Authority
“CAEN”	Classification of Activities in the National Economy
“the Company” and/or “Issuer” and/or “Company” and/or “Bittnet SA” and/or “Bittnet”, “BNET” / “the Group”	Bittnet Systems SA, the issuer of the Shares presented in this Registration Document
“Board of Directors” / “BoD”	On 29.01.2020, the General Meeting of Shareholders approved the amendment of the Company's articles of association in order to manage it by a Board of Directors consisting of 3 members. On 27.04.2023, the General Meeting approved the expansion of the Board of Directors to 5 members, given the current size of the issuer and the group to which it belongs, and elected the two new members whose mandates were aligned with the existing members on the date of the Meeting, respectively until 29.01.2024. On 25.01.2024, the General Meeting elected the new composition of the Board of Directors, for a 4-year mandate, starting with 30.01.2024. Given the resignations of 3 of the Board members in the 2nd semester of 2025, the issuer organized elections for a new Board, elections that took place during the GMS of 21.10.2025. The mandate of the new Board members is until January 2028. At the time of writing this Universal Registration Document, the OGMS resolutions were registered with Trade Registry (ONRC).
“Central Depository”	Depozitarul Central SA, headquartered at Bulevardul Carol I no. 34 - 36, floors 3, 8 and 9, sector 2, postal code 020922, Bucharest, Romania, represents the institution that provides services for the storage, registry, clearing and settlement of transactions with financial instruments, as well as other operations related to them as defined in the Capital Market Law.
“Investors”	Persons interested in the shares/bonds of the Issuer.
“Law 24/2017” “Issuers Law”	Law No. 24/2017 on issuers of financial instruments and market operations, published in the Official Gazette Part I No. 213 of 29 March 2017
“Companies Law”	Companies Law no. 31/1990, republished in the Official Gazette no. 1066 of 17.11.2004, with subsequent amendments and supplements
“Leu” or “Lei” or “RON”	The official currency of Romania
“SMT Market”	The multilateral trading system (MTS) operated by the Bucharest Stock Exchange, the MTS market, known as the AeRO market.
“Regulated Market”	The regulated market administered by the Bucharest Stock Exchange. The market on which the issuer's shares and bonds are traded.
“Universal Registration Document” / “Registration Document” / “the document”	This Universal Registration Document of Bittnet Systems SA
“Trade Register”	Database containing registers and registration of traders and other entities provided for by law
“Regulation 5/2018”	ASF Regulation No. 5/2018 on issuers and transactions with securities, as subsequently amended and supplemented
“Regulation 1129/2017”	REGULATION (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
“Delegated Regulation (EU) 2019/979”	Delegated Regulation (EU) 2019/979 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of the prospectus, publication and classification of prospectuses, securities marketing communications, prospectus supplements and the notification portal and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.



“Delegated Regulation (EU) 2019/980”	Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to the format, content, verification and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Commission Regulation (EC) No 809/2004
“Working day”	Any day on which both the Romanian interbank market and the trading systems of the Bucharest Stock Exchange and the clearing-settlement systems of the Central Depository are open for business

The information used in the preparation of this Universal Registration Document regarding the Issuer and its activity was provided by BITTNET SYSTEMS SA, a company with its registered office in Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, telephone 021.527.16.00, fax 021.527.16.98, website <http://investors.bittnet.ro/>, unique registration code RO 21181848, registration number at the Trade Register J2007003752404 (“Issuer”).

The persons responsible for the information contained in this Document, on behalf of the Issuer:

**Mihai Logofătu – General Manager**

#### Statements of responsible persons:

The Issuer's Representative declares that, after taking all reasonable measures in this regard, the information regarding the Issuer included in this Universal Registration Document is, to the best of his knowledge, in accordance with reality and does not contain omissions likely to significantly affect its content.



## Section 1: Responsible persons, third party information, expert reports and competent authority approval

### 1.1-1.2 RESPONSIBLE PERSONS AND STATEMENT OF RESPONSIBLE PERSONS

1.1. All persons responsible for the information or certain parts thereof included in the document shall be identified, indicating, in the latter case, the parties concerned. Where the persons responsible are natural persons, including members of the administrative, management or supervisory bodies of the issuer, their names and positions shall be indicated; in the case of legal persons, their name and registered office shall be indicated.

The information used in the preparation of this Universal Registration Document regarding the Issuer and its activity was provided by BITTNET SYSTEMS SA, a company with its registered office in Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, telephone 021.527.16.00, fax 021.527.16.98, website <http://investors.bittnet.ro/>, unique registration code RO 21181848, registration number with the Trade Register J2007003752404 ("Issuer"), represented by Mihai Logofătu – General Manager.

1.2. A declaration by the persons responsible for the document stating that the information included in the document is, to the best of their knowledge, in accordance with reality and that the registration document does not contain any omissions likely to affect its significance.

Bittnet Systems SA, company with registered office in Bucharest, Sector 5, Serg. Ion Nuțu Street, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, telephone 021.527.16.00, fax 021.527.16.98, website <http://www.bittnet.ro/>, unique registration code RO 21181848, registration number with the Trade Register J2007003752404, as Issuer of the Shares, declares that after carrying out all reasonable checks to ensure that this statement is correct, all information included in this Universal Registration Document is, to the best of its knowledge, in accordance with reality and the Document does not contain omissions likely to affect its significance.

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

1.3. Where the document contains a statement or report attributed to a person acting as an expert, the following details of the person concerned shall be given: (a) name; (b) work address; (c) qualifications; (d) where applicable, significant interest in the issuing company.

This is not the case, the universal registration document does not contain statements or reports attributed to a person acting as an expert.

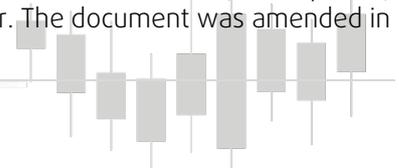
1.4. Where the information originates from a third party, a confirmation shall be provided that the information in question has been reproduced accurately and that, to the best of the issuer's knowledge and to the extent that it can confirm having regard to the data published by the third party in question, no facts have been omitted which would render the information reproduced incorrect or misleading. The source(s) of the information in question shall also be stated.

Not applicable, not applicable. The information contained in this document does not come from a third party.

1.5. A statement that: (a) the document has been approved by the Financial Supervisory Authority, as the competent authority under Regulation (EU) 2017/1129; (b) the Financial Supervisory Authority approves this document only in terms of meeting the standards of completeness, comprehensibility and consistency required by Regulation (EU) 2017/1129; (c) such approval should not be considered as an approval of the issuer that is the subject of this document.

Considering that the Financial Supervisory Authority (ASF) approved for two consecutive financial years, the Universal Registration Document of the Issuer, by Decisions no. 867 of 15.07.2020 and no. 591 of 06.05.2021, starting with 2022, prior approval of the Document by the ASF was no longer required, in accordance with Article 9, paragraph (2) of Regulation EU2017/1129.

Thus, the Issuer published on the BVB website and on its own website and submitted to the ASF, in May 2022, the Universal Registration Document to maintain the status of frequent issuer. The document was amended in



December 2022, through an Amendment, given that it intended to use it as part of a Prospectus for a capital increase with new cash contributions, an operation carried out in Quarter 1 2023.

In April 2023, the Issuer published on the BVB news feeds and on its own website and submitted to the ASF the Universal Registration Document for the maintenance and extension of the status of frequent issuer of financial instruments. Based on this document, the Issuer prepared a presentation note and a summary, submitting the Prospectus consisting of separate documents prepared for the conduct of a corporate bond offering conducted in May-June 2023 under the issue symbol BNET27A. In November 2023, the Issuer prepared and published an amendment to the Universal Registration Document together with its consolidated form with updated information in order to be able to use it within a Prospectus for a new corporate bond offering conducted in December under the issue symbol BNET28. In the spring of 2024, the Issuer conducted a new corporate bond offering – based on an offering prospectus consisting of separate documents, approved by the ASF. The broadcast symbol was BNET28A.

In April 2024 and April 2025, the Issuer published on the BVB news feeds, on its own website and submitted to the ASF – the updated Universal Registration Document, for the maintenance and extension of the status of frequent issuer of financial instruments.

Therefore, the Issuer will not submit this document for approval in 2026 either – unless it will be part of a Prospectus for a public offering of financial instruments. In this case, the Issuer will submit the Prospectus for approval to the ASF as part of a public offering, and if this Prospectus receives the approval visa from the ASF, the following statements also apply to this document:

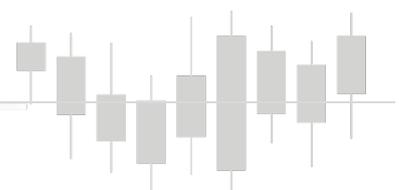
- (a) The document has been approved by the Financial Supervisory Authority (FSA), as the competent authority under Regulation (EU) 2017/1129;
- (b) The Financial Supervisory Authority approves this Registration Document only from the point of view of meeting the standards of completeness, intelligibility and coherence imposed by Regulation (EU) 2017/1129;
- (c) Such approval should not be considered as an approval of the issuer that is the subject of this Document;

To the best of the Issuer's knowledge and applicable at the date of drafting this document, Bittnet Systems is the first and only issuer listed on the Bucharest Stock Exchange that publishes annually, starting with 2020, the Universal Registration Document, thus obtaining and maintaining the status of frequent issuer of financial instruments.

**1.5.1. A statement that the universal registration document may be used for the purposes of a public offer of securities or the admission of securities to trading on a regulated market if supplemented with amendments, as applicable, as well as a securities note and a summary approved in accordance with Regulation (EU) 2017/1129.**

The Issuer declares that this Universal Registration Document may be used for the purpose of a future public offer of financial instruments (securities), regardless of their type or class, which may take place on a regulated market if it is supplemented with amendments, as applicable, as well as with a securities note and a summary approved in accordance with Regulation (EU) 2017/1129.

**At the date of writing this document, the Issuer aims to carry out one or more bond issues, including exchange offers, during the financial year 2026, in accordance with capital market legislation.**



## Section 2: Statutory Auditors

2.1. The names and addresses of the issuer's auditors for the period covered by the historical financial information (together with details of their membership of a professional body).

The most recent financial audit report was completed in March 2026 and is based on the financial statements for the year 2025 and was published on the issuer's website as a supporting document to the agenda of the General Meeting of 29.04.2026. The auditor has issued an unqualified opinion regarding 2025 consolidated and individual financial statements.

For the year 2025, the Issuer's funded auditor is JPA AUDIT & CONSULTANTA SRL (JPAA) with headquarters in Bucharest, B-dul Mircea Voda no. 35, Bl. M27, Et. 3, Ap. 9, Sector 3, with CUI: 14863621, registered with the Bucharest Trade Register under number J40/2008/2002, company authorized by the Chamber of Financial Auditors of Romania with authorization no. 319/2003, opinion issued by ASF no. 68/11.06.2025. During the GMS of October 21, 2025, JPAA was appointed as auditor for the audit of the individual and consolidated financial statements for the fiscal years 2025, 2026 and 2027, as well as the establishment of the auditor's mandate until 30.04.2027. Also, during the same general meeting, shareholders voted to dismiss the previous auditor, KPMG AUDIT.

For the year 2024, the Issuer's financial auditor was KPMG AUDIT SRL, headquartered in Bucharest, Bucharest - Ploiești Road no. 89A, Sector 1, registered with the Bucharest Trade Register under no. J40/4439/2000, with CUI 12997279, a company authorized by the Chamber of Financial Auditors of Romania with authorization no. 9/2001, opinion issued by ASF no. 48/11.02.2016.

On December 16, 2024, the issuer's shareholders voted to revoke the mandate of the auditor LIONLINK AUDIT SRL, given the expiration of the audit contract and the appointment of the auditor KPMG AUDIT SRL to audit the individual financial statements of the Issuer and the consolidated financial statements of the group of which it is a part, for the year 2024. The GMS also approved the election of KPMG Audit to audit the individual and consolidated financial statements.

For the year 2023, the Issuer's financial auditor was LIONLINK AUDIT SRL, headquartered in Cluj Napoca Municipality, Avram Iancu Square no. 15, Cluj County, registered with the Bucharest Trade Register under no. J12/1894/2009, with CUI 26097382, a company authorized by the Chamber of Financial Auditors of Romania with authorization no. 944/04.12.2009, ASPAAS authorization no. FA944.

On October 30, 2023, the issuer's shareholders voted to revoke the mandate of the auditor BDO Audit and appoint the auditor Lionlink Audit to audit the individual financial statements of the Issuer and the consolidated financial statements of the group of which it is a part, for the year 2023.

The opinion of the Group's auditor - LionLink Audit - regarding the consolidated financial statements for the financial year ended 31.12.2023 contains a reservation, strictly referring to the comparative figures for the financial year ended 31 December 2022. The audit opinion expressed on the Group's consolidated financial statements for the financial year ended 31 December 2022 (from which the corresponding amounts of the financial year 2022 were derived and are included in the Group's consolidated financial statements for the financial year ended 31 December 2023), was maintained in the audit report for the financial year ended 31 December 2023 due to the impact on the comparative figures, respectively the impact on the figures for the financial year ended 31 December 2022.

The auditors' opinion on the Issuer's individual financial statements in 2022 and 2023 is unqualified.

For the financial years ended 2020, 2021 and 2022, the Issuer's financial auditor was BDO AUDIT SRL, headquartered in Bucharest, Str. Învingătorilor no. 24, et. 1-4, Sector 3, registered with the Bucharest Trade Register under no. J40/22485/1994, with CUI 6546223, a company authorized by the Chamber of Financial Auditors of Romania with authorization no. 18/2001.

The Group's financial statements for the year ended 31 December 2022 were audited by BDO Audit, which expressed a modified opinion on these statements on 27 March 2023. BDO Audit's opinion was modified due to the auditor's inability to determine whether adjustments were necessary to the income and expenses in the consolidated financial statements for the financial year ended 31 December 2022, in accordance with the provisions of International Financial Reporting Standard 15, "Contracts with Customers", regarding the revenue recognition policy in transactions in which the Group acts on its own behalf (Eng. "principal") or acts as an intermediary (Eng. "agent") in the case of the resale of software licenses, as these accounting policies are described in Note 7 Revenue from contracts with customers and Note 29 Significant accounting policies in the Group's consolidated financial statements.

The BDO Audit reservation for the Group's financial statements for the year ended December 31, 2022 had no impact on the profit and net accounting assets (equity), but referred to the presentation of income from the



perspective of IFRS15 (Principal vs Agent), as we detailed and explained at the time. The management position regarding the auditor's opinion with reservations for the year 2022 was published as early as 27.03.2023 as a supporting document for the agenda of the Ordinary General Meeting of Shareholders, on the Issuer's website dedicated to the GMS of 27.04.2023, respectively at the following link: <https://investors.bittnet.ro/intalniri-ale-actionarilor/aga-27-aprilie-2023/>

Up to and including the financial statements for 2019, the auditor was ACE CONSULT SRL, headquartered in Sibiu, Sos. Constantin Noica, no. 3, registration number with the Trade Register J32/159/2002, CUI RO14469555.

2.2. If the financial auditors have resigned, been dismissed or not been re-elected during the period covered by the historical financial information, detailed information about these situations shall be provided, if the information in question is material.

At the General Meeting of Shareholders of October 21, 2025, the shareholders voted to dismiss the previous auditor and appoint the new auditor, according to article 2.1 above.

At the General Meeting of Shareholders of October 21, 2025, given the Issuer's objective to reduce administrative costs, the shareholders voted to dismiss the auditor KPMG and appoint the new auditor - JPAA, according to article 2.1 above.



## Section 3: Risk factors

A description of the material risks that are specific to the issuer, in a limited number of categories, in a section entitled 'Risk factors'. Within each category, the most material risks in the assessment made by the issuer, the offeror or the person asking for admission to trading on a regulated market shall be identified first, taking into account the adverse impact on the issuer and the likelihood of their occurrence. The risks shall be corroborated according to the content of the registration document.

We remind investors that investing in Bittnet shares or bonds involves certain risks, some of which we list below.

### Risks related to the Issuer's activity and the industry in which it operates:

#### The risk associated with implementing the business development plan

The company's strategic objective is to continuously develop customer relationships. It cannot be ruled out that the Bittnet group will not be able to expand its current customer base or that the relationship with existing customers will deteriorate. There is also a risk that the company will not be able to fulfill other elements of the strategy it has defined, namely: expanding the sales force, establishing a local office in one of the main cities of the country, consolidating its leading position on the IT Training market in Romania, expanding the customer base in the country and abroad and providing training to a larger number of potential customers, and the development and creation of strategic partnerships with companies with similar or complementary profiles will not prove successful. In order to reduce this risk, the company intends to expand the offer of products and services and improve marketing activities as much as possible.

#### The risk associated with changes in purchase prices within the framework of deliveries under multi-annual agreements

The risk associated with the change in the purchase price of IT infrastructure equipment (routers, switches, storage, etc.) from international technology vendors is a critical factor in the implementation of multi-year contracts for the delivery of equipment to customers. This risk can be determined by variations in production costs, currency fluctuations, changes in manufacturers' commercial policies, the evolution of supply chains and the emergence of logistical or geopolitical constraints (situations of military conflict in various regions of the world). In the absence of contractual mechanisms for price adjustment or risk sharing, companies within the Bittnet group (especially those in the Digital Infrastructure pillar) may experience significant reductions in commercial margins or even financial losses during the term of the contract. At the same time, the unforeseen increase in acquisition costs, as part of the global price adjustment policy implemented by international vendors, may affect the ability to comply with the terms and commercial conditions assumed in multi-year contracts, generating a possible negative impact on the contractual relationship with the final beneficiary. The company has identified, starting with the end of 2025, frequent and consistent changes in the prices charged by international technology vendors that produce physical equipment (especially memory-type components) in some cases even from one week to the next, a trend that we anticipate will continue throughout 2026.

#### The risk associated with delaying delivery times

The risk associated with the delivery terms of IT infrastructure equipment imported from various continents represents a significant element in the planning and execution of technological projects, having a direct impact on compliance with the contractual calendar and operational implementation. It is a risk specific to the activity of the Dendrio cluster (Digital Infrastructure) where the typical projects include the delivery of substantial components of IT equipment along with their own services. This risk is influenced by factors such as production delays, congestion in the transport chain, variations in sea and air transport capacity, complex customs formalities, as well as unpredictable geopolitical events or disruptions to global supply chains. Fluctuations in transit times can lead to delays in the installation and commissioning stages, generating additional costs, contractual penalties and pressures on the resources involved in the project. The issuer attempts to mitigate this risk by planning delivery buffers, diversifying suppliers or maintaining safety stocks, these delays can significantly affect the predictability and performance of IT infrastructure projects.

#### The risk associated with M&A transactions

Most studies and articles dedicated to the subject of M&A (acquisitions and mergers of other companies/businesses) show an unpromising statistic for acquiring companies: overwhelmingly M&A processes destroy value for both companies (especially for the acquirers). This element takes on an even more negative dimension when, within the framework of acquisitions, companies pay with shares of the acquiring company, as is the case with our group. There is a significant risk that the processes we carry out will have



the same negative consequences in the long term. Management tries to build each investment with a high degree of safety (“margin of safety”) and to align the interests of the participants through payment formulas and mechanisms. However, there is no guarantee that we will be able to continue to identify such solutions, and that future mergers and acquisitions processes will be profitable for our group.

### The risk associated with making financial forecasts

The Company's financial forecasts assume the successful implementation of the growth strategy based on existing resources and business units. However, there is risk associated with the achievement of financial forecasts. The forecasts have been created with diligence, but they are forecasts/estimates. Actual data reported in future periodic reports may differ from the forecasted values as a result of factors that were not foreseen in the Company's environment.

This chapter deserves a more detailed discussion. Each year the company submits a Revenue and Expenditure Budget to shareholders for approval. Management builds this BVC using a “bottom-up” approach - starting from assessments of ongoing projects (the sales pipeline available at the time of producing the BVC), sales statistics from previous years, marketing and sales actions already committed / planned and sales targets assumed by each member of the sales team. In other words, the BVC is built in a prudent manner.

On the other hand, what we track and measure in relation to the sales team and any partner is the commercial GROSS MARGIN and not the amount of sales. Thus, every year, when publishing the BVC, management must answer the question “if we have a reasonable confidence that we will be able to generate 100 ron of gross margin, from how many ron of sales will we obtain this margin?” It must be borne in mind that sales achievements are measured and appreciated EXCLUSIVELY according to the volume of gross margin generated. In other words, 100 euros of margin generated from sales of 200 euros of courses is equally valuable to the company and is, therefore, rewarded in the same way as 100 euros of margin generated from sales of 500 euros of communications solutions.

In order to answer the question “how many ron of sales are needed to produce the committed margin of 100 ron”, we must therefore answer the question “what will be the average gross margin percentage recorded by the company?” According to the principle of prudence, management applies small reductions to the gross margin percentages already recorded, in order to find the answer to this question.

The unexpected result of these cautious estimates is that if we apply a lower margin percentage, then we are actually assuming that we will have to “work” more for the same ron of gross margin, so the forecasts (the BVC) related to the company's revenues are higher.

However, the company only tracks gross margin and not sales volume, so during the budget exercise it is much more likely that revenue (turnover) forecasts will be wrong, and that the company's profitability forecasts will be more accurate. In other words, management does not target, track, or reward the achievement of any revenue targets, and, consequently, investors should not track and evaluate the company's achievement of revenue (turnover) indicators, but profitability indicators.

### Personnel risk/delivery capacity

The Company's success depends to a certain extent on its ability to continue to attract, retain and motivate qualified personnel. The Bittnet Group's business relies on highly qualified and commensurately compensated engineers, who are in short supply and may receive offers from competitors. If the Company fails to optimally manage its personnel needs, this may have a material adverse effect on its business, financial conditions, operating results or prospects. The Company offers attractive compensation packages and dynamic career development paths to attract, retain and motivate experienced and potential personnel. This risk continues to be one of the most important risks 'threatening' our company and, accordingly, management will continue to attach particular importance to this aspect.

In 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023, the General Assembly approved a share-based incentive plan for key individuals, with the aim of better aligning their interests with the long-term interests of the Company. On the other hand, taking into account the overheating of the labor market and the greater entry into the workforce of the “Millennials” generation, we consider that this risk - related to the ability to deliver on promises to customers - is a significant one for the company, accompanied by the continuous increase in the financial demands of team members and collaborators (a continuous increase in fixed costs).

There is no incentive plan with options for key individuals approved or due for the years 2025-2026. Furthermore, the GMS of April 2025 canceled the plan approved in 2023.

### Legislative/regulatory risk

Changes in the legal and fiscal regime in Romania may affect the Company's economic activity. Changes related to the adjustments of Romanian legislation to European Union regulations may affect the legal environment



of the Company's business activity and its financial results. The lack of stable rules, legislation and cumbersome procedures for obtaining administrative decisions may also restrict the Company's future development.

Given that the legislation increasingly leaves the interpretation of the application of tax rules to the discretion of the tax authority, combined with the lack of funds in the state budget and the attempt by any means to bring these funds, we consider this risk a major one for the company, because it cannot be addressed in any way in a preventive, real and constructive way.

### The risk of business commoditization – loss of technological relevance of sold IT solutions

A special case related to the rapid evolution of the IT industry is the trend for each technology to become 'commodity' (very widespread, very widely adopted) and to be very well understood by customers. In such a business environment, the added value of the "reseller" companies is very small, so such a scenario leads to a decrease in commercial margins for the business lines that are affected by commoditization. All technologies face this risk, as their degree of adoption increases. The most eloquent example is the Microsoft licensing business, where most projects are invoiced to customers with very small commercial margins: 0-2%. As other technologies gain the same spread and adoption, their resale may also become unprofitable.

The company aims to position itself as a value consultant, not as a reseller of commodity "boxes". Following technological trends and positioning itself as a 'first mover' helps the company to offer added value through the services provided (consulting, building technical solutions, installation and implementation, optimizations, maintenance).

### The risk of unfair competition

Commoditized businesses with low margins are prone to unfair competition, especially through dumping prices. In particular, in Dendrio's activity, this risk materializes when competitors often offer customers sales prices that are substantially below the purchase price of the respective licenses. This type of business approach is very difficult and expensive to demonstrate, but can create prejudice to the Issuer by losing contracts or reducing profitability. The Issuer has not identified any solution to prevent this risk. The Issuer aims to address new types of customers, as well as customers for whom the added value of the solutions is not represented by price reductions, but by the functionality of the solutions offered. The more widespread and adopted the business line is, the less added value that can be offered by an integration partner.

The Issuer is in constant competition with other participants in the IT market, competition that is expected to intensify. High competition may encourage current and potential customers to use the services and products of the Issuer's competitors and, therefore, negatively affect the Issuer's revenues and profitability. Strong competition may result in increased pressure on the Issuer in relation to the prices of products and services offered to customers, which may have a significant impact on the Issuer's ability to increase or maintain its profitability. The Issuer's competitiveness in the current competitive environment depends largely on its ability to adapt quickly to new developments and market trends. To the extent that the Issuer will not be able to compete effectively with its competitors, whether it is a local or international group, this may have a negative effect on the Issuer's business, financial condition, results of operations and prospects.

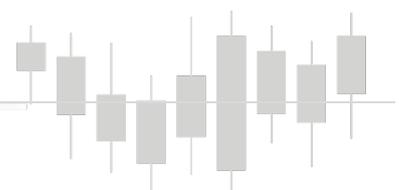
### Risk of loss of reputation

Reputational risk is inherent in the Issuer's business. The ability to retain and attract new customers depends in part on the Issuer's brand recognition and its reputation for quality services. Negative public opinion about the Issuer could result from actual or perceived practices in the IT market in general, such as negligence in the provision of products or services or even from the way in which the Issuer conducts or is perceived to conduct its business.

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

### Litigation risk

In the context of day-to-day operations, the Company and the Group of which it is a part are subject to litigation risk, among others, as a result of changes and developments in legislation. In addition, the Group may be affected by other contractual claims, complaints and litigation, including from counterparties with which it has contractual relationships, customers, competitors or regulatory authorities, as well as any negative publicity it may attract. The Group's management believes that these litigations will not have a material impact on the Group's operations and financial position.



**File 30598/3/2021 – Bucharest Mall Development and Management litigation**

During 2021, the Group became aware of the existence of file 30598/3/2021 on the docket of the Bucharest Court, in conflict with the owner of the former office space - București Mall Development and Management SRL (“Anchor” or “Owner”).

During February 2022, the Group (or “Tenant”) became aware of the content of this file and the value of the claims, as follows:

- i) 267,214.96 ron representing rent, service tax and utilities;
- ii) 100,109.95 ron representing late payment penalties related to the principal amount; and
- iii) 3,632,709.91 ron representing compensatory damages (criminal clause).

The court ruled on 04.08.2023. The solution in short: “Partly admits the request, as specified. Obliges the defendant to pay the plaintiff the amount of 102,627.51 ron, as late payment penalties. Rejects the other claims as unfounded. Partially compensates the legal costs due to each party and, consequently, Obliges the defendant to pay the plaintiff the amount of 3,203.92 ron, as legal costs. With appeal within 30 days from notification. The appeal is filed with the Bucharest Court - 6th Civil Section.”

On 04.11.2024, the decision was communicated to the parties, with the right to appeal within 30 days of communication. The plaintiff filed an appeal request registered on 09.12.2024, which is the subject of file no. 30598/3/2021 (250/2025) pending before the Bucharest Court of Appeal, Fifth Civil Section. The appeal request was communicated on 24.02.2025 and the Group responded with a response on 10.03.2025.

At the hearing on 22.05.2025, the court admitted Anchor's appeal and partially changed the appealed sentence in the sense that: admits the action in its entirety, obliges the defendant to pay the amount of 3,632,709.91 ron in civil damages, 267,214.96 ron in rent, services, utilities, maintains the provision regarding the obligation of the defendant to pay the amount of 102,627.51 ron in penalties. obliges the defendant to pay the amount of 179,926.09 ron in court costs in the first instance. The solution can be appealed within 30 days from notification.

The decision of the Bucharest Court of Appeal was communicated on 23.06.2025. By this, the court ordered the defendant to pay the following amounts: 3,632,709.91 ron civil damages, 267,214.96 ron rent, services, utilities, 179,926.09 ron court costs in the first instance and maintaining the provision regarding the order requiring the defendant to pay the amount of 102,627.51 ron penalties.

The Group appealed to the High Court of Cassation and Justice against the decision of the Bucharest Court of Appeal. The Group also filed a request for a provisional suspension of the execution, which was definitively rejected by the High Court of Cassation and Justice.

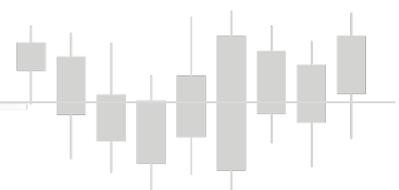
By decision 188/2026 pronounced on 10.02.2026, the High Court of Cassation and Justice admitted the appeal filed by BITTNET SYSTEMS SA against civil decision no. 862 of 22 May 2025 pronounced by the Bucharest Court of Appeal (V Civil Section), quashed the appealed decision and sent the case for retrial to the same court of appeal. As of the date of this report, the decision of the High Court of Cassation and Justice no. 188/10.02.2026 has not been communicated, the deadline for its drafting (of 30 days from the date of pronouncement) being extended by 30 days.

The Group recorded a provision of 105,831.42 ron in the financial statements as of 31.12.2023. On 30.06.2025, the Group supplemented the provision with the amount of 4,076,647.05 ron. On 31.12.2026, the Group reversed the additional provision established on 30.06.2025, so that the total value of the provision recorded for this litigation as of 31.12.2025 amounts to 105,831.42 ron, this being the best estimate of a cash outflow following this dispute.

**File 665/88/2020 – Fraher Distribution litigation**

By the application registered on the docket of the Tulcea Court - Civil Section, for administrative and fiscal litigation on June 4, 2020 under no. 665/88/2020, the plaintiff FRAHER DISTRIBUTION SRL, in contradiction with the defendant ELIAN SOLUTIONS SRL, requested that the termination of Contract no. 201/29.12.2017 be declared, with the consequence of restoring the parties to the previous situation, by the defendant returning the amount of 541,490.08 ron; to be declared the termination of Contract no. 202/29.12.2017, with the consequence of restoring the parties to the previous situation, by the defendant returning the amount of 344,886 ron and obliging the defendant to pay the contractual penalties for delay, as well as the amount of 129,103.38 ron as damages; to declare the termination of Contract No. 240/21.03.2019 and to order the defendant to pay the amount of 33,868.59 ron, as damages; to order the defendant to pay the court costs.

On 14.02.2024, the Bucharest Court of Appeal by Decision No. 251/2024 admitted the appeal as follows:



- It partially changes the appealed sentence in the sense that it orders the partial termination of contract no. 201/29.12.2017 and obliges the respondent to pay the amount of 186,137 ron in favor of the appellant plaintiff.
- It upholds the remaining provisions of the appealed judgment.
- Admits the request of the judicial expert and orders the increase of his fee by the amount of 5,000 ron. Establishes the obligation of the appellant plaintiff to pay the expert fee in the amount of 5,000 ron.
- It obliges the respondent to pay the amount of 15,925 ron as legal costs in favor of the appellant-plaintiff, of which the amount of 5,000 ron under the condition that the appellant-plaintiff proves the payment of the increased fee of the judicial expert.
- Orders the appellant plaintiff to pay the amount of 5,672 ron as legal costs in favor of the respondent defendant. Partially compensates the legal costs up to the amount of 5,672 ron.
- With appeal within 30 days from the communication. The request for exercising the appeal is submitted to the Bucharest Court of Appeal, 6th Civil Section.

On 10.03.2025, the sentence was communicated to the parties, with a period of 30 days from communication for the parties to appeal.

On 11.04.2025, FRAHER DISTRIBUTION SRL filed an appeal. The file was submitted to the High Court of Cassation and Justice. The appeal was communicated on 16.05.2025 to Elian Solutions, which filed a response on 16.06.2025. The first hearing before the High Court of Cassation and Justice was set for 14.10.2025.

In the hearing of 14.10.2025, the High Court of Cassation and Justice pronounced a decision admitting the appeal filed by Fraher Distribution SRL against civil decision no. 251 A of February 14, 2024 pronounced by the Bucharest Court of Appeal - 6th Civil Section, which it quashed, sending the case for a new trial by the same court and specifying that In the retrial, all the claims and defenses of the parties will be analyzed and the necessary evidence will be administered, the contractual clauses will be interpreted in order to correctly establish the legal relationships between the parties, their rights and obligations.

At the first retrial at the Bucharest Court of Appeal, Section VI Civil in Case 665/88/2020\*, the request for abstention filed by two of the judges was admitted. The next deadline is set for 27.03.2026.

Given the current status of the proceedings at the date of this report (March 2026), the Group's Management does not consider that a cash outflow is likely as a result of this dispute and as such no provision was recorded in the financial statements of 2025.

#### **File 19985/3/2024 – litigation with General Inspectorate of Border Police (IGPF)**

During June 2024, the Group became aware of the existence of file 19985/3/2024 pending before the Bucharest Court, Administrative and Fiscal Litigation Section, in conflict with the General Inspectorate of Border Police ("IGPF"), as follows:

Subject: litigation regarding public procurement.

Complainant: General Inspectorate of Border Police ("IGPF")

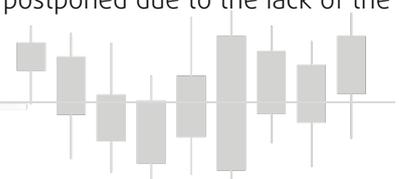
Defendant: The association formed by Dataware Consulting SRL - leader ("Dataware") and Idemia Identity & Security France ("Idemia").

Details of the action are presented below:

The court action was filed regarding Public Procurement Contract No. 281/2021, for:

- payment of penalties in the amount of 4,296,351.84 ron; and
- repair of the alleged damage in the amount of 4,844,605 ron, consisting of the loss of non-reimbursable external funding as a result of the non-delivery of 409 mobile EES control devices;

At the first hearing on 21.08.2024 in file 19985/3/2024 (subject to payment of penalties in the amount of 4,296,351.84 ron and reparation of the alleged damage in the amount of 4,844,605 ron), to which file 22473/3/2024 (subject to annulment of the termination of contract no. 281/2021 with IGPF) was also connected, the court postponed the case at the request of Idemia, who requested the introduction into the case and the communication of the IGPF action, in order to file a response. The next deadline set was 04.10.2024, when the court postponed the trial in order to take note of the documents submitted to the file. On the dates of 15.11.2024 and 21.11.2024, the court postponed the ruling. On the date of 29.11.2024, the court admitted the exception of lateness of the counterclaim filed by IGPF in the related file (no. 22473/3/2024) and found that IGPF is deprived of the right to file the counterclaim; the court also rejected the exception of the substantive right to action invoked by IGPF by responding to the related claim (appeal together with the merits). On the deadlines of 06.12.2024, 07.02.2025, 11.04.2025, 23.05.2025 and 19.08.2025, the case was postponed due to the lack of the expert report, the next deadline granted in the file being 17.10.2025.



At the hearing on 16.01.2026, the objections to the expert report submitted by Dendrio Innovations SRL (“Dendrio Innovations”, previously known as Dataware Consulting SRL) were discussed, the court approving all of them and sending the report to the judicial expert to respond to them. IGPF did not object to the expert report nor did it have a point of view on the objections submitted by Dendrio Innovations. In order to administer the proposed evidence, the court postponed the hearing of the case to 20.03.2026.

Considering the current status of the procedure at the date of this report (March 2026) and the complexity of the evidence, the Group's Management does not consider that a cash outflow is likely as a result of this dispute and as such no provision was recorded in the financial statements of 2025.

### Competition Council investigation into the Romanian IT&C market

On 05.06.2024 Bittnet Systems SA informed investors about the initiation of an investigation by the Competition Council regarding possible anti-competitive practices committed by participants in the Romanian IT market. The investigation also involves the companies Dendrio Solutions SRL (Dendrio) and Dataware Consulting SRL - currently called Dendrio Innovations SRL (Dataware) - companies part of the Bittnet group.

Following the unannounced inspection carried out between July 4-5, 2024 at the headquarters of Dendrio and Dataware, each of the companies submitted its point of view regarding the confidential information contained in the documents seized by the competition inspectors, and this point of view represents a standard stage in the investigation procedure.

Thus, as of the date of this report, no investigation report or official position of the Competition Council has been communicated to Dendrio or Dataware, the competition authority being still in an early stage of analyzing the information selected during the unannounced inspections. In the absence of an official position issued by the competition authority in the form of an investigation report, there was no presumption regarding a potential violation of competition rules.

Usually, the Competition Council's investigations are of longer duration (on average between 2 and 4 years, depending on the number of parties involved and the volume of information that needs to be processed by the investigation team) Until the date of publication of this document, the Issuer has not been informed of any status regarding the completion of the analysis carried out by the competition authority.

The litigation situation is also detailed in the notes to the consolidated financial statements, namely in Note 31 – “Contingent liabilities”.

### Credit risk

Credit risk is the risk that the company's debtors will not be able to honor their obligations when they fall due, due to the deterioration of their financial situation. The Company and the Group of which it is a part are less exposed to this risk, due to the specific nature of the products and services sold, which are aimed at companies of certain sizes, with a particular financial situation.

The management of the Company and the Group of which it is a part analyzes new customers using specialized tools (sites specifically for analyzing customer creditworthiness) and has a strict procedure regarding the documentation of orders and the provision of services or delivery of goods.

However, the company has not identified a solution that can completely eliminate credit risk, which is one of the most important risks for a company of our size.

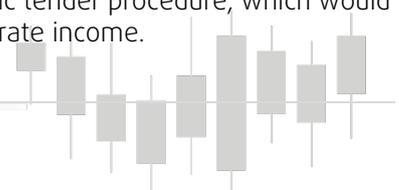
The company also carefully monitors “soft-collection” processes and decides relatively quickly to switch to hard-collection procedures, which has brought us historical success in debt recovery.

Automated IT systems alert both the sales team and managers to customers with outstanding payments, which are “tracked” by the sales team for 1 month, so that we prioritize maintaining a good commercial relationship. Instead, after 1 month of failed efforts, we move on to involving an experienced lawyer (and a positive “track record”) in debt recovery.

### Counterparty risk

The failure of third parties to fulfill their obligations to the Issuer, including in connection with the implementation of certain investment projects contemplated by the Issuer, or the risk of insolvency in connection with them, may affect the achievement of the Issuer's business objectives or its activity or financial situation and, implicitly, its ability to fulfill its obligations in connection with the Bonds.

A specific example is the situation where companies from the Issuer's group participate in public procurement procedures and the suppliers do not fulfill their obligations. This scenario may result in the issuance of a negative certificate in the name of the company that participated in the public tender procedure, which would mean exclusion from future procedures, thus eliminating a potential to generate income.



## Interest rate risk

The company is exposed to the risk of interest rate increases, having contracted credits and loans. Any increase in the interest rate will be reflected in the increase in financial costs. The company regularly monitors the market situation to forecast the risk associated with the interest rate and maintains contact with as many credit institutions as possible in order to ensure an “arbitrage” between their offers. Bank financing has entirely variable interest rates, such as “ROBOR+a fixed margin”, which additionally exposes us to the risk of interest rate fluctuations. Currently, the companies in the Bittnet group have contracted various types of credit products from Banca Transilvania, ProCredit Bank, BRD, ING Bank and Unicredit Bank.

The situation of bank lending products is detailed in the notes to the consolidated financial statements, namely in Note 27 – Bank loans.

In addition to investment loans or loans for financing current activity contracted from bank creditors, Bittnet has 4 active corporate bond issues, offered for subscription to investors through capital market mechanisms and which are tradable on the regulated market, the segment dedicated to bonds, under the symbols: BNET26E, BNET27A, BNET28, BNET28A.

During 2022, the Issuer carried out a bond issue (BVB trading symbol: BNET26E), denominated in euro, with a cost of over 10% - higher than the cost of the bonds previously issued in the period 2016 - 2019 (which carried a fixed interest of 9% for issues in ron). The BNET26E issue has a total nominal value of 2,059,600 euros and a fixed interest of 9% per annum, maturing in June 2026. The interest is paid quarterly.

In the first half of 2023, the issuer carried out a public offering of corporate bonds through which it raised committed financing of 5,000,000 ron (BVB trading symbol: BNET27A), with a fixed interest of 10% per annum payable quarterly and maturing in June 2027.

In December 2023, the issuer conducted a new public offering of corporate bonds through which it raised from BVB investors the amount of 10,000,000 ron (BVB trading symbol: BNET28) at an interest rate of 9.6% per annum and maturity of 4.5 years.

In April 2024, Bittnet launched a new corporate bond offering, conducted through capital market mechanisms, through which it raised a committed financing from BVB investors of 6,624,900 ron. The offering was sold at a price of 96 ron/instrument, respectively at 96% of the nominal value. The BNET28A bonds carry a fixed interest of 9% per annum, payable quarterly through the Central Depository, similar to all bond issues issued by the issuer.

As of the date of this document, the issuer is up to date with all coupon payments for the bonds issued.

The status of bond issues is detailed in the notes to the consolidated financial statements, namely in Note 26 – Bonds.

## The risk associated with the war in Ukraine

The Russian Federation’s invasion of Ukraine and the subsequent global response to these military actions could have a significant impact on some companies, particularly those with physical operations in Ukraine, Russia and Belarus, as well as entities with indirect interests (e.g., suppliers and customers, investors and creditors with operations in these countries). Sanctions imposed on the Russian government, Russian entities and individuals with Russian citizenship in many jurisdictions could also affect companies, such as through loss of access to financial resources and trade, as well as through the collateral effects of sanctions on global prices (e.g., oil, natural gas and other petroleum products). The effects of the conflict are widespread and rapidly evolving.

Companies that do not have operations in Russia and Ukraine, such as the companies in the Bittnet group and the Issuer, could still be affected by the conflict, the effects of which include, but are not limited to:

- Destruction, confiscation or abandonment of tangible and intangible assets;
- Sanctions imposed on a company that may affect its ability to operate (e.g., access to funds, banking systems, etc.);
- Sanctions imposed on a company's customers, which may affect its ability to sell goods and services and collect debts;
- Sanctions imposed on a company's suppliers, which may affect its ability to obtain raw materials, goods and services, or which may indirectly increase the costs of obtaining these elements from alternative sources;
- Sanctions imposed on an entity's creditors and/or banks, which may limit its ability to access funds and credit;
- Changes in customer and consumer attitudes towards companies with ties to Russia, Belarus or other jurisdictions related to the Russian Federation, which could reduce demand for the products of those companies;



- Changes in risk appetite that may lead to creditors and investors withdrawing their financial support for companies with ties to Russia, resulting in increased liquidity risk and/or doubts about the continuity of the activities of those companies;
- Volatility of prices of financial instruments and assets, including oil, natural gas, other petroleum products and minerals, as well as volatility of foreign exchange rates.

Based on the information available to date, the Company's Management has not identified any potential concrete risks related to the Russia-Ukraine conflict and thus, at this time, no significant, direct impact is expected in terms of current operations. There is no direct exposure of the Company or the companies part of the Bittnet group to third parties affected by the sanctions imposed since the conflict began (customers, suppliers, banking institutions with which the Company collaborates, which were directly affected by the sanctions).

Indirect exposure (customers, suppliers with whom the Company collaborates, with links to third parties affected by sanctions, as well as risks related to future volatility of commodity prices or foreign exchange rates) is unquantifiable, as the Company's Management has not received any indication of any significant impact on the Company's activity to date.

### Environmental, social, governance (ESG) risk

The term ESG refers to the analysis of a company's environmental, social and governance practices, their impact and the company's progress against benchmarks (not universal, but industry-specific) and represents a form of risk management. The environmental component refers to the reduction of carbon emissions and other greenhouse gas emissions or, in general, environmental protection. Social criteria analyze how the company interacts with its stakeholders: employees, customers, the community where it operates, while governance refers to the way in which the company is organized and how it respects the principles of diversity, from the company's employees to the management team, including the fair remuneration part. ESG ratings are built on the basis of comparative rankings at the industry level, and not on the basis of universal standards. The pressure from European supervisory institutions regarding the integration of ESG risks into companies' internal processes has increased exponentially in recent years.

### Risk related to business seasonality

The Issuer's operating results may vary significantly from one reporting period to another and may be unpredictable, as happened in 2025, which concentrated 74% of revenues in Semester 2, which could cause the market price of the shares to follow an increasing volatility from one reporting period to another. Even though revenues, gross margin, operating profit and operating expenses have recorded increases from one year to another in the past, they may vary as a result of a number of factors, many of which are beyond the control of the Issuer and may be related to: the national, regional and global economic environment, seasonality and budget execution of customers, the profile of customers, their sector of activity, etc.

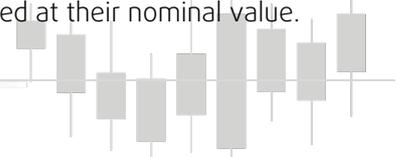
### Risks specific to financial instruments:

#### The risk associated with a direct investment in financial instruments

Investors should be aware of the risk associated with a direct investment in shares or bonds, a much higher risk than that associated with an investment in government securities or participations in investment funds, mainly due to the volatility and unpredictable evolution of both the instrument and the business of the company issuing it, their prices, both in the short and long term, but also their liquidity once they are listed on the main market of the Bucharest Stock Exchange. The price of shares and bonds and the liquidity of transactions depend on the number and size of purchase and sale orders placed by investors. There can be no guarantee on the price and no guarantee on their liquidity in the absence of a market maker. It cannot be guaranteed that an investor who buys the financial instruments issued by the Company will be able to sell them at any time at a satisfactory price.

#### Bonds - specific risks

While the nominal interest rate of the Bonds is fixed for the duration of the issue of the respective bonds, the current interest rate on the capital market for issuers with the same maturity (the market interest rate) typically changes daily. As the market interest rate changes, the price of the bonds also changes, in the opposite direction. If the market interest rate increases, the price of the Fixed Interest Bonds typically decreases until their yield is approximately equal to the market interest rate. If the market interest rate decreases, the price of the Fixed Interest Bonds typically increases until their yield is approximately equal to the market interest rate. If the holder of the Fixed Interest Bonds holds the respective Bonds until maturity, changes in the market interest rate are not relevant to such holder, since the bonds will be redeemed at their nominal value.



## Solvency risk

Solvency refers to the risk of loss due to the Issuer's inability to meet its payment obligations. The bonds issued are subject to the Issuer's credit risk, and the credit spread may adversely affect the market value of the bonds issued. Investors are dependent on the Issuer's ability to pay the amounts due under the bonds issued and, therefore, investors are subject to the Issuer's credit risk and changes in market perception of the Issuer's creditworthiness. The bonds issued constitute general and unsecured contractual obligations of the Issuer and only of the Issuer and rank pari passu with all other unsubordinated and unsecured obligations of the Issuer. They are subordinate to senior obligations, including those arising as a consequence of the application of laws. Furthermore, the Issuer is not rated by any rating agency. Any potential investor must form its own opinion regarding the Issuer's ability to meet its obligations in connection with the bonds issued.

## Section 4: Information about the Issuer

### 4.1. Legal name and trade name of the issuer:

**BITTNET SYSTEMS SA**(Company, Society and/or Issuer)

### 4.2. Place of registration of the issuer, its registration number and legal entity identifier (LEI code).

The Issuer is registered as a commercial company at the Trade Register attached to the Bucharest Court of Justice with number J2007003752404, unique identification code: 21181848, LEI code: 315700VUUQHM9VEDRO36

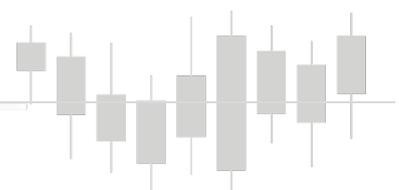
### 4.3. Date of incorporation and duration of existence of the issuer, unless the period is indefinite.

The issuer's establishment date is 22.02.2007.

### 4.4. The registered office and legal form of the issuer, the legislation under which the issuer operates, the country of registration, the address, telephone number of the registered office (or of the principal office, if different from the registered office) and the issuer's website, if applicable, together with a disclaimer stating that the information on the website is not part of the document, unless such information is incorporated by reference into the document.

The Issuer is a joint stock company duly established and validly operating in accordance with the laws of Romania, with its registered office in Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, registered with the Trade Register attached to the Bucharest Court under number J2007003752404, unique identification code: 21181848. The issuer's office is located in Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691 Telephone: (+40 21) 527 16 00 Fax: (+40 21) 527 16 98. Issuer's website: [www.bittnet.ro](http://www.bittnet.ro) and <https://investors.bittnet.ro>

The Issuer declares that the information on the website is not part of the document, unless such information is incorporated by reference into the document.



## Section 5: Overview of activities

### 5.1. Main activities

5.1.1. A description of the nature of the operations carried out by the issuer and its principal activities, including the key factors relating thereto, with an indication of the principal categories of products sold and/or services provided in each financial year of the period covered by the historical financial information;

The Issuer operates in the Information Technology market, with the segments of Network Infrastructure and IT Systems, Cyber Security, IT Training/Education and ERP Product Implementation having the highest share in consolidated turnover. Bittnet Group offers complex solutions and services in the IT field for clients from various segments, large corporate and public sector, from all over the country as well as from abroad (especially the CEE region). Currently, the Group operates three key divisions:

1. **Digital infrastructure:** provides complex IT&C solutions through Dendrio, from physical IT&C infrastructure to advanced datacenter architectures, as well as “managed” IT services. Dendrio is one of the largest integrators of IT solutions and services in Romania, certified at the highest level by the main international technology vendors/producers, but also the only multi-cloud integrator in our country.
2. **IT Education:** under the Bittnet training brand, this division offers training for adults in various technical fields, both in classic and online formats.
3. **Platforms, digital products & software:** This business pillar focuses on implementing the ERP Business Central solution and custom software development, with an emphasis on artificial intelligence and machine learning.

Bittnet Group aims to be a conglomerate that offers investors exposure to the entire IT&C industry in Romania, continuing to develop both by launching new products and services, adding new IT skills to the portfolio, and through strategic acquisitions.

#### Brief history:

In 2017, the first mergers and acquisitions transaction took place through the full purchase of GecadNET SRL (later rebranded as: Dendrio Solutions), followed in 2018 by the joining of the newly formed group of companies, Elian Solutions (through a direct investment in the acquisition of 51.02%), Equatorial Gaming (through the takeover of 99%) and the completion in December 2018 of the negotiations for the transfer of the IT&C integration business from Crescendo International to Dendrio Solutions. Thus, Dendrio became, as of 2018, one of the most important IT systems integrators on the Romanian market and the only company in the field with multi-cloud capabilities.

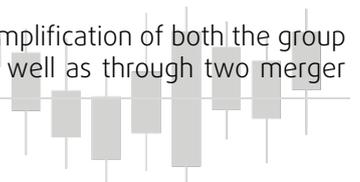
In 2021, the Issuer diversified its IT services area through M&A investments (mergers and acquisitions of new companies) in the cybersecurity area, by acquiring majority stakes in Fort SA (formerly: Global Resolutions Experts. Together with the subsidiary GRX Advisory) and ISEC Associates, thus creating a cybersecurity competence center within the Group's technology division. The Issuer also expanded its investments in the software development area in 2021 by acquiring a 61% stake in Nenos Software and 60% in Nonlinear SRL. Along with the 2 areas – cybersecurity and software development – the Issuer also completed in 2021 the acquisition of a 50.2% stake in the IT managed services company – ITPrepared SRL (later rebranded as: Optimizor). Also in 2021, the issuer bought 100% of the shares of a competitor in the IT education area: Computer Learning Center SRL – focused on cybersecurity training.

In Semester 2, 2022, the Issuer completed the 2 M&A transactions that involved the takeover of TopTech SRL and 2NET Computer SRL, two IT product and solution integration companies with businesses predominantly in the Transylvania region. Thus, the Bittnet group strongly diversified its businesses in the central and western areas of the country.

During 2023, the group abandoned the organization into two divisions (Education and Technology) and moved to a group structure with four pillars (business units): Digital & Cloud Infrastructure, Education, Cybersecurity, Platforms, digital products & software.

In 2023, the Bittnet Group fully acquired, within the Digital Infrastructure pillar, the Dataware Consulting company, and within the Platforms, Digital Products & Software pillar, the Kepler Management Systems company. At the end of 2023, the Bittnet Group reached a number of 16 companies, organized into 9 commercial brands and 4 business pillars.

Throughout 2024, the Bittnet group went through a process of integration and simplification of both the group structure and the internal teams within the companies and business pillars, as well as through two merger



processes. Following the merger processes, the companies in the Education pillar area, Computer Learning Center and Equatorial Training were absorbed into Equatorial Gaming, and the company 2Net Computer was absorbed into TopTech. Also within the declared strategy of simplification and re-organization of the group of companies, but also of recognition and strengthening of commercial brands, the companies TopTech and Dataware were rebranded into Dendrio Technology, respectively Dendrio Innovations and fully owned by Dendrio Solutions. The 3 companies were thus organized under a common management, with common teams and procedures, the Dendrio sub-group becoming one of the largest integrators of IT products, solutions, services and systems in Romania.

Following the integration strategy accommodated at the group level, Kepler Management Systems was rebranded into Elian Development Systems and fully integrated from a managerial and operational point of view under Elian Solutions, resulting in one of the most important partners for implementing the Microsoft Dynamics 365 Business Central ERP solution in Romania.

Also in 2024, in December, the Bittnet group gave up one of its 4 business pillars, by selling Fort SA (together with its subsidiaries GRX Advisory and ISEC Associates) – the cybersecurity pillar of the group to alternative investment funds: Agista Investments and Impetum Investments. In May 2024 – Fort SA began its journey as a public company, listed separately on the AeRO-SMT market managed by the Bucharest Stock Exchange. The sale at market price in 2024 of Bittnet Systems' stake in FORT (stock exchange price minus discount) was made at a profit of over 100% compared to the recorded book value of FORT's holding in the consolidated financial statements. FORT SA was deconsolidated from the financial statements at the level of 2024 and 2023.

The year 2025 marked a new exit through the sale of Bittnet Systems' majority stake in the IT managed services company: ITPrepared SRL (Optimizor). The transaction price was 6.12 million ron (versus a book value of Optimizor's stake in the Issuer's financial statements of 3.39 million ron). In the almost 4 years of belonging to the Bittnet group, Optimizor distributed dividends to the parent company Bittnet Systems SA, from the profits made during this period, in the amount of 2.2 million ron. By selling the 50.2% stake in Optimizor, Bittnet achieved an IRR (internal rate of return) margin of approximately 40%.

Starting in 2024, Bittnet transformed and announced its new strategy: from accelerated growth to returning value to its shareholders by capitalizing on portfolio assets.

In October 2025, the general meeting of shareholders ratified as a mandate for the general manager to identify strategic partners for the companies in the group, both in the form of creditors but also in the form of participants in the capital of Bittnet Systems' subsidiaries, attracting partners that would allow the development of the companies in which Bittnet has holdings, independent of financing from Bittnet.

In order to fulfill this mandate, the General Manager is empowered to offer minority or majority stakes, through sale by Bittnet or/and through capital increases in subsidiaries, the percentages offered being at the discretion of the General Manager, including full sale, within the limits of Article 90 paragraph (1) of Law 24/2017.

The general meeting also approved the distribution to the Company's shareholders, in the form of dividends and/or through share buyback programs, of any amounts received by the Company as a result of transactions regarding the shares/shares held by the Company in subsidiaries, through which a strategic partner is attracted within them, to the extent that the applicable legislation and the Company's financial situation allow such distribution, regardless of the distribution method chosen.

**At the date of writing this document, the Bittnet Group comprises 9 companies, divided into 4 commercial brands and organized, starting with the end of 2024, into 3 pillars of activity (business units):**

- 1. Digital infrastructure – organized around Dendrio**, remains focused on IT integration services and solutions for complex IT infrastructures and IT systems. This activity has a shared portfolio of products, services and solutions and an extended team that allows for a larger volume of work, both from a technical and sales point of view. This business unit offers complex IT solutions to clients in the corporate, large corporate, enterprise and public sector segments throughout the country but also abroad (especially CEE). The solutions offered start from physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems and continue with the design and implementation of complex IT architectures of data center/hybrid or cloud type, enterprise networking, cyber security platforms and the implementation of related software platforms, including collaboration platforms (modern workplace type). It is the largest pillar of the group, with over 85% of consolidated annual revenues resulting from projects implemented by the companies within this pillar.
- 2. IT Education:** This pillar consists of the IT training segment, organized under the Bittnet Training brand, which is the market leader, as well as in the soft skills/human skills training area. This business unit offers training to adults in two areas: IT/Technical Skills and Human Skills both in classic, face-to-face, Virtual Remote, as well as instructor-led or eLearning formats. The trainings offered allow experts access to technology by teaching IT skills, from the basic ones (e.g.: Microsoft Office Suite) to the most

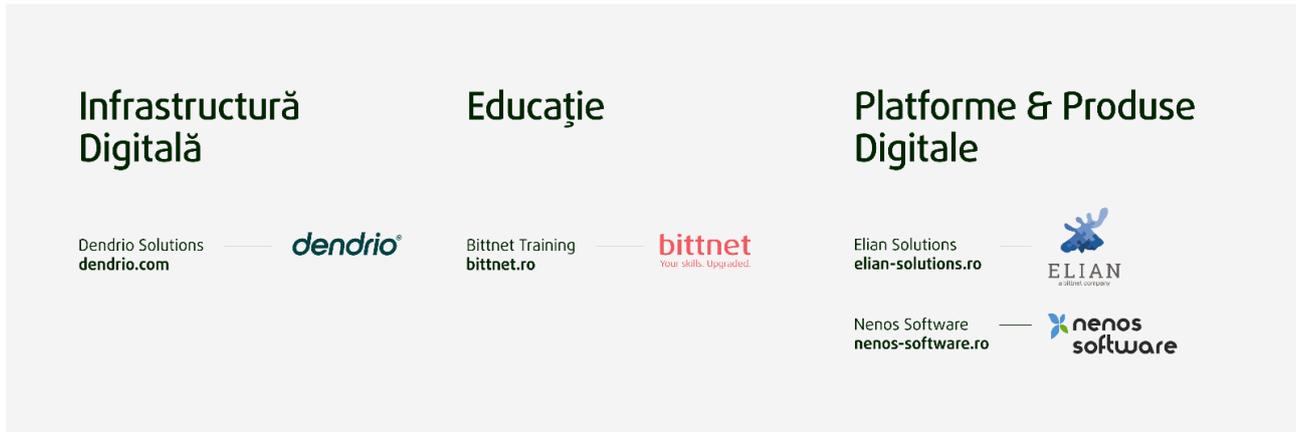
advanced (Cloud, DevOps, Cybersecurity). The business training portfolio includes project management, IT service management, business intelligence, CRM, ERP, Agile, etc.

3. **Platforms, digital products & software:** Companies in this pillar focus on 2 activities: implementation, development and support of the ERP (enterprise resource planning) solution Microsoft Dynamics 365 Business Central through which customers coordinate their entire operational and financial business flow;  
And solutions custom software development with a focus on Artificial Intelligence and Machine Learning (AI/ML).

**bittnet**  
group

Piloni de business  
Decembrie 2025

Your Value.  
Upgraded.



The Group currently has approximately 230 employees, working for one of the companies within the consolidation perimeter (holdings over 50% of the share capital and voting rights). The Group is made up of 9 companies organized under 4 commercial brands and 3 business units.

### Digital Infrastructure Pillar:

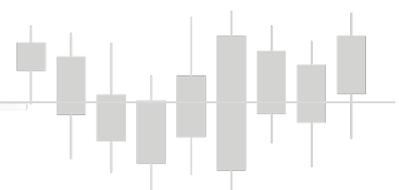
**Dendrio Solutions SRL**(CUI 11973883), owned by Bittnet Systems in a proportion of 96.501%, is the only multi-cloud integrator in Romania, a partner certified to the highest standards by the main international technology vendors and is the company that brings together the IT&C integration activities from Bittnet, Gecad Net and Crescendo.

**Dendrio Innovations SRL (formerly Dataware Consulting SRL)**(CUI 27895927) is 100% owned by Dendrio Solutions. The company implements technological solutions such as data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and security solutions. The company has partnerships with major manufacturers in the field, such as Fujitsu, Cisco, Brocade and M-Files. Dendrio offers clients IT services starting from the consultancy, analysis and design phase to implementation, support and testing, especially for complex projects.

**Dendrio Technology (formerly Top Tech SRL)**(CUI 2114184) 100% owned by Dendrio Solutions is a company with over 30 years of history, integrating IT infrastructures (communications, data processing, physical security systems) from vendors such as Dell, HP, Xerox or Microsoft, with a regional presence, having branches in the main cities of Transylvania and Banat. At the end of 2024, Dendrio Technology absorbed its sister company 2Net Computer from Braşov. The decision was made considering the profile of the two companies and the geography in which they operate.

### IT Education Pillar:

**Bittnet Systems SA**(CUI 21181848): the parent company of the group, listed on the Regulated Market of the Bucharest Stock Exchange. It carries out the holding activity for the entire group of companies plus the IT Training activity, being the undisputed leader of this market in Romania.



**Bittnet Training SRL (formerly Equatorial Gaming SRL)**(CUI 30582237), currently 100% owned by Bittnet, is a game-based learning company, which offers soft skills training for the IT industry, both in classic and gamified formats. At the end of 2024, Equatorial Gaming absorbed the group companies, Computer Learning Center and Equatorial Training.

**The ELearning Company**(CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. ELC is not within the scope of financial consolidation except for minority interests.

**Platforms, digital products & software:**

- **Business solutions (ERP)**

**Elian Solutions SRL**(CUI: 23037351), led by Iulian Motoi, is a company founded in 2008 and owned by Bittnet Systems SA in a proportion of 61.6878%. The percentage of ownership increased from 51% as a result of a share capital increase through the conversion of certain liquid and due receivables resulting from the transfer of Bittnet's ownership in Kepler Management to Elian. Elian is a Gold certified partner by Microsoft for ERP solutions.

**Elian Development Systems SRL (formerly Kepler Management Systems)**(CUI: 21562125) is a company with a similar field of activity and business to Elian, which joined the Bittnet group at the end of 2023. It is 100% owned by Elian.

- **Software development**

**Nenos Software SRL**(CUI: 29612482), founded and led by Toader Toporău, is a company owned by Bittnet in a proportion of 61% (the rest by the founder) is a custom software development company, with a focus on the field of Artificial Intelligence and Machine Learning (AI/ML).

**Nonlinear SRL**(CUI: 37758005) is an SPV established to access European financing, 60% owned by Bittnet and led by Mr. Toporău. The activity is one of product-based software development, focused on developing a platform for digitizing and automating processes within small and medium-sized companies using low code/no code and machine learning technologies.

5.1.2. All significant new products and/or services launched on the market and, to the extent that the development of new products or services has been made public, their stage of development shall be indicated.

The Issuer continuously develops products and services in each of its lines of activity, in line with customer requirements. This is “regular business” and does not represent significant efforts, significant resources allocated, but only a decision to pay attention to customer needs.

**5.2. Main markets**

A description of the principal markets in which the issuer competes, including a breakdown of total revenues by business segment and geographic market, for each financial year of the period covered by the historical financial information.

The group operates mainly in the IT&C integration services market (consulting and trade services regarding technological solutions and IT systems) and in the adult education market, especially with a focus on IT training. The division of revenues between the areas of activity is strongly influenced by the higher size of the IT&C market, taking into account that on the one hand it is populated by more clients, with larger budgets, and on the other hand it also contains trade in goods that represent technological solutions (hardware and software), not only the own services provided by the market players. Historically, the division of revenues between the two divisions of the group is as follows:

*YEAR	2018	2019	2020	2021	2022	2023	2024	2025
IT&C integration/systems	83%	87%	88%	87%	90%	86%	87%	87%
IT Education, Digital Platforms & Software	17%	13%	12%	13%	10%	14%	13%	13%

\*an annual breakdown of income.

The main market for the products and services offered by the companies in the Bittnet group is, as in previous years, the Romanian market.from Romania. Exports represent less than 10% of total turnover. Even so, in



recent years, the Bittnet group has delivered projects in 30 countries: in the European Union, the United Kingdom, Singapore, the Republic of Moldova, Israel and the United States.

## Market share

Due to the lack of independent reports on the IT training market in Romania, the Company relies on its own estimates regarding its market share. The Company has the most extensive, but also the most in-depth coverage of the IT training market, by having unique human resources at the expert level. Bittnet positions itself as a market leader in the IT training area, justifying this by the following:

Focusing on the IT&C integration market (IT professional services) – the wide range of services offered by the companies in the Bittnet group makes it impossible to establish the percentage of market share held. According to the independent study “Software and IT Services in Romania” conducted by Pierre Audoin Consultants at the request of ANIS - the Employers' Association of the Software and Services Industry, the Romanian IT market had a value of over 3.08 billion euros in 2015 (21% more than in 2014), this being estimated in the respective study for 2016 at 3.6 billion euros (a 17% increase compared to 2015).

Ten years later, in 2025 but based on centralized data for 2024, ANIS estimated the IT&C market in Romania to exceed the value of 23 billion euros, with a moderation in the growth rate, (without further separating the IT integration services market from the telecom operators market). Thus, [the contribution of the IT&C market to total GDP amounted to almost 6.7%](#), slightly below the 2023 level (6.8%), but an evolution that reflected both the general economic context and the pressure on future investments.

In 2024, IT&C services represented 25.6% of total services exports, and in the first seven months of 2025, the sector became the No. 1 exporter of services. This change in positioning shows both the maturity of the industry and its capacity for international scaling, as well as the potential to orient the Romanian economy towards areas with high added value, based on knowledge and skills.

According to the same sources, the number of employees in the IT industry reached almost 200 thousand in 2024, a modest increase compared to 2023, but below the record level reached in 2022, a trend also influenced by the pressure on wage costs and the elimination of some tax incentives in recent years.

Based on the estimate of the total IT&C market, the market share in the IT solutions integration area (hardware, software and services) is insignificant, registering a value of less than 1% of the total market.

However, it must be taken into account in this market analysis that estimates for the total IT market also include purchases of equipment such as PCs, mobile phones, tablets, printers and other types of electronics, both by the population and by companies.

Analyzing the competitive position of the company and the Bittnet group, it must be broken down by business lines. Thus, Bittnet positions itself as a market leader in the IT training (education) area, justifying this by the following:

- It operates in most segments of the IT training market (vendors, technologies, level of depth, national coverage, etc.);
- It does not compete with the same competitors in more than 2 market segments, being either the market leader or the second largest supplier in each market segment. For example:
  - for official Oracle trainings, there are 3 authorized providers for Romania (Bittnet, EtazU, Jademy)
  - For official Microsoft trainings there are 5-6 authorized providers, etc.
- There are market segments for which Bittnet has no competitors (example: sole training partner for Amazon Web Services, Cisco, Citrix, etc.).

Focusing on the integration market (IT professional services), the wide range of services offered by companies in the Digital Infrastructure pillar makes it impossible to establish the percentage of market share held. In the IT solutions and systems integration market, there are hundreds of competitors of various sizes, focused on market niches, customer segments, technologies, etc.

Within the activities carried out by the Digital Infrastructure business unit, the competitive landscape is very fragmented, with no significant concentration on activity segments. We affirm that Dendrio is the first multi-cloud solutions provider in Romania (integrating both the Amazon Web Services offer, as well as Microsoft Azure and Google Apps) - an advantageous competitive position that aims to bring to fruition the same 'value proposition' for customers as the one highly appreciated in the training business: “one stop shop” for IT infrastructure needs. Also, at its current size, the Dendrio cluster is in the top 3 integrators of IT solutions and services in Romania.



### 5.3. Important events in the evolution of the issuer's activities

## Digital Infrastructure Pillar

This pillar currently contains 3 companies that offer complex IT&C solutions to clients in the corporate, large corporate, enterprise and public sector segments from all over the country but also from abroad (especially CEE).

The solutions offered start from physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems and continue with the design and implementation of complex IT architectures such as data center/hybrid or cloud, enterprise networking, cyber security platforms and the implementation of related software platforms, including collaboration platforms (modern workplace). The companies that are part of this pillar today are:

- **Dendrio Solutions SRL** (CUI 11973883), owned by Bittnet Systems in a proportion of 96.501%, is the only multi-cloud integrator in Romania, a partner certified to the highest standards by the main international technology vendors and is the company that brings together the IT&C integration activities from Bittnet, Gecad Net and Crescendo.
- **Dendrio Innovations SRL** (formerly Dataware Consulting SRL, CUI 27895927) is 100% owned by Dendrio Solutions. The company implements technological solutions such as data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and security solutions. The company has partnerships with major manufacturers in the field, such as Fujitsu, Cisco, Brocade and M-Files. Dataware offers clients IT services starting from the consultancy, analysis and design phase to implementation, support and testing, especially for complex projects.
- **Dendrio Technology SRL** (formerly TopTech SRL, CUI 2114184) 100% owned by Dendrio Solutions is a company with a 30-year history, which integrates IT infrastructures (communications, data processing, physical security systems) from vendors such as Dell, HP, Xerox or Microsoft, with a regional presence, having branches in the main cities of Transylvania. At the end of 2024, Dendrio Technology absorbed its sister company 2Net Computer from Braşov. The decision was made considering the profile of the two companies and the geography in which they operate.

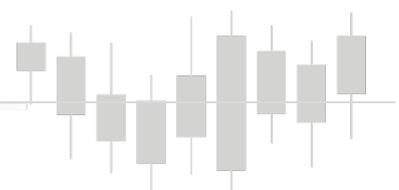
Being one of the largest integrators in the IT&C market in Romania (according to Ziarul Financiar newspaper, 2025) **Dendrio** - the brand under which the entire Digital Infrastructure cluster of Bittnet Group operates - is built on three main pillars:

**Large projects**, significant, national: these are strategic, benchmark projects for the IT market. They are projects delivered with large teams, assuming high complexity. The beneficiaries of these projects are extremely mature organizations in terms of internal IT resources and expectations towards selected suppliers. In this segment, the know-how of the technical delivery teams, the ability to manage challenging deadlines and the ability to manage project risks are mandatory requirements.

**Medium projects**: the segment of private companies and local public sector entities. Although these projects can have high complexity (similar to strategic ones) the main challenge lies in the ability to deliver a high number of projects in parallel. Organizational efficiency, resource planning and their mobility play an extremely important role in economies of scale.

**Innovative projects**: are those projects for which we implement a new technology for the first time. They are the projects in which the technology producers and our teams are in permanent contact and the technological depth, the obsession to see things through to the end and the passion for technology are the elements that make the difference between a successful project and a failed one.

As in previous years, the business generated by Dendrio represents the largest share of the group's total revenues (approx. 87% in 2025).



Digital Infrastructure (Dendrio)	December 31, 2025	December 31, 2024	Evolution
Revenue from contracts with customers	344,359,463	365,377,443	-5.8%
Service provision	47,790,815	57,278,630	-16.6%
Sale of goods	296,568,649	308,098,813	-3.7%
Cost of sales	301,258,365	305,196,693	-1.3%
Goods/materials	262,525,334	264,428,421	-0.7%
Services	21,971,829	20,762,969	5.8%
man-hours	16,761,203	20,005,303	-16.2%
Gross margin	43,101,098	60,180,750	-28.4%
Other income	1,126,182	2,180,246	-48.3%
Selling/distribution expenses	14,830,226	14,980,333	-1.0%
man-hours	12,278,284	13,074,453	-6.1%
Advertising and other sales expenses	2,551,942	1,905,879	33.9%
Administrative expenses, of which:	29,436,489	32,948,458	-10.7%
man-hours	13,689,672	16,098,871	-15.0%
amortization	6,323,223	6,892,531	-8.3%
Other third-party services	3,499,811	4,044,698	-13.5%
miscellaneous	5,923,783	5,912,359	0.2%
Operating profit (excluding one-offs)	(39,434)	14,432,205	-100.3%
EBIT	(39,434)	14,432,205	-100.3%
EBITDA	6,283,789	21,324,735	-70.5%

The Digital Infrastructure Pillar was most affected by the generalized economic lockdown in Romania in the first half of 2025.

From a broader perspective, 2025 was quite unpredictable for Dendrio: the regional and local context created a waiting effect among the Romanian IT market. This postponement effect manifested itself differently within the customer segments and the type of projects that Dendrio implements.

Looking from the perspective of Dendrio's three development pillars, 2025 was a year of contrasts:

- In Q4 2025 we delivered one of the largest integration projects in Romania – part of a framework agreement;
- Revenue from these large projects with a national footprint increased by 25% compared to 2024 – the best year in Dendrio's history.
- On the other hand, the private sector (and also entities in the Local Public Sector) reacted extremely quickly to the instability in the first part of the year (budgets adopted very late and fiscal correction measures felt particularly in the private sector), superimposed on regional and global instability. In this context, the volume of projects delivered to this segment decreased significantly compared to 2024 – a decrease of over 40%
- Private companies have also significantly reduced their investments in innovative projects, focusing (a trend that we believe will continue in 2026) on reducing operational costs.
- Another aspect to remember – the seasonality of the business: If Dendrio's "classic" seasonality assumed the achievement of 40% of revenues in the first 6 months and 60% of revenues in the 2nd semester (years 2023, 2024), this was replaced by a totally atypical revenue structure: the companies in the cluster achieved 22% of the entire year's revenues in the first 6 months, respectively 78% of revenues in the second semester, mainly in the 4th quarter (motivated largely by the expansion of large projects, which have this seasonality corroborated with the contraction of medium-sized projects); In this context, the last quarter contributed 62% of the entire year's revenues.
- Last but not least, this pressure on the business environment has led to a significant increase in the competitive environment. The emergence of new players in the IT&C integration segment has led to a significant decrease in operating margins, by almost 4 percentage points.

Although we managed to maintain annual revenue at levels similar to the best year in Dendrio's history - 2024 - the gross margin and operating profit decreased significantly, which led to Dendrio's net profit entering negative territory.

### Operational / structure

We want to constantly optimize the way we operate the integration structure, which is why, amid market pressure on Dendrio's margins, we have implemented a fixed cost reduction plan.

Although this optimization may seem modest in the economic context, we believe that years of growth are ahead for the Romanian IT&C market – with the main growth engine being the implementation of the infrastructures necessary for AI projects and their security – which is why we decided to strengthen the sales



and presales teams but also to maintain a top team in the technical area. We believe that in the long term, companies that invest in increasing performance and eliminating inefficiencies are the ones that will make a difference in the market.

From an operational point of view, the integration cluster already operates under a unitary brand (Dendrio) with a unitary management and operating structure.

Last but not least, at the end of 2025 Dendrio - through Dendrio Technology - obtained the ANRE (National Energy Regulatory Authority) type A and type B certificates necessary for the design and implementation of electricity supply systems and installations, thus opening the opportunity to complement IT&C infrastructure projects with projects regarding this type of energy supply.

## Business

Maintaining the growth outlook for the coming years, even amid operational efficiency improvements, we continued to invest in sustained communication to the market – organizing over 30 events, nationally, with the help of technology partners. Among these, the largest Dendrio-branded event, Transilvania IT Forum, attracted over 220 participants.

And in 2025 we continued to deliver an impressive number of projects. Even though down 11% compared to 2024 (comparison made without Optimizor, which left the consolidation perimeter during 2025), we managed to successfully deliver 8,800 projects, for a number of over 1,800 clients.

In 2025, we also delivered a first national-scale project in the area of implementing complex AI systems, while laying the foundations for a new project to be delivered in 2026.

Also at the end of 2025, we delivered our first large-scale project to a company in the financial and banking sector in the Republic of Moldova. We continued the development process in this direction, currently having two active colleagues and aiming for accelerated development in the Republic of Moldova.

## IT Education Pillar

This business pillar contains 2 companies, which offer training to adults in two areas: Technical Skills and Human Skills, both in classic, face-to-face, Virtual Remote but instructor-led format or in eLearning format. These are:

- **Bittnet Systems SA** (CUI 21181848): the parent company of the group, listed on the BVB Regulated Market. It carries out the holding activity and additionally the IT Training activity, being the undisputed leader of this market in Romania.
- **Bittnet Training SRL** (formerly Equatorial Gaming SRL)(CUI 30582237), currently 100% owned by Bittnet, is a game-based learning company, which offers soft skills training for the IT industry, both in classic and gamified formats. At the end of 2024, Equatorial Gaming absorbed the group companies, Computer Learning Center and Equatorial Training. In March 2025, the name change was carried out at the Trade Register, waiving the Equatorial brand.

**The eLearning company SA (ELC)** (CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. ELC is not within the financial consolidation perimeter except for minority interests.

IT Education	December 31, 2025	December 31, 2024	Evolution
Revenue from contracts with customers	15,218,905	10,537,664	44.4%
Cost of sales	8,431,753	5,107,320	65.1%
<b>Cost of goods sold</b>	358,091	261,488	36.9%
<b>Services</b>	6,376,672	4,014,466	58.8%
<b>man-hours</b>	1,696,990	831,366	104.1%
Gross margin	6,787,152	5,430,343	25.0%
Other income	37,506	86,076	-56.4%
Selling/distribution expenses	3,135,279	3,764,201	-16.7%
<b>man-hours</b>	2,328,439	3,088,967	-24.6%
<b>Advertising and other sales expenses</b>	806,839	675,234	19.5%
Administrative expenses, of which:	2,655,815	3,273,722	-18.9%
<b>man-hours</b>	(14,512)	604,363	-102.4%
<b>amortization</b>	1,857,721	1,652,742	12.4%
<b>Other third-party services</b>	560,177	702,303	-20.2%
<b>miscellaneous</b>	252,429	314,313	-19.7%
Operating profit (excluding one-offs)	1,033,564	(1,521,503)	167.9%
EBIT	1,033,564	(1,521,503)	167.9%
EBITDA	2,891,285	131,239	2103.1%

The year 2025 was a year of growth and stabilization for the Education division of the Bittnet group. Revenues from IT training activity increased from 10 million ron in 2024 to 15.2 million ron and we concluded contracts worth a total of 8 million euros. This is the highest value in contracts signed by the Education division in a calendar year.

This is the first year that the division has integrated and operated under an OKRs (Objective - Key Results) system, which has led to strategic decisions and a stabilization of the way of working. The Product Department has supported the scaling of the company by expanding the portfolio and developing strategic areas of competence, generating over 400 thousand euros from collaborations with technology vendors and initiatives and attracting over 19 thousand euros in marketing funds from vendors.

In parallel, new directions such as Project Management, compliance (NIS2 and DORA), frameworks and ServiceNow were launched, supported by the consolidation of the four strategic hubs: AI, DevOps, CyberSecurity and Project Management. The Marketing Department was aligned with the objective of sustainable growth through measurable OKRs, with a focus on increasing the quality of conversions and consolidating the commercial pipeline, generating direct financial impact. The strategy integrated high-performance digital tactics (SEO & GEO, SEM, automation, PR, email marketing, events), optimized for maximizing conversion with a scaling plan in 2026.

In 2025, the Demand Generation team directly contributed to achieving growth objectives by coordinating multi-channel campaigns and through continuous optimization. It also contributed to accelerating the conversion of 1,036 MQL (+54%) into 480 SQL (+33%). Through integrated collaboration with the Marketing and Sales (BDM) teams, Demand Generation supported the expansion of the pipeline to approximately 1.3 million euros (+30%) and the increase in the value of SQL earned to 484 thousand euros (+86%) with a direct impact on financial performance.

The B2B Sales team demonstrated solid commercial execution, resulting in 428 projects won and a turnover of over 1.45 million euros, reflecting the efficiency of the sales process and the discipline in prioritizing high-potential opportunities. The results obtained validate the strategic alignment between pipeline, conversion and contract execution, with a direct impact on the company's operational performance.

The B2G Sales Team (BID) won 23 projects, signing contracts worth approx. 900 thousand euros. Beyond these results, it was important for us that the projects delivered had a concrete impact on education in the public sector. We aimed to implement relevant, applicable and truly useful initiatives for the beneficiaries. Overall, 2025 was a solid year for the BID team, both in terms of financial performance and the contribution made in areas essential for the development of the communities in which we operate.

The Training Delivery team delivered nearly 500 classes/courses for over 6,000 participants, contributing to sustainable business growth by developing learning journeys and co-creation projects, integrating gamification into course delivery, and optimizing collaboration with trainers and partners, including by generating revenue from trainer rental and international projects.

2026 has already started with intense activities in the area of course deliveries contracted since the end of last year. We are currently engaged in the delivery of two significant contracts involving a total of 141 self-paced, virtual and in-class classes, significant projects won and announced at the time of their signing on the BVB news feeds.

## Platforms, digital products & software pillar

Currently, this business unit includes the following companies:

- **Eliau Solutions SRL**(CUI: 23037351), led by Iulian Motoi, is a company founded in 2008 and owned by Bittnet Systems SA in a proportion of 61.6878%. The percentage of ownership increased from 51% as a result of a share capital increase through the conversion of certain liquid and due receivables resulting from the transfer of Bittnet's ownership in Kepler Management to Eliau. Eliau is a Gold certified partner by Microsoft for ERP solutions.
- **Eliau Development Systems SRL (formerly Kepler Management Systems)**(CUI: 21562125) is a company with a similar field of activity and business to Eliau, which joined the Bittnet group at the end of 2023. It is 100% owned by Eliau Solutions.
- **Nenos Software SRL**(CUI: 29612482), founded and led by Toader Toporău, is a company owned by Bittnet in a proportion of 61% (the rest by the founder) is a custom software development company, with a focus on the field of Artificial Intelligence and Machine Learning (AI/ML).
- **Nonlinear SRL**(CUI: 37758005) is an SPV established to access European financing, 60% owned by Bittnet and led by Mr. Toporău. The activity is one of product-based software development, focused on developing a platform for digitizing and automating processes within small and medium-sized companies using low code/no code and machine learning technologies.



## Elian

For Elian, 2025 was the best year in the company's history in terms of total revenues generated, which exceeded 31.6 million ron, an increase of 22% compared to 2024. The structure of the turnover, divided by the 3 types of income, is as follows: 39% licensing revenues, 39% implementation services revenues and 22% support services revenues. Licensing revenues, of approximately 12.1 million ron, maintain the largest share in turnover, closely followed by implementation services revenues (which amounted to 12 million ron) in a similar percentage.

In 2025, we maintained our focus on large projects with significant customers, with a large number of licensed users on SaaS (Software as a Service) technology. At the end of 2025, we exceeded the threshold of 1,000 licensed Business Central SaaS users.

During the year, we started 35 new projects, of which 23 are new implementations and 12 are upgrade projects to the latest versions of Business Central. The total revenue generated by these projects, combined with the revenue from implementation projects started since 2024 and completed during 2025, represents 39% of total turnover.

Revenue from support services represented 22% of turnover (almost 7 million ron). This confirms the trend observed since the beginning of 2025 of decreasing additional requirements reported to the entire portfolio, with more and more customers opting to upgrade to the latest versions of Business Central, without investing in the development of older solutions. Approximately 75% of all upgrade projects are to SaaS technology.

On the other hand, we observe the constant growth of revenue from implementation - upgrade services, revenue generated by existing Elian clients (the 12 projects mentioned above).

Also, given that the vast majority of projects delivered in 2025 are large projects, with complex flows and a long implementation period, their handover to the support department and the generation of recurring revenues will mainly take place in 2026, when we expect to record an increase in absolute value of revenues from support services.

As for the Elian team, in 2025 we marked a series of important milestones:

1. **Strengthening** the support and maintenance team: currently, we have 15 dedicated consultants who take over and solve the requirements of the clients in the portfolio. The 15 resources are divided into 2 teams coordinated by a team leader with relevant experience in the field. Concurrently with the team consolidation process, work procedures were finalized and standardized, to ensure traceability and optimal response times in taking over, planning and solving the requirements. Currently, the support team records an average of 300 requirements solved weekly, for a portfolio of approximately 400 clients.
2. **Project Management team:** 2025 was the year we built this team, thus ensuring a dedicated PM for each project carried out. If until 2025 the projects were managed by senior consultants involved in the respective projects, starting with 2025 each major project will have a dedicated PM. The turnover in 2025 was achieved with the same implementation and development team as in 2024, but the difference was the existence of the Project Management (PM) department that ensured the management of the projects (time, budget, resources), leaving the consultants to focus exclusively on the delivery of solutions.
3. **Specialization:** We continued the process of developing the team's skills, certifying/recertifying Elian members. In 2025, we launched the "Elian Academy" program, a program that aimed to support the team in Microsoft certification for the Business Central solution. The effect of this approach was especially visible in the second half of the year, when we recorded a boost in project delivery.
4. The year 2025 is the year in which the results of what we started to build in previous years were seen, being a year marked by maturity and stability. The foundations laid in previous years - operational KPIs, the stabilization of the management team that manages each department, brought about an increase in efficiency in project delivery.

The year 2026 is primarily about resources, team. We believe that a strong partnership, supported by clear communication and strategy will support the achievement of the value objectives for 2026. Thus, we consider a series of coordinates:

- **Project Management Team:** it is a young team, in training, we want it to reach maturity and contribute to increasing efficiency, growth essential for Elian's objectives.
- **Elian Open Days:** is a project through which we want to generate awareness among customers about what support and maintenance means in Elian - the team, work procedures, how to manage the



ticketing process - as well as training on recurring topics in support. Our goal is to strengthen the partnership relationship with the customers in the portfolio.

- Segmentation and specialization by industry within the team - we want our colleagues to specialize in business verticals and specific solutions.
- **ERP & AI:** Elian is investing in unique AI Agent solutions for ERP for 5 business directions where we have identified specific needs, solutions that we estimate will be launched in 2026.

## Nenos & Nonlinear

For Nenos, 2025 was a year of accelerated maturation, in which Nenos Software and Nonlinear moved from exploration and experimentation to delivering Agentic AI solutions with real impact, in production. We strengthened the “product-first” strategic direction, while maintaining the flexibility necessary to support complex custom projects and long-term partnerships. Major projects delivered covered clients from various industries (energy, pharma, insurance, horeca, FMCG, public sector), and the focus was on automating critical processes, reducing operational times and increasing the quality of decisions.

Operationally, the year was marked by:

- Increasing adoption of Agentic AI solutions
- Consolidating the DeDup product as a source of recurring revenue
- organizational adjustments necessary for efficiency and sustainability

Significant Achievements in 2025: Agentic AI & Enterprise Projects

- Oil&Gas Industry – AI Agentic for automatic verification of commercial contracts vs. invoices (control, reconciliation and deviation detection)
- Pharma Industry – AI Agent for analyzing requests for quotations and supporting in completing technical-financial offers (pre-sales)
- Insurance, HoReCa, FMCG – Q&A agents powered by site data, with automatic collection, interpretation and summarization of conversations to generate insights and trends
- Health – Romania – companion AI agent for collecting and classifying patient feedback, part of the national campaign Trust Makes Us Feel Good, carried out together with WHO DeDup for SharePoint
- 243 monthly active customers on a subscription basis
- Coca-Cola implements customized DeDup globally, across all subsidiaries
- DeDup becomes a mature product, with international adoption and recurring revenue Significant things that impacted the year
- Increasing complexity of Agentic AI projects, far beyond initial estimates
- Changing the sales method: from classic bidding to consultative selling
- The need for internal reorganization to control costs and align with the new strategic direction
- Market pressure: high interest in AI, but low maturity in defining use cases Lessons learned in 2025

BID product (for auctions): The use case proved significantly more complex than estimated. Although the technical part was addressed ~75%, the budgets allocated by the clients did not support the real complexity. Involving an SME from the beginning proved essential, including for accurate estimates.

Proof of concept (POCs) as a learning tool: The over 20 POCs delivered in 2025 helped us to:

- we understand the real expectations of customers
- we manage objections better
- we more clearly define the scope, impact and delivery time
- we improve production processes

Key market takeaways: There is high interest in Agentic AI, but customers need guidance to correctly define use cases. The myth “AI is magic” creates unrealistic expectations regarding costs and delivery time.

- Especially in Romania, customers don't buy theory. Demos, prototypes and POCs are essential, but they significantly increase the cost and length of the sales cycle.
- Scalability is key Custom projects have forced the rapid development of reusable components, templates, and accelerators to deliver faster without reinventing solutions.

Major challenges in 2025

- Productizing Agentic AI: moving from custom solutions to scalable, reusable modules
- The balance between outsourcing and products: outsourcing remains necessary for financial stability until recurring revenues mature



- Complex consultative selling: discovery, business analysis and correct scope definition become mandatory
- Generative AI Certifications for Team and Organization

#### Strategic directions for 2026

- transforming the accumulated experience into standard products and accelerators
- margin increase through faster delivery
- strengthening DeDup's position as a global enterprise product
- developing a clear, vertical offering on Agentic AI

Final conclusion: 2025 was a challenging but extremely valuable year for Nenos Software & Nonlinear. We delivered real solutions, learned from projects and laid the foundation for a sustainable long-term direction. We enter 2026 more mature, strategically clearer and better positioned to transform Agentic AI from promise to scalable value.

Digital platforms & Software development	December 31, 2025	December 31, 2024	Evolution
Revenue from contracts with customers	34,677,766	28,197,937	23.0%
<b>Service provision</b>	22,557,792	21,381,148	5.5%
<b>Sale of goods</b>	12,119,974	6,816,789	77.8%
Cost of sales	23,550,092	19,698,648	19.6%
<b>Cost of goods sold</b>	7,535,624	5,616,961	34.2%
<b>Services</b>	(515,060)	(63,943)	705.5%
<b>man-hours</b>	16,529,529	14,145,629	16.9%
Gross margin	11,127,673	8,499,289	30.9%
Other income	85,553	95,999	-10.9%
Selling/distribution expenses	1,370,387	1,305,215	5.0%
<b>man-hours</b>	1,170,960	871,729	34.3%
<b>Advertising and other sales expenses</b>	199,427	433,486	-54.0%
Administrative expenses, of which:	6,660,375	5,062,849	31.6%
<b>man-hours</b>	3,102,756	3,198,253	-3.0%
<b>amortization</b>	1,234,270	1,023,266	20.6%
<b>Other third-party services</b>	1,116,093	139,494	700.1%
<b>miscellaneous</b>	1,207,256	701,835	72.0%
Operating profit (excluding one-offs)	3,182,463	2,227,224	42.9%
EBIT	3,182,463	2,227,224	42.9%
EBITDA	4,416,734	3,250,491	35.9%

## Costs allocated to the group

In addition to the daily operational flows generated by the current activity of the companies that make up the consolidation perimeter, the group also incurs expenses specific to the holding type organization as well as from M&A activity or expenses related to maintaining the trading of financial instruments (shares, bonds) issued on the BVB systems.

Costs allocated to the group	December 31, 2025	December 31, 2024	Evolution
<b>Advertising and other sales expenses</b>	283,960	-	-
Administrative expenses, of which:	2,292,037	2,453,987	-6.6%
<b>man-hours</b>	141,368	8,027	1661.1%
<b>amortization</b>	694,606	692,474	0.3%
<b>Other third-party services</b>	1,053,520	1,631,993	-35.4%
<b>miscellaneous</b>	402,543	121,493	231.3%
Operating profit (excluding one-offs)	(2,575,997)	(2,453,987)	-5.0%
EBIT	(2,575,997)	(2,453,987)	-5.0%
EBITDA	(1,881,391)	(1,761,513)	-6.8%

### 5.4. Strategy and objectives

A description of the issuer's business strategy and objectives, both financial and non-financial (if any). This description takes into account the issuer's future challenges and prospects.

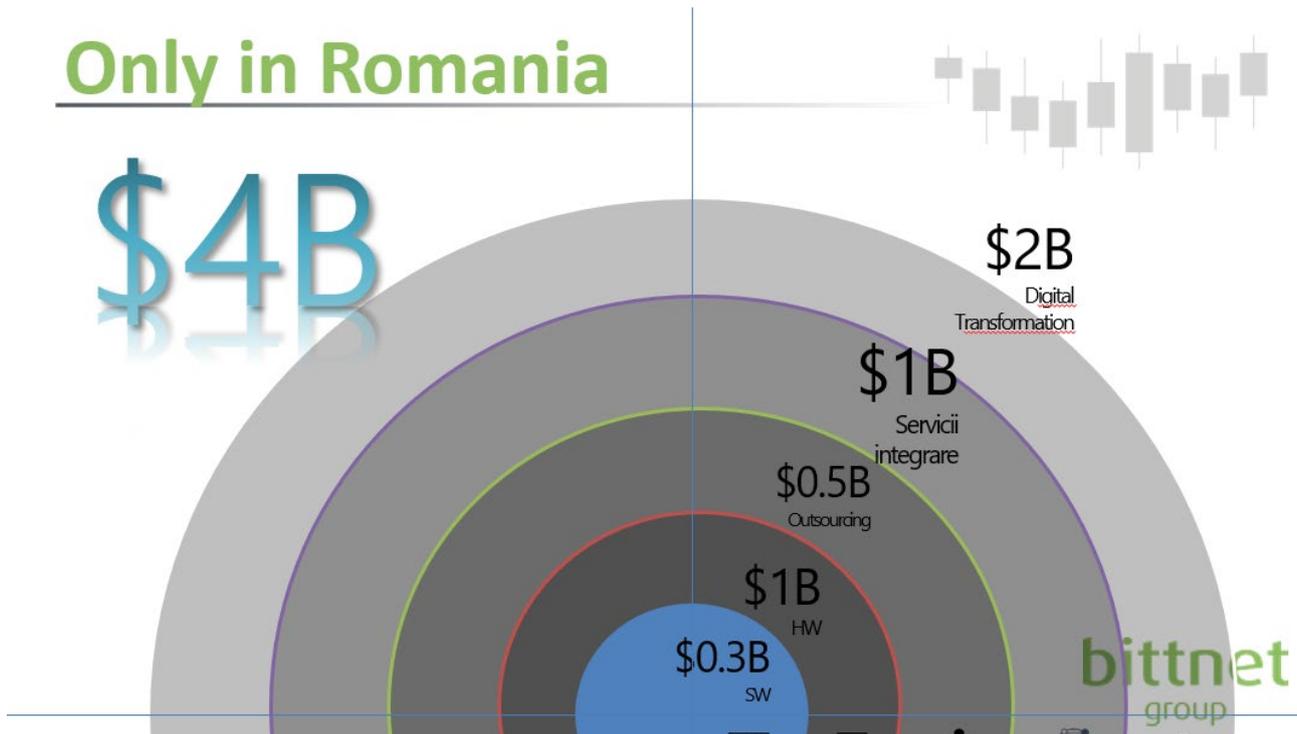
According to multiple media sources, Romania has come to have the third largest base of IT&C specialists in Central and Eastern Europe, but specialists in Romania represented less than 3% of the total number of employees at the national level in 2022, placing our country in the penultimate place in the EU in this regard.



However, Romania ranks 5th in the EU in terms of the share of university graduates and IT training courses. On the other hand, our country has the lowest density of software and IT services companies in Central and Eastern Europe and has a rather low performance in terms of innovation, having the lowest share of research and development spending in the EU GDP.

The Romanian IT industry is one of the largest contributors to GDP expansion in the last 20 years and a central element in economic growth. Data from ANIS (the employers' association of the Romanian software and IT services industry) shows that in 2022, for example, of the 4.8 percent GDP growth, approximately 1.3% was contributed by the IT industry.

Starting with 2023, the IT industry in Romania was also affected by the wave of layoffs that began in the United States and Europe. At the level of our Group, this was felt especially in the software development area but also in the Education business unit where cutting training budgets by clients had a negative impact on the recorded performances.



We continue to believe that the acceleration of the digitalization of states and entrepreneurial companies is the engine of economic development in Central and Eastern Europe and we want to continue to play a decisive role in this process. That is why the Bittnet group's strategy is to become a professional services platform in the field of technology and IT education, starting from our traditional, core competencies, where we have competitive advantages, combining access to human resources with access to customers and access to financing through capital market mechanisms.

This business strategy is based on the following main directions:

1. Continuous development of the portfolio of products and services offered, in line with global technological and socio-economic trends. We pursue this approach both at the level of individual companies, by continuously adapting the services offered to market requirements (adding new products and services, eliminating products or services that are no longer of interest to customers, adding new ways to consume our products and services) and at the group level.
2. Continuous strengthening of the financial position, both through the organic development of the group companies and through the expansion of borrowed capital, in order to have a robust financial base at its disposal, which positions the issuer and the Group as a main alternative both for clients and for other companies in the field, who wish to join a representative IT platform for Romania and CEE.
3. Developing strategic partnerships. This takes the form of participating in associations of companies with common interests and activities, searching for partners to distribute our products and services to their customers, searching for partners from whom to purchase 'in bulk' products and services to resell to our customers and partners, searching for investment partners with whom to increase the capacity to carry out M&A projects.

Looking ahead, we believe that there will be a period of several years with unprecedented acceleration of digital processes across the economy and we are confident that we will continue to record significant revenue increases. In recent years, the importance of the IT industry has grown in all directions and its contribution to GDP formation exceeded the 7% threshold at the end of 2025.

According to the DESI index, which measures the degree of digitalization among EU countries, Romania ranks last both in the chapter that measures the level of digital maturity among private and public companies and in the pillar that measures the level of basic and advanced digital skills among employees in companies.

The IT market has officially passed the 200,000 threshold, according to media sources citing several studies, double the number from 10 years ago; the industry's perspective is that in the next 10 years the need for labor in these areas will lead to a doubling of the number of specialists.

Both areas detailed above give us confidence that we are “in the right industry”, and indicate the market potential for the three pillars of the Bittnet group for the coming period:

- **for the IT Education pillar**, as employees, in order to better meet market needs, are in a continuous process of professional reconversion and the need for IT specialists is still urgent on the labor market.
- **for the Digital Infrastructure pillar**, because organizations (both public and private) continue their path towards digitalization, forced by adaptation to the new context with funding coming either from their own resources or from accessing government programs supported by EU funds (such as PNRR, SAFE, etc.)
- **for the Platforms, digital products & software pillar**: The digitalization process involves more and more developments that simplify and automate flows in companies and society.

We continue to aim for profitable, sustainable and accelerated growth and this can be achieved by focusing on customer segments where we already have a high win rate, correlated with a higher profitability percentage and with a permanent focus on delivering a higher share of services, not just on implementing hardware and software solutions.

### Growth through mergers and acquisitions (M&A) projects

Throughout our history as an issuer listed on the Bucharest Stock Exchange, we have always successfully turned to capital market mechanisms to finance our organic growth but, mainly, for accelerated development through mergers and acquisitions (M&A) projects.

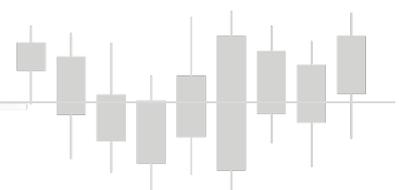
In 2024–2025, we focused on integrating the companies acquired in 2022–2023, restructuring them, rebranding under the group's flagship companies, reorganizing and simplifying the group structure, establishing a strategy regarding business plans and business development through cross-selling between companies within business verticals, and delivering complex joint projects involving 2 or even 3 of the group's companies.

Starting in 2024, Bittnet has made public the management's new strategy to simplify the group structure along with current operations, through merger projects of existing companies within the consolidation perimeter, or through asset valuation, sale of subsidiaries (companies) and/or business pillars (business verticals).

At the same time, the Bittnet group's strategy was to consolidate operations and businesses around the IT&C solutions and services integrator Dendrio Solutions SRL, given the profile of this type of integrator of complex, multi-vendor and multi-cloud IT projects. In this regard, Bittnet took several actions in 2024, organizing the entire Digital Infrastructure pillar around Dendrio Solutions both in terms of the pillar's management and the structure of the Dendrio sub-group: Bittnet transferred its holdings in Dataware (currently Dendrio Innovations) and TopTech (currently Dendrio Technology) to Dendrio Solutions - the latter coming to own, at the end of April 2024, 100% of the companies with a similar profile to Dendrio, part of the Digital Infrastructure pillar: Dataware, Top Tech. And zNet Computer was merged in 2024 into Top Tech.

Following the consolidation process, both in terms of branding and legal entities at the Dendrio sub-group level, in September it was decided that the companies Dataware Consulting and Top Tech would change their names to Dendrio Innovation and Dendrio Technology, respectively. The changes were also implemented at the Trade Register level, so the two companies now operate under the Dendrio name and brand. Dendrio is today in the top 3 integrators of IT solutions and services in Romania.

Compared to 2024, in which we did not sign any new M&A projects and the group's management focused on integration and simplification, 2023 was an active year from the perspective of M&A projects, just like the previous years 2021–2022. We completed 2 investments, a significant one that strengthened and consolidated the Digital Infrastructure pillar (by joining the Dataware Consulting company) and a strategic one for the Platforms & software pillar (the acquisition under Elian Solutions of the company with a similar field of activity Kepler Management, rebranded in 2024 under Elian).



In recent years, we have learned a lot from the difficult and intense process of consolidation through acquisitions and organic growth of the Bittnet Group in a highly fragmented IT&C market and we are aware of the opportunity we currently have by diversifying the geographical presence and the areas in which we operate, while increasing the revenue generation power at the group level and optimizing costs. The increase achieved in 2024 of 11.5% in revenues from customer contracts, which comes after a doubling in the previous year (2023, which comes after another doubling in 2022) including through acquisitions of the total annual revenue generation power at the size of our group, represents an answer to the strategic questions that constantly concern us. Also, the fact that in 2025 we managed to achieve a consolidated turnover similar to 2024 (394 million vs 404 million ron), as well as the fact that for 2026 we have budgeted revenues from current activity of 449 million ron, gives us confidence that we have built a sustainable structure in recent years capable of generating significant revenues over the long term.

Our focus remains on generating consistent and sustainable long-term value added, year after year, for shareholders. It is important to remember that generating consistent positive results for any acquired company (in any field, not just within our group) involves a period of approximately 18-24 months necessary for integration, optimization, leveraging synergies and scaling the business. We believe we are on the right track.

After the largest acquisitions we closed in 2022 and 2023 through an extensive M&A investment program for the coming period, we aim to consolidate the current portfolio of solutions and services but also expand to CEE markets and to areas such as software development and AI, delivering significant projects with national impact and footprint.

#### **5.5. To the extent that they have a significant influence on the issuer's business or profitability, summary information on the extent to which the issuer is dependent on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes.**

Not applicable. The issuer is not dependent on patents or licenses, industrial, commercial or financial contracts, new manufacturing processes such that they have a significant impact on the commercial activities or profitability of the issuer or the group to which it belongs.

The Issuer delivers technology solutions (IT&C) but also training courses based, in general, on partnerships with major IT&C technology manufacturers, such as Microsoft, Cisco, Amazon Web Services, Oracle, etc. Each of these manufacturers maintains specific partner authorization and certification policies – the “partner channel” (both for IT&C solution integration activities and for IT training). If such a manufacturer were to decide that the entities in the Bittnet group no longer have the right to continue to resell part of the solutions of that manufacturer, this could have a significant impact on the group’s revenues. We believe that the certifications that the companies in the group have from manufacturers are useful to us by increasing our ability to attract customers and record profitability (including through rebates from manufacturers). Similarly, the loss of the relationship with a manufacturer (loss of the right to market certain solutions (especially from major partners such as Cisco or Microsoft) could generate a problem for the Issuer.

In the case of Nenos & Nonlinear, there is no patent dependency. In the case of ELearning Company (“ELC”), a company in which the group has a minority stake of 23%, the majority of its revenues derive from its relationship with the global eLearning course manufacturer Skillssoft. The loss of this partnership would have a significant negative impact on ELC’s revenues. ELC is not within the scope of financial consolidation.

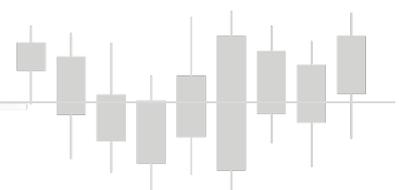
#### **5.6. The elements on which any statement by the issuer regarding its competitive position is based.**

The Issuer bases its statements regarding the competitive position on its own estimates, constructed either by analyzing public data available from the Ministry of Public Finance (regarding the businesses of companies considered competitors), or on the feedback received by the sales team from interactions with existing and potential customers.

#### **5.7. Investments**

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

Since the date of publication of the last financial statements, the Issuer has not initiated or carried out any significant investment program. At the end of the financial year, the consolidated statement of fixed assets was as follows:



Year	2020	2021	2022	2023	2024	2025	Explanation Variation	
1	<b>Goodwill</b>	21,082,977	40,771,174	57,528,189	79,079,083	67,950,004	64,531,266	Consolidation/Deco nsolidation of goodwill in M&A transactions
2	<b>Other intangible assets</b>	8,820,959	9,219,368	9,077,001	9,653,554	8,661,920	8,766,895	Intangible assets include mainly the Bittnet brand
3	<b>Tangible fixed assets</b>	5,444,104	2,352,513	27,808,467	32,699,563	29,470,909	25,285,318	Registration as an asset ONE headquarters – according to IFRS16, layout, technical installations and equipment
4	<b>Equivalent securities</b>	8,527,500	1,999,840	2,918,940	2,797,885	1,271,853	1,118,619	the holding portion (23%) of the net loss realized by E- Learning Company
5	<b>Other financial assets (securities) at fair value</b>	7,483	2,041,467	2,426,167	11,356,744	5,710,669	3,459,404	Softbinator Technologies Holding Rating

For details, we invite you to review the explanatory notes to the consolidated financial statements for 2025, published on the issuer's page at BVB as part of the annual report and on the issuer's website dedicated to investor relations:

- **Note 16 – Goodwill**
- **Note 18 – Other intangible assets**
- **Note 19 – Tangible assets**
- **Note 21 – Titles**

#### 5.7.1.B Specify the location and characteristics of the main production capacities owned by the company.

The specifics of the Company's activity do not require the possession of significant tangible assets. The Company owns computing equipment (laptops, servers, mobile phones), office furniture, multifunction printers and networking equipment organized in the form of lecture laboratories and demonstration laboratories for technological solutions.

Most of the company's tangible assets are located at its headquarters in Bucharest, the ONE Cotroceni Park office building. In addition to the headquarters in One Cotroceni, the group companies have various offices and presence in cities across the country:

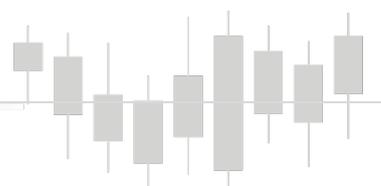
- Dendrio Technology – 5 work points, one in each of the cities: Sibiu, Timișoara, Cluj-Napoca, Brașov and Deva; next to Bucharest starting with 2026
- Nenos Software & Nonlinear – a work point in Galați municipality
- Dataware Consulting – a work point in Galați, next to the one in Bucharest.

#### 5.7.1.C Description and analysis of the degree of wear and tear of the company's properties.

The IT equipment owned by the company has a degree of physical wear and tear specific to office activity. With the move to the new headquarters in 2022, but also with the expansion of the group, the company has gradually started to renew the IT equipment used by employees and students, opting for a 'pay as you use' approach - renting equipment and not directly investing in tangible assets - according to the mandate granted in the GMS. In addition to IT equipment, Dendrio Technology, part of the Bittnet group, also owns a car fleet, with an average age of 7-8 years, with various degrees of natural wear and tear. We consider these assets as non-core, and as they are taken out of use, they will be replaced with rental contracts (operational leasing).

#### 5.7.1.C. Specifying potential issues related to ownership of the company's tangible assets.

The non-current assets recognized under IFRS 16 are not owned by the Issuer, but are leased by it from their owners. This is not a “problem” but a “feature” of contracts of this type (operating lease or long-term rental).



### 5.7.1. New products considered for which a substantial volume of assets will be allocated in the next financial year as well as the stage of development of these products.

The development plan of the company and the group of which it is a part includes main pillars, which have as a component the addition of new products and services. Each new product or service that is added to the Bittnet group's offer at a given time starts from a specific demand, in volume, in the market, among our customers. Thus, there are no new products for the development of which substantial resources will be allocated, each addition being made under "breakeven" conditions. For the year 2026, in terms of CAPEX (investment in product development), the maximum proposed budget (which we do not intend to consume) is a maximum of 10,000,000 ron.

In the Digital Infrastructure pillar, we mainly aim to develop existing products and services, as well as optimize workflows. We will focus on increasing the volume of recurring projects, cloud and security solutions, and managed services. For this purpose, we will use existing platforms (CRM, Project Planning, and integrations with large platforms Cisco, Microsoft AWS), without the need for investment in new platforms.

During 2017-2023, our investments in the IT field took the form of M&A – partially or fully buying companies with products and services in the main areas of interest. We believe that in the future this type of investment will be the one that will consume more significant capital resources, compared to launching new products and services 'in house'. In the September 2021 GMS, shareholders approved an M&A investment budget of RON 200 million for the coming years. This does not mean that we will spend this money on M&A projects in a certain period of time, but represents a maximum ceiling for this type of investment and only in the event that M&A projects will be identified whose coordinates would make them "unmissable".

In 2024, no M&A project was signed, the acquisition of the 11.7% stake in Dendrio not being considered a new project, but part of the declared strategy to consolidate the Digital Infrastructure pillar around Dendrio.

In 2025, Dendrio Solutions, part of the group's Digital Infrastructure pillar, made a minority investment in the company focused on digitalization products for the insurance and NFI industries: Digital Intelligence Partners SRL. The investment amounted to 5 million ron, for which it acquired 23.35% of the share capital. Digital Intelligence Partners is not within the group's financial consolidation perimeter.

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

The Issuer continuously invests in the development of IT systems, technological platforms for information access, internal management, but also in IT applications that can be offered to customers. None of these investments exceed the limit of 20% of total fixed assets, imposed by law, and they fall within the investment budget approved by the GMS each year. The sources of financing for investments in the development of internal IT systems and technological platforms are internal. There are no firm commitments to carry out significant investments in the coming period.

### 5.7.3. Information on joint ventures and undertakings in which the issuer holds a proportion of the share capital likely to have a significant impact on the valuation of the issuer's assets and liabilities, financial position or profits and losses.

The process of continuous evolution of the group, both through the marketing of new products and services and through continuous acquisitions, has led to the current situation in which the activity is organized in centers ("cells") as independent as possible, in areas of interest ("development pillars") or ("business groups"), which represent sub-domains of activity in the IT&C Services area. Bittnet is today a conglomerate that offers investors exposure to the entire IT&C industry in Romania. The group is composed of 9 companies divided into 4 commercial brands – Bittnet training, Dendrio, Elian and Nenos – and organized into 3 business pillars:

#### Digital Infrastructure:

- **Dendrio Solutions SRL** (CUI 11973883), owned by Bittnet Systems in a proportion of 96.501%, is the only multi-cloud integrator in Romania, a partner certified to the highest standards by Cisco, Microsoft, Google, Amazon Web Services, but also by many other vendors, is the company that brings together the IT&C integration activities from Bittnet, Gecad Net and Crescendo.
- **Dendrio Innovations SRL** (formerly Dataware Consulting SRL)(CUI 27895927) – is 100% owned by Dendrio Solutions. The company implements technological solutions such as data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and security solutions. The company has partnerships with major manufacturers in the field, such as Fujitsu, Cisco,



Brocade and M-Files. Dataware offers clients IT services starting from the consultancy, analysis and design phase to implementation, support and testing, especially for complex projects.

- **Dendrio Technology** (formerly Top Tech SRL)(CUI 2114184), 100% owned by Dendrio Solutions is a company with a 30-year history, which integrates IT infrastructures (communications, data processing, physical security systems) from vendors such as Dell, HP, Xerox or Microsoft, with a regional presence, having 6 branches in Transylvania and Banat and a team of over 86 specialists. At the end of 2024, Dendrio Technology absorbed its sister company 2Net Computer. The decision was made considering the profile of the two companies and the geography in which they operate.

## IT Education:

- **Bittnet Systems SA**(CUI 21181848): the parent company of the group, listed on the BVB Regulated Market. It carries out the holding activity and additionally the IT Training activity, being the undisputed leader of this market in Romania.
- **Bittnet Training SRL (formerly Equatorial Gaming SRL)**(CUI 30582237), currently 100% owned by Bittnet, is a game-based learning company, which offers soft skills training for the IT industry, both in classic and gamified formats. At the end of 2024, Equatorial Gaming absorbed the group companies, Computer Learning Center and Equatorial Training.
- **The eLearning company SA**(CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. ELC is not within the scope of financial consolidation except for minority interests.

## Platforms, digital products & software

- **Eliau Solutions SRL**(CUI: 23037351), led by Iulian Motoi, is a company founded in 2008 and owned by Bittnet Systems SA in a proportion of 61.6878%. The percentage of ownership increased from 51% as a result of a share capital increase through the conversion of certain liquid and due receivables resulting from the transfer of Bittnet's ownership in Kepler Management to Eliau. Eliau is a Gold certified partner by Microsoft for ERP solutions.
- **Eliau Development Systems SRL (formerly Kepler Management Systems)**(CUI: 21562125) is a company with a similar field of activity and business to Eliau, which joined the Bittnet group at the end of 2023. It is 100% owned by Eliau.
- **Nenos Software SRL**(CUI: 29612482), founded and led by Toader Toporău, is a company owned by Bittnet in a proportion of 61% (the rest by the founder) is a custom software development company, with a focus on the field of Artificial Intelligence and Machine Learning (AI/ML).
- **Nonlinear SRL**(CUI: 37758005) is an SPV established to access European financing, 60% owned by Bittnet and led by Mr. Toporău. The activity is one of product-based software development, focused on developing a platform for digitizing and automating processes within small and medium-sized companies using low code/no code and machine learning technologies.

## Investments in listed companies

In addition to the companies listed above, in which we have significant positions, which are accounted for under IFRS consolidation rules, our group owns and holds investments in listed companies, based on the philosophy of "buy stock in businesses that you would like to own yourself". We believe that it is more useful to own a smaller portion of a company that we like than to own nothing.

Instead, IFRS consolidation standards require us to account for these holdings through the income statement, as if we were actually buying the shares at the beginning of each quarter and selling them on the last day of the quarter, repeatedly, every quarter. In other words, these fluctuations are recorded in our accounting "benefiting" from the capital market multipliers. Sometimes these fluctuations will increase gross profit and sometimes they will decrease it from the quarterly revaluation of these mark to market holdings. What is important to keep in mind is that our ability to stay with the companies in which we have invested for the long term will provide us with more opportunities to actually mark profit on these investments than losses over the long term.

At the level of 2025-2026, the company has a single mark to market investment, in Softbinator Technologies SA (trading symbol CODE). On 31.12.2025, the investment in CODE shares was revalued using the weighted average trading price on the AeRO-SMT market, the market on which CODE shares are listed, price from the last trading day of the year. At the end of 2025, Bittnet's investment in Softbinator was valued at 3.6 million ron.



#### 5.7.4. A description of any environmental issues that may affect the issuer's use of its tangible assets.

Not applicable. Not applicable.

#### 5.8 Specifying information regarding the security of supply sources and the prices of raw materials and the size of stocks of raw materials and materials.

Within the Digital Infrastructure pillar, for the “IT solutions integration” business line, the company “procures” IT equipment and licenses (hardware and software) - which are resold as goods to customers, along with its own services. The supply of goods is made from importers/distributors - companies with a presence in Romania. For none of the types of equipment or licenses sold, there are no 'sole importer' situations, so the security of supply does not depend on the relationship with a specific supplier. The Issuer maintains commercial relations with several distributors, having significant turnover with each of them.

For the “IT Education” business line, the group “procures” itself with course manuals and access to official virtual laboratories, from multiple global external partners or directly from manufacturers, but also with subcontracted services from partners: either companies or independent subcontractors (freelancers). In this field too, there are no 'single supplier' situations, Bittnet maintaining relationships with several partners in each area of activity.

All the previously described relationships are created based on partnerships with IT manufacturers (Cisco, Microsoft, Oracle, Amazon Web Services, ITIL, VMware, Dell, HP, Fortinet, Fujitsu, PureStorage, M-Files, etc.). These partnerships provide Bittnet with access to the technology manufacturers' bidding and discount systems, and distributors/importers 'transfer' the price conditions obtained from the manufacturers. Relationships with IT solution manufacturers are maintained by periodically renewing our company's competencies and certifications. Each of these relationships is important to Bittnet and every year we carry out the necessary activities to maintain the “status” in the relationship with these vendors.

The vast majority of products and services delivered by Bittnet that require sourcing from manufacturers are not subject to price risk, as, in general, the price lists of major manufacturers are published for a period of time in advance, and these companies have the size and processes necessary to support prices throughout the fiscal year. At the same time, the companies in the Bittnet group place orders with suppliers only based on firm orders from customers, so the period of time in which the price could fluctuate is very short (maximum 1 week).

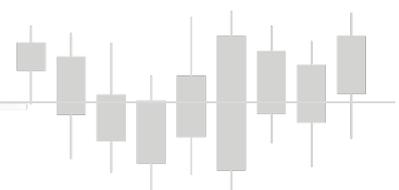
As a basic rule, the Issuer does not operate with inventories, transmitting orders to suppliers based on firm orders from customers.

#### 5.9 Description of any significant dependence of the company on a single customer or group of customers whose loss would have a negative impact on the company's revenues.

In describing the sales structure, the concentration of turnover and the risk of losing significant customers, several considerations must be taken into account, applicable to the largest component of turnover:

- In general, the company does not have contracts with multiple, recurring deliveries. The type of products and services delivered are more suitable for a “framework contract with one-off orders” approach.
- Customer recurrence, the fact that they return and buy again from the companies in the Bittnet group is the result of the combination of two factors: our technical ability to deliver products and services with a high degree of specialization and the demonstrated quality level at which we provide these services.

Due to these factors, over time, the relationships with our “reseller” partners, but also with the customers, are solidified, Bittnet gaining more and more trust in their eyes, which leads them to involve us in more and larger projects. On the other hand, as we have increased both the number of customers served and the type of products, their concentration has decreased significantly compared to the first years as a listed company. All the more so by expanding the number of companies in the group, the dependence at the group level on a single customer can be considered insignificant today. Even if in any of the companies we will be able to identify 1 or 2 customers who have a higher share than the rest of the customers of that company, we believe that the value given by the consolidated size of the group is also found in the fact that the Group itself will not experience problems if one of the companies loses one of the customers with a higher share of deliveries within the sales of that company.



## Section 6: Organizational Structure

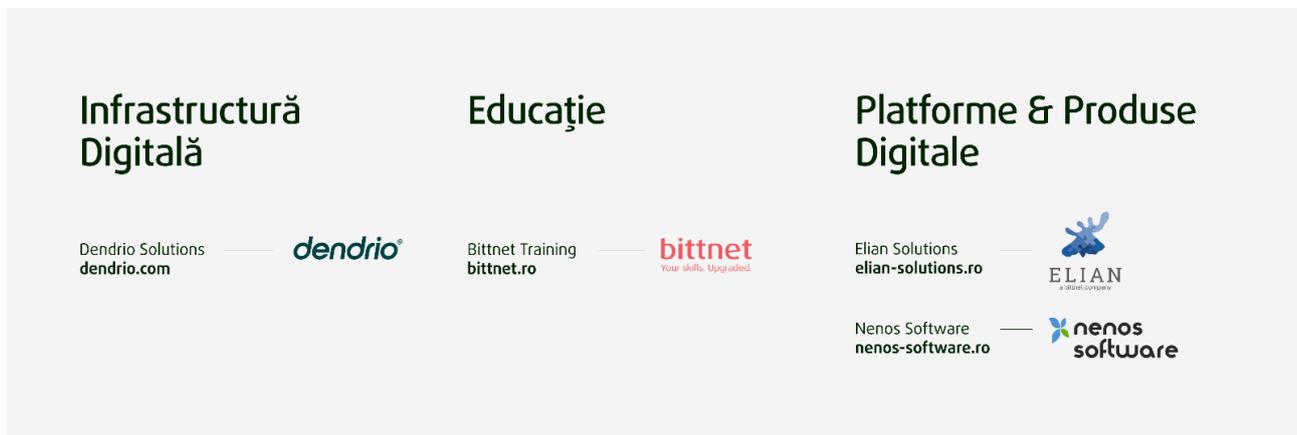
6.1. If the issuer is part of a group, a brief description of the group and the issuer's position within it. This may take the form of an organisational chart or may be accompanied by such an organisational chart, where this helps to clarify the structure.

Bittnet is today a conglomerate that offers investors exposure to the entire IT&C industry in Romania.

bittnet  
group

Piloni de business  
Decembrie 2025

Your Value.  
Upgraded.



6.2. A list of the issuer's significant subsidiaries, including their name, their country of incorporation, their share of equity interests and, if different, the percentage of voting rights held by the issuer.

At the date of writing this document, Bittnet Systems SA holds stakes in the share capital of other companies as follows:

- **Dendrio Solutions SRL** (CUI 11973883), owned by Bittnet Systems in a proportion of 96.501%, is the only multi-cloud integrator in Romania, a partner certified to the highest standards by Cisco, Google, Amazon Web Services, but also by many other vendors, is the company that brings together the IT&C integration activities from Bittnet, Gecad Net and Crescendo.
- **Dendrio Innovations SRL** (formerly Dataware Consulting SRL, CUI 27895927) is 100% owned by Dendrio Solutions. The company implements technological solutions such as data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and security solutions. The company has partnerships with major manufacturers in the field, such as Fujitsu, Cisco, Brocade and M-Files. Dataware offers clients IT services starting from the consultancy, analysis and design phase to implementation, support and testing, especially for complex projects.
- **Dendrio Technology** (formerly Top Tech SRL, CUI 2114184), 100% owned by Dendrio Solutions is a company with a 30-year history, which integrates IT infrastructures (communications, data processing, physical security systems) from vendors such as Dell, HP, Xerox or Microsoft, with a regional presence, having 6 branches in Transylvania and Banat and a team of over 86 specialists. At the end of 2024, Dendrio Technology absorbed its sister company 2Net Computer. The decision was made considering the profile of the two companies and the geography in which they operate.
- **Bittnet Training SRL** (formerly Equatorial Gaming SRL)(CUI 30582237), currently 100% owned by Bittnet, is a game-based learning company, which offers soft skills training for the IT industry, both in classic and gamified formats. At the end of 2024, Equatorial Gaming absorbed the group companies, Computer Learning Center and Equatorial Training.
- **The ELearning company SA** (CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. ELC is not within the scope of financial consolidation except for minority interests.
- **Elian Solutions SRL** (CUI: 23037351), led by Iulian Motoi, is a company founded in 2008 and owned by Bittnet Systems SA in a proportion of 61.6878%. The percentage of ownership increased from 51% following a share capital increase through the conversion of certain liquid and due receivables resulting from the transfer of Bittnet's ownership in Kepler Management to Elian. Elian is a Gold certified partner by Microsoft for ERP solutions

- **Elian Development Systems SRL** (formerly Kepler Management Systems)(CUI: 21562125) is a company with a similar field of activity and business to Elian, which joined the Bittnet group at the end of 2023. It is 100% owned by Elian.
- **Nenos Software SRL**(CUI: 29612482), founded and led by Toader Toporău, is a company owned by Bittnet in a proportion of 61% (the rest by the founder) is a custom software development company, with a focus on the field of Artificial Intelligence and Machine Learning (AI/ML).
- **Nonlinear SRL**(CUI: 37758005) is an SPV established to access European financing, 60% owned by Bittnet and led by Mr. Toporău. The activity is one of product-based software development, focused on developing a platform for digitization and automation of processes within small and medium-sized companies using low code/no code and machine learning technologies

## Section 7: Financial Situation

### 7.1. Financial situation

To the extent that it is not included elsewhere in the document and to the extent that this is necessary for an understanding of the issuer's business as a whole, a fair examination of the development and performance of the issuer's business and its position for each financial year and each interim period for which historical financial information is required, including the reasons for significant changes. This examination is a balanced and comprehensive analysis of the development and performance of the issuer's business and its position, correlated with the size and complexity of the business. To the extent that this is necessary for an understanding of the development of the issuer's business, performance or position, the analysis contains financial and, where appropriate, non-financial key performance indicators relevant to the specific business of the company. The analysis includes, where appropriate, references to the amounts reported in the annual financial statements and further explanations in this regard.

The full financial report (including the consolidated and individual financial statements accompanied by explanatory notes) can be consulted both on the issuer's own website, dedicated to investor relations, and on the BVB website, the issuer's BNET page. The financial statements with explanatory notes can be consulted on the issuer's website dedicated to investor relations, the sections dedicated to financial results as well as the general meetings for April 2026.

Key elements at the end of 2025, financial results presented according to IFRS standards, consolidated financial statements, audited:

- Consolidated revenue from customers: 394 million ron (vs 404 million ron in 2024)
- Gross margin: 61 million ron (vs 74.1 million ron in 2024)
- Operating profit: 1.63 million ron (vs 15.1 million ron in 2024)
- Net profit (total comprehensive result): -5.1 million ron (vs 9.1 million ron in 2024)
- Goodwill: 64.5 million ron (vs 67.9 million ron in 2024)
- Total equity: 66.5 million ron (vs 77.1 million ron in 2024)

### Consolidated Financial Position

Fixed assets did not fluctuate significantly in 2025, given that this position is mainly composed of goodwill related to M&A acquisitions. Current assets continued their positive evolution (from 223 to 274 million ron), consisting of 134 million ron of trade receivables from customers, 116 million ron of cash and equivalents, and 20 million ron of inventories and supplier advances at the end of 2025.

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
Goodwill	64,531,266	67,950,004	-5.03%
Other intangible assets	8,753,702	8,661,920	1.06%
Tangible fixed assets	5,343,907	7,058,287	-24.29%
Usage rights	19,954,606	22,412,622	-10.97%
Equivalent securities	6,176,992	1,271,853	385.67%
Other financial assets	315,703	378,633	-16.62%
Deferred tax	5,576,416	4,165,763	33.86%
Total fixed assets	<b>110,652,590</b>	<b>111,899,083</b>	-1.11%
Stocks	3,647,955	4,811,756	-24.19%
Advance expenses	16,221,472	15,324,838	5.85%
Trade and other receivables	134,432,677	124,059,021	8.36%
Financial assets	3,459,404	5,710,669	-39.42%
Cash and equivalents	116,384,296	73,355,404	58.66%
Total current assets	<b>274,145,804</b>	<b>223,261,688</b>	22.79%

On the other hand, short-term liabilities also evolved positively yoy, mainly through the increase in trade payables, which make up 81% of total short-term liabilities, and which are covered by 111% of trade receivables, cash and inventories. In other words, beyond working capital, the cash position available at the end of the year covers more than 100% of the financial liabilities due in 2026. From the "Provisions" position, the entry related to the provision established for the litigation with the owner of the former headquarters (approx. 4.1 million ron) was eliminated, given that the ICCJ quashed the decision of the Court of Appeal and remitted the file for retrial at the beginning of 2026. We recall that this provision was established at the level of the financial statements on 30.06.2025 as a result of receiving an unfavorable decision in the lawsuit filed by the owner of the group's former headquarters.

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
<b>Total debts</b>	<b>318,335,481</b>	<b>257,965,453</b>	23.4%
<b>Total long-term debt,</b>	<b>49,343,599</b>	<b>60,722,790</b>	-18.7%
of which:			
<b>Bonds</b>	21,194,200	30,718,474	-31.0%
<b>Bank Loans</b>	13,221,973	12,525,113	5.6%
<b>Lease liabilities (IFRS16)</b>	14,927,426	17,479,202	-185.4%
<b>Total short-term liabilities,</b>	<b>268,991,882</b>	<b>197,242,663</b>	36.4%
of which:			
<b>Bonds</b>	10,475,771	167,365	6159.2%
<b>Bank loans</b>	12,259,422	15,974,109	-23.3%
<b>Trade and other debts</b>	218,732,438	153,036,973	42.9%
<b>Provisions</b>	1,078,401	1,264,538	-14.7%

The net accounting asset (total capital) records the value of 61 million ron compared to 70 million last year, a natural evolution in a year with an accounting loss. The management's opinion is that the net accounting asset is undervalued due to the obligation to preserve the value of holdings in subsidiaries at the acquisition cost. For example, Bittnet's holding in Elian is valued at 5.5 million ron, and therefore it is reflected in the net asset with this value, on the other hand, we are talking about a company in an industry with valuation multiples of the order of 9-11x EBITDA, and an EBITDA level of over 3 million ron at the end of 2025. In other words, in the accounting asset we record barely 3x EBITDA out of the 9-11x market value. This theory (of undervalued holdings) could have been previously tested in the transactions of sale of the stake held in FORT SA (which occurred at a market value double the accounting value) or the sale of the holding in Optimizor (at a market value of 6.1 million ron, compared to the accounting value of 3.39 million ron).

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
<b>Share capital</b>	63,417,671	63,417,671	-
<b>Issue premiums</b>	31,934,768	31,934,768	-
<b>Other equity items</b>	(31,751,172)	(28,669,257)	10.7%
<b>Legal reserves</b>	2,233,539	2,104,581	6.1%
<b>Total capital</b>	<b>60,999,466</b>	<b>70,368,816</b>	-13.3%
<b>Minority interests</b>	5,463,446	6,826,502	-20.0%
<b>Total equity</b>	<b>66,462,913</b>	<b>77,195,318</b>	-13.9%

### Consolidated profit and loss account

In 2025, the Bittnet group achieved consolidated revenues from customer contracts of 394 million ron, down 2% compared to the previous year. Gross margin was 61 million ron, down 17% compared to 2024, and EBITDA recorded a value of 11.7 million ron, half the value in 2024, which leads to an operating profit of 1.6 million ron compared to 12.6 million in 2024.

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
<b>Revenue from contracts with customers</b>	<b>394,256,134</b>	<b>404,113,044</b>	-2.4%
Revenue from the provision of services	85,491,655	89,146,640	-4.1%
Sale of goods	308,764,479	314,966,404	-2.0%
<b>Cost of sales</b>	<b>333,240,210</b>	<b>330,002,661</b>	1.0%
Cost of goods/materials sold	296,072,542	293,472,428	0.9%
Services	2,179,947	1,547,935	40.8%
man-hours	34,987,721	34,982,298	0.0%
<b>Gross margin</b>	<b>61,015,923</b>	<b>74,110,382</b>	-17.7%
Other income	1,252,566	2,363,095	-47.1%
Selling/distribution expenses	19,619,851	20,798,497	-5.7%
man-hours	15,777,683	17,436,960	-9.5%
Advertising and other sales expenses	3,842,168	3,361,537	14.3%
Administrative expenses, of which	41,008,871	45,953,018	-10.7%
man-hours	16,917,201	19,224,604	-12.0%

Amortization	10,109,820	10,261,013	-1.5%
Other third-party services	6,244,781	6,171,550	0.9%
Miscellaneous	7,737,068	10,295,850	-24.4%
<b>Operating profit (excluding one-offs)</b>	<b>1,639,767</b>	<b>12,683,938</b>	<b>-87.4%</b>
EBIT	1,639,767	12,683,938	-87.4%
EBITDA	11,749,588	22,944,952	-49.0%

In 2025, the turnover recorded was similar to that in 2024 (394 million versus 404 million), but the structure and seasonality were very different in 2025 compared to 2024, as we showed in the first part of the report. The peak of deliveries from public projects concentrated in December generated a decrease in the value of services delivered during the year (effectively due to the lack of time for their implementation), accompanied by a decrease in the gross margin of projects from 16% to 12% within the Digital Infrastructure business unit, and from 51% to 46% in the Education business. The percentage increase in the Digital Platforms & Software pillar activity, from 30% to 32%, could not fully compensate for this decrease in the higher-volume business line (Digital Infrastructure), which led to a decrease in gross margin by 13 million ron at the consolidated level (-17% vs. 2024).

While the Digital Infrastructure cluster (Dendrio) experienced the strongest bottlenecks in 2025, but also the largest recovery in Q4, the other business pillars demonstrated resilience and recorded positive and growing developments versus the previous year: At the IT Education pillar, Bittnet training, we managed to expand into the cybersecurity courses area, focused on the delivery of DevOps courses and started delivering new courses (such as Project Management). We also signed new strategic partnerships (APMG, ServiceNow) and accelerated deliveries in ADR projects with European funding, which led to a 44% increase in revenues in 2025 versus 2024;

At the Digital Platforms & Software pillar level, Elian closed the year with a growing turnover (+22% vs 2024) as well as a significant multiplication of operating profit. In 2025, Elian consolidated its recurring revenue base from support services as well as upgrades to the latest version of Business Central made to existing customers. The focus of the year was on delivering implementations in new contracts to large customers with a significant number of users. For Nenos, 2025 represented the acceleration of the product-first direction and the launch of new AI Agents already implemented in projects, in addition to obtaining AWS competence in GenAI Services, the first of its kind obtained by a company in Romania. The major projects delivered covered clients from various industries (energy, pharma, insurance, horeca, FMCG, public sector), and the focus was on automating critical processes, reducing operational times and increasing the quality of decisions.

Administrative expenses were reduced from 11.4% of revenue to 10.4% of revenue, continuing the trend (in 2022 they were 12.5%). We continue to be attentive to any increase in general/administrative expenses and aware of the importance of keeping them under control at all times, without jeopardizing project delivery.

The decrease by 13 million ron in gross margin generates a decrease by 11 million ron in EBITDA (-49% vs 2024) and a similar decrease in operating profit in nominal value (as well as a decrease by 87% vs 2024). The operating profit recorded in 2025 is at the lowest level in the last 6 years due to the lack of revenue in the first semester which generated an operating loss of approx. 12 million ron. Thus, the operating profit recorded in semester 2 (approx. 13.8 million ron), even if increasing by 42% vs the level recorded in semester 2 2024, was insufficient to significantly compensate for the loss in the first half of the year. As of 31.12.2025, the operating profit is 1.6 million ron (vs 12.6 million ron in 2024).

## 7.2. Operating Profit, Operating Profit, Financial Profit and Gross Profit

Bittnet group (consolidated situation)	December 31, 2025	December 31, 2024	Evolution
EBITDA	11,749,588	22,944,952	-49.0%
Operating profit (excluding one-offs)	1,639,767	12,683,938	-87.4%
One-off result	-	-	-
EBIT	1,639,767	12,683,938	-87.4%
SOP adjustment	(311,804)	(1,043,509)	-70.1%
Equatorial brand impairment and ELC minority ownership	-	(2,078,990)	-
Pre-acquisition M&As costs	-	(45,510)	-
Gain/loss on equity-accounted securities	(43,346)	(39,541)	139.9%
Income/expenses from securities valuation	(2,086,006)	(4,024,130)	-48.2%
Other financial income	3,643,479	10,976,580	-66.8%
Financial expenses	(8,707,322)	(6,609,437)	31.0%
Gross profit	(5,865,231)	9,819,403	-160.3%
Net profit	(5,148,936)	8,296,154	-162.7%

Between operating profit and gross profit, financial costs of 8.6 million ron are divided into non-cash expenses and mark to market (SOP, revaluation of Softbinator shareholding, exchange rate differences) of approximately

2.5 million ron, and the rest cash expenses representing interest and bank commissions, payables of approximately 6.1 million ron. In this context, the consolidated gross loss is 5.8 million ron (compared to profit of 9.8 million ron in 2024) resulting in a net loss of 5.1 million ron at the end of 2025.

### 7.2.1. Information on significant factors, including unusual or rare events, or new developments, that significantly affect the issuer's operating income, indicating the extent to which they are affected.

After the overlapping global crises of 2020-2022 (Covid19 pandemic, problems in the global transport/supply chain, semiconductor crisis, war in Ukraine) we can say that we operate in a scenario that, even if far from ideal, is stable but in a difficult market context in 2023-2024 (the IT industry was affected in Western Europe and the United States by the wave of layoffs, the contraction of the IT market in Romania in 2024, etc.). After the prolonged electoral cycle of 2024-2025, the political crisis caused by the prolonged negotiations for the formation of a new governing coalition, the new international context governed by multiple crises including military conflicts, 2026 will certainly remain a year full of challenges.

### 7.2.2. If the historical financial information shows significant changes in sales or net income, a description of the reasons that generated these changes shall be included.

For historical financial information, there have been no significant changes in sales or revenues other than those normal in the business conducted in the market in which the issuer operates.

At the level of the year 2025, the groupBittnet has gone through one of the most complex periods in its history. The economic context has changed the market rhythm: postponed decisions, budgets put on hold and high volatility in both the IT sector and the national economy. In the first half of the year, the prolonged electoral cycle, the instability caused by the negotiations for the formation of a new governing coalition, discussions on the country rating and delays in the implementation of projects financed through the PNRR, contributed to a sudden stop in investments, as well as significant fluctuations felt in the economy: from pressures on the exchange rate to the increase in the costs of capital and reluctance to obtain financing for the development of projects.

For Bittnet Group, these realities translated into contracts whose signing was postponed, procedures already started that slowed down, and payment delays for delivered projects. The impact was seen both in the dynamics of revenues and in the structure of the balance sheet. The constructive part is that we are talking about time lags, not about waivers. Starting with the third quarter, we observed a gradual thawing of the market and a gradual resumption of investment plans, both in the public and private sectors, a signal that the fundamentals of demand remained solid, even if the pace was temporarily affected.

Thus, the usual seasonality in our activity was even more pronounced than in previous years: if historically the 4th quarter brought approximately a third of the turnover and gross margin, in 2025 major deliveries moved to the back end of the year, with Q4 representing 56% of the year's revenue.

In the first half, consolidated revenues were significantly affected, and operating results reflected the inelasticity of fixed expenses, generating an operating loss of 12.2 million ron. In contrast, the second half generated margins similar to previous years, which combined with the fixed cost reduction we implemented, led to an operating profit in H2 of almost 14 million ron.

BITTNET GROUP	H1 2025	H1 2024	Evolution	H2 2025	H2 2024	Evolution
Revenue from contracts with customers	103,983,209	169,505,875	-38.7%	290,272,925	234,607,169	23.7%
Gross margin	19,564,528	32,037,169	-38.9%	41,451,396	42,073,213	-1.5%
Selling/distribution expenses	10,466,452	9,950,413	5.2%	9,153,399	10,848,084	-15.6%
Personnel expenses	8,423,498	8,078,485	4.3%	7,354,185	9,358,474	-21.4%
Advertising and other sales expenses	2,042,954	1,871,927	9.1%	1,799,214	1,489,610	20.8%
Administrative expenses, of which:	26,272,886	22,647,772	16.0%	14,771,830	23,305,245	-36.6%
Personnel expenses	10,012,515	9,318,394	7.4%	6,906,769	9,906,210	-30.3%
amortization	5,138,631	4,926,794	4.3%	4,971,190	5,334,220	-6.8%
Other third-party services	3,149,427	2,859,766	10.1%	3,080,174	3,311,784	-7.0%
miscellaneous	3,895,666	5,542,818	-29.7%	3,890,344	4,753,032	-18.2%
Operating profit (excluding one-offs)	(12,279,560)	2,936,562	-518.2%	13,880,157	9,747,377	42.4%

EBITDA	(11,217,576)	7,863,356	-242.7%	22,927,993	15,081,596	52.0%
Gross profit	(20,558,139)	(3,868,387)	-431.4%	14,653,405	13,687,790	7.1%
Net profit	(17,813,773)	(4,533,063)	-293.0%	12,608,244	12,829,217	-1.7%

7.3. Evaluation of research and development activity. Specification of expenses in the financial year, as well as those anticipated in the following financial year for research and development activity

This is not the case, the Issuer and the group to which it belongs do not carry out research and development activities.

## Section 8: Capital Resources

### 8.1. Information on the issuer's capital resources (short-term and long-term).

The issuer (and the group of which it is a part) has financing mechanisms on the capital market (bond issues) as well as short and long-term bank lending - to finance current activity and the M&A investment program in 2022 - 2023.

At the time of writing of this Universal Registration Document, the Company has 4 bond issues, issued in 2022, 2023, and 2024 in euro and RON, tradable on the main market dedicated to fixed income instruments of the BVB (symbols: BNET26E, BNET27A, BNET28 and BNET28A) in the total amount of 2 million euros (BNET26E) and 21.6 million ron (BNET27A, BNET28 and BNET28A). Apart from the BNET26E bond issue which matures in June 2026, the rest of the borrowed capital resources from the bond issues have long-term maturities (June 2027 – June 2028).

### 8.2. An explanation of the sources and amount of the issuer's cash flows and a description of the cash flows.

In 2025, especially due to the concentration (seasonality) of deliveries in the 4th quarter, in large projects with public sector beneficiaries, combined with the terms agreed with suppliers generated significant operating cash: +63 million ron.

The sale of the majority stake in ITPrepared (Optimizor) in June 2025 was the main element that influenced the cash flows from investing activities: +6.1 million ron, along with the supplement of the loan granted to Dendrio Solutions (detailed transactions in the report on affiliated parties). The most important elements of the cash flows from financing activities were generated by the share buyback transaction (3 million ron), a recording resulting from the payment in BNET shares of the final tranche of the loan granted to Impetum in December 2024. Along with the interest payments paid to bank creditors and bondholders (5.3 million ron).

In this context, the net cash increase in the period, related to the consolidated situation, is 43 million ron, and cash and cash equivalents at the end of 2025 reached a record value: 116 million ron). We note that a significant part of this cash position was used in Q1 2026 to balance the trade balance (trade payables versus customer receivables).

### 8.3. Information regarding the issuer's credit conditions and financing structure.

The group's bank lending structure is predominantly made up of revolving overdraft credit lines aimed at short-term financing of specific projects. As of the date of this report, the Group has loans for financing current activity, both in national currency and in euro, from the following financial institutions: ProCredit Bank, Banca Transilvania, BRD and Unicredit Bank, as well as several non-cash ceiling products for issuing various types of bank guarantee letters contracted from Procredit Bank and Banca Transilvania.



All values in RON		31-Dec-2025				31-Dec-2024	
Banking product	Currency *	Interest rate	Maturity	Borrowed value	Balance as of 31.12.2025	Borrowed value	Balance as of 31.12.2024
ProCredit (Dend Sol)	RON	ROBOR6M +3%	2026	4,500,000	973,425	4,500,000	2,524,818
BT investment credit (Dend Sol)	RON	ROBOR3M +2.5%	2029	9,724,885	4,575,660	9,724,885	5,795,836
ProCredit investment loan (Dend Sol)	RON	ROBOR6M +2.5%	2030	10,000,000	7,005,891	10,000,000	8,241,818
PCB short term loan (Dend Sol)	EUR	EURIBOR6M +2.15%	2027	5,000,000	4,214,882	-	-
ING credit line (Dend Sol)	RON	ROBOR1M +2.2%	2026	5,000,000	3,781,927	5,000,000	1,446,666
BRD credit line (Dend Tech)	RON	ROBOR3M +1.5%	2026	8,000,000	4,929,610	10,000,000	59,548
BT short-term credit (Dend Inno)	RON	ROBOR3M +2.75%	2026	15,000,000	-	15,000,000	9,082,867
Raiffeisen credit line (2NET)	RON	ROBOR6M +2%	2025	2,500,000	-	2,500,000	1,347,667
UniCredit line of credit (Elian Sol)	RON	ROBOR3M +3%	2027	2,600,000	-	1,600,000	-
<b>Total bank debts:</b>					<b>25,481,395</b>		<b>28,499,222</b>
<b>Long term:</b>					13,221,973		12,525,113
<b>Short term:</b>					12,259,422		15,974,109

\*The currency in which the banking product was contracted

### ProCredit Bank (PCB)

In June 2025 Dendrio Solutions contracted a product of the type of ceiling/line of credit – in a maximum amount of 1 million euros for the purpose of financing working capital and current activity. The maturity is 36 months and the interest is composed of EURIBOR 6M + 3.15% per annum for the actual balance used from the ceiling. The Group's management chose to contract this ceiling in euros given the lower cost of bank lending products in the single European currency, versus those in national currency.

In May 2023, Dendrio Solutions contracted an investment loan from ProCredit Bank in the amount of 10,000,000 ron, for a period of 7 years, with monthly repayments of principal and interest for the acquisition of the majority stake in the company Dataware Consulting SRL. The annual interest rate is ROBOR6M+2.50%. The guarantees provided are: movable mortgage on Dendrio Solutions accounts opened at ProCredit Bank, movable mortgage on the shares acquired by Dendrio Solutions (51.13% of Dataware), guarantee from Bittnet Systems SA as co-debtor and guarantee issued by the European Investment Fund in the proportion of 60% of the loan value, as well as a cash collateral deposit for the amount of 2,500,000 ron.

In May 2023, Dendrio Solutions contracted a non-cash ceiling banking product from Procredit Bank for a maximum amount of 2,300,000 ron. The validity period is 36 months. The product is intended for issuing various types of SGBs (letters of bank guarantee for participation in bidding procedures; letters of guarantee for good execution, etc.). Dendrio uses this product in order not to immobilize its own cash in the issuance of SGBs. This product was extended to the maximum ceiling of 3,300,000 ron in September 2024.



In October 2023, Dendrio Technology contracted a non-cash product from ProCredit Bank, in the maximum amount of 1,400,000. The ceiling is used in the current activity for the establishment of bank guarantees for participation in bidding procedures or for good execution for commercial contracts that require such instruments. Dendrio Technology uses this product in order not to immobilize its own cash in the issuance of SGBs.

### Banca Transilvania (BTRL)

On 06.09.2022, Dendrio Solutions contracted a credit product in the form of a ceiling – investment credit – from Banca Transilvania in a maximum amount of 11,000,000 ron to finance 75% of the price of the share acquisition transactions of the companies Top Tech SRL and 2NET Computer SRL. The investment credit was contracted for a period of 7 years and the repayment method is monthly, through constant annuities. The annual interest rate is variable and consists of the 3-month ROBOR index, to which is added the Bank's fixed margin of 2.50%. The guarantees established for this credit product are the movable mortgage on Dendrio Solutions accounts opened at Banca Transilvania, the movable mortgage on the shares acquired from the two companies, a guarantee from Bittnet Systems as co-debtor, a guarantee issued by the European Investment Fund. Dendrio Solutions made 2 withdrawals from this ceiling, during 2022, after signing the closing documents with the selling shareholders of the two target companies, Top Tech and 2NET Computer, paying the equivalent value of the shares. The 2 withdrawals were in the amount of 9,724,885 ron and the repayment of the borrowed amount is made over a period of 7 years.

In December 2023, the extension and supplement of a credit product contracted by Dendrio Innovations (formerly Dataware Consulting) from Banca Transilvania was signed, under the following conditions: Supplementing the ceiling for financing working capital by the amount of 15,000,000 ron, from the value of 2,500,000 ron to 17,500,000 ron. This banking product is used by Dendrio Innovations for the punctual financing of commercial contracts. The guarantees are: mortgage on bank accounts opened at Banca Transilvania, assignment of receivables resulting from financed contracts and guarantee from the sole associate of Dendrio Innovations, respectively Dendrio Solutions. The interest for this product is ROBOR3M+2.75% applied to the actual balance used from the ceiling. The period of use of the ceiling is 12 months from signing with the possibility of extension, and the validity period is 24 months. The product is used revolving, through successive draws, to ensure the pre-financing component of projects – where applicable – for contracts with a long implementation cycle and which involve the delivery of complex IT&C integration solutions. In December 2024 the ceiling was resized to the value of 15,000,000 ron and the drawdown period was extended.

Also in December 2023, Dendrio Innovations signed an addendum with Banca Transilvania to supplement the non-cash ceiling for issuing bank letters of guarantee by 3,000,000 ron. The product is used in current activity for the establishment of bank guarantees for participation in bidding procedures or for the proper execution of commercial contracts that require such guarantee instruments. The company requested the bank to supplement the existing non-cash ceiling so as not to need to block its own cash in the guarantee instruments. In December 2024, this non-cash ceiling was resized to 7,000,000 ron.

In October 2023, Dendrio Solutions contracted a non-cash product from Banca Transilvania, in the maximum amount of 2,000,000 ron for a period of 12 months with the possibility of extension. The ceiling is used in the current activity for the establishment of bank guarantees for participation in bidding procedures or for good execution for commercial contracts that require such instruments. Dendrio uses this product in order not to immobilize its own cash in the issuance of SGBs. In December 2024, this non-cash product was resized to 7,000,000 ron.

In December 2023, Dendrio Technology (formerly TopTech) contracted a non-cash product from Banca Transilvania, in a maximum amount of 3,000,000 ron for a period of 12 months with the possibility of extension. The ceiling is used in the current activity for the establishment of bank guarantees for participation in bidding procedures or for good execution for commercial contracts that require such instruments. Dendrio Technology uses this product in order not to immobilize its own cash in the issuance of SGBs. This product has been extended until December 2025.

### Unicredit Bank

In February 2026 Elian Solutions signed addendum for the extension and supplementation of the credit product – of the revolving type overdraft for working capital financing – contracted from Unicredit Bank. The agreement was extended for a period of 12 months and the ceiling was increased from 1,600,000 ron to 2,600,000 ron; the interest rate for this product is ROBOR3M+3%; The collateral structure consists of a movable mortgage on Elian Solutions SRL accounts opened at UniCredit Bank, assignment of receivables and a Corporate Letter of Guarantee issued by the majority shareholder Bittnet Systems SA. This product has been extended for a period of 12 months, the current maturity being February 2027.



In August 2025, Dendrio Technology (formerly known as TopTech) increased the ceiling contracted from BRD to 8,000,000 ron. The credit product can be used for both non-cash and cash withdrawals in order to finance current activities and to issue bank guarantee letters. The credit and guarantee conditions have remained unchanged, the period of use is 12 months with the possibility of extension and the interest is ROBOR 3M + 1.5% per annum, calculated on the balance used from the credit.

### ING Bank

In October 2024, the Issuer informed about the signing of a credit agreement by Dendrio Solutions with ING Bank NV Amsterdam – Bucharest Branch. The agreement involves a revolving-overdraft credit line for financing working capital and current activity in a maximum amount of 5,000,000 ron. The guarantees for this product are constituted by Dendrio Solutions – general assignment of receivables and mortgage on the accounts opened by Dendrio Solutions at ING Bank. The interest rate for this product is ROBOR1M+2.2% per annum.

### Use of non-cash banking products

As of December 31, 2025, the companies in the Bittnet Group had issued bank guarantee letters worth: 195,726 euros (good payment bank letter, issued by Bittnet Systems in favor of One Controceni Park for the office rental contract) and 16,166,077.92 ron (bank guarantee letters for participation in tender procedures and good execution issued by: Dendrio Solutions – 7,974,228.38 ron, Dendrio Innovations – 5,901,587.33 ron and Dendrio Technology – 2,290,262.21 ron, respectively). All guarantees are issued from non-cash ceilings contracted from credit institutions.

### Bonds issued

In addition to the bank lending resources detailed above, the Issuer financed its activity, but especially its expansion and growth through M&A transactions through capital market instruments. During 2023, the Issuer repaid three bond issues at maturity (BNET23C, BNET23 and BNET23A), bringing the total to 5 issues repaid at maturity or early. Also in 2023, Bittnet launched for the first time on the Romanian capital market two public offerings of corporate bonds (BNET27A and BNET28) which were particularly successful: oversubscription of over 1.5x, investor diversity and remarkable liquidity after listing. Following the 2 offerings, two committed financings were obtained in a total amount of 15 million ron. The Company also has tradable bonds on the BVB under the symbol BNET26E, a bond issue denominated in euros worth 2 million euros (with interest of 9% per annum) whose maturity is in June 2026. Also, during March-April 2024, Bittnet conducted a new round of financing through a public offering of corporate bonds (under the symbol BNET28A) raising the amount of 6.35 million ron from BVB investors – by issuing a number of 66,249 bonds sold at the price of 96 ron/bond. The nominal value is 100 ron/bond, the interest rate is 9% per annum and the maturity is April 2028.

All bond issues have long-term maturity (period 2027 - 2028) except for the BNET26E issue with a nominal value of 2 million euros which matures in June 2026. The annual interest rates through which the issuer borrowed through these capital market instruments are: 9% (BNET26E), 9.6% (BNET28), 10% (BNET27A) and 9% (BNET28A) depending on the market context, monetary policy rates or the inflation situation at the time of the financing rounds.

The issuer is up to date with all coupon payments to bond investors. Also, the companies in the Bittnet group are up to date with all installment payments related to the contracted bank loans.

The issuer is analyzing the possibility of conducting one or more bond issues, including exchange offers, during the financial year 2026, if the market context is favorable and in accordance with capital market legislation.

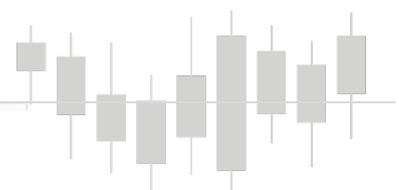
#### 8.4. Information on any restriction on the use of capital resources that has influenced or may significantly influence, directly or indirectly, the issuer's operations.

Not applicable. There are no restrictions imposed on the issuer regarding the use of capital resources

#### 8.5. Information on the sources of financing estimated to be necessary to meet the commitments set out in point 5.7.2.

The revenue and expense budget for 2026 does not foresee significant investments. The company's management will direct resources towards investments only if those investments will not generate a cashflow problem for the Issuer. None of the investments already started in previous years raise financing/repayment problems for the Issuer, as they are supported from existing/generated cash availability.

The issuer is analyzing the possibility of conducting one or more bond issues, including exchange offers, during the financial year 2026, if the market context is favorable and in accordance with capital market legislation.



## Section 9: Regulatory Framework, Market on which shares and bonds are traded

9.1. A description of the regulatory framework in which the issuer operates and which may significantly affect its business, together with information about any policy or factor of a governmental, economic, budgetary, monetary or political nature that has affected or could significantly affect, directly or indirectly, the issuer's operations.

The Issuer is governed by Romanian Law. The regulatory framework within which the Issuer operates includes national legislation as well as specific EU legislation, including but not limited to:

- Law 31/1990 on companies, republished, with subsequent amendments and completions;
- Law 24/2017 on issuers of financial instruments and market operations;
- ASF Regulation No. 5/2018 on issuers and securities transactions;
- EU Regulation No. 1129/2017;
- Delegated Regulation (EU) 2019/979;
- Delegated Regulation (EU) 2019/980;
- Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation).

9.2. Specification of the markets in Romania and other countries on which the securities issued by the company are traded.

Starting with June 3, 2020, the shares issued by the company are traded on the Bucharest Stock Exchange, on the Regulated Market, Standard category, trading symbol BNET, ISIN code ROBNETACNOR1.

Prior to this date, BNET shares were traded on the AeRO-SMT market, administered by BVB starting with 15.04.2015.

The increased liquidity of BNET shares meant that, only 3 months after the transfer to the BVB Main Market, Bittnet shares were included in several indices: BET-XT, BET-XT-TR, BET-BK, as well as in the extended 'basket' of the main BET index - BETPlus.

In 2025, the average daily value of BNET shares transactions amounted to approximately 54 thousand ron per trading session, totaling 13.4 million ron (similar value to that of 2024, on the regular market). During 2025, a volume of 102 million BNET shares was traded, which represents 16% of the total shares as of 31.12.2025. At the end of 2025, the market capitalization of the Bittnet group was 72.3 million ron, down 26% compared to the beginning of the year.

Currently, the number of Bittnet shareholders exceeds 5,100 individual and legal entity shareholders as well as institutional investors.

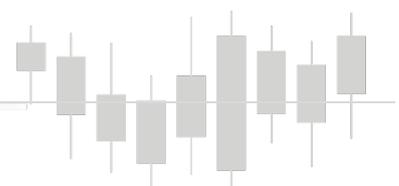
By comparison, in 2024 the average daily value of transactions with BNET shares amounted to approximately 60 thousand ron per trading session: 14.89 million ron in the regular market and another 4.36 million ron in the deals market. During 2024, a volume of almost 84 million BNET shares was traded, which represents approximately 13% of the total shares registered as of 31.12.2024. At the end of 2024, the market capitalization of the Bittnet group amounted to 97.6 million ron, down 43% compared to the end of 2023.

### Bond issues: BNET26E, BNET27A, BNET28 and BNET28A during 2025:

At the end of 2022, Bittnet conducted a private placement of corporate bonds denominated in euro (the first of its kind in the issuer's history) after which it raised the amount of 1,961,144 euros from 53 individual, legal and professional investors. The maturity of the BNET26E issue is in June 2026. Starting from 07.03.2023, the BNET26E bonds are tradable on the Regulated Market administered by BVB.

In 2025, the last closed financial year: 5,028 BNET26E bonds changed hands in 2025, i.e. 24% of the total volume of the issue at an average price of 101% of the nominal value and a total transaction value of 511 thousand euros (approx. 2.5 million ron). The interest for BNET26E bonds is 9% per annum payable quarterly through T2S and the Central Depository.

By comparison, in 2024 – 2,550 BNET26E bonds changed hands in 2024, i.e. 12% of the total volume of the issue at an average price of 103% of the nominal value and a total transaction value of 262 thousand euros (approx. 1.31 million ron).



In May-June 2023, Bittnet conducted a public bond offering (the first offering of this type conducted on BVB) as a result of which it raised the amount of 5 million ron from BVB investors. The issue was carried out under the symbol BNET27A, and starting with 19.07.2023 it is traded on the BVB regulated market.

In 2025, 10,434 bonds (i.e. 20% of the total issue) were traded at an average price of 98% of the nominal value, summing up total transactions worth 1.03 million ron. The interest is 10% per annum, payable quarterly through the Central Depository. The maturity of the BNET27A issue is in June 2027.

By comparison, in 2024, 14,065 bonds were traded (i.e. 28% of the total issue) at an average price of 103% of the nominal value, summing up total transactions worth 1.46 million ron.

In December 2023, Bittnet launched a new bond issue, BNET28, through the public offering and price range mechanism (similar to BNET27A), as a result of which the issuer raised the amount of 10 million ron. The issue date of the BNET28 bonds was 15.12.2023, and the maturity date will be 15.06.2028. The interest is 9.6% per annum, payable quarterly through the Central Depository. Starting with 02.02.2024, the BNET28 bonds are tradable on the BVB Regulated Market.

In 2025, 18,137 BNET28 bonds were traded (i.e. 18% of the total issue) at an average price of 94% of the nominal value, totaling total transactions of 1.73 million ron.

By comparison, during 2024, from listing until the end of the year, a number of 29,181 BNET28 bonds changed hands (29% of the total issue) at an average price of 101% of the nominal value, meaning transactions worth 2.96 million ron.

During March-April 2024, Bittnet conducted a new round of financing through a public offering of corporate bonds (under the symbol BNET28A) raising 6.35 million ron from BVB investors – by issuing 66,249 bonds sold at a price of 96 ron/bond. The nominal value is 100 ron/bond – the same as in the other issues conducted by Bittnet, the interest rate is 9% per annum and the maturity is April 2028.

In 2025, 12,765 BNET28A bonds changed hands (19% of the total BNET28A issue) at an average price of 93% of the nominal value, representing transactions worth 1.2 million ron.

By comparison, in 2024, from the listing on 05/23/2024 until the end of the year, a number of 27,070 BNET28A bonds changed owners (40% of the total BNET28A issue) at an average price of 96.7% of the nominal value, meaning transactions worth 2.61 million ron.

The issuer is up to date with the payment of all coupons related to bond issues.

### 9.3. Description of the company's dividend policy

The General Meeting of Shareholders annually adopts the decision on the allocation of profits. With the change and announcement of the new strategy in 2024, from accelerated growth to the capitalization of portfolio assets, any amounts that would be collected by the issuer from the sale of subsidiaries (partially or in full) could be directed to distribution in dividends, but a decision in this regard will be made only by the General Meeting. For the period 2016-2025, the issuer did not distribute dividends from registered profits or reserves.

### 9.4 Specification of dividends due/paid/accumulated in the last 3 years and, if applicable, the reasons for any decrease in dividends during the last 3 years.

According to the dividend policy, in 2016, 2017, 2018, 2019, 2020 and 2021 the general meeting decided to reward shareholders by capitalizing the company's profits and granting free shares - one operation each year. No similar operations were carried out during the period 2022 - 2025. No dividend distributions were made from profits or reserves during the period 2016 - 2025.

### 9.5. Description of any activities of the company to acquire its own shares.

During the EGMS of April 2024, the opportunity to carry out share buyback operations from the Market was submitted for approval and the Board of Directors was mandated to determine the opportunity and timing of such operations and to take the necessary steps. In August 2024 – the Board of Directors of Bittnet established the start of a share buyback program, through daily buybacks from the market. The maximum number of shares to be bought back was 10,000,000 ordinary, registered, common, dematerialized shares, with an individual nominal value of 0.1 ron, within the limit of a maximum budget allocated for this operation of 2,000,000 ron.

The intermediary through which this market operation was carried out was BRK FINANCIAL GROUP SA and the maximum daily volume repurchased is within the limit of 25% of the average daily quantity of shares traded on the market, calculated according to the applicable legislation, according to art. 3 paragraph (3) letter b) of the EU Delegated Regulation 2016/1052.



The price at which the redemptions are made was within the range established by the EGMS Decision no. 04 of 25.04.2024 and the Board of Directors Decision of August 2024: the minimum redemption price 0.1 RON/share (respectively the nominal value), and the maximum redemption price 0.25 RON/share. The implementation of the redemption program was carried out from own sources.

By the end of the buyback program, a volume of 5,369,000 BNET shares were repurchased and registered as treasury shares. These shares are to be cancelled by the issuer based on a decision of the GMS.

9.6. If the company has subsidiaries, specify the number and nominal value of shares issued by the parent company held by the subsidiaries.

None of the companies in the group own shares or bonds issued by Bittnet Systems.

9.7. If the company has issued bonds and/or other debt instruments, a presentation of how the company pays its obligations to the holders of such securities.

The company is up to date with the payment of coupons to bondholders, for all bond issues, coupon distributions are made through the standardized system of the Central Depository, with a quarterly frequency for bonds BNET26, BNET27A, BNET28 and BNET28A. During the period 2016 - 2026, from the issuance of the first bond issue to the present, the company has paid over 15.5 million ron to more than 2,000 bondholders, according to the payment calendars for each of the bond issues.

## Section 10: Trend information

10.1. A description of:

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

In recent years, the Issuer has felt the effect of the following major socio-economic trends:

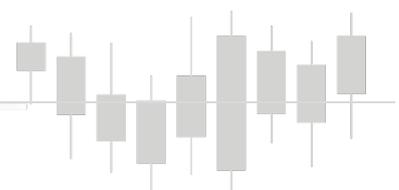
1. **Increasing competition for human resources** (“heating of the labor market”). This trend has been going on for several years and is particularly evident in the IT industry, in which the Issuer operates. In particular, in the case of the IT services industry, any person can provide services from wherever they are for clients from any other part of the world. This makes the Romanian market for IT experts one with global competition. Thus, there are multinational companies that have headquarters in Romania, but also freelancing platforms that accept Romanian citizens as members of the platform. Both alternatives generate more options for qualified personnel to choose from to offer their services, resulting in an increase in the price of human resources. From an accounting point of view, in the case of the Issuer and the companies in the group this translates into an increase in personnel and subcontractor costs. From an operational point of view, this reality translates into increasing difficulties in finding and attracting qualified personnel, but also in the need to devote time, attention and material resources to creating a pleasant and attractive workplace. These are internal management priorities.
2. **Commoditization of IT services.** This trend leads to lower selling prices for the Issuer's products and services, which combined with the increase in human resources costs generates pressure on the gross margin (revenue minus direct costs). Additionally, it induces customers to prefer to pay only for what they consume, moving away from subscriptions or major upfront investments.
3. **Gig Economy (“uberization”)** The emergence and development of this trend has partially eased the Issuer's pressure on fixed costs (since the personal income recorded by the Issuer's employees comes from multiple sources, so there is no pressure for us), but it has also increased the need to develop operations on a larger scale, so that we can take advantage of this trend.

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

Not applicable. No significant changes have been identified in the group's financial performance since the end of the last financial year until the publication of this Document.

10.2. Information on any known trend, uncertainty, requirement, commitment or event that is reasonably likely to materially affect the issuer's prospects, at least for the current financial year.

That's not the case.



## Section 11: Profit forecasts or estimates

Where an issuer has published a profit forecast or estimate (which is still in force and valid), that forecast or estimate shall be included in the document. Where a profit forecast or estimate has been published and is still in force but is no longer valid, a statement to that effect and an explanation of the reasons why that forecast or estimate is no longer valid shall be provided.

Not applicable. The Issuer does not make any profitability forecasts. The Issuer operates annually with a Revenue and Expenditure Budget (R&E) approved by the General Meeting of Shareholders. The R&E for 2026 will be submitted to shareholders for approval at the general meeting scheduled for April 29, 2026.

<b>BITTNET CONSOLIDATED GROUP</b>	<b>Indicative budget FY2026E</b>
Revenue from contracts with customers	<b>449,622,494</b>
Direct expenses (COSTS OF SALES)	344,369,828
*Gross Margin (M1)	<b>105,252,666</b>
%Gross Margin (M1)	<b>23.4%</b>
IFRS Direct Costs (technical team)	31,809,351
Gross Margin (M2)	<b>73,443,315</b>
%Gross Margin (M2)	<b>16.3%</b>
Indirect expenses, of which	<b>49,120,267</b>
<i>Selling/distribution expenses</i>	19,428,070
<i>Human Resources - indirect costs</i>	17,395,890
<i>Other Administrative expenses</i>	12,296,307
EBITDA	<b>24,323,048</b>
	%EBITDA <b>5.4%</b>
	<i>amortization</i> 10,501,426
EBIT	<b>13,821,622</b>
	<i>SOP &amp; M&amp;A costs</i> -
<i>Financial Result</i>	<i>(7,598,417)</i>
Gross Profit	<b>6,223,205</b>
<i>Current income tax</i>	995,713
Net profit	<b>5,227,492</b>
%Net profit	<b>1.2%</b>

\*The difference between Gross Margin M1 and M2 is given by IFRS direct costs (related to the technical/delivery team), that component of direct costs that is not directly allocated to the projects sold to customers. The Issuer reports Gross Margin (M2) when presenting the financial results, this level of indicator being the result between revenues from customer contracts (turnover) minus total direct expenses.

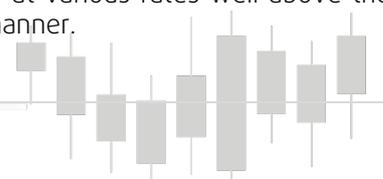
In all documents published by companies listed on capital markets around the world, regarding the “Income and Expense Budget”, it is stated that the figures presented do not represent a promise or guarantee, and the company cannot be held liable for failure to achieve the objectives.

When a company establishes its income and expense budget for a given year, it takes into account the internal and external factors that it knows at the time of establishing this budget. The last five years have brought companies into extremely difficult situations, in which they have had to adapt and which could not be predicted both domestically and internationally.

Therefore, the new reality, in which problems are not only related to the domestic kitchen of a country, generates the following dilemma for all managers: we set goals that seem difficult to achieve at first glance, but for which at the time of setting them we base our goals on indicators and estimates consistent with the reality of that moment, or we publish an extremely moderate budget, which we know we can exceed, but at the same time brings the company into a situation of entering a comfort zone and greatly reducing its chances for a more prosperous future for all those involved.

At Bittnet group, we have always preferred to set bold targets, built on the conservative assumption that it will be harder for us to produce the same dollars next year as this year – so we will have to work harder. Every year, some activities or companies exceed plans and others are affected by various elements beyond the control of management, and as a result, they do not reach the targets published at the beginning of the year.

We will continue this approach, as it has allowed us to grow continuously, at various rates well above the industry average, even if not always in a consistent and easily predictable manner.



For 2025, the indicative budget is 449 million ron in turnover and 13.8 million ron in operating profit (and 24 million ron in EBITDA).

## Section 12: Administrative, Management and Supervisory Bodies and Senior Management

12.1 The names, work addresses and positions within the issuing company of the following persons and their main activities outside the issuing company, if the activities in question are significant for the issuing company.

According to Law 24/2017, art. 94, letter (b) manager means “any member of the board of directors, as well as any director, in the case of the unitary management system, respectively any member of the supervisory board, as well as of the directorate, in the case of the dual management system, according to Law no. 31/1990, republished, with subsequent amendments and completions, including in all cases in which he was appointed, the general manager and, if this position exists, the deputy general manager”

Thus, the Issuer has determined that the following roles and persons meet the conditions of the law:

- Board members, including the chairman
- Director General
- Financial Director

These people are listed below:

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

Given the approaching expiration of the Board of Directors' mandates at the end of January 2024, the issuer convened the General Meeting of Shareholders for January 25, 2024 to elect a new Board. Following the casting of votes, the shareholders elected the new Board of Directors for a 4-year mandate, which had the following composition:

- 1) **Ivylon Management SRL**– executive administrator, through MIHAI ALEXANDRU CONSTANTIN LOGOFĂTU;
- 2) **ANGHEL LUCIAN CLAUDIU** – non-executive director;
- 3) **Eccleston Square Capital Limited** represented by CIUCU BOGDAN-ANDREI – non-executive administrator;
- 4) **CONSTANTINESCU GABRIEL-CLAUDIU** – non-executive director;
- 5) **Quercus Solutions SRL** represented by MICHEȘ PAUL – non-executive administrator.

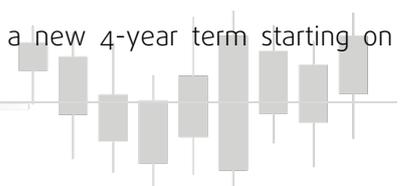
On 21.10.2025, the company's shareholders met at the General Meeting to elect new members to the Board of Directors, following the resignations submitted by 3 of the members elected at the GMS in January 2024. Following the casting of votes, the shareholders elected the new composition of the Board of Directors, the new members having the mandates aligned with the old members, namely until January 2028:

- 1) **Ivylon Management SRL** – executive administrator, through Mihai Alexandru Constantin Logofătu. As of 31.12.2025, Mihai Logofătu holds a number of 55,651,882 shares, which represents 8.77% of the share capital. Mihai Logofătu is co-founder of Bittnet Systems. Mihai Logofătu is also the general manager of the Issuer;
- 2) **Angel Lucian Claudiu** – non-executive administrator, who holds on 31.12.2025 a number of 5,468,395 shares of the Issuer, i.e. a percentage of 0.86% of the share capital;
- 3) **Marketing Expert Consulting SRL** represented by TUDOR ADINEL – non-executive director. At the date of election as a member of the Board of Directors, as well as on 31.12.2025, Mr. Tudor or the company Marketing Expert Consultin did not hold shares of the issuer;
- 4) **PODARIU AUREL CONSTANTIN** – non-executive director. At the date of election as a member of the Board of Directors, as well as on 31.12.2025, Mr. Podariu did not hold shares of the issuer;
- 5) **LOGOFĂTU CRISTIAN ION** – non-executive director. As of 31.12.2025, Cristian Logofătu holds 58,005,988 shares, representing 9.14% of the share capital. Cristian Logofătu is the co-founder of Bittnet Systems. Cristian and Mihai Logofătu are brothers.

### Executive directors:

The executive management of the Issuer is delegated to the directors, according to the articles of association and the decision of the Board of Directors, as follows:

- **LOGOFĂTU Mihai Alexandru Constantin** – General Manager – for a new 4-year term starting on 16.03.2024



- **STĂNESCU Adrian Victor** – Financial Director – for a new 4-year term starting on 16.03.2024.

### Chairman of the Board and General Manager

The Board of Directors appointed the Chairman of the Board of Directors, namely Ivylon Management SRL (a Romanian legal entity with its registered office in Bucharest, Drumul Sării no. 45, room 1, sector 6, registered in the Trade Register Office attached to the Bucharest Court with order no. J40/7852/2019, unique registration code 41260660), a company with the object of activity “management and business consultancy”. The company was elected by the shareholders as a member of the Board of Directors considering the CV of Mr. LOGOFĂTU MIHAI-ALEXANDRU-CONSTANTIN - Romanian citizen.

On 25.01.2024, given the approaching expiration of the mandates of the Board members elected by the General Meetings of 29.01.2020 and 27.04.2023, respectively, the General Meeting elected the composition of the Board of Directors in accordance with the details in point 12.1. above. In the first meeting in which the new Board of Directors met, respectively on 30.01.2024, the Board members elected the Chairman of the Board of Directors, respectively Ivylon Management SRL. The company was elected by the shareholders as a member of the Board of Directors considering the CV of Mr. LOGOFĂTU MIHAI-ALEXANDRU-CONSTANTIN – Romanian citizen

The workplace address of the Chairman of the Board of Directors is the correspondence address of the Issuer, Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. Mr. Logofătu Mihai is a co-founder of the Issuer and at the date of drafting this document held 8.7754% of the shares issued by the Issuer and a number of 300 BNET26E bonds, representing 1.45% of the total issue. At the same time, Mr. Mihai Alexandru Constantin LOGOFĂTU also serves as General Manager.

The Issuer declares that Mr. LOGOFĂTU MIHAI-ALEXANDRU-CONSTANTIN, who holds the position of Chairman of the Board of Directors and General Manager:

- has not been a member of an administrative, management or supervisory body or a limited partner, at any time in the last 5 years, within another company;
- has not been convicted of fraud within the last five years at least;
- has not been associated, within the last five years, with matters relating to any bankruptcy, receivership or liquidation proceedings; and
- has not been incriminated and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.
- The General Manager does not carry out other activities outside the Issuer that would have a significant impact on the issuing company.

The Chairman of the Board of Directors carries out his activity based on a mandate contract according to the GMS Decision of 25.01.2024.

### Education:

- 2012, PhD in Management – University of Craiova
- 2009, Master in Computer Networks – University of Bucharest
- 2007, Bachelor's Degree in Management – Academy of Economic Studies – Bucharest

### Professional experience:

- 2007 – Present: Bittnet Systems, CEO, Founder
- 2003 – Present: Credis Academy Bucharest, Manager
- 2001 – 2003 Cisco Academy of the University of Bucharest, Instructor

### Vice President and Independent Board Member

Mr. ANGHEL LUCIAN CLAUDIU – Romanian citizen – was elected Vice President of the Board.

The work address of the Vice-President of the Board of Directors is the correspondence address of the Issuer, Bucharest, Sector 5, Serg. Ion Nuțu Street, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, 050691. At the date of writing this document, Mr. Anghel holds 0.8622% of the issuer's shares and 2.04% of the BNET26E bonds, as well as 11.1360% of the BNET27A bonds and 5.941% of the BNET28 bonds.

The Issuer declares that Mr. ANGHEL LUCIAN CLAUDIU, who holds the position of Vice-President of the Board of Directors:

- has not been convicted of fraud within the last five years at least;



- ii. has not been associated, within the last five years, with matters relating to any bankruptcy, receivership or liquidation proceedings; and
- iii. has not been incriminated and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.
- iv. Mr. Anghel was Chairman of the Board of Directors of the Bucharest Stock Exchange between January 2012 and January 2020.

Currently, Mr. Lucian Anghel is Vice President of Libra Bank and non-executive member of the Board of Directors of Teraplast SA. In 2024, Mr. Anghel also held the position of non-executive member of the company FORT SA.

Mr. Anghel does not carry out other activities that would have a significant impact on the issuing company.

#### Education:

- 2006, HEC Montreal: Business Administration and Management, General
- 2003, Georgetown University: Postgraduates Program, Field Of Study Bank Risk Management
- 2003, Bucharest Academy of Economic Studies: Doctor of Philosophy – PhD, Managerial Economics
- 1997, Bucharest Academy of Economic Studies: Master's degree, Information Technology
- 1996, Bucharest Academy of Economic Studies: Bachelors Degree Information Sciences and Support Services

#### Professional experience:

- 2023 – present – Vice President, Board Member, Libra Bank
- 2020 – 2022: CEO, Board Member, Banca Românească
- 2012 – 2020 : President, Bucharest Stock Exchange
- 2015 – 2019: Acting CEO, BCR Housing Bank
- 2012 – Present: University Professor at the Faculty of Management, ASE Bucharest
- 2012 – 2015: Acting CEO, BCR Pensions
- 1996 – 2012: BCR, various positions, including Chief Economist

The Vice President of the Board of Directors carries out his activity based on a mandate contract according to the GMS Decision of 25.01.2024.

#### Board Member

Member of the Issuer's Board of Directors: Mr. PODARIU AUREL CONSTANTIN, citizen with dual Romanian and British citizenship.

Mr. Podariu's work address is the Issuer's mailing address, namely Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, 050691. At the date of this document, Mr. Podariu does not hold financial instruments issued by Bittnet Systems SA.

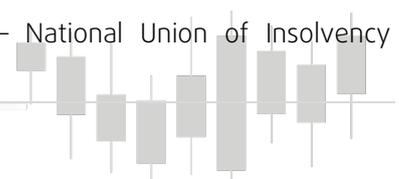
The Issuer declares that Mr. Podariu, who holds the quality of member of the Board of Directors:

- In the last 5 completed financial years, he has not been a member of the board of directors or supervisory board of other companies.
- Has not been convicted of fraud within the last five years at least;
- Has not been associated, during the last five years, with matters relating to any bankruptcy, seizure or liquidation proceedings;
- He has not been indicted and/or sanctioned by statutory or regulatory authorities. He has also not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.

Mr. Podariu does not carry out other activities that would have a significant impact on the issuing company.

#### Education:

- 2024: The Mechanics of Private Equity – Postgraduate Middlesex University, London
- 2021: Turn around manager – EACTP Turn Around Management Association;
- 2011: Obtaining the qualification of Insolvency Practitioner – National Union of Insolvency Practitioners



- 2006 – 2007: Master's Program Community (EU) Institutions and Regulations - "Babeş-Bolyai" University of Cluj Napoca
- 2002 – 2006: Faculty of Law, "Babeş-Bolyai" University of Cluj Napoca – bachelor's degree program

#### Professional experience:

- 2022 – present: Investment manager – Agista Investments
- May 2022 – May 2024: member of the board of E-plus Smart Energy SA
- 2020 – 2021: Business development manager – Impetum Group
- December 2019 – March 2022: Administrator – CIT Restructuring SRL
- 2011 – 2022: Associate – insolvency practitioner – CITR SPRL
- 2008 – 2011: Legal advisor – CITR SPRL

Mr. PODARIU carries out his activity based on a mandate contract according to the GMS Decision of 21.10.2025.

#### Board Member

The Issuer's Board of Directors member is Marketing Expert Consulting SRL, through permanent representative TUDOR ADINEL, a Romanian citizen.

The workplace address of Mr. TUDOR ADINEL is the correspondence address of the Issuer, namely Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. At the date of this document, Mr. TUDOR does not hold financial instruments issued by Bittnet Systems SA.

The Issuer declares that Mr. TUDOR, who holds the quality of member of the Board of Directors:

- In the last 5 completed financial years, he has not been a member of the board of directors or supervisory board of other companies.
- Has not been convicted of fraud within the last five years at least;
- Has not been associated, during the last five years, with matters relating to any bankruptcy, seizure or liquidation proceedings;
- He has not been indicted and/or sanctioned by statutory or regulatory authorities. He has also not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.

Mr. TUDOR does not carry out other activities that would have a significant impact on the issuing company.

#### Education:

- 1996 – 2001: Master in Computer Science – Polytechnic University of Bucharest

#### Professional experience:

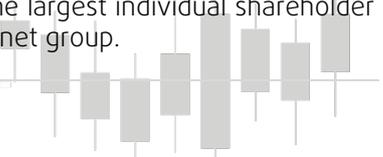
- January 2024 – present: CEO – EVO Properties
- April 2021 – present: Advisory Board Member – PayPoint Romania
- 2011 – present: Managing Partner – Kogaion Investments
- April 2017 – August 2022: Meetamo.com – founder
- 2009 – 2012: Buybooks.ro – co-founder
- 2007 – July 2011: CEO & board member – Renovatio group
- March 2006 – 2011: Senior Partner – Trout & Partners Romania
- September 2004 – March 2006: Business Development Director – SPAR Merchandising Romania
- July 2001 – November 2004: Regional Marketing & Brand Manager – Red Bull
- March 2000 – July 2001: Account Executive – Leo Burnett

Marketing Expert Consulting SRL, through its representative Mr. TUDOR, carries out its activity based on a mandate contract according to the GMS Decision of 21.10.2025.

#### Board Member

Member of the Issuer's Board of Directors: Mr. LOGOFĂȚU CRISTIAN ION, Romanian citizen.

The workplace address of Mr. LOGOFĂȚU CRISTIAN is the mailing address of the Issuer, namely Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Corp A and Corp B, Floor 4, 050691. As of the date of this document, Mr. Logofătu holds 9.1467% of the Issuer's shares, being the largest individual shareholder (individual investor). Mr. Logofătu is a co-founder of the Issuer and of the Bittnet group.



The Issuer declares that Mr. Logofătu, who holds the quality of member of the Board of Directors:

- In the last 5 completed financial years, he has not been a member of the board of directors or supervisory board of other companies.
- Has not been convicted of fraud within the last five years at least;
- Has not been associated, during the last five years, with matters relating to any bankruptcy, seizure or liquidation proceedings;
- He has not been indicted and/or sanctioned by statutory or regulatory authorities. He has also not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.

Mr. Logofătu does not carry out other activities that would have a significant impact on the issuing company.

#### Education:

- 2003 – 2006: Master's degree in Computer Networks, University of Bucharest;
- 1999 – 2003: Faculty of Finance, Insurance, Banking and Stock Exchanges, Bucharest Academy of Economic Studies

#### Professional experience:

- October 2025 – present: Member of the Board of Directors of Bittnet group
- January 2020 – January 2024: Member of the Bittnet group Board of Directors
- February 2007 – January 2020: Co-founder & CFO Bittnet group
- January 2003 – February 2007: Economist – University of Bucharest, Distance Learning Department (ID)
- January 1999 – December 2002: WebDesigner – University of Bucharest, ID Department

Mr. Logofătu Cristian carries out his activity based on a mandate contract according to the GMS Decision of 21.10.2025.

#### Financial Director

The Issuer's Chief Financial Officer is Mr. Stănescu Adrian Victor, a Romanian citizen.

Mr. Stănescu Adrian's work address is the Issuer's mailing address, Bucharest, Sector 5, Strada Serg. Ion Nuțu, no. 44, One Cotroceni Park, Building A and Building B, Floor 4, 050691. As of the date of this document, Mr. Stănescu holds 0.7018% of the shares issued by Bittnet Systems SA.

The Issuer declares that Mr. STĂNESCU ADRIAN VICTOR, who holds the position of Financial Director:

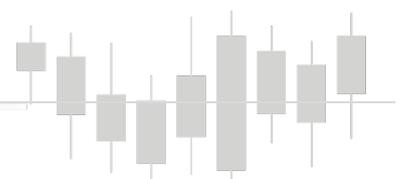
- i. has not been a member of an administrative, management or supervisory body or a limited partner, at any time in the last 5 years, in another company outside the Bittnet group; Mr. Stănescu was a member of the Board of Directors of the subsidiaries Dendrio Innovations and Dendrio Solutions.
- ii. has not been convicted of fraud within the last five years at least;
- iii. has not been associated, within the last five years, with matters relating to any bankruptcy, receivership or liquidation proceedings; and
- iv. has not been incriminated and/or sanctioned by statutory or regulatory authorities. At the same time, he has not been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from intervening in the management or conduct of the affairs of an issuer during the last five years at least.
- v. The Financial Director does not carry out other activities outside the Issuer's group that would have a significant impact on the issuing company.

#### Education:

- 2013 - CFA Program (Chartered Financial Analyst), CFA Level III
- 2008 – Bachelor's Degree, Faculty of Electronics, Telecommunications and Information Technology (ETTI), Politehnica University, Bucharest
- 2008 – Bachelor's Degree, Faculty of Finance, Insurance, Banking and Stock Exchanges (FABBV), Academy of Economic Studies (ASE), Bucharest

#### Professional experience:

- 2018 – present: CFO, Bittnet Group;
- 2014 – 2018: Economic Director / CFO, UTI Grup SA
- 2012 – 2014: Deputy Economic Director, UTI Grup SA



- 2012 – Treasury Manager, UTI Grup SA
- 2008 - 2012 – Customer Relations Manager, BCR, Group Large Corporates Department

Currently, Mr. Stanescu Adrian is working under a 4-year mandate contract, starting from 16.04.2024.

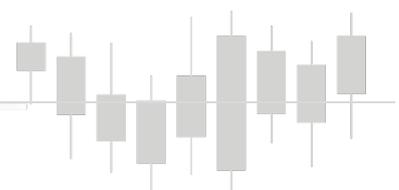
## 12.2. Conflicts of interest at the level of administrative, management and supervisory bodies and senior management

Not applicable. There is no conflict of interest between the obligations to the Issuer of any of the persons referred to in point 12.1 and their private interests and other obligations. No information regarding any understanding or agreement with the main shareholders, customers, suppliers or other persons, pursuant to which any of the persons referred to in point 12.1 has been elected as a member of an administrative, management or supervisory body or a member of senior management. There is no restriction accepted by the persons referred to in point 12.1 regarding the disposal, within a certain period of time, of the issuer's securities held by them.

Logofătu Cristian Ion and Logofătu Mihai Alexandru Constantin, the founders of the company and the Bittnet group as well as the largest individual shareholders, are brothers.

## 12.3 Statement on Disputes Regarding Leaders

None of the persons mentioned in section 12 has been involved in the last 5 years in litigation or administrative proceedings, litigation relating to their activity within the Issuer, as well as litigation concerning the capacity of that person to perform their duties within the Issuer.



## Section 13: Remuneration and benefits

For the last completed financial year and for all persons referred to in points (a) and (d) of the first paragraph of point 12.1, the amount of remuneration paid (including any conditional or deferred remuneration) and benefits in kind granted by the issuer and its subsidiaries for services of any kind rendered for their benefit by the person concerned. This information shall be provided individually, unless the issuer's home country does not require the communication of individualised information and it is not otherwise published by the issuer.

According to Law 24/2017, art. 91<sup>^</sup>2, letter (b) manager means “any member of the board of directors, as well as any director, in the case of the unitary management system, respectively any member of the supervisory board, as well as of the directorate, in the case of the dual management system, according to Law no. 31/1990, republished, with subsequent amendments and completions, including in all cases in which he was appointed, the general manager and, if this position exists, the deputy general manager”

Thus, Bittnet Systems SA (hereinafter referred to as the Company, Issuer or Company) has determined that the following roles and persons meet the conditions of the law:

- Members of the board of directors, including the chairman
- Director General
- Financial Director

In the case of the Bittnet group, Mr. Mihai Logofătu, one of the company's founders, is Bittnet's general manager and representative of the chairman of the board of directors.

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

The Issuer is managed by a Board of Directors consisting of 5 members elected by the shareholders at the General Meetings of January 2024 and October 2025, for a term that will expire in January 2028:

- Ivylon Management SRL, through legal representative LOGOFĂTU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board of Directors; Elected administrator on 25.01.2024
- ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors; Elected director on 25.10.2024
- PODARIU AUREL CONSTANTIN – non-executive administrator; Elected administrator on 21.10.2025
- Marketing Expert Consulting SRL, through legal representative TUDOR ADINEL – non-executive administrator; Elected administrator on 21.10.2025
- LOGOFĂTU CRISTIAN ION – non-executive administrator; Elected administrator on 21.10.2025

In September 2025, the Issuer informed investors about the receipt of letters of resignation from the director mandates from 3 of the members of the Board of Directors elected in January 2024, respectively from:

- Eccleston Square Capital Limited, legally represented by Mr. Ciucu Bogdan-Andrei;
- QUERCUS SOLUTIONS SRL, legally represented by Mr. Miches Paul;
- CONSTANTINESCU Gabriel-Claudiu

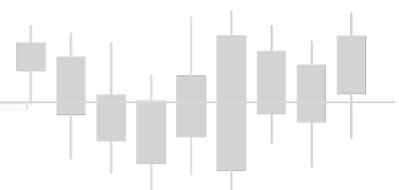
The three administrators notified the Issuer of their resignation from their mandates in compliance with the contractual notice of 60 days. Therefore, the Board of Directors convened the General Meeting of Shareholders for 21.10.2025, which took note of the decision of the three administrators and elected a new composition of the Board of Directors. Currently, the Issuer is managed by the five members listed above.

### Fixed remuneration of members of the Board of Directors (BOD)

The fixed remuneration of the members of the Board of Directors is approved annually by the ordinary general meeting of the Company's shareholders. The members of the Board of Directors may be paid, in addition to the fixed remuneration presented above, other amounts for participation in the Company's advisory committees, subject to the general limit of all remuneration as approved annually by the ordinary general meeting of the Company's shareholders.

In 2025, no additional amounts were paid for participation in advisory committees for members of the Board of Directors.

The General Assembly of 28.04.2025 also voted on the remuneration policy, and it was implemented as follows:



In 2025, the members of the Board of Directors were paid their remuneration according to the remuneration policy, all payments were made in accordance with the remuneration policy:

Current administrators:	Amount:
Ivylon Management SRL through legal representative LOGOFĂTU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board of Directors; Elected administrator on 25.01.2024	192,000 ron gross amount
ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors; Elected director on 25.01.2024	179,820 ron gross amount
PODARIU AUREL CONSTANTIN – non-executive administrator; Elected administrator on 21.10.2025	24,642 ron gross amount
Marketing Expert Consulting through legal representative TUDOR ADINEL – non-executive administrator; Elected administrator on 21.10.2025	30,937 ron gross amount
LOGOFĂTU CRISTIAN ION – non-executive administrator; Elected administrator on 21.10.2025	24,642 ron gross amount
Resignations in September 2025:	Amount:
CONSTANTINESCU CLAUDIU GABRIEL – non-executive director; - resigning in September 2025	155,178 ron gross amount
ECCLESTON SQUARE CAPITAL LIMITED through legal representative CIUCU BOGDAN ANDREI – non-executive director; resigning in September 2025	153,180 ron gross amount
QUERCUS SOLUTIONS SRL through legal representative MICHEȘ PAUL – non-executive director; resigning in September 2025	153,180 ron gross amount

### Variable remuneration

This is not the case. In 2025, it was not necessary to pay additional amounts to the Board members or directors for participation in the Board or Committee meetings. Thus, the proportion of fixed remuneration represented 100% of the total remuneration paid to the Board members and directors. The remuneration policy and the approved remunerations contribute to the long-term performance of the Issuer.

### Additional benefits for Board members

None. The members of the Board of Directors are reimbursed for expenses incurred for representing the Company and for the proper performance of related duties within the Board of Directors or advisory committees. The Company pays "D&O liability" policies for the members of the Board of Directors.

According to the remuneration policy, members of the Board of Directors may be paid additional amounts, in addition to the fixed remuneration presented above, for participation in the company's advisory committees, depending on the number of meetings or the number of committees in which they participate.

In 2025, no additional amounts were paid for participation in advisory committees for members of the Board of Directors/Committees.

### Participation in the boards of directors of companies part of the group

During 2025, Ivylon Management, represented by Mr. Mihai Logofătu, held the position of administrator of Dendrio Technology SRL (a company part of the Bittnet group) for which he received a total gross annual compensation of 650,000 ron.

Expenses related to the exercise of the functions of the Board of Directors, as well as the representation of the group by the members of the Board, are not included in this report as they are not considered benefits. These are current expenses such as those for communications and IT equipment (laptop, mobile phone) or mobile phone subscriptions.



### The General Manager:

Taking into account the fact that Mr. Mihai Logofătu, founder of the company, also serves as General Manager and Chairman of the Board of Directors, Mr. Logofătu benefited from a remuneration for the position of General Manager in the amount of 305,000 ron in 2025. The company pays "D&O liability" policies for executive directors.

The benefit received as General Manager is access to a car rented under operational leasing – Toyota Camry brand – worth 500 euros per month. There are no other benefits.

### Financial Director:

For the fiscal year 2025, Mr. Adrian Stănescu received a total gross remuneration of 603,000 ron.

During 2025, Mr. Adrian Stănescu held the position of administrator of Dendrio Innovations SRL (a company part of the Bittnet group) for which he received a total gross annual compensation of 191,442 ron.

Starting with December 2025, Mr. Adrian Stănescu holds the position of administrator of Dendrio Solutions SRL (a company part of the Bittnet group) for which he received a gross compensation for December of 13,674 ron.

The benefit received as Financial Director is access to a car rented under operational leasing – Volvo XC60 – worth 800 euros per month. There are no other benefits.

Note: This remuneration report will be submitted for approval in the OGMS of 29.04.2026. In 2025, there was no need to pay additional amounts to the Board members or directors for participation in the Board or Committee meetings. Thus, the proportion of fixed remuneration represented 100% of the total remuneration paid to the Board members and directors. The remuneration policy and the approved remunerations contribute to the long-term performance of the Issuer.

## Section 14: Functioning of the administrative and management bodies

For the issuer's last completed financial year, unless otherwise specified, the following information shall be provided for each of the persons referred to in point (a) of the first paragraph of item 12.1.

### 14.1. The date of expiration of the current mandate of the person in question, as applicable, and the period during which he held the respective position.

On 25.01.2024, the General Assembly voted on the composition of the new Board of Directors, given the approaching expiration of their terms. Following the elections, the Board of Directors was composed of the following members, elected for a 4-year term, until 29.01.2028:

- Ivylon Management SRL through its legal representative, Mr. LOGOFĂTU MIHAI ALEXANDRU CONSTANTIN – executive administrator and chairman of the Board of Directors;
- Mr. ANGHEL LUCIAN CLAUDIU – non-executive director and vice-president of the Board of Directors;
- Eccleston Square Capital Limited represented by Mr. CIUCU BOGDAN-ANDREI – non-executive director
- Mr. CONSTANTINESCU GABRIEL-CLAUDIU – non-executive director
- Quercus Solutions SRL represented by Mr. MICHEȘ PAUL – non-executive director

The General Manager was appointed by the Board of Directors and carries out his activity under a 4-year mandate contract, until 16.03.2028.

The Financial Director was appointed by the Board of Directors and carries out his activity under a 4-year mandate contract, until 16.03.2028.

In September 2025, the Issuer informed investors about the receipt of letters of resignation from the director mandates from 3 of the members of the Board of Directors elected in January 2024, respectively from:

- Eccleston Square Capital Limited, legally represented by Mr. Ciucu Bogdan-Andrei;
- QUERCUS SOLUTIONS SRL, legally represented by Mr. Micheș Paul;
- CONSTANTINESCU Gabriel-Claudiu

The three administrators notified the Issuer of their resignation from their mandates in compliance with the 60-day contractual notice. Therefore, the Board of Directors convened the General Meeting of Shareholders



for 21.10.2025, which took note of the decision of the 3 administrators and elected a new composition of the Board of Directors, namely 3 new members for a mandate that expires in January 2028. Currently, the Board of Directors of the Issuer is composed of:

- **Ivylon Management SRL**, through legal representative **LOGOFĂTU MIHAI ALEXANDRU CONSTANTIN** – executive administrator and president of the Board of Directors; Elected administrator on 01/25/2024. Expiration date of mandate: 01/25/2028.
- **ANGHEL LUCIAN CLAUDIU** – non-executive director and vice-president of the Board of Directors; Elected director on 25.10.2024. Expiration date of mandate: 25.01.2028.
- **PODARIU AUREL CONSTANTIN** – non-executive administrator; Elected administrator on 21.10.2025. Expiration date of mandate: 25.01.2028.
- **Marketing Expert Consulting SRL**, through legal representative **TUDOR ADINEL** – non-executive administrator; Elected administrator on 21.10.2025. Expiration date of mandate: 25.01.2028.
- **LOGOFĂTU CRISTIAN ION** – non-executive administrator; Elected administrator on 21.10.2025. Expiration date of mandate: 25.01.2028.

14.2. Information on service contracts concluded between members of the administrative, management and supervisory bodies and the issuer or any of its subsidiaries, which provide for the granting of benefits upon expiry of the contract, or an appropriate statement indicating that there are no such benefits.

The administrators carry out their activities according to the mandate contracts approved by the General Meeting of Shareholders in January 2024. There are no clauses regarding the granting of benefits upon the expiration of the administrator contract or upon the expiration of the director contracts (general, financial).

14.3. Information on the issuer's audit committee and remuneration committee, including the names of the members of these committees, and a summary of the mandate under which the committees operate.

Currently, the Audit Committee is functioning and is composed of the following individuals:

- Mr. Lucian Anghel
- Mr. Cristian Logofătu
- Mr. Aurel Podariu

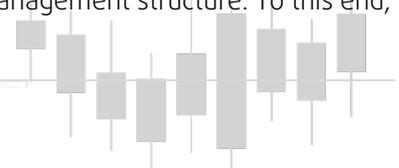
The Audit Committee is mandated to assist the Board of Directors of BITTNET SYSTEMS SA in the efficient supervision of aspects related to the risk management and internal control system at the Company level. Thus, the main responsibilities of the Audit Committee are to formulate recommendations addressed to the Board regarding:

- **Financial Reporting:** The Committee reviews and verifies the accuracy of the Company's annual and interim consolidated financial statements and any other financial reporting, before they are submitted to the Board for approval.
- **Financial audit:** The Committee analyzes and makes recommendations to the Board regarding the appointment, reappointment and dismissal of financial auditors, which must be approved by shareholders, periodically evaluates the efficiency, independence and objectivity of financial auditors;
- **Internal audit and internal control:** The Committee approves the organization and functionality of Internal Audit, analyzes the Internal Auditor's report, as well as the status of implementation of his recommendations, makes recommendations to the Board regarding the appointment or revocation/dismissal of the Internal Auditor.
- **Compliance, Conduct and Conflicts of Interest:** The Committee ensures that the Company's policies and practices comply with local and international laws and regulations, with the recommendations of regulatory authorities and with best practices, and reviews the implementation of the policy on conflicts of interest.
- **Risk management:** The Committee informs the Board about the main risks assumed by the Company, monitors these risks and ensures that they are managed effectively.

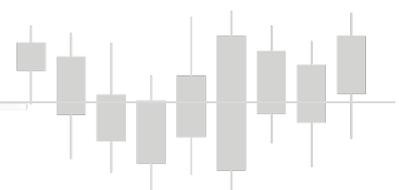
Currently, the Nomination and Remuneration Committee is composed of the following individuals:

- Mr. Aurel Podariu
- Mr. Cristian Logofătu
- Mr. Adinel Tudor

The Nomination and Remuneration Committee has the mandate to assist the Board of Directors of the Issuer in the development and implementation of the remuneration policy of the management structure. To this end, the Committee:

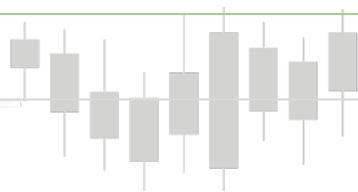


- develops the remuneration policy of the management structure, taking into account the long-term interests of shareholders, the strategy, business plan and performance of the Company, best practices in the field, a balanced mix of incentives to attract and retain the personnel that the Company needs for its operations;
- formulates proposals to the attention of the Council and, through the Council, to the attention of the general meeting of shareholders, as appropriate, regarding share grant programs and/or share purchase options;
- reviews the annual remuneration report, which presents how the remuneration policy for members of the management structure was implemented during the annual period under review.

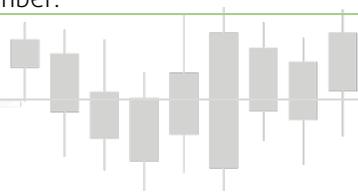


14.4. A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. If the issuer does not comply with such a regime, a statement to that effect shall be included, as well as an explanation of the reasons why the issuer does not comply with such a regime.

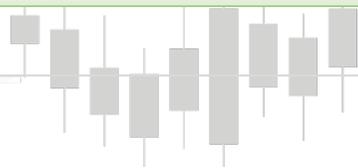
Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
<b>A. GOVERNING BODIES (MANAGEMENT STRUCTURE)</b>			
The Board must have internal regulations that formalize and clearly specify its role and responsibilities. The articles of association, the Board's internal regulations and other internal regulations must clearly delineate the role and powers between the Board, the general meeting of shareholders (GMS) and the executive management.	YES		
The Board's internal regulations must include, among other things, the Board's powers, as well as the fiduciary responsibilities of the Board members to act in full knowledge of the facts, in good faith, with due diligence and care and in the interest of the Company, its shareholders and taking into account the interests of other stakeholders, in accordance with legal requirements.	YES		
<p>To support the long-term viability and success of the Company, the Board should:</p> <ul style="list-style-type: none"> <li>• To oversee the development and approval of the Company's strategy and ensure that it also integrates sustainability aspects, including environmental and social (E&amp;S) considerations and climate-related risks and opportunities;</li> <li>• To appoint and dismiss the CEO and other members of the executive management to whom executive management responsibilities have been delegated (referred to as "executive management") and to ensure succession planning for them;</li> <li>• To oversee the performance of the executive management, the role of the executive management in addressing material risks and opportunities related to sustainability and to align the remuneration of the executive management with the long-term interests and sustainability of the Company, in accordance with the provisions of the Company's remuneration policy;</li> <li>• Ensure that there is a solid framework for internal control and risk management;</li> </ul> <p>To ensure that the Company has procedures in place to enable effective communication with shareholders and other stakeholders.</p>	YES		



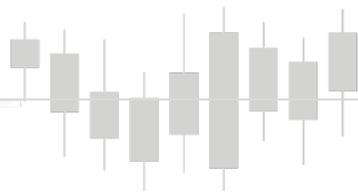
Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
The term of appointment of Board members and executive management should be clearly established and should, as far as possible, promote stability and predictability.	YES		
The council must have at least five members.	YES		
The Board must have a policy on Board and executive management diversity and ensure that diversity in terms of gender, age, experience and skills is incorporated into the Nomination Policy.	YES		
The Board should develop a Board profile that specifies the desired characteristics and traits of its members, including factors such as independence, diversity, integrity, specific skills and experience, industry knowledge, ability and willingness to devote adequate time and effort to the Board’s responsibilities, in the context of the needs of the Board and its committees and their exercise of the Board’s strategic and oversight role. The Board profile may be part of the Nomination Policy.	YES		
The majority of the Board members must be non-executive. At least one third of the Board members must be independent. Each independent Board member must submit a declaration of independence at the time of nomination for election or re-election, as well as when any change in his status occurs, in accordance with the independence criteria set out in the legislation and in Annex A to the Code.	YES		The Council consists of 5 members. The Articles of Association provide for the addition of up to 7 members.
The Nomination and Remuneration Committee (or the entire Board if there is no Nomination and Remuneration Committee) will assess whether the Board members can be considered independent based on the factors considered, examining whether there are business or other personal relationships that could significantly affect the independence and objectivity of the Board member and his/her ability to act in the best interests of the Company, shareholders and stakeholders.		NO	The Issuer does not discriminate in any case on the basis of gender or age, neither positively. Nominations for the Board of Directors are made by the shareholders, and the members are elected by the GMS.
It is advisable that the positions of Chairman of the Board and General Manager must be held by different persons.		NO	Nominations for the Board of Directors are made by shareholders, and members are elected by the GMS.
If the positions of Chairman of the Board and General Manager are held by the same person, it is advisable for the Company to appoint an independent Vice Chairman.	YES		
The Company shall develop and publish a Board Nomination Policy which shall define the processes and procedures for the nomination, election or replacement of a Board member. The Nomination Policy, approved by the competent governance body, shall describe how the Company receives and evaluates nominations from shareholders (including minority shareholders) or from Board members, including with regard to the Board’s profile, independence and diversity.	YES		
The Board, through the Nomination and Remuneration Committee, if any, must monitor the process of nominating candidates for the position of Board member.	YES		



Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
<p>The Company will inform shareholders about the experience and CV of candidates for the position of member of the Board, which they need to make an informed decision regarding the appointment or renewal of the mandate of the members of the Board, including the following: • the professional commitments and involvements of the candidates, including executive and non-executive positions in companies, public authorities, non-profit organizations and other organizations; • any existing or potential conflict of interest, including whether they have business, family or other relationships that could affect their performance as a member of the Board; • which shareholder or member of the Board proposed each candidate for the position of member of the Board.</p>	YES		<p><a href="https://investors.bittnet.ro/despre-bittnet/guvernanta-corporativa/">https://investors.bittnet.ro/despre-bittnet/guvernanta-corporativa/</a></p> <p><a href="https://investors.bittnet.ro/wp-content/uploads/2026/03/Regulament-CA-Bittnet.pdf">https://investors.bittnet.ro/wp-content/uploads/2026/03/Regulament-CA-Bittnet.pdf</a></p>
<p>The Board shall establish an Audit Committee to enhance its oversight of financial reporting, the internal control framework, the internal and external audit processes and compliance with applicable laws and regulations. Where not required by law or a dedicated risk management committee is not already established, the Audit Committee shall also include responsibilities for monitoring the effectiveness of the risk management framework.</p>	YES		
<p>It is advisable that the Audit Committee consists only of non-executive members of the Board. It is also advisable that the majority of the Committee members are independent, including the Chairman of the Committee. The Audit Committee must have, overall, relevant skills in the field in which the Company operates. The Committee and its members must comply with the requirements of applicable national and European legislation.</p>	YES		
<p>The Board of Companies listed in the Premium Category must establish a Nomination and Remuneration Committee consisting of non-executive members of the Board. It is advisable that the majority of the members of the Committee are independent, including the Chairman of the Committee. The Board may also establish a separate Nomination Committee and a Remuneration Committee, respectively, if the composition of the Board allows for this and if this is justified, taking into account the size and complexity of the business and the governance structures of the Company.</p>	YES		
<p>In addition to its specific responsibilities, as set out in this Code, the Nomination and Remuneration Committee:</p> <ol style="list-style-type: none"> <li>i. Reviews and recommends to the Board the size and composition of the Board and leads the creation and ongoing review of the Board profile;</li> <li>ii. Identifies qualified persons to become members of the Board and of the executive management, if requested; evaluates candidates for executive management positions; evaluates candidates proposed by shareholders or</li> </ol>	YES		



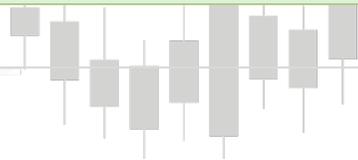
Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
<p>members of the Board for Board membership positions and informs the GMS accordingly;</p> <p>iii. Makes recommendations to the Board regarding appointments to committees (other than the Nomination and Remuneration Committee);</p> <p>iv. Coordinates an annual evaluation of the Board, Board members and committees in accordance with the provisions of Principle A.5.;</p> <p>v. Assists the Board in fulfilling its responsibilities related to the Company's remuneration policy;</p> <p>vi. Assists the Board in developing succession plans for executive management, as well as emergency succession plans and the recruitment process for the General Manager, as appropriate;</p> <p>Oversees the administration of the Company's compensation and benefits plans.</p>			
<p>The role and responsibilities of the Board committees must be defined in separate internal regulations (operating regulations) and published on the Company's website. In the event that the Company chooses not to establish any of the Board committees that are not required by law, the corresponding tasks and responsibilities will be performed by the Board and must be appropriately mentioned in the Board's internal regulations.</p>	YES		
<p>The assessment of the independence of committee members, including committee members appointed by the GMS, is carried out following the same procedure applicable to independent members of the Board.</p>	YES		
<p>The Chairmen of the Audit Committee and the Nomination and Remuneration Committee must not be the Chairmen of the Board or other committees, unless this is justified by the size of the Board.</p>	YES		
<p>The President of the Council is primarily responsible for ensuring that the Council functions properly. The Council's internal regulations must contain the role and responsibilities of the President of the Council, and the President of the Council must, at a minimum:</p> <ul style="list-style-type: none"> <li>• To establish the agenda of the Council meetings, to chair these meetings and to ensure that minutes of these meetings are drawn up;</li> <li>• To ensure that the Council receives accurate, timely, useful, concise information to enable the Council to make sound decisions;</li> <li>• Ensure that the Council has sufficient time for consultation and decision-making;</li> </ul>	YES		



Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
<ul style="list-style-type: none"> <li>To enable the proper functioning of the committees and the existence of effective communication with the Board committees, including operational and pertinent reports from the committees to the full Board;</li> <li>To ensure that the performance of the Council is evaluated and discussed at least once a year and publicly disseminated in accordance with the provision of D.1., 3;</li> <li>Ensure that the Board has an appropriate working relationship with the executive management. The CEO and the Chairman of the Board (if the positions are held by different individuals) meet regularly;</li> </ul> <p>To address and manage internal disputes and conflicts of interest regarding Board members.</p>			
The Council must meet whenever necessary, but not less than six (6) times a year.	YES		
The Board may request the appointment of a Secretary General to assist the Board in fulfilling its obligations under the law, the Board’s internal regulations and other policies. The Secretary General shall be a senior expert within the Company, responsible for assisting the Board and its committees in organizing their activities, preparing meetings, the annual performance evaluation of the Board and its committees, as well as training programs for Board members, if necessary.	YES		
The Council must clearly define the rights and responsibilities, scope of authority and other matters related to the Secretary General.	YES		
The Board and its committees must develop and approve an annual internal work plan that identifies the topics to be addressed during the year before the end of the previous year. The plan must take into account the decisions to be proposed to the GMS, the reporting by the executive management and internal control functions, the necessary frequency of Board and committee meetings, and must be reviewed by the Chairman with the support of the Secretary General.	YES		
The Board must conduct an annual assessment of the composition, activity and dynamics of the Board and its committees, individually and as a whole, an assessment that must be coordinated by the Nomination and Remuneration Committee.	YES		
The Nomination and Remuneration Committee must share the results of the Board's assessment with the full Board and establish follow-up actions, if necessary, including professional development and training plans for the Board, to fill gaps.	YES		
The Board’s internal regulations should require orientation (induction) programs for newly appointed Board members, provided by the Company’s internal staff. The Board’s internal regulations may refer to continuous training programs for Board members, if necessary. The implementation of orientation and continuous training	YES		



Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
<p>programs for Board members (as decided by the Board) is done under the supervision of the Nomination and Remuneration Committee, with the support of the Secretary General. Based on the results of the annual Board assessment, the Nomination and Remuneration Committee together with the Chairman of the Board will develop professional development programs focused on areas where capacity should be built among Board members.</p>			
<p>The executive management must lead the Company and be accountable to the Board. The division of responsibilities between the Board and the executive management and between the different members of the executive management must be clearly articulated in the Company's articles of association and the Company's internal regulations.</p>	YES		
<p>When the roles of Chairman of the Board and General Manager are exercised by the same person, the different responsibilities of the Chairman of the Board and the General Manager must be clearly defined and differentiated in the Company's articles of association.</p>	YES		
<p>The Board must ensure that the executive management consists of individuals with appropriate knowledge, skills, diversity and experience to support the successful performance of the Company and that there are measures in place to ensure the orderly succession of executive management.</p>	YES		
<p>The Board, with the support of the Nomination and Remuneration Committee, must annually evaluate the performance of the executive management, the effectiveness of its cooperation with the Board, including the information provided to the Board.</p>	YES		
<b>B. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</b>			
<p>The Board shall determine the nature and extent of the risks that the Company is willing to assume as necessary to achieve the Company's strategic objectives (i.e. the Company's risk appetite) and shall ensure that there are clear structures, policies and procedures in place to identify, assess, report, manage and monitor significant and emerging risks, including risks related to sustainability, cybersecurity and the use of digital technologies. The Board shall explain in the annual report the mechanisms and processes established for the identification and management of risks.</p>	YES		
<p>The Board must adopt a formal risk management policy to ensure the correct, complete and timely identification, measurement and reporting of risks, the existence of adequate and feasible risk control measures, and the integration of E&amp;S risks into the risk management framework, in order to implement the Company's strategy.</p>		PARTIALLY	<p>As of the date of completion of the DAE, the Board has not formulated a formal risk management policy. The Board takes into account the identified risks, analyzes and tries to mitigate them as much as possible. The Board will discuss this topic (formalizing a risk management policy) for compliance with the New BVB Code</p>



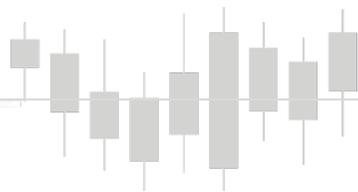
Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
The Board and Audit Committee must understand the emerging changes related to information technology and artificial intelligence so as to mitigate cybersecurity risks. Time should be allocated to the risks and opportunities of AI and cybersecurity on the Board’s agenda to ensure an understanding of cybersecurity protection.	YES		
It is advisable for the Company to establish a risk management function responsible for ensuring the correct, complete and timely identification of risks, ensuring that adequate and feasible risk control measures are in place and monitoring of risk management procedures. The risk management function, through the Chief Risk Officer (CRO), if any, should have direct communication and functional reporting to the Board and the Audit Committee (if there is no dedicated Risk Committee).		NO	The company's objectives are currently related to reducing administrative costs. Cybersecurity risks are addressed through specific contracts with providers of this type of service (cyber protection)
The Board, assisted by the Audit Committee, shall assess at least annually the adequacy and effectiveness of the Company’s risk management and internal control framework (including operational and compliance controls) and make relevant recommendations. The assessment shall take into account the effectiveness and scope of the internal audit function, the adequacy of risk management and compliance, internal control reports, if required by applicable law, to the Audit Committee of the Board, the responsiveness and effectiveness of management in addressing identified deficiencies or weaknesses in internal control and the submission of relevant reports to the Board.	YES		
The Board must develop and make available on the Company's website, free of charge, a whistleblowing mechanism that allows employees and other interested parties to make disclosures regarding alleged violations or irregularities in accordance with applicable legislation in force.		PARTIALLY	There is a public email address directly connected to the Board of Directors, but the utility of whistleblowing is not separately highlighted
<p>In addition to its responsibilities set forth in the legislation and elsewhere in the Code, the Audit Committee must:</p> <ul style="list-style-type: none"> <li>• To review the internal controls and risk management framework in the Company;</li> <li>• To monitor the development and application of the Company's policies regarding conflicts of interest and transactions with affiliated parties;</li> <li>• To ensure the independence and review the effectiveness of the Company's internal audit function and make recommendations to the Board;</li> <li>• To supervise the internal audit function;</li> <li>• To oversee the preparation of sustainability-related reports and the information included therein, unless this task is assigned to another committee;</li> </ul>	YES		



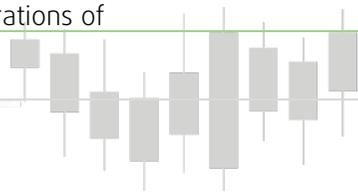
Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
To oversee the framework for ensuring the Company's compliance with applicable legal and regulatory requirements, as well as with the Company's internal regulations (such as procedures for reporting violations of the law or the Company's Code of Conduct), unless this task is assigned to another committee.			
Whenever the Code mentions reviews or analyses to be performed by the Audit Committee, these must be followed by periodic (at least annual) or ad-hoc reports to be presented to the Board.	YES		
The Audit Committee should monitor the independence and objectivity of the external auditor. The Committee should approve a policy on the provision of non-audit services permitted by the external auditor, in accordance with legal requirements, and ensure the implementation of this policy. The Committee's findings on the independence of the external auditor should be made public in the annual report.	YES		
The Audit Committee should discuss the annual work plan with the external auditor, covering the scope and materiality of the activities to be audited. The Audit Committee should meet with the external auditor whenever necessary to discuss identified issues and to monitor the quality of the services provided.	YES		
The Board must ensure that internal audit has the authority, resources and appropriate procedures to assist the Board in ensuring the effectiveness and efficiency of the Company's risk management and internal control framework.	YES		
To ensure the performance of the core functions of internal audit, the person responsible for this function must be appointed and report functionally directly to the Board, through the Audit Committee, which is responsible for approving his appointment and dismissal. This is without prejudice to administrative reporting to the Chief Executive Officer and the exchange of information with the Company's executive management, in accordance with legal requirements and professional standards.	YES		
The internal audit function must be established in accordance with applicable legal requirements and industry standards (e.g., the Institute of Internal Auditors). The internal audit authority, composition, remuneration, annual budget, working procedures and other relevant aspects will be regulated in an internal audit charter, approved by the Board, following the recommendation of the Audit Committee.	YES		
The Audit Committee should agree on an annual internal audit work plan with the internal auditor, receive internal audit reports, updates on key audit issues, monitor the implementation of internal audit recommendations and provide necessary guidance.	YES		



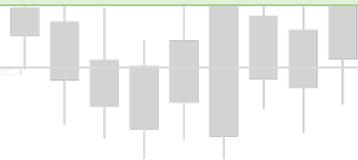
Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
<b>C. PERFORMANCE &amp; MOTIVATION &amp; REWARD</b>			
Board members shall receive remuneration in accordance with the Company's Remuneration Policy. Members who also serve on Board committees shall receive additional remuneration for this activity. However, in no case shall the remuneration be linked to the number of Board or Committee meetings.		PARTIALLY	The members of the Board receive remuneration, according to the Company's Remuneration Policy. The members who are also part of the Board committees have NOT benefited from additional remuneration, until the date of completion of this statement, even if the Remuneration Policy provided for this possibility. The remuneration of the members of the Board are published annually, on the website as supporting documents for the annual GMS agenda and are also part of the Annual Report, the chapter dedicated to the Board of Directors.
The Board must determine the annual remuneration of the executive management, based on the recommendations of the Nomination and Remuneration Committee and in accordance with the Company's Remuneration Policy. The Remuneration Policy must be developed in accordance with the relevant legal requirements.	YES		
The remuneration levels for members of the executive management and the key performance indicators taken into account when determining the variable (performance-based) part of the remuneration must be established in advance and be measurable and appropriate in relation to the agreed strategy and risk appetite, the economic environment in which the Company operates, as well as the remuneration and conditions of employees within the Company. In particular, they should include indicators relating to non-financial performance and appropriate sustainability objectives.	YES		
The Company's shares and/or share purchase options must represent a significant part (e.g., not less than 10%) of the total variable remuneration of the executive management member.		NO	
<b>D. PERFORMANCE MOTIVATION AND REWARD</b>			
The Company must ensure that it provides accurate, complete and timely financial and operational information, including quarterly, half-yearly and annual reports, as well as current reports. Companies must ensure that all relevant information is easily accessible to investors, including through the Company's website and other public information sources, as appropriate.	YES		



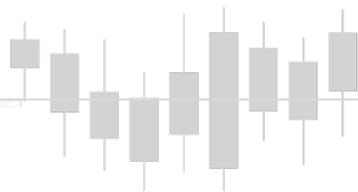
Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
It is advisable for the Company to have an investor relations (IR) function and should appoint a dedicated person responsible for the IR function. The contact details of the person or persons responsible for the IR function will be available on the Company's website. The IR function will report directly to the CEO/CFO, highlighting its importance in the Company's hierarchy and emphasizing its central role in managing and communicating the Company's commitments and status on the capital market. The Company should organize induction courses and periodic training, if necessary, for the IR function, adapted to its specific needs and responsibilities.	YES		
The company must include on its website a section dedicated to Investor Relations, with all relevant information of interest to investors, available in both Romanian and English.	YES		
The company must include in the section dedicated to Investor Relations: • The main corporate regulations: the updated articles of association, the GMS procedures, the internal regulations of the Board and the internal regulations of the Board committees;	YES		
The Company must include in the section dedicated to Investor Relations: • The list of current members of the Board, Board committees and Executive Management, mentioning their updated independence status, professional CVs (containing at least: surname, first name, gender, nationality, age; professional experience in years, position and company; studies, field of study and academic or professional institution granting the diploma), other professional commitments, including executive and non-executive positions on boards of directors in companies, non-profit organizations and state institutions; relationship with shareholders holding at least 5% of the voting rights/shares issued by the Company; duration of appointment of members of the Board, committees and executive management, specifying the date from which they were appointed;	YES		
The company must include in the section dedicated to Investor Relations: Current and periodic reports (quarterly, semi-annual and annual reports);	YES		
The Company must include in the section dedicated to Investor Relations: Information regarding the GMS: agenda, supporting materials and decisions taken; procedure for conducting the GMS; Nomination Policy, together with professional CVs (containing at least: surname, first name, gender, nationality, age; professional experience in years, position and company; studies, field of study and academic or professional institution granting the diploma), as well as any other information specified in A.3., 3; communication channels through which shareholders can ask questions to the Company; answers to shareholders' questions related to the agenda; declarations of	YES		



Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
independence of candidates to the Board and assessments made by the Nomination and Remuneration Committee/Board for candidates, including regarding their compliance with the independence criteria;			
The company must include in the section dedicated to Investor Relations: Information on the Board's assessment, carried out in accordance with provision A.5., 7 including the assessment criteria and process, as well as a summary of the assessment results and the actions that have been or will be taken as a result of the assessment;	YES		
The company must include in the section dedicated to Investor Relations: Information about corporate events, such as the payment of dividends and other distributions to shareholders or other events leading to the acquisition or limitation of a shareholder's rights, including the terms and principles applied to such operations. This information must be published within a time frame that allows investors to make investment decisions;		PARTIALLY	The Issuer has not distributed dividends to date. The Company publishes on its website all relevant information about corporate events.
The company must include in the section dedicated to Investor Relations: Corporate policies, including the Code of Conduct, Dividend Policy, Remuneration Policy, Forecasting Policy, Investor Communication Policy, Corporate Social Responsibility (CSR) / Sponsorship Policy, Related Party Transactions Policy, Diversity, Equity and Inclusion Policy and Whistleblowing Policy (if not already part of the Code of Conduct);		PARTIALLY	The company will consider developing policies for diversity, social responsibility and whistleblowing in the future. The rest of the policies are published on the company's website: <a href="https://investors.bittnet.ro/despre-bittnet/quvernanta-corporativa/">https://investors.bittnet.ro/despre-bittnet/quvernanta-corporativa/</a>
The Company must organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions must be published in the IR section of the Company's website at the time of the meetings/conference calls.	YES		
The Company must disclose significant and reportable non-financial and sustainability aspects, with a focus on environmental, social and governance (ESG) issues of its business and operations, in accordance with a recognized sustainability reporting standard. The Company's sustainability statements will be published on its website.		PARTIALLY	The company discloses non-operating and sustainability-related aspects in its periodic reports, but does not have a sustainability statement.
The company should have a CSR/sponsorship policy to guide its activity in the field of supporting CSR activities and sponsorship.	YES		
The Company must have a dividend policy as a set of directions that the Company intends to follow regarding the distribution of net profit.	YES		
The procedure for conducting the GMS must not restrict shareholders' participation in the GMS and the exercise of their rights. Changes to the procedure for conducting the GMS must enter into force, at the earliest, from the next GMS.	YES		
External auditors must attend the GMS where their reports are presented, to answer shareholders' questions.	YES		



Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
The Board must present to the annual GMS a summary of the assessment of the adequacy and effectiveness of the risk management and internal control framework, according to the incident information included in the annual report.	YES		
<p>The company must stimulate commitment to shareholders and investors by:</p> <ul style="list-style-type: none"> <li>• Encouraging active participation of shareholders in General Meetings of Shareholders, including ensuring conditions for virtual participation;</li> <li>• Organizing periodic briefings and updates for investors, especially during significant corporate events;</li> </ul> <p>Establishing channels for shareholders to provide feedback and ask questions, ensuring that responses are provided in a timely and comprehensive manner.</p>	YES		
Any professional, consultant, expert or financial analyst may attend the GMS upon prior invitation by the Chairman of the Board. Accredited journalists may also attend the GMS, unless the Chairman decides otherwise.	YES		
<b>E. SUSTAINABILITY AND STAKEHOLDERS</b>			
The Board shall ensure that sustainability, environmental and social considerations are integrated into the Company's strategy and operations, risk management and remuneration practices and shall oversee this integration. A dedicated sustainability committee or one of the Board's standing committees shall assist the Board in carrying out these tasks.	YES		
The Board must ensure that the Company's operations are conducted in accordance with national and international E&S standards and that the Company's E&S policies are consistent with its long-term objectives. In particular, the Company must have internal documents relating to its responsibilities on environmental and social aspects, as well as policies and procedures that allow it to identify significant factors and assess the impact on the Company's activities.	YES		
Whenever a decision to be taken by the Board has a potential significant and negative impact in the E&S sphere, the Board must receive from the executive management (i) an analysis of how this decision is aligned with the Company's sustainability objectives and E&S policies or (ii) the proposal of measures to mitigate the negative E&S impact.	YES		
The Board must ensure that there is a formal process for identifying the Company's stakeholders, including investors, creditors, customers, employees and suppliers, as well as specific approaches for engaging priority stakeholders.	YES		



Provisions of the New Code of Bucharest Stock Exchange (2025 version) regarding corporate governance	Comply	Does not comply /or partially complies	Reason for non-compliance
The Board must develop a statement of purpose and a vision statement, as well as articulate the Company's values, so that the entire organization understands the Company's strategic direction.	YES		
The Board must adopt a Code of Conduct for Board members, executive management and employees of the Company, with clear provisions designed to prevent and sanction fraud and bribery. The Board must not allow any derogation from the ethical requirements for any Board member, executive management or employee.	YES		
The Board must ensure that the policies in the Code of Conduct are integrated into the Company's practices and incorporated into the Company's onboarding process for new employees. The Board must ensure the effective implementation and monitoring of compliance with the Code of Conduct and review it periodically.	YES		



A.8 The corporate governance statement shall state whether a Board review has taken place under the chairmanship or the nomination committee and, if so, shall summarise the key measures and changes resulting from it. The company shall have a Board review policy/guideline setting out the purpose, criteria and frequency of the review process.

For the activity carried out in 2025, under the leadership of the President, the evaluation process of the Board of Directors was carried out, based on the Guide for evaluating the performance and efficiency of the Board of Directors adopted by the Company; following the self-evaluation, the Board established the following key areas of interest that will be addressed in the coming period:

1. Improving the corporate governance of the Bittnet Group – in line with the new BVB Governance Code
2. Redefining the role and involvement of the members of the Board of Directors' advisory committees in the new stage of development of the Bittnet Group

A.9 The corporate governance statement must contain information on the number of meetings of the Board and committees during the last year, the participation of directors (in person and in absentia) and a report of the Board and committees on their activities.

#### Corporate governance:

In 2025, Bittnet shareholders met in 2 general meetings:

**Ordinary General Meeting of Shareholders of 28.04.2025** for: approving the financial statements for 2024, individual and consolidated at group level and the method of profit distribution, the income and expense budget for the 2025 financial year, the Annual Report (in the form of a Universal Registration Document) and the Remuneration Report for 2024;

**Extraordinary General Meeting of Shareholders of 21.10.2025** for: dismissal of the auditor KPMG Audit considering the expiration of the mandate contract and the election of the new auditor of the issuer's individual and consolidated financial statements of the group, in the person of the auditor JPA Audit & Consultancy for the financial year 2025, as well as for the period 2026 - 2027; election of 3 new members of the Board of Directors.

The documents of the Bittnet General Meetings of Shareholders are available on our website: <https://investors.bittnet.ro/intalniri-ale-actionarilor/>

The Company's Articles of Association were amended during 2025, its current form being available on the Company's website at:

<https://investors.bittnet.ro/despre-bittnet/quvernanta-corporativa/>

#### Board of Directors

The framework for carrying out the Council's activity is regulated by the Regulation of the Board of Directors of Bittnet System, a document that can be consulted on the Company's website at:

<https://investors.bittnet.ro/despre-bittnet/quvernanta-corporativa/>

The main topics discussed by the Board of Directors during 2025 were:

- o Approval of the preliminary, unaudited consolidated financial statements for the financial year 2024, accompanied by the preliminary Annual Report for the year 2024;
- o Convening ordinary and extraordinary general meetings of shareholders and materials related to the agenda items for presentation to shareholders;
- o Consolidated and individual interim financial reporting for the 6 months ended June 30, 2025 and the Semi-Annual Report for the 1st semester of 2025, prepared in accordance with ASF Regulation no. 5/2018;
- o Discussing and approving the contracting of various types of loans and credits.

#### Activity of the Advisory Committees

The Advisory Committees are established, by decision of the Board of Directors of the Company, based on the provisions of art. 140 of the Companies Law no. 31 /1990 republished, with the amendments and additions to date and of art. 19.11 of the Articles of Association.

The purpose of the Advisory Committees is to conduct investigations and develop recommendations for the Council, in the specific field of each committee.

At the Company level, the following Consultative Committees operate, established by decisions of the Council:

- Audit Committee;



- Nomination and Remuneration Committee.

For detailed information on the specific terms of reference for each Advisory Committee, visit our website at <https://investors.bittnet.ro/despre-bittnet/guvernanta-corporativa/>

### Audit Committee

The role of the Audit Committee is to assist the Board of Directors in the efficient supervision of aspects related to the risk management and internal control system at the Company level, in fulfilling the Board's responsibilities in the field of financial reporting, internal control and risk management.

The Audit Committee at the issuer level was established by the decision of the Board of Directors in January 2024. During 2025, its composition underwent changes, following the election of a new Board of Directors. Thus, both on 31.12.2025 and on the date of drafting this document, the Audit Committee was composed of the following persons:

<b>Mr. Lucian Claudiu Anghel</b>	Chairman of the Audit Committee, Vice President of the Board of Directors (independent non-executive director)
<b>Mr. Cristian Ion Logofătu</b>	Member of the Audit Committee (non-executive director)
<b>Mr. Aurel Podariu</b>	Member of the Audit Committee, Member of the Board of Directors (non-executive director)

The topics debated during the Audit Committee meetings, for which it made recommendations to the Board of Directors, where applicable, were the following:

- Adoption of the preliminary, unaudited consolidated financial statements for the financial year 2024, accompanied by the preliminary Annual Report for the year 2024
- Adoption of the individual and consolidated annual financial statements for the financial year 2024
- Approval of the Board of Directors' Report (in the form of a Universal Registration Document) for the year 2024
- Presentation of the Independent Auditor's Report for 2024
- Adoption of profit distribution proposals for 2024
- Adoption of the Revenue and Expenditure Budget for the 2025 financial year
- Independent auditor's report for 2024
- Quarterly report for quarter 1 - 2025, prepared in accordance with ASF Regulation no. 5/2018, which also includes the consolidated, unaudited financial results for quarter 1, 2025
- Adoption of the consolidated and individual interim financial reporting for the 6 months ended June 30, 2025 and the Semi-Annual Report for the 1st semester of 2025, prepared in accordance with ASF Regulation no. 5/2018
- The action plan and the status of their implementation following the recommendations received from the external auditor and the internal auditor
- Selection of the financial auditor for auditing the individual and consolidated financial statements of the companies part of the Bittnet group for the period 01.01.2025 – 30.04.2027
- Budget Execution
- Self-evaluation of the activity carried out

### Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee is to assist the Board of Directors in developing and implementing the remuneration policy, the management structure and the nomination of candidates for the Board.

The composition of the Nomination and Remuneration Committee underwent changes in 2025, following the election of the new composition of the Board of Directors, being composed of the following persons at the end of last year, as well as at the date of drafting this document:

<b>Mr. Cristian Logofătu</b>	Member of the Nomination and Remuneration Committee, Member of the Board of Directors
<b>Mr. Aurel Podariu</b>	Member of the Nomination and Remuneration Committee, Member of the Board of Directors
<b>Mr. Adinel Tudor</b>	Member of the Nomination and Remuneration Committee, Member of the Board of Directors

During 2025, the Nomination and Remuneration Committee discussed the following topics:

- Discussion of the Remuneration Report for 2025
- Discussion and debate of the Remuneration Policy
- Discussion of candidate proposals for positions on the Board of Directors

D.7 Any specialist, consultant, expert or financial analyst may attend the shareholders' meeting upon prior invitation from the Board. Accredited journalists may also attend the general shareholders' meeting, unless the Chairman of the Board decides otherwise.

All GMS meetings of the issuer are broadcast live via the online application for exercising and participating in general meetings - EVote.

14.5. Potential significant effects on corporate governance, including future changes to the composition of the board of directors and committees (to the extent that this has already been decided by the board and/or the shareholders' meeting).

Not the case

## Section 15: Employees

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

During 2025, the average number of employees of the group was 235, down from the previous year when the average number was 292. The following table shows the breakdown by functional departments at the end of the fiscal years. The figures do not include the situation of the E-Learning Company employees at all. The figures only include the companies within the consolidation perimeter at the end of each year.

Department	2018	2019	2020	2021	2022	2023	2024	2025
Sales	5	14	16	25	51	48	52	44
Technical	5	23	25	27	122	215	149	118
Marketing	1	2	4	9	7	7	6	8
Deliveries/administrative	3	8	14	16	60	73	79	49
Management	4	3	2	2	10	14	11	8

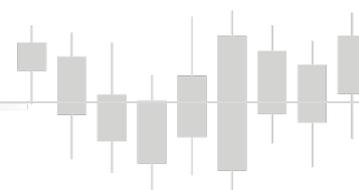
The Company outsources some of its activities to independent subcontractors. At the end of 2025, the Issuer cooperated with approx. 90 contractors.

The overwhelming majority of the company's employees are university graduates. The company's employees are not organized into unions. In the company's history, there have been no conflict situations between management and employees.

As a specific feature of the IT industry, it should be noted that employees and collaborators (freelancers) in the field are characterized by a high level of education, a continuous desire to learn and increased independence. The type of work environment and professional activity is one characterized by joviality, youth, a desire to work and to 'demonstrate' professional value.

It should also be noted that we operate in the digital economy, and we fully benefit from the advantages of the so-called 'gig economy' but also from the problems it raises. Thus, the company actively pursues positioning itself as a platform that brings together experts on various subjects with relevant clients for the respective services.

Each of the companies in the group has its own organizational charts, specific to the current, historical and future activity. The group is managed in a very decentralized manner, benefiting from only a few functions 'grouped' at the 'shared services' level, at the level of marketing, operations, finance and accounting, investor relations activities.



15.2. Shareholdings and share options - The most recent possible information on the holdings in the issuer's equity and any options on the issuer's shares by each of the persons referred to in points (a) and (d) of the first paragraph of point 12.1.

The company's management proposed in the GMS of April 2025 the cancellation of the long-term incentive plan with options. With the cancellation of this program, as well as at the date of writing this document, the Issuer has no other active incentive programs with options through which employees can participate in the Company's capital.

15.3. A description of any agreement providing for employee participation in the issuer's capital

This is not the case. At the time of writing this document, there is no agreement on employee participation in the company's capital.

## Section 16: Major Shareholders

16.1. To the extent that this information is known to the issuer, the name of any person who is not a member of any administrative, management or supervisory body of the issuer and who holds, directly or indirectly, a percentage of the issuer's share capital or voting rights that must be notified under the domestic law applicable to the issuer, as well as the value of the holding in question, as at the date of the document, or, in the absence of such persons, an appropriate statement that there are no such persons.

The Issuer is aware of a group of shareholders who have declared themselves to be acting in concert and who together hold a percentage of approx. 30% of the Company's capital, according to the notification sent to the Issuer and ASF in April

2023: [https://m.bvb.ro/Infocont/RaportariActionari/BSE/BNET\\_20230424\\_Notif\\_detineri\\_BNET\\_Agista\\_Impetum.pdf](https://m.bvb.ro/Infocont/RaportariActionari/BSE/BNET_20230424_Notif_detineri_BNET_Agista_Impetum.pdf).

Shareholders with holdings over 10% of the share capital and voting rights are:

Shareholders and % ownership	Dec 31, 2024	Dec 31, 2025
IMPETUM INVESTMENTS SA	13.33%	10.17%
SIACP AGISTA INVESTMENTS	13.75%	13.75%

16.2. Information indicating whether the issuer's main shareholders have different voting rights or an appropriate statement indicating that there are no such voting rights.

This is not the case, the issuer's main shareholders have the same voting rights as the rest of the shareholders: 1 share grants 1 voting right at the General Meetings of Shareholders.

16.3. To the extent that this information is known to the issuer, it shall be stated whether the issuer is owned or controlled, directly or indirectly, and by whom, and the nature of the control and the measures adopted to ensure that such control is not exercised abusively shall be described.

The issuer is not directly or indirectly owned or controlled.

16.4. A description of agreements, known to the issuer, the application of which may result, at a later date, in a change of control over the issuer.

This is not the case. There is no agreement known to the Issuer that could result in a change of control over the Issuer.



## Section 17: Related Party Transactions

17.1. Details of related party transactions (which, in this respect, are those set out in the standards adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council (2)) entered into by the issuer during the period covered by the historical financial information up to the date of the document in accordance with the relevant standard adopted under Regulation (EC) No 1606/2002, if applicable, must be disclosed. If the standards in question do not apply to the issuer, the following information must be disclosed: (a) the nature and amount of all transactions which, individually or in the aggregate, are material to the issuer. If the related party transactions were not carried out on an arm's length basis, the reasons must be explained. In the case of outstanding loans, including guarantees of any kind, the amount of the outstanding balance; (b) the amount or percentage of the issuer's turnover represented by related party transactions.

If the International Financial Reporting Standards adopted in accordance with Regulation (EC) No 1606/2002 apply to the issuer, the information set out in points (a) and (b) need only be disclosed for transactions carried out since the end of the last financial year for which audited financial information has been published.

In accordance with the provisions of art. 108 of Law 24/2017 republished, the Issuer made available to investors and interested parties the report on the status of intragroup transactions carried out between companies within the Issuer's group during 2025, transactions that exceeded 5% of the issuer's net assets.

In this regard, in the natural course of the current business operation, but also due to the group structure of which the issuer is a part, there are various transactions between the companies of the Bittnet group. In general, the Company tries to keep this volume of intragroup transactions (transactions with affiliates) to a minimum, but does not refuse to deliver the relevant technological solutions to the group's clients if they generate transactions between affiliated parties.

With the increase in the group's business, as well as the size of the projects in which the group companies are involved, intragroup transactions with a value exceeding 5% of the Issuer's net assets were carried out between 4 of the Bittnet group companies during 2025. These transactions were generated between the following entities:

1. Bittnet Systems SA and Dendrio Solutions SRL (owned 96.50% by Bittnet Systems);
2. Dendrio Solutions SRL and Dendrio Innovations SRL (owned by Dendrio Solutions);
3. Dendrio Solutions SRL and Dendrio Technology SRL (owned by Dendrio Solutions)

The transactions subject to reporting have been published, together with the auditor's opinion. Transactions with affiliated parties were executed at market price and are presented in the current report no. 04/2026, direct link here:

[https://m.bvb.ro/infocont/infocont26/BNET\\_20260130170143\\_BittnetSystems-2025-RP-raport-JPAA-ro.pdf](https://m.bvb.ro/infocont/infocont26/BNET_20260130170143_BittnetSystems-2025-RP-raport-JPAA-ro.pdf)



## Section 18: Financial information regarding the assets, liabilities, financial position and profits and losses of the Issuer

### 18.1. Historical financial information

#### 18.1.1. Audited historical financial information for the last three financial years (or for any shorter period since the issuer has been in operation) and the audit report corresponding to each year.

According to the provisions of Art. 19 of EU Regulation 2017/1129, taking into account that annual and interim financial information, as well as audit reports, are part of the information that can be included in the Registration Document by reference, if they have been previously published, we list below the internet address where the audited annual results are available, in IFRS format (accompanied by explanatory notes and the audit report):

- The financial results in IFRS format for fiscal year 2025 were made available to investors as supporting documents for the OGMS of 29.04.2026, together with the audit report at: <https://investors.bittnet.ro/intalniri-ale-actionarilor/aqa-29-aprilie-2026/>
- The financial results in IFRS format for fiscal year 2024 were made available to investors as supporting documents for the OGMS of 28.04.2025, together with the audit report at: <https://investors.bittnet.ro/ro/intalniri-ale-actionarilor/aqa-28-aprilie-2025/>
- The financial results in IFRS format for fiscal year 2023 were made available to investors as supporting documents for the OGMS of 25.04.2024, together with the audit report at: <https://investors.bittnet.ro/ro/intalniri-ale-actionarilor/aqa-25-aprilie-2024/>

#### 18.1.2. Change of accounting reference date

If the issuer has changed its accounting reference date during the period for which historical financial information is requested, the audited historical information will cover at least 36 months or the entire period during which the issuer has been active, whichever is the shorter.

This is not the case, the Issuer has not changed the accounting reference date in the period for which historical financial information is requested.

#### 18.1.3. Accounting standards

The financial information must be prepared in accordance with International Financial Reporting Standards as adopted in the Union on the basis of Regulation (EC) No 1606/2002. Where Regulation (EC) No 1606/2002 does not apply, the financial information must be prepared in accordance with: (a) the national accounting standards of a Member State for issuers in the EEA, in accordance with Directive 2013/34/EU; (b) the national accounting standards of a third country equivalent to Regulation (EC) No 1606/2002 for issuers in third countries. If the national accounting standards of that third country are not equivalent to Regulation (EC) No 1606/2002, the financial statements shall be restated in accordance with that Regulation.

The financial information is prepared in accordance with the International Financial Reporting Standards IFRS and based on the Order of the Ministry of Public Finance No. 2844/2016 of December 12, 2016 for the approval of the Accounting Regulations in accordance with the International Standards.



#### 18.1.4. Change in accounting framework

The latest audited historical financial information, containing comparative information for the preceding year, must be presented and prepared in a form consistent with the accounting framework to be adopted in the issuer's next published annual financial statements, taking into account the accounting standards and policies and the legislation applicable to those annual financial statements. Changes in the accounting framework applicable to an issuer do not require the audited financial statements to be restated solely for the purpose of the document. However, if the issuer intends to adopt, in its next published financial statements, a new accounting framework, at least a complete set of financial statements (as defined in IAS 1 Presentation of Financial Statements, as set out in Regulation (EC) No 1606/2002, including comparative figures, must be presented in a form consistent with that to be adopted in the issuer's next published annual financial statements, taking into account the accounting standards and policies and the legislation applicable to those annual financial statements.

The Issuer's most recent audited financial information, namely those related to the financial year 2025, were published as supporting documents for the OGMS of April 29, 2026 and are included in the 2025 Annual Report, published on the issuer's website in the investors section as well as on the BVB website on the BNET symbol page.

Starting with the 2019 financial year, financial information is prepared in accordance with International Financial Reporting Standards IFRS based on Regulation (EC) No 1606/2002.

Historical financial results in IFRS format have been published by the Issuer, together with the audit reports, starting with November 2019 on the website dedicated to investor relations, at:

<https://investors.bittnet.ro/ro/rezultate-financiare/>

18.1.5. Where audited financial information is prepared in accordance with national accounting standards, it shall include at least the following elements: (a) balance sheet; (b) profit and loss account; (c) a statement of all changes in equity or changes in equity other than those resulting from capital transactions with owners or distributions to owners; (d) cash flow statement; (e) accounting policies and explanatory notes.

Not applicable. The issuer prepares and reports financial statements in accordance with IFRS.

#### 18.1.6. Consolidated financial statements

If the issuer prepares both stand-alone and consolidated annual financial statements, at least the consolidated annual financial statements shall be included in the document.

#### 18.1.7. Date of financial information

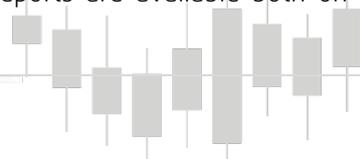
The balance sheet of the last financial year for which the financial information has been audited must have ended no later than: (a) 18 months before the date of the document, if the issuer includes audited interim financial statements in the document; (b) 16 months before the date of the document, if the issuer includes unaudited interim financial statements in the document

The last financial year for which the financial statements were audited is 2024.

#### 18.2. Interim financial information and other financial information

18.2.1. If the issuer has published quarterly or half-yearly financial information since the date of the last audited financial statements, that financial information must be included in the document. If the quarterly or half-yearly financial information has been audited or reviewed, the review or audit report must also be included. If the quarterly or half-yearly financial information is not audited or has not been reviewed, this must be stated. If it has been prepared more than nine months after the date of the last audited financial statements, the document must contain interim financial information, which may be unaudited (in which case this must be stated), for at least the first six months of the financial year. Interim financial information prepared in accordance with the requirements of Regulation (EC) No 1606/2002. For issuers not subject to Regulation (EC) No 1606/2002, interim financial information must include comparative statements for the same period of the previous financial year, except that the requirement for comparative information in the balance sheet may be met by presenting the year-end balance sheet in accordance with the applicable financial reporting framework.

Prior to the annual financial results for 2025, during the calendar year 2025, the financial reports for each quarter of 2025 were published, the quarterly financial statements being unaudited. The reports are available both on the Issuer's website and on the BVB website, the page dedicated to the symbol BNET.



### 18.3. Auditing historical annual financial information

18.3.1. The historical annual financial information shall be independently audited. The audit report shall be drawn up in accordance with Directive 2014/56/EU of the European Parliament and of the Council ( 3 ) and Regulation (EU) No 537/2014 of the European Parliament and of the Council (4). Where Directive 2014/56/EU and Regulation (EU) No 537/2014 do not apply: (a) the historical annual financial information shall be audited or accompanied by a statement indicating whether, for the purposes of the document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard; (b) if the audit reports on the historical financial information have been rejected by the statutory auditors or if they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter paragraph, those qualifications, modifications, disclaimers or emphasis of matter shall be reproduced in full and the reasons for them shall be given.

According to the provisions of Art. 19 of EU Regulation 2017/1129, taking into account that annual and interim financial information, as well as audit reports, are part of the information that can be included in the document by reference, if they have been previously published, we list below the internet addresses where the audited annual results, in IFRS format (accompanied by the audit report), and the unaudited half-yearly results are available (the Issuer is not obliged to audit the interim results)

The financial results in IFRS format for the period 2016-2018, 2019, 2020, 2021, 2022, 2023, 2024 and 2025 were published by the Issuer, together with the audit reports starting with November 2019 on the website dedicated to investor relations, at:

<https://investors.bittnet.ro/ro/rezultate-financiare/>

18.3.2. Indication of other information in the document that has been audited by the auditors.

That's not the case.

18.3.3 If the financial information in the document has not been extracted from the issuer's audited financial statements, its source and the fact that the information is not audited shall be stated.

Not the case

### 18.4. Pro forma financial information

In the case of a significant change in gross values, a description of how the transaction would have affected the issuer's assets, liabilities and profit or loss if the transaction had occurred at the beginning of the reporting period or at the date indicated shall be included. This requirement will normally be met by the inclusion of pro forma financial information. Pro forma financial information must be presented in accordance with Annex 20 and must include all the data specified in that Annex. The pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.

Not the case

### 18.5. Dividend distribution policy.

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

The issuer's dividend policy is described in detail at:

<https://investors.bittnet.ro/politicile-corporative/politica-de-dividend/?lang=ro>

18.5.2. For each financial year within the period covered by the historical financial information, the amount of dividends per share, possibly adjusted to allow comparisons to be made, if the number of shares of the issuer has changed.

The issuer has not paid dividends from the results of historical financial years.



## 18.6. Judicial and arbitration proceedings

Information on any governmental, judicial or arbitration proceedings (including any such proceedings pending or potential of which the issuer is aware) for at least the past 12 months which may have or have recently had a material effect on the financial position or profitability of the issuer and/or the group, or an appropriate negative statement.

The issuer declares that there are no governmental, judicial or arbitration proceedings that have had a significant effect on the financial results in the last 12 months.

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

18.7.1. A description of any significant change in the financial position of the group that has occurred since the end of the last financial year for which audited financial statements or interim financial information have been published, or an appropriate negative statement.

Not applicable. There have been no significant changes in the group's financial position since the end of the last financial year for which audited financial statements or interim financial information have been published.

## Section 19: Additional information

19.1. Share capital The information from items 19.1.1-19.1.7 of the historical financial information as of the date of the most recent balance sheet:

19.1.1. Amount of issued capital and, for each category of shares:

(a) the total authorised share capital of the issuer;

At the date of writing this document, the value of the authorized share capital is 240,000,000 common shares and 120,000,000 preferred shares.

At the date of drafting the Universal Registration Document, the Issuer's subscribed and paid-up share capital is 63,417,671.40 ron, divided into 634,176,714 ordinary, registered, common, dematerialized shares, with a nominal value of 0.1 ron.

(b) the number of shares issued and fully paid and the number of shares issued but not fully paid;

The number of shares issued and fully paid is 634,176,714.

The number of shares issued but not fully paid is 0.

(c) the nominal value of a share or the fact that the shares have no nominal value; and

The nominal value of a BNET share is 0.1 ron.

(d) a reconciliation of the number of shares outstanding at the opening and closing dates of the financial year. It shall be stated whether more than 10 % of the share capital has been paid up in assets other than cash during the period covered by the historical financial information.

Date modified	Registration date	process	Initial number of shares	Final number of shares
26.03.2021	21.05.2020	Share capital increase - with cash contribution through the issuance of 18,178,550 new shares	229,049,725	247,228,275
22.07.2021	21.07.2021	Share capital increase with free shares, 6:10	247,228,275	395,565,240
10.09.2021	21.07.2021	Share capital increase with free share issue, 1:10	395,565,240	420,288,068
21.10.2021	N/A	Share capital increase according to EGMS Decisions no. 12/25.04.2018; H. EGMS no. 4/26.11.2020; H. EGMS no. 5/26.11.2021; Board of Directors Decision no. 7/18.08.2020; Board of Directors Decision no. 10/17.12.2020;	420,288,068	455,669,736
10.11.2021	N/A	Share capital increase according to EGMS Decisions no. 2 and no. 3/27.04.2021; Board of Directors Decision of 06.07.2021 and EGMS Decision no. 17/07.09.2021;	455,669,736	480,436,904
12.08.2022	21.07.2022	Share capital increase with free share issue, (1:10) according to EGMS Decision no. 2/20.04.2022	480,436,904	528,480,595

<b>20.04.2023</b>	13.10.2022	Share capital increase with new cash contributions and conversion of receivables according to Board of Directors Decision of 16.09.2022	528,480,595	634,176,714
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During the period covered by the historical financial information, no part of the share capital was paid up through assets other than cash.

#### 19.1.2. The number and main characteristics of shares that do not represent capital, if any.

That's not the case.

#### 19.1.3. The number, book value and nominal value of the issuer's shares held by the issuer or on behalf of the issuer or by its subsidiaries.

At the date of writing this document, the Issuer does not hold any of its own shares in the company's treasury.

#### 19.1.4. The amount of convertible, exchangeable or warrant-backed securities, indicating the conditions and procedures for conversion, exchange or subscription.

Not the case

#### 19.1.5. Information about any acquisition right and/or obligation related to the authorized but unissued capital, or about any commitment to increase the share capital, as well as their conditions.

The Extraordinary General Meeting of Shareholders of September 2021 granted the Issuer's management the authorization to increase the share capital by a maximum number of 240,000,000 common shares, respectively 120,000,000 preferential shares.

#### 19.1.6. Information on the share capital of any member of the group that is the subject of an option or a conditional or unconditional agreement providing for the granting of options on the capital and details of those options, including the identity of the persons to whom they relate.

That's not the case.

#### 19.1.7. The evolution of the share capital during the period covered by the historical financial information, highlighting any changes that have occurred.

The figures in the table below are presented in ron:

Date modified	Registration date	process	Initial number of shares	Final number of shares
<b>26.03.2021</b>	21.05.2020	Share capital increase – with cash contribution through the issuance of only 18,178,550 new shares	229,049,725	247,228,275
<b>22.07.2021</b>	21.07.2021	Share capital increase with free shares, 6:10	247,228,275	395,565,240
<b>10.09.2021</b>	21.07.2021	Share capital increase with free shares, 1:10	395,565,240	420,288,068
<b>21.10.2021</b>	N/A	Share capital increase according to EGMS Decisions no. 12/25.04.2018; H. EGMS no. 4/26.11.2020; H. EGMS no. 5/26.11.2021; Board of Directors Decision no. 7/18.08.2020; Board of Directors Decision no. 10/17.12.2020;	420,288,068	455,669,736
<b>10.11.2021</b>	N/A	Share capital increase according to EGMS Decisions no. 2 and no. 3/27.04.2021; Board of Directors Decision of 06.07.2021 and EGMS Decision no. 17/07.09.2021;	455,669,736	480,436,904
<b>12.08.2022</b>	21.07.2022	Share capital increase with free share issue, (1:10) according to EGMS Decision no. 2/20.04.2022	480,436,904	528,480,595
<b>20.04.2023</b>	13.10.2022	Share capital increase with new cash contributions and conversion of receivables according to Board of Directors Decision of 16.09.2022	528,480,595	634,176,714

## 19.2. Articles of Association and Statute

### 19.2.1. Where applicable, the register and registration number in the register, a description of the issuer's object of activity and the place where it is provided for in the articles of association and statute.

The updated articles of association of the Issuer are available on the Issuer's website in the investors section and can be accessed here: <https://investors.bittnet.ro/despre-bittnet/guvernanta-corporativa/>



The issuer's main activity is: 6290 Other information technology service activities. This class includes the planning and design of computer systems that integrate hardware, software and communications technologies and consulting services that may also include user training.

The object of activity is provided in "Art. 5 - Object of activity of the company" of the Issuer's updated Articles of Association.

19.2.2. If there is more than one class of shares in existence, a description of the rights, preferences and restrictions attached to each class.

This is not the case. Although the Issuer's Articles of Association provide for the possibility of issuing Preferred Shares, at the time of writing this document there are only common/ordinary shares issued.

19.2.3. A brief description of any provision in the articles of association, bylaws, charter or regulations that could have the effect of delaying, suspending or preventing a change of control over the issuer.

That's not the case.

## Section 20: Important contracts

20.1. A summary of each material contract (other than those entered into in the ordinary course of business) entered into by the issuer or any other member of the group during the two years immediately preceding the publication of the registration document. A summary of any other contract (other than those entered into in the ordinary course of business) entered into by any member of the group and containing provisions which assign to any member of the group an obligation or commitment that is material to the group as a whole, as at the date of the registration document.

That's not the case.

## Section 21: Available documents

21.1. A statement confirming that, during the validity period of the document, the following documents may be consulted, as appropriate:

- (a) the issuer's updated memorandum and articles of association;
- (b) all reports, correspondence and other documents, valuations and statements made by an expert at the issuer's request, parts of which are included or referred to in the registration document. Indication of the website on which the documents can be consulted.

During the validity period of the document, they can be consulted on the Issuer's website in the investors section (<https://investors.bittnet.ro/>) Updated Articles of Incorporation, Universal Registration Document, as well as all relevant shareholder documents.

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BITTNET SYSTEMS SA, through Mihai Alexandru Constantin Logofătu, General Manager and legal representative of the President of the Board of Directors, legal entity Ivylon Management SRL.



## Annex 1 – “Alternative Performance Measurements” about alternative performance indicators

ESMA guidelines require us to explain any indicator we use in assessing the company's financial or non-financial results, if this indicator is not found in the IFRS or XBRL standards published by ESEF. In the case of our financial reports, we use the following indicators:

Indicator	Definition / Calculation method	Why is it relevant?
<b>Operational Profit</b>	<p>It's about the profit of the core business, the business of serving our customers.</p> <p>It takes into account all income and expenses associated with current activity and ignores financial income and expenses, or those related to holding-type activity (of the group, our existence as a listed company).</p> <p>It is obtained by eliminating from the results of each business line the income and expense items (cash or non-cash) that are not related to the current activity.</p> <p>The most significant adjustments (differences between gross profit and Operating Profit) are:</p> <ol style="list-style-type: none"> <li>1. Elimination of financial result (adding expenses to gross profit and subtracting financial income)</li> <li>2. Elimination of IFRS non-cash adjustments related to the Stock Option Plan</li> </ol>	<p>Operating activity (also called 'current' or 'core') represents the company's business.</p> <p>This is how business performance and activity are measured versus competition, regardless of the tax environment, the accounting reporting framework, or the company's financing method (the mix of equity and debt, the costs of maintaining the stock market share, etc.).</p> <p>In other words, this is the result that the company (or each business segment) would have if it operated as a company financed entirely from its own sources (from “equity” - shareholders' capital).</p>
<b>“Gross Margin” / “GM” / “margin”</b>	<p>The calculation formula for this indicator is “Revenue MINUS direct expenses” (“revenue minus COGS (cost of goods sold”).</p> <p>Thus, from the invoices issued to customers, the value of the expenses directly associated with those projects (obtaining those revenues) is deducted. As an example, in the case of software license resale projects, we buy a license for 90 ron and sell it to the customer for 100 ron. The difference is the “Gross Margin”.</p> <p>If we bill a client for cloud project implementation services, the gross margin represents the difference between the revenue billed to the client and the cost of the man-hours required for the implementation, regardless of whether the engineer performing the implementation is our employee or a subcontractor.</p>	<p>This indicator is the company's “GDP”, it is the “added value” that we produce for our partners.</p> <p>This indicator reflects not only what value we bring to customers, but, looking inside the company, it reflects the amounts of money we have available to cover fixed expenses.</p>
<b>Gross Margin M1 vs. Gross Margin M2</b>	<p>The difference between Gross Margin M1 and Gross Margin M2 lies in how IFRS direct costs associated with the technical team are taken into account:</p> <p>M1 Gross Margin is calculated as the difference between revenues from customer contracts and direct expenses associated with these revenues (for each individual project).</p>	<p>M2 Gross Margin provides a more complete picture of profitability, as it also includes technical personnel costs that are not directly allocated to specific projects. For this reason, the company prefers to use M2 Gross Margin in presenting financial results, considering that it more accurately reflects the real profitability of the activity.</p>



	Gross Margin M2 is obtained by subtracting from Gross Margin M1 the IFRS direct costs related to the technical team, which are not directly allocated to the projects sold to customers.	
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## Annex 2 - BNET Investment Thesis

Until 2023 inclusive, the money attracted by the company through capital increases plus those retained as retained earnings generated increases in stock market capitalization in proportions from 2:1 to a maximum of 9:1. Starting with 2024, however, this ratio became sub-unitary, so the group's strategy transformed from accelerated growth to returning value to shareholders, by capitalizing on assets.

In October 2025, the general meeting of shareholders ratified as a mandate for the general manager to identify strategic partners for the companies in the group, both in the form of creditors but also in the form of participants in the capital of Bittnet Systems' subsidiaries, attracting partners that would allow the development of the companies in which Bittnet has holdings, independent of financing from Bittnet.

In order to fulfill this mandate, the General Manager is empowered to offer minority or majority stakes, obtainable by investors through purchase from Bittnet or/and through capital increases in the 'daughter' companies, the percentages offered being at the discretion of the General Manager, including the full sale, within the limits of article 90 paragraph (1) of Law no. 24/2017.

The general meeting also approved the distribution to the Company's shareholders, in the form of dividends and/or through share buyback programs, of any amounts received by the Company as a result of transactions regarding the shares/shares held by the Company in subsidiaries, through which a strategic partner is attracted within them, to the extent that the applicable legislation and the Company's financial situation allow such distribution, regardless of the distribution method chosen.

Thus, the current investment thesis is:

*Invest in BNET shares in 2026 if you agree with management's assessment that the company's assets are significantly undervalued compared to book value, and therefore you believe that by capitalizing on them, the company will be able to release amounts significantly higher than the company's current market capitalization.*

As previous examples in this regard, the sale at market price in 2024 (stock exchange price minus discount) of the Fort stake was made at a profit of over 100% compared to the book value. In the case of Optimizor, the market value at which Bittnet sold the holding in 2025 was 6.1 million ron versus a book value of 3.39 million ron.

You want exposure to the Romanian IT&C industry, a field of accelerated growth, alongside a management team that not only has skin in the game but has also demonstrated, in 20 years, better results than the industry average, both operationally and in terms of capital management.

A final argument in this regard is the book value of Elian, which is 5.5 million ron, below 2x EBITDA, in a business with multiples of the order of 9-11x.

Each of the decisions we make aims at building an antifragile group, so that we have the most powerful force – time – by our side ("Time is the friend of the wonderful business, the enemy of the mediocre"). The second element is the combination of 'good operations' and capital management capability, as described as the 'secret of success' in the book "The outsiders – 8 outstanding CEOs". Some arguments for each of the components of this investment thesis:

- Choosing an industry with favorable prospects is a decision that makes both the work of investors much easier and reduces the importance of choosing competent management: "a rising tide lifts all boats." There has been no industry in the last 20 years with a more accelerated continuous growth than the IT&C industry.
- The existence of a management team with 'significant skin in the game' solves the 'principal – agent' problem so much complained about by investors on the Romanian capital market. If the management's well-being comes from the same sources, through the same mechanisms as that of small shareholders, the most important conflict is eliminated. Thus, in our case, the value of BNET shares represents for the management both the largest part of personal wealth and the largest part of income (unlike salary, the compensation policy based on options aligns management's income with the wealth brought to shareholders).
- Proven track record from an operational point of view: in addition to numerous international recognitions (Deloitte Top 50 in Tech, Financial Times Top 1000 Fastest Growing Companies, EY Entrepreneur of the Year finalists, etc.)



Proven track record in terms of capital management: the growth rate of equity capital historically attracted, through capital market mechanisms, is over 20% (given an average annual return of 28% in the last 5 years - on the regulated market), which also strengthens our confidence in the adopted financial model, which we intend to continue to apply as long as the results continue to be visibly better than the market average.

**We conclude this chapter by reminding you that no investment in a company's shares is without risks, and we ask that before deciding to invest, you carefully read the chapters on Risks in the universal registration document, or on the website dedicated to Investor Relations.**

## Management statement

The undersigned Logofătu Mihai Alexandru Constantin, as legal representative of the Chairman of the Board of Directors, confirm, based on the data in our possession, that the consolidated and individual financial statements of the Issuer, prepared in accordance with the applicable accounting standards, provide a true and fair view of the financial position of the Group as well as of the Issuer, the financial performance and cash flows for the year ended December 31, 2025 and that the Directors' Report (Annual Report) - presented in the form of a Universal Registration Document - provides a true and fair view of the development and performance of the Group's activity, as well as a description of the main risks and uncertainties related to the expected development of the Group.

The Annual Report of the Board of Directors of **BITTNET SYSTEMS SA**, for the financial year 2025, was signed by Mr. Mihai Alexandru Constantin Logofătu as legal representative of the Chairman of the Board.

Chairman of the Board – Ivylon Managemnt SRL, represented by Mihai Alexandru Constantin Logofătu

## Consolidated and Individual Financial Statements for FY2025, and notes;

## Auditors' report FY2025



## **BITTNET SYSTEMS S.A.**

Str. Srg. Ion Nuțu, nr. 44, One Cotroceni Park, Corp A și Corp B, et. 4, Sectorul 5  
Bucharest

## **INDEPENDENT AUDITOR'S REPORT**

*To the Shareholders of BITTNET SYSTEMS S.A.*

### **Report on the Audit of the Financial Statements**

#### ***Opinion on the Consolidated Financial Statements***

We have audited the consolidated financial statements of the BITTNET SYSTEMS S.A. (the "Company") and its subsidiaries (together named the "Group"), which comprise the consolidated statement of financial position as of December 31, 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statements and the notes to the consolidated financial statements, including a summary of the significant accounting policies.

These consolidated financial statements include:

Shareholder's Equity	66,519,506 lei
Profit/(Loss) of the period	(5,148,936) lei

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2025, as well as its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union and with OMFP no. 2844/2016 approving the Accounting Regulations in accordance with International Financial Reporting Standards, as subsequently amended.

#### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (ISA), EU Regulation no. 537 of the European Parliament and the European Council (hereafter "the Regulation") and the Law no. 162/2018 ("the Law"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group within the meaning of the Ethics Code for Professional Accountants (IESBA Code) issued by the International Ethics Standards Board for Accountants, according to ethical requirements relevant to the audit of the financial statements in Romania and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements for the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The main matters that were taken into consideration were:

<b>Key Audit Matter</b>	<b>Audit Approach</b>
<p><b>Revenue recognition</b>  <i>Note 7 – Revenues from contracts with customers, Note 32 e) – Significant accounting policies-Revenue recognition</i></p> <p>Revenue is an important indicator used to assess the Company’s performance, both individually and as a component of key financial indicators. Revenue is recognized when the sale of services or goods has occurred and all economic risks have been transferred to the customer. As presented in Note 7, revenue recognized in 2025 is mainly generated from the sale IT integration solutions, goods and licenses, and training services. Due to its significance within the consolidated financial statements taken as a whole, revenue recognition was considered an area with a significant impact on our audit strategy and resource allocation during the planning and execution process.</p> <p><b>Recoverability of goodwill</b>  <i>Note 16- Goodwill, Note 32 d)-Significant accounting policies- Goodwill</i></p> <p>In connection with its business acquisitions in prior years, the Group recognised goodwill with a net carrying amount of RON 64.531 thousand as at 31 December 2025. Annual impairment testing is required for the cash-generating units (“CGUs”) to which goodwill has been allocated</p>	<p>Our audit procedures included testing the internal control procedures over the revenue recognition process, as well as other procedures, including but not limited to:</p> <ul style="list-style-type: none"> <li>• documenting and evaluating the revenue recognition and measurement process</li> <li>• testing whether revenue was recognized in the appropriate accounting period based on the timing of the underlying transactions</li> <li>• testing, on a sample basis, the main revenue streams by reference to supporting documentation</li> <li>• for a sample of customers, obtaining confirmations regarding receivable balances and sales revenue as at and for the financial year ended 31 December 2025</li> </ul> <p>Our audit procedures, which involved our valuation specialists where appropriate, included, among others:</p> <ul style="list-style-type: none"> <li>• evaluating the methodology applied in determining the recoverable amount of the cash-generating units</li> <li>• assessing the key assumptions used in the forecast cash flows, including</li> </ul>

and, as disclosed in Note 16, based on the impairment test performed in the current year, the Group did not recognise any impairment in respect of those assets. For the purpose of impairment testing, the Group's cash-generating units are aggregated based on operating segments. Group management assessed the recoverable amount of the CGUs/reportable segments based on forecast future cash flows.

Estimating the recoverable amount of the CGUs involves significant judgement in relation to assumptions such as future cash flows, growth rates, operating margins, working capital requirements, capital expenditure and discount rates, as well as macroeconomic assumptions, including the evolution of costs and salaries in the context of the economy and inflation.

Taking these matters into consideration, the assessment of the recoverable amount of goodwill was considered an area associated with a significant risk of material misstatement in the consolidated financial statements and required increased audit attention. Accordingly, this matter was considered to be a key audit matter.

### ***Other matter***

The consolidated financial statements of the Company for the financial year ended December 31, 2024 were audited by another auditor, who issued an unmodified audit opinion on those financial statements dated 1 April 2025.

- by evaluating the budgeting process of the Company's subsidiaries and comparing the forecasts used to historical performance
- performing sensitivity analyses over the key assumptions
  - critically assessing, with the support of our specialists, the key assumptions used in determining the discount rate, long-term growth rate, operating cash flows, operating margins, working capital requirements, capital expenditure and taxation
  - testing the mathematical accuracy of the valuation model
  - evaluating the adequacy of the related disclosures in the financial statements

### ***Other information – Administrators’ Report***

The administrators are responsible for the preparation and presentation of the administrators’ report in accordance with the applicable regulations, as such as this report is free from material misstatements and for such internal control as management determines is necessary to enable the preparation of the administrators’ report that is free from material misstatement, whether due to fraud or error.

Our opinion on the financial statements does not cover this other information, and unless it is expressly stated in our report, we do not express any assurance conclusion about them.

Regarding the audit of the financial statements for the financial year ended December 31, 2025, it is our responsibility to read that other information and to assess whether that other information is materially inconsistent with the financial statements or knowledge, we obtain during the audit, or if they appear to be material misstatement.

As respects of the Administrators’ Report, we have read it and we report on whether it was prepared, in all material aspects, in accordance the applicable regulations.

On the sole basis of the activities which shall be performed during the audit of the financial statements, in our opinion:

- a) Nothing was identified by us that made us believe that the information presented in the Administrators’ Report, in material respects, is not in accordance with the financial statements.
- b) The Administrators’ Report mentioned above includes, in all material respects, the information requested by the applicable regulations.

In addition, based on our knowledge and understanding of the Group and its environment, acquired during the audit of the financial statements for the year ended December 31, 2025, we are required to report whether we have identified significant misstatements in the Administrators’ Report. We have nothing to report on this issue.

With respect to the Remuneration Report, we have read the Remuneration Report in order to assess whether it includes, in all material respects, the information required by Article 107(1) and (2) of Law no. 24/2017 on issuers of financial instruments and market operations, as subsequently amended. We have nothing to report in respect of this matter.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the above mentioned regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

#### ***Report on other legal and regulatory provisions***

We were appointed by the General Meeting of Shareholders on 21 October 2025 to audit the consolidated financial statements of BITTNET SYSTEMS S.A. for the financial year ended December 31, 2025. The total uninterrupted period of our engagement is 1 year.

We confirm that our audit opinion is consistent with the additional report to the Company's Audit Committee, which was issued on the same date as this auditor's report. We also confirm that, in the course of our audit, we remained independent of the audited entity.

We have not provided to the Company any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

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## **Report on Compliance with Commission Delegated Regulation (EU) 2018/815 (“Regulatory Technical Standard on the European Single Electronic Format” or “ESEF”)**

We have performed a reasonable assurance engagement on the compliance with Commission Delegated Regulation (EU) 2018/815 as applied to the consolidated financial statements included in the annual financial report of BITTNET SYSTEMS S.A. (the “Group”), as presented in the digital files.

### **(I) Responsibilities of Management and Those Charged with Governance for the Digital Files Prepared in Accordance with ESEF**

The management of Bittnet Systems S.A. is responsible for the preparation of the digital file in accordance with ESEF.

This responsibility includes:

- designing, implementing, and maintaining internal controls relevant to the application of ESEF;
- ensuring consistency between the digital files and the financial statements to be submitted in accordance with Regulation no. 39/2015 approving the accounting regulations compliant with International Financial Reporting Standards, applicable to entities authorized, regulated, and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments sector.

Those charged with governance are responsible for overseeing the preparation of the digital files in accordance with ESEF.

### **(II) Auditor’s Responsibility for the Assurance Engagement on the Digital Files**

Our responsibility is to express a conclusion on whether the annual consolidated financial statements comply, in all material respects, with ESEF, based on the evidence obtained. Our reasonable assurance engagement has been performed in accordance with the International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (ISAE 3000), issued by the International Auditing and Assurance Standards Board.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence regarding compliance with ESEF. The nature, timing, and extent of procedures selected depend on the auditor’s judgment, including the assessment of the risks of material departures from the requirements set out in ESEF, whether due to fraud or error.

A reasonable assurance engagement includes:

- obtaining an understanding of the process for preparing the digital file in accordance with ESEF, including relevant internal controls;
- reconciling the digital files with the audited financial statements of Bittnet Systems S.A. to be published in accordance with Regulation no. 39/2015 approving accounting regulations compliant with International Financial

Reporting Standards, applicable to entities authorized, regulated, and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments sector;

- evaluating whether all financial statements included in the annual financial report are prepared in a valid XHTML format.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion. The electronic file complies with the ESEF requirements, although it presents certain specification uncertainties which, however, do not affect the financial statements it represents. In our opinion, the consolidated financial statements for the financial year ended 31 December 2025, as presented in the digital files, comply, in all material respects, with the ESEF requirements.

In this section, we do not express an audit opinion, a review conclusion, or any other form of assurance conclusion on the financial statements. Our audit opinion on the consolidated financial statements of **BITTNET SYSTEMS S.A.** for the financial year ended 31 December 2025 is included in the section *Report on the Financial Statements* above.

March 26<sup>th</sup>, 2026  
No.#0292  
Bucharest

In the name of  
**JPA Audit și Consultanță S.R.L.**  
Registered Auditor ASPAAS FA319



Florin Toma  
Registered Auditor ASPAAS AF1747

**Autoritatea pentru Supravegherea Publică a  
Activității de Audit Statutar (ASPAAS)**  
Firma de Audit:  
**JPA AUDIT & CONSULTANȚĂ S.R.L.**  
Registrul Public Electronic: **FA 319**

**Autoritatea pentru Supravegherea Publică a  
Activității de Audit Statutar (ASPAAS)**  
Auditor financiar: **FLORIN TOMA**  
Registrul Public Electronic: **AF 1747**

BITTNET SYSTEMS S.A.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED ON  
DECEMBER 31, 2025

PREPARED IN ACCORDANCE WITH OMFP NO.  
2844/2016 AND THE INTERNATIONAL  
FINANCIAL REPORTING STANDARDS  
ADOPTED BY THE EUROPEAN UNION,  
REVISED

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**BITTNET SYSTEMS SA**  
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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Notes	<u>2025</u>	<u>2024</u>
<b>Ongoing activities</b>			
Revenue from contracts with customers	[7]	394,256,134	404,113,044
Cost of sales	[8]	<u>(333,240,210)</u>	<u>(330,002,661)</u>
<b>Gross margin</b>		<b>61,015,923</b>	<b>74,110,382</b>
Other income	[9]	1,252,566	2,363,095
Sales expenses	[10]	(19,619,851)	(20,798,497)
General and administrative expenses	[11]	(41,320,675)	(44,034,551)
Impairment	[9]	-	(2,078,990)
Other expenses	[9]	-	(45,510)
Gain/(loss) on equity-accounted securities	[20]	(43,346)	(39,541)
Losses on investments measured at fair value through profit or loss	[13]	(2,086,006)	(4,024,130)
Financial income	[13]	3,643,479	727,599
Financial expenses	[13]	<u>(8,707,322)</u>	<u>(7,033,711)</u>
<b>Gross profit / (loss)</b>		<b>(5,865,231)</b>	<b>(853,853)</b>
Income tax	[14]	<u>716,295</u>	<u>(1,523,249)</u>
<b>Profit / (loss) from continuing operations</b>		<b>(5,148,936)</b>	<b>(2,377,102)</b>
<b>Interrupted activities</b>			
Net profit / (loss) from discontinued operations		<u>-</u>	<u>11,495,927</u>
<b>Net profit, of which:</b>		<b>(5,148,936)</b>	<b>9,118,826</b>
related to the Parent Company		(6,061,975)	5,333,846
related to minority interests		913,039	3,784,979
<b>Other elements of the overall result</b>		-	-
<b>Total Overall result</b>		<b>(5,148,936)</b>	<b>9,118,826</b>
related to the Parent Company		(6,061,975)	5,333,846
related to minority interests		913,039	3,784,979
<b>Earnings per share from continuing operations</b>	[5]		
basic		(0.0096)	(0.0091)
diluted		<u>(0.0096)</u>	<u>(0.0084)</u>
<b>Earnings per share from discontinued operations</b>			
basic		-	0.0174
diluted		<u>-</u>	<u>0.0162</u>

The financial statements on page [3] to page [72] were approved and signed on March 27, 2026.

Mihai Logofătu  
General Manager

Adrian Stănescu  
Financial Director

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Notes	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>Assets</b>			
<b>Fixed assets</b>			
Goodwill	[16]	64,531,266	67,950,004
Other intangible assets	[18]	8,766,895	8,661,920
Tangible fixed assets	[19]	5,330,713	7,058,287
Usage rights	[28]	19,954,606	22,412,622
Equivalent securities	[20]	6,228,507	1,271,853
Other financial assets		315,703	378,633
Deferred tax	[14]	5,592,242	4,165,763
<b>Total fixed assets</b>		<b>110,719,930</b>	<b>111,899,083</b>
<b>Current assets</b>			
Stocks	[21]	3,647,955	4,811,756
Services in progress	[22]	16,221,472	15,324,838
Trade receivables	[22]	121,087,646	105,920,420
Other receivables	[22]	13,344,873	18,138,601
Financial assets at fair value	[20]	3,459,404	5,710,669
Cash and equivalents	[23]	116,387,622	73,355,404
<b>Total current assets</b>		<b>274,148,973</b>	<b>223,261,688</b>
<b>TOTAL ASSETS</b>		<b>384,868,903</b>	<b>335,160,771</b>
<b>CAPITAL AND LIABILITIES</b>			
Share capital		63,417,672	63,417,672
Issue premiums		31,934,768	31,934,768
Other equity items		(31,751,172)	(28,669,257)
Reserves		2,233,539	2,104,581
Retained earnings		(4,785,452)	1,581,052
<b>Capital related to the parent company</b>	[24]	<b>61,049,355</b>	<b>70,368,816</b>
Non-controlling interests	[25]	5,470,151	6,826,502
<b>Total capital and reserves</b>		<b>66,519,506</b>	<b>77,195,318</b>
<b>Long-term debts</b>			
Bonds	[26]	21,194,200	30,718,474
Bank loans	[27]	13,221,973	12,525,113
Leasing Debts	[28]	14,927,426	17,479,202
Long-term debts	[29]	-	-
<b>Total long-term debt</b>		<b>49,343,599</b>	<b>60,722,790</b>
<b>Current liabilities</b>			
Bonds	[26]	10,475,771	167,365
Bank loans	[27]	12,259,422	15,974,109
Leasing Debts	[28]	6,795,412	6,422,410
Dividends to be paid		1,913,363	544,411
Corporate tax liabilities	[14]	420,835	794,758
Contractual liabilities	[29]	17,314,977	19,038,100
Trade debts	[29]	206,283,761	136,778,390
Other debts	[29]	12,463,857	16,258,583
Provisions	[29]	1,078,401	1,264,538
<b>Total current liabilities</b>		<b>269,005,798</b>	<b>197,242,663</b>
<b>Total debts</b>		<b>318,349,397</b>	<b>257,965,453</b>
<b>TOTAL CAPITAL AND LIABILITIES</b>		<b>384,868,903</b>	<b>335,160,771</b>

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**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Note s	2025	2024
<b>Net profit</b>		<b>(5,148,936)</b>	<b>9,118,826</b>
Adjustments for:			
Depreciation expenses	[11]	10,109,820	10,735,511
Adjustments for impairment	[9]	-	2,078,990
Expenses related to assets disposed of		304,791	606,497
Benefits granted to SOP employees	[24]	311,804	1,043,509
Adjustments for impairment of receivables		946,474	(7,098)
Adjustments for inventory depreciation		(412,768)	(111,516)
Provisions	[29]	(186,137)	(166,667)
Expenses related to acquisitions of participating interests	[9]	-	45,510
Interest expenses and other financial costs	[13]	7,328,324	6,767,026
Income tax expenses	[14]	(716,295)	1,523,249
Interest income and other financial income	[13]	(640,797)	(461,056)
Gain/Loss on securities investments	[13]	(916,672)	4,181,814
Gain/Loss on sale of discontinued operations		-	(10,673,256)
Gain/Loss on equity-based securities	[20]	43,346	39,541
<b>Operating profit before changes in working capital</b>		<b>11,022,953</b>	<b>24,720,880</b>
Variation in accounts receivable balances		(18,879,521)	(58,621,756)
Variation in inventory account balances		1,576,568	(618,988)
Variation in debt account balances		69,908,895	58,434,304
<b>Cash generated from operations</b>		<b>63,628,896</b>	<b>23,914,440</b>
Income tax paid		(1,084,106)	(1,986,721)
<b>Net cash from operating activities</b>		<b>62,544,790</b>	<b>21,927,719</b>
<b>Investment activities:</b>			
Payments for acquisition of subsidiaries/businesses, +/- cash acquired		(4,977,000)	-
Payments for the purchase of participating interests		(5,000,000)	-
Proceeds from sale of participating interests, +/- cash sold		11,065,316	13,862,761
Loans to related entities		450,000	150,000
Acquisitions of tangible and intangible assets		(1,794,608)	(2,017,582)
Other investments in financial assets		-	-
Proceeds from other financial investments		157,754	1,467,912
Dividends received		186,592	78,225
Interest received		658,764	480,528
<b>Net cash from investing activities</b>		<b>746,819</b>	<b>14,021,844</b>
<b>Financing activities:</b>			
Payments for acquisitions of minority interests		-	(24,485,735)
Proceeds from the share issue		-	-
Sales of own shares		-	2,857,998
Share buybacks		(3,393,718)	(766,058)
Bank loan withdrawals		2,337,337	10,971,851
Bank loan repayments		(5,355,165)	(9,991,335)
Proceeds from bond issue		-	6,268,326
Repayments from the bond issue		-	-
Interest on leasing debts		(1,198,869)	(1,321,496)
Lease debt payments		(6,781,330)	(6,997,252)
Interest paid		(5,345,323)	(5,253,859)
Dividends paid to minority interests		(522,323)	(3,889,770)
<b>Net cash from financing activities</b>		<b>(20,259,390)</b>	<b>(32,607,330)</b>
<b>Net increase in cash and cash equivalents</b>		<b>43,032,218</b>	<b>3,342,233</b>
Cash and cash equivalents at the beginning of the financial year		73,355,404	70,013,171
<b>Cash and cash equivalents at the end of the financial year</b>		<b>116,387,622</b>	<b>73,355,404</b>

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Notes	Share capital	Issue premiums	Other equity items	Legal reserves	Retained earnings	Total Capital	Things who does not control	Total equity
<b>Dec 31, 2023</b>		<b>63,417,672</b>	<b>31,934,768</b>	<b>(16,150,032)</b>	<b>1,355,734</b>	<b>(7,714,326)</b>	<b>72,843,816</b>	<b>8,449,099</b>	<b>81,292,914</b>
Net profit		-	-	-	-	5,333,846	5,333,846	3,784,979	9,118,826
Other elements of the overall result		-	-	-	-	-	-	-	-
<b>Total Overall result</b>		-	-	-	-	<b>5,333,846</b>	<b>5,333,846</b>	<b>3,784,979</b>	<b>9,118,826</b>
BNET share capital increase		-	-	-	-	-	-	-	-
Subsidiary share capital increases		-	-	-	-	-	-	6,571,537	6,571,537
Benefits granted to SOP employees	[24]	-	-	1,043,509	-	-	1,043,509	-	1,043,509
Acquisition of own shares	[24]	-	-	(766,058)	-	-	(766,058)	-	(766,058)
Sales of own shares	[24]	-	-	2,857,998	-	-	2,857,998	-	2,857,998
Acquisitions of minority interests	[17]	-	-	(15,654,674)	-	-	(15,654,674)	-	(15,654,674)
Non-controlling interests		-	-	-	-	4,710,380	4,710,380	(10,810,359)	(6,099,979)
Dividend distribution		-	-	-	-	-	-	(1,168,753)	(1,168,753)
Legal reserve distribution		-	-	-	748,847	(748,847)	-	-	-
<b>Dec 31, 2024</b>		<b>63,417,672</b>	<b>31,934,768</b>	<b>(28,669,257)</b>	<b>2,104,581</b>	<b>1,581,052</b>	<b>70,368,816</b>	<b>6,826,502</b>	<b>77,195,318</b>
Net profit		-	-	-	-	(6,061,975)	(6,061,975)	913,039	(5,148,936)
Other elements of the overall result		-	-	-	-	-	-	-	-
<b>Total Overall result</b>		-	-	-	-	<b>(6,061,975)</b>	<b>(6,061,975)</b>	<b>913,039</b>	<b>(5,148,936)</b>
BNET share capital increase		-	-	-	-	-	-	-	-
Subsidiary share capital increases		-	-	-	-	-	-	-	-
Benefits granted to SOP employees	[24]	-	-	311,804	-	-	311,804	-	311,804
Acquisition of own shares	[24]	-	-	(3,393,718)	-	-	(3,393,718)	-	(3,393,718)
Sales of own shares	[24]	-	-	-	-	-	-	-	-
Acquisitions of minority interests	[17]	-	-	-	-	-	-	-	-
Non-controlling interests		-	-	-	-	(175,571)	(175,571)	269,149	93,578
Dividend distribution		-	-	-	-	-	-	(2,538,540)	(2,538,540)
Legal reserve distribution		-	-	-	128,958	(128,958)	-	-	-
<b>Dec 31, 2025</b>		<b>63,417,672</b>	<b>31,934,768</b>	<b>(31,751,172)</b>	<b>2,233,539</b>	<b>(4,785,452)</b>	<b>61,049,355</b>	<b>5,470,151</b>	<b>66,519,506</b>

**BITTNET SYSTEMS SA**  
**CONSOLIDATED FINANCIAL STATEMENTS**

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**NOTE 1. GENERAL INFORMATION**

**Group structure and operational activities**

The financial statements include the consolidated financial information of the parent company Bittnet Systems SA (the "Issuer"), with its registered office in Bucharest, Str. Sergent Ion Nuțu, no. 44, One Cotroceni Park, Building A and Building B, floor 4, sector 5, and of the following subsidiaries, all of which are registered in Romania:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>SUBSIDIARIES - % ownership</b>		
Dendrio Solutions	96.5%	96.5%
Dendrio Innovations, 100% owned by Dendrio Solutions	96.5%	96.5%
Dendrio Technology, 100% owned by Dendrio Solutions	96.5%	96.5%
IT Prepared*	-	50.2%
Bittnet Training	100%	100%
Elian Solutions	61.69%	61.69%
Elian Development Systems, 100% owned by Elian Solutions	61.69%	61.69%
Nenos Software	60.97%	60.97%
Nonlinear	60%	60%
(*) The Group sold its entire stake in IT Prepared in May 2025		
<b>MINORITY INTERESTS</b>		
E-Learning Company	23%	23%
Digital Intelligence Partners, owned by Dendrio Solutions	23.35%	23.35%

As of 31.12.2025, the Group has almost 230 employees, who work for one of the 9 companies included in the group.

During 2025, the average number of employees of the Group was 235. The following table presents the division by functional departments at the end of the fiscal years 2024-2025:

<u>Dept.</u>	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Delivery	138	178
Sales	44	55
Administrative	48	64
<b>TOTAL</b>	<b>227</b>	<b>297</b>

The consolidated financial statements include the results of the business combination using the acquisition method. In the statement of financial position, the identifiable assets, liabilities and contingent liabilities of the acquirer are initially recognized at their fair values at the acquisition date. The results of the acquired operations are included in the consolidated statement of comprehensive income from the date control is obtained.

**Bittnet Systems SA**

Bittnet was founded in 2007 and focused on providing IT training and integration solutions, based on technologies from market leaders such as Cisco, Microsoft, Dell, Oracle, HP, VMware, Google, Amazon Web Services.

The Group's continuous evolution process, both through the launch of new products and services and through continuous acquisitions, has led to the current dimension in which the activity is organized in centers ("cells") as independent as possible, in areas of interest - "development pillars" or "business units" (Training, Cloud & Infrastructure, Cybersecurity and Business applications & Software development), which represent sub-domains of activity in the IT&C Services area. Bittnet is today a conglomerate that offers investors exposure to the entire IT&C industry in Romania.

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Bittnet shares (symbol BNET) are listed on the BVB Regulated Market and are part of the main BVB indices.

**a) Education Division**

This division contains 2 companies (**Bittnet Systems** and **Bittnet Training** (formerly Equatorial Gaming and which absorbed Equatorial Training and Computer Learning Center in December 2024), which are joined by minority ownership in **The E-Learning Company**), which offers training to adults in two areas: Technical Skills and Human Skills both in classic, face-to-face, Virtual Remote format, but also instructor-led or in eLearning format. The trainings offered allow experts access to technology by teaching IT skills, from the basic ones (e.g.: Microsoft Office Suite) to the most advanced (Cloud, DevOps, Cybersecurity). The business training portfolio includes project management, IT service management, business intelligence, CRM, ERP, Agile, etc.

**The E-Learning Company SA**

The E-Learning Company has a diverse portfolio of solutions and products structured across multiple directions covering areas such as personal and professional development, communication, sales and negotiation, marketing, human resources, project management, Microsoft Office, finance, English, etc.

As a result of the investment agreement, Bittnet was allocated a seat on the Board of Directors of E-Learning Company. In the meantime, the company returned to sole management, the activity of the Board of Directors ceasing.

**b) Digital Infrastructure Division (Cloud & Infrastructure)**

This division currently contains 3 companies (**Dendrio Solutions**, **Dendrio Innovations** (formerly Dataware Consulting), and **Dendrio Technology** (formerly Top Tech, which absorbed 2Net Computer in December 2024) which offers complex IT solutions to clients in the corporate, large corporate, enterprise and public sector segments from all over the country but also from abroad (especially CEE and the USA).

The solutions offered start from the physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems and continue with the design and implementation of complex IT architectures such as data center/hybrid or cloud, enterprise networking, cyber security platforms and the implementation of related software platforms, including collaboration platforms (modern workplace).

The services offered are both in the classic (project-based) and "managed services" format, the managed ones being delivered mainly to clients in mature markets, Europe and the United States.

**Dendrio Solutions**

The IT solutions provided by Dendrio include: general consulting services, IT assessment services, implementation and migration services, maintenance and support services, infrastructure optimization services and IT training services. The company is the only "hybrid multi-cloud" integrator in Romania, consolidating its position as a company certified by the world's leading IT providers, focusing on cloud and cybersecurity.

**Dendrio Technology (formerly Top Tech)**

Top Tech SRL is a Romanian company, an integrator of IT&C products and services, with business in the Transylvania area. Currently, TopTech has partnerships with some of the most important technology manufacturers, such as Dell or HP, for the delivery of equipment, solutions and technological services. The company has over 80 employees and collaborators, being one of the most important IT integrators in the central and western part of Romania. TopTech has offices in Deva, Sibiu, Timisoara, Cluj-Napoca, Alba-Iulia and Medias.

**Dendrio Innovations (formerly Dataware Consulting)**

Dataware Consulting is one of the leading integrators of technology solutions and services regarding the implementation and configuration of IT infrastructures, data networks, storage and security solutions from leading international technology vendors.

**IT Prepared (rebranded: Optimizer)**

IT Prepared SRL is an IT services company founded in 2016, specializing in providing IT support services and managed services for managing IT infrastructures, primarily to clients in Romania.

IT Prepared was deconsolidated at balance sheet level on 31.05.2025, following the full sale of the Group's stake to Arctic Stream.

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**c) Cybersecurity Division**

This division contained 3 companies (Fort SA - formerly Global Resolutin Experts, GRX-Advisory and ISEC Associates) that provide cybersecurity services to corporate, large corporate, enterprise and public sector clients across the country.

All 3 companies that constituted the Group's Cybersecurity division were deconsolidated at balance sheet level on 31.12.2024, following the full sale of the Group's participation to the alternative investment funds Agista Investmens and Impetum Investments.

**d) Business applications & Software development division**

Currently, this division contains 4 companies: Elian Solutions, Kepler Management Systems, Nenos Software & Nonlinear.

**Elian Solutions** Elian Solutions specializes in providing implementation services for ERP (Enterprise Resource Planning) solutions, Microsoft Dynamics 365 Business Central. As a long-term Microsoft partner, Elian held Gold Partner status until 2022, and is currently a Certified Solution Provider (CSP) for Business Applications, being a pioneer in Eastern Europe within the new Microsoft cloud partnership program. The solution implemented by Elian allows companies to know the situation of inventories, receivables and payables, to be able to forecast, interalia cash flow, to track production, cost centers and much more.

**Elian Development Systems (formerly Kepler Management)**

Kepler Management is a company similar in profile and business to Elian Solutions, being one of the main Microsoft partners in Romania for the implementation and support of the ERP (enterprise resource planning) solution Microsoft Dynamics 365 Business Central.

**Nenos Software & Nonlinear**

Nenos Software is a custom software development company, with a focus on Artificial Intelligence and Machine Learning (AI/ML). Nonlinear SRL is an SPV established to access European financing; the activity is one of product-based software development, focused on developing a platform for digitization and automation of processes within small and medium-sized companies using low code/no code and machine learning technologies.

**Group Management**

Given the approaching expiration of the Board of Directors' mandates at the end of January 2024, the issuer convened the General Meeting of Shareholders for January 25, 2024 to elect a new Board. Following the casting of votes, the shareholders elected the new Board of Directors for a 4-year mandate, which had the following composition:

- 1) **Ivylon Management SRL** – executive administrator, through Mihai Alexandru Constantin Logofătu;
- 2) **Angel Lucian Claudiu** – non-executive director;
- 3) **Eccleston Square Capital Limited** represented by CIUCU BOGDAN-ANDREI – non-executive administrator;
- 4) **CONSTANTINESCU GABRIEL-CLAUDIU** – non-executive director;
- 5) **Quercus Solutions SRL** represented by MICHEȘ PAUL– non-executive administrator.

On 21.10.2025, the company's shareholders met at the General Meeting to elect new members to the Board of Directors, following the resignations submitted by 3 of the members elected at the AGM in January 2024. Following the casting of votes, the shareholders elected the new composition of the Board of Directors, the new members having the mandates aligned with the old members, namely until January 2028:

- 1) **Ivylon Management SRL** – executive administrator, through Mihai Alexandru Constantin Logofătu. As of 31.12.2025, Mihai Logofătu holds a number of 55,651,882 shares, which represents 8.77% of the share capital. Mihai Logofătu is co-founder of Bittnet Systems. Mihai Logofătu is also the general manager of the Issuer;
- 2) **Angel Lucian Claudiu** – non-executive administrator, who holds on 31.12.2025 a number of 5,468,395 shares of the Issuer, i.e. a percentage of 0.86% of the share capital;
- 3) **Marketing Expert Consulting SRL** represented by TUDOR ADINEL – non-executive director. At the date of election as a member of the Board of Directors, as well as on 31.12.2025, Mr. Tudor or the company Marketing Expert Consultin did not hold shares of the issuer;

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- 4) **PODARIU AUREL CONSTANTIN** – non-executive director. At the date of election as a member of the Board of Directors, as well as on 31.12.2025, Mr. Podariu did not hold shares of the issuer;
- 5) **LOGOFĂTU CRISTIAN ION** – non-executive director. As of 31.12.2025, Cristian Logofătu holds 58,005,988 shares, representing 9.14% of the share capital. Cristian Logofătu is the co-founder of Bittnet Systems. Cristian and Mihai Logofătu are brothers.

The operational management of Bittnet Systems is ensured by: Mihai Logofătu – CEO and co-founder and Adrian Stănescu – CFO, together with Cristian Herghelegiu – VP Technology and Cristina Rațiu – CEO Education. The 4 individuals are identified as key management from an IFRS perspective.

**NOTE 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

**a) Declaration of conformity**

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union ("EU IFRS"), and in accordance with OMFP 2844/2016, as amended and supplemented, "for the approval of accounting regulations in accordance with International Financial Reporting Standards".

The consolidated financial statements have been prepared under the historical cost convention, except for financial assets held for sale and measured at fair value through profit or loss, and on a going concern basis. The consolidated financial statements are presented in LEI, which is also the functional currency of the Group.

The main accounting policies adopted in the preparation of the consolidated financial statements are disclosed in Note 30 "Significant accounting policies".

**b) Business continuity**

The year 2025 presented the Group with one of the most complex periods in its history. The national and international context changed the pace of the IT market: postponed decisions, budgets put on hold by customers and high volatility in both the IT sector and the national economy. In the first half of the year, the prolonged electoral cycle, the instability caused by the negotiations for the formation of a new governing coalition, discussions on the country rating and delays in the implementation of projects financed through the PNRR, contributed to a sudden halt in investments, as well as significant fluctuations felt in the economy: from pressures on the exchange rate to the increase in capital costs and reluctance to obtain financing for the development of projects.

For the companies in the Group, these realities translated into contracts whose signing was postponed, procedures already started that slowed down and payment delays for delivered projects. The constructive part is that there were time lags and not waivers and cancellations. Starting with the third quarter, the IT market went through a gradual thaw and a gradual resumption of investment plans, both in the public and private sectors, a signal that the fundamentals of demand remained solid, even if the pace was temporarily affected in the first part of 2025.

The usual seasonality was even more pronounced than in previous years: if historically the 4th quarter brought about a third of turnover and gross margin, in 2025 major deliveries moved to the final part of the year, with the 4th quarter representing approximately 56% of the year's revenues.

In the first half, consolidated revenues were significantly affected, and operating results reflected the inelasticity of fixed expenses, generating an operating loss. In contrast, the second half generated margins similar to previous years, which, combined with the fixed cost reduction that the Group's management implemented, led to an operating profit in H2 of almost 14 million lei, recovering the operating loss and ending the year with an operating profit of 1.6 million lei.

The Group has net current assets of 5,140 thousand lei as of December 31, 2025 (26,019 thousand lei as of December 31, 2024) and sufficient cash availability of 116,384 thousand lei (70,355 thousand lei as of December

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31, 2024), recording positive cash flows from operations in both years. The Group closely monitors liquidity indicators – conversion of receivables into cash, transactions with customers and suppliers, etc.

Based on the analysis of future cash flows at business segment level (Note 16), and the analysis of existing obligations, as well as based on the current year's results, the Group's Management believes that business continuity principle is appropriately applied in the preparation of the financial statements as of December 31, 2025.

**c) New standards and interpretations, which have not yet been adopted**

At the date of authorization of the financial statements for issue, new IFRS standards, amendments and interpretations were issued that are not yet effective or have not been early applied by the Group.

The Group has analyzed their impact on the financial statements and presents below a summary of those relevant to the Group's activity.

**Standards and amendments applicable from 2024–2026**

**IAS 1 – Classification of Liabilities (Amendments)**

Application: January 1, 2024

Summary: Clarifies the classification of debts as current/non-current based on the right to defer payment. Includes covenant requirements.

Impact: Low/insignificant impact

**IAS 1 – Presentation of Accounting Policies (Amendments)**

Application: January 1, 2023 (still relevant)

Summary: Requires presentation of significant accounting policies, not general ones.

Impact: Moderate impact (presentation only)

**IAS 8 – Accounting Estimates**

Application: January 1, 2023

Summary: Clarifies the difference between changes in estimates and accounting policies.

Impact: Low impact

**IAS 12 – Deferred Tax (Pillar II)**

Application: January 1, 2023–2024

Summary: Introduces temporary exceptions to the recognition of deferred tax for the global minimum tax (OECD Pillar II).

Impact: Insignificant impact

**IFRS 16 – Lease liabilities in sale & leaseback transactions (Amendment)**

Application: January 1, 2024

Summary: Clarifies the subsequent measurement of leaseback obligations.

Impact: Insignificant impact

**IFRS 7 & IAS 7 – Supplier Financing Arrangements**

Application: January 1, 2024

Summary: Presentation requirements for supplier financing schemes.

Impact: Low impact

**d) Other standards with future application (2025–2027)**

The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements:

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**IFRS 18 – Preparation and presentation of financial statements**

Application: January 1, 2027

Summary: Replaces IAS 1 (partially) and introduces:

- new categories in P&L (operating, investing, financing)
- standardized subtotals (e.g. operating profit)
- strict rules for non-GAAP measures

Impact on SAI: High impact (presentation)

**IFRS 9 & IFRS 7 – Amendments regarding classification and ECL**

Application: January 1, 2026 (anticipated)

Summary:

- clarifications regarding the classification of financial assets
- improvements in the expected loss (ECL) model

Impact: Moderate impact

**IFRS 10 & IAS 28 – Sale or contribution between investor and associate**

Implementation: Deferred (indefinite)

Summary: Accounting treatment for transactions with associated entities / joint ventures

Impact: Low impact

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

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**NOTE 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The group does SOME estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions in the future. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Essential reasoning**

- Revenue recognition (Note 7) – principal/agent relationship regarding the resale of software licenses;
- Bittnet brand recognition (Note 17);
- Recognition of employee/collaborator loyalty program through share offering – “SOP” (Note 23)

**Estimates and assumptions**

- Evaluation of the consideration related to the employee/collaborator loyalty program through the offering of shares – “SOP” (Note 23)
- Valuation of adjustments for impairment of receivables (Note 21)
- Assessment related to the goodwill impairment test (Note 15)

Except for the valuation of financial assets held for sale and the estimated value for the adjustment of receivables, the Group does not have assets and liabilities included in the financial statements that require the measurement and/or presentation of fair value.

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**NOTE 4. FINANCIAL INSTRUMENTS – RISK MANAGEMENT**

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Interest rate risk
- Currency risk
- Other market price risks and
- Liquidity risk.

Along with all other businesses, the Group is exposed to risks arising from the use of its financial instruments. This note describes the Group's risk management objectives, policies and processes and the methods used to assess them. Additional quantitative information on these risks is presented throughout these financial statements.

There have been no material changes during the periods reported in the Group's exposure to financial instrument risks, its risk management objectives, policies and processes, or the methods used to assess them in prior periods, unless otherwise stated in this note.

**(i) Main financial instruments**

The main financial instruments used by the Group, from which the financial instrument risk arises, are the following:

- Receivables and loans;
- Cash and cash equivalents;
- Variable rate bank loans;
- Bank loans and fixed rate bonds;
- Trade and other debts.

**(ii) Financial instruments by category**

FINANCIAL LIABILITIES	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Loans from bond issues	31,669,971	30,885,839
Lease liabilities	21,722,838	23,901,612
Bank loans	25,481,395	28,499,222
Trade and other debts	<u>212,405,304</u>	<u>146,534,797</u>
<b>Total</b>	<b><u>291,279,508</u></b>	<b><u>229,821,470</u></b>
FINANCIAL ASSETS	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Receivables and loans	133,498,956	121,311,921
Financial assets at fair value	3,459,404	5,710,669
Cash and equivalents	<u>116,387,622</u>	<u>73,355,404</u>
<b>Total</b>	<b><u>253,345,982</u></b>	<b><u>200,377,994</u></b>

**(iii) Financial instruments not measured at fair value**

Financial instruments that are not measured at fair value include cash and cash equivalents, receivables and loans, trade and other payables, bank loans and bonds.

As a result of their short-term nature, the carrying amount of cash and cash equivalents, trade and other receivables, and trade and other payables, including loans, approximates their fair value.

**General objectives, policies and processes**

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The Board of Directors has overall responsibility for determining the Group's risk management objectives and policies and, while retaining responsibility for them, has delegated authority to design and operate the processes that ensure the effective implementation of the objectives and policies in the Group's finance function. The Board receives monthly reports from the Group CFO through which it reviews the effectiveness of the processes implemented and the adequacy of the objectives and policies it establishes.

The overall objective of the Board of Directors is to establish policies that aim to reduce risks as much as possible, without unduly affecting the competitiveness and flexibility of the Group. More details on these policies are presented below:

***Credit risk***

Credit risk is the risk that the Group's debtors will not be able to meet their obligations when they fall due, due to a deterioration in their financial situation. The Group is less exposed to this risk due to the specific nature of the products and services sold, which are aimed at companies of certain sizes, with a particular financial situation.

The group analyzes new customers using specialized tools (customer credit analysis sites) and has a strict procedure regarding the documentation of orders and the provision of services or delivery of goods.

However, the Group has not identified a solution that can completely eliminate credit risk, which is one of the most important risks for a company of our size.

Additional relevant information regarding trade and other receivables, which are neither past due nor impaired, is presented in Note 21.

**Cash in bank and short-term deposits**

The group regularly monitors banks' credit ratings, and no losses from counterparty default are expected at the reporting date. For all financial assets for which impairment requirements have not been applied, the carrying amount represents the maximum exposure to credit loss.

***Market risk***

Market risk arises from the Group's use of interest-bearing financial instruments that are also denominated in foreign currencies. There is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

***Interest rate risk***

The Group is exposed to interest rate risk, having contracted bank loans and from bond issues, in LEI and EUR. Any increase in interest rates will be reflected in the increase in financial costs. The Group regularly monitors the market situation to forecast the risk associated with interest rates.

The amounts borrowed currently represent a mix of fixed annual interest (bonds and leasing) and variable annual interest (bank loans). The weighted cost of borrowed capital is just under 9% per year. We believe that the coming financial period will be a period in which the fact that, for the most part, the price of borrowed capital has been fixed will constitute a competitive advantage.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Variable interest	25,481,395	28,499,222
Fixed interest	<u>53,392,809</u>	<u>54,787,451</u>
<b>Total</b>	<b><u>78,874,203</u></b>	<b><u>83,286,673</u></b>

As of December 31, 2025, if the interest rates on loans in LEI had been 1 percentage point higher/lower, with all other variables held constant, gross profit for the year would have been 254,813 lower/higher (December 31, 2024: 284,992), mainly due to higher/lower interest expenses on variable rate loans.

***Currency risk***

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An important element of market risk is the risk of exchange rate fluctuations. The Group aims to be neutral towards the risk of exchange rate fluctuations. The activities carried out in this regard are:

- The Group avoids as much as possible the submission of "cross currency" sales offers (offers with the sales price expressed in a currency other than the purchase currency);
- Most sales prices in contracts are expressed in foreign currency, with invoicing in lei at the exchange rate on the date of delivery.

As of December 31, the Group's net exposure to foreign exchange risk was as follows (amounts in LEI equivalent):

Net financial assets/(liabilities) in foreign currency	Dec 31, 2025	Dec 31, 2024
EUR	(30,477,223)	(36,249,986)
USD	<u>662,084</u>	<u>3,286,525</u>

At 31 December 2025, if the EUR/RON exchange rate had been 1 % point higher/lower, with all other variables held constant, gross profit for the year would have been 304.772 lower/higher (31 December 2024: 362.499), mainly due to the revaluation of net financial assets denominated in EUR.

***Other market risk***

The Group holds some investments in other listed companies. Management believes that the exposure to market risk from this activity is acceptable in the Group's circumstances, but is much higher than the risk associated with an investment in government securities or investment fund shares, mainly due to the volatility and unpredictable evolution of share prices, both in the short and long term.

***Liquidity risk***

Liquidity risk arises from the Group's management of working capital and financial expenses and the principal repayments of its debt instruments. There is a risk that the Group will encounter difficulties in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to enable it to meet its liabilities as they fall due. To achieve this objective, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days. The Group also seeks to reduce liquidity risk by fixing interest rates (and therefore cash flows) on a portion of its long-term borrowings, and this is discussed in the "interest rate risk" section above.

The following table presents the contractual maturities (representing contractual cash flows of financial liabilities):

December 31, 2025	Carrying amount	Up to 2 months	2 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Loans from bond issues	31,669,971	149,060	10,326,710	4,956,923	16,237,277	-
Leasing Debts	21,722,838	1,139,059	5,656,352	6,193,627	8,067,233	666,567
Bank loans	25,481,395	1,043,307	11,216,115	2,700,699	10,521,274	-
Trade and other debts	212,405,304	212,405,304	-	-	-	-
<b>Total</b>	<b><u>291,279,508</u></b>	<b><u>214,736,730</u></b>	<b><u>27,199,177</u></b>	<b><u>13,851,248</u></b>	<b><u>34,825,784</u></b>	<b><u>666,567</u></b>

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December 31, 2024	Carrying amount	Up to 2 months	2 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Loans from bond issues	30,885,839	167,365	-	9,715,173	21,003,301	-
Leasing Debts	23,901,612	1,055,931	5,578,632	5,700,642	11,450,385	116,022
Bank loans	28,499,222	650,930	15,323,180	3,561,270	8,193,511	770,332
Trade and other debts	146,534,797	146,534,797	-	-	-	-
<b>Total</b>	<b>229,821,470</b>	<b>148,409,023</b>	<b>20,901,811</b>	<b>18,977,085</b>	<b>40,647,197</b>	<b>886,354</b>

**NOTE 5. RESULT PER SHARE**

The Group presents both basic and diluted earnings per share:

- basic earnings per share are calculated by dividing the net profit for the current year attributable to the Group's equity holders by the weighted average number of shares during the period;
- Diluted earnings per share are calculated based on net profit, adjusted for the dilutive effect of employee stock options.

Earnings per share are adjusted retroactively at the beginning of the first reported period for the increase in the number of shares resulting from capitalization.

The calculation of earnings per share for the financial years 2024-2025 is presented in the following table:

	2025	2024
Net profit attributable to the parent company (A)	(6,061,975)	(5,755,486)
Net profit attributable to the parent company from discontinued operations (B)	-	11,011,620
Number of shares - beginning of period	634,176,714	634,176,714
Premium capitalization/retained earnings	-	-
Shares issued during the period for acquisition of participating interests (Note 23)	-	-
Shares issued during the period for cash (Note 23)	-	-
Number of shares - end of period	634,176,714	634,176,714
Average common shares during the period (C)	634,176,714	634,176,714
Dilutive stock (SOP)	-	47,563,254
Overall average (D)	634,176,714	681,739,968
Earnings per share from activities includes		
basic (A/C)	(0.0096)	(0.0091)
diluted (A/D)	(0.0096)	(0.0084)
Earnings per share from discontinued operations		
basic (B/C)	-	0.0174
diluted (B/D)	-	0.0162

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**NOTE 6. INFORMATION BY ACTIVITY SEGMENTS EXCLUDING DISCONTINUED OPERATIONS**

Segment reporting is consistent with internal reporting to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and evaluating the performance of the operating segments, has been identified as the Executive Management who makes strategic decisions.

Bittnet Group currently operates in three key divisions: Education, Digital Infrastructure, Cybersecurity, Business application & Software development.

- **Education** -this division contains 2 companies (**Bittnet Systems** and Bittnet Training), which offers training to adults in two areas: Technical Skills and Human Skills both in classic, face-to-face, Virtual Remote format, but also instructor-led or in eLearning format. The trainings offered allow experts access to technology by teaching IT skills, from the basic ones (e.g.: Microsoft Office Suite) to the most advanced (Cloud, DevOps, Cybersecurity). The business training portfolio includes project management, IT service management, business intelligence, CRM, ERP, Agile, etc.
- **Digital Infrastructure** -this division contains 3 companies (**Dendrio Solutions**, **Dendrio Innovations (formerly Dataware Consulting)** and **Dendrio Technology (formerly Top Tech)**) which offers complex IT solutions to clients in the corporate, large corporate, enterprise and public sector segments from all over the country but also from abroad (especially CEE and the USA).

The solutions offered start from physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems and continue with the design and implementation of complex IT architectures such as data center/hybrid or cloud, enterprise networking, cyber security platforms and the implementation of related software platforms, including collaboration platforms (modern workplace). The services offered are both in the classic regime (project-based) and in the "managed services" format, the managed ones being delivered mainly to clients in mature markets, Europe and the United States.

The fourth company within the division – IT Prepared, was sold at the end of May 2025.

- **Cybersecurity** -This division contained 3 companies (Fort (formerly Global Resolutin Experts), GRX-Advisory and ISEC Associates) that provide cybersecurity services to corporate, large corporate, enterprise and public sector clients across the country.

The Group's Cybersecurity Division was sold at the end of December 2024.

- **Business applications & Software development** -this division contains 4 companies: Elian Solutions, Elian Development Systems (formerly Kepler Management Systems), Nenos Software & Nonlinear.

Elian Solutions and Elian Development Systems are specialized in providing implementation services for ERP (Enterprise Resource Planning) solutions, Microsoft Dynamics NAV. Elian is the only partner that holds a Gold Certificate for this solution from Microsoft in Romania. The solution implemented by Elian allows companies to know the situation of stocks, receivables and payables, to be able to forecast, inter alia, cash flow, to track production, cost centers and much more.

Nenos Software is a custom software development company, with a focus on Artificial Intelligence and Machine Learning (AI/ML). Nonlinear SRL is an SPV established to access European financing; the activity is one of product-based software development, focused on developing a platform for digitization and automation of processes within small and medium-sized companies using low code/no code and machine learning technologies.

Gross margin is the main indicator that Management tracks in evaluating the performance of each segment. Selling costs are also tracked by each segment, while other general and administrative costs have not been allocated.

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**OPERATIONAL RESULTS**

2025	Education	Digital Infrastructur e	Cybersecurity	BA & Software	Total
Total income	15,363,312	381,228,965	-	35,823,376	432,415,654
Intersegment revenue	(144,408)	(36,869,502)	-	(1,145,610)	(38,159,520)
Revenue from contracts with customers	<b>15,218,905</b>	<b>344,359,463</b>	-	<b>34,677,766</b>	<b>394,256,134</b>
Cost of sales	(8,431,753)	(301,258,365)	-	(23,550,092)	(333,240,210)
<b>Gross margin</b>	<b>6,787,152</b>	<b>43,101,098</b>	-	<b>11,127,673</b>	<b>61,015,923</b>
Allocated selling costs	(3,135,279)	(14,830,226)	-	(1,370,387)	(19,335,891)
Other income	37,506	1,126,182	-	88,879	1,252,566
Allocated operational expenses	(798,094)	(23,128,445)	-	(5,375,080)	(29,301,620)
<b>EBITDA by segment</b>	<b>2,891,285</b>	<b>6,268,609</b>	-	<b>4,471,085</b>	<b>13,630,979</b>
Depreciation	(1,857,721)	(6,323,223)	-	(1,234,270)	(9,415,215)
<b>Operating profit per segment</b>	<b>1,033,564</b>	<b>(54,615)</b>	-	<b>3,236,814</b>	<b>4,215,764</b>
Other expenses (SOP, M&A)					(311,804)
Impairment	-	-	-	-	-
Financial income per segment	14	242,750	-	19,929	262,694
Financial expenses per segment	(344,424)	(7,048,322)	-	(296,734)	(7,689,480)
Unallocated expenses					<u>(2,342,405)</u>
<b>Gross profit from continuing operations</b>	<b>689,155</b>	<b>(6,860,187)</b>	-	<b>2,960,010</b>	<b>(5,865,232)</b>
<b>Gross profit from discontinued operations</b>			-		-
<b>2024</b>	<b>Education</b>	<b>Digital Infrastructur e</b>	<b>Cybersecurity</b>	<b>BA &amp; Software</b>	<b>Total</b>
Total income	11,098,692	388,091,662	-	29,230,406	428,420,760
Intersegment revenue	(561,028)	(22,714,219)	-	(1,032,469)	(24,307,716)
Revenue from contracts with customers	<b>10,537,664</b>	<b>365,377,443</b>	-	<b>28,197,937</b>	<b>404,113,044</b>
Cost of sales	(5,107,320)	(305,196,693)	-	(19,698,648)	(330,002,661)
<b>Gross margin</b>	<b>5,430,343</b>	<b>60,180,750</b>	-	<b>8,499,289</b>	<b>74,110,382</b>
Allocated selling costs	(3,764,201)	(14,980,333)	-	(1,305,215)	(20,049,749)
Other income	80,076	2,180,246	-	95,999	2,362,321
Allocated operational expenses	(1,620,980)	(26,055,928)	-	(4,039,583)	(31,716,491)
<b>EBITDA</b>	<b>131,239</b>	<b>21,324,735</b>	-	<b>3,250,491</b>	<b>24,706,465</b>
Depreciation	(1,652,742)	(6,892,531)	-	(1,023,266)	(9,568,539)
<b>Operating profit per segment</b>	<b>(1,521,503)</b>	<b>14,432,205</b>	-	<b>2,227,224</b>	<b>15,137,925</b>
Other expenses (SOP, M&A)					(1,089,019)
Impairment	-	-	-	-	(2,078,990)
Financial income	43	313,698	-	1,253	314,995
Financial expenses	(546,732)	(5,090,125)	-	(336,845)	(5,973,702)
Unallocated expenses					<u>(7,165,063)</u>
<b>Gross profit from continuing operations</b>	<b>(2,068,638)</b>	<b>9,655,778</b>	-	<b>1,891,632</b>	<b>(853,853)</b>
<b>Gross profit from discontinued operations</b>			-		-
			<b>979,776</b>		<b>979,776</b>

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EBITDA per segment per business was calculated as operating profit per segment plus depreciation.

Unallocated sales costs, other unallocated income, operating expenses and other unallocated expenses belong to the activity of the listed company Bittnet Systems (e.g. maintaining financial instruments in trading – shares and bonds, marketing and investor relations expenses, legal and corporate governance expenses, pre-acquisition costs of mergers and acquisitions of new companies) and cannot be allocated to any of the operating segments.

**ASSETS / LIABILITIES**

2025	Education	Digital Infrastructur e	Cybersecurity	BA & Software	Total
Assets by segment	17,387,292	317,780,396	-	23,753,206	358,920,894
Unallocated assets					<u>25,948,009</u>
<b>Total Assets</b>					<u><b>384,868,903</b></u>
Debts by segment	17,148,127	259,002,594	-	10,528,706	286,679,427
Unallocated liabilities					31,669,971
<b>Total Debts</b>					<u><b>318,349,397</b></u>
2024	Education	Digital Infrastructur e	Cybersecurity	BA & Software	Total
Assets by segment	15,288,478	258,114,864	-	21,547,047	294,950,388
Unallocated assets					<u>40,210,383</u>
<b>Total Assets</b>					<u><b>335,160,771</b></u>
Debts by segment	11,342,577	208,519,792	-	7,217,246	227,079,614
Unallocated liabilities					30,885,839
<b>Total Debts</b>					<u><b>257,965,453</b></u>

The main unallocated liabilities are the bonds issued by Bittnet Systems on the regulated market in Romania.

The main unallocated assets are the rights of use and financial assets related to Bittnet Systems.

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**NOTE 7. REVENUE FROM CONTRACTS WITH CUSTOMERS**

Revenues from customer contracts for the financial years 2024-2025 are detailed in the following table:

	<u>2025</u>	<u>2024</u>
Training services	15,007,016	10,491,166
IT solutions for integrating services, goods and licenses (*)	70,484,639	78,655,474
<b>Total</b>	<b><u>85,491,655</u></b>	<b><u>89,146,640</u></b>
Sale of goods IT integration	198,316,995	236,264,751
Licenses	109,918,387	77,880,118
Licenses recognized on a "net" basis	383,177	821,535
Equipment (Grenke Renting) recognized on a "net" basis	<u>145,920</u>	-
<b>Sale of goods</b>	<b><u>308,764,479</u></b>	<b><u>314,966,404</u></b>
<b>Total</b>	<b><u>394,256,134</u></b>	<b><u>404,113,044</u></b>

(\*) In 2025, the Group acted as Agent for total sales of software licenses worth 3,304,563 RON (2024: 7,905,144 RON) and, as such, recognized the income resulting from the resale of these software licenses on a "net" basis, i.e. the resulting gross margin of 383,177 RON (2024: 821,535 RON) was recognized in full as income, with zero selling costs. Also, the Group acted as Agent for total sales of IT equipment (sale and lease-back) to the leasing company Grenke Renting worth 1,690,413 RON and, as such, recognized the income resulting from the resale of these equipment on a "net" basis, i.e. the resulting gross margin of 145,920 RON.

The revenue recognition method is detailed in the following table:

	<u>2025</u>	<u>2024</u>
Revenue recognized at a point in time	385,898,675	399,056,249
Revenue recognized over time	8,357,459	5,056,795
<b>Total</b>	<b><u>394,256,134</u></b>	<b><u>404,113,044</u></b>

**Revenue from a geographical perspective**

Services are significantly provided and goods delivered to entities in Romania.

**Essential reasoning**

The Group analyzed, in light of the provisions of IFRS 15, whether it acts in its own name ("Principal") in its relationship with customers, namely whether it controls the promised goods and services before transferring the good or service to a customer.

Analyzing the contracts for the sale of goods (hardware equipment and software licenses), the Bittnet Group considers that in most cases it has obligations in its own name, and therefore acts as a "Principal" and not as an intermediary ("Agent"). To reach this conclusion, the Group analyzed the ordering and delivery processes of the equipment and licenses, the moment of transfer of rights from the supplier to the Group and from the Group to the customer, and the occurrence of risks associated with control.

The Group sells the rights to the goods produced by the manufacturers in combination with its own value-added services. These services are of the "advisory" and "know-how" type (often governed and certified by the status of partners with the manufacturers), ensuring that the solutions sold to customers meet their specific requirements and needs. These services are an integral and essential part of the obligations assumed towards the customers, because these services do not provide a separate value to the customers,

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and are not invoiced separately. The combination of qualified consultancy services (pre- and post-sales) and the goods produced by the manufacturers is, in fact, what ensures the benefit of the customers, in the form of a solution customized to the specific needs (e.g. providing various upgrade options and maximum flexibility) and legally compliant. Also, even after the conclusion of the contract, throughout the duration of the contract, the Group is the sole point of contact and solely responsible to the client for any problems (in which case the Group's team resolves the deficiencies and/or liaises with the manufacturer to remedy the problems that have arisen) or additional requirements (e.g. software upgrade).

Even if the IT equipment or software licenses sold by the Group are produced by other entities, the Group's promise to its own customers is not to produce those goods, but to deliver them, and often to perform additional activities such as installation, customization, combination, activation, configuration, optimization and maintenance during operation – these being key elements of the performance obligations assumed towards customers. From the customer's perspective, the Group's promise represents a single performance obligation (i.e. providing a customized and legally appropriate solution) and the Group assumes the performance risk for the entire solution, which attests to the Group's control over the products in the delivery flow. In relation to delivery to the customer, it is carried out by the Group – which takes actual possession of the goods (including the software activation keys) and transmits them to the end customer, together with the specific internal activation processes in the designated portals (processes performed by the Group's team). Also, through the contracts concluded with the manufacturers, the Group receives, according to its status as an authorized partner, the right to use the manufacturer's intellectual property, which is separate from the actual licenses sold to customers; as such, the Group controls the entire promise to the customer before delivery.

Although the Group does not usually have any inventory risk before receiving the order from the customer, from that moment on the Group assumes the inventory risk until the final transfer of control over the goods to the end customer. Even if by definition there is only one manufacturer for each type of equipment or software license sold to customers, the Group may decide to purchase directly from the manufacturer, or from any other authorized supplier (distributor, importer, European or global wholesaler, etc.). If, for any reason, delivery to the customer is not completed, or is not successfully carried out (in accordance with the obligations assumed to the customer), the Group will remain in possession of the goods without being able to return them to the supplier or sell them to another customer. Also, in certain situations the Group places orders in advance with suppliers (i.e. before receiving the order from the customer) to secure volume discounts or to take advantage of advantageous prices (thus voluntarily assuming the inventory risk), and subsequently transfers the goods to customers, as they confirm their purchase intentions.

In conclusion, the Group makes a promise to customers to deliver the goods, takes possession and control of them and sets the selling prices, within the framework of negotiation processes. The Group has the freedom to set prices with customers; thus, the Group can grant additional discounts, or request price increases to reflect currency risks, speed of delivery, risk of non-collection from the customer, etc. In other words, in front of customers, the Group is the supplier of the goods, even if they are produced by manufacturers and/or delivered by distributors, the Group being fully responsible for the proper delivery of the agreed projects.

Additionally, the Group bears the full credit risk for the entire value of the goods (hardware and software) – orders once placed with suppliers (either directly with the manufacturer or with authorized intermediaries) are non-refundable. In assessing the decision to initiate and/or continue business relationships with customers, the Group only analyzes the ability and intention/creditworthiness of customers to pay invoices on time. The Group has complete control over the sales strategy, decides which goods and services to offer, deliver and ultimately implement/configure.

Without prejudice to the above and taking into account also those mentioned in the interpretation (“agenda decision”) provided by the IFRS Interpretation and Maintenance Committee (“IFRIC – IFRS Interpretation Committee”) in May 2022 regarding the resale of software licenses (“software resellers”), the Group analyzes the commercial relationships with its customers, in order to identify those cases in which, during a year, only made low-frequency, transactional deliveries of software licenses to a specific customer. The Group believes that these transactions represent resales of standard software licenses (“resale of standard software licences”), in that in these cases the Group does not sell the rights associated with these software licenses in combination with its own value-added services, but only intermediates their sale from manufacturers/distributors to end customers.

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**NOTE 8. COST OF SALES**

The costs of sales for the financial years 2024-2025 are presented in the following table:

	<u>2025</u>	<u>2024</u>
Cost of selling IT solutions integrating services, goods and licenses	269,920,851	269,880,931
Other direct materials	498,198	425,940
Cloud services	2,179,947	3,280,954
Personnel expenses	27,870,384	25,195,600
Subcontractor expenses	7,117,337	9,786,698
Services provided by third parties	<u>25,653,493</u>	<u>21,432,539</u>
<b>Total</b>	<b>333,240,210</b>	<b>330,002,661</b>

**NOTE 9. OTHER INCOME AND OTHER EXPENSES**

**a) Other income**

	<u>2025</u>	<u>2024</u>
Subsidies	515,234	704,286
Other	<u>737,333</u>	<u>1,658,809</u>
<b>Total</b>	<b><u>1,252,566</u></b>	<b><u>2,363,095</u></b>

**b) Other expenses**

	<u>2025</u>	<u>2024</u>
Pre-acquisition costs of participating interests	-	45,510
Impairment of the 'Equatorial Gaming' brand (Note 17)	-	650,000
Impairment of holding in E-Learning Company (Note 19)	<u>-</u>	<u>1,428,990</u>
<b>Total</b>	<b><u>-</u></b>	<b><u>2,124,500</u></b>

Following a review of the cost recognition principles in accordance with the provisions of IFRS 3, "Business Combinations", pre-acquisition costs of participating interests (specialized M&A consulting, financial and legal due diligence services, legal services, etc.) were fully recognized in the period in which the services were rendered.

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**NOTE 10. SALES EXPENSES**

Selling expenses for the financial years 2024-2025 are presented in the following table:

	<u>2025</u>	<u>2024</u>
Personnel expenses	10,834,789	12,541,160
Subcontractor expenses	4,942,894	4,895,800
Commissions and fees	1,488,694	1,161,333
Advertisement	<u>2,353,475</u>	<u>2,200,204</u>
<b>Total</b>	<b><u>19,619,851</u></b>	<b><u>20,798,497</u></b>

Contract costs – Practical expedient

The Group applies the practical expedient in paragraph 94 of IFRS 15 to record its incremental costs of obtaining a contract when the amortization period of the asset that would otherwise have been recognized is less than or equal to 1 year. These costs are recognized as an expense when incurred.

**NOTE 11. GENERAL AND ADMINISTRATIVE EXPENSES**

The administrative expenses for the financial years 2024-2025 are detailed in the following table:

	<u>2025</u>	<u>2024</u>
Materials	1,227,167	1,525,592
Personnel expenses	9,637,452	12,182,231
Provisions for unused vacations	(91,513)	(298,899)
Subcontractor expenses	7,683,066	8,384,780
Depreciation and amortization	10,109,820	10,261,013
Office rent	157,768	118,341
Equipment and machinery rentals	260,358	234,518
Travel and transportation	581,145	733,243
Insurance	593,569	498,977
Postal and telecommunications	414,181	360,628
Donations	38,740	137,894
Accounts receivable adjustments	946,474	(7,098)
Inventory adjustments	(412,768)	(111,516)
Bank fees	551,751	493,217
Other third-party services	6,244,781	6,171,550
Miscellaneous	3,378,683	3,350,079
<b>Total</b>	<b><u>41,320,675</u></b>	<b><u>44,034,551</u></b>

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**NOTE 12. CLASSIFICATION OF EXPENSES BY NATURE**

The classification of total operational expenses, by nature, for the financial years 2024-2025 is detailed in the following table:

	<u>2025</u>	<u>2024</u>
Materials and goods	178,004,863	207,737,184
Resold licenses	93,641,352	64,095,279
Personnel expenses	48,342,625	49,918,991
Provisions for unused vacations	(91,513)	(298,899)
Subcontractor expenses	19,743,298	23,067,278
Amortization	10,109,820	10,261,013
Cloud services	2,179,947	3,280,954
Rent	418,126	352,859
Commissions and fees	1,488,694	1,161,333
Advertisement	2,353,475	2,200,204
Travel and transportation	581,145	733,243
Insurance	593,569	498,977
Postal and telecommunications	414,181	360,628
Donations	38,740	137,894
Accounts receivable adjustments	946,474	(7,098)
Inventory adjustments	(412,768)	(111,516)
Bank fees	551,751	493,217
Services provided by third parties	31,898,275	27,604,089
Miscellaneous	3,378,683	3,350,079
<b>Total operating expenses</b>	<b><u>394,180,737</u></b>	<b><u>394,835,709</u></b>

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**NOTE 13. FINANCIAL INCOME AND EXPENSES**

Details regarding income and expenses for the financial years 2024-2025 are presented in the following table:

FINANCIAL INCOME / EXPENSES	2025	2024
Interest income	640,797	461,056
Investment income/(expenses)	3,002,682	(157,685)
Income/(expenses) from securities valuation	(2,086,006)	(4,024,130)
Bank interest	(2,471,358)	(2,569,509)
Factoring costs	(133,802)	-
Interest on bonds issued	(3,524,295)	(2,985,021)
Leasing Interest	(1,198,869)	(1,321,496)
Net income/(expenses) from exchange rate differences	(1,378,998)	266,543
<b>Total</b>	<b>(7,149,849)</b>	<b>(10,330,242)</b>

**NOTE 14. PROFIT TAX**

Details regarding current and deferred income tax for the financial years 2024-2025 are presented in the following table:

	2025	2024
Current profit tax	718,019	1,815,029
Deferred tax	(1,434,314)	(291,780)
<b>Total income tax for the year</b>	<b>(716,295)</b>	<b>1,523,249</b>
	2025	2024
Gross profit from operations	(5,865,232)	(853,853)
Corporate tax rate in Romania of 16% (2024: 16%)	(938,437)	(136,616)
<i>The tax effect of non-deductible expenses in taxable profit:</i>		
Amortization	37,765	6,440
Accruals	719,107	83,519
Protocol expenses	124,327	130,966
Other	1,347,586	5,838,521
<b>The tax effect of non-deductible expenses in taxable profit:</b>		
Dividend income	(29,855)	-
Legal reserves	-	(181,408)
Accrual reversal	(782,377)	(191,720)
Other	(1,129,613)	(3,725,299)
Sponsorship	-	(54,250)
Tax credit	(64,798)	(246,904)
<b>Income tax for the year</b>	<b>(716,295)</b>	<b>1,523,249</b>
Microenterprise tax	-	-
<b>Total tax</b>	<b>(716,295)</b>	<b>1,523,249</b>

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The Group has tax losses carried forward in Romania that are available for 7 years to be offset against future taxable profits of the companies in which the losses occurred. The tax losses will expire in 2026-2030.

Deferred tax assets have been recognized in relation to these losses because they can be used to offset taxable profits elsewhere in the Group and there are prospects of recovery in the near future (i.e. 3-5 years).

Details regarding the expiration date, by year, of the tax loss on 31.12.2025 are presented in the table below:

Total tax loss, of which recoverable up to:	Tax loss	Deferred income tax (16%)
December 31, 2026	356,444	57,031
December 31, 2027	731,225	116,996
December 31, 2029	5,897,574	943,612
December 31, 2030	22,060,994	3,529,759
<b>Total</b>	<b>29,046,236</b>	<b>4,647,398</b>

#### Deferred tax

Deferred tax payable and recoverable are measured at the effective tax rate of 16%. Deferred tax payable and recoverable, as well as deferred tax expense/(income) recognized in the statement of comprehensive income, are attributable to the tax loss, the recognition in the consolidated financial statements of pre-acquisition costs of participating interests, as well as lease adjustments in accordance with the provisions of IFRS 16.

Details regarding the change in the deferred income tax asset during the years 2024-2025 are presented in the following table:

Deferred tax assets established for:	Tax loss	Pre-acquisition costs of securities	Lease adjustments IFRS16	Total
<b>On January 1, 2024</b>	<b>3,087,595</b>	<b>550,671</b>	<b>158,005</b>	<b>3,796,271</b>
Recorded/(credited) to the profit and loss account	251,821	7,282	110,389	291,780
<b>On December 31, 2024</b>	<b>3,339,416</b>	<b>557,953</b>	<b>268,394</b>	<b>4,165,763</b>
Recorded/(credited) to the profit and loss account	1,307,982	-	118,497	1,426,479
<b>As of December 31, 2025</b>	<b>4,647,398</b>	<b>557,953</b>	<b>386,891</b>	<b>5,592,242</b>

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**NOTE 15. INTERRUPTED ACTIVITIES**

At the end of December 2024, the Group sold all of its interest in Fort SA and its subsidiaries, GRX Advisory and ISEC Associates (see Note 17).

The results of the discontinued activity in 2024 are presented below:

	<u>2024</u>
Revenue from contracts with customers	14,497,445
Cost of sales	<u>(9,374,620)</u>
<b>Gross margin</b>	<b>5,122,825</b>
Other income	92,832
Sales expenses	(914,800)
General and administrative expenses	(3,299,823)
Other expenses	-
Financial income	47
Financial expenses	<u>(21,304)</u>
<b>Gross profit</b>	<b>979,776</b>
Income tax	<u>(157,105)</u>
<b>Net profit from operations</b>	<b>822,671</b>
Gain on sale of discontinued operation (Note 17)	10,673,256
<b>Net profit from discontinued operations</b>	<b><u>11,495,927</u></b>

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**NOTE 16. GOODWILL**

Details of goodwill are presented in the following table:

	Dec 31, 2025	Dec 31, 2024
Commercial fund – BITTNET TRAINING	5,630,411	5,630,411
Commercial fund – DENDRIO SOLUTIONS	17,353,258	17,353,258
Commercial fund – DENDRIO INNOVATIONS	16,490,103	16,513,103
Commercial fund – DENDRIO TECHNOLOGY	15,126,475	15,126,475
Goodwill – IT PREPARED (*)	-	3,395,739
Commercial fund – ELIAN SOLUTIONS	348,385	348,385
Commercial fund – ELIAN DEVELOPMENT	4,894,344	4,894,344
Goodwill – NENOS & NONLINEAR	4,688,289	4,688,289
<b>Total</b>	<b>64,531,266</b>	<b>67,950,004</b>

(\*) The Group sold its entire stake in IT Prepared at the end of May 2025

**Goodwill recognition and impairment testing for CGUs (cash-generating units) containing goodwill**

Goodwill arises in a business combination and represents the excess of the consideration transferred for the acquisition of a business over the fair value of the identifiable net assets acquired. Such goodwill is tested for impairment annually or whenever there are indicators of impairment and is carried at cost less accumulated impairment losses.

The company's management analyzed the recoverable amount of the UGN/reportable segments, based on future cash flow forecasts.

Following a business combination, goodwill is allocated to a cash-generating unit or group of cash-generating units that is expected to benefit, among other things, from the synergies of the business combination.

The Group's cash-generating units (CGUs) are defined based on the type of products they manufacture and sell. For the purpose of impairment testing, the Group's cash-generating units are aggregated into an operating segment, which is the level reviewed by the Group's Chief Financial Officer (i.e. the chief financial decision maker).

Management has used the value in use approach to calculate the recoverable amount of the cash-generating unit. The aggregate recoverable amount of the operating segment is then compared to its aggregate carrying amount. An impairment loss is recognized if the aggregate carrying amount of the operating segment exceeds its aggregate recoverable amount. Value in use is determined based on future cash flows discounted using the weighted average cost of capital (WACC). The discount rate reflects the current assessment of the time value of money and the risks specific to the CGU.

Cash flow projections are generally based on a five-year financial planning period using business plans approved by management. The business plans include, among other things, management's current view of market growth, prices and costs. In any case, the growth rate used to extrapolate cash flow projections beyond the planning period does not exceed the long-term average growth rate for the relevant market for the products and country in which the cash-generating unit operates.

Management has determined the values assigned to each of the key assumptions above, as follows:

Assumptions	Approach used to determine values
Sales volume	The sales volume for the next 5 years has been projected taking into account past data and demand expectations for the next 5 years. The average sales volume growth rate is 10%.
Sales price	It was assumed that sales prices would increase in line with inflation and industry-specific growth rates; the increases took into account management strategy and

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	expectations for price variations as a result of the CAGR variation for each segment. The average increase in sales value is approximately 1%.
Budgeted EBITDA	Based on the past performance of each business segment and expectations regarding the improvement of operating costs as a result of synergies at Group level.
Other operating costs	Fixed costs of CGUs, which do not vary significantly with sales volumes or selling prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases, but without reflecting any future restructuring or cost-saving measures. The amounts disclosed above represent average operating costs for the five-year forecast period.
Annual capital costs	Expected cash costs in the CGU. This is based on management's historical experience and replacement costs. No additional revenues or cost savings are assumed in the value in use model as a result of these costs.
Weighted average cost of capital (WACC)	This is the weighted average cost of capital used to extrapolate cash flows beyond the budget period. To calculate the discount rate, the Group used the Weighted Average Cost of Capital (WACC), which reflects the optimal financing structure applied to the flows in numerical order.
Pre-tax discount rate	Reflects specific risks related to relevant segments and countries
Long-term growth rate	The long-term growth rate used in impairment testing is 3% for all subsidiaries. The long-term growth rate was determined by an independent appraiser as of December 31, 2025.

*Education*

The recoverable amount of the Education division of RON 40,033 thousand was determined based on a value in use calculation, using cash flow projections from the financial budgets approved by the Group Management for a five-year period. The pre-tax discount rate applied to the cash flow projections is 14.1%, and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. As a result of the analysis, there is a free space of RON 28,088 thousand and management has not identified an impairment for this UGN in 2025 or 2024.

*Digital Infrastructure (Cloud & Infrastructure)*

The recoverable amount of the Digital Infrastructure division of RON 132,105 thousand was determined based on a value in use calculation using cash flow projections from the financial budgets approved by the Group Management for a five-year period. The pre-tax discount rate applied to the cash flow projections is 14.1%, and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. As a result of the analysis, there is a free space of RON 73,352 thousand and management has not identified an impairment for this UGN in 2025 or 2024.

*Business applications & Software development*

The recoverable amount of the Platforms/Business Applications & Software Development division of 59,974 thousand lei was determined based on a value in use calculation using cash flow projections from the financial budgets approved by the Group Management for a five-year period. The pre-tax discount rate applied to the cash flow projections is 14.1%, and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. As a result of the analysis, there is a free space of 25,838 thousand lei and management has not identified an impairment for this UGN in 2025 or 2024.

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Business Segments/Divisions (2025)	Goodwill (thousands of RON)	Pre- tax WACC	Long-term growth rate	Adjusted EBITDA margin Terminal value
Education	5,630	14.1%	3%	18.4%
Digital infrastructure	48,970	14.1%	3%	6.6%
Business applications & software development	9,931	14.1%	3%	18.2%

Business Segments/Divisions (2024)	Goodwill (thousands of RON)	Pre- tax WACC	Long-term growth rate	Adjusted EBITDA margin Terminal value
Education	5,630	14.58 %	3%	21.5%
Digital infrastructure	78,357	14.58 %	3%	7.8%
Business applications & software development	9,931	14.58 %	3%	23.1%

A sensitivity analysis was performed on the discount rate, revenue growth rate and EBITDA variation for the terminal value at the cash-generating unit level for the purpose of goodwill impairment.

Business segments/Divisions (2025)	Amount by which the value in use exceeds the carrying amount (thousands of RON)	Growth needed In the discount rate (%)	Decrease in terminal value income (%)	EBITDA Terminal value (%)	decrease
Education	28,088	17%	(43%)	(20%)	
Digital infrastructure	73,352	6.7%	(18.5%)	(5.1%)	
Business applications & software development	25,838	20%	(27%)	(22%)	

Business segments/Divisions (2024)	Amount by which the value in use exceeds the carrying amount (thousands of RON)	Growth needed In the discount rate (%)	Decrease in terminal value income (%)	EBITDA Terminal value (%)	decrease
Education	2,942	2.3%	(7.2%)	(17%)	
Digital infrastructure	104,812	9%	(22.7%)	(50%)	

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Business applications & software development	20,750	15%	(23.5%)	(75%)
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**NOTE 17. BUSINESS COMBINATIONS**

**Transactions 2025**

**a) Education Division**

*Change of name from Equatorial Gaming to Bittnet Training*

As part of the process of simplifying the Group's structure and from a commercial point of view, Equatorial Gaming, part of the Education pillar of the group, underwent a rebranding process and its commercial name was changed, thus becoming Bittnet Training. The name change was registered in the Trade Register in March 2025.

**b) Digital Infrastructure Division (Cloud & Infrastructure)**

*Sale of majority stake in IT Prepared – May 2025*

In May 2025, the management decided to sell the majority stake in the IT managed services company IT Prepared (Optimizor). The transaction price amounted to 6.12 million lei.

In the almost 4 years of belonging to the Bittnet group, Optimizor went through an extensive rebranding process, perfecting its new visual and brand identity and growing its business from 2.34 million lei (in 2020 - the year before joining the group), to over 9.77 million lei in 2024. Optimizor also distributed dividends to the parent company Bittnet Systems SA, from the profits made during this period, in the amount of 2.2 million lei. By selling the 50.2% stake in Optimizor, Bittnet achieved an IRR (internal rate of return) margin of approximately 40%.

The sale of the majority stake in Optimizor falls within the Bittnet group's strategy, announced since the beginning of 2024, to make portfolio holdings profitable and simplify the group structure.

The assets and liabilities sold related to IT Prepared, deconsolidated as of 31.05.2025, are presented below:

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	Total
<b>Assets</b>	
<b>Fixed assets</b>	
Intangible assets	38,266
Tangible assets	872,303
Other financial assets	6,473
Deferred tax	7,836
<b>Total fixed assets</b>	<b>924,878</b>
<b>Current assets</b>	
Prepaid expenses	49,216
Trade and other receivables	1,044,353
Cash and equivalents	209,684
<b>Total current assets</b>	<b>1,303,253</b>
<b>TOTAL ASSETS</b>	<b>2,228,131</b>
<b>Long-term debts</b>	
Lease liabilities	635,067
<b>Total long-term debt</b>	<b>635,067</b>
<b>Short-term debts</b>	
Lease liabilities	212,334
Dividends to be paid	647,265
Advance income	159,907
Trade and other debts	761,467
<b>Total short-term liabilities</b>	<b>1,780,972</b>
<b>TOTAL DEBT</b>	<b>2,416,039</b>
<b>TOTAL NET ASSETS, of which:</b>	<b>(187,908)</b>
Group share in total net assets (50.02%)	(94,330)
Non-controlling interests (49.98%)	(93,578)

The financial gain realized from the sale of IT Prepared was calculated as follows:

**FINANCIAL GAIN FROM THE SALE OF IT PREPARED**

Sale value	6,125,000
Derecognition of goodwill, net	(3,395,739)
Total net assets sold	94,330
<b>Financial gain from the sale of IT Prepared</b>	<b>2,823,591</b>

*Acquisition of minority stake in Digital Intelligence Partners (DIP)*

In June 2025, Dendrio Solutions SRL, part of the group's Digital Infrastructure pillar, made a minority investment in the digitalization products company Digital Intelligence Partners SRL. The investment amounted to 5 million lei, for which it acquired 23.35% of the share capital and voting rights of the target company.

**c) Division of Business applications & Software development**

*Name change from Kepler Management Systems to Elian Development Systems*

As part of the process of simplifying the group structure, the company acquired at the end of 2023, Kepler Management Systems, went through a rebranding and name change process, thus becoming Elian Development Systems. The name change was registered in the Trade Register in February 2025.

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**Transactions 2024**

**a) Education Division**

*Equatorial Gaming - change of legal form and shareholding structure in April 2024*

At the end of April 2024, Bittnet decided (together with the founding shareholder of Equatorial Gaming who still owned 1% of the company) to change the legal form of organization of Equatorial Gaming from a joint stock company (SA) to a limited liability company (SRL). The founding shareholder also agreed to transfer at nominal value the minority holding it still had in Equatorial Gaming to Bittnet Systems, namely the transfer of all 1,430 registered shares held, with a nominal value of 1 lei and a total value of 1,430 lei. Following the registration operation at the Trade Register level, Equatorial Gaming is 100% owned by Bittnet Systems.

*Computer Learning Center (CLC) – share capital increase through conversion of receivables held by Bittnet Systems in June 2024*

In June 2024, the sole shareholder Bittnet Systems SA decided to increase the share capital of CLC by the amount of 2,286,896 lei by converting certain liquid and due receivables resulting from: the intragroup loan in the amount of 1,780,000 lei according to the intragroup loan agreement and subsequent addenda, the accrued interest related to this loan in the amount of 235,653 lei, as well as commercial debts of CLC to its sole shareholder resulting from current activity in the amount of 271,243 lei.

*Merger of companies in the Education pillar in December 2024: Equatorial Gaming – Equatorial Training – Computer Learning Center*

On 20.08.2024, the merger project between the companies part of the Education pillar of the group, namely between Equatorial Gaming SRL (as the absorbing company) on the one hand, and Equatorial Training SRL and Computer Learning Center SRL (as the absorbed companies), on the other hand, was submitted to the Trade Register. The project was finalized on 30.12.2024, and at the end of it, the shares of the 2 absorbed companies were canceled, the assets and liabilities of the two being absorbed into Equatorial Gaming SRL. All ongoing contracts with partners, customers, suppliers and employees were taken over by Equatorial Gaming SRL.

**b) Digital Infrastructure Division (Cloud & Infrastructure)**

*Consolidation of holdings within the pillar under Dendrio Solutions and increase of share capital in April 2024*

As part of the restructuring and simplification plan of the Bittnet Group, in April 2024 the Group's management, together with the minority shareholders of Dendrio Solutions, decided to consolidate the holdings in the Digital Infrastructure pillar under the legal entity Dendrio Solutions. Thus, Agista Investments and Bittnet Systems, associated in both Dendrio Solutions and Top Tech, transferred their holdings in the company Top Tech to Dendrio Solutions. The price for the acquisition of 14% of Top Tech from Agista Investment was negotiated by the Group under competitive market conditions at 3,750,000 lei.

Bittnet Systems also transferred its holding in Dataware Consulting (currently Dendrio Innovations) (28.87%) to Dendrio Solutions.

As a result of these transactions, Dendrio Solutions individually, directly, owns 100% of the shares of Top Tech (currently Dendrio Technology) and Dataware Consulting, considering the IT&C solutions and services integrator profiles that the 3 companies have.

Following the transactions described above, the sellers (Agista Investments and Bittnet Systems respectively) were allocated shares in Dendrio Solutions as part of a share capital increase through the recognition and conversion of certain, liquid and due receivables. Also within this operation, the receivables of the 2 Dataware Consulting co-founders - Constantin Savu and Catalin Georgescu - were converted into capital (allocated Dendrio shares) in a total amount of 5,000,000 lei, according to the contract for the assignment of the difference of 30% of the Dataware Consulting company to the Bittnet group from December 2023.

The total impact on Non-Controlling Interests resulting from the transactions described above was an increase of RON 4,997,572 (see Note 25).

*Acquisition of minority stake in Agista Investments in December 2024*

In December 2024, Bittnet Systems signed the completion certificates regarding the acquisition of the 11.7765% stake in the shares held by the alternative investment fund Agista Investments for the amount

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of 16,828,603.38 lei. In this regard, Bittnet purchased, in two tranches (on 20.12.2024 and 24.12.2024), a number of 90,014 shares, each with a nominal value of 10 lei and a total nominal value of 900,140 lei. The buyer and seller in this transaction established the price based on a capitalization of Dendrio Solutions of 142,899,896 lei.

The transfer of shares was made after fulfilling suspensive clauses specific to these types of transactions, including obtaining approval from the Foreign Direct Investment Review Commission (CEISD) and was based on the rationale of consolidating holdings in the Digital Infrastructure pillar. Thus, with the exit of the investment fund from the Dendrio Solutions shareholder base, the holding structure in the company is as follows: Bittnet Systems – 96.501%, Constantin Savu and Cătălin Georgescu – 3.499%.

*Rebranding October-November 2024*

Given the desire to consolidate the holdings and businesses in the area of IT product and service integration (within the Digital Infrastructure pillar) around Dendrio Solutions but also to simplify the group structure - the companies Dataware Consulting and TopTech, part of the Digital Infrastructure pillar alongside Dendrio Solutions, went through a rebranding and name change process. Thus, at the end of October 2024, the company Dataware Consulting became Dendrio Innovations, and the company TopTech became Dendrio Technology, name changes also made at the Trade Register level.

*Merger of companies from the Digital Infrastructure pillar in December 2024: Dendrio Technology (formerly Top Tech) – zNet Computer*

On 12.08.2024, the merger project was submitted to the Commercial Register - together with the rest of the supporting documents necessary for such an operation - between Top Tech SRL (as the absorbing company) and zNet Computer SRL (as the absorbed company) in line with the Bittnet group's plans to simplify the group structure and operations. The project was finalized on 31.12.2024, and at the end of it, the shares of zNet Computer were canceled, the company's assets and liabilities being absorbed into Dendrio Technology (formerly Top Tech).

**c) Cybersecurity Division**

*Fort SA: Share capital increase and dividend distribution – August/September 2024*

On July 2, 2024, Fort SA shareholders participated in the first General Meeting organized as a company listed on the Bucharest Stock Exchange. There were two items on the agenda, which concerned the distribution of dividends related to the profit for 2023 in a total amount of 1,008,836 lei (of which 414,984 payable to minority interests) and a capital increase through the allocation of free shares - by capitalizing the share premiums. Thus, in August 2024, the gross distribution of 0.99 lei/share was made and in September 2024, the allocation of free shares was made, 10 free shares for 1 held on the registration date.

*Cybersecurity division sale – December 2024*

In December 2024, Bittnet Systems (as seller) and alternative investment funds Agista Investmens and Impetum Investments (as buyers) signed the completion certificates regarding the transaction of 6,598,350 Fort SA shares (58.8650% of the share capital and voting rights), representing Bittnet's entire holding in Fort for the amount of 23,490,126 lei. This sale represented the first exit of a company in the Bittnet group and is part of Bittnet Systems' publicly declared strategy to simplify the group's structure, including through the sale of subsidiaries or business verticals.

The actual transfer of Bittnet Systems' ownership in Fort was carried out through capital market mechanisms, at a price of 3.56 lei/share, and the trading orders were executed on the DEALS market of the BVB on 20.12.2024, 27.12.2024 and 30.12.2024. For the last tranche of the sale of Fort SA, Bittnet Sytems granted a loan to Impetum Investments, the counterparty in the transaction, in the amount of 5,150,000 lei, a loan granted for a period of 6 months and with an interest rate of 6% per annum.

The proceeds from the sale of the subsidiary are presented in the Statement of Cash Flows net of the division's cash available at the date of sale and net of the loan granted for tranche 3 in the amount of 5,150,000 lei, thus totaling 13,862,761 lei.

All 3 companies that made up the Group's Cybersecurity division were deconsolidated at balance sheet level as of 31.12.2024, following the full sale of the shares held by the Group to the Agista Investments and Impetum Investments funds. The Cybersecurity pillar was fully consolidated at profit and loss account level in 2024, given that the sale transaction took place at the end of December 2024.

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The assets and liabilities sold related to the Cybersecurity division, deconsolidated as of 31.12.2024, are presented below:

	Fort	GRX Advisory	ISEC Associates	Total
<b>Assets</b>				
<b>Fixed assets</b>				
Intangible assets	226,689	11,726	2,114	240,529
Tangible assets	557,230	496,674	148,450	1,202,354
Equivalent securities	2,851,000	-	-	2,851,000
Other financial assets	8,679	-	-	8,679
Deferred tax	6,483	3,240	560	10,283
<b>Total fixed assets</b>	<b>3,650,081</b>	<b>511,639</b>	<b>151,124</b>	<b>4,312,845</b>
<b>Current assets</b>				
Stocks	145,584	-	-	145,584
Prepaid expenses	771,826	28,777	7,834	808,438
Trade and other receivables	3,115,652	499,105	242,603	3,857,360
Financial assets at fair value	-	-	-	-
Cash and equivalents	3,140,049	1,097,889	168,952	4,406,889
<b>Total current assets</b>	<b>7,173,111</b>	<b>1,625,770</b>	<b>419,389</b>	<b>9,218,271</b>
<b>TOTAL ASSETS</b>	<b>10,823,192</b>	<b>2,137,410</b>	<b>570,514</b>	<b>13,531,116</b>
<b>Long-term debts</b>				
Bank loans	-	-		
Lease liabilities	362,105	358,248	112,891	833,245
<b>Long-term debts</b>	<b>362,105</b>	<b>358,248</b>	<b>112,891</b>	<b>833,245</b>
<b>Short-term debts</b>				
Bank loans	-	-		
Lease liabilities	128,544	101,713	32,164	262,421
Dividends to be paid	-	533,802	-	533,802
Income tax liabilities	-	57,682	(712)	56,970
Advance income	750,609	-	3,955	754,564
Trade and other debts	2,181,020	360,678	80,200	2,621,897
Provisions	-	-	-	-
<b>Total short-term liabilities</b>	<b>3,060,173</b>	<b>1,053,875</b>	<b>115,606</b>	<b>4,229,654</b>
<b>Total Debts</b>	<b>3,422,278</b>	<b>1,412,123</b>	<b>228,498</b>	<b>5,062,899</b>
<b>TOTAL NET ASSETS, of which:</b>	<b>7,400,914</b>	<b>725,287</b>	<b>342,016</b>	<b>8,468,217</b>
Group share in total net assets (58.87%)				(4,984,819)
Non-controlling interests (41.13%)				(3,483,398)

The financial gain from the sale of the Cybersecurity division was calculated as follows:

**FINANCIAL GAIN FROM THE SALE OF THE CYBERSECURITY DIVISION**

Sale value	23,490,126
Derecognition of goodwill, net	(7,832,052)
Total net assets sold	(4,984,819)
<b>Financial gain from the sale of the Cybersecurity division</b>	<b>10,673,256</b>

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**d) Division of Business applications & Software development**

*Eliau Solutions - share capital increase in May 2024*

At the end of May 2024, Bittnet Systems transferred its 24.2% minority stake in Kepler Management Systems to Eliau Solutions for the total amount of 1,429,651 lei. The intragroup transaction price was based on the total acquisition cost for Kepler Management of 5,950,800 lei (i.e. the consideration paid plus pre-acquisition M&A costs), through which the Group acquired 100% of Kepler Management from the original shareholders in November 2023. Following the registration of the new capital structure in the Trade Register, Kepler Management Systems is 100% owned by Eliau Solutions.

Also at the end of May, Bittnet Systems, together with the other 2 associates of Eliau Solutions, made the decision to increase the share capital of Eliau Solutions with the value of certain liquid and due receivables resulting from the transfer of the holding in Kepler Management, as well as by converting into capital the intragroup loan in the amount of 3,100,000 lei, an amount granted by Bittnet Systems to Eliau Solutions in November 2023 for the acquisition of Kepler Management Systems.

Following these operations, Eliau Solutions' equity was increased by 4,529,651 lei, through the conversion of certain liquid and due receivables of Bittnet Systems, and the share of Bittnet Systems' holding in Eliau Solutions increased to 61.6878% after registering the increase in the Trade Register records. The pre-capitalization value of Eliau Solutions and its wholly-owned subsidiary, Kepler Management, was negotiated by the Group with the 2 minority shareholders of Eliau Solutions under competitive market conditions at RON 16.2 million, using a multiplier of 6.5x EV/net profit, based on fiscal year 2023 figures.

The total impact on Non-controlling Interests resulting from the transaction described above was an increase of RON 1,573,964 (see Note 25).

*Kepler Management - payment of tranches 2 and 3 of the acquisition transaction in January / April 2024*

In November 2023 the Group informed investors and the market about the signing of the share purchase agreement for the acquisition of Kepler Management Systems. The transaction price involved a tranche of 1,000,000 lei payable in Bittnet Systems shares that would have been allocated to the former Kepler associates in a future share capital increase. Through an addendum to the share purchase agreement, the parties agreed to the cash payment of this tranche, which was made in January 2024.

Additionally, the transfer price also assumed a variable component determined as 1 x Kepler's individual EBITDA for the year 2023, the component in the amount of 1,560,215 lei which was calculated and paid in April 2024, after the closing of Kepler's individual annual financial statements for 2023.

The total payments made for subsidiary acquisitions in 2024-2025 are presented below:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>Amount paid</b>		
Dataware Consulting	4,977,000	5,000,000
Kepler Management	-	2,560,215
Dendrio Solutions	-	16,878,579
Equatorial Gaming	-	1,430
<b>Total amounts paid</b>	<b>4,977,000</b>	<b>24,440,224</b>
<b>Pre-acquisition M&amp;A costs</b>		
Kepler Management	-	45,510
<b>Total pre-acquisition costs</b>	<b>-</b>	<b>45,510</b>
Less cash purchased	<u>-</u>	<u>-</u>
<b>Total payments for acquisitions of subsidiaries, less cash acquired</b>	<b>4,977,000</b>	<b>24,485,734</b>

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**NOTE 18. OTHER INTANGIBLE ASSETS**

Intangible assets mainly include the Bittnet Brand and software licenses.

	trademarks	Licenses and other intangibles	Total other intangible assets
<b>Net worth</b>			
<b>On 31.12.2023</b>	<b>6,440,355</b>	<b>3,213,199</b>	<b>9,653,554</b>
M&A inflows/outflows	-	(240,529)	(240,529)
Inputs	-	1,659,840	1,659,840
Assignments/Transfers	-	(633,566)	(633,566)
Amortization	-	(1,127,377)	(1,127,377)
Impairment	(650,000)	-	(650,000)
<b>On 31.12.2024</b>	<b>5,790,355</b>	<b>2,871,565</b>	<b>8,661,920</b>
M&A inflows/outflows	-	(38,266)	(38,266)
Inputs	-	1,238,229	1,238,229
Assignments/Transfers	-	(83,305)	(83,305)
Amortization	-	(1,011,683)	(1,011,683)
Impairment	-	-	-
<b>On 31.12.2025</b>	<b>5,790,355</b>	<b>2,976,540</b>	<b>8,766,895</b>

**Essential considerations – Bittnet brand (recognition, evaluation, registration)**

**Bittnet brand**

The Group controls the Bittnet Brand worth a total of 5.8 million lei, having the ability to obtain future economic benefits from the supporting resource and to restrict others' access to those benefits. The ability to control future economic benefits comes from legal rights whose application can be supported in court - according to Law 8 of Copyright.

**Equatorial brand**

Following the completion of the merger by absorption of Equatorial Training and Computer Learning Center (as absorbed companies) into Equatorial Gaming (as absorbing company) at the end of December 2024, the Group decided to change the company name from Equatorial Gaming to Bittnet Training. As a result, the Group considered that it could no longer derive any economic benefit from the Equatorial brand. The Equatorial brand was fully depreciated as of 31.12.2024.

**Essential considerations – indefinite lifespan**

The Bittnet brand was acquired from a third party. It was determined to have an indefinite useful life as there is no intention to abandon the brand name. The Group has the ability to maintain the value of the brand for an indefinite period of time. Thus, the brand is not amortized but is tested annually for impairment. As the brands do not generate largely independent cash inflows, they are allocated to the Group's CGUs (Training) for impairment testing of goodwill as part of the business assets.

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**NOTE 19. TANGIBLE ASSETS**

Tangible assets mainly include office space arrangements and equipment necessary for the performance of operational activities. Movements within tangible assets are presented in the table below.

	Leased spaces and facilities	Technical installations and machines	Other equipment and furniture	Total fixed assets
<b>Cost</b>				
<b>On 31.12.2023</b>	<b>4,741,026</b>	<b>8,607,373</b>	<b>2,055,269</b>	<b>15,403,668</b>
Leasing entries	-	-	-	-
Business combinations	(153,654)	(233,125)	(313,552)	(700,331)
Inputs	70,078	1,432,579	144,911	1,647,569
Assignments/Transfers	(21,132)	(1,219,705)	(246,833)	(1,487,671)
<b>On 31.12.2024</b>	<b>4,636,318</b>	<b>8,587,122</b>	<b>1,639,795</b>	<b>14,863,235</b>
Leasing entries	-	-	-	-
Business combinations	(111,576)	(96,240)	-	(207,816)
Inputs	36,327	173,834	221,215	431,376
Assignments/Transfers	-	(16,520)	(97,842)	(114,362)
<b>On 31.12.2025</b>	<b>4,561,069</b>	<b>8,648,196</b>	<b>1,763,169</b>	<b>14,972,433</b>
<b>Amortization</b>				
<b>On 31.12.2023</b>	<b>462,447</b>	<b>5,112,001</b>	<b>1,256,745</b>	<b>6,831,193</b>
Period cost	424,103	1,877,260	401,248	2,702,611
Business combinations	(40,765)	(198,441)	(279,823)	(519,028)
Assignments/Transfers	(10,000)	(1,005,289)	(194,539)	(1,209,827)
<b>On 31.12.2024</b>	<b>835,785</b>	<b>5,785,531</b>	<b>1,183,632</b>	<b>7,804,948</b>
Period cost	412,316	1,369,774	185,164	1,967,254
Business combinations	(37,396)	-	(93,085)	(130,481)
Assignments/Transfers	-	-	-	-
<b>On 31.12.2025</b>	<b>1,210,705</b>	<b>7,155,305</b>	<b>1,275,711</b>	<b>9,641,721</b>
<b>Net worth</b>				
<b>On 31.12.2025</b>	<b>3,350,364</b>	<b>1,492,891</b>	<b>487,458</b>	<b>5,330,712</b>
<b>On 31.12.2024</b>	<b>3,800,533</b>	<b>2,801,591</b>	<b>456,163</b>	<b>7,058,287</b>
<b>On 31.12.2023</b>	<b>4,278,579</b>	<b>3,495,372</b>	<b>798,524</b>	<b>8,572,475</b>

No mortgages or guarantees have been established regarding the tangible assets held.

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**NOTE 20. SECURITIES**

*a) Equivalent securities*

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>E-Learning Company SRL</b>		
Initial balance	1,271,853	2,797,884
Dividends distributed	-	(57,500)
Gain/(loss) on equity-accounted securities	(101,720)	(39,541)
Impairment	-	(1,428,990)
<b>Final balance</b>	<u>1,170,133</u>	<u>1,271,853</u>

*i) The E-Learning Company*

Bittnet Group holds a 23% stake in E-Learning Company SRL. The investment was accounted for using the equity method.

During 2025, the Group recorded through equity-accounted securities the portion related to the holding (23%) of the net loss realized by E-Learning Company.

The following tables illustrate the summarized financial information of the Group's investment in E-Learning Company, at Balance Sheet and Profit and Loss Account level:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>Assets</b>		
<b>Intangible assets</b>		
Other intangible assets	228,816	473,619
Tangible assets	14,819	21,708
<b>Total fixed assets</b>	<u>243,635</u>	<u>495,327</u>
<b>Current assets</b>		
Stocks	0	313,488
Prepaid expenses	100,361	204,002
Trade and other receivables	723,009	208,881
Cash and equivalents	13,245	42,478
<b>Total current assets</b>	<u>836,615</u>	<u>768,849</u>
<b>TOTAL ASSETS</b>	<u>1,080,250</u>	<u>1,264,176</u>
<b>CAPITAL AND LIABILITIES</b>		
Share capital	90,000	90,000
reserves	18,000	18,000
Accumulated losses / retained earnings	(313,238)	166,463
<b>Total capital and reserves</b>	<u>(205,238)</u>	<u>274,463</u>
<b>Current liabilities</b>		
Dividends to be paid	134,480	134,480
Trade and other debts	1,151,008	855,233
<b>Total current liabilities</b>	<u>1,285,488</u>	<u>989,713</u>
<b>Total debts</b>	<u>1,285,488</u>	<u>989,713</u>
<b>TOTAL CAPITAL AND LIABILITIES</b>	<u>1,080,250</u>	<u>1,264,176</u>

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	2025	2024
Revenue from contracts with customers	2,766,138	2,210,695
Direct expenses	(1,249,312)	(858,122)
<b>Gross margin</b>	<b>1,516,826</b>	<b>1,352,574</b>
Other income	9,361	1,223
Cost of sales	(224,579)	(211,441)
Administrative expenses	(1,633,800)	(1,283,681)
Other expenses	(13,325)	(19,840)
Financial income/expenses	(49,926)	(10,751)
<b>Gross profit</b>	<b>(395,442)</b>	<b>(171,917)</b>
Income tax	-	-
<b>Net profit</b>	<b>(395,442)</b>	<b>(171,917)</b>

The Group's investment in E-Learning Company SRL is tested annually for impairment. Management has used the value in use approach to calculate the recoverable amount of the investment. The aggregate recoverable amount of the investment is then compared to its aggregate carrying amount. An impairment loss is recognized if the aggregate carrying amount of the investment exceeds its recoverable amount. The value in use is determined based on future cash flows discounted using the weighted average cost of capital (WACC). The discount rate reflects the current assessment of the time value of money and the risks specific to the investment.

The recoverable amount of E-Learning Company SRL of 6,917 thousand lei was determined based on a value in use calculation using cash flow projections from the financial forecasts for a five-year period. The pre-tax discount rate applied to the cash flow projections is 14.1%, and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. As a result of the analysis, the recoverable amount of the Group's investment in E-Learning Company SRL is 1,372 thousand lei. Accordingly, the Group did not record an impairment of the investment as of 31.12.2025.

*ii) Digital Intelligence Partners*

	September 30, 2025	Dec 31, 2024
<b>Digital Intelligence Partners SRL</b>		
Initial balance	5,000,000	-
Gain/(loss) on equity-accounted securities	-	-
<b>Final balance</b>	<b>5,000,000</b>	<b>-</b>

In June 2025, Dendrio Solutions SRL, part of the group's Digital Infrastructure pillar, made a minority investment in the company focused on digitalization products Digital Intelligence Partners SRL. The investment amounted to 5 million lei for which it acquired 23.35% of the share capital and voting rights of the target company.

During 2025, the Group recorded through equity-accounted securities the share related to the holding (23.35%) of the net profit achieved by Digital Intelligence Partners in the second half of the year.

The following table illustrates the summarized financial information of the Group's investment in Digital Intelligence Partners, at the Profit and Loss Account level:

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	<u>2H 2025</u>
Revenue from contracts with customers	1,272,677
Direct expenses	<u>(774,523)</u>
<b>Gross margin</b>	<b>498,154</b>
Other income	-
Cost of sales	(5,000)
Administrative expenses	(235,412)
Other expenses	(10)
Financial income/expenses	<u>(2,445)</u>
<b>Gross profit</b>	<b>255,288</b>
Income tax	<u>(5,291)</u>
<b>Net profit</b>	<b>249,997</b>

**b) Other financial assets (securities) at fair value**

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Softbinator Technologies SA	3,459,404	5,710,669
Arctic Stream SA	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>3,459,404</u></b>	<b><u>5,710,669</u></b>

Details regarding the evolution of securities at fair value in 2025 are presented in the table below:

	<u>Arctic Stream</u>	<u>Softbinator Technologies</u>	<u>Total</u>
<b>Value 31.12.2024</b>	-	5,710,669	5,710,669
Inputs	-	-	-
Outputs	-	(165,259)	(165,259)
Revaluation	<u>-</u>	<u>(2,086,006)</u>	<u>(2,086,006)</u>
<b>Value 31.12.2025</b>	<u>-</u>	<b><u>3,459,404</u></b>	<b><u>3,459,404</u></b>

**Softbinator Technologies**

Softbinator is a product development company, specialized in the design, development and market launch of software products, mainly in the fields of Fintech, MedTech/HealthTech and EdTech for clients in Europe, North America and Asia.

Softbinator is involved in the development of software products, web and mobile solutions for the digitalization of the education process, lifestyle/medical and health, e-payments, e-commerce, online gaming and in 2020 it marked areas unexplored in previous years through digital banking (including crypto), Internet of Things (IoT), Automotive and explored a new vertical in e-commerce expertise: marketplaces.

Bittnet owns, as of 31.12.2025, a number of 3,637,266 shares, representing 17.04% of the total shares of Softbinator Technologies (trading symbol: CODE).

On 31.12.2025, the investment in Softbinator Technologies shares was revalued using the average trading price on the AeRO-SMT market on 31.12.2025.

**Arctic Stream**

Arctic Stream (traded symbol: AST) is an IT integrator focusing on technologies from the American manufacturer Cisco Systems, a competitor of Dendrio Solutions in this market segment.

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During the third quarter of 2024, the Group liquidated the remaining position it held in Arctic Stream, so that at the end of the reporting period the Group no longer held AST shares in its portfolio. The total sale value of the Group's stake in AST shares was 1,471,321 lei.

**NOTE 21. INVENTORY**

Details regarding stocks are presented in the following table:

	<u>Dec 31,</u> <u>2025</u>	<u>Dec 31,</u> <u>2024</u>
Materials	79,693	90,330
Commodities	3,568,263	4,721,426
<b>Total</b>	<u><b>3,647,955</b></u>	<u><b>4,811,756</b></u>

Inventory adjustment reconciliation:

	<u>2025</u>	<u>2024</u>
January 1	115,694	115,694
Adjustments during the period	-	-
Stock write-offs	-	-
<b>December 31</b>	<u><b>115,694</b></u>	<u><b>115,694</b></u>

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**NOTE 22. TRADE RECEIVABLES AND OTHER RECEIVABLES**

Trade and other receivables are presented in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>Customer receivables</b>		
Customer receivables	121,800,636	106,619,318
Adjustments for accounts receivable	<u>(712,989)</u>	<u>(698,898)</u>
<b>Net trade receivables</b>	<b>121,087,646</b>	<b>105,920,420</b>
<b>Other receivables</b>		
Other project-related receivables	4,340,559	5,054,356
Related party loans (Note 27)	-	5,617,966
Subsidies	-	43,125
Guarantees	315,703	378,633
Other receivables	7,755,047	4,297,421
Supplier advances	456,832	1,401,586
State budget receivables	792,435	1,724,147
	<u>13,660,576</u>	<u>18,517,234</u>
<b>Total other receivables, of which:</b>		
Fixed assets	315,703	378,633
Current assets	<u>13,344,873</u>	<u>18,138,601</u>

**Services in progress**

If the sales price includes a distinct amount, specified in the contract, for the subsequent provision of services (such as revenue from the sale of manufacturer warranty services), that amount is deferred (account 472 "Contract liabilities") and recognized as income during the period in which the services are provided, but no later than the end of the period for which the subsequent provision of services was contracted. In contrast, the related expenses are deferred (account 471, "Services in progress") and recognized in the same period in which the services are provided.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Advance expenses	16,221,472	15,324,838

**Aging status of net customer receivables:**

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Non-expiring	100,704,178	95,148,667
0-30	4,044,469	3,348,684
31-90	9,833,915	4,048,682
91-180	4,575,544	1,707,304
181-360	76,106	228,856
over 360	<u>1,853,435</u>	<u>1,438,228</u>
<b>Total</b>	<b><u>121,087,646</u></b>	<b><u>105,920,420</u></b>

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Reconciliation of customer receivables adjustments:

	2025	2024
<b>January 1</b>	<b>698,898</b>	<b>698,898</b>
M&As adjustment entries	-	-
Adjustments during the period	426,859	-
Cancellation of receivables	(412,768)	-
Replay adjustments	-	-
	<b>712,989</b>	<b>698,898</b>
<b>December 31</b>	<b>712,989</b>	<b>698,898</b>

**Significant estimates**

The Group performs an impairment analysis for trade and other receivables by separating the receivables into 3 categories: trade receivables from private companies, trade receivables from public entities and trade receivables from private individuals. In this process, the probability of non-collection of trade receivables is assessed, based on historical experience related to the risk of non-payment. The experience of previous years has shown that the risk of non-collection is low, with no significant losses in recent years. However, the Group's Management has analyzed the maturity ranges for each category (Non-current, 1-90 days, 91-180 days, 181-365 days and over 365 days); specific provisions were recorded where the degree of recoverability was considered low. Based on this analysis, the Group's Management decided not to record additional provisions in the financial statements as of 31.12.2025.

The rates of loss from non-collection of receivables are presented below:

	Private companies	Public sector clients
yet due	0.22%	0.43%
1-90 days	1.10%	0.11%
91-180 days	9.63%	0.84%
181-365 days	30.75%	3.35%
Over 365	100.00%	90.09%

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**NOTE 23. CASH AND CASH EQUIVALENTS**

Details of cash and cash equivalents are presented in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Bank in LEI	102,019,261	63,295,511
Bank in LEI – cash collateral	10,341,443	7,268,426
Foreign currency bank	2,634,496	2,419,805
Foreign currency bank – cash collateral	1,347,594	310,483
Cash in the cash register	44,827	61,178
<b>Total</b>	<u><b>116,387,622</b></u>	<u><b>73,355,404</b></u>

Collateral cash deposits represent restricted cash - collateral in connection with cash and non-cash facilities contracted from bank creditors (Procredit Bank and Banca Transilvania).

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**NOTE 24. CAPITAL AND RESERVES**

Details regarding the Group's capital and reserves are presented in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Share capital	63,417,672	63,417,672
Issue premiums	31,934,768	31,934,768
Other equity items	(31,751,172)	(28,669,257)
Legal reserves	2,233,539	2,104,581
Retained earnings	1,276,523	(3,752,793)
Current overall result	(6,061,975)	5,333,845
<b>Total</b>	<b><u>61,049,355</u></b>	<b><u>70,368,816</u></b>

**a) Share capital**

The share capital of the parent company, Bittnet Systems SA, includes only ordinary shares with a nominal value of 0.1 LEI /share.

The shareholding structure at each reference date is presented in the table below:

Shareholders and percentage ownership	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
SIACP AGISTA INVESTMENTS SA	13.75%	13.75%
IMPETUM INVESTMENTS SA	10.17%	13.33%
Cristian Logofatu	9.14%	8.59%
Mihai Logofatu	8.77%	8.77%
Other shareholders	58.17%	55.56%
<b>Total</b>	<b><u>100%</u></b>	<b><u>100%</u></b>
<b>Share capital</b>	<b><u>2025</u></b>	<b><u>2024</u></b>
Issued on January 1	634,176,714	634,176,714
Options exercised	-	-
Issued in business combinations	-	-
Issued in capital increases	-	-
Issued on December 31	634,176,714	634,176,714

**b) Issue premiums**

The share premiums were established on the occasion of capital increases and can be used to increase the share capital.

**c) Legal reserve**

According to Law 31/1990, at least 5% of the profit is taken each year to form the reserve fund, until it reaches at least one fifth of the share capital. Reserves representing tax facilities cannot be distributed, having implications on the recalculation of the profit tax.

**d) Other equity items**

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The Group recognizes through other equity items, mainly:

- purchase/sale of treasury shares held
- loss resulting from the recognition and evaluation of SOP
- the impact generated by the operations related to the implementation of SOP

**Treasury shares held:**

**Number of treasury shares**

<b>Balance as of 31.12.2023</b>	<b>9,247,200</b>
Sales 2024	9,247,200
Redemptions 2024	4,000,000
<b>Balance as of 31.12.2024</b>	<b>4,000,000</b>
Sales 2025	-
Redemptions Q1 2025	1,369,000
Redemptions Q4 2025	20,000,000
<b>Balance as of 31.12.2025</b>	<b>25,369,000</b>

During January 2024, the Group sold all treasury shares held on 31.12.2023 at a total price of 2,866,327.89 lei.

*Share buyback program – August 2024 (completed December 2025)*

On 07.08.2024, Bittnet Systems informed investors and the capital market about the Board of Directors' Decision of 06.08.2024 regarding the start of a share buyback program, starting with 07.08.2024.

The program implementation period was set at 18 months from the date of registration of the EGMS Decision 04 of 2024 - approving the buyback operation, in the records of the Trade Register, a term that began to run from 08.05.2024. The maximum number of shares repurchased was set at 10,000,000 BNET ordinary shares, within the limit of a maximum budget allocated for this operation of 2,000,000 lei.

The intermediary through which this market operation was carried out was BRK Financial Group and the maximum daily volume repurchased was within the limit of 25% of the average daily quantity of shares traded on the market, calculated according to the applicable legislation, according to art. 3 paragraph (3) letter b) of the EU Delegated Regulation 2016/1052.

The price at which the buybacks were carried out was within the range established by EGMS Decision no. 04 of 25.04.2024: minimum buyback price 0.1 RON/share (respectively the nominal value of the BNET share), and maximum buyback price 0.25 RON/share. The buyback program was implemented from own sources.

Until the 31st.12.2024, the Group repurchased 4,000,000 shares with a total value of 766,058 lei.

By 31.12.2025, the Issuer redeemed 5,369,000 shares with a total value of 999,873 lei.

*Share buybacks – repayment of loan granted to Impetum Investments in December 2025*

The last tranche (in the amount of 3 million lei) of the loan agreement granted by the Group in December 2024 to Impetum Investments (the debtor) – a loan in the amount of 5.15 million lei that aimed to acquire tranche 3 of FORT SA – was paid by the debtor, at its choice, through an alternative means of payment, namely by offsetting with the entire share capital issued by PNPL CLOUD INFRASTRUCTURE SRL (SPV/special purpose vehicle), a company capitalized upon establishment with 20 million Bittnet shares held by Impetum Investments. Thus, the last tranche of the loan granted to Impetum was paid through the transfer to Bittnet Systems SA of the share capital of the SPV created specifically for this purpose by Impetum Investments. As soon as it took possession of the shares of the SPV, the Issuer initiated procedures with the Central Depository and the ASF to transfer the 20 million BNET shares to Bittnet, as treasury shares, a necessary step in order to be able to resort to their cancellation as soon as it receives the necessary approval at a future General Meeting. At present, the Issuer has submitted the documentation to the ASF to obtain the necessary approval in order to carry out the direct transfer of ownership of the 20 million BNET shares.

**Essential considerations – recognition and evaluation of SOP**

The Group assessed from the perspective of IFRS 2 whether share-based payment transactions with employees (SOPs) are settled in cash or by issuing shares.

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The Group settles the transactions by issuing to the option holders a number of shares equivalent (at market price) to the financial value of the option. The capital increase is made by raising the preemptive right and based on the Administrator's Decision.

As a result, although at an intermediate stage the "liability" is measured in relation to the settlement of the SOP, the economic substance of the transaction is that it is settled in shares. As a result, the Group has recognised the SOP transactions as being settled in shares, and has recognised and measured the services received in the Statement of Comprehensive Income and the corresponding increase directly in equity.

Transactions with employees and other collaborators providing similar services were measured at the fair value of the equity instruments granted, as it was usually not possible to reliably estimate the fair value of the services received.

### Significant estimates – SOP assessment

The fair value assessment at the grant date (according to IFRS 2) – the date of approval by the EGMS of each plan – is performed using the Black - Scholes model, using as values for the model:

- the spot price on the date of the AGM, i.e. the average price adjusted for splits at t-1;
- the strike price (on the reference date) according to each plan;
- volatility, according to the analysis of the daily price of BNET shares, adjusted for splits;
- the risk-free interest rate, i.e. ROBOR 12M published at t-1;
- the number of shares of the company as of the date of grant;
- the dilution percentage from the Stock Option Plan;

The full value of each plan is recognized in costs over the term of each plan.

### SOP 2022

By Decision No. 7 of the EGMS of April 20, 2022, the Company's shareholders voted for an incentive plan with options for key individuals with a duration of 2 years, worth a maximum of 5% of the Company's total shares.

Main coordinates of the SOP 2022 plan:

- effective date: 11.04.2022;
- duration: 2 years from the date of entry into force;
- option exercise date: 10.05 – 10.06.2024;
- exercise price: the purchase price of a share for which the call option is exercised will be established on the date of exercise of the option, taking into account the total number of shares of the Company on the date of exercise, so that the capitalization of the Company is equal to the capitalization of the company on the reference date: April 11, 2022.

The fair value assessment at the grant date (according to IFRS 2) – the date of approval of the plan by the OGMA, 20.04.2022 – was performed using the Black - Scholes model, using the following values for the model:

- spot price on the AGOA date, i.e. average price adjusted for splits at t-1: 0.3153
- strike price, i.e. average price adjusted for splits on the reference date, 11.04.2022: 0.3194
- volatility, according to the analysis of the daily price of BNET shares, adjusted for splits, from listing on the AeRO market until t-1: 4.28%
- risk-free interest rate, i.e. ROBOR 12M published at t-1: 4.95%
- maturity: 2 years
- number of company shares as of the grant date: 480,436,904
- Stock Option Plan dilution percentage: 5%

The full value of the plan – equal to the Black-Scholes value (0.027) \* number of company shares \* dilution percentage = RON 754,046 – was recognized in costs over the duration of the plan, i.e. over a period of 2 years, May 2022 – April 2024. In 2024, the Group recognized an expense with SOP2022 in the amount of 108,098 lei (2023: 324,295 lei).

In May 2024, key individuals did not exercise their purchase option given the execution conditions of the plan, so the SOP2022 plan expired unexercised.

### SOP 2023-2026 (Long-Term Incentive Plan through Participation in the Company's Capital)

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By Decision No. 11 of the EGMS of April 27, 2023, the shareholders approved an incentive plan for key personnel based on options for participation in the company's capital. Compared to previous incentive plans, this one assumes a duration of 3 years and a value of 7.5% of the total shares of the Company.

Main coordinates of the plan (SOP 2023):

- o effective date: 13.04.2023;
- o duration: 3 years from the date of entry into force;
- o option exercise date: 10.05 – 10.06.2026;
- o exercise price: the purchase price of a share for which the call option is exercised will be established on the date of exercise of the option, taking into account the total number of shares of the Company on the date of exercise, so that the capitalization of the Company is equal to the capitalization of the company on the reference date: April 13, 2024.

The fair value assessment at the grant date (according to IFRS 2) – the date of approval of the plan by the OGMA, 20.04.2022 – was performed using the Black - Scholes model, using the following values for the model:

- spot price on the AGOA date, i.e. average price adjusted for splits at t-1: 0.299
- strike price, i.e. average price adjusted for splits on the reference date, 13.04.2023: 0.2989
- volatility, according to the analysis of the daily price of BNET shares, adjusted for splits, from listing on the AeRO market until t-1: 4.08%
- risk-free interest rate, i.e. ROBOR 12M published at t-1: 7.25%
- maturity: 3 years
- number of shares of the company as of the date of grant: 634,176,714
- Stock Option Plan dilution percentage: 7.5%

The full value of the plan – equal to the Black-Scholes value (0.027) \* number of company shares \* dilution percentage = RON 2,806,232 – will be recognized in costs over the life of the plan, i.e. over a period of 3 years, May 2023 – April 2026. In 2024, the Group recognized an expense with SOP 2023 in the amount of 935,411 lei (2023: 623,607 lei).

By decision of the EGMS no. 6 of 28.04.2025, the SOP 2023-2026 incentive plan was canceled.

As of 31.12.2025, as well as at the date of drafting this report, the company did not have any active incentive plan with options for employee participation in the company's capital.

Details regarding the non-monetary expense recorded with SOP in 2024-2025 are presented in the table below:

	<u>2025</u>	<u>2024</u>
SOP 2022	-	108,098
SOP 2023	<u>311,804</u>	<u>935,411</u>
<b>Total</b>	<u><b>311,810</b></u>	<u><b>1,043,509</b></u>

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**NOTE 25. NON-CONTROLLING INTERESTS**

Details regarding non-controlling interests for the financial years 2024-2025 are presented in the following table:

Non-controlling interests

	Dendrio Solutions	Elian & Kepler	Equatorial	IT Prepared	Messy & Nonlinear	Dendrio Technology (Top Tech) & zNet	Dendrio Innovations (Dataware)	Fort & GRX-A & ISEC	Total
<b>January 1, 2024</b>	<b>(256,645)</b>	<b>1,844,954</b>	<b>14,847</b>	<b>714,691</b>	<b>150,644</b>	<b>599,890</b>	<b>1,870,691</b>	<b>3,510,027</b>	<b>8,449,099</b>
Net profit	1,043,889	635,370	(1,370)	490,014	89,459	368,210	771,053	388,356	3,784,979
Dividends	-	(326,086)	-	(427,683)	-	-	-	(414,984)	(1,168,753)
Capital increases	4,997,572	1,573,964	-	-	-	-	-	-	6,571,537
Acquisitions	(4,459,456)	-	(13,476)	-	-	(780,721)	(2,073,308)	-	(7,326,961)
Subsidiary sale (Note 17)	-	-	-	-	-	-	-	(3,483,398)	(3,483,398)
<b>December 31, 2024</b>	<b>1,325,359</b>	<b>3,728,202</b>	<b>-</b>	<b>777,022</b>	<b>240,103</b>	<b>187,380</b>	<b>568,437</b>	<b>-</b>	<b>6,826,502</b>
Net profit	(38,946)	819,102	-	(103,915)	364,923	(129,710)	1,586	-	913,039
Dividends	185,735	(2,041,580)	-	(496,961)	-	-	(185,735)	-	(2,538,540)
Asymmetrically distributed dividends	-	445,296	-	(264,669)	-	-	-	-	180,626
Subsidiary sale (Note 17)	-	-	-	88,523	-	-	-	-	88,523
<b>December 31, 2025</b>	<b>1,472,148</b>	<b>2,951,019</b>	<b>-</b>	<b>-</b>	<b>605,026</b>	<b>57,669</b>	<b>384,288</b>	<b>-</b>	<b>5,470,150</b>

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**NOTE 26. BONDS**

Details regarding loans from bond issues are presented in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
BNET26E	10,308,342	9,715,173
BNET27A	4,956,923	4,928,204
BNET28	9,861,979	9,806,770
BNET28A	6,375,298	6,268,326
Accrued interest	<u>167,429</u>	<u>167,365</u>
<b>Total, of which:</b>	<u><b>31,669,971</b></u>	<u><b>30,885,839</b></u>
The long-term part	21,194,200	30,718,474
Short-term part (interest)	<u>10,475,771</u>	<u>167,365</u>

The group launched bond offerings in 2016, 2017, 2018, 2022, 2023 and 2024 with maturities in 2019, 2022, 2023, 2026, 2027 and 2028, through which it obtained 'committed' financing of over 50 million lei from the capital market (all issues are listed on the BVB).

**BNET26E**

Between December 21 and December 27, 2022, the issuer conducted a private placement for the issuance of corporate bonds in euros, an offer following which 20,596 bonds were subscribed by 53 investors, individuals, legal entities and professional investors. The amount raised in this round of financing through bonds was EUR 1,961,144. The selling price within this offer, on the first day of the offer/subscription period, benefited from a reduction, respectively on 21.12.2022, the price was reduced to 95% of the nominal value of the instrument, respectively 95 euros/bond. Thus, on the first day, a number of 18,334 bonds were subscribed, representing a subscription value of EUR 1,741,730. The sale price in the subscriptions made in the following days of the offer was 97% of the nominal value, respectively 97 euros/bond. Thus, during the period 22.12.2022 – 27.12.2022, a number of 2,262 bonds were subscribed, representing a subscription value of 219,414 euros. The nominal value of the BNET26E instrument is 100 EUR/bond, and the total nominal value of the issue (which will be reimbursed at maturity) is 2,059,600 EUR.

Fixed interest annual 9% per year and it is nice quarterly through the T2S mechanism and the Central Depository. The repayment of the nominal amount is 3.5 years from the date of issue and will take place on June 30, 2026. It requires BNET26E transactions are pionized on the Square Regulated BVB, dedicated category and corporate unions, starting with March 7, 2023.

The total issuance costs for this bond issue amounted to 735,718 lei and were recorded at the balance sheet level at the date of bond issuance, thus reducing the total amount of debt. The issuance costs are recorded over the life of the bond issue, increasing the total carrying amount of the bond debt.

**BNET27A**

Between May 30 and June 21, 2023, Bittnet Systems conducted its first public offering of corporate bonds on the Bucharest Stock Exchange when it offered for sale a maximum number of 50,000 corporate bonds, unsecured, with a nominal value of 100 lei, with each interested investor having the opportunity to subscribe in the price range between 96% and 104% of the nominal value of the instrument.

During the offering period, a total of 803 purchase orders were placed, for 71,814 bonds subscribed at the offer closing price of 100 lei, and 14,393 bonds subscribed at prices higher than the offer price. According to the Offering Prospectus, the allocation of shares for accepted subscriptions (placed at the offer price and at higher prices) was made pro-rata, the allocation index being 0.579993040. Subscription orders at prices lower than the issue price were cancelled.

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The transaction date was June 24, 2024, and the transaction settlement date was June 26, 2024. Following the establishment of the closing price of the offer at 100 lei/bond, the BNET27A issue consists of a number of 50,000 bonds with a total nominal value of 5,000,000.00 lei.

The interest is fixed at 10% per annum, payable quarterly through the Central Depository. The maturity of the issue is June 26, 2027. On July 19, 2023, the BNET27A bonds began trading on the Regulated Market administered by BVB.

The total issuance costs for this bond issue amounted to 114,873 lei and were recorded at the balance sheet level at the date of bond issuance, thus reducing the total amount of debt. The issuance costs are subsequently allocated over the life of the bond issue, increasing the total carrying amount of the bond debt.

### **BNET28**

Between November 27 and December 12, 2023, a maximum number of 100,000 corporate bonds, unsecured, with an individual nominal value of 100 lei and a total nominal value of 10,000,000 lei were put up for sale, with each interested investor having the opportunity to subscribe in the price range between 94% and 106% of the nominal value.

A total of 530 subscription orders were placed during the offering period at all price levels, totaling a total volume of 185,602 bonds. Given that the Issuer set the issue price at the nominal value of the bond (100 lei) and in accordance with the offering prospectus, the volumes subscribed at prices above the issue price were fully settled at the issue price (100 lei). Thus, the volume of 87,446 bonds represents the guaranteed allocation in the offering according to the Offering Prospectus. For the volume of bonds subscribed at the price of 100 lei/bond (i.e. for 71,050 bonds) the allocation was made pro-rata, the allocation index being 0.1766924701, resulting in a volume of 12,554 bonds. Subscription orders placed at prices below the issue price were not executed.

The transaction date was December 13, 2024, and the transaction settlement date was December 15, 2024. Following the establishment of the closing price of the offer at 100 lei/bond, the BNET28 issue consists of a number of 100,000 bonds with a total nominal value of 10,000,000 lei.

On February 2, 2024, the BNET28 bonds were admitted to trading on the Regulated Market administered by BVB. The interest is fixed at 9.6% per annum, payable quarterly through the Central Depository. The maturity of this bond issue is June 15, 2028.

The total issuance costs for this bond issue amounted to 248,438 lei and were recorded at the balance sheet level at the date of bond issuance, thus reducing the total amount of debt. The issuance costs are subsequently allocated over the life of the bond issue, increasing the total carrying amount of the bond debt.

### **BNET28A**

During the period: April 02 - April 15, 2024, a maximum number of 150,000 corporate bonds, unsecured, non-convertible with an individual nominal value of 100 lei were offered for sale, each interested investor having the opportunity to subscribe in the price range of: 94 lei - 106 lei, respectively 94% and 106% of the nominal value of the instrument, according to the Offering Prospectus.

During the offering period, 501 subscription orders were received at all price levels, totaling a total volume of 111,025 bonds. Given the Issuer's setting of the issue price at RON 96 and in accordance with the Offering Prospectus, the volumes subscribed at prices higher than the issue price (i.e. at prices RON 97, 98, 99, 100, 101, 102, 103, 104, 105, 103, 104, 105, 106 together with the issue price of RON 96/bond) were fully settled at RON 96/share. Purchase orders placed at prices lower than the issue price (RON 95 and 94/bond) were not executed.

The transaction date was April 16, 2024, and the transaction settlement date was April 18, 2024. Following the establishment of the closing price of the offer at 96 lei/bond, the BNET28A issue consists of a number of 66,249 bonds with a total nominal value of 6,624.90 lei, by raising this market amount of the issuer. 6,359,904 lei, due to the reduced issue price at 96 lei/bond.

BNET28A bonds carry a fixed interest rate of 9% per annum, payable quarterly through the Central Depository system, with a maturity of 4 years from issue, respectively in April 2028. Starting with 23.05.2024, BNET28A bonds are tradable on the regulated market administered by the Bucharest Stock Exchange.

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The total issuance costs for this bond issue amounted to 427,889 lei and were recorded at the balance sheet level at the date of bond issuance, thus reducing the total amount of debt. The issuance costs are subsequently allocated over the life of the bond issue, increasing the total carrying amount of the bond debt.

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**NOTE 27. BANK LOANS**

Details regarding bank loans are presented in the following table:

Values in RON				31-Dec-25		31-Dec-24	
Banking product	Currency	Interest rate	Maturity	Borrowed value	Balance as of date	Borrowed value	Balance as of date
ProCredit (Dend Sol)	RON	6M+3%	2026	4,500,000	973,425	4,500,000	2,524,818
BT investment credit (Dend Sol)	RON	ROBOR 3M+2.5%	2029	9,724,885	4,575,660	9,724,885	5,795,836
ProCredit investment loan (Dend Sol)	RON	ROBOR 6M+2.5%	2030	10,000,000	7,005,891	10,000,000	8,241,818
PCB short term loan (Dend Sol)	EUR	EURIBOR6M+2.15%	2027	5,000,000	4,214,882	-	-
ING credit line (Dend Sol)	RON	ROBOR 1M+2.2%	2026	5,000,000	3,781,927	5,000,000	1,446,666
BRD credit line (Dend Tech)	RON	ROBOR 3M+1.5%	2026	8,000,000	4,929,610	10,000,000	59,548
BT short-term credit (Dend Inno)	RON	ROBOR3M+2.75%	2026	15,000,000	-	15,000,000	9,082,867
Raiffeisen credit line (2NET)	RON	6M+2%	2025	2,500,000	-	2,500,000	1,347,667
UniCredit line of credit (Elian Sol)	RON	3M+3%	2027	2,600,000	-	1,600,000	-
<b>Total bank debts:</b>					<b>25,481,395</b>		<b>28,499,222</b>
<b>Long term:</b>					13,221,973		12,525,113
<b>Short term:</b>					12,259,422		15,974,109

The group's bank lending structure is predominantly made up of revolving overdraft credit lines aimed at short-term financing of specific projects. As of the date of this report, the Group has loans for financing current activity, both in national currency and in euro, from the following financial institutions: ProCredit Bank, Banca Transilvania, BRD and Unicredit Bank, as well as several non-cash ceiling products for issuing various types of bank guarantee letters contracted from Procredit Bank and Banca Transilvania.

**ProCredit Bank(PCB)**

In June 2025 Dendrio Solutions contracted a product of the type of ceiling/line of credit – in a maximum amount of 1 million euros for the purpose of financing working capital and current activity. The maturity is 36 months and the interest is composed of EURIBOR 6M + 3.15% per annum for the actual balance used from the ceiling. The Group's management chose to contract this ceiling in euros given the lower cost of bank lending products in the single European currency, versus those in national currency.

In May 2023, Dendrio Solutions contracted an investment loan from ProCredit Bank in the amount of 10,000,000 lei, for a period of 7 years, with monthly repayments of principal and interest for the acquisition of the majority stake in the company Dataware Consulting SRL. The annual interest rate is ROBOR6M+2.50%. The guarantees provided are: movable mortgage on Dendrio Solutions accounts opened at ProCredit Bank, movable mortgage on the shares acquired by Dendrio Solutions (51.13% of Dataware), guarantee from Bittnet Systems SA as co-debtor and guarantee issued by the European Investment Fund in the proportion of 60% of the loan value, as well as a cash collateral deposit for the amount of 2,500,000 lei.

In May 2023, Dendrio Solutions contracted a non-cash ceiling banking product from Procredit Bank for a maximum amount of 2,300,000 lei. The validity period is 36 months. The product is intended for issuing various types of SGBs (letters of bank guarantee for participation in bidding procedures; letters of guarantee for good execution, etc.). Dendrio uses this product in order not to immobilize its own cash in the issuance of SGBs. This product was extended to the maximum ceiling of 3,300,000 lei in September 2024.

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In October 2023, Dendrio Technology contracted a non-cash product from ProCredit Bank, in the maximum amount of 1,400,000. The ceiling is used in the current activity for the establishment of bank guarantees for participation in bidding procedures or for good execution for commercial contracts that require such instruments. Dendrio Technology uses this product in order not to immobilize its own cash in the issuance of SGBs.

#### **Banca Transilvania (BTRL)**

On 06.09.2022, Dendrio Solutions contracted a credit product in the form of a ceiling – investment credit – from Banca Transilvania in a maximum amount of 11,000,000 lei to finance 75% of the price of the share acquisition transactions of the companies Top Tech SRL and 2NET Computer SRL. The investment credit was contracted for a period of 7 years and the repayment method is monthly, through constant annuities. The annual interest rate is variable and consists of the 3-month ROBOR index, to which is added the Bank's fixed margin of 2.50%. The guarantees established for this credit product are the movable mortgage on Dendrio Solutions accounts opened at Banca Transilvania, the movable mortgage on the shares acquired from the two companies, a guarantee from Bittnet Systems as co-debtor, a guarantee issued by the European Investment Fund. Dendrio Solutions made 2 withdrawals from this ceiling, during 2022, after signing the closing documents with the selling shareholders of the two target companies, Top Tech and 2NET Computer, paying the equivalent value of the shares. The 2 withdrawals were in the amount of 9,724,885 lei and the repayment of the borrowed amount is made over a period of 7 years.

In December 2023, the extension and supplement of a credit product contracted by Dendrio Innovations (formerly Dataware Consulting) from Banca Transilvania was signed, under the following conditions: Supplementing the ceiling for financing working capital by the amount of 15,000,000 lei, from the value of 2,500,000 lei to 17,500,000 lei. This banking product is used by Dendrio Innovations for the punctual financing of commercial contracts. The guarantees are: mortgage on bank accounts opened at Banca Transilvania, assignment of receivables resulting from financed contracts and guarantee from the sole associate of Dendrio Innovations, respectively Dendrio Solutions. The interest for this product is ROBOR3M+2.75% applied to the actual balance used from the ceiling. The period of use of the ceiling is 12 months from signing with the possibility of extension, and the validity period is 24 months. The product is used revolving, through successive draws, to ensure the pre-financing component of projects – where applicable – for contracts with a long implementation cycle and which involve the delivery of complex IT&C integration solutions. In December 2024 the ceiling was resized to the value of 15,000,000 lei and the drawdown period was extended.

Also in December 2023, Dendrio Innovations signed an addendum with Banca Transilvania to supplement the non-cash ceiling for issuing bank letters of guarantee by 3,000,000 lei. The product is used in current activity for the establishment of bank guarantees for participation in bidding procedures or for the proper execution of commercial contracts that require such guarantee instruments. The company requested the bank to supplement the existing non-cash ceiling so as not to need to block its own cash in the guarantee instruments. In December 2024, this non-cash ceiling was resized to 7,000,000 lei.

In October 2023, Dendrio Solutions contracted a non-cash product from Banca Transilvania, in the maximum amount of 2,000,000 lei for a period of 12 months with the possibility of extension. The ceiling is used in the current activity for the establishment of bank guarantees for participation in bidding procedures or for good execution for commercial contracts that require such instruments. Dendrio uses this product in order not to immobilize its own cash in the issuance of SGBs. In December 2024, this non-cash product was resized to 7,000,000 lei.

In December 2023, Dendrio Technology (formerly TopTech) contracted a non-cash product from Banca Transilvania, in a maximum amount of 3,000,000 lei for a period of 12 months with the possibility of extension. The ceiling is used in the current activity for the establishment of bank guarantees for participation in bidding procedures or for good execution for commercial contracts that require such instruments. Dendrio Technology uses this product in order not to immobilize its own cash in the issuance of SGBs. This product has been extended until December 2025.

#### **Unicredit Bank**

In February 2026 Elian Solutions signed addendum for the extension and supplementation of the credit product – of the revolving type overdraft for working capital financing – contracted from Unicredit Bank. The

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agreement was extended for a period of 12 months and the ceiling was increased from 1,600,000 lei to 2,600,000 lei; the interest rate for this product is ROBOR3M+3%; The collateral structure consists of a movable mortgage on Elian Solutions SRL accounts opened at UniCredit Bank, assignment of receivables and a Corporate Letter of Guarantee issued by the majority shareholder Bittnet Systems SA. This product has been extended for a period of 12 months, the current maturity being February 2027.

**BRD**

In August 2025, Dendrio Technology (formerly known as TopTech) increased the ceiling contracted from BRD to 8,000,000 lei. The credit product can be used for both non-cash and cash withdrawals in order to finance current activities and to issue bank guarantee letters. The credit and guarantee conditions have remained unchanged, the period of use is 12 months with the possibility of extension and the interest is ROBOR 3M + 1.5% per annum, calculated on the balance used from the credit.

**ING Bank**

In October 2024, the Issuer informed about the signing of a credit agreement by Dendrio Solutions with ING Bank NV Amsterdam – Bucharest Branch. The agreement involves a revolving-overdraft credit line for financing working capital and current activity in a maximum amount of 5,000,000 lei. The guarantees for this product are constituted by Dendrio Solutions – general assignment of receivables and mortgage on the accounts opened by Dendrio Solutions at ING Bank. The interest rate for this product is ROBOR1M+2.2% per annum.

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**NOTE 28. LEASING DEBT**

The Group has concluded a long-term lease agreement for the current headquarters with a final term of May 2029 and respectively long-term operational leasing agreements for technical equipment with final terms in 2025-2027.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Short-term part	6,795,412	6,422,410
The long-term part	<u>14,927,426</u>	<u>17,479,202</u>
<b>Total</b>	<b><u>21,722,838</u></b>	<b><u>23,901,612</u></b>

The reconciliation of lease liabilities and rights of use recognized as a result of the application of IFRS 16 is presented in the following tables:

Lease liabilities	Spaces	Equipment	machines	Total
<b>On January 1, 2024</b>	<b>18,257,083</b>	<b>4,107,530</b>	<b>3,239,983</b>	<b>25,604,596</b>
Inputs	3,789,003	863,056	2,141,885	6,793,944
Outputs	(1,368,994)	(58,292)	(72,390)	(1,499,675)
Interest	934,273	191,839	195,384	1,321,496
Course differences	(2,111)	19,107	18,182	35,178
Lease payments	<u>(4,614,345)</u>	<u>(2,099,278)</u>	<u>(1,640,304)</u>	<u>(8,353,927)</u>
<b>On December 31, 2024</b>	<b>16,994,909</b>	<b>3,023,963</b>	<b>3,882,741</b>	<b>23,901,612</b>
Inputs	1,920,096	1,849,721	1,175,300	4,945,116
Outputs	(5,963)	(108,426)	(228,171)	(342,560)
Interest	797,946	168,348	232,574	1,198,869
Course differences	382,038	81,901	119,778	583,717
Lease payments	<u>(4,913,877)</u>	<u>(2,136,789)</u>	<u>(1,513,250)</u>	<u>(8,563,916)</u>
<b>As of December 31, 2025</b>	<b><u>15,175,149</u></b>	<b><u>2,878,718</u></b>	<b><u>3,668,972</u></b>	<b><u>21,722,838</u></b>

Usage rights	Spaces	Equipment	machines	Total
<b>On January 1, 2024</b>	<b>17,441,392</b>	<b>3,962,650</b>	<b>2,723,046</b>	<b>24,127,088</b>
Inputs	3,789,003	863,056	1,891,446	6,543,505
Outputs	(1,268,595)	(54,508)	(30,683)	(1,353,786)
Amortization	<u>(3,910,958)</u>	<u>(1,897,388)</u>	<u>(1,095,839)</u>	<u>(6,904,185)</u>
<b>On December 31, 2024</b>	<b>16,050,841</b>	<b>2,873,811</b>	<b>3,487,970</b>	<b>22,412,622</b>
Inputs	2,613,004	1,883,831	1,175,300	5,672,135
Outputs	(663,137)	(137,391)	(192,851)	(993,380)
Amortization	<u>(4,068,827)</u>	<u>(1,913,727)</u>	<u>(1,154,217)</u>	<u>(7,136,771)</u>
<b>As of December 31, 2025</b>	<b><u>13,931,880</u></b>	<b><u>2,706,523</u></b>	<b><u>3,316,202</u></b>	<b><u>19,954,606</u></b>

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**NOTE 29. TRADE AND OTHER LIABILITIES**

Trade and other payables are detailed in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>Trade debts</b>		
Providers	206,283,761	136,778,390
<b>Other debts</b>		
Committed debts	2,279,050	3,271,970
Other debts	2,764,092	219,900
Liabilities for acquisition of participations (Note 16)	-	5,000,000
Customer advances	1,369,854	9,947
VAT	4,217,394	6,090,617
Other budget debts	1,833,467	<u>1,666,150</u>
<b>Total other liabilities, of which:</b>	<b>12,463,857</b>	<b>16,258,583</b>
Long-term liabilities (share acquisitions)	-	-
Current liabilities	<u>12,463,857</u>	<u>16,258,583</u>

**Contractual liabilities**

If the sales price includes a distinct amount, contractually specified, intended for the subsequent provision of services (such as revenue from the sale of manufacturer warranty services), that amount is deferred (account 472 "Prepaid income") and recognized as income during the period in which the services are provided, but no later than the end of the period for which the subsequent provision of services was contracted. In contrast, the related expenses are deferred (account 471, "Prepaid expenses") and recognized in the same period in which the services are provided.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Contractual liabilities	17,314,977	19,038,100

**Provisions**

The 'Provisions' position as of 31.12.2025, amounting to 1,078,401 lei, is mainly composed of: Bucharest Mall & Development litigation provision: 105,831 lei; EES Dataware project penalty provision: 972,570 lei; (As of 2024: Bucharest Mall & Development litigation provision: 105,831 lei; Fraher litigation provision: 186,137 lei; EES Dataware project penalty provision: 972,570 lei).

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Provisions	1,078,401	1,264,538

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**NOTE 30. INFORMATION ON RELATED PARTY RELATIONS**

Details of balances and transactions with related parties are presented below.

The remuneration paid to Key Management (identified in Note 1) is as follows:

	<u>2025</u>	<u>2024</u>
Management contracts	3,561,253	3,886,775
SOP expenses	311,804	967,840
<b>Total</b>	<b><u>3,873,057</u></b>	<b><u>4,854,615</u></b>

As of December 31, 2025, the liabilities related to management contracts amount to 385,123 LEI (December 31, 2024: 354,143 lei).

Receivables and loans	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Impetum Investments – loan	-	5,150,000
Impetum Investments – interest	-	1,693
E-Learning Company – loan	-	450,000
E-Learning Company – acquisition	-	16,273
<b>Total</b>	<b><u>-</u></b>	<b><u>5,617,966</u></b>

For the last tranche of the sale of Fort SA, Bittnet Systems granted – at the end of December 2024 – a loan to Impetum Investments, the counterparty in the transaction, in the amount of 5,150,000 lei, a loan granted for an (initial) period of 6 months and with an interest rate of 6% per annum (Note 16).

*Repayment of loan granted to Impetum Investments*

During June-July 2025, Bittnet Systems (the lender) and Impetum Investments (the debtor) reached an agreement to reschedule the loan granted in December 2024, and the repayment to be made over a period of 5 months as follows: installments of 500,000 lei each with payment due in July, August and October; the installment of 650,000 lei with payment due in September; and the difference of 3,000,000 lei with payment due on 15.11.2025. For the payment of the last installment in the amount of 3 million lei, the parties provided as an alternative means of payment, in case the debtor does not have funds at maturity, the transfer of the shares of a special purpose vehicle (SPV) into whose capital 20 million BNET shares held by the debtor were to be contributed. The parties also agreed to change the amount of interest on the borrowed amount, starting with 30.06.2025, from 6% per annum to 10% per annum.

In November 2025, Impetum Investments chose as an alternative means of payment of the last installment, according to the additional act signed between the parties, its payment by transferring the 20 million BNET shares contributed to a special purpose vehicle, informing the Issuer in this regard that it was paying off the debt in this way and not by bank transfer.

On 17.11.2025, Bittnet informed investors that the last installment (in the amount of 3 million lei) was paid by the debtor, at his choice, through an alternative means of payment specified in the agreement signed by the parties, namely by offsetting with the entirety of the shares issued by PNPL CLOUD INFRASTRUCTURE SRL, a company established and operating in accordance with the laws of Romania, (SPV/ special purpose vehicle), in turn holding Bittnet shares. As soon as it took possession of the SPV, the Issuer initiated procedures with the Central Depository and the ASF to transfer the 20 million BNET shares to its ownership, as treasury shares, a necessary step in order to be able to resort to their cancellation if it receives the necessary approval at a future General Meeting.

*Repayment of loan granted to E-Learning Company*

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At the end of December 2025, the Issuer fully repaid the loan granted to The E-Learning Company, together with the related interest. The loan to The E-Learning Company was granted for working capital financing for a period of 1 year and with an interest rate of 10% per year.

**NOTE 31. CONTINGENT LIABILITIES**

**a) The risk associated with changing legislation and taxation in Romania**

Changes in the legal and fiscal regime in Romania may affect the Company's economic activity. Changes related to the adjustments of Romanian legislation with European Union regulations may affect the legal environment of the Group's business activity and its financial results. The lack of stable rules, legislation and cumbersome procedures for obtaining administrative decisions may also restrict the Company's future development. To minimize this risk, the Group regularly analyzes changes in these regulations and their interpretations.

Given that the legislation increasingly leaves the interpretation of the application of tax rules to the discretion of the tax authority, combined with the lack of funds in the state budget and the attempt by any means to bring these funds, we consider this risk a major one for the company, as it cannot be addressed in any way in a preventive manner in a real and constructive way. The Group considers that it has paid all taxes, duties, penalties and penalty interest on time and in full, to the extent applicable. In Romania, the fiscal year remains open for verification for a period of 5 years.

**b) Bank Guarantee Letters (BGL)**

As of December 31, 2025, the Group had issued bank letters of guarantee in the amount of: EUR 195,726 (bank letter of good payment, issued by Bittnet Systems in favor of One Controceni Park for the office rental contract) and 16,166,077.92 lei (bank letters of guarantee for participation in tender procedures and good execution issued by: Dendrio Solutions – 7,974,228.38 lei, Dendrio Innovations – 5,901,587.33 lei and Dendrio Technology – 2,290,262.21 lei, respectively). All guarantees are issued from non-cash ceilings contracted from credit institutions.

As of December 31, 2024, the Group had issued bank guarantee letters worth EUR 195,726 (good payment SGB issued by Bittnet Systems in favor of One Controceni Park) and 12,530,833.90 lei (tender participation and good execution SGBs issued by Dendrio Solutions – 5,349,453.91 lei, Dataware Consulting – 4,338,790.51 lei and TopTech – 2,842,589.58 lei, respectively). All guarantees are issued from non-cash ceilings.

**c) Disputes**

In the context of its day-to-day operations, the Group is subject to litigation risk, among other things, as a result of changes and developments in legislation. In addition, the Group may be affected by other contractual claims, complaints and disputes, including from counterparties with which it has contractual relationships, customers, competitors or regulatory authorities, as well as any negative publicity it may incur. The Group's management believes that these litigations will not have a significant impact on the Group's operations and financial position.

**File 30598/3/2021 – Bucharest Mall Development and Management litigation**

During 2021, the Group became aware of the existence of file 30598/3/2021 on the docket of the Bucharest Court, in conflict with the owner of the former office space - București Mall Development and Management SRL ("Anchor" or "Owner").

During February 2022, the Group (or "Tenant") became aware of the content of this file and the value of the claims, as follows:

- i) 267,214.96 Lei representing rent, service tax and utilities;
- ii) 100,109.95 Lei representing late payment penalties related to the principal amount; and
- iii) 3,632,709.91 Lei representing compensatory damages (criminal clause).

The court ruled on 04.08.2023. The solution in short: "Partly admits the request, as specified. Obliges the defendant to pay the plaintiff the amount of 102,627.51 lei, as late payment penalties. Rejects the other

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claims as unfounded. Partially compensates the legal costs due to each party and, consequently, Obliges the defendant to pay the plaintiff the amount of 3,203.92 lei, as legal costs. With appeal within 30 days from notification. The appeal is filed with the Bucharest Court - 6th Civil Section."

On 04.11.2024, the decision was communicated to the parties, with the right to appeal within 30 days of communication. The plaintiff filed an appeal request registered on 09.12.2024, which is the subject of file no. 30598/3/2021 (250/2025) pending before the Bucharest Court of Appeal, Fifth Civil Section. The appeal request was communicated on 24.02.2025 and the Group responded with a response on 10.03.2025.

At the hearing on 22.05.2025, the court admitted Anchor's appeal and partially changed the appealed sentence in the sense that: admits the action in its entirety, obliges the defendant to pay the amount of 3,632,709.91 lei in civil damages, 267,214.96 lei in rent, services, utilities, maintains the provision regarding the obligation of the defendant to pay the amount of 102,627.51 lei in penalties. obliges the defendant to pay the amount of 179,926.09 lei in court costs in the first instance. The solution can be appealed within 30 days from notification.

The decision of the Bucharest Court of Appeal was communicated on 23.06.2025. By this, the court ordered the defendant to pay the following amounts: 3,632,709.91 lei civil damages, 267,214.96 lei rent, services, utilities, 179,926.09 lei court costs in the first instance and maintaining the provision regarding the order requiring the defendant to pay the amount of 102,627.51 lei penalties.

The Group appealed to the High Court of Cassation and Justice against the decision of the Bucharest Court of Appeal. The Group also filed a request for a provisional suspension of the execution, which was definitively rejected by the High Court of Cassation and Justice.

By decision 188/2026 pronounced on 10.02.2026, the High Court of Cassation and Justice admitted the appeal filed by BITTNET SYSTEMS SA against civil decision no. 862 of 22 May 2025 pronounced by the Bucharest Court of Appeal (V Civil Section), quashed the appealed decision and sent the case for retrial to the same court of appeal. As of the date of this report, the decision of the High Court of Cassation and Justice no. 188/10.02.2026 has not been communicated, the deadline for its drafting (of 30 days from the date of pronouncement) being extended by 30 days.

The Group recorded a provision of 105,831.42 lei in the financial statements as of 31.12.2023. On 30.06.2025, the Group supplemented the provision with the amount of 4,076,647.05 lei. On 31.12.2026, the Group reversed the additional provision established on 30.06.2025, so that the total value of the provision recorded for this litigation as of 31.12.2025 amounts to 105,831.42 lei, this being the best estimate of a cash outflow following this dispute.

#### **File665/88/2020 – Fraher Distribution litigation**

By the application registered on the docket of the Tulcea Court - Civil Section, for administrative and fiscal litigation on June 4, 2020 under no. 665/88/2020, the plaintiff FRAHER DISTRIBUTION SRL, in contradiction with the defendant ELIAN SOLUTIONS SRL, requested that the termination of Contract no. 201/29.12.2017 be declared, with the consequence of restoring the parties to the previous situation, by the defendant returning the amount of 541,490.08 lei; to be declared the termination of Contract no. 202/29.12.2017, with the consequence of restoring the parties to the previous situation, by the defendant returning the amount of 344,886 lei and obliging the defendant to pay the contractual penalties for delay, as well as the amount of 129,103.38 lei as damages; to declare the termination of Contract No. 240/21.03.2019 and to order the defendant to pay the amount of 33,868.59 lei, as damages; to order the defendant to pay the court costs.

On 14.02.2024, the Bucharest Court of Appeal by Decision No. 251/2024 admitted the appeal as follows:

- Changes in part the appealed sentence in the sense that it orders the partial termination of contract no. 201/29.12.2017 and obliges the respondent to pay the amount of 186,137 lei in favor of the appellant plaintiff.
- The remaining provisions of the appealed judgment are upheld.
- Admits the request of the judicial expert and orders the increase of his fee by the amount of 5,000 lei. Establishes the obligation of the appellant plaintiff to pay the expert fee in the amount of 5,000 lei.
- Orders the respondent defendant to pay the amount of 15,925 lei as legal expenses in favor of the appellant plaintiff, of which the amount of 5,000 lei under the condition that the appellant plaintiff proves the payment of the increased fee of the judicial expert.

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- Orders the appellant plaintiff to pay the amount of 5,672 lei as legal costs in favor of the respondent defendant. Partially compensates the legal costs up to the amount of 5,672 lei.

- With appeal within 30 days from the communication. The request for exercising the appeal is submitted to the Bucharest Court of Appeal, 6th Civil Section.

On 10.03.2025, the sentence was communicated to the parties, with a period of 30 days from the communication for the parties to appeal.

On 11.04.2025, FRAHER DISTRIBUTION SRL filed an appeal. The file was submitted to the High Court of Cassation and Justice. The appeal was communicated on 16.05.2025 to Elian Solutions, which filed a response on 16.06.2025. The first hearing before the High Court of Cassation and Justice was set for 14.10.2025.

In the hearing of 14.10.2025, the High Court of Cassation and Justice pronounced a decision admitting the appeal filed by Fraher Distribution SRL against civil decision no. 251 A of February 14, 2024 pronounced by the Bucharest Court of Appeal - 6th Civil Section, which it quashed, sending the case for a new trial by the same court and specifying that In the retrial, all the claims and defenses of the parties will be analyzed and the necessary evidence will be administered, the contractual clauses will be interpreted in order to correctly establish the legal relationships between the parties, their rights and obligations.

At the first retrial at the Bucharest Court of Appeal, Section VI Civil in Case 665/88/2020\*, the request for abstention filed by two of the judges was admitted. The next deadline is set for 27.03.2026.

Given the current status of the proceedings at the date of this report (March 2026), the Group's Management does not consider that a cash outflow is likely as a result of this dispute and as such no provision was recorded in the financial statements of 2025.

#### **File 19985/3/2024 – litigation General Inspectorate of Border Police**

During June 2024, the Group became aware of the existence of file 19985/3/2024 pending before the Bucharest Court, Administrative and Fiscal Litigation Section, in conflict with the General Inspectorate of Border Police ("IGPF"), as follows:

Subject: litigation regarding public procurement.

Complainant: General Inspectorate of Border Police ("IGPF")

Defendant: The association formed by Dataware Consulting SRL - leader ("Dataware") and Idemia Identity & Security France ("Idemia").

Details of the action are presented below:

The court action was filed regarding the Public Procurement Contract No. 281/2021, for:

- (i) payment of penalties in the amount of 4,296,351.84 lei; and
- (ii) repair of the alleged damage in the amount of 4,844,605 lei, consisting of the loss of non-reimbursable external funding as a result of the non-delivery of 409 mobile EES control devices;

At the first hearing on 21.08.2024 in file 19985/3/2024 (subject to payment of penalties in the amount of 4,296,351.84 lei and reparation of the alleged damage in the amount of 4,844,605 lei), to which file 22473/3/2024 (subject to annulment of the termination of contract no. 281/2021 with IGPF) was also connected, the court postponed the case at the request of Idemia, who requested the introduction into the case and the communication of the IGPF action, in order to file a response. The next deadline set was 04.10.2024, when the court postponed the trial in order to take note of the documents submitted to the file. On the dates of 15.11.2024 and 21.11.2024, the court postponed the ruling. On the date of 29.11.2024, the court admitted the exception of lateness of the counterclaim filed by IGPF in the related file (no. 22473/3/2024) and found that IGPF is deprived of the right to file the counterclaim; the court also rejected the exception of the substantive right to action invoked by IGPF by responding to the related claim (appeal together with the merits). On the deadlines of 06.12.2024, 07.02.2025, 11.04.2025, 23.05.2025 and 19.08.2025, the case was postponed due to the lack of the expert report, the next deadline granted in the file being 17.10.2025.

At the hearing on 16.01.2026, the objections to the expert report submitted by Dendrio Innovations SRL ("Dendrio Innovations", previously known as Dataware Consulting SRL) were discussed, the court approving all of them and sending the report to the judicial expert to respond to them. IGPF did not object to the

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expert report nor did it have a point of view on the objections submitted by Dendrio Innovations. In order to administer the proposed evidence, the court postponed the hearing of the case to 20.03.2026.

Considering the current status of the procedure at the date of this report (March 2026) and the complexity of the evidence, the Group's Management does not consider that a cash outflow is likely as a result of this dispute and as such no provision was recorded in the financial statements of 2025.

**Competition Council investigation into the Romanian IT market**

On 05.06.2024 Bittnet Systems SA informed investors about the initiation of an investigation by the Competition Council regarding possible anti-competitive practices committed by participants in the Romanian IT market. The investigation also involves the companies Dendrio Solutions SRL (Dendrio) and Dataware Consulting SRL - currently called Dendrio Innovations SRL (Dataware) - companies part of the Bittnet group.

Following the unannounced inspection carried out between July 4-5, 2024 at the headquarters of Dendrio and Dataware, each of the companies submitted its point of view regarding the confidential information contained in the documents seized by the competition inspectors, and this point of view represents a standard stage in the investigation procedure.

Thus, as of the date of this report, no investigation report or official position of the Competition Council has been communicated to Dendrio or Dataware, the competition authority being still in an early stage of analyzing the information selected during the unannounced inspections. In the absence of an official position issued by the competition authority in the form of an investigation report, there is no presumption regarding a potential violation of competition rules.

Usually, the Competition Council's investigations are of longer duration (on average between 2 and 4 years, depending on the number of parties involved and the volume of information that needs to be processed by the investigation team).

**d) Environmental aspects**

The implementation of environmental regulations in Romania is in the development phase and the application procedures are being reconsidered by the authorities. Bittnet's professional activity does not have a direct impact on the environment. Operating in the "service" field, our activity consists of acquiring knowledge and transferring it to clients, either within training courses or through consultancy, design and implementation services.

**NOTE 32. SIGNIFICANT ACCOUNTING POLICIES**

The main accounting policies adopted in the preparation of the consolidated financial statements are presented below.

**a) The foundations of consolidation**

If the Group has control over an investee, it is classified as a subsidiary. The Group controls an investee if all three of the following elements are present: it has control over the investee, there is exposure to variable returns from the investee and the investee has the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of the elements of control.

The consolidated financial statements present the results of the company and its subsidiaries (the "Group") as if they formed a single entity. Therefore, intercompany transactions and balances between group companies are eliminated in full. The consolidated financial statements include the results of business combinations using the acquisition method. In the statement of financial position, the identifiable assets, liabilities and contingent liabilities of the acquirer are initially recognized at their fair values at the acquisition date. The results of the acquired operations are included in the consolidated statement of comprehensive income from the date control is obtained. Subsidiaries are deconsolidated from the date control ceases.

**b) Non-controlling interests**

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity of the parent. Changes in a parent's interest in the equity of a subsidiary that do not result in the parent losing control of the subsidiary are equity transactions (i.e., transactions with shareholders in their capacity as shareholders).

**c) Associated entities**

If the Group has the power to participate in (but not control) the financial and operating policy decisions of another entity, it is classified as an associate.

Associates are initially recognised in the consolidated statement of financial position at cost. Subsequently, associates are accounted for using the equity method, whereby the Group's share of post-acquisition profits and losses and other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income (except for losses that exceed the Group's investment in the associate, unless there is an obligation to offset those losses).

Profits and losses arising from transactions between the group and its associates are recognised only to the extent of the interests of unaffiliated investors in the associate. The investor's share of the associate's profits and losses arising from these transactions is eliminated against the carrying amount of the associate.

Any excess of the fair value of the Group's interest in the identifiable assets, liabilities and contingent liabilities of an associate over the fair value of the Group's interest in the identifiable assets, liabilities and contingent liabilities is capitalized and included in the carrying amount of the associate. If there is objective evidence that the investment in an associate is not recoverable, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

**d) Goodwill**

Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities acquired.

The cost comprises the fair value of the assets given, the liabilities assumed and the equity instruments issued, plus the value of any minority interests in the acquirer.

The contingent consideration is included in cost at fair value at the acquisition date and, in the case of contingent consideration, classified as a financial liability, subsequently remeasured through profit or loss.

Goodwill is capitalized as an intangible asset, and any impairment of the carrying amount is recorded in the consolidated statement of comprehensive income.

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If the fair value of the identifiable assets, liabilities and contingent liabilities exceeds the fair value of the consideration paid, the excess is credited in full to the consolidated statement of comprehensive income at the acquisition date.

#### **e) Revenue recognition**

The Group acts on its own behalf when it is a party that controls a good or service before it is transferred to a customer, in which case it should in such situations recognize all revenue invoiced to customers as well as the cost of goods resold to customers. In contrast, an intermediary is limited to organizing the provision of goods or services by another party, without exercising control over these goods or services before their transfer to a customer, in which case it should recognize as revenue only the margin made on such transactions.

#### **Training services**

Revenue from training services includes access to technology experts by teaching IT skills, from basic (e.g. Microsoft Office Suite) to the most advanced (Cloud, DevOps, Cybersecurity). The business training portfolio contains project management, IT service management, business intelligence, CRM, ERP, Agile, etc. Bittnet offers a wide range of IT courses. Each course can be delivered in two flexible ways: intensive (5 days a week, 8 hours a day) or mixed format (2/4/6 hour courses, depending on the client's needs). Each student receives access to dedicated equipment, official curriculum, as well as online and offline exams.

Revenue is recognized at a specific point in time, upon completion of the training as a result of fulfilling the performance obligation.

#### **IT solution integration services, goods and licenses**

The IT solutions provided by the Group include: general consulting services, IT assessment services, implementation and migration services, maintenance and support services, infrastructure optimization services. The integrator business involves providing solutions and services starting with the initial analysis, design phase, implementation and testing resulting in turnkey projects for companies with different IT needs.

Revenue from the provision of services is recognized in the period in which they were provided and in accordance with the stage of execution. The provision of services includes the execution of works and any other operations that cannot be considered deliveries of goods.

The stage of execution of the work is determined based on work reports accompanying invoices, receipt reports or other documents attesting to the stage of completion and receipt of the services provided.

If the sales price includes a distinct amount, contractually specified, intended for the subsequent provision of services (such as revenue from the sale of manufacturer warranty services), that amount is deferred (account 472 "Prepaid income") and recognized as income during the period in which the services are provided, but no later than the end of the period for which the subsequent provision of services was contracted. In contrast, the related expenses are deferred (account 471, "Prepaid expenses") and recognized in the same period in which the services are provided.

Revenue from the sale of goods and licenses is recognized when the customer obtains control of the transferred assets. The Group sells goods and licenses within complex IT infrastructure solutions (such as: data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and communications security solutions, data processing, physical security systems) from vendors with which it has partnerships at the highest standards, such as Fujitsu, Cisco, Brocade, Dell, HP, Xerox or Microsoft, Google, Amazon Web Services.

#### **Performance obligations and revenue recognition methodology**

The majority of the group's revenues come from the provision of services and training and IT integration, including the sale of goods, with revenue recognized when control of the goods has been transferred to the customer.

The performance obligations identified in the Group's contracts are generally limited to the goods or services explicitly stipulated in that contract, with no implied promises as a result of usual business practices, published policies or other specific statements.

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If the sales price includes a distinct amount, contractually specified, intended for the subsequent provision of services (such as revenue from the sale of manufacturer warranty services), that amount is deferred (account 472 "Prepaid income") and recognized as income during the period in which the services are provided, but no later than the end of the period for which the subsequent provision of services was contracted. In contrast, the related expenses are deferred (account 471, "Prepaid expenses") and recognized in the same period in which the services are provided.

#### **Determining the transaction price**

The majority of the group's revenues are derived from fixed-price contracts and, therefore, the amount of revenue to be derived from each contract is determined by reference to fixed prices. In estimating contractual revenue, the component relating to discounts granted to customers is deducted when it is likely that these will reduce the amount of revenue.

#### **Allocation of amounts to obligations to be performed**

For most contracts, there is a fixed unit price for each product or service sold. Therefore, there is no judgment applied in allocating the contract price to each product or service.

#### **Costs of obtaining contracts**

Most contracts are short-term, so any incremental commissions paid to sales personnel for the work done to obtain the contracts are recognized directly in the statement of comprehensive income, without being capitalized.

#### **f) Subsidies**

Grants are recognized when there is sufficient certainty that the Group will comply with the conditions imposed by their granting and the grants will be received.

Grants for assets, including non-monetary grants at fair value, are recorded in the accounts as investment grants and are recognised in the balance sheet as deferred income. Deferred income is recorded in the profit and loss account as depreciation expenses are recorded or upon the asset's retirement or disposal.

Subsidies that compensate the Group for expenses incurred are recognized in the profit or loss account systematically in the same periods in which the expenses are recognized and are presented in the profit and loss account as items of other operating income.

#### **g) Impairment of non-financial assets (excluding inventories, investment property and deferred taxes)**

Impairment tests for goodwill and other intangible assets with indefinite useful economic lives are performed annually at the end of the financial year. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If the carrying amount of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is performed on the smallest group of assets of which it is a part, for which there are separately identifiable cash flows - its cash-generating units. Goodwill is allocated on initial recognition to each of the Group's cash-generating units that is expected to benefit from a business combination giving rise to goodwill.

Impairment adjustments are included in profit or loss. An impairment loss recognized for goodwill is not reversed.

#### **h) Foreign exchange balances and transactions**

Transactions carried out by Group entities in a currency other than the currency of the primary economic environment in which they operate (the "functional currency") are recorded at the rates prevailing at the time the transactions are made. Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing at the reporting date.

Exchange differences arising on the retranslation of monetary assets and liabilities denominated in foreign currency are recognized immediately in profit or loss.

#### **i) Financial assets**

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The Group's accounting policy for the classification of financial assets is as follows.

***Amortized cost***

Loans and receivables are non-derivative financial assets with fixed or determinable payments and that are not quoted in an active market. They are included in current assets, except for those that have a maturity period greater than 12 months from the end of the reporting period. These are classified as non-current assets.

These assets arise primarily from the provision of goods and services to customers (e.g. trade receivables), but also include other types of financial assets where the objective is to hold these assets to collect contractual cash flows, and the contractual cash flows are exclusively payments of principal and interest. Except for trade receivables without a significant financing component, which are initially recognized based on the transaction price under IFRS 15, financial assets (other than those at FVTPL), are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issuance and are subsequently carried at amortized cost using the effective interest rate method, less adjustments for impairment.

Impairment adjustments for trade and other receivables are recognized based on the simplified approach under IFRS 9, using an adjustment matrix in determining the estimated losses. In this process, the probability of non-payment of trade receivables is assessed. This probability is then multiplied by the amount of the expected loss resulting from non-payment to determine the expected credit loss for trade receivables. For trade receivables, these adjustments are recorded in a separate adjustment account, with the loss recognized within general and administrative expenses in the consolidated statement of comprehensive income. Upon confirmation that the respective trade receivable will not be collectable, the gross carrying amount of the asset is written off against the associated adjustments.

Impairment adjustments for receivables from related parties and loans to related parties are recognized based on an expected credit loss model. The methodology used to determine the amount of the adjustments is based on the existence of a significant increase in credit risk since the initial recognition of the financial asset.

For those for which credit risk has not increased significantly since the initial recognition of the financial asset, twelve-month expected credit losses are recognized together with gross interest income. For those for which credit risk has increased significantly, estimated credit losses are recognized together with gross interest income. For those that are determined to be clearly credit-impaired, expected credit losses are recognized together with interest income on a net basis.

The Group's financial assets measured at amortized cost include trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents include cash on hand, time deposits with banks, other short-term highly liquid investments with original maturities of three months or less, and - for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are presented in loans and borrowings in current liabilities in the consolidated statement of financial position.

**Financial assets at fair value**

The Group holds financial assets in the nature of equity securities, which are recognized in the financial statements at fair value, with changes in fair value recognized in the consolidated statement of comprehensive income.

**j) Financial debts**

The Group's accounting policy for the classification of financial liabilities is as follows:

Bank loans and borrowings from the Group's issue of repayable bonds are initially recognised at fair value, net of any transaction costs directly attributable to the issue of the instrument. Interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the repayment period is at a constant rate to the outstanding balance of the liability recorded in the consolidated statement of financial position.

Borrowings are classified as current liabilities, except where the Group has an unconditional right to defer payment of the debt for at least 12 months after the end of the reporting period.

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For each financial liability, interest expense includes initial transaction costs and any premium payable upon redemption, as well as any interest or coupon that must be paid over time.

The Group does not hold any derivative liabilities that are carried in the consolidated financial statements at fair value, with changes in fair value recognized in the consolidated statement of comprehensive income, and has no trading obligations, nor has it designated any financial liabilities as at fair value through profit or loss.

**k) Share-based payments (SOP)**

The Group grants equity-settled share purchase options to employees and collaborators.

The fair value of the options at the grant date is systematically recorded in the consolidated statement of comprehensive income over the period until the option is exercised. Vesting conditions that are not market-based are taken into account by adjusting the number of equity instruments expected to be recorded at each reporting date so that, ultimately, the cumulative amount recognized during the vesting period is based on the number of options that eventually become payable. Non-vesting conditions and vesting conditions are included in the fair value of the options granted. Cumulative expenses are not adjusted for the failure to satisfy a vesting condition or if a non-vesting condition is not met.

**l) Leasing**

Under IFRS 16, a contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for a mandatory payment. For this type of contract, the new model requires a lessee to recognize a right-of-use asset and a lease liability. The right-of-use asset is depreciated and the liability accrues interest.

The Group applies the following exceptions and does not account for the following as leases in accordance with IFRS 16:

- leases with a rental period of 12 months or less and which do not contain purchase options, and
- leasing contracts where the underlying asset has a low value ("low-value" leasing transactions).

The group analyzed all rental contracts for the rental of equipment and the spaces in which it operates.

The Group recognized the right-of-use assets and lease liabilities as follows:

Usage rights	Lease liabilities
Right-of-use assets are measured at an amount equal to the lease liability, adjusted for the value of any amounts paid in advance, direct initial or preliminary costs.	Measured at the present value of lease payments, discounted using the Company's incremental borrowing rate.  The company's incremental borrowing rate is the rate at which a loan could be obtained from an independent financier, under comparable terms and conditions. The average rate applied was 5% p.a.

**m) Externally acquired intangible assets**

Externally acquired intangible assets are initially recognized at cost and subsequently amortized on a straight-line basis over their useful economic lives: Licenses – 3-5 years, except for trademarks which are tested annually for impairment.

**n) Tangible fixed assets**

Tangible fixed assets include premises, equipment, machinery and other assets used for current activity. Tangible fixed assets are initially recognized at acquisition cost, and subsequently at cost less accumulated depreciation.

The acquisition cost includes directly attributable costs and the estimated present value of any unavoidable and future costs of dismantling and disposing of those items. The corresponding obligation is recognized within provisions.

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The depreciation of other tangible assets is calculated based on the straight-line method in order to allocate their cost less residual value, over their useful lives, as follows: Space improvements - during the term of the lease, Other fixed assets - 2-5 years.

**o) Inventory**

Inventories are initially recognized at cost and subsequently at the lower of cost and net realizable value. Cost includes all costs of purchase, conversion costs and other costs incurred in bringing the inventories to their present location and condition. Specific identification is used to determine the cost of interchangeable items.

**p) Provisions**

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and an outflow of resources embodying economic benefits is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where there are a number of similar obligations, the probability that an outflow of resources will be required to settle the obligation is determined by assessing the class of obligations as a whole. A provision is recognized even if the probability of an outflow of resources related to any item included in any class of obligations is remote. Where the Company expects a reimbursement of a provision, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is theoretically certain.

Provisions are measured at the present value of the expenditures estimated to be required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

**q) Employee benefits**

In the normal course of business, the Group makes payments to the Romanian State on behalf of its employees for health, pension and unemployment funds. All employees of the Company are members of the Romanian State pension plan, which is a defined contribution plan. These costs are recognized in the profit and loss account together with the recognition of salary expenses.

**r) Current and deferred income tax**

The tax expense for the period includes current and deferred tax and is recognized in profit or loss, except when it is recognized in other comprehensive income or directly in equity because it relates to transactions that are, in turn, recognized in the same or a different period, in other comprehensive income or directly in equity.

Current income tax expense is calculated based on the tax regulations in force at the end of the reporting period. Management periodically assesses the positions in the tax returns with regard to situations where the applicable tax regulations are interpretable and establishes provisions, where appropriate, based on the amounts estimated to be due to the tax authorities.

Deferred income tax is recognized, using the balance sheet liability method, for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax that arises from the initial recognition of an asset or liability in a transaction other than a business combination and that at the time of the transaction affects neither accounting nor taxable profit is not recognized. Deferred income tax is determined based on tax rates (and legal regulations) that have been enacted or substantively enacted by the end of the reporting period and that are expected to be applied in the period in which the deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilized.

IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances where there is uncertainty about the tax treatments relating to income taxes. The interpretation states the following:

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(all amounts are expressed in LEI, unless otherwise specified)

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- It remains to be determined whether uncertain tax treatments should be considered separately, or together as a group, depending on the approach that provides better predictions about resolution;
- Determine whether the tax authorities are likely to accept the uncertain tax treatment; and
- If it is not probable that the uncertain tax treatment will be accepted, the tax uncertainty should be measured at the most likely amount or the expected amount, whichever method better predicts the resolution of the uncertainty. The measurement should be based on the assumption that each of the tax authorities will examine the amounts that they are entitled to examine and have full knowledge of all relevant information when making those examinations.

Following the application of the provisions of IFRIC 23, no impact on income tax liabilities was identified.

### NOTE 33. RUSSIA - UKRAINE CONFLICT

#### I. Russia - Ukraine conflict

The Russian Federation's invasion of Ukraine and the subsequent global response to these military actions could have a significant impact on some companies, particularly companies with physical operations in Ukraine, Russia and Belarus, as well as entities with indirect interests (e.g., those with suppliers and customers, investments and creditors, operating in these countries). Sanctions imposed on the Russian government, Russian entities and Russian individuals in many jurisdictions could also affect companies, such as through loss of access to financial resources and trade, as well as through the collateral effects of sanctions on global prices (e.g., oil, natural gas and other petroleum products). The effects of the conflict are widespread and rapidly evolving. Companies that do not have operations in Russia and Ukraine could still be affected by the conflict, including, but not limited to:

- Destruction, confiscation or abandonment of tangible and intangible property;
- Sanctions imposed on a company that may impact its ability to operate (e.g. access to funds, banking systems, etc.);
- Sanctions imposed on a company's customers, which may impact its ability to sell goods and services and collect debts;
- Sanctions imposed on a company's suppliers, which may impact its ability to obtain raw materials, goods and services, or which may indirectly increase its costs of obtaining these elements from alternative sources;
- Sanctions imposed on an entity's creditors and/or banks, which may limit its ability to access funds and credit;
- Changes in customer and consumer attitudes towards companies with ties to Russia, Belarus or other jurisdictions related to the Russian Federation, which could reduce demand for the products of those companies;
- Changes in risk appetite that may lead to creditors and investors withdrawing their financial support for companies with ties to Russia, resulting in increased liquidity risk and/or doubts about the continuity of the activities of those companies;
- Volatility in the prices of financial instruments and commodities, including oil, natural gas, other petroleum products and minerals, as well as volatility in foreign exchange rates.

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, it does not expect a significant impact on the conduct of current operations. The Group's direct exposure to third parties affected by the sanctions imposed since the conflict began (customers, suppliers, banking institutions with which the Group collaborates, which have been directly affected by the sanctions) does not exist. The indirect exposure (customers, suppliers with which the Group collaborates, with links to third parties affected by the sanctions, as well as risks related to future volatility of commodity prices or foreign exchange rates) is unquantifiable, as the Group's Management has not received any indication of any significant impact on the Group's activity to date.

**NOTE 34. EVENTS AFTER THE BALANCE SHEET DATE**

**I. Signing an agreement for the sale of a group company**

In line with the asset valuation strategy announced at the beginning of the year, the issuer has signed a non-binding termsheet agreement for the sale of Elian Solutions' shares to a foreign investor. Should the transaction reach completion, the transaction price would be between EUR 6.4 and 8 million (for the takeover of 100% of Elian Solutions) depending on the company's financial performance in 2026.

**II. Extension and supplement of a bank lending product**

In February 2026, Elian Solutions, part of the Bittnet group, extended the revolving ceiling (overdraft) product contracted from Unicredit Bank. The new maturity of the ceiling is February 2027. With the extension, the value of the ceiling was also increased from 1.6 million lei to 2.6 million lei. The product is used by Elian to finance working capital.

The financial statements on page [3] to page [72] were approved and signed on March 27, 2026.

Mihai Logofătu

Adrian Stănescu

General Manager

Financial Director

## **BITTNET SYSTEMS S.A.**

Str. Srg. Ion Nuțu, nr. 44, One Cotroceni Park, Corp A și Corp B, et. 4, Sectorul 5  
Bucharest

## **INDEPENDENT AUDITOR'S REPORT**

*To the Shareholders of BITTNET SYSTEMS S.A.*

### **Report on the Audit of the Financial Statements**

#### ***Opinion on the Individual Financial Statements***

We have audited the individual financial statements of the BITTNET SYSTEMS S.A. (the "Company"), which comprise the statement of financial position as at December 31, 2025, and the statement of comprehensive income, statement of changes in equity, cash flow statements and the notes to the financial statements, including a summary of the significant accounting policies.

These individual financial statements include:

Shareholder's Equity	89,733,837 lei
Profit/(Loss) of the period	50,987 lei

In our opinion, the accompanying individual financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, as well as its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union and with OMFP no. 2844/2016 approving the Accounting Regulations in accordance with International Financial Reporting Standards, as subsequently amended.

#### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (ISA), EU Regulation no. 537 of the European Parliament and the European Council (hereafter "the Regulation") and the Law no. 162/2018 ("the Law"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company within the meaning of the Ethics Code for Professional Accountants (IESBA Code) issued by the International Ethics Standards Board for Accountants, according to ethical requirements relevant to the audit of the financial statements in Romania and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Key Audit Matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the individual financial statements for the current period. These matters were addressed in the context of the audit of the individual financial

statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The main matters that were taken into consideration were:

Key Audit Matter	Audit Approach
<p><b>Revenue recognition</b>  <i>Note 6 – Revenues from contracts with customers, Note 28 a) – Significant accounting policies-Revenue recognition</i></p> <p>Revenue is an important indicator used to assess the Company’s performance, both individually and as a component of key financial indicators. Revenue is recognized when the sale of services or goods has occurred and all economic risks have been transferred to the customer. As presented in Note 6, revenue recognized in 2025 is mainly generated from the sale of training services and IT integration solutions, goods and licenses. Due to its significance within the individual financial statements taken as a whole, revenue recognition was considered an area with a significant impact on our audit strategy and resource allocation during the planning and execution process.</p>	<p>Our audit procedures included testing the internal control procedures over the revenue recognition process, as well as other procedures, including but not limited to:</p> <ul style="list-style-type: none"> <li>• documenting and evaluating the revenue recognition and measurement process</li> <li>• testing whether revenue was recognized in the appropriate accounting period based on the timing of the underlying transactions</li> <li>• testing, on a sample basis, the main revenue streams by reference to supporting documentation</li> <li>• for a sample of customers, obtaining confirmations regarding receivable balances and sales revenue as at and for the financial year ended 31 December 2025</li> </ul>
<p><b>Impairment of investments in subsidiaries</b>  <i>Note 3 – Essential accounting estimates and judgements, Note 16 – Participation titles, Note 28 d) – Significant accounting policies – Financial assets</i></p> <p>Investments in subsidiaries are initially recognised at cost and, subsequently, are tested for impairment at each reporting date by estimating their recoverable amount. As disclosed in Note 16, the Company estimated the recoverable amount of its investments in subsidiaries as at 31 December 2025 and concluded that no impairment provision was required at that date. For</p>	<p>Our audit procedures, which involved our valuation specialists where appropriate, included, among others:</p> <ul style="list-style-type: none"> <li>• evaluating the methodology applied in determining the recoverable amount of the investments in subsidiaries</li> <li>• assessing the key assumptions used in the forecast cash flows, including by evaluating the budgeting process</li> </ul>

the purpose of the impairment test, management assesses the investments at the level of operating segments. The recoverable amount is determined using a value-in-use approach, which involves estimating future cash flows for each major business segment and applying appropriate discount rates.

Estimating the recoverable amount of the Company's investments in subsidiaries involves significant judgement in relation to assumptions such as future cash flows, growth rates, gross and net operating margins, net working capital requirements and discount rates, as well as macroeconomic assumptions, including the evolution of costs and salaries in the current economic and inflationary environment.

Taking these matters into consideration, the estimation of the recoverable amount of investments in subsidiaries was considered an area associated with a significant risk of material misstatement and required increased audit attention. Accordingly, this matter was considered to be a key audit matter.

#### ***Other matter***

The individual financial statements of the Company for the financial year ended December 31, 2024 were audited by another auditor, who issued an unmodified audit opinion on those financial statements dated 1 April 2025.

#### ***Other information – Administrators' Report***

The administrators are responsible for the preparation and presentation of the administrators' report in accordance with the applicable regulations, as such as this report is free from material misstatements and for such internal control as management determines is necessary to enable the preparation of the administrators' report that is free from material misstatement, whether due to fraud or error.

- of the Company's subsidiaries and comparing the forecasts used to historical performance
- performing sensitivity analyses over the key assumptions
- critically assessing, with the support of our specialists, the key assumptions used in determining the discount rate, long-term growth rate, operating cash flows, operating margins, working capital requirements, capital expenditure and taxation
- testing the mathematical accuracy of the valuation model
- evaluating the adequacy of the related disclosures in the financial statements

Our opinion on the financial statements does not cover this other information, and unless it is expressly stated in our report, we do not express any assurance conclusion about them.

Regarding the audit of the financial statements for the financial year ended December 31, 2025, it is our responsibility to read that other information and to assess whether that other information is materially inconsistent with the financial statements or knowledge, we obtain during the audit, or if they appear to be material misstatement.

As respects of the Administrators' Report, we have read it and we report on whether it was prepared, in all material aspects, in accordance the applicable regulations.

On the sole basis of the activities which shall be performed during the audit of the financial statements, in our opinion:

- a) Nothing was identified by us that made us believe that the information presented in the Administrators' Report, in material respects, is not in accordance with the financial statements.
- b) The Administrators' Report mentioned above includes, in all material respects, the information requested by the applicable regulations.

In addition, based on our knowledge and understanding of the Company and its environment, acquired during the audit of the financial statements for the year ended December 31, 2025, we are required to report whether we have identified significant misstatements in the Administrators' Report. We have nothing to report on this issue.

With respect to the Remuneration Report, we have read the Remuneration Report in order to assess whether it includes, in all material respects, the information required by Article 107(1) and (2) of Law no. 24/2017 on issuers of financial instruments and market operations, as subsequently amended. We have nothing to report in respect of this matter.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the above mentioned regulations and for such internal control as management determines is necessary to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

### ***Report on other legal and regulatory provisions***

We were appointed by the General Meeting of Shareholders on 21 October 2025 to audit the individual financial statements of BITTNET SYSTEMS S.A. for the financial year ended December 31, 2025. The total uninterrupted period of our engagement is 1 year.

We confirm that our audit opinion is consistent with the additional report to the Company's Audit Committee, which was issued on the same date as this auditor's report. We also confirm that, in the course of our audit, we remained independent of the audited entity.

We have not provided to the Company any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

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### **Report on the Compliance of the Electronic Format of the Separate Financial Statements with the Requirements of the ESEF Regulation**

We have performed a reasonable assurance engagement on the compliance of the separate financial statements presented in XHTML format of BITTNET SYSTEMS S.A. (the "Company") for the year ended 31 December 2025 with the requirements of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018, supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation").

These procedures involve testing the format and verifying that the electronic format of the separate financial statements (XHTML) corresponds to the audited separate financial statements, as well as expressing an opinion on whether the electronic format of the Company's separate financial statements for the year ended 31 December 2025 complies with the requirements of the ESEF Regulation. In accordance with these requirements, the electronic format of the separate financial statements must be presented in XHTML format.

## **Responsibilities of Management and Those Charged with Governance**

Management is responsible for compliance with the requirements of the ESEF Regulation in preparing the electronic format of the separate financial statements in XHTML and for ensuring consistency between the electronic format of the separate financial statements (XHTML) and the audited separate financial statements.

Management's responsibility also includes designing, implementing, and maintaining internal controls considered necessary to enable the preparation of the separate financial statements in ESEF format free from material misstatement due to non-compliance with the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process for the preparation of the separate financial statements, including the application of the ESEF Regulation.

### **Auditor's Responsibility**

Our responsibility is to express an opinion providing reasonable assurance on the compliance of the electronic format of the separate financial statements with the requirements of the ESEF Regulation.

We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)). This standard requires that we comply with ethical requirements and plan and perform the engagement to obtain reasonable assurance about whether the electronic format of the Company's separate financial statements is prepared, in all material respects, in accordance with the ESEF Regulation. The nature, timing, and extent of the procedures selected depend on professional judgment, including the assessment of the risks of material non-compliance with the ESEF Regulation, whether due to fraud or error.

Reasonable assurance is a high level of assurance, but it does not guarantee that an assurance engagement conducted in accordance with ISAE 3000 (Revised) will always detect material non-compliance when it exists.

### **Independence and Quality Management**

We apply the International Standard on Quality Control 1 (ISQC 1) – Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, which requires the design, implementation, and operation of a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have maintained our independence and confirm that we have complied with the ethical and independence requirements set out in the IESBA Code of Ethics, including the International Independence Standards.

## Summary of Procedures Performed

The objective of the procedures planned and performed was to obtain reasonable assurance that the electronic format of the separate financial statements is prepared, in all material respects, in accordance with the requirements of the ESEF Regulation. In our assessment of the compliance of the Company's electronic reporting format (XHTML) of the separate financial statements with the requirements of the ESEF Regulation, we maintained professional skepticism and exercised professional judgment. We also performed the following:

- obtained an understanding of internal controls and processes related to the application of the ESEF Regulation with respect to the Company's separate financial statements, including their preparation in XHTML format
- tested the validity of the XHTML format applied
- verified that the electronic format of the separate financial statements (XHTML) corresponds to the audited separate financial statements

## Conclusion

Based on the procedures performed, in our opinion, the electronic format of the separate financial statements is prepared, in all material respects, in accordance with the requirements of the ESEF Regulation.

In this section, we do not express an audit opinion, a review conclusion, or any other form of assurance conclusion on the financial statements. Our audit opinion on the individual financial statements of BITTNET SYSTEMS S.A. for the financial year ended 31 December 2025 is included in the section *Report on the Financial Statements* above.

March 26<sup>th</sup>, 2026  
No.#0291  
Bucharest

In the name of  
**JPA Audit și Consultanță S.R.L.**  
Registered Auditor ASPAAS FA319



Florin Toma  
Registered Auditor ASPAAS AF1747

**Autoritatea pentru Supravegherea Publică a  
Activității de Audit Statutar (ASPAAS)**  
Firma de Audit:  
**JPA AUDIT & CONSULTANȚĂ S.R.L.**  
Registrul Public Electronic: **FA 319**

**Autoritatea pentru Supravegherea Publică a  
Activității de Audit Statutar (ASPAAS)**  
Auditor financiar: **FLORIN TOMA**  
Registrul Public Electronic: **AF 1747**

BITTNET SYSTEMS SA

INDIVIDUAL FINANCIAL STATEMENTS

ACCORDING WITH  
ORDER OF THE MINISTER OF PUBLIC FINANCE  
NO. 2844/2016 FOR THE APPROVAL OF  
ACCOUNTING REGULATIONS, WITH  
SUBSEQUENT AMENDMENTS ("OMFP NO.  
2844/2016")

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**BITTNET SYSTEMS SA**  
**INDIVIDUAL FINANCIAL STATEMENTS** for the financial year 2025  
(all amounts are expressed in LEI, unless otherwise specified)

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**INDIVIDUAL SITUATION OF THE GLOBAL RESULT**

	Note	<u>2025</u>	<u>2024</u>
Revenue from contracts with customers	[6]	17,902,981	9,217,903
Cost of sales	[7]	(10,863,489)	(4,604,591)
<b>Gross margin</b>		<b>7,039,492</b>	<b>4,613,312</b>
Other income	[8]	37,506	32,684
Selling expenses	[9,11]	(3,311,869)	(4,262,527)
General and administrative expenses	[10,11]	(6,808,371)	(7,994,175)
Impairment	[8]	-	(1,428,990)
Gain/(loss) on equity securities		(101,720)	(39,541)
Financial income	[12]	7,247,885	22,425,716
Financial expenses	[12]	(4,599,100)	(4,016,001)
<b>Gross profit</b>		<b>(496,178)</b>	<b>9,330,479</b>
Income tax	[13]	547,165	461,271
<b>Net profit:</b>		<b>50,987</b>	<b>9,791,750</b>
	[5]		
Earnings per share			
basic		0.0001	0.0153
diluted		0.0001	0.0142

The financial statements from page [3] to page [56] were approved and signed on March 27, 2026.

Mihai Logofătu  
General Manager

Adrian Stănescu  
Financial Director

**BITTNET SYSTEMS SA**  
**INDIVIDUAL FINANCIAL STATEMENTS** for the financial year 2025  
(all amounts are expressed in LEI, unless otherwise specified)

**INDIVIDUAL STATEMENT OF FINANCIAL POSITION**

	Notes	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>Assets</b>			
<b>Fixed assets</b>			
Intangible assets	[14]	6,270,757	6,340,337
Tangible fixed assets	[15]	402,772	534,741
Usage rights	[24]	5,655,730	6,642,437
Participation titles	[16]	66,533,285	70,468,278
Other financial assets	[17]	40,216,341	23,657,055
Taxput off	[13]	2,628,265	2,081,100
<b>Total fixed assets</b>		<b>121,707,150</b>	<b>109,723,948</b>
<b>Current assets</b>			
Stocks	[18]	166,465	5,216
Services in progress		2,913,097	810,819
Trade receivables	[17]	5,938,087	3,856,996
Other receivables	[17]	7,243,788	9,747,134
Financial assets at fair value	[16]	3,459,404	5,710,669
Cash and equivalents	[20]	4,822,633	15,329,850
<b>Total current assets</b>		<b>24,543,472</b>	<b>35,460,684</b>
<b>TOTAL ASSETS</b>		<b>146,250,622</b>	<b>145,184,633</b>
<b>CAPITAL AND LIABILITIES</b>			
Share capital		63,417,671	63,417,671
Issue premiums		31,934,768	31,934,768
Other equity items		(15,237,955)	(12,156,041)
Reserves		1,442,164	1,442,164
Retained earnings		8,177,188	8,126,201
<b>Total capital and reserves</b>	[21]	<b>89,733,837</b>	<b>92,764,764</b>
<b>Long-term debts</b>			
BONDS	[22]	21,194,200	30,718,474
Bank loans	[23]	-	-
Leasing Debts	[24]	9,829,790	13,095,069
Deferred tax	[13]	-	-
<b>Total long-term debt</b>		<b>31,023,990</b>	<b>43,813,543</b>
<b>Current liabilities</b>			
Bonds	[22]	10,475,771	167,365
Bank loans	[23]	-	-
Leasing Debts	[24]	3,863,814	3,897,322
Corporate tax liabilities	[13]	-	-
Contractual liabilities	[25]	265,014	463,881
Trade debts	[25]	9,768,323	3,571,151
Other debts	[25]	1,014,043	400,775
Provisions	[25]	105,831	105,831
<b>Total current liabilities</b>		<b>25,492,796</b>	<b>8,606,326</b>
<b>Total debts</b>		<b>56,516,786</b>	<b>52,419,869</b>
<b>TOTAL CAPITAL AND LIABILITIES</b>		<b>146,250,622</b>	<b>145,184,633</b>

**BITTNET SYSTEMS SA**  
**INDIVIDUAL FINANCIAL STATEMENTS** for the financial year 2025  
(all amounts are expressed in LEI, unless otherwise specified)

**INDIVIDUAL CASH FLOW STATEMENT**

	2025	2024
<b>Gross profit</b>	<b>(496,178)</b>	<b>9,330,479</b>
Adjustments for:		
Depreciation expenses	2,317,789	2,115,786
Adjustments for depreciation	-	1,428,990
Expenses related to assets disposed of	-	-
Benefits granted to SOP employees	311,804	1,043,509
Adjustments for impairment of receivables	(9,430)	-
Interest expenses and other financial costs	3,524,295	3,061,569
Interest expenses on leasing liabilities	792,270	937,340
Interest income and other financial income	(3,695,579)	(3,133,882)
Gain/Loss on securities investments	(3,552,302)	(19,291,832)
Win/Loss of titles put in equivalence	101,720	39,541
<b>Operating profit before changes in working capital</b>	<b>(705,612)</b>	<b>(4,468,501)</b>
Variation in accounts receivable balances	(3,193,429)	6,158,919
Variation in inventory account balances	(161,249)	(4,818)
Variation in debt account balances	6,611,572	1,228,741
<b>Cash generated from operations</b>	<b>2,551,283</b>	<b>2,914,341</b>
Profit tax paid	-	-
<b>Net cash from operating activities</b>	<b>2,551,283</b>	<b>2,914,341</b>
<b>Investment activities:</b>		
Payments for the acquisition of participating interests	1	(23,268,595)
Proceeds from the sale of participating interests	6,125,000	23,419,650
Loans granted to related entities	(11,866,260)	407,498
Acquisitions of tangible and intangible assets	(953,756)	(1,179,799)
Proceeds from other financial assets	157,754	1,467,912
Dividends received	1,660,277	2,501,753
Interest received	2,525,479	4,722,050
<b>Net cash from investing activities</b>	<b>(2,351,504)</b>	<b>8,070,470</b>
<b>Financing activities:</b>		
Sales of own shares	-	2,857,998
Acquisition of own shares	(3,393,718)	(766,058)
Proceeds from bond issuance	-	6,197,011
Interest on leasing debts	(792,270)	(937,340)
Leasing debt payments	(3,780,845)	(3,781,643)
Interest paid	(2,740,163)	(2,760,899)
<b>Net cash from financing activities</b>	<b>(10,706,995)</b>	<b>809,070</b>
<b>Net increase in cash and cash equivalents</b>	<b>(10,507,217)</b>	<b>11,793,881</b>
Cash and cash equivalents at the beginning of the financial year	15,329,850	3,535,970
<b>Cash and cash equivalents at the end of the financial year</b>	<b>4,822,633</b>	<b>15,329,851</b>

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**INDIVIDUAL SITUATION OF CHANGES IN EQUITY**

	Share capital	Issue premiums	Other equity items	Legal reserves	Retained earnings	Total Capital
<b>Jan 1, 2024</b>	<b>63,417,672</b>	<b>31,934,768</b>	<b>(15,291,490)</b>	<b>956,462</b>	<b>(1,179,845)</b>	<b>79,837,567</b>
Net result	-	-	-	-	9,791,750	9,791,750
Other elements of the overall result	-	-	-	-	-	-
<b>Total Overall result</b>	-	-	-	-	9,791,750	9,791,750
Share capital increase	-	-	-	-	-	-
Acquisition of own shares	-	-	(766,058)	-	-	(766,058)
Sales of own shares	-	-	2,857,998	-	-	2,857,998
Benefits granted to SOP employees	-	-	1,043,509	-	-	1,043,509
Legal reserve distribution	-	-	-	485,702	(485,702)	-
<b>Dec 31, 2024</b>	<b>63,417,672</b>	<b>31,934,768</b>	<b>(12,156,041)</b>	<b>1,442,164</b>	<b>8,126,201</b>	<b>92,764,764</b>
Net profit	-	-	-	-	50,987	50,987
Other elements of the overall result	-	-	-	-	-	-
<b>Total Overall result</b>	-	-	-	-	50,987	50,987
Share capital increase	-	-	-	-	-	-
Acquisition of own shares	-	-	(3,393,718)	-	-	(3,393,718)
Sales of own shares	-	-	-	-	-	-
Benefits granted to SOP employees	-	-	311,804	-	-	311,804
Legal reserve distribution	-	-	-	-	-	-
<b>Dec 31, 2025</b>	<b>63,417,672</b>	<b>31,934,768</b>	<b>(15,237,955)</b>	<b>1,442,164</b>	<b>8,177,188</b>	<b>89,733,837</b>

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**NOTA 1. GENERAL INFORMATION**

**Operational activities**

The financial statements include the individual financial information of Bittnet Systems (the "Company" or the "Issuer"), with its registered office in Bucharest, Str. Sergent Nutu Ion, no. 44, cl. ONE Cotroceni Park, building A&B, floor 4, sector 5. The Company has the following subsidiaries registered in Romania:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>SUBSIDIARIES - % ownership</b>		
Dendrio Solutions	96.5%	96.5%
Dendrio Innovations, 100% owned by Dendrio Solutions	96.5%	96.5%
Dendrio Technology, 100% owned by Dendrio Solutions	96.5%	96.5%
IT Prepared	-	50.2%
Bittnet Training	100%	100%
Elian Solutions	61.69%	61.69%
Elian Development Systems, 100% owned by Elian Solutions	61.69%	61.69%
Nenos Software	60.97%	60.97%
Nonlinear	60%	60%
(*) The Group sold its entire stake in IT Prepared in May 2024		
<b>MINORITY INTERESTS</b>		
E-Learning Company	23%	23%
Digital Intelligence Partners, owned by Dendrio Solutions	23.35%	23.35%

Bittnet was founded in 2007 and focused on providing IT training and integration solutions, based on technologies from market leaders such as Cisco, Microsoft, Dell, Oracle, HP, VMware, Google, Amazon Web Services.

The Group's continuous evolution process, both through the launch of new products and services and through continuous acquisitions, has led to the current size in which the activity is organized in centers ("cells") as independent as possible, in areas of interest - "development pillars" or "business units", which represent sub-domains of activity in the IT&C Services area. Bittnet is today a conglomerate that offers investors exposure to the entire IT&C industry in Romania.

Bittnet shares (symbol BNET) are listed on the BVB Regulated Market and are part of the main BVB indices.

During 2025, the average number of employees of the Company was 16. The following table presents the division by functional departments at the end of the fiscal years 2024-2025:

<u>Department</u>	<u>Dec. 31, 2025</u>	<u>Dec. 31, 2024</u>
Delivery	2	2
Sales	7	9
Administrative	9	6
<b>Total</b>	<b>18</b>	<b>17</b>

**Company Management**

Given the approaching expiration of the Board of Directors' mandates at the end of January 2024, the issuer convened the General Meeting of Shareholders for January 25, 2024 to elect a new Board. Following the casting of votes, the shareholders elected the new Board of Directors for a 4-year mandate, which had the following composition:

- 1) **Ivylon Management SRL** – executive administrator, through Mihai Alexandru Constantin Logofătu;
- 2) **Angel Lucian Claudiu** – non-executive director;
- 3) **Eccleston Square Capital Limited** represented by CIUCU BOGDAN-ANDREI – non-executive administrator;
- 4) **CONSTANTINESCU GABRIEL-CLAUDIU** – non-executive director;

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5) **Quercus Solutions SRL** represented by MICHEȘ PAUL – non-executive administrator.

On 21.10.2025, the company's shareholders met at the General Meeting to elect new members to the Board of Directors, following the resignations submitted by 3 of the members elected at the AGM in January 2024. Following the casting of votes, the shareholders elected the new composition of the Board of Directors, the new members having the mandates aligned with the old members, namely until January 2028:

- 1) **Ivylon Management SRL**– executive administrator, through Mihai Alexandru Constantin Logofătu. As of 31.12.2025, Mihai Logofătu holds a number of 55,651,882 shares, which represents 8.77% of the share capital. Mihai Logofătu is co-founder of Bittnet Systems. Mihai Logofătu is also the general manager of the Issuer;
- 2) **Angel Lucian Claudiu**– non-executive administrator, who holds on 31.12.2025 a number of 5,468,395 shares of the Issuer, i.e. a percentage of 0.86% of the share capital;
- 3) **Marketing Expert Consulting SRL** represented by TUDOR ADINEL – non-executive director. At the date of election as a member of the Board of Directors, as well as on 31.12.2025, Mr. Tudor or the company Marketing Expert Consultin did not hold shares of the issuer;
- 4) **PODARIU AUREL CONSTANTIN**– non-executive director. At the date of election as a member of the Board of Directors, as well as on 31.12.2025, Mr. Podariu did not hold shares of the issuer;
- 5) **LOGOFĂTU CRISTIAN ION** – non-executive director. As of 31.12.2025, Cristian Logofătu holds 58,005,988 shares, representing 9.14% of the share capital. Cristian Logofătu is co-founder of Bittnet Systems. Cristian and Mihai Logofătu are brothers.

The operational management of Bittnet Systems is ensured by: Mihai Logofătu – CEO and co-founder and Adrian Stănescu – CFO, together with Cristian Hergheliegiu – VP Technology and Cristina Rațiu – CEO Education. The 4 individuals are identified as key management from an IFRS perspective.

## **NOTA 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

### **a) Declaration of conformity**

The Issuer's individual financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union ("EU IFRS"), and in accordance with OMFP 2844/2016, as amended and supplemented, "for the approval of accounting regulations in accordance with International Financial Reporting Standards".

The Issuer prepared and published on March 27, 2026 consolidated financial statements prepared in accordance with EU IFRS and OMFP 2844/2016.

The individual financial statements have been prepared under the historical cost convention and on the going concern basis. The financial statements are presented in LEI, which is also the Issuer's functional currency.

The main accounting policies adopted in the preparation of the financial statements are disclosed in Note 27 "Significant accounting policies".

### **b) Business continuity**

The year 2025 has put the Company in front of one of the most complex periods in its history. The national and international context has changed the rhythm of the IT market: postponed decisions, budgets put on hold by customers and high volatility in both the IT sector and the national economy. In the first half of the year, the prolonged electoral cycle, the instability caused by the negotiations for the formation of a new governing coalition, the discussions on the country rating and the delays in the implementation of projects financed through the PNRR, contributed to a sudden stop in investments, as well as to significant fluctuations felt in the economy: from pressures on the exchange rate to the increase in the costs of capital and reluctance to obtain financing for the development of projects.

For the Company, these realities translated into contracts whose signing was postponed, procedures already started that slowed down and payment delays for delivered projects. The constructive part is that there were time lags and not waivers and cancellations. Starting with the third quarter, the IT market went through a gradual thaw and a gradual resumption of investment plans, both in the public and private sectors, a signal that the fundamentals of demand remained solid, even if the pace was temporarily affected in the first part of 2025.

Based on the analysis of future cash flows and the analysis of existing obligations, as well as based on the results of the current year, the Company's Management believes that the principle of business continuity is appropriately applied in the preparation of the financial statements as of December 31, 2025.

### **c) New standards and interpretations, which have not yet been adopted**

At the date of authorization of the financial statements for issue, new IFRS standards, amendments and interpretations were issued that are not yet in force or have not been early applied by the Company.

The Company has analyzed their impact on the financial statements and presents below a summary of those relevant to the Company's activity.

#### **Standards and amendments applicable from 2024-2026**

##### **IAS 1 – Classification of Liabilities (Amendments)**

Application: January 1, 2024

Summary: Clarifies the classification of debts as current/non-current based on the right to defer payment.

Includes covenant requirements.

Impact: Low/insignificant impact

**IAS 1 – Presentation of Accounting Policies (Amendments)**

Application: January 1, 2023 (still relevant)

Summary: Requires presentation of significant accounting policies, not general ones.

Impact: Moderate impact (presentation only)

**IAS 8 – Accounting Estimates**

Application: January 1, 2023

Summary: Clarifies the difference between changes in estimates and accounting policies.

Impact: Low impact

**IAS 12 – Deferred Tax (Pillar II)**

Application: January 1, 2023–2024

Summary: Introduces temporary exceptions to the recognition of deferred tax for the global minimum tax (OECD Pillar II).

Impact: Insignificant impact

**IFRS 16 – Lease liabilities in sale & leaseback transactions (Amendment)**

Application: January 1, 2024

Summary: Clarifies the subsequent measurement of leaseback obligations.

Impact: Insignificant impact

**IFRS 7 & IAS 7 – Supplier Financing Arrangements**

Application: January 1, 2024

Summary: Presentation requirements for supplier financing schemes.

Impact: Low impact

**d) Other standards**

The following new and amended standards are not expected to have a significant impact on the Company's financial statements:

**IFRS 18 – Preparation and presentation of financial statements**

Application: January 1, 2027

Summary: Replaces IAS 1 (partially) and introduces:

- new categories in P&L (operating, investing, financing)
- standardized subtotals (e.g. operating profit)
- strict rules for non-GAAP measures

Impact on SA: High impact (presentation)

**IFRS 9 & IFRS 7 – Amendments regarding classification and ECL**

Application: January 1, 2026 (anticipated)

Summary:

- clarifications regarding the classification of financial assets
- improvements in the expected loss (ECL) model

Impact: Moderate impact

**IFRS 10 & IAS 28 – Sale or contribution between investor and associate**

Implementation: Deferred (indefinite)

Summary: Accounting treatment for transactions with associated entities / joint ventures

Impact: Low impact

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

### **NOTA 3. ESSENTIAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Society does SOME estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions in the future. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### **Essential reasoning**

- Revenue recognition (Note 6) – principal/agent relationship regarding the resale of software licenses;
- Bittnet brand recognition (Note 14);
- Recognition of employee/collaborator loyalty program through share offering – “SOP” (Note 20)

#### **Estimates and assumptions**

- Evaluation of the consideration related to the employee/collaborator loyalty program through the offering of shares – “SOP” (Note 20)
- Assessment of adjustments for impairment of receivables (Note 17)
- Estimating the recoverable value of investments in subsidiaries to assess possible impairment

Except for the valuation of financial assets held for sale and the estimated value for the adjustment of receivables, the Company does not hold assets and liabilities included in the financial statements that require the measurement and/or presentation of fair value.

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**NOTA 4. FINANCIAL INSTRUMENTS – RISK MANAGEMENT**

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Interest rate risk
- Currency risk
- Other market price risks and
- Liquidity risk.

Along with all other businesses, the Company is exposed to risks arising from the use of its financial instruments. This note describes the objectives, policies and processes for managing risks and the methods used to assess them. Additional quantitative information regarding these risks is presented throughout these financial statements.

There have been no material changes during the periods reported in relation to the Company's exposure to financial instrument risks, its risk management objectives, policies and processes, or the methods used to assess them in previous periods, unless otherwise specified in this note.

**(i) Main financial instruments**

The main financial instruments used by the Company, from which the financial instrument risk results, are the following:

- Receivables and loans;
- Cash and cash equivalents;
- Variable rate bank loans;
- Bank loans and fixed rate bonds;
- Trade and other debts.

**(ii) Financial instruments by category**

FINANCIAL LIABILITIES	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Loans from bond issues	31,669,971	30,885,839
Lease liabilities	13,693,604	16,992,391
Bank loans	-	-
Trade and other debts	10,128,678	3,903,875
<b>Total</b>	<b><u>55,492,252</u></b>	<b><u>51,782,105</u></b>

FINANCIAL ASSETS	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Receivables and loans	53,169,729	36,884,609
Financial assets at fair value	3,459,404	5,710,669
Cash and cash equivalents	4,822,633	15,329,850
<b>Total</b>	<b><u>61,451,766</u></b>	<b><u>57,925,128</u></b>

**(iii) Financial instruments not measured at fair value**

Financial instruments that are not measured at fair value include cash and cash equivalents, receivables and loans, trade and other payables, bank loans and bonds.

As a result of their short-term nature, the carrying amount of cash and cash equivalents, trade and other receivables, and trade and other payables, including loans, approximates their fair value.

**General objectives, policies and processes**

The Board of Directors has overall responsibility for determining the Company's risk management objectives

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and policies and, while retaining responsibility for them, has delegated authority to design and operate the processes that ensure the effective implementation of the objectives and policies in the Company's finance function. The Board receives monthly reports from the Company's CFO through which it reviews the effectiveness of the processes implemented and the adequacy of the objectives and policies it establishes.

The general objective of the Board of Directors is to establish policies that aim to reduce risks as much as possible, without unduly affecting the competitiveness and flexibility of the Company. More details regarding these policies are presented below:

***Credit risk***

Credit risk represents the risk that the Company's debtors will not be able to honor their obligations when they fall due, due to the deterioration of their financial situation. The Company is less exposed to this risk due to the specific nature of the products and services sold, which are aimed at companies of certain sizes, with a particular financial situation.

The company analyzes new customers using specialized tools (sites specifically for analyzing customer creditworthiness) and has a strict procedure regarding the documentation of orders and the provision of services or delivery of goods.

However, the Company has not identified a solution that can completely eliminate credit risk, this being one of the most important risks for a company of our size.

Additional relevant information regarding trade and other receivables, which are neither past due nor impaired, is presented in Note 16.

**Cash in bank and short-term deposits**

Society regularly monitors banks' credit ratings, and no losses from counterparty default are expected at the reporting date. For all financial assets for which impairment requirements have not been applied, the carrying amount represents the maximum exposure to credit loss.

***Market risk***

Market risk arises from the Company's use of interest-bearing financial instruments, tradable and denominated in foreign currencies. There is a risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

***Interest rate risk***

The Company is exposed to the risk of interest rate increases, having contracted bank loans and from the issue of bonds, all in LEI. Any increase in the interest rate will be reflected in the increase in financial costs. The Company regularly monitors the market situation in order to forecast the risk associated with the interest rate.

All current borrowings have a fixed annual interest rate (bonds and leasing). The weighted cost of borrowed capital is just under 9% per annum. We believe that the coming financial period will be a period in which the fact that, for the most part, the price of borrowed capital has been fixed will constitute a competitive advantage.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Variable interest rate	-	-
Fixed interest	45,363,574	47,878,230
<b>Total</b>	<u><b>45,363,574</b></u>	<u><b>47,878,230</b></u>

As of December 31, 2025, if the interest rates on loans in LEI had been 1 percentage point higher/lower, with all other variables held constant, the gross profit for the year would have been the same (December 31, 2024: same), mainly due to higher/lower interest expenses on variable rate loans.

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**Currency risk**

An important element of market risk is the risk of exchange rate fluctuations. The company aims to be neutral towards the risk of exchange rate fluctuations. The activities carried out in this regard are:

- The company avoids, as much as possible, submitting "cross currency" sales offers (offers with the sales price expressed in a currency other than the purchase currency);
- Most sales prices in contracts are expressed in foreign currency, with invoicing in lei at the exchange rate on the date of delivery.

As of December 31, the Company's net exposure to foreign exchange risk was as follows (amounts in LEI equivalent):

Net financial assets/(liabilities) in foreign currency	Dec 31, 2025	Dec 31, 2024
EUR	(16,444,035)	(16,465,644)
USD	115,672	256,262

At 31 December 2025, if the EUR/RON exchange rate had been 1% higher/lower, with all other variables held constant, gross profit for the year would have been 164,440 lower/higher (31 December 2024: 164,656), mainly due to the revaluation of net financial assets denominated in EUR.

**Other market risk**

The Company holds some investments in other listed companies. Management believes that the exposure to market risk from this activity is acceptable in the Company's circumstances, but is much higher than the risk associated with an investment in government securities or participation in investment funds, mainly due to the volatility and unpredictable evolution of share prices, both in the short and long term.

**Liquidity risk**

Liquidity risk arises from the Company's management of working capital and financial expenses and the principal repayments of its debt instruments. There is a risk that the Company will encounter difficulties in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to enable it to meet its liabilities as they fall due. To achieve this objective, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days. The Company also seeks to reduce liquidity risk by fixing interest rates (and therefore cash flows) on a portion of its long-term borrowings, and this is discussed in the "interest rate risk" section above.

The following table presents the contractual maturities (representing contractual cash flows of financial liabilities):

December 31, 2025	Carrying amount	Up to 2 months	2 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Loans from bond issues	31,669,971	149,060	10,326,710	4,956,923	16,237,277	-
Leasing Debts	13,693,604	481,464	3,382,350	4,010,477	5,819,313	-
Bank loans	-	-	-	-	-	-
Trade and other debts	10,128,678	10,128,678	-	-	-	-
<b>Total</b>	<b>55,492,252</b>	<b>10,759,202</b>	<b>13,709,060</b>	<b>8,967,400</b>	<b>22,056,590</b>	<b>-</b>

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December 31, 2024	Carrying amount	Up to 2 months	2 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Loans from bond issues	30,885,839	167,365	-	9,715,173	21,003,301	-
Leasing Debts	16,992,391	441,325	3,455,997	3,703,185	9,391,883	-
Bank loans		-	-	-	-	-
Trade and other debts	3,903,875	3,903,875	-	-	-	-
<b>Total</b>	<b>51,782,105</b>	<b>4,512,565</b>	<b>3,455,997</b>	<b>13,418,359</b>	<b>30,395,184</b>	<b>-</b>

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**NOTA 5. EARNINGS PER SHARE**

The company presents both basic earnings per share and diluted earnings per share:

- basic earnings per share are calculated by dividing the net profit for the current year attributable to the Company's equity holders by the weighted average number of shares during the period;
- Diluted earnings per share are calculated based on net profit, adjusted for the dilutive effect of employee stock options.

Earnings per share are adjusted retroactively at the beginning of the first reported period for the increase in the number of shares resulting from capitalization.

The calculation of earnings per share for the financial years 2023-2024 is presented in the following table:

	2025	2024
Net profit attributable to the parent company (A)	50,987	9,791,750
Number of shares - beginning of the period	634,176,714	634,176,714
Premium capitalization/retained earnings	-	-
Shares issued during the period for acquisition of participating interests (Note 23)	-	-
Shares issued during the period for cash (Note 23)	-	-
Number of shares - end of period	634,176,714	634,176,714
Average common shares during the period (B)	634,176,714	634,176,714
Dilutive stock (SOP)	-	47,563,254
Overall average (C)	634,176,714	681,739,968
Earnings per share		
basic (A/B)	0.0001	0.0154
diluted (W/C)	0.0001	0.0144

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**NOTA 6. REVENUE FROM CONTRACTS WITH CUSTOMERS**

Revenues from customer contracts for the financial years 2024-2025 are detailed in the following table:

	<u>2025</u>	<u>2024</u>
Training services	13,283,568	8,574,731
IT solutions for integrating services, products and licenses	4,619,412	643,172
<b>Total</b>	<b><u>17,902,981</u></b>	<b><u>9,217,903</u></b>

**Revenue from a geographical perspective**

The services are meaningfully provided and the goods delivered to entities in Romania.

**Essential reasoning**

The Company analyzed, in light of the provisions of IFRS 15, whether it acts in its own name ("Principal") in its relationship with customers, respectively whether it controls the promised goods and services before transferring the good or service to a customer.

Analyzing the contracts for the sale of goods (hardware equipment and software licenses), the Bittnet Company considers that it has the obligations in its own name, and therefore acts as a "Principal" and not as an intermediary ("Agent"). To reach this conclusion, the Company analyzed the ordering and delivery processes of the equipment and licenses, the moment of transfer of rights from the supplier to the Company and from the Company to the customer, and the occurrence of risks associated with control.

The company sells the rights to the goods produced by the manufacturers in combination with its own value-added services. These services are of the "advisory" and "know-how" type (often governed and certified by the status of partners with the manufacturers), ensuring that the solutions sold to the customers meet their specific requirements and needs. These services are an integral and essential part of the obligations assumed towards the customers, because these services do not offer a separate value to the customers, and are not invoiced separately. The combination of qualified consulting services (pre- and post-sales) and the goods produced by the manufacturers is, in fact, what ensures the benefit of the customers, in the form of a solution customized to the specific needs (e.g. providing various upgrade options and maximum flexibility) and legally compliant. Also, after the conclusion of the contract, throughout the duration of the contract, the Company is the sole point of contact and solely responsible to the client for any problems (in which case the Company's team resolves the deficiencies and/or liaises with the manufacturer to remedy the problems that have arisen) or additional requirements (e.g. software upgrade).

Even if the IT equipment or software licenses sold by the Company are produced by other entities, the Company's promise to its own customers is not to manufacture those goods, but to deliver them, and often to perform additional activities such as installation, customization, combination, activation, configuration, optimization and maintenance during operation – these being key elements of the performance obligations assumed towards customers. From the customer's perspective, the Company's promise represents a single performance obligation (i.e. to provide a customized and legally compliant solution) and the Company assumes the performance risk for the entire solution, which attests to the Company's control over the products in the delivery stream. Regarding delivery to the customer, it is carried out by the Company – which takes effective possession of the goods (including the software activation keys) and transmits them to the end customer, along with the specific internal activation processes in designated portals (processes carried out by the Company's team). Also, through the contracts concluded with the manufacturers, the Company receives, according to its status as an authorized partner, the right to use the manufacturer's intellectual property, which is separate from the actual licenses sold to customers; as such, the Company controls the entire promise to the customer before delivery.

Although the Company usually has no inventory risk before receiving the order from the customer, from that moment on the Company assumes the inventory risk until the final transfer of control over the goods to the end customer. Even if by definition there is only one manufacturer for each type of equipment or software license sold to customers, the Company may decide to purchase directly from the manufacturer, or from any other authorized supplier (distributor, importer, European, global wholesaler, etc.). If, for any reason, the delivery to the customer is not completed, or is not successfully carried out (in accordance with

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the obligations assumed towards the customer), the Company will remain in possession of the goods without being able to return them to the supplier or sell them to another customer. Also, in certain situations, the Company places orders in advance with suppliers (i.e. before receiving the order from the customer) to secure volume discounts or to take advantage of advantageous prices (thus voluntarily assuming the inventory risk), and subsequently transfers goods to customers, as they confirm their purchase intentions.

In conclusion, the Company makes a promise to the customers to deliver the goods, takes possession and control of them and establishes the selling prices, within the framework of negotiation processes. The Company has the freedom to establish prices with the customers; thus, the Company can grant additional discounts, or can request an increase in the price to reflect currency risks, speed of delivery, risk of non-collection from the customer, etc. In other words, in front of the customers, the Company is the supplier of the goods, even if they are produced by manufacturers and/or delivered by distributors, the Company being fully responsible for the good delivery of the agreed projects.

Additionally, the Company bears the full credit risk for the entire value of the goods (hardware and software) – orders once placed with suppliers (either directly with the manufacturer or with authorized intermediaries) are non-refundable. In evaluating the decision to initiate and/or continue business relationships with customers, the Company analyzes only the ability and intention/creditworthiness of customers to pay invoices on time. The Company has complete control over the sales strategy, decides which goods and services to offer, deliver and ultimately implement/configure.

#### NOTA 7. COST OF SALES

The costs related to sales for the financial years 2024-2025 are presented in the following table:

	<u>2025</u>	<u>2024</u>
Cost of goods sold and licenses	2,865,908	469,193
Other direct materials	293,172	246,712
Cloud services	410,248	14,335
Personnel expenses	1,189,913	339,062
Subcontractor expenses	49,444	294,545
Services provided by third parties	6,054,804	3,240,744
<b>Total</b>	<b><u>10,863,489</u></b>	<b><u>4,604,591</u></b>

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**NOTA 8. OTHER INCOME and OTHER EXPENSES**

**a) Other income**

	<u>2025</u>	<u>2024</u>
Other	37,506	32,684
<b>Total</b>	<b>32,684</b>	<b>32,684</b>

**b) Other expenses**

	<u>2025</u>	<u>2024</u>
Impairment of holding in E-Learning Company (Note 16)	-	1,428,990
<b>Total</b>	<b>-</b>	<b>1,428,990</b>

**NOTA 9. SALES EXPENSES**

Selling expenses for the financial years 2024-2025 are presented in the following table:

	<u>2025</u>	<u>2024</u>
Personnel expenses	325,246	1,330,304
Subcontractor expenses	1,972,874	1,934,949
Commissions and fees	270,568	253,878
Advertisement	743,181	743,395
<b>Total</b>	<b>3,311,869</b>	<b>4,262,527</b>

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**NOTA 10. GENERAL AND ADMINISTRATIVE EXPENSES**

The administrative expenses for the financial years 2024-2025 are detailed in the following table:

	<u>2025</u>	<u>2024</u>
Materials	36,005	78,877
Personnel expenses	1,507,662	2,907,470
Provisions for unused vacations	(11,398)	(48,189)
Subcontractor expenses	1,051,503	799,265
Amortization	2,317,789	2,115,786
Rent	110,668	3,168
Travel and transportation	13,024	18,025
Insurance	66,441	52,416
Postal and telecommunications	38,031	36,126
Donations	28,740	77,919
Receivables adjustments	(9,430)	-
Bank fees	45,775	51,909
Other third-party services	1,340,889	1,647,032
Miscellaneous	272,671	254,372
<b>Total</b>	<u><b>6,808,371</b></u>	<u><b>7,994,175</b></u>

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**NOTA 11. CLASSIFICATION OF EXPENSES BY NATUR**

The classification of total operational expenses, by nature, for the financial years 2024-2025 is detailed in the following table:

	<u>2025</u>	<u>2024</u>
Materials and goods	329,176	325,589
Resold licenses	2,865,908	469,193
Personnel expenses	3,022,822	4,576,836
Provisions for unused vacations	(11,398)	(48,189)
Subcontractor expenses	3,073,821	3,028,759
Amortization	2,317,789	2,115,786
Cloud services	410,248	14,335
Rent	110,668	3,168
Commissions and fees	270,568	253,878
Advertisement	743,181	743,395
Travel and transportation	13,024	18,025
Insurance	66,441	52,416
Postal and telecommunications	38,031	36,126
Donations	28,740	77,919
Receivables adjustments	(9,430)	-
Bank fees	45,775	51,909
Services provided by third parties	7,395,693	4,887,776
Miscellaneous	272,671	254,372
<b>Total operational expenses</b>	<b><u>20,983,729</u></b>	<b><u>16,861,293</u></b>

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**NOTA 12. FINANCIAL INCOME AND EXPENSES**

Details regarding income and expenses for the financial years 2024-2025 are presented in the following table:

FINANCIAL INCOME / EXPENSES	<u>2025</u>	<u>2024</u>
Interest income	3,695,579	3,133,882
Investment income/expenses	5,638,312	23,315,963
Income/expenses from securities valuation	(2,086,006)	(4,024,130)
Bank interest	-	(76,548)
Interest on bonds issued	(3,524,295)	(2,985,021)
Leasing Interest	(792,270)	(937,340)
Net income/expenses exchange rate differences	(282,535)	(17,092)
<b>Total</b>	<b><u>2,648,785</u></b>	<b><u>18,409,714</u></b>

**NOTA 13. PROFIT TAX**

Details regarding current and deferred income tax for the financial years 2024-2025 are presented in the following table:

	<u>2025</u>	<u>2024</u>
Current income tax	-	-
Deferred tax	(547,165)	(461,271)
<b>Total income tax</b>	<b><u>(547,165)</u></b>	<b><u>(461,271)</u></b>

**Corporate tax reconciliation**

	<u>2025</u>	<u>2024</u>
<b>Gross profit from operations</b>	<b>(496,178)</b>	<b>9,330,479</b>
Corporate tax rate in Romania of 16% (2024: 16%)	(79,389)	1,492,877
The impact of non-taxable income and non-deductible expenses	626,554	(1,954,148)
Tax credits	-	-
Tax exemptions	-	-
<b>Income tax for the year</b>	<b>(547,165)</b>	<b>(461,271)</b>

The company has tax losses carried forward in Romania that are available for 7 years for offset against future taxable profits. The tax losses will expire in 2029-2030.

Deferred tax assets have been recognized in relation to these losses because they can be used to offset the Company's taxable profits and there are prospects of recovery in the near future (i.e. 3-5 years).

Details regarding the expiration date, by year, of the tax loss as of 31.12.2025 are presented in the table below:

Total tax loss, of which recoverable up to:	Tax loss	Deferred income tax (16%)
December 31, 2029	5,618,423	898,948
December 31, 2030	7,388,452	1,182,152
<b>Total</b>	<b>13,006,873</b>	<b>2,081,100</b>

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**Deferred tax**

Deferred tax payable and recoverable are measured at the effective tax rate of 16%. Deferred tax payable and recoverable, as well as deferred tax expense/(income) recognized in the statement of comprehensive income, are fully attributable to the tax loss.

**NOTA 14. INTANGIBLE ASSETS**

Intangible assets mainly include the Bittnet Brand and software licenses.

	Bittnet brand	Licenses and other intangibles	Total other intangible assets
<b>Net worth</b>			
On 31.12.2023	5,790,355	913,846	6,704,201
Inputs	-	96,407	96,407
Assignments/transfers	-	-	-
Amortization	-	(460,271)	(460,271)
On 31.12.2024	5,790,355	549,982	6,340,337
Inputs	-	226,717	226,717
Assignments/transfers	-	-	-
Amortization	-	(296,297)	(296,297)
On 31.12.2025	5,790,355	480,402	6,270,757

**Essential considerations – Bittnet brand (recognition, evaluation, registration)**

**Bittnet brand**

The Company controls the Bittnet Brand in a total value of 5.8 million lei, having the ability to obtain future economic benefits from the supporting resource and to restrict others' access to those benefits. The ability to control future economic benefits comes from legal rights whose application can be supported in court - according to Law 8 of Copyright.

**Essential considerations – indefinite lifespan**

The Bittnet brand was acquired from a third party. It was determined to have an indefinite useful life as there is no intention to abandon the brand name. The Company has the ability to maintain the value of the brand for an indefinite period of time. Thus, the brand is not amortized, but is tested annually for impairment. Since the brands do not generate largely independent cash inflows, they are allocated to the Company's CGUs (Training) for impairment testing of goodwill as part of the business assets.

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**NOTA 15. TANGIBLE ASSETS**

Tangible assets mainly include office space arrangements and equipment necessary for operational activities. Movements within tangible assets are presented in the table below.

	Rented spaces and layouts	Technical installations and machines	Other equipment and furniture	Total fixed assets
<b>Cost</b>				
On 31.12.2023	678,751	224,428	95,272	998,451
Leasing entries	-	-	-	-
Inputs	4,784	5,414	9,346	19,544
Assignments/Transfers	(1,132)	(15,460)	-	(16,593)
On 31.12.2024	682,403	214,383	104,618	1,001,403
Leasing entries	-	-	-	-
Inputs	-	-	-	-
Assignments/Transfers	-	-	-	-
On 31.12.2025	682,403	214,383	104,618	1,001,403
<b>Amortization</b>				
On 31.12.2023	78,002	196,583	61,196	335,780
Period cost	113,200	7,894	25,249	146,343
Assignments/Transfers	-	(15,460)	-	(15,640)
On 31.12.2024	191,202	189,016	86,445	466,663
Period cost	113,354	6,010	12,604	131,968
Assignments/Transfers	-	-	-	-
On 31.12.2025	304,556	195,026	99,049	598,631
<b>Net worth</b>				
On 31.12.2025	377,847	19,357	5,569	402,772
On 31.12.2024	491,201	25,367	18,173	534,741
On 31.12.2023	600,749	27,846	34,076	662,671

No mortgages or guarantees were established regarding the tangible assets held.

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**NOTA 16. PARTICIPATION TITLES**

**I. branches**

	Dec 31, 2025	Dec 31, 2024
Dendrio Solutions	48,422,241	48,422,241
IT Prepared (*)	-	3,833,272
Bittnet Training	6,915,321	6,915,321
Elian Solutions	5,039,651	5,039,651
Nenos Software & Nonlinear	4,985,939	4,985,939
<b>Total</b>	<b>65,363,152</b>	<b>69,196,424</b>

(\*) The company sold its entire stake in IT Prepared in May 2025

**Depreciation of investments in subsidiaries**

As part of its accounting policy, the Company estimates annually the recoverable amount of investments in its subsidiaries to assess whether there is a possible impairment. The recoverable amount is determined using a value in use approach, which involves estimating future cash flows for each major segment of the business and applying appropriate discount rates.

Estimating the recoverable amount of investments in the Company's subsidiaries involves significant judgments regarding assumptions such as future cash flows, growth rates, gross and net operating margins, net working capital requirements and discount rates, as well as economic assumptions such as the evolution of costs and salaries in the economic and inflation context. Management analyzes the value of investments at the segment level.

Cash flow projections are generally based on a five-year financial planning period using business plans approved by management. The business plans include, among other things, management's current view of market growth, prices and costs. In any case, the growth rate used to extrapolate cash flow projections beyond the planning period does not exceed the long-term average growth rate for the relevant market for the products and country in which the cash-generating unit operates.

Management has determined the values assigned to each of the key assumptions above, as follows:

Assumptions	Approach used to determine values
Sales volume	The sales volume for the next 5 years has been projected taking into account past data and demand expectations for the next 5 years. The average sales volume growth rate is 10%.
Sales price	It was assumed that sales prices would increase in line with inflation and industry-specific growth rates; the increases took into account management strategy and expectations for price variations as a result of the CAGR variation for each segment. The average increase in sales value is approximately 1%.
Budgeted EBITDA	Based on the past performance of each business segment and expectations regarding the improvement of operating costs as a result of synergies at Group level.
Other operating costs	Fixed costs of business segments that do not vary significantly with sales volumes or selling prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases, but without reflecting any future restructuring

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	or cost-saving measures. The amounts disclosed above represent average operating costs for the five-year forecast period.
Annual capital costs	Expected cash costs in segments. This is based on management's historical experience and replacement costs. No additional revenues or cost savings are assumed in the value-in-use model as a result of these costs.
Weighted average cost of capital (WACC)	This is the weighted average cost of capital used to extrapolate cash flows beyond the budget period. To calculate the discount rate, the Company used the Weighted Average Cost of Capital (WACC), which reflects the optimal financing structure applied to the flows in numerical order.
Pre-tax discount rate	Reflects specific risks related to relevant segments and countries
Long-term growth rate	The long-term growth rate used in impairment testing is 3% for all subsidiaries. The long-term growth rate was determined by an independent appraiser as of December 31, 2025.

*Education*

The recoverable amount of the Education division of RON 40,033 thousand was determined based on a value in use calculation, using cash flow projections from the financial budgets approved by the Group Management for a five-year period. The pre-tax discount rate applied to the cash flow projections is 14.1%, and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. As a result of the analysis, there is a free space of RON 28,088 thousand and management has not identified an impairment for this UGN in 2025 or 2024.

*Cloud & Infrastructure*

The recoverable amount of the Cloud & Infrastructure division of RON 132,105 thousand was determined based on a value in use calculation using cash flow projections from the financial budgets approved by the Group Management for a five-year period. The pre-tax discount rate applied to the cash flow projections is 14.1%, and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. As a result of the analysis, there is a free space of RON 73,352 thousand and management has not identified an impairment for this UGN in 2025 or 2024.

*Business applications & Software development*

The recoverable amount of the Platforms/Business Applications & Software Development division of 59,974 thousand lei was determined based on a value in use calculation using cash flow projections from the financial budgets approved by the Group Management for a five-year period. The pre-tax discount rate applied to the cash flow projections is 14.1%, and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. As a result of the analysis, there is a free space of 25,838 thousand lei and management has not identified an impairment for this UGN in 2025 or 2024.

The Group's continuous evolution process, both through the launch of new products and services and through continuous acquisitions, has led to the current size in which the activity is organized in centers ("cells") as independent as possible, in areas of interest - "development pillars" or "business units", which represent sub-domains of activity in the IT&C Services area. Bittnet is today a conglomerate that offers investors exposure to the entire IT&C industry in Romania.

**a) Education Division**

This division contains 2 companies (**Bittnet Systems** and Bittnet Training (formerly Equatorial Gaming and which absorbed Equatorial Training and Computer Learning Center in December 2024), which are joined by minority ownership in **The E-Learning Company**), which offers training to adults in two areas: Technical Skills and Human Skills both in classic, face-to-face, Virtual Remote format, but also instructor-led or in eLearning format. The trainings offered allow experts access to technology by teaching IT skills, from the

basic ones (e.g. Microsoft Office Suite) to the most advanced ones (Cloud, DevOps, Cybersecurity). Business Portfolio

#### Transactions 2025

##### *Change of name from Equatorial Gaming to Bittnet Training*

As part of the process of simplifying the Group's structure and from a commercial point of view, Equatorial Gaming, part of the Education pillar of the group, underwent a rebranding process and its commercial name was changed, thus becoming Bittnet Training. The name change was registered in the Trade Register in March 2025.

#### Transactions 2024

##### *Equatorial Gaming - change of legal form and shareholding structure in April 2024*

At the end of April 2024, Bittnet decided (together with the founding shareholder of Equatorial Gaming who still owned 1% of the company) to change the legal form of organization of Equatorial Gaming from a joint stock company (SA) to a limited liability company (SRL). The founding shareholder also agreed to transfer at nominal value the minority holding it still had in Equatorial Gaming to Bittnet Systems, namely the transfer of all 1,430 registered shares held, with a nominal value of 1 lei and a total value of 1,430 lei. Following the registration operation at the Trade Register level, Equatorial Gaming is 100% owned by Bittnet Systems.

##### *Computer Learning Center – share capital increase through conversion of receivables held by Bittnet Systems in June 2024*

In June 2024, the sole shareholder Bittnet Systems SA decided to increase the share capital of CLC by the amount of 2,286,896 lei by converting certain liquid and due receivables resulting from: the intragroup loan in the amount of 1,780,000 lei according to the intragroup loan agreement and subsequent addenda, the accrued interest related to this loan in the amount of 235,653 lei, as well as commercial debts of CLC to its sole shareholder resulting from current activity in the amount of 271,243 lei.

##### *Merger of companies in the Education pillar in December 2024: Equatorial Gaming – Equatorial Training – Computer Learning Center*

On 20.08.2024, the merger project between the companies part of the Education pillar of the group, namely between Equatorial Gaming SRL (as the absorbing company) on the one hand, and Equatorial Training SRL and Computer Learning Center SRL (as the absorbed companies), on the other hand, was submitted to the Trade Register. The project was finalized on 30.12.2024, and at the end of it, the shares of the 2 absorbed companies were canceled, the assets and liabilities of the two being absorbed into Equatorial Gaming SRL. All ongoing contracts with partners, customers, suppliers and employees were taken over by Equatorial Gaming SRL.

#### **b) Cloud & Infrastructure Division**

This division currently contains 3 companies (**Dendrio Solutions, Dendrio Innovations**(formerly Dataware Consulting), and Dendrio Technology (formerly Top Tech, which absorbed 2Net Computer in December 2024) which offers complex IT solutions to clients in the corporate, large corporate, enterprise and public sector segments from all over the country but also from abroad (especially CEE and the USA).

The solutions offered start from the physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems and continue with the design and implementation of complex IT architectures such as data center/hybrid or cloud, enterprise networking, cyber security platforms and the implementation of related software platforms, including collaboration platforms (modern workplace).

The services offered are both in the classic (project-based) and "managed services" format, the managed ones being delivered mainly to clients in mature markets, Europe and the United States.

#### Transactions 2025

##### *Sale of majority stake in IT Prepared – May 2025*

In May 2025, the management decided to sell the majority stake in the IT managed services company IT Prepared (Optimizor). The transaction price amounted to 6.12 million lei.

In the almost 4 years of belonging to the Bittnet group, Optimizor went through an extensive rebranding process, perfecting its new visual and brand identity and growing its business from 2.34 million lei (in 2020

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- the year before joining the group), to over 9.77 million lei in 2024. Optimizor also distributed dividends to the parent company Bittnet Systems SA, from the profits made during this period, in the amount of 2.2 million lei. By selling the 50.2% stake in Optimizor, Bittnet achieved an IRR (internal rate of return) margin of approximately 40%.

The sale of the majority stake in Optimizor falls within the Bittnet group's strategy, announced since the beginning of 2024, to make portfolio holdings profitable and simplify the group structure.

#### **Transactions 2024**

##### *Consolidation of holdings within the pillar under Dendrio Solutions and increase of share capital in April 2024*

As part of the Bittnet Group's restructuring and simplification plan, in April 2024 the Group's management, together with the minority shareholders of Dendrio Solutions, decided to consolidate the holdings in the Digital Infrastructure pillar under the legal entity Dendrio Solutions. Thus, Agista Investments and Bittnet Systems, partners in both Dendrio Solutions and Top Tech, transferred their holdings in the company Top Tech (Agista Investments – 14% and Bittnet Systems – 40%) to Dendrio Solutions for a total amount of 14,464,286 lei (Agista Investments – 3,750,000 lei and respectively Bittnet Systems – 10,714,286 lei).

The price for the acquisition of 14% of Top Tech from Agista Investment was negotiated by the Group under competitive market conditions at 3,750,000 lei., while the intragroup transaction between Bittnet Systems and Dendrio Solutions was aligned in terms of price, considering the value of the total resulting capital of Top Tech, i.e. 27,785,714 lei.

Bittnet Systems also transferred its holding in Dataware Consulting (28.87%) to Dendrio Solutions for a total amount of 14,435,000 lei. The intragroup transaction price was based on a total equity value of 50 million lei for Dataware Consulting, the same value based on which the Group acquired the last 30% of Dataware Consulting from the original shareholders in December 2023.

As a result of these transactions, Dendrio Solutions individually and directly owns 100% of the shares of Top Tech and Dataware Consulting, considering the profiles of IT&C solutions and services integrators that the 3 companies have.

Following the transactions described above, the sellers (Agista Investments and Bittnet Systems respectively) were allocated shares in Dendrio Solutions as part of a share capital increase through the recognition and conversion of certain liquid and due receivables. Also within this operation, the receivables of the 2 Dataware Consulting co-founders - Constantin Savu and Catalin Georgescu - were converted into capital (allocated Dendrio shares), in a total amount of 5,000,000 lei, according to the contract for the assignment of the 30% difference in the Dataware Consulting company to the Bittnet group from December 2023. The pre-capitalization value of Dendrio Solutions and its wholly-owned subsidiaries: Dataware Consulting, Top Tech and 2Net Computer (together the "Dendrio Group") was negotiated by the Group with Agista Investments and the 2 co-founders of Dataware Consulting under competitive market conditions at 109 million lei.

Following these operations, Dendrio Solutions' equity was increased by approximately 33.9 million lei through the contribution of the current associates, Bittnet Systems and Agista Investments, as well as the 2 new associates, and the resulting shareholding structure is: Bittnet Systems - 84.7245%, Agista Investments - 11.7765%, Dataware co-founders - Constantin Savu and Catalin Georgescu - 3.499%.

##### *Acquisition of minority holding in Agista Investments in December 2024*

In December 2024, Bittnet Systems signed the completion certificates regarding the acquisition of the 11.7765% stake in the shares held by the alternative investment fund Agista Investments for the amount of 16,828,603.38 lei. In this regard, Bittnet purchased, in two tranches (on 20.12.2024 and 24.12.2024), a number of 90,014 shares, each with a nominal value of 10 lei and a total nominal value of 900,140 lei. The buyer and seller in this transaction established the price based on a capitalization of Dendrio Solutions of 142,899,896 lei.

The transfer of shares was made after fulfilling suspensive clauses specific to these types of transactions, including obtaining approval from the Foreign Direct Investment Review Commission (CEISD) and was based on the rationale of consolidating holdings in the Digital Infrastructure pillar. Thus, with the exit of the investment fund from the Dendrio Solutions shareholder base, the holding structure in the company is as follows: Bittnet Systems – 96.501%, Constantin Savu and Cătălin Georgescu – 3.499%.

##### *Rebranding October-November 2024*

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Given the desire to consolidate the holdings and businesses in the area of IT product and service integration (within the Digital Infrastructure pillar) around Dendrio Solutions but also to simplify the group structure - the companies Dataware Consulting and TopTech, part of the Digital Infrastructure pillar alongside Dendrio Solutions, went through a rebranding and name change process. Thus, at the end of October 2024, the company Dataware Consulting became Dendrio Innovations, and the company TopTech became Dendrio Technology, name changes also made at the Trade Register level.

*Merger of companies from the Digital Infrastructure pillar in December 2024: Dendrio Technology (formerly Top Tech) – 2Net Computer*

On 12.08.2024, the merger project was submitted to the Commercial Register - together with the rest of the supporting documents necessary for such an operation - between Top Tech SRL (as the absorbing company) and 2Net Computer SRL (as the absorbed company) in line with the Bittnet group's plans to simplify the group structure and operations. The project was finalized on 31.12.2024, and at the end of it, the shares of 2Net Computer were canceled, the company's assets and liabilities being absorbed into Dendrio Technology (formerly Top Tech).

### **c) Cybersecurity Division**

This division contained 3 companies (Fort SA - formerly Global Resolutin Experts, GRX-Advisory and ISEC Associates) that provide cybersecurity services to corporate, large corporate, enterprise and public sector clients across the country.

The Cybersecurity division was sold in full to alternative investment funds Agista Investments and Impetum Investments in December 2024.

### **Transactions 2024**

*Fort SA: Share capital increase and dividend distribution – August/September 2024*

On July 2, 2024, Fort SA shareholders participated in the first General Meeting organized as a company listed on the Bucharest Stock Exchange. There were two items on the agenda, which concerned the distribution of dividends related to the profit for 2023 in a total amount of 1,008,836 lei (of which 414,984 payable to minority interests) and a capital increase through the allocation of free shares - by capitalizing the share premiums. Thus, in August 2024, the gross distribution of 0.99 lei/share was made and in September 2024, the allocation of free shares was made, 10 free shares for 1 held on the registration date.

*Cybersecurity division sale – December 2024*

In December 2024, Bittnet Systems (as seller) and alternative investment funds Agista Investmens and Impetum Investments (as buyers) signed the completion certificates regarding the transaction of 6,598,350 Fort SA shares (58.8650% of the share capital and voting rights), representing Bittnet's entire holding in Fort for the amount of 23,490,126 lei. This sale represented the first exit of a company in the Bittnet group and is part of Bittnet Systems' publicly declared strategy to simplify the group's structure, including through the sale of subsidiaries or business verticals.

The actual transfer of Bittnet Systems' ownership in Fort was carried out through capital market mechanisms, at a price of 3.56 lei/share, and the trading orders were executed on the DEALS market of the BVB on 20.12.2024, 27.12.2024 and 30.12.2024. For the last tranche of the sale of Fort SA, Bittnet Sytems granted a loan to Impetum Investments, the counterparty in the transaction, in the amount of 5,150,000 lei, a loan granted for a period of 6 months and with an interest rate of 6% per annum.

### **d) Business applications & Software development division**

Currently, this division contains 4 companies: Elian Solutions, Kepler Management Systems, Nenos Software & Nonlinear.

#### **Elian Solutions**

**Elian Solutions & Kepler Management Systems** are specialized in providing implementation services for ERP (Enterprise Resource Planning) solutions, Microsoft Dynamics NAV. Elian is the only partner that holds a Gold Certificate for this solution from Microsoft in Romania. The solution implemented by Elian allows companies to know the situation of stocks, receivables and payables, to be able to forecast, interalia, cash flow, to track production, cost centers and much more.

#### **Nenos Software & Nonlinear**

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Nenos Software is a custom software development company, with a focus on Artificial Intelligence and Machine Learning (AI/ML). Nonlinear SRL is an SPV established to access European financing; the activity is one of product-based software development, focused on developing a platform for digitization and automation of processes within small and medium-sized companies using low code/no code and machine learning technologies.

By taking over majority stakes in Nenos Software and Nonlinear, Bittnet has consolidated its position in the software development division, while also entering the artificial intelligence sector.

#### **Transactions 2025**

##### *Name change from Kepler Management Systems to Elian Development Systems*

As part of the process of simplifying the group structure, the company acquired at the end of 2023, Kepler Management Systems, went through a rebranding and name change process, thus becoming Elian Development Systems. The name change was registered in the Trade Register in February 2025.

#### **Transactions 2024**

##### *Elian Solutions - share capital increase in May 2024*

At the end of May 2024, Bittnet Systems transferred its 24.2% minority stake in Kepler Management Systems to Elian Solutions for the total amount of 1,429,651 lei. The intragroup transaction price was based on the total acquisition cost for Kepler Management of 5,950,800 lei (i.e. the consideration paid plus pre-acquisition M&A costs), through which the Group acquired 100% of Kepler Management from the original shareholders in November 2023. Following the registration of the new capital structure in the Trade Register, Kepler Management Systems is 100% owned by Elian Solutions.

Also at the end of May, Bittnet Systems, together with the other 2 associates of Elian Solutions, made the decision to increase the share capital of Elian Solutions with the value of certain liquid and due receivables resulting from the transfer of the holding in Kepler Management, as well as by converting into capital the intragroup loan in the amount of 3,100,000 lei, an amount granted by Bittnet Systems to Elian Solutions in November 2023 for the acquisition of Kepler Management Systems.

Following these operations, Elian Solutions' equity was increased by 4,529,651 lei, through the conversion of certain liquid and due receivables of Bittnet Systems, and the share of Bittnet Systems' holding in Elian Solutions increased to 61.6878% after registering the increase in the Trade Register records. The pre-capitalization value of Elian Solutions and its wholly-owned subsidiary, Kepler Management, was negotiated by the Group with the 2 minority shareholders of Elian Solutions under competitive market conditions at RON 16.2 million, using a multiplier of 6.5x EV/net profit, based on fiscal year 2023 figures.

The total impact on Non-Controlling Interests resulting from the transaction described above was an increase of RON 1,573,964 (see Note 25).

##### *Kepler Management – payment of tranches 2 and 3 of the acquisition transaction in January / April 2024*

In November 2023 the Group informed investors and the market about the signing of the share purchase agreement for the acquisition of Kepler Management Systems. The transaction price involved a tranche of 1,000,000 lei payable in Bittnet Systems shares that would have been allocated to the former Kepler associates in a future share capital increase. Through an addendum to the share purchase agreement, the parties agreed to the cash payment of this tranche, which was made in January 2024..

Additionally, the transfer price also assumed a variable component determined as 1 x Kepler's individual EBITDA for the year 2023, the component in the amount of 1,560,215 lei which was calculated and paid in April 2024, after the closing of Kepler's individual annual financial statements for 2023.

## **II. Minority-owned securities**

### **The E-Learning Company SA**

The E-Learning Company has a diverse portfolio of solutions and products structured across multiple directions covering areas such as personal and professional development, communication, sales and negotiation, marketing, human resources, project management, Microsoft Office, finance, English, etc.

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The total value of the transaction was 2.5 million lei. The price to the ELC founders was made in two tranches (850,000 lei paid in 2021 and respectively 1,682,690 lei – the tranche calculated after the closing of the financial results on 31.12.2021 - paid 50% in April 2022 and 50% in March 2023).

The investment was accounted for using the equity method from the date it became an associated entity, namely in January 2021. In applying the equity method, financial information as of January 31, 2021 was used.

During 2024, the Group recorded through equity-accounted securities the portion related to the holding (23%) of the net loss realized by E-Learning Company.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>E-Learning Company</b>		
Initial balance	1,271,853	2,797,884
Contingent consideration	-	-
Dividends distributed	-	(57,500)
Gain/loss on equity securities	(101,720)	(39,541)
Impairment	-	(1,428,990)
<b>Final balance</b>	<u>1,170,133</u>	<u>1,271,853</u>

The following tables illustrate the summarized financial information of the Group's investment in E-Learning Company, at Balance Sheet and Profit and Loss Account level:

	<u>2025</u>	<u>2024</u>
Revenue from contracts with customers	2,766,138	2,210,695
Direct expenses	(1,249,312)	(858,122)
<b>Gross margin</b>	<b>1,516,826</b>	<b>1,352,574</b>
Other income	9,361	1,223
Cost of sales	(224,579)	(211,441)
Administrative expenses	(1,633,800)	(1,283,681)
Other expenses	(13,325)	(19,840)
Financial income/expenses	(49,926)	(10,751)
<b>Gross profit</b>	<b>(395,442)</b>	<b>(171,917)</b>
Income tax	-	-
<b>Net profit</b>	<b>(395,442)</b>	<b>(171,917)</b>

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	Dec 31, 2025	Dec 31, 2024
<b>Assets</b>		
<b>Intangible assets</b>		
Other intangible assets	228,816	473,619
Tangible assets	14,819	21,708
<b>Total fixed assets</b>	<b>243,635</b>	<b>495,327</b>
<b>Current assets</b>		
Stocks	0	313,488
Prepaid expenses	100,361	204,002
Trade and other receivables	723,009	208,881
Cash and equivalents	13,245	42,478
<b>Total current assets</b>	<b>836,615</b>	<b>768,849</b>
<b>TOTAL ASSETS</b>	<b>1,080,250</b>	<b>1,264,176</b>
 <b>CAPITAL AND LIABILITIES</b>		
Share capital	90,000	90,000
Reserves	18,000	18,000
Accumulated losses / retained earnings	(313,238)	166,463
<b>Total capital and reserves</b>	<b>(205,238)</b>	<b>274,463</b>
 <b>Current liabilities</b>		
Dividends paid	134,480	134,480
Trade and other debts	1,151,008	855,233
<b>Total current liabilities</b>	<b>1,285,488</b>	<b>989,713</b>
<b>Total debts</b>	<b>1,285,488</b>	<b>989,713</b>
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>1,080,250</b>	<b>1,264,176</b>

The Company's investment in E-Learning Company SRL is tested annually for impairment. Management used the value in use approach to calculate the recoverable amount of the investment. The aggregate recoverable amount of the investment is then compared to its aggregate carrying amount. An impairment loss is recognized if the aggregate carrying amount of the investment exceeds its recoverable amount. The value in use is determined based on future cash flows discounted using the weighted average cost of capital (WACC). The discount rate reflects the current assessment of the time value of money and the risks specific to the investment.

The recoverable amount of E-Learning Company SRL of 6,917 thousand lei was determined based on a value in use calculation using cash flow projections from the financial forecasts for a five-year period. The pre-tax discount rate applied to the cash flow projections is 14.1%, and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. As a result of the analysis, the recoverable amount of the Group's investment in E-Learning Company SRL is 1,372 thousand lei. Consequently, the Group did not record an impairment of the investment as of 31.12.2025.

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**NOTA 17. FINANCIAL ASSETS AT FAIR VALUE**

**Other financial assets (securities) at fair value**

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Softbinator Technologies	3,459,404	5,710,669
Arctic Stream	-	-
<b>Total</b>	<u><b>3,459,404</b></u>	<u><b>5,710,669</b></u>

Details regarding the evolution of securities at fair value in 2025 are presented in the table below:

	<u>Arctic Stream</u>	<u>Softbinator Technologies</u>	<u>Total</u>
<b>Value 31.12.2024</b>	-	5,710,669	5,710,669
Inputs	-	-	-
Outputs	-	(165,259)	(165,259)
Revaluation	-	(2,086,006)	(2,086,006)
<b>Value 31.12.2025</b>	<u>-</u>	<u>3,459,404</u>	<u>3,459,404</u>

**Softbinator Technologies**

Softbinator is a product development company, specialized in the design, development and market launch of software products, mainly in the fields of Fintech, MedTech/HealthTech and EdTech for clients in Europe, North America and Asia.

Softbinator is involved in the development of software products, web and mobile solutions for the digitalization of the education process, lifestyle/medical and health, e-payments, e-commerce, online gaming and in 2020 it marked areas unexplored in previous years through digital banking (including crypto), Internet of Things (IoT), Automotive and explored a new vertical in e-commerce expertise: marketplaces.

Bittnet owns, as of 31.12.2025, a number of 3,637,266 shares, representing 17.04% of the total shares of Softbinator Technologies (symbol: CODE).

On 31.12.2025, the investment in Softbinator Technologies shares was revalued using the average trading price on the AeRO-SMT market on 31.12.2025.

**Arctic Stream**

Arctic Stream is an IT integrator focusing on technologies from the American manufacturer Cisco Systems, a competitor of Dendrio Solutions in this market segment.

During the third quarter of 2024, the Group liquidated the remaining position it held in Arctic Stream, so that at the end of the reporting period the Group no longer held AST shares in its portfolio. The total sale value of the Group's stake in AST shares was 1,471,321 lei.

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**NOTA 18. TRADE RECEIVABLES AND OTHER RECEIVABLES**

Trade receivables and other receivables are presented in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>Customer receivables</b>		
Customer receivables	5,938,587	3,867,712
Adjustments for customer receivables	(500)	(10,715)
<b>Net trade receivables</b>	<u>5,938,087</u>	<u>3,856,996</u>
<b>Other receivables</b>		
Other project-related receivables	28,439	7,186
Related party loans (Note 27)	34,733,265	21,696,906
Sublease related assets	7,524,144	9,985,806
Guarantees	1,848	1,848
Other receivables	4,943,947	1,335,867
Supplier advances	16,542	86,838
State budget receivables	211,944	289,739
<b>Total other receivables, of which:</b>	<u>47,460,129</u>	<u>33,404,190</u>
Fixed assets	40,216,341	23,657,055
Current assets	<u>7,243,788</u>	<u>9,747,135</u>

**Services in progress**

If the sales price includes a distinct amount, specified in the contract, for the subsequent provision of services (such as revenue from the sale of manufacturer warranty services), that amount is deferred (account 472 "Contract liabilities") and recognized as income during the period in which the services are provided, but no later than the end of the period for which the subsequent provision of services was contracted. In contrast, the related expenses are deferred (account 471, "Services in progress") and recognized in the same period in which the services are provided.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Services in progress	2,913,097	810,819

**Aging situation of net customer receivables:**

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Not due	3,392,266	2,613,293
0-30	1,238,620	424,015
31-90	282,489	319,417
91-180	788,582	206,062
181-360	234,911	141,936
over 360	1,218	152,273
<b>TOTAL</b>	<u>5,938,087</u>	<u>3,856,996</u>

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Reconciliation of customer receivables adjustments:

	<u>2025</u>	<u>2024</u>
January 1	10,715	10,715
Adjustments during the period	-	-
Cancellation of receivables	-	-
Replay adjustments	<u>(10,215)</u>	<u>-</u>
December 31	<u>500</u>	<u>10,715</u>

**Significant estimates**

The Group performs an impairment analysis for trade receivables and other receivables by separating the receivables into 3 categories: trade receivables from private companies, trade receivables from public entities and trade receivables from private individuals. In this process, the probability of non-collection of trade receivables is assessed, based on historical experience related to the risk of non-payment. The experience of previous years has shown that the risk of non-collection is low, with no significant losses in recent years. However, the Group's Management has analyzed the maturity intervals for each category (Non-expiring, 1-90 days, 91-180 days, 181-365 days and over 365 days); specific provisions were recorded where the degree of recoverability was considered low. Based on this analysis, the Group's Management decided not to record additional provisions in the financial statements as of 31.12.2025.

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**NOTA 19. INVENTORY**

Details regarding stocks are presented in the following table:

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>
Commodities	166,465	5,216
<b>Total</b>	<u><b>166,465</b></u>	<u><b>5,216</b></u>

**NOTA 20. CASH AND CASH EQUIVALENTS**

Details regarding cash and cash equivalents are presented in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Bank in LEI	4,348,395	14,935,173
Bank in LEI - cash collateral	196,296	196,264
Foreign currency bank	149,439	73,020
Bank in foreign currency - cash collateral	127,463	124,353
Cash in the cash register	1,041	1,041
<b>Total</b>	<u><b>4,822,633</b></u>	<u><b>15,329,850</b></u>

Collateral cash deposits represent restricted cash - collateral in connection with the facilities contracted with Procredit Bank.

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**NOTA 21. CAPITAL AND RESERVES**

Details regarding the Company's capital and reserves are presented in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Share capital	63,417,671	63,417,672
Issue premiums	31,934,768	31,934,768
Other equity items	(15,237,955)	(12,156,041)
Legal reserves	1,442,164	1,442,164
Retained earnings	8,126,201	(1,665,548)
Current overall result	50,987	9,791,749
<b>Total</b>	<b><u>89,733,837</u></b>	<b><u>92,764,764</u></b>

**a) Share capital**

The share capital of the parent company Bittnet Systems includes only ordinary shares with a nominal value of 0.1 LEI /share.

The shareholding structure at each reference date is presented in the table below:

Shareholders and % ownership	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
SIACP AGISTA INVESTMENTS SA	13.75%	13.75%
IMPETUM INVESTMENTS SA	10.17%	13.33%
Cristian Logofatu	9.14%	8.59%
Mihai Logofatu	8.77%	8.77%
Other shareholders	58.17%	55.56%
<b>Total</b>	<b><u>100%</u></b>	<b><u>100%</u></b>

Share capital	<u>2025</u>	<u>2024</u>
Issued on January 1	634,176,714	634,176,714
Options exercised	-	-
Issued in business combinations	-	-
Issued in capital increases	-	-
Issued on December 31	634,176,714	634,176,714

**b) Issue premiums**

The share premiums were established on the occasion of capital increases and can be used to increase the share capital.

**c) Legal reserve**

According to Law 31/1990, at least 5% of the profit is taken each year to form the reserve fund, until it reaches at least one fifth of the share capital. Reserves representing tax facilities cannot be distributed, having implications on the recalculation of the profit tax.

**d) Other equity items**

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The Company recognizes through other equity elements mainly:

- purchase/sale of treasury shares held
- loss resulting from the recognition and evaluation of SOP
- the impact generated by the operations related to the implementation of SOP

#### Treasury shares held

##### Number of treasury shares

Balance as of 31.12.2023	9,247,200
Sales 2024	9,247,200
Redemptions 2024	4,000,000
Balance as of 31.12.2024	4,000,000
Sales 2025	-
Redemptions Q1 2025	1,369,000
Redemptions Q4 2025	20,000,000
Balance as of 31.12.2025	25,369,000

During January 2024, the Company fully sold the treasury shares held on 31.12.2023 at a total price of 2,866,327.89 lei.

#### *Share buyback program – August 2024*

On 07.08.2024, Bittnet Systems informed investors and the capital market about the Board of Directors' Decision of 06.08.2024 regarding the start of a share buyback program, starting with 07.08.2024.

The program implementation period was set at 18 months from the date of registration of the EGMS Decision 04 of 2024 - approving the buyback operation, in the records of the Trade Register, a term that began to run from 08.05.2024. The maximum number of shares repurchased was set at 10,000,000 BNET ordinary shares, within the limit of a maximum budget allocated for this operation of 2,000,000 lei.

The intermediary through which this market operation is carried out is BRK Financial Group and the maximum daily volume repurchased is within the limit of 25% of the average daily quantity of shares traded on the market, calculated according to the applicable legislation, according to art. 3 paragraph (3) letter b) of the EU Delegated Regulation 2016/1052.

The price at which the redemptions are carried out is within the range established by EGMS Decision no. 04 of 25.04.2024: minimum redemption price 0.1 RON/share (respectively the nominal value of the BNET share), and the maximum redemption price 0.25 RON/share. The implementation of the redemption program is carried out from own sources.

Until 31.12.2024, the Company has repurchased 4,000,000 shares with a total value of 766,058 lei.

By 31.12.2025, the Issuer redeemed 5,369,000 shares with a total value of 999,873 lei.

#### *Share buybacks – repayment of loan granted to Impetum Investments in December 2025*

The last tranche (in the amount of 3 million lei) of the loan agreement granted by the Group in December 2024 to Impetum Investments (the debtor) – a loan in the amount of 5.15 million lei that aimed to acquire tranche 3 of FORT SA – was paid by the debtor, at its choice, through an alternative means of payment, namely by offsetting with the entire share capital issued by PNPL CLOUD INFRASTRUCTURE SRL (SPV/special purpose vehicle), a company capitalized upon establishment with 20 million Bittnet shares held by Impetum Investments. Thus, the last tranche of the loan granted to Impetum was paid through the transfer to Bittnet Systems SA of the share capital of the SPV created specifically for this purpose by Impetum Investments. As soon as it took possession of the shares of the SPV, the Issuer initiated procedures with the Central Depository and the ASF to transfer the 20 million BNET shares to Bittnet, as treasury shares, a necessary step in order to be able to resort to their cancellation as soon as it receives the necessary approval at a future General Meeting. At present, the Issuer has submitted the documentation to the ASF to obtain the necessary approval for the direct transfer of ownership of the 20 million BNET shares.

#### Essential considerations – recognition and evaluation of SOP

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The Company assessed from the perspective of IFRS 2 whether share-based payment transactions with employees (SOPs) are settled in cash or by issuing shares.

The company settles the transactions by issuing to the option holders a number of shares that are equivalent (at the market price) to the financial value of the option. The capital increase is made by lifting the preemptive right and based on the Administrator's Decision.

As a result, although at an intermediate stage the "liability" is measured in relation to the settlement of the SOPs, the economic substance of the transaction is that they are settled in shares. As a result, the Company has recognised the SOP transactions as being settled in shares, and has recognised and measured the services received in the Statement of Comprehensive Income and the corresponding increase directly in equity.

Transactions with employees and other collaborators providing similar services were measured at the fair value of the equity instruments granted, as it was usually not possible to reliably estimate the fair value of the services received.

### Significant estimates – SOP assessment

The fair value assessment at the grant date (according to IFRS 2) - the date of approval by the EGMS of each plan - is carried out using the Black - Scholes model, using as values for the model:

- spot price on the date of the AGM, i.e. the average price adjusted for splits at t-1
- strike price (on the reference date) according to each plan
- volatility, according to the analysis of the daily price of BNET shares, adjusted for splits
- risk-free interest rate, i.e. ROBOR 12M published at t-1
- the number of shares of the company as of the date of grant
- the dilution percentage in the Stock Option Plan

The full value of each plan is recognized in costs over the term of each plan.

### SOP 2022

By Decision No. 7 of the EGMS of April 20, 2022, the Company's shareholders voted for an incentive plan with options for key individuals with a duration of 2 years, worth a maximum of 5% of the total shares of the Company.

Main coordinates of the SOP 2022 plan:

- effective date: 11.04.2022;
- duration: 2 years from the date of entry into force;
- option exercise date: 10.05 – 10.06.2024;
- exercise price: the purchase price of a share for which the call option is exercised will be established on the date of exercise of the option, taking into account the total number of shares of the Company on the date of exercise, so that the capitalization of the Company is equal to the capitalization of the company on the reference date: April 11, 2022.

The fair value assessment at the grant date (according to IFRS 2) – the date of approval of the plan by the OGMA, 20.04.2022 – was performed using the Black - Scholes model, using the following values for the model:

- spot price on the AGOA date, i.e. average price adjusted for splits at t-1: 0.3153
- strike price, i.e. average price adjusted for splits on the reference date, 11.04.2022: 0.3194
- volatility, according to the analysis of the daily price of BNET shares, adjusted for splits, from listing on the AeRO market until t-1: 4.28%
- risk-free interest rate, i.e. ROBOR 12M published at t-1: 4.95%
- maturity: 2 years
- number of company shares as of the grant date: 480,436,904
- Stock Option Plan dilution percentage: 5%

The full value of the plan – equal to the Black-Scholes value (0.027) \* number of company shares \* dilution percentage = RON 754,046 – was recognized in costs over the duration of the plan, i.e. over a period of 2 years, May 2022 - April 2024. In 2024, the Company recognized an expense with SOP 2022 in the amount of 108,098 lei (2023: 324,295 lei).

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In May 2024, key individuals did not exercise their purchase option given the execution conditions of the plan, so the SOP2022 plan expired unexercised.

#### **SOP 2023-2026 (Long-Term Incentive Plan through Participation in the Company's Capital)**

By Decision No. 11 of the EGMS of April 27, 2023, the shareholders approved an incentive plan for key personnel based on options for participation in the company's capital. Compared to previous incentive plans, this one assumes a duration of 3 years and a value of 7.5% of the total shares of the Company.

Main coordinates of the plan (SOP 2023):

- o effective date: 13.04.2023;
- o duration: 3 years from the date of entry into force;
- o option exercise date: 10.05 – 10.06.2026;
- o exercise price: the purchase price of a share for which the call option is exercised will be established on the date of exercise of the option, taking into account the total number of shares of the Company on the date of exercise, so that the capitalization of the Company is equal to the capitalization of the company on the reference date: April 13, 2024.

The fair value assessment at the grant date (according to IFRS 2) – the date of approval of the plan by the OGMA, 20.04.2022 – was performed using the Black - Scholes model, using the following values for the model:

- spot price on the AGOA date, i.e. average price adjusted for splits at t-1: 0.299
- strike price, i.e. average price adjusted for splits on the reference date, 13.04.2023: 0.2989
- volatility, according to the analysis of the daily price of BNET shares, adjusted for splits, from listing on the AeRO market until t-1: 4.08%
- risk-free interest rate, i.e. ROBOR 12M published at t-1: 7.25%
- maturity: 3 years
- number of company shares as of the grant date: 634,176,714
- Stock Option Plan dilution percentage: 7.5%

The full value of the plan – equal to the Black-Scholes value (0.027) \* number of company shares \* dilution percentage = RON 2,806,232 – will be recognized in costs over the duration of the plan, i.e. over a period of 3 years, May 2023 – April 2026. In 2024, the Company recognized an expense with SOP 2023 in the amount of 935,411 lei (2023: 623,607 lei).

By decision of the EGMS no. 6 of 28.04.2025, the SOP 2023-2026 incentive plan was canceled.

As of 31.12.2025, as well as at the date of drafting this report, the company did not have any active incentive plan with options for employee participation in the company's capital.

Details regarding the non-monetary expense recorded with SOP in 2024-2025 are presented in the table below:

	<u>2025</u>	<u>2024</u>
SOP 2022	-	108,098
SOP 2023	<u>311,804</u>	<u>935,411</u>
<b>Total</b>	<u><b>311,810</b></u>	<u><b>1,043,509</b></u>

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**NOTA 22. BONDS**

Details regarding loans from bond issues are presented in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
BNET26E	10,308,342	9,715,173
BNET27A	4,956,923	4,928,204
BNET28	9,861,979	9,806,770
BNET28A	6,375,298	6,268,326
Accrued interest	<u>167,429</u>	<u>167,365</u>
<b>Total, of which:</b>	<u><b>31,669,971</b></u>	<u><b>30,885,839</b></u>
The long-term part	21,194,200	30,718,474
Short-term part (interest)	<u>10,475,771</u>	<u>167,365</u>

The company conducted bond offerings in 2016, 2017, 2018, 2022, 2023 and 2024 with maturities in 2019, 2022, 2023, 2026, 2027 and 2028, through which it obtained 'committed' financing of over 50 million lei from the capital market (all issues are listed on the BVB).

**BNET26E**

Between December 21 and December 27, 2022, the issuer conducted a private placement for the issuance of corporate bonds in euros, an offer following which 20,596 bonds were subscribed by 53 investors, individuals, legal entities and professional investors. The amount raised in this round of financing through bonds was EUR 1,961,144. The selling price within this offer, on the first day of the offer/subscription period, benefited from a reduction, respectively on 21.12.2022, the price was reduced to 95% of the nominal value of the instrument, respectively 95 euros/bond. Thus, on the first day, a number of 18,334 bonds were subscribed, representing a subscription value of EUR 1,741,730. The sale price in the subscriptions made in the following days of the offer was 97% of the nominal value, respectively 97 euros/bond. Thus, during the period 22.12.2022 – 27.12.2022, a number of 2,262 bonds were subscribed, representing a subscription value of 219,414 euros. The nominal value of the BNET26E instrument is 100 EUR/bond, and the total nominal value of the issue (which will be reimbursed at maturity) is 2,059,600 EUR.

Fixed interest annual 9% per year and it is paid quarterly through the T2S mechanism and the Central Depository. The repayment of the nominal amount is 3.5 years from the date of issue and will take place on June 30, 2026. It requires BNET26E transactions are registered on the Square Regulated Market BVB, dedicated category of corporate meetings, on March 7, 2023.

The total issuance costs for this bond issue amounted to 735,718 lei and were recorded at the balance sheet level at the date of bond issuance, thus reducing the total amount of debt. The issuance costs are recorded over the life of the bond issue, increasing the total carrying amount of the bond debt.

**BNET27A**

Between May 30 and June 21, 2023, Bittnet Systems conducted its first public offering of corporate bonds on the Bucharest Stock Exchange when it offered for sale a maximum number of 50,000 corporate bonds, unsecured, with a nominal value of 100 lei, with each interested investor having the opportunity to subscribe in the price range between 96% and 104% of the nominal value of the instrument.

During the offering period, a total of 803 purchase orders were placed, for 71,814 bonds subscribed at the offer closing price of 100 lei, and 14,393 bonds subscribed at prices higher than the offer price. According to the Offering Prospectus, the allocation of shares for accepted subscriptions (placed at the offer price and at higher prices) was made pro-rata, the allocation index being 0.579993040. Subscription orders at prices lower than the issue price were cancelled.

The transaction date was June 24, 2024, and the transaction settlement date was June 26, 2024. Following the establishment of the closing price of the offer at 100 lei/bond, the BNET27A issue consists of a number of 50,000 bonds with a total nominal value of 5,000,000.00 lei.

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The interest is fixed at 10% per annum, payable quarterly through the Central Depository. The maturity of the issue is June 26, 2027. On July 19, 2023, the BNET27A bonds began trading on the Regulated Market administered by BVB.

The total issuance costs for this bond issue amounted to 114,873 lei and were recorded at the balance sheet level at the date of bond issuance, thus reducing the total amount of debt. The issuance costs are subsequently allocated over the life of the bond issue, increasing the total carrying amount of the bond debt.

#### **BNET28**

During November 27-December 12, 2023, a maximum of 100,000 were put up for sale of corporate bonds, unsecured, with an individual nominal value of 100 lei and a total nominal value of 10,000,000 lei, each interested investor having the opportunity to subscribe within the prices included between 94% and 106% of the nominal value.

A total of 530 subscription orders were placed during the offer period at all levels of price, totaling a volume total of 185,602 bonds. Considering the Issuer's establishment of the issue price at the nominal value of the bond (100 lei) and in accordance with PACKAGE of the offer, the volumes subscribed to prices above the issue price were settled fully at the issue price (100 lei). Thus, volume of 87,446 of bonds represents the guaranteed allocation in the offer according to the Prospectus Offer. For the volume of bonds subscribed at the price of 100 lei/obligation (i.e. for 71,050 BONDS) its allocation made pro-rata, the allocation index being 0.1766924701, resulting in a volume of 12,554 bonds. The orders subscription placed at prices under the price of broadcast were not executed.

The transaction date was December 13, 2024, and the transaction settlement date was December 15, 2024. Following the establishment of the closing price of the offer at 100 lei/bond, the BNET28 issue consists of a number of 100,000 bonds with a total nominal value of 10,000,000 lei.

On 02 February 2024, BNET28 bonds were admitted to trading on the Market Regulated and administered by BVB. Interest is fixed at 9.6% per annum, payable quarterly through the Central Depository. The maturity of this bond issue is June 15, 2028.

The total issuance costs for this bond issue amounted to 248,438 lei and were recorded at the balance sheet level at the date of bond issuance, thus reducing the total amount of debt. The issuance costs are subsequently allocated over the life of the bond issue, increasing the total carrying amount of the bond debt.

#### **BNET28A**

During the period: April 02 - April 15, 2024, a maximum number of 150,000 corporate bonds, unsecured, non-convertible with an individual nominal value of 100 lei were offered for sale, each interested investor having the opportunity to subscribe in the price range of: 94 lei - 106 lei, respectively 94% and 106% of the nominal value of the instrument, according to the Offering Prospectus.

During the offering period, 501 subscription orders were received at all price levels, totaling a total volume of 111,025 bonds. Given the Issuer's setting of the issue price at RON 96 and in accordance with the Offering Prospectus, the volumes subscribed at prices higher than the issue price (i.e. at prices RON 97, 98, 99, 100, 101, 102, 103, 104, 105, 103, 104, 105, 106 together with the issue price of RON 96/bond) were fully settled at RON 96/share. Purchase orders placed at prices lower than the issue price (RON 95 and 94/bond) were not executed.

The transaction date was April 16, 2024, and the transaction settlement date was April 18, 2024. Following the establishment of the closing price of the offer at 96 lei/bond, the BNET28A issue consists of a number of 66,249 bonds with a total nominal value of 6,624.90 lei, by raising this market amount of the issuer. 6,359,904 lei, due to the reduced issue price at 96 lei/bond.

BNET28A bonds carry a fixed interest rate of 9% per annum, payable quarterly through the Central Depository system, with a maturity of 4 years from issue, respectively in April 2028. Starting with 23.05.2024, BNET28A bonds are tradable on the regulated market administered by the Bucharest Stock Exchange.

The total issuance costs for this bond issue amounted to 427,889 lei and were recorded at the balance sheet level at the date of bond issuance, thus reducing the total amount of debt. The issuance costs are

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subsequently allocated over the life of the bond issue, increasing the total carrying amount of the bond debt.

**NOTA 23. BANK LOANS**

The company had no bank loans outstanding as of December 31, 2025 and nor on December 31, 2024.

**NOTA 24. LEASING DEBT**

The company has concluded a long-term lease agreement for the existing headquarters with a final term in May 2029 and long-term operational leasing agreements for technical equipment with final terms in 2025-2027.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Short-term part	3,863,814	3,897,322
The long-term part	<u>9,829,790</u>	<u>13,095,069</u>
<b>Total</b>	<u><b>13,693,604</b></u>	<u><b>16,992,391</b></u>

The reconciliation of lease liabilities and rights of use recognized as a result of the application of IFRS 16 is presented in the following tables:

Lease liabilities	Spaces	Equipment	machines	Total
<b>On January 1, 2024</b>	<b>16,453,951</b>	<b>1,774,277</b>	<b>363,331</b>	<b>18,591,559</b>
Inputs	2,056,459	26,896	99,120	2,182,475
Outputs	-	-	-	-
Interest	841,316	78,954	17,071	937,340
Exchange rate differences	(2,190)	8,673	1,688	8,171
Lease payments	<u>(3,886,633)</u>	<u>(705,752)</u>	<u>(134,769)</u>	<u>(4,727,154)</u>
<b>On December 31, 2024</b>	<b>15,462,902</b>	<b>1,183,047</b>	<b>346,441</b>	<b>16,992,391</b>
Inputs	482,058	-	-	482,058
Outputs	-	-	-	-
Interest	726,920	50,015	13,335	790,270
Exchange rate differences	350,929	28,002	8,760	387,692
Lease payments	<u>(4,244,028)</u>	<u>(603,315)</u>	<u>(111,464)</u>	<u>(4,958,806)</u>
<b>As of December 31, 2025</b>	<b>12,778,781</b>	<b>657,749</b>	<b>257,073</b>	<b>13,693,604</b>
Usage rights	Spaces	Equipment	machines	Total
<b>On January 1, 2024</b>	<b>4,962,032</b>	<b>936,394</b>	<b>431,712</b>	<b>6,330,138</b>
Inputs	1,695,456	26,896	99,120	1,821,472
Outputs	-	-	-	-
Amortization	<u>(1,028,866)</u>	<u>(347,626)</u>	<u>(132,680)</u>	<u>(1,509,172)</u>
<b>On December 31, 2024</b>	<b>5,628,622</b>	<b>615,664</b>	<b>398,152</b>	<b>6,642,437</b>
Inputs	868,706	34,110	-	902,816
Outputs	-	-	-	-
Amortization	<u>(1,420,949)</u>	<u>(350,134)</u>	<u>(118,441)</u>	<u>(1,889,523)</u>
<b>As of December 31, 2025</b>	<b>5,076,380</b>	<b>299,640</b>	<b>279,711</b>	<b>5,655,730</b>

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**NOTA 25. TRADE AND OTHER LIABILITIES**

Trade and other payables are detailed in the following table:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
<b>Trade debts</b>		
Providers	9,768,323	3,571,151
<b>Other debts</b>		
Committed debts	204,321	207,215
Other debts	50,203	19,678
Liabilities for acquisition of participations (Note 16)	-	-
Customer advances	-	1,194
VAT	589,591	-
Other budget debts	169,928	172,688
<b>Total other liabilities, of which:</b>	<b>1,014,043</b>	<b>400,775</b>
Long-term liabilities (share acquisitions)	-	-
Current liabilities	<u>1,014,043</u>	<u>400,775</u>

**Contractual liabilities**

If the sales price includes a distinct amount, specified in the contract, for the subsequent provision of services (such as revenue from the sale of manufacturer warranty services), that amount is deferred (account 472, "Prepaid income") and recognized as income during the period in which the services are provided, but no later than the end of the period for which the subsequent provision of services was contracted. In contrast, the related expenses are deferred (account 471, "Prepaid expenses") and recognized in the same period in which the services are provided.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Contractual liabilities	265,014	463,881

**Provisions**

The 'Provisions' position as of 31.12.2025, in the amount of 105,831 lei, is mainly composed of: Bucharest Mall & Development litigation provision 105,831 lei.

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Provisions	105,831	105,831

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**NOTA 26. INFORMATION ON RELATED PARTY RELATIONS**

Details regarding balances and transactions with related parties are presented below.

The remuneration paid to Key Management (identified in Note 1) is as follows:

	<u>2025</u>	<u>2024</u>
Management contracts	3,561,253	3,886,775
SOP expenses	311,804	967,840
<b>Total</b>	<b><u>3,873,057</u></b>	<b><u>4,854,615</u></b>

As of December 31, 2025, the liabilities related to management contracts amount to 385,123 LEI (December 31, 2023: 354,143 lei).

Details regarding balances and transactions with related parties in commercial activities:

Transactions / Balances – 2025/31 Dec	Sale	Receivables	Acquisitions	Debts (incl. credit notes & rebates)
	2025	Dec 31, 2025	2025	Dec 31, 2025
Dendrio Solutions	52,804	387,072	43,027	(104,906)
Elian Solutions	-	99,559	23,150	(2,711)
Bittnet Raining (formerly Equatorial Gaming)	-	414,838	709	(2,636)
IT Prepared	-	-	38,573	-
Dendrio Technology	-	158,628	5,455	-
Dendrio Innovations	47,875	117,670	-	-
Nenos Software	-	42,060	23,253	(10,583)
Elian Development Systems (formerly Kepler Management Systems)	-	29,377	-	-
<b>Total</b>	<b>100,679</b>	<b>1,249,205</b>	<b>134,167</b>	<b>(120,835)</b>
Transactions / Balances – 2024/31 Dec	Sale	Receivables	Acquisitions	Liability
	2024	Dec 31, 2024	2024	Dec 31, 2024
Dendrio Solutions	469,869	742,579	98,220	94,869
Computer Learning Center	5,364	64,423	-	2,590
Elian Solutions	-	342,236	38,307	7,107
Kepler Management	-	1,353	-	-
Equatorial Gaming	-	352,771	-	-228
Equatorial Training	-	6,932	-	-
Fort	-	42,428	22,933	17,504
GRX Advisory	-	12,693	-	-
ISEC Associates	-	271	-	-
IT Prepared	-	224,281	36,298	28,783
Dendrio Technology	5,026	137,949	-	-
Dendrio Innovations	101,950	165,727	-	-
Nenos Software	-	-	20,807	-
<b>Total</b>	<b>582,209</b>	<b>2,093,642</b>	<b>216,564</b>	<b>150,624</b>

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**Intragroup loans and receivables**

Other financial assets	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Sublease assets	7,524,144	9,985,806
Dendrio Solutions – loan	34,510,230	15,887,470
Bittnet Training (formerly Equatorial Gaming) – loan	223,035	191,469
<b>Total</b>	<u><b>42,257,409</b></u>	<u><b>26,064,745</b></u>

The loans granted to the subsidiary Dendrio Solutions were granted to finance working capital and to finance the acquisition of the IT&C business (business transfer) from Crescendo, as well as to finance Dendrio Solutions' own contribution to the acquisition of the majority stake in Dataware Consulting (rebranded in 2024 Dendrio Innovations). The interest on the loan is aligned with the cost of financing through bond issues (9% pa).

The loan granted to the subsidiary Elian Solutions in the amount of 3.1 million lei was intended to finance the acquisition of a majority stake in Kepler Management Systems (rebranded Elian Development Systems). The loan was granted in November 2023, and the interest was aligned with the interest rate of the most recent bond issue carried out by Bittnet at that time, BNET27A, namely 10% per annum. The loan was converted into equity in a capital increase operation in May 2024.

The loans to the subsidiaries Equatorial Gaming and Equatorial Training were intended to meet the general financing needs of the two companies. The interest rates are 9% pa in the case of Equatorial Training and 10% pa in the case of the loan granted to Equatorial Gaming – in line with the interest rates practiced on the bond market at the time of granting the loans to the affiliated companies. The loan granted to Equatorial Training in the amount of 170,000 lei was fully repaid in March 2024, together with the interest due.

The loan to the subsidiary Computer Learning Center was granted to cover the financing needs of some projects in the current activity. The interest on the loan was aligned with the cost of financing through bond issues at the time of their granting (9% pa). The loan was converted into equity in a capital increase operation in June 2024. At the end of 2024, Computer Learning Center was merged by absorption into Bittnet Training (formerly Equatorial Gaming).

Interest income amounted to 2,869,970 LEI in the financial year 2025 (2024: 2,381,206 LEI).

**Loans to other related parties**

Other financial assets	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Impetum Investments – loan	-	5,151,693
E-Learning Company - loan	-	466,273
<b>Total</b>	<u><b>-</b></u>	<u><b>5,617,966</b></u>

For the last tranche of the sale of Fort SA, Bittnet Systems granted – at the end of December 2024 – a loan to Impetum Investments, the counterparty in the transaction, in the amount of 5,150,000 lei, a loan granted for an (initial) period of 6 months and with an interest rate of 6% per annum (Note 16).

*Repayment of loan granted to Impetum Investments*

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During June-July 2025, Bittnet Systems (the lender) and Impetum Investments (the debtor) reached an agreement to reschedule the loan granted in December 2024, and the repayment to be made over a period of 5 months as follows: installments of 500,000 lei each with payment due in July, August and October; the installment of 650,000 lei with payment due in September; and the difference of 3,000,000 lei with payment due on 15.11.2025. For the payment of the last installment in the amount of 3 million lei, the parties provided as an alternative means of payment, in case the debtor does not have funds at maturity, the transfer of the shares of a limited liability company to whose capital 20 million BNET shares held by the debtor were to be contributed. The parties also agreed to change the amount of interest on the borrowed amount, starting with 30.06.2025, from 6% per annum to 10% per annum.

In November 2025, Impetum Investments chose as an alternative means of payment of the last tranche, according to the additional act signed between the parties, its payment by transferring the 20 million BNET shares contributed to an SPV, informing the Issuer in this regard that it was repaying the debt in this way and not by bank transfer.

On 17.11.2025, Bittnet informed investors that the last installment (in the amount of 3 million lei) was paid by the debtor, at his choice, through an alternative means of payment specified in the agreement signed by the parties, namely by offsetting with the entirety of the shares issued by PNPL CLOUD INFRASTRUCTURE SRL, a company established and operating in accordance with the laws of Romania, (SPV/ special purpose vehicle), in turn holding Bittnet shares. As soon as it took possession of the SPV, the Issuer initiated procedures with the Central Depository and the ASF to transfer the 20 million BNET shares to its ownership, as treasury shares, a necessary step in order to be able to resort to their cancellation if it receives the necessary approval at a future General Meeting.

*Repayment of loan granted to E-Learning Company*

At the end of December 2025, the Issuer fully repaid the loan granted to The E-Learning Company, together with the related interest. The loan to The E-Learning Company was granted for working capital financing for a period of 1 year and with an interest rate of 10% per year.

**NOTA 27. CONTINGENT LIABILITIES**

**a) The risk associated with changing legislation and taxation in Romania**

Changes in the legal and fiscal regime in Romania may affect the Company's economic activity. Changes related to the adjustments of Romanian legislation with European Union regulations may affect the legal environment of the Company's business activity and its financial results. The lack of stable rules, legislation and cumbersome procedures for obtaining administrative decisions may also restrict the Company's future development. In order to minimize this risk, the Company regularly analyzes changes in these regulations and their interpretations.

Considering that the legislation increasingly leaves the interpretation of the application of tax norms to the discretion of the tax authority, combined with the lack of funds in the state budget and the attempt by any means to bring these funds, we consider this risk a major one for the company, because it cannot be addressed in any way in a preventive, real and constructive way. The company considers that it has paid all taxes, duties, penalties and penalty interest on time and in full, to the extent applicable. In Romania, the fiscal year remains open for verification for a period of 5 years.

**b) Bank guarantee letters**

On December 31, 2025, the Company had issued a bank letter of good payment guarantee in the amount of 195,726 euros in favor of One Controceni Park, related to the headquarters rental contract.

On December 31, 2024, the Company had issued a bank letter of good payment guarantee in the amount of 195,726 euros in favor of One Controceni Park.

**c) disputes**

In the context of its day-to-day operations, the Company is subject to litigation risk, among other things, as a result of changes and developments in legislation. In addition, the Company may be affected by other contractual claims, complaints and disputes, including from counterparties with which it has contractual relationships, customers, competitors or regulatory authorities, as well as by any negative publicity it may incur. The Company's management believes that these litigations will not have a significant impact on the Company's operations and financial position.

**File 30598/3/2021 – Bucharest Mall Development and Management litigation**

During 2021, the Group became aware of the existence of file 30598/3/2021 on the docket of the Bucharest Court, in conflict with the owner of the former office space - București Mall Development and Management SRL ("Anchor" or "Owner").

During February 2022, the Group (or "Tenant") took note of the content of this file and the value of the claims, as follows:

- i) 267,214.96 Lei representing rent, service tax and utilities;
- ii) 100,109.95 Lei representing late payment penalties related to the principal amount; and
- iii) 3,632,709.91 Lei representing compensatory damages (criminal clause).

The court ruled on 04.08.2023. The solution in short: "Partly admits the request, as specified. Obliges the defendant to pay the plaintiff the amount of 102,627.51 lei, as late payment penalties. Rejects the other claims as unfounded. Partially compensates the legal costs due to each party and, consequently, Obliges the defendant to pay the plaintiff the amount of 3,203.92 lei, as legal costs. With appeal within 30 days from notification. The appeal is filed with the Bucharest Court - 6th Civil Section."

On 04.11.2024, the decision was communicated to the parties, with the right to appeal within 30 days of communication. The plaintiff filed an appeal request registered on 09.12.2024, which is the subject of file no. 30598/3/2021 (250/2025) pending before the Bucharest Court of Appeal, Fifth Civil Section. The appeal request was communicated on 24.02.2025 and the Group responded in support on 10.03.2025.

At the hearing on 22.05.2025, the court admitted Anchor's appeal and partially changed the appealed sentence in the sense that: admits the action in its entirety, obliges the defendant to pay the amount of 3,632,709.91 lei in civil damages, 267,214.96 lei in rent, services, utilities, maintains the provision regarding the obligation of the defendant to pay the amount of 102,627.51 lei in penalties. obliges the defendant to

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pay the amount of 179,926.09 lei in court costs in the first instance. The solution can be appealed within 30 days from notification.

The decision of the Bucharest Court of Appeal was communicated on 23.06.2025. By this, the court ordered the defendant to pay the following amounts: 3,632,709.91 lei civil damages, 267,214.96 lei rent, services, utilities, 179,926.09 lei court costs in the first instance and maintaining the provision regarding the order requiring the defendant to pay the amount of 102,627.51 lei penalties.

The Company appealed to the High Court of Cassation and Justice against the decision of the Bucharest Court of Appeal. The Company also filed a request for a provisional suspension of the execution, which was definitively rejected by the High Court of Cassation and Justice.

By decision 188/2026 pronounced on 10.02.2026, the High Court of Cassation and Justice admitted the appeal filed by BITTNET SYSTEMS SA against civil decision no. 862 of 22 May 2025 pronounced by the Bucharest Court of Appeal (V Civil Section), quashed the appealed decision and sent the case for retrial to the same court of appeal. As of the date of this report, the decision of the High Court of Cassation and Justice no. 188/10.02.2026 has not been communicated, the deadline for its drafting (of 30 days from the date of pronouncement) being extended by 30 days.

The Company recorded a provision of 105,831.42 lei in the financial statements as of 31.12.2023. On 30.06.2025, the Company supplemented the provision with the amount of 4,076,647.05 lei. On 31.12.2026, the Company reversed the additional provision established on 30.06.2025, so that the total value of the provision recorded for this litigation as of 31.12.2025 amounts to 105,831.42 lei, this being the best estimate of a cash outflow following this dispute.

#### **d) Environmental aspects**

The implementation of environmental regulations in Romania is in the development phase and the application procedures are being reconsidered by the authorities. Bittnet's professional activity has no impact on the environment. Operating in the "service" field, our activity consists of acquiring knowledge and transferring it to clients, either within training courses or through consultancy, design and implementation services.

## **NOTA 28. SIGNIFICANT ACCOUNTING POLICIES**

The main accounting policies adopted in preparing the financial statements are presented below.

### **a) Revenue recognition**

The Company recognizes revenue to reflect performance obligations relating to the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

#### **Training services**

Revenue from training services includes access to technology experts by teaching IT skills, from basic (e.g. Microsoft Office Suite) to the most advanced (Cloud, DevOps, Cybersecurity). The business training portfolio contains project management, IT service management, business intelligence, CRM, ERP, Agile, etc. Bittnet offers a wide range of IT courses. Each course can be delivered in two flexible ways: intensive (5 days a week, 8 hours a day) or mixed format (2/4/6 hour courses, depending on the client's needs). Each student receives access to dedicated equipment, official curriculum, as well as online and offline exams.

Revenue is recognized at a specific point in time, upon completion of the training as a result of fulfilling the performance obligation.

#### **IT solutions integration services, products and licenses**

The IT solutions provided by the Group include: general consulting services, IT assessment services, implementation and migration services, maintenance and support services, infrastructure optimization services. The integrator business involves providing solutions and services starting with the initial analysis, design phase, implementation and testing resulting in turnkey projects for companies with different IT needs.

Revenue from the provision of services is recognized in the period in which they were provided and in correspondence with the stage of execution. The provision of services includes the execution of works and any other operations that cannot be considered deliveries of goods.

The stage of execution of the work is determined based on work reports accompanying invoices, reception reports or other documents attesting to the stage of completion and reception of the services provided.

If the sales price includes a distinct amount, specified in the contract, for the subsequent provision of services (such as revenue from the sale of manufacturer warranty services), that amount is deferred (account 472, "Prepaid income") and recognized as income during the period in which the services are provided, but no later than the end of the period for which the subsequent provision of services was contracted. In contrast, the related expenses are deferred (account 471, "Prepaid expenses") and recognized in the same period in which the services are provided.

Revenue from the sale of goods and licenses is recognized when the customer obtains control of the transferred assets. The Group sells goods and licenses within complex IT infrastructure solutions (such as: data networks, block & file storage, storage area network, disaster recovery and business continuity solutions, forensic software and communications security solutions, data processing, physical security systems) from vendors with which it has partnerships at the highest standards, such as Fujitsu, Cisco, Brocade, Dell, HP, Xerox or Microsoft, Google, Amazon Web Services.

#### **Performance obligations and revenue recognition methodology**

The majority of the Company's revenues come from the provision of services and training and IT integration, including the sale of goods, with revenue recognized at the time control of the goods has been transferred to the customer.

The performance obligations identified in the Group's contracts are generally limited to the goods or services explicitly stipulated in that contract, with no implied promises as a result of usual business practices, published policies or other specific statements.

If the sales price includes a distinct amount, specified in the contract, for the subsequent provision of services (such as revenue from the sale of manufacturer warranty services), that amount is deferred (account 472, "Prepaid income") and recognized as income during the period in which the services are

provided, but no later than the end of the period for which the subsequent provision of services was contracted. In contrast, the related expenses are deferred (account 471, "Prepaid expenses") and recognized in the same period in which the services are provided.

#### **Determining the transaction price**

The majority of the Company's revenues are derived from fixed-price contracts and, therefore, the amount of revenue to be earned from each contract is determined by reference to fixed prices. In estimating contractual revenues, the component relating to discounts granted to customers is deducted when it is likely that these will reduce the value of revenues.

#### **Allocation of amounts to obligations to be performed**

For most contracts, there is a fixed unit price for each product or service sold. Therefore, there is no judgment applied in allocating the contract price to each product or service.

#### **Costs of obtaining contracts**

Most contracts are short-term, so any incremental commissions paid to sales personnel for the work done to obtain the contracts are recognized directly in the statement of comprehensive income, without being capitalized.

The company acts on its own behalf when it is a party that controls a good or service before it is transferred to a customer, in which case it should recognize all revenue invoiced to customers as well as the cost of goods resold to customers. In contrast, an intermediary limits itself to organizing the provision of goods or services by another party, without exercising control over these goods or services before their transfer to a customer, in which case it should recognize as revenue only the margin made on such transactions.

#### **b) Impairment of non-financial assets (excluding inventories, investment property and deferred taxes)**

Impairment tests for goodwill and other intangible assets with indefinite useful economic lives are performed annually at the end of the financial year. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If the carrying amount of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

If it is not possible to estimate the recoverable amount of an individual asset, the impairment test is performed on the smallest group of assets of which it is a part, for which there are separately identifiable cash flows - its cash-generating units. Goodwill is allocated upon initial recognition to each of the Company's cash-generating units that is expected to benefit from a business combination that gives rise to goodwill.

Impairment adjustments are included in profit or loss, except to the extent that they represent reversals of gains previously recognized in other comprehensive income. An impairment loss recognized for goodwill is not reversed.

#### **c) Foreign exchange balances and transactions**

Transactions carried out by the Company in a currency other than the currency of the primary economic environment in which it operates (the "functional currency") are recorded at the rates prevailing at the time the transactions are made. Monetary assets and liabilities in foreign currencies are translated at the rates prevailing at the reporting date.

Exchange differences arising on the restatement of monetary assets and liabilities are recognized immediately in profit or loss.

#### **d) Financial assets**

The Company's accounting policy for the classification of financial assets is as follows.

##### ***Participation titles***

Equity securities are recorded at acquisition cost and are tested annually for impairment.

##### ***Amortized cost***

Loans and receivables are non-derivative financial assets with fixed or determinable payments and that are not quoted in an active market. They are included in current assets, except for those that have a

maturity period greater than 12 months from the end of the reporting period. These are classified as non-current assets.

These assets arise primarily from the provision of goods and services to customers (for example, trade receivables), but also include other types of financial assets where the objective is to hold these assets to collect contractual cash flows, and the contractual cash flows are exclusively payments of principal and interest. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issuance and are subsequently carried at amortized cost using the effective interest method, less any adjustments for impairment.

Impairment adjustments for trade and other receivables are recognized based on the simplified approach under IFRS 9, using an adjustment matrix in determining the estimated losses. In this process, the probability of non-payment of trade receivables is assessed. This probability is then multiplied by the amount of the expected loss resulting from non-payment to determine the expected credit loss for trade receivables. For trade receivables, these adjustments are recorded in a separate adjustment account, with the loss being recognized within general and administrative expenses in the statement of comprehensive income. Upon confirmation that the respective trade receivable will not be collectable, the gross carrying amount of the asset is written off against the associated adjustments.

Impairment adjustments for receivables from related parties and loans to related parties are recognized based on an expected credit loss model. The methodology used to determine the amount of the adjustments is based on the existence of a significant increase in credit risk since the initial recognition of the financial asset.

For those for which credit risk has not increased significantly since the initial recognition of the financial asset, twelve-month expected credit losses are recognized together with gross interest income. For those for which credit risk has increased significantly, estimated credit losses are recognized together with gross interest income. For those that are determined to be clearly credit-impaired, expected credit losses are recognized together with interest income on a net basis.

The Company's financial assets measured at amortized cost include trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents include cash on hand, time deposits with banks, other short-term highly liquid investments with original maturities of three months or less, and - for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are presented in loans and borrowings in current liabilities in the statement of financial position.

#### **Financial assets at fair value**

The Company holds financial assets in the nature of equity securities, which are recognized in the financial statements at fair value, with changes in fair value recognized in the statement of comprehensive income.

#### **e) Financial debts**

The Company's accounting policy for classifying financial liabilities is as follows.

Bank loans and borrowings from the Company's issue of redeemable bonds are initially recognized at fair value, net of any transaction costs directly attributable to the issuance of the instrument. Interest-bearing liabilities are subsequently measured at amortized cost using the effective interest rate method, which ensures that any interest expense over the repayment period is at a constant rate to the outstanding balance of the liability recorded in the statement of financial position.

Borrowings are classified as current liabilities, except where the Company has an unconditional right to defer payment of the debt for a minimum of 12 months from the end of the reporting period.

For each financial liability, interest expense includes initial transaction costs and any premium payable upon redemption, as well as any interest or coupon that must be paid over time.

The Company does not hold any derivative liabilities that are accounted for in the financial statements at fair value, with changes in fair value recognized in the statement of comprehensive income, and has no trading obligations, nor has it designated financial liabilities as being at fair value through profit or loss.

#### **f) Share-based payments (SOP)**

**BITTNET SYSTEMS SA**  
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The company grants share purchase options settled from equity to employees and collaborators.

The fair value of the options at the grant date is recorded systematically in the statement of comprehensive income over the period until the option is exercised. Vesting conditions that are not market-based are taken into account by adjusting the number of equity instruments expected to be recorded at each reporting date so that, ultimately, the cumulative amount recognized during the vesting period is based on the number of options that eventually become payable. Non-vesting conditions and vesting conditions are included in the fair value of the options granted. Cumulative expenses are not adjusted for the failure to satisfy a vesting condition or if a non-vesting condition is not met.

**g) Leasing**

Under IFRS 16, a contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for a mandatory payment. For this type of contract, the new model requires a lessee to recognize a right-of-use asset and a lease liability. The right-of-use asset is depreciated and the liability accrues interest.

The Group applies the following exceptions and does not account for the following as leases in accordance with IFRS 16:

- leases with a rental period of 12 months or less and which do not contain purchase options, and
- leasing contracts where the underlying asset has a low value ("low-value" leasing transactions).

The group analyzed all rental contracts for the rental of equipment and the spaces in which it operates.

The Group recognized the right-of-use assets and lease liabilities as follows:

Usage rights	Lease liabilities
Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the value of any amounts paid in advance, direct initial or preliminary costs.	Measured at the present value of lease payments, discounted using the Company's incremental borrowing rate.  The company's incremental borrowing rate is the rate at which a loan could be obtained from an independent financier, under comparable terms and conditions. The average rate applied was 5% p.a.

**h) Externally acquired intangible assets**

Intangible assets acquired externally are initially recognized at cost and subsequently amortized on a straight-line basis over their useful economic lives: Licenses – 3-5 years, except for trademarks which are tested annually for impairment.

**i) Tangible fixed assets**

Tangible fixed assets include premises, equipment, machinery and other assets used for current activity. Tangible fixed assets are initially recognized at acquisition cost.

The acquisition cost includes directly attributable costs and the estimated present value of any unavoidable and future costs of dismantling and disposing of those items. The corresponding obligation is recognized within provisions.

The depreciation of other tangible assets is calculated based on the straight-line method in order to allocate their cost less residual value, over their useful lives, as follows: Space improvements - during the term of the lease, Other fixed assets - 2-5 years.

**j) Stocks**

Inventories are initially recognized at cost and subsequently at the lower of cost and net realizable value. Cost includes all costs of purchase, conversion costs and other costs incurred in bringing the inventories to

their present location and condition. Specific identification is used to determine the cost of interchangeable items.

#### **k) Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, and an outflow of resources embodying economic benefits is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where there are a number of similar obligations, the probability that an outflow of resources will be required to settle the obligation is determined by assessing the class of obligations as a whole. A provision is recognized even if the probability of an outflow of resources related to any item included in any class of obligations is remote. Where the Company expects a reimbursement of a provision, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is theoretically certain.

Provisions are measured at the present value of the expenditures estimated to be required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

#### **l) Employee benefits**

In the normal course of business, the Company makes payments to the Romanian State on behalf of its employees for health, pension and unemployment funds. All employees of the Company are members of the Romanian State pension plan, which is a defined contribution plan. These costs are recognized in the profit and loss account together with the recognition of salary expenses.

#### **m) Current and deferred income tax**

The tax expense for the period includes current and deferred tax and is recognized in profit or loss, except when it is recognized in other comprehensive income or directly in equity because it relates to transactions that are, in turn, recognized in the same or a different period, in other comprehensive income or directly in equity.

Current income tax expense is calculated based on the tax regulations in force at the end of the reporting period. Management periodically assesses the positions in the tax returns with regard to situations where the applicable tax regulations are interpretable and establishes provisions, where appropriate, based on the amounts estimated to be due to the tax authorities.

Deferred income tax is recognized, using the balance sheet liability method, for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax that arises from the initial recognition of an asset or liability in a transaction other than a business combination and that at the time of the transaction affects neither accounting nor taxable profit is not recognized. Deferred income tax is determined based on tax rates (and legal regulations) that have been enacted or substantively enacted by the end of the reporting period and that are expected to be applied in the period in which the deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilized.

IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances where there is uncertainty about the tax treatments relating to income taxes. The interpretation states the following:

- It remains to be determined whether uncertain tax treatments should be considered separately, or together as a group, depending on the approach that provides better predictions about resolution;
- Determine whether the tax authorities are likely to accept the uncertain tax treatment; and
- If it is not probable that the uncertain tax treatment will be accepted, the tax uncertainty should be measured at the most likely amount or the expected amount, whichever method better predicts the resolution of the uncertainty. The measurement should be based on the assumption that each of the tax authorities will examine the amounts that they are entitled to examine and have full knowledge of all relevant information when making those examinations.

Following the application of the provisions of IFRIC 23, no impact on income tax liabilities was identified.

## NOTA 29. RUSSIA - UKRAINE CONFLICT

### I. Russia - Ukraine conflict

The Russian Federation's invasion of Ukraine and the subsequent global response to these military actions could have a significant impact on some companies, particularly companies with physical operations in Ukraine, Russia and Belarus, as well as entities with indirect interests (e.g., those with suppliers and customers, investments and creditors, operating in these countries). Sanctions imposed on the Russian government, Russian entities and Russian individuals in many jurisdictions could also affect companies, such as through loss of access to financial resources and trade, as well as through the collateral effects of sanctions on global prices (e.g., oil, natural gas and other petroleum products). The effects of the conflict are wide-ranging and rapidly evolving. Companies that do not have operations in Russia and Ukraine could still be affected by the conflict, including, but not limited to:

- Destruction, confiscation or abandonment of tangible and intangible property;
- Sanctions imposed on a company that may impact its ability to operate (e.g. access to funds, banking systems, etc.);
- Sanctions imposed on a company's customers, which may impact its ability to sell goods and services and collect debts;
- Sanctions imposed on a company's suppliers, which may impact its ability to obtain raw materials, goods and services, or which may indirectly increase the costs of obtaining these elements from alternative sources;
- Sanctions imposed on an entity's creditors and/or banks, which may limit its ability to access funds and credit;
- Changes in the approach of customers and consumers towards companies with ties to Russia, Belarus or other jurisdictions related to the Russian Federation, which could reduce demand for the products of those companies;
- Changes in risk appetite that may lead to creditors and investors withdrawing their financial support for companies with ties to Russia, resulting in increased liquidity risk and/or doubts regarding the continuity of the activities of those companies;
- Volatility in the prices of financial instruments and commodities, including oil, natural gas, other petroleum products and minerals, as well as volatility in foreign exchange rates.

Based on the information available to date, the Company's Management has not identified any specific potential risks related to the Russia-Ukraine conflict and thus, at this time, no significant impact is expected on the conduct of current operations. The Company's direct exposure to third parties affected by the sanctions imposed since the conflict began (customers, suppliers, banking institutions with which the Company collaborates, which have been directly affected by the sanctions) does not exist. The indirect exposure (customers, suppliers with which the Company collaborates, with links to third parties affected by the sanctions, as well as risks related to future volatility of commodity prices or foreign exchange rates) is unquantifiable, and the Company's Management has not received any indication of any significant impact on the Company's activity to date.

**NOTA 30.   EVENTS AFTER THE BALANCE SHEET DATE**

**I.       Signing an agreement for the sale of a group company**

In line with the asset valuation strategy announced at the beginning of the year, the issuer has signed a non-binding termsheet agreement for the sale of Elian Solutions' shares to a foreign investor. Should the transaction reach completion, the transaction price would be between EUR 6.4 and 8 million (for the takeover of 100% of Elian Solutions) depending on the company's financial performance in 2026.

The financial statements from page [3] to page [56] were approved and signed on March 27, 2026.

Mihai Logofătu

Adrian Stănescu

General Manager

Financial Director