

## **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**