

BITTNET SYSTEMS S.A.

CONSOLIDATED INTERIM REPORT

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 6 MONTHS ENDED 30 JUNE 2026

PREPARED IN ACCORDANCE WITH OMFP
NO. 2844/2016 AND THE
INTERNATIONAL FINANCIAL REPORTING
STANDARDS ADOPTED BY THE
EUROPEAN UNION, AS REVISED

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	30 June 2026	30 June 2025
Continuing operations			
Revenue from contracts with customers	[5]	126,890,296	89,865,370
Cost of sales		(103,355,410)	(74,108,690)
Gross margin		23,534,886	15,756,681
Other income		132,713	781,233
Selling expenses		(8,493,858)	(9,849,266)
General and administrative expenses		(16,368,533)	(24,025,732)
Other expenses		-	-
Gain / (loss) on equity-accounted investments	[10]	141,956	(119,749)
Losses on investments measured at fair value through profit or loss	[10]	(396,383)	(2,079,698)
Finance income	[7]	630,262	3,123,429
Finance costs	[7]	(4,349,925)	(4,678,096)
Profit / (loss) before tax		(5,168,883)	(21,091,198)
Income tax		803,873	2,840,727
Profit / (loss) from continuing operations		(4,365,009)	(18,250,471)
Discontinued operations			
Net profit / (loss) from discontinued operations		12,865,648	436,698
Net profit, of which:		8,500,639	(17,813,773)
attributable to the Parent Company		8,843,895	(17,600,959)
attributable to non-controlling interests		(343,257)	(212,814)
Other comprehensive income items		-	-
Total comprehensive income		8,500,639	(17,813,773)
attributable to the Parent Company		8,843,895	(17,600,959)
attributable to non-controlling interests		(343,257)	(212,814)

The consolidated interim financial report from page [3] to page [39] was approved and signed on 28 August 2026.

Mihai Logofătu
Chief Executive Officer

Adrian Stănescu
Chief Financial Officer

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2026	31 December 2025
ASSETS			
Non-current assets			
Goodwill		59,288,537	64,531,266
Other intangible assets		8,224,133	8,766,895
Property, plant and equipment		4,070,335	5,330,713
Right-of-use assets		18,014,122	19,954,606
Equity-accounted investments	[10]	6,370,462	6,228,507
Other financial assets		245,086	315,703
Deferred tax		6,826,292	5,592,242
Total non-current assets		103,038,967	110,719,930
Current assets			
Inventories		6,452,860	3,647,955
Work in progress – services		20,675,274	16,221,472
Trade receivables		58,395,018	121,087,646
Other receivables		37,543,483	13,344,873
Financial assets at fair value		1,467,202	3,459,404
Cash and cash equivalents		37,621,709	116,387,622
Total current assets		162,155,547	274,148,973
TOTAL ASSETS		265,194,514	384,868,903
EQUITY AND LIABILITIES			
Share capital		63,417,671	63,417,671
Share premium		31,934,768	31,934,768
Other equity items		(31,751,172)	(31,751,172)
Reserves		2,233,539	2,233,539
Retained earnings		4,381,530	(4,785,452)
Equity attributable to the parent company	[11]	70,216,337	61,049,355
Non-controlling interests	[12]	2,536,464	5,470,151
Total equity and reserves		72,752,801	66,519,506
Non-current liabilities			
Bonds	[13]	16,318,368	21,194,200
Bank borrowings	[14]	10,624,398	13,221,973
Lease liabilities		13,283,626	14,927,426
Total non-current liabilities		40,226,392	49,343,599
Current liabilities			
Bonds	[13]	5,136,085	10,475,771
Bank borrowings	[14]	12,078,702	12,259,422
Lease liabilities		6,823,641	6,795,412
Dividends payable		942	1,913,363
Income tax payable		484,829	420,835
Contract liabilities		16,272,494	17,314,977
Trade payables		98,915,020	206,283,761
Other liabilities		11,425,206	12,463,857
Provisions		1,078,401	1,078,401
Total current liabilities		152,215,320	269,005,798
Total liabilities		192,441,712	318,349,397
TOTAL EQUITY AND LIABILITIES		265,194,514	384,868,903

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CONSOLIDATED STATEMENT OF CASH FLOWS

	30 June 2026	30 June 2025
Net profit	8,500,639	(17,813,773)
Adjustments for:		
Depreciation and amortisation expense	4,930,751	5,138,631
Expenses on assets disposed of	1,292	181,556
Employee share-based benefits SOP	-	311,804
Provisions	-	4,076,647
Expenses relating to acquisitions of equity interests	-	-
Interest expense and other finance costs	3,457,648	3,711,912
Income tax expense	(947,765)	(2,744,366)
Interest income and other finance income	(679,162)	(317,686)
Gain/Loss on securities investments [10]	(13,357,880)	(743,893)
Gain/Loss on equity-accounted investments [10]	(141,956)	119,749
Operating profit before working capital changes	1,763,566	(8,079,420)
Change in receivable account balances	46,114,495	68,369,866
Change in inventory account balances	(2,805,017)	922,195
Change in payable account balances	(105,482,988)	(91,965,290)
Cash generated from operations	(60,409,944)	(30,752,649)
Income tax paid	(249,786)	(871,045)
Net cash from operating activities	(60,659,730)	(31,623,694)
Investing activities:		
Payments for the acquisition of subsidiaries/businesses, +/- cash acquired	-	(4,977,000)
Payments for the acquisition of non-controlling interests	-	(5,000,000)
Proceeds from the sale of equity interests, +/- cash disposed of	-	5,915,316
Loans granted to related entities	-	100,000
Acquisitions of property, plant and equipment and intangible assets	(208,038)	(877,468)
Other investments in financial assets	-	-
Proceeds from other financial investments	1,549,636	-
Dividends received	-	-
Interest received	679,162	141,878
Net cash from investing activities	2,020,761	(4,697,273)
Financing activities:		
Proceeds from share issues	1,940	-
Sales of treasury shares	-	-
Purchases of treasury shares	-	(233,815)
Drawdowns of bank borrowings	-	-
Repayments of bank borrowings	(2,778,294)	(3,502,258)
Proceeds from bond issues	-	-
Repayments of bond issues	(10,804,868)	-
Interest on lease liabilities	(567,954)	(598,217)
Payments of lease liabilities	(3,140,264)	(3,276,207)
Interest paid	(2,300,344)	(2,480,384)
Dividends paid to non-controlling interests	(537,160)	(318,165)
Net cash from financing activities	(20,126,943)	(10,409,045)
Net increase in cash and cash equivalents	(78,765,913)	(46,730,012)
Cash and cash equivalents at the beginning of the financial year	116,387,622	73,355,404
Cash and cash equivalents at the end of the financial year	37,621,709	26,625,392

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Share capital	Share premium	Other equity items	Legal reserves	Retained earnings	Total equity	Non-controlling interests	Total equity
31 Dec 2024		63,417,671	31,934,768	(28,669,257)	2,104,581	1,581,052	70,368,816	6,826,502	77,195,318
Net profit		-	-	-	-	(17,600,959)	(17,600,959)	(212,814)	(17,813,773)
Other comprehensive income items		-	-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	(17,600,959)	(17,600,959)	(212,814)	(17,813,773)
BNET share capital increase		-	-	-	-	-	-	-	-
Share capital increases in subsidiaries		-	-	-	-	-	-	-	-
Employee share-based benefits SOP	[11]	-	-	311,804	-	-	311,804	-	311,804
Purchases of treasury shares	[11]	-	-	(233,815)	-	-	(233,815)	-	(233,815)
Sales of treasury shares	[11]	-	-	-	-	-	-	-	-
Acquisitions of non-controlling interests	[12]	-	-	-	-	-	-	-	-
Non-controlling interests	[12]	-	-	-	-	269,724	269,724	(176,146)	93,578
Dividend distribution		-	-	-	-	-	-	(496,961)	(496,961)
30 June 2025		63,417,671	31,934,768	(28,591,269)	2,104,581	(15,750,183)	53,115,569	5,940,582	59,056,152
31 Dec 2025		63,417,671	31,934,768	(31,751,172)	2,233,539	(4,785,452)	61,049,355	5,470,151	66,519,506
Net profit		-	-	-	-	8,843,895	8,843,895	(343,257)	8,500,639
Other comprehensive income items		-	-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	8,843,895	8,843,895	(343,257)	8,500,639
BNET share capital increase		-	-	-	-	-	-	-	-
Share capital increases in subsidiaries		-	-	-	-	-	-	1,920	1,920
Incorporation of Dendrio Accelerate		-	-	-	-	-	-	20	20
Employee share-based benefits SOP	[11]	-	-	-	-	-	-	-	-
Purchases of treasury shares	[11]	-	-	-	-	-	-	-	-
Sales of treasury shares	[11]	-	-	-	-	-	-	-	-
Acquisitions of non-controlling interests	[12]	-	-	-	-	-	-	-	-
Non-controlling interests	[12]	-	-	-	-	323,087	323,087	(4,120,437)	(3,797,350)
Dividend distribution		-	-	-	-	-	-	1,528,067	1,528,067
30 June 2026		63,417,671	31,934,768	(31,751,172)	2,233,539	4,381,530	70,216,337	2,536,464	72,752,801

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NOTE 1. GENERAL INFORMATION

Structure of the group and of the operating activities

The financial statements comprise the consolidated financial information of the parent company Bittnet Systems S.A. (the „Issuer”), with its registered office in Bucharest, Str. Sergent Ion Nuțu, no. 44, One Cotroceni Park, Wing A and Wing B, 4th floor, district 5, and of the following subsidiaries, all of them registered in Romania:

	30 June 2026	31 December 2025
SUBSIDIARIES - % holding		
Dendrio Solutions	96,5%	96,5%
Dendrio Innovations, 100% held by Dendrio Solutions	96,5%	96,5%
Dendrio Technology, 100% held by Dendrio Solutions	96,5%	96,5%
Dendrio Accelerate	96,5%	-
Bittnet Training	100%	100%
Eliau Solutions (*)	-	61,69%
Eliau Development Systems, 100% held by Eliau Solutions (*)	-	61,69%
Nenos Software	60,97%	60,97%
Nonlinear	60%	60%
MBD Capital	100%	-
(*) The Group sold its entire holding in Eliau Solutions (and its subsidiary Eliau Development Systems) in June 2026		

NON-CONTROLLING INTERESTS

E-Learning Company	23%	23%
Digital Intelligence Partners, held by Dendrio Solutions	23,35%	23,35%

The consolidated financial statements include the results of business combinations under the acquisition method. In the statement of financial position, the identifiable assets, liabilities and contingent liabilities of the acquirer are initially recognised 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 on which control is obtained.

Bittnet Systems S.A.

Bittnet was founded in 2007 and focused on providing IT training and integration solutions based on the technologies of market leaders such as Cisco, Microsoft, Dell, Oracle, HP, VMware, Google, Amazon Web Services.

The Group’s process of continuous development, both through the launch of new products and services and through ongoing acquisitions, has led to its current size, in which the business is organised into centres (“cells”) that are as independent as possible, within areas of interest – “development pillars” or “business units” (Training, Cloud & Infrastructure, Cybersecurity and Business applications & Software development) – which represent sub-fields of activity within IT&C Services. Bittnet is today a conglomerate that offers investors exposure to the entire IT&C industry in Romania.

Bittnet shares (ticker BNET) are listed on the BVB Regulated Market and are part of the main BVB indices.

a) Education Division

This division comprises 2 companies (**Bittnet Systems** and **Bittnet Training** (formerly Equatorial Gaming, which absorbed Equatorial Training and Computer Learning Center in December 2024)), joined by the minority holding in **The E-Learning Company**), which provide training to adults in two areas: Technical Skills and Human Skills, in classic face-to-face format, Virtual Remote, as well as instructor-led or eLearning format. The training courses offered give experts access to technology by teaching IT skills, from 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.

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The E-Learning Company S.A.

The E-Learning Company has a portfolio of diverse solutions and products structured along several directions covering areas such as personal and professional development, communication, sales and negotiation, marketing, human resources, project management, Microsoft Office, finance, English language, etc.

b) Digital Infrastructure Division (Cloud & Infrastructure)

This division currently comprises 4 companies (**Dendrio Solutions**, **Dendrio Innovations** (formerly Dataware Consulting), **Dendrio Technology** (formerly Top Tech, which absorbed 2Net Computer in December 2024) and **Dendrio Accelerate**) which provide complex IT solutions to clients in the corporate, large corporate, enterprise and public sector segments across the country and also abroad (in particular CEE and the USA).

The solutions offered range from physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems, through to the design and implementation of complex IT architectures of the data centre/hybrid or cloud type, enterprise networking, cybersecurity platforms and the implementation of the related software platforms, including collaboration platforms (of the modern workplace type).

The services offered are provided both in the classic regime (project-based) and in a „managed services“ format, the managed type being delivered predominantly to clients in mature markets, in Europe and the United States.

Dendrio Solutions

The IT solutions provided by Dendrio include: general consultancy services, IT assessment services, implementation and migration services, maintenance and support services, infrastructure optimisation 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 vendors, with a focus on cloud and cybersecurity.

Dendrio Technology (formerly Top Tech)

Dendrio Technology is a Romanian company, an integrator of IT&C products and services, with operations in the Transylvania region. At present, TopTech has partnerships with some of the most important technology manufacturers, such as Dell or HP, for the delivery of equipment, solutions and technology 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. Dendrio Technology has offices in Deva, Sibiu, Timisoara, Cluj-Napoca and Brasov.

Dendrio Innovations (formerly Dataware Consulting)

Dendrio Innovations is one of the most important integrators of technology solutions and services for the implementation and configuration of IT infrastructures, data networks, storage and security solutions from the leading international technology vendors.

Dendrio Accelerate

Dendrio Accelerate is a limited liability company incorporated in May 2026 by Bittnet Systems SA as a subsidiary. The company has a shareholding structure and a field of activity similar to those of Dendrio Solutions, and the purpose for which it was set up is to deliver IT solutions and services, mainly in the area of digital infrastructure solutions, to clients with a turnover of under 10 million lei and to SMEs.

c) Digital Platforms and Products Division (Business applications & Software development)

This division comprised 4 companies: **Elia Solutions**, **Elia Development Systems** (formerly Kepler Management Systems), **Nenos Software & Nonlinear**.

Elia Solutions

ELIAN Solutions specialises in providing implementation, development and support services for ERP (Enterprise Resource Planning) solutions, Microsoft Dynamics 365 Business Central. As a long-standing 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 Microsoft’s new cloud partnership programme. The solution implemented by ELIAN allows companies to know the status of inventories, receivables and payables, to forecast, inter alia, cash flow, to monitor production, cost centres and much more.

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Eliau Development Systems (formerly Kepler Management)

Eliau Development Systems is a company similar in profile and business to Eliau 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.

In June 2026 the contract was signed for the sale of the shares in Eliau Solutions SRL. The transaction price amounted to 6 million euro (approx. 31.4 million lei) for 100% of Eliau Solutions (together with its wholly owned subsidiary Eliau Development Systems). Through the sale of its holding in Eliau Solutions, Bittnet achieved an IRR (internal rate of return) of over 40%. The buyer is the Latvian company Digmatix AS, an important supplier of Microsoft business applications and advanced IT solutions serving clients in the Central and Eastern Europe (CEE) region, in particular in the SME market segment. The sale of Eliau was in line with the announced strategy of the Bittnet Group of monetising the assets in its portfolio. The funds thus obtained will be redirected towards buy-backs of BNET shares.

Eliau Solutions and Eliau Development Systems were deconsolidated at balance sheet level as at 30.06.2026, following the full sale of the Group's holding to the Latvian company Digmatix.

Nenos Software & Nonlinear

Nenos Software is a custom software development company, focused on Artificial Intelligence and Machine Learning (AI/ML). Nonlinear SRL is an SPV set up to access European funding; its activity is product-based software development, focused on developing a platform for the digitalisation and automation of processes within small and medium-sized companies using low code/no code and machine learning technologies.

Management of the Group

On 21.10.2025 the Company's shareholders met in a General Meeting to elect new members of the Board of Directors, following the resignations submitted by 3 of the members elected at the GMS of January 2024. Following the vote, the shareholders elected the new composition of the Board of Directors, the new members having mandates aligned with those of the former members, i.e. until January 2028. The composition of the Board of Directors as at 30.06.2026 was as follows:

- 1) **Ivylon Management SRL** – executive director, through **Mihai Alexandru Constantin LOGOFĂTU**. As at 31.12.2025, Mihai Logofătu holds 55,651,882 shares, representing 8.77% of the share capital. Mihai Logofătu is a co-founder of Bittnet Systems. Mihai Logofătu is also the Chief Executive Officer of the Issuer;
- 2) **BĂNICĂ ALINDA** – interim non-executive director, appointed to this position by the members of the Board of Directors following the resignation of Mr. Anghel Lucian Claudiu. Mrs. Bănică does not hold any shares of the Issuer;
- 3) **Marketing Expert Consulting SRL** represented by **TUDOR ADINEL** – non-executive director. Mr. Tudor Adinel holds 95,000 shares of the issuer;
- 4) **PODARIU AUREL CONSTANTIN** – non-executive director. At the date of his election as a Board member, as well as at 31.12.2025, Mr. Podariu did not hold any shares of the issuer;
- 5) **LOGOFĂTU CRISTIAN ION** – non-executive director. As at 31.12.2025, Cristian Logofătu holds 58,005,988 shares, representing 9.14% of the share capital. Cristian Logofătu is a co-founder of Bittnet Systems. Cristian and Mihai Logofătu are brothers.

The operational management of Bittnet Systems is provided by: **Mihai Logofătu** – CEO and co-founder of the Bittnet group and **Adrian Stănescu** – CFO, together with **Cristian Herghelegiu** – VP Technology and **Cristina Rațiu** – CEO of the Education division. These 4 individuals are identified as key management from an IFRS perspective.

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NOTE 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

a) Statement of compliance

The Group's 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 the accounting regulations compliant with the International Financial Reporting Standards”.

The consolidated report for **the 6-month period ended 30 June 2026** has been prepared in accordance with IAS 34 „Interim Financial Reporting”. This report does not include all the information and disclosures that would be required in a complete set of financial statements under IFRS and should be read in conjunction with the 2024 annual financial statements.

The Group applied the same accounting policies and measurement methods in the interim report as in the annual financial statements.

There are a number of standards, amendments to standards and interpretations issued by the IASB that are effective in future accounting periods and that the Group has decided not to adopt early. The Group is currently assessing the impact of these new standards and accounting amendments, but does not anticipate a significant impact.

The consolidated financial statements have been prepared under the historical cost convention, except for the 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.

b) Going concern

The year 2025 confronted 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 clients and high volatility both in the IT sector and in the national economy. In the first half of the year, the prolonged electoral cycle, the instability caused by the negotiations to form a new governing coalition, the discussions on the country rating and the delays in implementing projects financed under the NRRP contributed to a sudden halt in investments, as well as to significant fluctuations felt across the economy: from pressure on the exchange rate to higher cost of capital and reluctance regarding the availability of financing for carrying out projects.

For the Group's companies, these realities translated into contracts whose signing was postponed, procedures already under way that slowed down and payment delays for delivered projects. The constructive side is that these were timing shifts and not withdrawals or cancellations. Starting with the third quarter, the IT market went through a gradual thaw and a progressive resumption of investment plans, in both the public and the private sector, a signal that the underlying 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: while historically the 4th quarter brought approximately one third of turnover and gross margin, in 2025 the major deliveries shifted towards the final part of the year, the 4th quarter accounting for approximately 56% of the year's revenue.

Based on the analysis of future cash flows at business segment level and of existing obligations, as well as on the 2025 results, the Group's Management considers that the going concern principle has been appropriately applied in preparing the financial statements as at 30 June 2026.

c) Cyclicity/seasonality of revenue

Historically, given the seasonality of budgets and spending patterns in the IT&C sector in Romania and globally, Bittnet's most significant results have always been recorded in the final months of the year, more precisely in the 4th quarter of each year. As a guide, in the company's history, the results of the first nine months

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accounted for approximately 60% of the year's turnover, and the 4th quarter for approximately 40%. This is due to the specific nature of our clients, large, very large and even giant companies, which operate with annual budgets.

NOTE 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes certain estimates and assumptions concerning the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are discussed below.

Critical judgements

- Revenue recognition – the principal/agent relationship in respect of the resale of software licences
- Recognition of the Bittnet brand
- Recognition of the employee/collaborator retention programme through the granting of shares – „SOP”

Estimates and assumptions

- Measurement of the consideration relating to the employee/collaborator retention programme through the granting of shares – „SOP”
- Measurement of the allowances for impairment of receivables
- Measurement relating to the goodwill impairment test

Except for the measurement of financial assets held for sale and the estimated amount of the allowance for receivables, the Group does not hold assets and liabilities included in the financial statements that require the measurement and/or disclosure of fair value.

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NOTE 4. SEGMENT INFORMATION EXCLUDING DISCONTINUED OPERATIONS

Segment reporting is carried out in a manner consistent with internal reporting to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the executive management, which takes the strategic decisions.

Bittnet Group currently operates across three key divisions: Education, Cloud & Infrastructure and Software development.

- **Education** - this division comprises 2 companies (**Bittnet Systems** and **Equatorial Gaming, rebranded as Bittnet Training**), which provide training to adults in two areas: Technical Skills and Human Skills, in classic face-to-face format, Virtual Remote, as well as instructor-led or eLearning format. The training courses offered give experts access to technology by teaching IT skills, from 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 comprises 4 companies (**Dendrio Solutions, Dendrio Innovations (formerly Dataware Consulting), Dendrio Technology (formerly Top Tech) and Dendrio Accelerate**) which provide complex IT solutions to clients in the corporate, large corporate, enterprise and public sector segments across the country and also abroad (in particular CEE and the USA).

The solutions offered range from physical communications infrastructure, perimeter security, video systems, digital signage systems and computing and printing systems, through to the design and implementation of complex IT architectures of the data centre/hybrid or cloud type, enterprise networking, cyber security platforms and the implementation of the related software platforms, including collaboration platforms (of the modern workplace type). The services offered are provided both in the classic regime (project-based) and in a „managed services“ format, the managed type being delivered predominantly to clients in mature markets, in Europe and the United States.

- **Business applications & Software development** - this division comprised 4 companies: **Eliau Solutions, Eliau Development Systems (formerly Kepler Management), Nenos Software & Nonlinear**.

Eliu Solutions and Eliu Development Systems specialise in providing implementation services for ERP (Enterprise Resource Planning) solutions, Microsoft Dynamics 365 Business Central. The solution implemented by Eliu allows companies to know the status of inventories, receivables and payables, to forecast, inter alia, cash flow, to monitor production, cost centres and much more.

The Group sold its holding in the 2 companies active in the Business applications area – Eliu Solutions and Eliu Development Systems – at the end of June 2026.

Nenos Software is a custom software development company, focused on Artificial Intelligence and Machine Learning (AI/ML). Nonlinear SRL is an SPV set up to access European funding; its activity is product-based software development, focused on developing a platform for the digitalisation 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 monitors in assessing the performance of each segment. Selling costs are also monitored for each segment, while other general and administrative costs have not been allocated.

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OPERATING RESULTS

6 months ended 30 Jun 2026	Education	Digital Infra	Business applications	Software	Total
Total revenue	29,373,209	100,460,400	-	3,825,306	133,658,916
Inter-segment revenue	(23,454)	(5,737,423)	-	(1,007,743)	(6,768,621)
Revenue from contracts with customers	29,349,755	94,722,977	-	2,817,563	126,890,296
Cost of sales	(21,975,014)	(80,065,076)	-	(1,315,320)	(103,355,410)
Gross margin	7,374,742	14,657,901	-	1,502,244	23,534,886
Allocated selling costs	(1,627,860)	(6,347,985)	-	(354,072)	(8,329,917)
Other income	4,793	127,896	-	24	132,713
Allocated operating expenses	(812,433)	(9,436,258)	-	(255,986)	(10,504,677)
EBITDA by segment	4,939,242	(998,446)	-	892,209	4,833,005
Depreciation and amortisation	(936,208)	(2,963,860)	-	(176,106)	(4,076,175)
Operating profit per segment	4,003,034	(3,962,307)	-	716,103	756,830
Finance income	7	648,223	-	-	648,230
Finance costs	(300,248)	(3,286,060)	-	(15,421)	(3,601,728)
Other expenses					-
Unallocated expenses					(2,972,215)
Profit before tax from continuing operations	3,702,793	(6,600,143)	-	700,682	(5,168,883)
Profit before tax from discontinued operations			12,721,756		12,721,756

6 months ended 30 Jun 2025	Education	Digital Infra	Business applications	Software	Total
Total revenue	5,500,875	86,588,031	-	1,951,571	94,040,477
Inter-segment revenue	(47,253)	(3,711,077)	-	(416,777)	(4,175,106)
Revenue from contracts with customers	5,453,622	82,876,954	-	1,534,794	89,865,370
Cost of sales	(2,702,506)	(70,669,036)	-	(737,148)	(74,108,690)
Gross margin	2,751,117	12,207,918	-	797,646	15,756,681
Allocated selling costs	(1,633,137)	(8,083,468)	-	(5,248)	(9,721,852)
Other income	30,617	728,884	-	21,731	781,233
Allocated operating expenses	(965,419)	(11,846,699)	-	(325,897)	(13,138,015)
EBITDA by segment	183,178	(6,993,365)	-	488,232	(6,321,954)
Depreciation and amortisation	(959,012)	(3,256,000)	-	(101,377)	(4,316,389)
Operating profit per segment	(775,834)	(10,249,365)	-	386,855	(10,638,343)
Finance income	9	107,233	-	-	107,242
Finance costs	(182,979)	(3,569,530)	-	(28,626)	(3,781,135)
Other expenses					(311,804)
Unallocated expenses					(6,467,157)
Profit before tax from continuing operations	(958,803)	(13,711,662)	-	358,229	(21,091,198)
Profit before tax from discontinued operations			533,059		533,059

EBITDA per business segment was calculated as operating profit per segment plus depreciation and amortisation.

The unallocated selling costs, other unallocated income, operating expenses and other unallocated

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expenses belong to the activity of the listed company Bittnet Systems SA (e.g. maintaining the financial instruments – shares and bonds – in trading, marketing and investor relations expenses, legal and corporate governance expenses, pre-acquisition costs for mergers and acquisitions of new companies) and cannot be allocated to any of the operating business segments.

ASSETS / LIABILITIES

30 June 2026	Education	Digital Infra	Business applications	Software	Total
Segment assets	13,831,141	188,234,905	-	7,929,198	209,995,245
Unallocated assets					55,199,269
Total Assets					265,194,514
Segment liabilities	20,529,022	149,350,265	-	1,107,488	170,986,775
Unallocated liabilities					21,454,937
Total Liabilities					192,441,712

31 December 2025	Education	Digital Infra	Business applications	Software	Total
Segment assets	17,387,292	317,780,396	16,722,066	7,031,140	358,920,894
Unallocated assets					25,948,009
Total Assets					384,868,903
Segment liabilities	17,148,127	259,002,594	9,727,598	801,108	286,679,427
Unallocated liabilities					31,669,971
Total Liabilities					318,349,397

The main unallocated liabilities are the bonds issued by Bittnet Systems on the regulated market in Romania.

The main unallocated assets are the right-of-use assets and the financial assets of Bittnet Systems.

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NOTE 5. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is detailed in the following table:

	<u>30 Jun 2026</u>	<u>30 Jun 2025</u>
Training services	29,180,271	5,306,254
IT integration solutions – services, goods and licences	21,410,540	20,880,399
Total	<u>50,590,811</u>	<u>26,186,654</u>
Sale of IT integration goods	37,718,638	41,932,077
Licences	38,513,402	21,658,777
Licences recognised on a “net” basis (*)	<u>67,444</u>	<u>87,863</u>
Sale of goods	<u>76,299,485</u>	<u>63,678,717</u>
Total	<u>126,890,296</u>	<u>89,865,370</u>

(*) In the first half of 2026, the Group acted as Agent for total software licence sales of 584,494 ron (H1 2025: 976,240 ron) and, as such, recognised the revenue arising from the resale of these software licences on a „net” basis, i.e. the resulting gross margin of 67,444 ron (H1 2025: 87,863 ron) was recognised in full as revenue, with zero cost of sales.

Revenue from a geographical perspective

Services are substantially rendered and goods delivered to entities in Romania.

Critical judgements

The Group assessed, in the light of the provisions of IFRS 15, whether it acts on its own account („Principal”) in its relationship with customers, i.e. whether it controls the promised goods and services before transferring the good or service to a customer.

Analysing the contracts for the sale of goods (hardware equipment and software licences), the Bittnet Group considers that in most cases it undertakes the obligations on its own account and therefore acts as a „Principal” and not as an intermediary („Agent”). In reaching this conclusion, the Group analysed the ordering and delivery processes for equipment and licences, the timing of the transfer of rights from the supplier to the Group and from the Group to the customer, and the arising of the risks associated with control.

The Group sells the rights over goods produced by manufacturers in combination with its own value-added services. These services are of an „advisory” and „know-how” nature (being often governed and certified by its partner status 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 undertaken towards customers, because these services do not provide separate value to customers and are not invoiced separately. It is in fact the combination of qualified consultancy services (pre- and post-sale) with the goods produced by the manufacturers that delivers the benefit to customers, in the form of a solution customised to their specific needs (e.g. one that provides various upgrade options and maximum flexibility) and legally compliant. Furthermore, after the conclusion of the contract as well, throughout the term of the contract the Group is the single point of contact and solely responsible towards the customer for any issues (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 licences 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 also to perform additional activities such as installation, customisation, combination, activation, configuration, optimisation and maintenance over the operating life – these being key elements of the performance obligations undertaken towards customers. From the customer’s perspective, the Group’s promise represents a single performance obligation (i.e. the supply of a customised and legally compliant solution) and the Group

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assumes the performance risk for the entire solution, which attests to the Group's control over the products within the delivery flow. As regards delivery to the customer, it is carried out by the Group – which takes effective possession of the goods (including the software activation keys) and passes them on to the end customer, together with the specific internal activation processes in dedicated portals (processes performed by the Group's team). Furthermore, through the contracts concluded with the manufacturers, the Group receives, in accordance with its status as an authorised partner, the right to use the manufacturer's intellectual property, which is separate from the actual licences sold to customers; as such, the Group controls the entire promise to the customer before delivery.

Although the Group usually does not bear inventory risk before receiving the order from the customer, from that moment onwards the Group assumes inventory risk, until the final transfer of control over the goods to the end customer. Even if, by definition, there is a single manufacturer for each type of equipment or software licence sold to customers, the Group may decide to buy directly from the manufacturer, or from any other authorised supplier (distributor, importer, European or global wholesaler, etc.). If, for any reason, delivery to the customer is not completed, or is not carried out successfully (in accordance with the obligations undertaken towards 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. Furthermore, in certain situations the Group places orders with suppliers in advance (i.e. before receiving the order from the customer) in order to secure volume discounts or to take advantage of favourable prices (thereby voluntarily assuming 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 through negotiation processes. The Group is free to set prices with customers; thus, the Group may grant additional discounts, or may request a price increase to reflect currency risk, delivery speed, the risk of non-collection from the customer, etc. In other words, towards 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.

In addition, the Group bears the full credit risk for the entire value of the goods (hardware and software) – once placed with suppliers (whether directly with the manufacturer or with authorised intermediaries), orders are non-returnable. In assessing the decision to initiate and/or continue business relationships with customers, the Group analyses only the customers' ability and intention/creditworthiness to pay invoices when due. The Group has full control over its sales strategy and decides which goods and services to offer, to deliver and ultimately to implement/configure.

Without prejudice to the above and also taking into account the matters set out in the agenda decision issued by the IFRS Interpretations Committee („IFRIC”) in May 2022 in respect of software resellers, the Group analyses the commercial relationships with its customers in order to identify those cases in which, during a year, it made only deliveries of software licences, on a low-frequency, transactional basis, to a particular customer. The Group considers that these transactions represent resales of standard software licences, in that in these cases the Group does not sell the rights associated with those software licences in combination with its own value-added services, but merely intermediates their sale from manufacturers / distributors to end customers.

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NOTE 6. CLASSIFICATION OF EXPENSES BY NATURE

The classification of total operating expenses, by nature, is detailed in the following table:

	<u>30 Jun 2026</u>	<u>30 Jun 2025</u>
Materials and goods	34,777,976	36,305,304
Resold licences	31,454,897	17,317,064
Personnel expenses	15,225,043	18,660,834
Provisions for untaken leave	-	-
Subcontractor expenses	6,396,631	9,998,576
Depreciation and amortisation	4,407,042	4,677,577
Cloud services	1,578,901	1,141,338
Rent	212,133	188,449
Commissions and fees	584,507	753,737
Advertising	2,000,222	1,198,412
Travel and transport	547,942	200,812
Insurance	370,929	288,801
Postal and telecommunications	147,283	163,497
Donations	39,079	38,316
Bank charges	203,269	258,860
Services provided by third parties	29,323,944	10,986,576
Other provisions	-	4,076,647
Miscellaneous	948,002	1,728,886
Total operating expenses	<u>128,217,801</u>	<u>107,983,688</u>

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NOTE 7. FINANCE INCOME AND FINANCE COSTS

Details on income and expenses are presented in the following table:

FINANCE INCOME / FINANCE COSTS	<u>30 Jun 2026</u>	<u>30 Jun 2025</u>
Interest income	676,444	299,834
Income/(expenses) from investments	(46,181)	2,823,595
Income/(expenses) from the measurement of securities	(396,383)	(2,079,698)
Bank interest	(1,090,977)	(1,121,501)
Factoring costs	-	(75,633)
Interest on bonds issued	(1,797,885)	(1,916,481)
Lease interest	(502,479)	(527,678)
Net foreign exchange gains/(losses)	<u>(958,584)</u>	<u>(1,036,803)</u>
Total	<u>(4,116,046)</u>	<u>(3,634,364)</u>

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NOTE 8. DISCONTINUED OPERATIONS

At the end of June 2026, the Group sold its entire holding in Elian Solutions and its subsidiary Elian Development Systems.

The results of the discontinued operations as at 30 June 2026 and 30 June 2025 respectively are presented below:

	<u>30 June 2026</u>	<u>30 June 2025</u>
Revenue from contracts with customers	15,637,937	14,117,838
Cost of sales	<u>(12,593,014)</u>	<u>(10,309,991)</u>
Gross margin	3,044,922	3,807,847
Other income	25,614	37,371
Selling expenses	(875,215)	(617,186)
General and administrative expenses	(3,121,306)	(2,558,958)
Other expenses	-	-
Finance income	2,718	17,853
Finance costs	<u>(155,423)</u>	<u>(153,868)</u>
Profit before tax	(1,078,690)	533,059
Income tax	<u>143,892</u>	<u>(96,361)</u>
Net profit from operations	(934,798)	436,698
Gain on the sale of the discontinued operation (Note 17)	13,800,446	-
Net profit from discontinued operations	<u>12,865,648</u>	<u>436,698</u>

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NOTE 9. BUSINESS COMBINATIONS

2026 transactions

a) Digital Platforms Division & Software development

Sale of the majority holding in Elian Solutions (and its subsidiary Elian Development Systems) – June 2026

In June 2026 the contract was signed for the sale of the shares held in Elian Solutions SRL. The transaction price amounts to 6 million euro (approx. 31.4 million lei) for 100% of Elian Solutions (together with its subsidiary Elian Development Systems). Upon signing the closing certificate, in July 2026, the Issuer collected 3.3 million euro relating to its 61.68% holding in Elian, and the difference of approx. 357 thousand euro will be collected in March 2027. Through the sale of its holding in Elian, Bittnet achieved an IRR (internal rate of return) of over 40%.

The sale of Elian is in line with the Group's announced strategy of monetising the assets in its portfolio. The funds thus obtained will be redirected towards buy-backs of BNET shares.

The assets and liabilities disposed of in respect of the companies Elian Solutions and Elian Development Systems, deconsolidated as at 30.06.2026, are presented below:

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	Elian Solutions	Elian Development	Total
Assets			
Non-current assets			
Intangible assets	169,214	10,507	179,721
Tangible assets	608,987	12,836	621,824
Right-of-use assets	1,683,314	502,518	2,185,832
Equity-accounted investments	5,950,801	-	5,950,801
Other financial assets	580	-	580
Deferred tax	77,533	136,421	213,954
Total non-current assets	8,490,429	662,283	9,152,711
Current assets			
Inventories	113	-	113
Prepaid expenses	111,289	6,152	117,441
Trade and other receivables	6,004,809	500,178	6,504,988
Financial assets at fair value	-	-	-
Cash and cash equivalents	775,393	475,371	1,250,764
Total current assets	6,891,604	981,702	7,873,306
TOTAL ASSETS	15,382,032	1,643,985	17,026,017
Non-current liabilities			
Bank borrowings	-	-	-
Lease liabilities	1,286,023	393,127	1,679,150
Non-current liabilities	1,286,023	393,127	1,679,150
Current liabilities			
Bank borrowings	-	-	-
Lease liabilities	594,703	169,214	763,917
Dividends payable	-	884,794	884,794
Income tax liabilities	-	(27,495)	(27,495)
Deferred income	-	-	-
Trade and other payables	3,159,867	654,213	3,814,080
Provisions	-	-	-
Total current liabilities	3,754,570	1,680,726	5,435,296
Total Liabilities	5,040,593	2,073,853	7,114,446
TOTAL NET ASSETS, of which:	10,341,439	(429,868)	9,911,571
Group share in total net assets (61.69%)			(6,114,221)
Non-controlling interests (38.31%)			(3,797,350)

The financial gain realised on the sale of the 2 Elian companies was calculated as follows:

FINANCIAL GAIN ON THE SALE OF ELIAN SOLUTIONS & ELIAN DEVELOPMENT SYSTEMS

Sale value	19,206,595
Derecognition of goodwill, net	(5,242,729)
Total net assets disposed of	(6,114,221)
Equity adjustments for Elian's holding in Kepler (Elia Develop.)	5,950,800
Financial gain on the sale of ELIAN SOLUTIONS & ELIAN DEVELOPMENT SYSTEMS	13,800,446

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2025 transactions

a) Education Division

Change of name from Equatorial Gaming to Bittnet Training

As part of the process of simplifying the Group's structure and also from a commercial standpoint, Equatorial Gaming, part of the Group's Education pillar, went through a rebranding process and its trade name was changed, thus becoming Bittnet Training. The change of name was registered with the Trade Register in March 2025.

b) Digital Infrastructure Division (Cloud & Infrastructure)

Sale of the majority holding in IT Prepared – May 2025

In May 2025 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.

During almost 4 years as part of the Bittnet group, Optimizor went through an extensive rebranding process, completing its new visual and brand identity, and grew 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, out of the profits earned in this period, amounting to 2.2 million lei. Through the sale of the 50.2% stake in Optimizor, Bittnet achieved an IRR (internal rate of return) of approximately 40%.

The sale of the majority stake in Optimizor is in line with the strategy of the Bittnet group, announced as early as the beginning of 2024, of monetising the holdings in its portfolio and simplifying the group structure.

The assets and liabilities disposed of in respect of the company IT Prepared, deconsolidated as at 31.05.2025, are presented below:

	<u>Total</u>
Assets	
Non-current assets	
Intangible assets	38,266
Tangible assets	872,303
Other financial assets	6,473
Deferred tax	7,836
Total non-current assets	924,878
Current assets	
Prepaid expenses	49,216
Trade and other receivables	1,044,353
Cash and cash equivalents	209,684
Total current assets	1,303,253
TOTAL ASSETS	2,228,131
 Non-current liabilities	
Lease liabilities	635,067
Total non-current liabilities	635,067
 Current liabilities	
Lease liabilities	212,334
Dividends payable	647,265
Deferred income	159,907
Trade and other payables	761,467
Total current liabilities	1,780,972
TOTAL LIABILITIES	2,416,039
TOTAL NET ASSETS, of which:	(187,908)
Group share in total net assets (50.02%)	(94,330)
Non-controlling interests (49.98%)	(93,578)

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The financial gain realised on the sale of IT Prepared SRL was calculated as follows:

FINANCIAL GAIN ON THE SALE OF IT PREPARED

Sale value	6,125,000
Derecognition of goodwill, net	(3,395,739)
Total net assets disposed of	94,330
Financial gain on the sale of IT Prepared	2,823,591

Acquisition of a minority holding in Digital Intelligence Partners (DIP)

In June 2025, Dendrio Solutions SRL, part of the Group's digital infrastructure pillar, acquired a minority holding in the digitalisation 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) Digital Platforms Division & Software development

Change of name 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 process and a change of its trade name, thus becoming Elian Development Systems. The change of name was recorded in the Trade Register in February 2025.

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NOTE 10. INVESTMENTS

a) Equity-accounted investments

i) The E-Learning Company

	30 June 2026	31 Dec 2025
E-Learning Company		
Opening balance	1,170,133	1,271,853
Dividends distributed	-	-
Gain/(loss) on equity-accounted investments	155,355	(101,720)
Impairment	-	-
Closing balance	1,325,488	1,170,133

The Bittnet Group holds a 23% stake in E-Learning Company. The investment has been accounted for using the equity method.

In the first half of 2026, the Group recognised through equity-accounted investments the share attributable to its holding (23%) of the net loss recorded by E-Learning Company in H1 2026.

ii) Digital Intelligence Partners

	30 June 2026	31 Dec 2025
Digital Intelligence Partners SRL		
Opening balance	5,058,374	5,000,000
Gain/(loss) on equity-accounted investments	(13,398)	58,374
Closing balance	5,044,976	5,058,374

In June 2025, Dendrio Solutions SRL, part of the Group's digital infrastructure pillar, acquired a minority holding in the digitalisation 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.

In the first half of 2026, the Group recognised through equity-accounted investments the share attributable to its holding (23.35%) of the net loss recorded by Digital Intelligence Partners in H1 2026.

b) Other financial assets (securities) at fair value

	30 June 2026	31 Dec 2025
Softbinator Technologies SA	1,467,202	3,459,404
Total	1,467,202	3,459,404

Details on the movement in securities at fair value during the first half of 2026 are presented in the table below:

	<u>Softbinator Technologies</u>
Value 31.12.2025	3,459,404
Additions	-
Disposals	(1,595,818)
Remeasurement	(396,384)
Value 30.06.2026	1,467,202

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Softbinator Technologies

Softbinator is a product development company, specialising in the design, development and market launch of software products predominantly in the Fintech, MedTech/HealthTech and EdTech fields for clients in Europe, North America and Asia.

Softbinator is involved in the development of software products, web and mobile solutions for the digitalisation of the education process, lifestyle/the medical and health field, e-payments, e-commerce, online gaming, and in 2020 it entered areas unexplored in previous years through digital banking (including crypto), Internet of Things (IoT), Automotive, and explored a new vertical within its e-commerce expertise: marketplaces.

Sale of the holding in Softbinator Technologies

In May 2026 the contract was signed for the sale of the entire holding in Softbinator Technologies to its co-founder, Mr. Marius Băisan. The transaction amounts to approximately 500 thousand euro and involves 3 payment instalments. The first instalment was collected on 18.05.2026, approximately 1.2 million lei, while the other 2 instalments fall due in April and December 2027. The transaction was in line with the strategic direction undertaken of continuously monetising the portfolio of assets held.

As at 30.06.2026, the holding in Softbinator Technologies was measured taking into account the price per share agreed by the parties under the sale-purchase contract mentioned above.

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NOTE 11. CAPITAL AND RESERVES

Details on the Group's capital and reserves are presented in the following table:

	<u>30 Jun 2026</u>	<u>31 Dec 2025</u>
Share capital	63,417,671	63,417,671
Share premium	31,934,768	31,934,768
Other equity items	(31,751,172)	(31,751,172)
Legal reserves	2,233,539	2,233,539
Retained earnings	(4,462,365)	1,276,523
Current comprehensive income	8,843,895	(6,061,975)
Total	<u>70,216,337</u>	<u>61,049,355</u>

a) Share capital

The share capital of the parent company, Bittnet Systems SA, comprises 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 holding	<u>30 Jun 2026</u>	<u>31 Dec 2025</u>
SIACP AGISTA INVESTMENTS S.A.	13.75%	13.75%
IMPETUM INVESTMENTS S.A.	10.17%	10.17%
Cristian Logofătu	9.14%	9.14%
Mihai Logofătu	8.77%	8.77%
Other shareholders	58.17%	58.17%
Total	<u>100%</u>	<u>100%</u>

b) Share premium

Share premiums were created on the occasion of capital increases and may be used to increase the share capital.

c) Legal reserve

In accordance with Law 31/1990, at least 5% of the profit is appropriated each year to build up the reserve fund, until it reaches at least one fifth of the share capital. Reserves representing tax incentives may not be distributed, as this would have implications for the recalculation of income tax.

d) Other equity items

The Group recognises within other equity items mainly:

- the purchase/sale of treasury shares held
- the loss arising from the recognition and measurement of the SOP
- the impact generated by the operations relating to the implementation of the SOP

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Treasury shares held

Number of treasury shares:

Balance at 31.12.2023	9,247,200
Sales 2024	9,247,200
Buy-backs 2024	4,000,000
Balance at 31.12.2024	4,000,000
Sales 2025	-
Buy-backs Q1 2025	1,369,000
Buy-backs Q4 2025	20,000,000
Balance at 31.12.2025	25,369,000
Buy-backs Q1 2026	-
Balance at 30.06.2026	25,369,000

During January 2024, the Group sold in full the treasury shares held at 31.12.2023 for a total price of 2,866,327.89 lei.

Treasury share buy-back programme – August 2024

On 07.08.2024 Bittnet Systems informed investors and the capital market about the Decision of the Board of Directors of 06.08.2024 regarding the launch of a treasury share buy-back programme, starting from 07.08.2024.

The duration of the programme was set at 18 months from the date of registration of EGMS Resolution 04 of 2024 – approving the buy-back operation – with the Trade Register, a term which began to run from 08.05.2024. The maximum number of shares to be bought back was set at 10,000,000 BNET ordinary shares, within a maximum budget allocated to 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 bought back is limited to 25% of the average daily quantity of shares traded on the market, calculated in accordance with the applicable legislation, pursuant to art. 3 para. (3) letter b) of EU Delegated Regulation 2016/1052.

The price at which the buy-backs are carried out is within the range set by EGMS Resolution no. 04 of 25.04.2024: the minimum buy-back price 0.1 RON/share (i.e. the nominal value of the BNET share), and the maximum buy-back price 0.25 RON/share. The buy-back programme is implemented from own resources.

As at 31.12.2024, the Group had bought back 4,000,000 shares with a total value of 766,058 lei.

As at 31.12.2025, the Group had bought back 5,369,000 shares with a total value of 999,873 lei.

Treasury share buy-backs – repayment of the loan granted to Impetum Investments in December 2025

The final instalment (amounting to 3 million lei) under the loan agreement granted by the Group in December 2024 to Impetum Investments (the debtor) – a loan of 5.15 million lei whose purpose was the acquisition of tranche 3 of FORT SA – was settled by the debtor, at its choice, through an alternative means of payment, namely by set-off against the entirety of the shares issued by PNPL CLOUD INFRASTRUCTURE S.R.L. (SPV/special purpose vehicle), a company capitalised on incorporation with 20 million Bittnet shares held by Impetum Investments. Thus, the final instalment of the loan granted to Impetum was settled through the transfer to Bittnet Systems SA of the shares of the SPV created specifically for this purpose by Impetum Investments. As soon as it took ownership of the SPV's shares, the Issuer initiated the procedures with the Central Depository and the ASF to transfer the 20 million BNET shares into Bittnet's ownership, as treasury shares, a step necessary in order to be able to cancel them as soon as it receives the required approval at a future General Meeting. At present, the issuer has filed the documentation with the ASF in order to obtain the approval needed to carry out the direct transfer of ownership of the 20 million BNET shares.

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Significant judgements – recognition and measurement of the SOP

The Group assessed, from an IFRS 2 perspective, whether the share-based payment transactions with employees (SOP) are settled in cash or through the issue of shares.

The Group settled 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 was carried out by waiving the pre-emption right and on the basis of the Director's Decision.

As a result, although at an intermediate stage the „liability“ relating to the settlement of the SOP is measured, the economic substance of the transaction is that these are settled in shares. Consequently, the Group recognised the SOP transactions as equity-settled, and recognised and measured the services received in the Statement of comprehensive income and the corresponding increase directly in equity.

The transactions with employees and with other collaborators providing similar services were measured at the fair value of the equity instruments granted, since it was usually not possible to reliably estimate the fair value of the services received.

Significant estimates – measurement of the SOP

The measurement of fair value at grant date (in accordance with IFRS 2) – the date of approval of each plan by the EGMS – is performed using the Black-Scholes model, using as inputs to the model:

- the spot price at the date of the GMS, i.e. the average price adjusted for splits at t-1
- the strike price (at the reference date) according to each plan
- volatility, based on the analysis of the daily price of BNET shares, adjusted for splits
- the risk-free interest rate, i.e. the 12M ROBOR published at t-1
- the number of shares of the company at grant date
- the dilution percentage under the Stock Option Plan

The full value of each plan is recognised in expenses over the term of each plan.

SOP 2023-2026 (Long-Term Incentive Plan through Participation in the Company's Capital)

By Resolution no. 11 of the EGMS of 27 April 2023, the shareholders approved an option-based incentive plan for key persons for participation in the company's capital. Compared with the previous incentive plans, this one has a duration of 3 years and a maximum value of 7.5% of the Company's total shares.

The main parameters of the plan (SOP 2023):

- effective date: 13.04.2023;
- duration: 3 years from the effective date;
- option exercise date: 10.05 – 10.06.2026;
- exercise price: the purchase price of a share for which the purchase option is exercised will be set at the option exercise date, taking into account the total number of shares of the Company at the exercise date, so that the Company's capitalisation equals the company's capitalisation at the reference date: 13 April 2024.

The measurement of fair value at grant date (in accordance with IFRS 2) – the date of approval of the plan by the OGMS, 20.04.2022 – was performed using the Black-Scholes model, using the following inputs to the model:

- the spot price at the date of the OGMS, i.e. the average price adjusted for splits at t-1: 0.299
- the strike price, i.e. the average price adjusted for splits at the reference date, 13.04.2023: 0.2989
- volatility, based on the analysis of the daily price of BNET shares, adjusted for splits, from the listing on the AeRO market until t-1: 4.08%
- the risk-free interest rate, i.e. the 12M ROBOR published at t-1: 7.25%
- maturity: 3 years
- the number of shares of the company at grant date: 634,176,714
- the dilution percentage under the Stock Option Plan: 7.5%

The full value of the plan – equal to the Black-Scholes value (0.027) * the number of shares of the company * the dilution percentage = RON 2,806,232 – will be recognised in expenses over the term of the plan, i.e. over a period of 3 years, May 2023 – April 2026.

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By EGMS resolution no. 6 of 28.04.2025, the SOP 2023-2026 incentive plan was cancelled.

As at 30.06.2026, as well as at the date of preparation of this report, the company did not have any active option-based incentive plan for employee participation in the company's capital.

Details on the non-monetary expense recognised in respect of the SOP are presented in the table below:

	<u>30 Jun 2026</u>	<u>30 Jun 2025</u>
SOP 2023	-	311,804
Total	<u>-</u>	<u>311,804</u>

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NOTE 12. NON-CONTROLLING INTERESTS

Details on the non-controlling interests are presented in the following table:

Non-controlling interests	Dendrio Solutions	Elia & Kepler	IT Prepared	Nenos & Nonlinear	Top Tech & zNet	Dataware	Dendrio Accelerate	Total
1 January 2025	1,325,359	3,728,202	777,022	240,102	187,380	568,437	-	6,826,502
Net profit	(122,029)	166,802	(103,915)	123,264	(139,082)	(137,853)	-	(212,814)
Dividends	-	-	(496,961)	-	-	-	-	(496,961)
Capital increases	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-
Sale of subsidiary	-	-	(176,146)	-	-	-	-	(176,146)
30 June 2025	1,203,330	3,895,004	-	363,367	48,298	430,583	-	5,940,582
1 January 2026	1,472,148	2,951,019	-	605,026	57,669	384,288	-	5,470,150
Net profit	(157,082)	(358,649)	-	229,154	(112,199)	55,541	(21)	(343,257)
Dividends	-	1,528,067	-	-	-	-	-	1,528,067
Capital increases	-	-	-	1,920	-	-	20	1,940
Acquisitions	-	-	-	-	-	-	-	-
Sale of subsidiary	-	(4,120,437)	-	-	-	-	-	(4,120,437)
30 June 2026	1,315,066	-	-	836,100	(54,530)	439,829	(1)	2,536,464

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NOTE 13. BONDS

Details on the borrowings from bond issues are presented in the following table:

	<u>30 Jun 2026</u>	<u>31 Dec 2025</u>
BNET26E	-	10,308,342
BNET27A	4,971,282	4,956,923
BNET28	9,889,583	9,861,979
BNET28A	6,428,785	6,375,298
Accrued interest	<u>164,804</u>	<u>167,429</u>
Total, of which:	<u>21,454,453</u>	<u>31,669,971</u>
Non-current portion	16,318,368	21,194,200
Current portion (incl. interest)	<u>5,136,085</u>	<u>10,475,771</u>

In 2016, 2017, 2018, 2022, 2023 and 2024 the Group carried out bond offers maturing in 2019, 2022, 2023, 2026, 2027 and 2028, through which it raised from the capital market 'committed' financing of over 64 million lei (all issues are listed on the BVB).

BNET26E

Between 21 December and 27 December 2022, the issuer carried out a private placement for the issue of corporate bonds in euro, an offer following which 20,596 bonds were subscribed by 53 investors – individuals, legal entities and professional investors. The amount raised in this bond financing round was 1,961,144 EUR. The selling price in this offer, on the first day of the offer/subscription period, benefited from a discount, namely on 21.12.2022 the price was reduced to 95% of the nominal value of the instrument, i.e. 95 euro/bond. Thus, on the first day 18,334 bonds were subscribed, representing a subscription value of 1,741,730 euro. The selling price for the subscriptions made on the following days of the offer was 97% of the nominal value, i.e. 97 euro/bond. Thus, between 22.12.2022 and 27.12.2022, 2,262 bonds were subscribed, representing a subscription value of 219,414 euro. The nominal value of the BNET26E instrument is 100 EUR/bond, and the total nominal value of the issue (which will be repaid at maturity) is 2,059,600 EUR.

The fixed annual interest is 9% per annum and is paid quarterly through the TzS mechanism and the Central Depository. Repayment of the nominal amount falls 3.5 years from the issue date and will take place on 30 June 2026. The BNET26E bonds have been traded on the BVB Regulated Market, in the category dedicated to corporate bonds, since 07 March 2023.

The total issue costs for this bond issue amounted to 735,718 lei and were recognised in the statement of financial position at the date of issue of the bonds, thereby reducing the total value of the liability. The issue costs are recognised over the entire life of the bond issue, increasing the total carrying amount of the bond liability.

The BNET26E bond issue was repaid in full at the end of June 2026. Together with the repayment of the principal, the final interest coupon was also paid.

BNET27A

Between 30 May and 21 June 2023, Bittnet Systems carried out the first public offer of corporate bonds on the Bucharest Stock Exchange, offering for sale a maximum of 50,000 unsecured corporate bonds with a nominal value of 100 lei, each interested investor being able to subscribe within the price range of between 96% and 104% of the nominal value of the instrument.

During the offer period, a total of 803 buy orders were placed, for 71,814 bonds subscribed at the closing price of the offer of 100 lei, and 14,393 bonds subscribed at prices higher than the offer price. In accordance with the Offer Prospectus, the allocation for the accepted subscriptions (placed at the offer price and at

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higher prices) was made pro rata, the allocation index being 0.5799993040. Subscription orders at prices lower than the issue price were cancelled.

The transaction date was 24 June 2024, and the transaction settlement date was 26 June 2024. Following the setting of the closing price of the offer at 100 lei/bond, the BNET27A issue consists 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 26 June 2027. On 19 July 2023, the BNET27A bonds started trading on the Regulated Market administered by the BVB.

The total issue costs for this bond issue amounted to 114,873 lei and were recognised in the statement of financial position at the date of issue of the bonds, thereby reducing the total value of the liability. The issue costs are subsequently allocated over the entire life of the bond issue, increasing the total carrying amount of the bond liability.

BNET28

Between 27 November and 12 December 2023, a maximum of 100,000 unsecured corporate bonds were offered for sale, with an individual nominal value of 100 lei and a total nominal value of 10,000,000 lei, each interested investor being able to subscribe within the price range of between 94% and 106% of the nominal value.

A total of 530 subscription orders were placed during the offer period at all price levels, amounting to 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 offer prospectus, the volumes subscribed at prices above the issue price were settled in full at the issue price (100 lei). Thus, the volume of 87,446 bonds represents the guaranteed allocation in the offer in accordance with the Offer 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 13 December 2024, and the transaction settlement date was 15 December 2024. Following the setting of the closing price of the offer at 100 lei/bond, the BNET28 issue consists of 100,000 bonds with a total nominal value of 10,000,000 lei.

On 02 February 2024, the BNET28 bonds were admitted to trading on the Regulated Market administered by the BVB. The interest is fixed at 9.6% per annum, payable quarterly through the Central Depository. The maturity of this bond issue is 15 June 2028.

The total issue costs for this bond issue amounted to 248,438 lei and were recognised in the statement of financial position at the date of issue of the bonds, thereby reducing the total value of the liability. The issue costs are subsequently allocated over the entire life of the bond issue, increasing the total carrying amount of the bond liability.

BNET28A

Between 02 April and 15 April 2024, a maximum of 150,000 unsecured, non-convertible corporate bonds were offered for sale with an individual nominal value of 100 lei, each interested investor being able to subscribe within the price range of: 94 lei – 106 lei, i.e. 94% and 106% of the nominal value of the instrument, in accordance with the Offer Prospectus.

During the offer period, 501 subscription orders were received at all price levels, amounting to a total volume of 111,025 bonds. Given that the Issuer set the issue price at 96 lei and in accordance with the Offer Prospectus, the volumes subscribed at prices higher than the issue price (i.e. at prices of 97, 98, 99, 100, 101, 102, 103, 104, 105, 103, 104, 105, 106 lei together with the issue price of 96 lei/bond) were settled in full at 96 lei/share. Buy orders placed at prices lower than the issue price (95 and 94 lei/bond) were not executed.

The transaction date was 16 April 2024, and the transaction settlement date was 18 April 2024. Following the setting of the closing price of the offer at 96 lei/bond, the BNET28A issue consists of 66,249 bonds with a total nominal value of 6,624.90 lei, the issuer raising this amount from the market. 6,359,904 lei, due to the issue price being reduced to 96 lei/bond.

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The BNET28A bonds bear fixed interest of 9% per annum, payable quarterly through the Central Depository system, with a maturity of 4 years from issue, i.e. in April 2028. As of 23.05.2024, the BNET28A bonds are tradable on the regulated market administered by the Bucharest Stock Exchange.

The total issue costs for this bond issue amounted to 427,889 lei and were recognised in the statement of financial position at the date of issue of the bonds, thereby reducing the total value of the liability. The issue costs are subsequently allocated over the entire life of the bond issue, increasing the total carrying amount of the bond liability.

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NOTE 14. BANK BORROWINGS

Details on the bank borrowings are presented in the following table:

Amounts in RON				30-Jun-2026		31-Dec-2025	
Banking product	Currency	Interest rate	Maturity	Amount borrowed	Balance at date	Amount borrowed	Balance at date
ProCredit (Dend Solutions)	RON	ROBOR 6M+3%	2026	4,500,000	142,294	4,500,000	973,425
BT investment loan (Dend Solutions)	RON	ROBOR 3M+2.5%	2029	9,724,885	3,965,572	9,724,885	4,575,660
ProCredit investment loan (Dend Solutions)	RON	ROBOR 6M+2.5%	2030	10,000,000	6,342,063	10,000,000	7,005,891
PCB short-term loan (Dend Solutions)	EUR	EURIBOR6M+2.15%	2027	5,000,000	3,538,714	5,000,000	4,214,882
ING credit line (Dend Solutions)	RON	ROBOR 1M+2.2%	2026	5,000,000	4,053,153	5,000,000	3,781,927
BRD credit line (Dend Technology)	RON	ROBOR 3M+1.5%	2026	8,000,000	4,661,303	8,000,000	4,929,610
BT short-term loan (Dend Innovations)	RON	ROBOR3M+2.75%	2026	15,000,000	-	15,000,000	-
UniCredit credit line (Elian Solutions)	RON	ROBOR 3M+3%	2027	2,600,000	-	2,600,000	-
Total bank liabilities:					22,703,101		25,481,395
Non-current:					10,624,398		13,221,973
Current:					12,078,702		12,259,422

The Group's bank financing structure consists predominantly of revolving overdrafts intended for the short-term financing of specific projects. At the date of this report, the Group has loans for financing current operations, both in national currency and in euro, with the following financial institutions: ProCredit Bank, ING Bank, Banca Transilvania, BRD, Unicredit Bank, as well as several non-cash facility products for the issue of various types of bank guarantee letters contracted from Procredit Bank, BRD and Banca Transilvania.

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NOTE 15. INFORMATION ON RELATED PARTY RELATIONSHIPS

Details on the balances and transactions with related parties are presented below.

The remuneration paid to key management (identified in Note 1) is as follows:

	<u>30 Jun 2026</u>	<u>30 Jun 2025</u>
Management contracts	1,792,488	2,122,358
SOP expenses	-	311,804
Total	<u>1,792,488</u>	<u>2,434,162</u>

As at 30 June 2026 the liabilities relating to management contracts amount to 305,673 LEI (31 December 2025: 385,123 LEI).

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NOTE 16. CONTINGENT LIABILITIES

a) Risk associated with changes in legislation and taxation in Romania

Changes in the legal and tax regime in Romania may affect the Company's economic activity. Changes relating to the alignment of Romanian legislation with European Union regulations may affect the legal environment of the Group's business activity and its financial results. The absence of stable rules, the legislation and the cumbersome procedures for obtaining administrative decisions may also restrict the Company's future development. In order to minimise this risk, the Group regularly analyses changes to these regulations and to their interpretations.

Given that the legislation increasingly leaves the interpretation of how the tax rules are applied to the discretion of the tax authority, coupled with the lack of funds at the state budget and the attempt to bring in such funds by any means, we consider this risk to be a major one for the company, since it cannot in any way be addressed preventively in a real and constructive manner. The Group considers that it has paid on time and in full all taxes, duties, penalties and penalty interest, to the extent applicable. In Romania, the tax year remains open for review for a period of 5 years.

b) Bank guarantee letters

As at 31 December 2025, the Group had issued bank guarantee letters amounting to: 195,726 euro (payment guarantee letter issued by Bittnet Systems in favour of One Cotroceni Park for the head office lease contract) and 16,166,077.92 lei respectively (bank guarantee letters for participation in tender procedures and for good performance 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 the guarantees are issued from non-cash facilities contracted from credit institutions.

As at 31 December 2024, the Group had issued bank guarantee letters amounting to 195,726 euro (payment guarantee letter issued by Bittnet Systems in favour of One Cotroceni Park) and 12,530,833.90 lei respectively (tender participation and good performance guarantee letters issued by Dendrio Solutions – 5,349,453.91 lei, Dendrio Innovations – 4,338,790.51 lei and Dendrio Technology – 2,842,589.58 lei respectively). All the guarantees are issued from non-cash facilities.

c) Litigation

In the context of day-to-day operations, the Group is exposed to litigation risk, among other things as a result of changes in and the development of legislation. In addition, the Group may be affected by other contractual claims, complaints and disputes, including from counterparties with which it has contractual relationships, clients, competitors or regulatory authorities, as well as by any negative publicity that it attracts. The Group's Management considers that these disputes will not have a significant impact on the Group's operations and financial position.

Case file 30598/3/2021 – București Mall Development and Management litigation

During 2021, the Group became aware of the existence of case file 30598/3/2021 before the Bucharest Tribunal, against the owner of the former office space – București Mall Development and Management S.R.L. („Anchor” or the „Owner”).

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

- i) 267,214.96 Lei representing rent, service charge and utilities;
- ii) 100,109.95 Lei representing late payment penalties relating to the principal amount; and
- iii) 3,632,709.91 Lei representing compensatory damages (penalty clause).

The court ruled on 04.08.2023. The decision in brief: “Partially admits the claim, as specified. Orders the defendant to pay the claimant the amount of 102,627.51 lei, as late payment penalties. Dismisses the other claims as unfounded. Partially offsets the legal costs due to each party and, consequently, orders the defendant to pay the claimant the amount of 3,203.92 lei, as legal costs. Appeal within 30 days of communication. The appeal is to be filed with the Bucharest Tribunal – 6th Civil Division.”

On 04.11.2024, the ruling was communicated to the parties, with the right of appeal within 30 days of communication. The claimant filed an appeal registered on 09.12.2024, which is the subject of case file no.

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30598/3/2021 (250/2025) before the Bucharest Court of Appeal, 5th Civil Division. The appeal was communicated on 24.02.2025 and the Group responded with a statement of defence on 10.03.2025. The Court is yet to set the first hearing date.

At the hearing of 22.05.2025 the court admitted Anchor's appeal and partially amended the appealed judgment, in the sense that: it admits the action in full, orders the defendant to pay the amount of 3,632,709.91 lei in civil damages, 267,214.96 lei representing rent, services and utilities, and maintains the provision ordering the defendant to pay the amount of 102,627.51 lei in penalties. It orders the defendant to pay the amount of 179,926.09 lei in legal costs from the first instance. The decision may be challenged by appeal on points of law within 30 days of communication.

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

The Group filed an appeal on points of law with the High Court of Cassation and Justice against the decision of the Bucharest Court of Appeal. The Group also filed a request for the provisional suspension of enforcement, which was definitively rejected by the High Court of Cassation and Justice.

By ruling 188/2026 issued on 10.02.2026, the High Court of Cassation and Justice admitted the appeal on points of law filed by BITTNET SYSTEMS S.A. against civil decision no. 862 of 22 May 2025 issued by the Bucharest Court of Appeal (5th Civil Division), quashed the challenged decision and referred the case back for retrial to the same appellate court. Ruling no. 188/10.02.2026 of the High Court of Cassation and Justice was communicated on 02.07.2026. Given that the case file was assigned for retrial to the same panel that issued the quashed ruling, by the Interlocutory Judgment of 01.07.2026 the requests for abstention of the two judges who issued the quashed decision were admitted. The hearing date set in the case file for the retrial of the appeal is 09.12.2026.

The Group recognised a provision amounting to 105,831.42 lei in the financial statements as at 31.12.2025, this being the best estimate of a cash outflow arising from this dispute.

Case file 19985/3/2024 – General Inspectorate of the Border Police litigation

During June 2024, the Group became aware of the existence of case file 19985/3/2024 before the Bucharest Tribunal, Administrative and Tax Litigation Division, against the General Inspectorate of the Border Police („IGPF”), as follows:

Subject matter: litigation concerning public procurement.

Claimant: the General Inspectorate of the 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 brought in connection with public procurement contract for products no. 281/2021, for:

- (i) the payment of penalties amounting to 4,296,351.84 lei; and
- (ii) compensation for the alleged damage amounting to 4,844,605 lei, consisting of the loss of the non-reimbursable external financing as a result of the non-delivery of 409 EES mobile control devices;

At the first hearing of 21.08.2024 in case file 19985/3/2024 (subject matter: payment of penalties amounting to 4,296,351.84 lei and compensation for the alleged damage amounting to 4,844,605 lei), to which case file 22473/3/2024 was also joined (subject matter: annulment of the termination of contract no. 281/2021 with IGPF), the court adjourned the case at the request of Idemia, which sought to be joined to the proceedings and to be served with the IGPF action, in order to file a statement of defence. The next hearing date set was 04.10.2024, when the court adjourned the proceedings so that the documents filed in the case could be examined. At the hearings of 15.11.2024 and 21.11.2024, the court deferred its ruling. At the hearing of 29.11.2024 the court admitted the plea of lateness of the counterclaim filed by IGPF in the joined case file (no. 22473/3/2024) and found that IGPF is time-barred from filing the counterclaim; the court also dismissed the plea concerning the substantive right of action raised by IGPF through its statement of defence to the joined claim (challengeable together with the merits). At the hearings of 06.12.2024,

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07.02.2025, 11.04.2025, 23.05.2025 and 19.08.2025, the case was adjourned for lack of the expert report, the next hearing date set in the case being 17.10.2025.

At the hearing of 16.01.2026 the objections to the expert report filed by Dendrio Innovations S.R.L. ("Dendrio Innovations", formerly named Dataware Consulting S.R.L.) were discussed, the court admitting all of them and referring the report back to the court-appointed expert to respond to them. IGPF did not file objections to the expert report, nor did it express a position on the objections filed by Dendrio Innovations. In order to administer the proposed evidence, the court adjourned the hearing of the case to 20.03.2026, on which date the court again adjourned the hearing of the case to 12.06.2026, for lack of the expert report.

At the hearing of 12.06.2026, the case was adjourned for the communication of the response to the objections to Idemia and IGPF, the next hearing date being 20.11.2026.

Given the current stage of the proceedings at the date of this report (August 2026) and the complexity of the evidence, the Group's Management does not consider a cash outflow to be probable as a result of this dispute and, as such, no provision has been recognised in the financial statements for the first half of 2026.

Competition Council investigation into the IT market in Romania

On 05.06.2024 Bittnet Systems SA informed investors about the opening of an investigation by the Competition Council into possible anti-competitive practices carried out by participants in the IT market in Romania. The companies Dendrio Solutions SRL (Dendrio) and Dataware Consulting SRL – currently named Dendrio Innovations SRL (Dataware) – companies within the Bittnet group, are also involved in the investigation.

Following the dawn raid carried out between 4 and 5 July 2024 at the premises of Dendrio Solutions and Dendrio Innovations, each of the companies submitted its position regarding the confidential information contained in the documents taken by the competition inspectors, and this position represents a standard stage within the investigation procedure.

Thus, up to 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 still being at an early stage of analysing the information selected during the dawn raids and requests for information. In the absence of an official position issued by the competition authority in the form of an investigation report, there is no presumption of a potential breach of competition rules.

Competition Council investigations are usually of a longer duration (on average between 2 and 4 years, depending on the number of parties involved and the volume of information to be processed by the investigation team).

d) Environmental matters

The enforcement of environmental regulations in Romania is at a developing stage and the enforcement procedures are being reconsidered by the authorities. Bittnet's professional activity does not have a direct impact on the environment. Operating in the "services" field, our activity consists of acquiring knowledge and transferring it to clients, either through training courses or through consultancy, design and implementation services.

NOTE 17. EVENTS AFTER THE REPORTING DATE

I. Signing of the closing certificate for the sale of Elian Solutions

On 13.07.2026, the Company informed investors about the signing of the closing certificate relating to the sale of the group company Elian Solutions SRL to the Latvian company Digmatrix AS. The transaction price amounted to 6 million euro for 100% of Elian Solutions (together with its subsidiary Elian Development Systems), of which the amount collected by Bittnet upon signing of the closing certificate was 3.3 million euro. The deferred price component, which is also the final instalment attributable to Bittnet in accordance with its 61.68% holding – amounting to approximately 357 thousand euro – will be paid to Bittnet in March 2027.

The sale of Elian is in line with the Bittnet strategy publicly announced as early as 2024 of monetising the assets in its portfolio. The resulting funds will be directed towards buy-backs of BNET shares.

II. Carrying out of an offer for the sale of BNET31E corporate bonds

Between 24 July and 06 August, the Issuer carried out a new financing round through a bond issue. Following the subscriptions made by investors during the public offer period, the issuer set the issue price at 95 euro/bond. Thus, the BNET31E issue consists of 77,230 bonds with an individual nominal value of 100 euro and a total nominal value of 7,723,000 euro, the issue date being 11.08.2026, the date from which the interest of 10.6%/year will be calculated on the nominal value of the instrument. Following the BNET31E Offer, the Issuer raised committed financing through the BNET31E bonds of 7.33 million euro.

The BNET31E bonds are corporate, secured bonds, denominated in euro and bearing fixed interest of 10.6% per annum, payable semi-annually through the Central Depository system, with a maturity of over 5 years, namely on 31.07.2031 in accordance with the Issue Prospectus. In this situation, the last coupon payment, Coupon 10, will be a fractional one, calculated for the number of days remaining between the date of the previous coupon paid (Coupon 09) and the maturity date of the bond issue.

III. Carrying out of a BNET share buy-back programme

On 06.08.2026, Bittnet informed investors and the capital market about the approval by the Board of Directors of a BNET treasury share buy-back programme, carried out in the form of a Public Purchase Offer (OPC) through capital market mechanisms and subject to approval by the ASF.

The public offer will aim at buying back 142,857,160 ordinary, registered, common, dematerialised shares, within a budget of 25,000,003 lei, which implies a buy-back price of 0.175 lei/share.

The offer will run for a period of 10 working days and will begin on the 3rd working day from the date of publication of the ASF Decision approving the operation.

The financial statements from page [3] to page [39] were approved and signed on 28 August 2026.

Mihai Logofătu

Chief Executive Officer

Adrian Stănescu

Chief Financial Officer