



REPORT OF THE BOARD OF DIRECTORS

The original version of the Board of Directors Report was written in Romanian. This document is an English translation of the original document. In case of any discrepancy between the English text and the Romanian text, the latter will prevail.



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Information about Agricover Group

Agricover Holding SA ("the Company") and its subsidiaries (together referred to as "Agricover" or "the Group") are incorporated and have their registered office in Romania. Agricover Holding SA was established as a joint-stock company with Mr. Jabbar Kanani as its main shareholder. In November 2017, the European Bank for Reconstruction and Development ("EBRD") acquired, through a capital contribution, a stake representing 12.727% of the share capital of the Company.

The subscribed and fully paid share capital of the Company is 190,123 thousand RON. There are 1,901,231,736 shares outstanding, each with a nominal value of 0.10 RON.

Ordinary shares issued and fully paid:	30 June 2025			31 December 2024		
	number of shares	%	000'RON	number of shares	%	000'RON
at 1 January	1,894,847,082	100%	189,485	1,894,060,303	100%	189,406
Change during the period	6,384,654		638	786,779		79
at 30 June / 31 December,	1,901,231,736	100%	190,123	1,894,847,082	100%	189,485
<i>of which held by:</i>						
CCI Cardinal Equity SRL	1,649,966,127	86.784%	164,997	-	-	-
Mr. Kanani Jabbar	-	-	-	1,649,966,127	87.076%	164,997
EBRD	240,630,848	12.657%	24,063	240,630,848	12.699%	24,063
Others	3,498,632	0.184%	350	4,165,981	0.220%	417
Treasury shares	7,136,129	0.375%	713	84,126	0.004%	8

The increases in share capital during six-month period ended 30 June 2025 and 2024 is due to beneficiaries exercising their rights under the share-based compensation plan implemented by the Group.

A change in the shareholding structure of the Company was recorded in the shareholder registry on 6 February 2025. As a result of this change, CCI CARDINAL EQUITY SRL, a wholly owned entity of Mr. Kanani Jabbar, has become the majority shareholder of Agricover Holding SA.

Company identification data

Headquarters: 1B Pipera Boulevard, Cubic Centre building, 8th floor, Voluntari, Ilfov County |

Tel: 021.336.46.45 | **website:** www.agricover.ro | **e-mail:** office@agricover.ro

Unique Commercial Register code: 36036986

Registration certificate: B3417524

Share capital: 190,123,173.60 RON

Regulated trading market: Bucharest Stock Exchange, corporate bond category

Market symbol: AGV26E

We are recognised by Romanian farmers as an innovative leader in providing a range of integrated agricultural inputs, financing, and digital solutions effectively helping them to increase productivity, reduce operating costs, finance working capital and growth, and implement performing and sustainable agricultural business models.

We operate two separately reportable segments: agricultural inputs distribution ("Agribusiness" segment) and farmer financing ("Agrifinance" segment).

Through our Agribusiness segment, carried out by Agricover Distribution and Agricover Commodities, we supply local farmers with:

- ✓ **certified seeds** – providing high-productivity seeds of established identity, verified by an official agency after inspection, for the main crops grown in the country including wheat, barley, maize, sunflower and rapeseed;
- ✓ **crop nutrition products** – sourcing (both from international and local suppliers), storing, packaging, wholesaling, and retailing agricultural fertilisers to farmers and end-consumers. Our activity includes formulating and blending, under private label, specific nutrient combinations (e.g., nitrogen, potassium, phosphorus etc.), mostly foliar fertilisers, tailored to various farm production systems and local soil profiles;
- ✓ **crop protection products** – selling generic and branded products (our suppliers include leading global manufacturers of crop protection products) to protect crop yields against weeds, insects and disease and improve overall crop health, both above and below ground, enabling farmers to achieve optimal results;
- ✓ **fuel** – facilitating the farmers' acquisition and delivery of diesel from several of the largest suppliers operating on the local market.

Through our Agrifinance segment, carried out by Agricover Credit IFN, Agricover Payments and Clubul Fermierilor Romani Broker de Asigurare, we provide local farmers with financing and related services, including insurance brokerage, tailored to their needs and the specifics of the sector, including:

- ✓ **working capital loans** – financing working capital needs (e.g., for acquisition of agricultural inputs, labour, etc.) throughout the growing season with bullet reimbursement once the harvesting is done and the output is monetised;
- ✓ **investments loans** – financing mostly land acquisition or other farm investments; investment loans have longer maturities but with reimbursement schedules that are linked to the agricultural season (i.e., instalment payments correlated with the two main harvesting seasons, namely June-July for spring crops, such as wheat or barley, and October-November for autumn crops, including maize or sunflower);

- ✓ **corporate credit cards** – revolving financing for pre-approved limits generally valid for up to three years, with bullet annual reimbursement – minimum 60% of the utilised limit – tailored to the harvesting season of the farmer’s predominant crops;
- ✓ **insurance brokerage** – insurance intermediation services provided by Clubul Fermierilor Romani Broker de Asigurare S.R.L. (an entity controlled by Agricover Credit IFN SA, which holds a 51% stake in its share capital, the remaining 49% being held by Clubul Fermierilor Romani, a non-profit farmers’ association); we offer expert guidance in identifying the right specialised or general insurer to cover the risks related to our customers’ crops, farms, equipment or other relevant assets; we explain the costs and benefits of competitive insurance products, we assist the farmer in negotiating better pricing with the insurers and, if the insured event occurs, we assist farmers during the claims handling process;
- ✓ **digital finance and payment services** – we recently launched “My Agricover” mobile app, available on Google Play and the App Store, which enables farmers to interact with the Group and secure financing quickly and easily, directly from their farms. This marks a significant step in expanding financial services for small farmers, streamlining access to funding through an exclusively online platform. Additionally, we are developing and authorising tailored payment services, planned to be launched in the last quarter of 2025. These services will provide farmers with a convenient and secure way to manage their finances digitally – making payments, receiving funds, withdrawing cash, and accessing debit cards – all through a user-friendly web and mobile platform.

Our synergistic business model revolves around offering farmers easy access to a wide range of technological innovations within the field (e.g., from high quality technological inputs to digitalisation solutions), and the customised financing needed to access and integrate those innovations with their farming businesses to obtaining higher yields and staying competitive in a sustainable manner. Thus, our combined offering creates one of the most effective portfolios of holistic agriculture support solutions in the industry.

Basis for the Report

The Report of the Board of Directors (the “Report”) is presented together with and based on the Company’s Condensed Consolidated Interim Financial Statements as at and for the six-month period ended 30 June 2025, prepared in accordance with IAS 34 “*Interim Financial Reporting*” as adopted by the European Union.

The Report is compliant with the Financial Supervisory Authority Regulation 5/2018 on issuers of financial instruments and market operations issued in May 2018, with subsequent amendments and modifications.

Amounts in this Report are presented in thousands RON and rounded to the nearest unit, unless otherwise stated. Performance indicators and financial ratios are rounded to the nearest unit unless otherwise stated.

Market context

i. Macro highlights

In the first half of 2025, as compared to the same period of the previous year, the gross domestic product increased by 0.3% for the unadjusted series and by 1.4% for the seasonally adjusted series, in accordance with the estimate published by the National Institute of Statistics on 14th of August 2025.

Agriculture financing market continued its sustained upward trend increasing by 5.3% at June 2025 compared with June 2024. Within the agriculture financing market, bank exposures increased by 5.1% at June 2025 compared to June 2024. The exposures of non-banking financial institutions increased by 5.8% during the same period. In this context our market share reached 7.8%, after a 14.3% year-on-year increase in exposure as at 30 June 2025.

Prices in the agricultural inputs market moved higher in the first half of 2025. European natural gas, a key driver of most fertiliser costs, remained volatile and above recent seasonal levels. Oil traded within a moderate range, with short-lived supply risk spikes. Fertiliser prices rose from early-year lows, led by phosphates, while nitrogen products tracked the higher gas backdrop.

On the outputs side, grain prices in Romania were broadly stable overall, with temporary rallies on weather and logistics concerns. Global supply conditions, including an expected record world cereal harvest, have kept markets from moving sharply higher.

Weather has been mixed. Autumn cereals in Romania are set for above-average yields, but spring crops face localised yield risks from heat and rain deficits. Across the EU, conditions vary widely, with some areas seeing drought stress and others facing excess rainfall.

The government's debt-postponement scheme for farmers remained in place until 1 August 2025. While significant repayments will fall due later in the year, early-August collections are encouraging, including some advances. Our proactive customer engagement and stronger collateral coverage continue to support portfolio quality and limit the risk of a material financial impact.

ii. Factors impacting our results

Inflation

The euro area inflation trajectory has stabilised around the European Central Bank's ("ECB") 2% target in recent months. The euro area annual inflation rate stood at 2.0% in June 2025, up slightly from 1.9% in May, compared with 2.5% a year earlier¹. In the European Union, annual inflation was 2.3% in June 2025, up from 2.2% in May and down from 2.6% in June 2024. The ECB's June staff projections anticipate headline inflation averaging 2.0% in 2025, easing further to 1.6% in 2026 before returning to 2.0% in 2027.

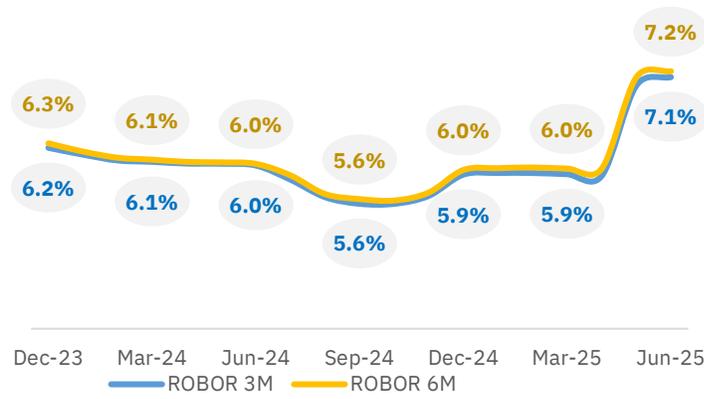
In Romania, however, inflationary pressures remain significantly higher. The annual inflation rate rose to 5.8% in June 2025, up from 5.4% in May 2025 and 5.3% in June 2024, marking the highest rate among EU member states. Labour market conditions are broadly stable: the EU unemployment rate was 5.9% in June 2025, unchanged from May and slightly below 6.0% a year earlier; Romania's unemployment rate was 5.8%, level with May 2025 but up from 5.2% in June 2024².

Monetary policy trends diverged. The European Central Bank reduced key rates by 25 bps on four occasions in 2025, keeping them unchanged at the July meeting, citing slower wage growth and inflation at its medium-term target. In contrast, the National Bank of Romania maintained its policy rate at 6.5% throughout 2025, with the last cut (25 bps) in August 2024.

¹ Eurostat data on annual inflation, 17 July 2025 (<https://ec.europa.eu/eurostat/web/products-euro-indicators/w/2-17072025-ap#estat-inpage-nav-heading-0>)

² Eurostat data on unemployment, 31 July 2025 (<https://ec.europa.eu/eurostat/web/products-euro-indicators/w/3-31072025-ap#estat-inpage-nav-heading-0>)

The domestic environment was shaped by acute political uncertainty, culminating in a new coalition government in late June after months of turbulence linked to the annulled 2024 presidential election. Renewed fiscal slippage under the EU’s Excessive Deficit Procedure –



confirmed by the European Commission’s June finding of “ineffective action” – added even more pressure. This backdrop translated into market volatility: the EUR/RON exchange rate briefly touched 5.12 in May, while money market rates rose by over 100 bps in the first half of 2025, with peaks above 7% in the second quarter.

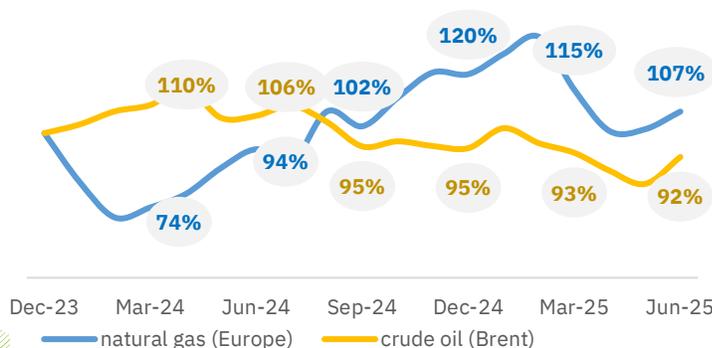
graph: **market interest rates**, source: *National Bank of Romania*

Market interest rates influence the net interest income in Agrifinance and the net finance cost in Agribusiness. Net interest margin stayed at 7.0% during the first half of 2025, slightly lower as compared to 7.4% during the first half of 2024. Financing costs in Agribusiness increased as expected in the market context, with all borrowings contracted by this business segment bearing floating interest rates. Moreover, while a positive EU and global macro environment benefits Romanian agricultural exporters, persistent local price pressures increase production and financing costs for domestic farms, straining their cash flows and heightening credit risk within the lending portfolio.

Oil and gas

Certain commodities (especially natural gas and crude oil) remain key cost drivers in the manufacturing of crop nutrition and crop protection products. Input prices in these markets continue to correlate closely with selling prices across the sector.

European gas prices were volatile through the first half of 2025, and the TTF benchmark generally hovered in the low-to-mid €30s/MWh especially during the second quarter. The picture behind that is straightforward: Europe is operating with tighter supply than before the



energy shock but occasional outages or weather shifts can move the market. At the same time, the EU has extended its gas-storage rules for the next two winters (the 90% target before winter), which supports inventories but also means the summer refill pace matters more for prices. Analysts at a major European bank describe this as a

“tight” market likely to persist into 2026, with forward prices again trading at a premium to spot as refilling progresses³.

Oil was steadier by comparison. Prices mostly traded in a moderate range in the first half and brief Middle East risk spikes were quickly discounted. OPEC+ early-June decision to keep most cuts in place through 2025 while planning a gradual unwinding from October helped anchor expectations that supply will be adequate.

graph⁴: **natural gas and crude oil price evolution**,

source: World Bank data processed internally

Looking ahead, experts expect oil to edge lower later in 2025 as that additional supply starts to come through, whereas European gas is likely to stay supported (and prone to bouts of volatility) because the underlying market tightness has not fully resolved⁵. Moreover, geopolitics can still change the picture quickly, especially if key transit routes are disrupted, but the base case remains one of manageable oil and comparatively steadier gas into the winter.

Crop nutrition products

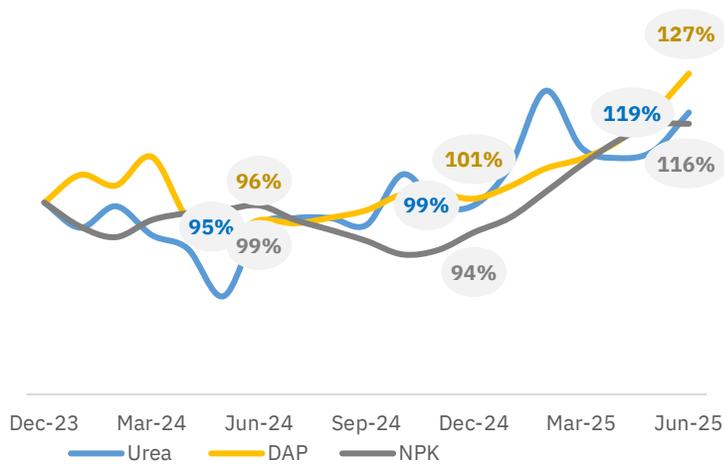
Crop-nutrition prices increased in the first half of 2025 after the lull seen through much of 2024. Global benchmarks picked up into spring, led by phosphates, with the World Bank fertiliser price index up around 15% since the start of the year. DAP and urea recorded the sharpest gains as demand stayed firm and trade measures constrained supply. Experts also note that affordability for farmers has weakened as fertiliser prices rose faster than crop prices, and that prices are likely to average a higher in 2025 than in 2024 before stabilising in 2026⁶.

³ ABN AMRO - Gas Market Monitor - *Market tightness is here to stay until 2026*, 31 July 2025 (<https://www.abnamro.com/research/en/our-research/gas-market-monitor-market-tightness-is-here-to-stay-until-2026>)

⁴ the graph presents the monthly evolution of prices versus December 2023 (base period)

⁵ ING Think - *Energy markets quickly discount Middle East supply risks*, 10 July 2025 (<https://think.ing.com/articles/energy-markets-quickly-discount-middle-east-supply-risks/>)

⁶ World Bank “*Commodities Price Data*” (the Pink Sheet), July 2025; and “*Commodity Markets Outlook*”, April 2025.



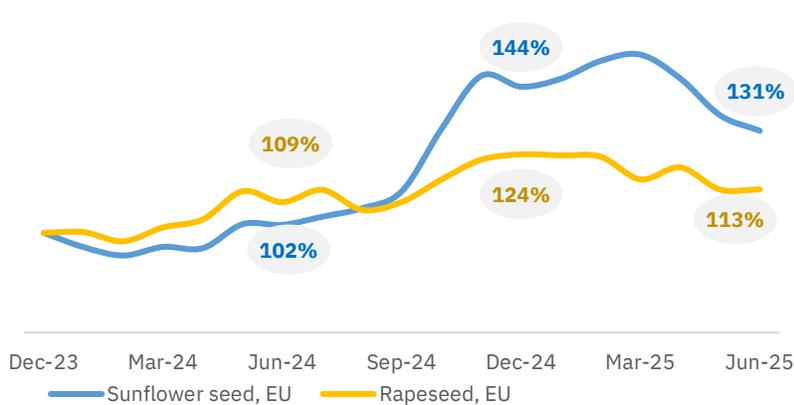
This trend is consistent with a tighter gas backdrop in Europe and ongoing trade frictions in phosphates. European gas remains a key driver for nitrogen costs, and experts expect that market tightness to persist into 2026 even as day-to-day prices fluctuate, contributing to keep urea prices elevated while phosphate prices also reflect export controls and policy moves in major supplying countries.

graph⁷: **crop nutrition price evolution**, source: World Bank data processed internally

With crop nutrition inventories as low as 0.9 million RON as at 30 June 2025 (31 December 2024: 1.8 million RON), our exposure commodities price risk is limited and we do not expect a significant impact under reasonably possible market prices scenarios. For farmers, these moves mean input costs have drifted up again from 2024 levels. Moreover, the pass-through to crop prices appears to be uneven and with a lag.

Grains

Grain prices movements were mixed in the first half of 2025. After last year’s declines, EU farm-gate price indices ticked up in in the first quarter of 2025, while input prices rose only marginally,



pointing to a more balanced market⁸. Against that backdrop, international cereal benchmarks eased into June as ample Southern Hemisphere supplies met seasonal harvest pressure. FAO’s cereal price index fell month-on-month in June even as the headline food index edged higher⁹.

graph¹⁰: **EU sunflower seed and rapeseed prices evolution**, source: European Commission data processed internally

⁷ the graph presents the monthly evolution of prices versus December 2023 (base period)

⁸ Eurostat data (Price indices of agricultural products, as updated on 12 June 2025), processed internally

⁹ based on data released by the Food and Agriculture Organization of the United Nations on 4 July 2025

¹⁰ the graph presents the monthly evolution of prices versus December 2023 (base period)

FAO also projects record world cereal production for 2025, which will most likely cap rallies



unless weather or logistics disrupt flows¹¹. Wheat and maize hovered close to late-2023 levels by June, while barley retraced earlier gains, consistent with a market that moved on weather and export headlines but lacked a sustained trend.

graph¹²: **local maize, barley, and wheat prices evolution**,

source: European Commission data processed internally

In practice, this leaves farm revenues sensitive to short spells of volatility (weather, Black Sea logistics), yet the base case remains one of contained grain prices into the harvest window. Higher volatility means higher risk, which might impact the non-performing loans ratio as well as the cost of risk.

Weather

Weather continues to shape demand for crop protection products (through disease and pest pressure), including the mix and timing of products used, and it also affects yields and harvest windows, with an impact on commodities demand and seasonality of demand. In early summer 2025 Europe turned hot quickly, with heatwaves across large parts of the continent. Even so, the EU's autumn cereals entered harvest with above-average yield expectations, while spring crops started to face increasing risks from dryness and heat. At the global level, the latest projections still point to record cereal output in 2025, which keeps overall supply comfortable, capping prices, despite regional weather stresses.

In Romania, autumn crops benefitted from generally adequate moisture through spring and are expected to deliver above-average results. By contrast, the development of spring crops has been constrained in parts of the country by persistent rain deficits combined with high temperatures, which heightens yield risk¹³.

For our business, this mix typically shifts purchasing patterns rather than demand overall: hotter, drier spells can change disease and pest dynamics and tilt the product mix, while wet

¹¹ Food and Agriculture Organization of the United Nations Cereal Supply and Demand Brief issued on 4 July 2025

¹² the graph presents the monthly evolution of prices versus December 2023 (base period)

¹³ Crop Monitoring in Europe, JRC MARS Bulletin Vol 33 No 6, July 2025

periods can delay fieldwork and harvesting. The base case remains positive, but localised weather shocks can pressure farm cash flows temporarily. However, agriculture is a resilient sector, and while past performance is not a guarantee for future results, historically our expertise in the sector allowed us to recover most of the exposures marked as non-performing during difficult agricultural seasons. We continue to factor these conditions into our risk view and customer support, and will monitor the remainder of the season closely.

Debt Repayment Postponement for Farmers

Last year, the Romanian government introduced temporary relief for farmers hit by the severe drought and the wider economic fallout from geopolitical events. Farmers able to document significant crop losses (at least 50%) could request to postpone payments on both financial and commercial debts—covering principal, interest, and fees—until 1 August 2025. The measure applied to loans and supplier obligations contracted before the scheme’s introduction and not already in default, and it also froze enforcement actions for eligible debts. Requests had to be filed by 31 December 2024, with repayment schedules extended by the length of the suspension. More details are available in the Directors’ Report as at and for the year ended 31 December 2024.

While it is still too early to draw a final conclusion, early signs are positive. Significant instalments and supplier invoices will fall due in the coming months, but collection rates in early August are encouraging, including some advance settlements. This suggests that the measures we put in place, negotiated terms with customers, proactive engagement, and strengthened collateral coverage, are working as intended to support farmers’ short-term liquidity while protecting the Group’s financial position.

The coming months will nevertheless be a testing period. Farmers will need to finance the next cropping season while simultaneously resuming payments on deferred debts. This coincides with an environment of persistently high local interest rates, elevated energy and fertilizer costs, and mixed weather conditions. Moreover, while global grain and oilseed availability remains comfortable, working to stabilise and cap output prices, localised weather stress could squeeze margins. Against this backdrop, the risk of late payments or defaults could rise in the second half, particularly for highly leveraged farms or those exposed to lower-yield areas. Our ongoing monitoring and tailored engagement will remain key to maintaining portfolio quality.

Financial covenants

Except as discussed below in this section of the Report, the Group and its subsidiaries have complied with all relevant financial covenants imposed by their respective financing facilities.

Non-compliance with financial covenants imposed by the Group's borrowings or other contractual breaches, including breach of payment terms, would result in the creditors having the right to early call the related facilities. Moreover, some of the Group's funding agreements include customary cross default provisions, including provisions that puts Agricover Distribution or Agricover Credit in default if the other defaults on its funding agreements.

OFAC Sanctions

In April 2023, the U.S Treasury Department's Office of Foreign Assets Control ("OFAC") has included one of the Group's lenders ("Sanctioned Lender") on the specially designated nationals and blocked persons list ("OFAC Sanctions").

The Group is borrower under two facility agreements ("Facility Agreement") concluded with the Sanctioned Lender, with a total current outstanding principal amount of RON 60.8 million RON. Similarly, Agricover Holding SA, upon receiving the list of bondholders from Depozitarul Central, for the reference dates 12th January 2024, and 12th January 2025, became aware that some of the corporate bonds it had issued were and continue to be held by the Sanctioned Lender.

Unlike sanctions imposed by European Union or by Romanian authorities, OFAC Sanctions are not applicable directly in Romania. Furthermore, to the best of the management's knowledge, there are no legal provisions in the primary and/or secondary legislation related to the Romanian capital market, and/or in Depozitarul Central's Code, and/or in the service agreement concluded by Agricover Holding SA with Depozitarul Central regarding the treatment of payment obligations to investors subject to international sanctions. To the best of the management's knowledge, up to the date of the condensed consolidated interim financial statements, the applicable Romanian legislation or regulations do not include any specific guidelines on dealing with the OFAC Sanctions.

Notwithstanding the OFAC Sanctions not being directly applicable under Romanian law, the Group does not wish its lenders to become directly or indirectly subject to international sanctions or to be exposed in any way to international sanctions.

In view of the above, at its own initiative, the Group:

- a) Stopped making any payments to the Sanctioned Lender and placed and blocked into one of its bank accounts the funds corresponding to the amounts outstanding under the Facility Agreement.

The Sanctioned Lender, at their own initiative, issued temporary waivers to the Group for the payments due in 2023, 2024, and first half of 2025 under the Facility Agreement to be postponed for payment until 19 September 2025.

We have explored and continue to evaluate options to terminate the relationship with the Sanctioned Lender, including by way of voluntary prepayment of the amounts owed under the Facility Agreement, however, only in a manner complying with the international sanctions.

- b) Placed and blocked into one of its bank accounts the funds corresponding to the part of the interest on the issued corporate bonds that was due, under the prospectus, on 5th February 2024 and on 5th of February 2025, to the Sanctioned Lender.

The Sanctioned Lender was informed by our decision to withhold the interest owed until such payment becomes possible with the observance of the international sanctions. However, in the unlikely scenario that, for whatever reasons and with the observance of the international sanctions, the Group will have to early repay the outstanding principal on its issued corporate bonds, the management considers that this will not significantly impact the Group's ongoing business.

Financial Indicators

The Company's listed bonds' prospectus, approved by the Financial Supervisory Authority (FSA) Decision no. 400 of 26.03.2021, includes financial covenants to be observed by the Company and its subsidiaries Agricover Credit IFN SA and Agricover Distribution SA for each year during the life of the bonds, until their maturity on 3 February 2026, or earlier if redeemed or cancelled. The financial covenants are tested annually, based on the IFRS-compliant audited consolidated financial statements of the Company, the IFRS-compliant audited financial statements of Agricover Distribution SA, and the IFRS-compliant audited consolidated financial statements of Agricover Credit IFN SA.

As disclosed in the Directors' Report as at and for the year ended 31 December 2024, certain financial covenants were not met as of that date. In accordance with the terms of the bond prospectus, such a breach gives bondholders the right to early redemption at nominal value plus any accrued interest, provided that holders representing at least 25% of the bonds support such action. However, should the breach be remedied within 90 calendar days from its occurrence and bondholders conclude that the covenant has been complied with, it is deemed that no breach occurred at the relevant calculation date.

As at the date of this Report, the Company has not received any notices or requests from bondholders regarding early redemption, nor does it have any indication that such actions are being considered. Furthermore, the bonds mature on 3 February 2026, less than eight months after the interim reporting date, limiting the potential implications of any historical or hypothetical breach. Related liabilities have been classified as current in both the condensed interim consolidated financial statements as at and for the six-month period ended 30 June 2025, and in the consolidated financial statements as at and for the year ended 31 December 2024.

Interim consolidated performance of the Agricover Group

We reached share of 7.8% of the agriculture financing in Romania, after a 14.3% year-on-year increase in exposure as at 30 June 2025, all while keeping an NPL ratio well below market averages. Overall, the Group’s earnings per share increased by 28% year-on-year reflecting the improved net profitability and consistent performance across the reporting period. Below we highlight the evolution of other main performance indicators monitored by the Group.

10,223

the Group's unique customers as at and for the 12 months period ended 30 June 2025

RON 3.84 billion

gross carrying amount of loans and advances to Agrifinance customers as at 30 June 2025

7.0% NIM

net interest margin (“NIM”) in Agrifinance in the first six months of 2025

3.21% NPL

Non-performing loans ratio (“NPL”) at 30 June 2025 below the 4.40 % average NPL for local loans and advances granted to SMEs and corporates as at 31 March 2025¹⁴

RON 0.85 billion

total revenues in the Agribusiness segment in the first six months of 2025

RON 0.054

12 months period ended 30 June 2025 earnings per share

¹⁴ financial stability report published by the National Bank of Romania in June 2025

Our customer base

Strong farmer relationships enable us to anticipate customer needs and enhance loyalty and recurrence across all business segments. The direct access model, with field agents engaging regularly with both current and prospective customers, remains a key driver of customer retention and deeper business understanding. Farmers eligible to become customers are primarily selected based on their access to SAPS-related subsidies paid by APIA, which also serve as an independent verification of farm size for Agrifinance customers. Additionally, our agricultural inputs online sales platform remains accessible to other end consumers, including unincorporated private individuals.

Customers of:	Jun-22	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	Jun-25
both segments	3,473	2,990	3,282	3,068	3,262	2,732	3,016
Agribusiness ¹⁵	5,370	5,765	5,935	6,032	5,310	5,436	5,374
Agrifinance ¹⁶	1,066	1,194	1,370	1,375	1,689	1,629	1,833
Unique customers	9,909	9,949	10,587	10,475	10,261	9,797	10,223

Source: internal data

The total number of farmers we serves stayed above 10 thousand as at and throughout the twelve-month period ended 30 June 2025. The number of clients per segment remained broadly for both Agribusiness and Agrifinance, amid continued Group efforts to support local agriculture in a challenging environment (refer to the Market Context section of the Report) while mindful of credit risk and overall financial performance.

For commercial internal reporting purposes and decision-making, we group our customers as follows:

- ✓ in Agrifinance – based on farm size, as: i) large – above 1,000 ha operated; ii) medium – 401 to 1,000 ha operated; iii) small – 101 to 400 ha operated; iv) micro – 20 to 100 ha operated; and v) other (as shown in the table below). For risk management purposes, we group our clients based on the following farm size: a) below 400 ha; b) above 400 ha; and (c) others.

	30 June 25		30 June 24	
	No of customers	%	No of customers	%
large	329	7%	339	7%
medium	792	16%	818	17%
small	3,048	63%	3,203	65%
micro	654	13%	572	12%
other	26	1%	19	0%
Total	4,849		4,951	

Source: internal data

¹⁵ In Agribusiness an active customer is one which has made at least one acquisition during a twelve-month rolling period.

¹⁶ In Agrifinance an active customer is one to which we have at least one open financing agreement at the date of the analysis

- ✓ in Agribusiness - based on the types of agricultural inputs acquired during one calendar year, namely from customers who have purchased only commodities, only non-commodities and both products; with the aim to serve our customers all year round and across all business lines.

Input type	30 June 25		30 June 24	
	No of customers	%	No of customers	%
commodities	2,179	26%	2,135	25%
non-commodities	3,687	44%	3,703	43%
both input types	2,524	30%	2,734	32%
Total	8,390		8,572	

Source: internal data,

Our largest loan relationships currently do not make up a significant percentage of our total loan portfolio. As of 30 June 2025, our three largest individual loan relationships totalled 144.5 million RON (30 June 2024: 101.0 million RON) in loan exposure, or 3.89% (30 June 2024: 3.00%) of the total loan portfolio, while our twenty largest individual loan relationships totalled 499.4 million Ron (30 June 2024: 427.9 million RON), or 13.43% (30 June 2024: 12.72%) of the total loan portfolio. Concentration is similar in terms of exposures to groups of connected customers, with top three exposures totalling 4.12% (30 June 2024: 3.66%) of the total loan portfolio, while top twenty exposures were 16.39% (30 June 2024: 17.38%) as of 30 June 2025.

The largest client in Agribusiness segment contributed 1.2% of revenue generated during the six-month period ended 30 June 2025, while the second-largest client contributed slightly over 1% (no other single customer accounted for more than 1% of revenue). When looked at on a per business line basis – e.g., distribution of certified seeds, crop nutrition products, crop protection products and fuel – during the six-month period ended 30 June 2025 - no single customer accounted for more than 2.3% of the sales of each separate business line.

Interim performance of Agrifinance

As of June 2025, we held a **7.8% share of agriculture financing in Romania**, up from 6.6% at 31 December 2024, reflecting strong growth in our market presence.

3.8 billion RON nominal value of outstanding loans and advances as at 30 June 2025. The exposure increased 14.3% year-on-year as at 30 June 2025, driven primarily by a 16.7% increase in the average exposure per customer.

RON'000	30 June 2025	30 June 2024
gross carrying amount of loans and advances	3,844,105	3,363,396
net interest income	122,918	110,980
net commission income	6,240	6,273
profit before tax	61,491	60,163
net interest margin	7.0%	7.4%
cost to income ratio	39.07%	38.47%
NPL ratio	3.21%	3.74%

Portfolio quality remained robust. The non-performing loans ("NPLs") ratio was **3.21%** as at 30 June 2025, below the local market average for loans and advances granted to SMEs and corporates (4.40% at 31 March 2025¹⁷).

Profitability continued to improve. **+2.2% year-on-year increase** in profit before tax supported by 10.8% growth in net interest income, to nearly RON 123 million in the first half of 2025.

The net interest margin remained strong at **7.0%**. The cost to income ratio edged up to **39.07%** (from 38.47% a year earlier), mainly due to higher personnel costs under persistent inflationary pressures.

The segment's performance reflects a combination of disciplined portfolio growth, resilient asset quality, and sustained profitability, positioning us well for the remainder of 2025 despite ongoing market and cost pressures.

¹⁷ financial stability report published by the National Bank of Romania in June 2025

Interim performance of Agribusiness

The Agribusiness segment returned to profitability in H1 2025, posting an **operating profit of RON 16.8 million** (vs. a loss of RON 4.3 million in H1 2024) and an operating margin of 2.0%. This turnaround reflects improved market conditions, a gradual recovery in farmers' demand for agricultural inputs, and a stronger product mix.

RON'000	30 June 2025	30 June 2024
Revenue, <i>out of which</i>	848,160	807,001
<i>Crop protection products ("CPP")</i>	315,316	280,037
<i>Crop nutrition products ("CNP")</i>	196,159	161,215
<i>Fuel</i>	186,233	207,596
<i>Certified seeds</i>	149,882	151,683
<i>Other revenue</i>	570	6,470
Operating profit/(loss)	16,842	(4,313)
Operating margin	1.99%	-0.53%

Source: Consolidated Financial Statements

Revenue rose 5.1% year-on-year to RON 848.2 million mainly driven by:

- ✓ **Crop protection products:** up 12.6%, supported by the *Moto Discount* program and continued focus on high-margin marketing initiatives;
- ✓ **Crop nutrition products:** up 21.7%, on higher sales volumes and strong growth in specialised nutrition products, benefiting from favourable supplier agreements. Performance was further supported by a new distribution model for commodities, based on phone sales and low stock carrying, which improved efficiency and risk management, while maintaining sales momentum;
- ✓ **Seeds:** slightly lower, but signs of stabilising demand;
- ✓ **Fuel:** down 10.3% due to lower volumes and average selling prices.

The combination of revenue growth in core categories, improved margins, and tighter cost control supported the segment's return to profit despite ongoing macroeconomic and weather-related challenges.

Risk management

We aim to support farmers in reaching their full potential while strengthening the role of the local agricultural sector within the European and global food chain. Evolving macroeconomic conditions, combined with persistent structural challenges, are reshaping agricultural risks. These factors affect crop production and quality, influence the financial resilience of our customers, and can disrupt broader agricultural supply chains.

Effective risk management is central to our ability to operate in this environment. Our model combines active monitoring with a structured approach to risk acceptance, diversification, retention, and mitigation:

- ✓ **accept** risks inherent to our core business areas;
- ✓ **diversify** exposure through scale, product range, and financing sources, ensuring resilience across operations;
- ✓ **retain** manageable risks that can be used to generate returns;
- ✓ **hedge** or **insure** against risks beyond our tolerance level.

The scale and nature of our risk exposure will continue to be shaped by both external trends (such as economic conditions, market volatility, or regulatory changes) and internal developments including operational adjustments and business growth.

Our risk management policies and practices remained broadly unchanged in the first half of 2025. Risk exposures and their impact on the Group's financial position and performance are detailed in Note 8 to the condensed consolidated interim financial statements, which covers credit risk and market risk (including currency and interest rate exposures). Market, weather, and other relevant risks are also discussed in the Market Context section of this Report.

Analysis of condensed consolidated interim financial statements

i. Group consolidated interim statement of profit or loss (summarised)

RON'000	30 June 2025	30 June 2024
Revenue from contracts with customers	847,964	806,445
Cost of sales	(802,341)	(780,123)
Net credit losses on trade receivables	(9,310)	(6,174)
Gross Agribusiness margin	36,313	20,147
Gross Agribusiness profit margin	4.3%	2.5%
Net interest income	122,728	102,743
Net fee and commission income	6,239	6,273
Net credit losses on loans and advances to customers	(11,058)	(13,415)
Cost of sales	(22,632)	(25,538)
Net Agrifinance income	95,276	70,063
Other operating segments gross margin	-	62
Gross profit	131,589	90,273
Operating expenses, net	(51,993)	(44,903)
Operating profit	79,596	45,370
Net financial result	(5,158)	4,188
Income tax expenses	(11,754)	(9,216)
Profit for the period	62,684	40,342

Source: Consolidated Financial Statements

Revenue of 847,964 thousand RON was generated by the Group in the first half of 2025, an increase of 5% compared with the same period in 2024. This growth was driven mainly by higher sales in both crop protection and crop nutrition products, in a challenging environment (further refer to the *Interim performance of Agribusiness* section of the Report).

In the Agribusiness segment, **cost of sales** rose at a slower pace than revenue, increasing by 3% year-on-year. As a result, the segment's **gross profit margin improved** to 4.3%, almost double the 2.5% recorded in the first half of 2024.

Net interest income rose by 19%, supported by higher gross exposure, which stood at RON 3.8 billion as at 30 June 2025, with an average exposure of RON 3.57 billion during the first half of the year (first half of 2024: RON 3.36 billion). Net fee and commission income remained broadly stable.

Operating expenses increased in line with expanded business activity across both segments, reflecting higher personnel and operational costs under inflationary pressures. Despite this, the Group's **operating profit improved** significantly, reaching RON 79.6 million in the first half of 2025, compared to RON 45.4 million in the first half of 2024. After accounting for the net financial result and income tax expenses, **profit for the period** from continuing operations was RON 62.68 million in the first half of 2025, up from RON 40.34 million in the first half of 2024.

The overall performance reflects **stronger margins in Agribusiness, continued growth in Agrifinance**, and **disciplined cost control**, set against a market environment that remains challenging but manageable.

ii. Group consolidated interim statement of financial position (summarised)

RON'000	30 June 2025	31 December 2024
Assets		
Non-current assets	1,543,783	1,271,648
Loans and advances to customers	1,432,927	1,187,246
Intangibles, PP&E, RoUA	66,108	71,650
Trade receivables	30,083	1,388
Other non-current assets	14,665	11,364
Current assets	3,440,216	2,721,037
Loans and advances to customers	2,282,060	1,867,779
Trade and other receivables	775,785	343,190
Inventories	66,532	59,994
Other current assets	315,839	450,074
Total assets	4,983,999	3,992,685
Equity and liabilities	782,214	720,678
Total equity		
Non-current liabilities	1,407,054	1,191,259
Borrowings and Leases	1,406,476	1,190,891
Trade and other payables	578	368
Current liabilities	2,794,731	2,080,748
Borrowings and Leases	2,174,627	1,785,412
Trade and other payables	598,622	276,025
Other liabilities and provisions	21,482	19,311
Total equity and liabilities	4,983,999	3,992,685

Source: Consolidated Financial Statements

Total assets rose by RON 991.3 million to RON 4,984.0 million at 30 June 2025. The increase reflects the Group's normal seasonal pattern: trade and other receivables and **loans and advances to customers** build ahead of harvest and are typically collected in the second half of the year as crops are sold. Where available, receivables are financed through supplier terms; otherwise, short-term bank facilities are used. In line with this cycle, borrowings as well as trade and other payables also peak around mid-year.

Inventories were up 11%, mainly due to higher crop protection stocks purchased in June for the autumn campaign. Starting late 2024, crop nutrition runs on a lighter model (mostly phone sales, low stock carrying), which helps contain inventory needs even as sales volumes grow, both while improving the risk management.

Loans and advances to customers increased by 22% versus 2024 year-end, driven by both an increase in the number of customers and a rise in the average exposure per customer. The gross carrying amount stood at RON 3,844.1 million at 30 June 2025.

	30 June 2025	31 December 2024
Loans and advances to customers (RON'000)	3,844,105	3,166,772
Number of customers	4,849	4,361
Average exposure per customer (RON'000)	793	726

Source: Consolidated Financial Statements

Funding grew in step mainly with the loans portfolio but also with trade receivables. Total borrowings reached RON 3,538.9 million (31 December 2024: RON 2,936.7 million), with a diversified mix of local banks (52%), international financial institutions (42%), and bonds (6%). This mix supports seasonal working-capital needs while maintaining flexibility.

	30 June 2025		31 December 2024	
	(RON'000)	weight (%)	(RON'000)	weight (%)
Borrowings from local banks	1,857,803	52%	1,400,216	48%
Borrowings from international financial institutions	1,472,833	42%	1,330,265	45%
Issued bonds	208,274	6%	206,228	7%
Total borrowings	3,538,910		2,936,709	

Source: Consolidated Financial Statements

Equity increased to RON 782.2 million (31 December 2024: RON 720.7 million), reflecting mostly the profit generated in the period. Overall, the financial position at mid-year shows the expected seasonal build-up in earning assets, backed by diversified funding and a capital base that continues to strengthen.

iii. Group consolidated interim cash flow statement (summarised)

RON'000	30 June 2025	30 June 2024
Sources of funds:		
Cash generated from financing activities	570,963	162,356
Used in:		
Cash used in operating activities	(695,775)	(481,360)
Cash used in investing activities	(4,641)	(4,323)
Effect of exchange rates on cash and cash equivalents	365	-
Net increase / (decrease) in cash and cash equivalents	(129,088)	(323,327)
Cash and cash equivalents at the beginning of the period	406,804	477,529
Cash and cash equivalents at the end of the period	277,716	154,202

Source: Consolidated Financial Statements

In the first half of 2025, the Group recorded **net cash inflows from financing** activities of RON 570.96 million, significantly higher than the RON 162.36 million recorded in the same period of 2024. Financing was sourced primarily from local banks (52% of borrowings) and international financial institutions or investment funds (42%). Major loan facilities require compliance with key financial covenants, including capital adequacy, non-performing loan ratio, large exposure limits, related-party exposure, and currency risk ratios (see *Financial covenants* section of the Report). Funds raised were mainly used to support the loan granting activity within the Agrifinance segment.

Net cash used in operating activities increased to RON 695.78 million (first half of 2024: RON 481.36 million), reflecting the seasonal build-up of loans and advances to customers and higher trade and other receivables balances ahead of the harvest period.

Investment activity outflows remained at RON around 4.64 million (first half of 2024: RON 4.32 million), largely directed towards process improvements and digitalisation projects.

Group interim statement of investments cash outflows:

RON'000	30 June 2025	30 June 2024
Total Group investing cash outflows:	4,791	4,790
Agribusiness investing outflows	538	2,126
Agrifinance investing outflows	4,233	1,054
Agritech investing outflows	20	1,610

In the first half of 2025, total investing cash outflows were RON 4.79 million, broadly unchanged from the same period in 2024.

Most investments were linked to process improvements and digitalisation, with the largest share in the Agrifinance segment (RON 4.23 million). A significant part of these investments was directed to the set-up of Agricover Payments, a new entity pending authorisation by the National Bank of Romania as a payment institution. Agricover Payments is designed to streamline and digitalise the Group's interactions with its customers and to expand the range of financial services available to the agricultural sector, which remains underfinanced and often overlooked by traditional credit institutions.

Agricover on the capital markets

The Group is present on the local capital markets with a bond issue initiated by Agricover Holding SA, in the amount of 40 million EUR, listed on the EUR Regular-Bonds Market of the Bucharest Stock Exchange in March 2021. The bonds have an initial maturity of 5 years and carry a fixed coupon of 3.5%. The bond proceeds were used to finance Agricover Credit's lending activity. In the first quarter of 2025 the Group paid the fourth coupon (further refer to *Financial covenants* section). The bonds issued were not actively traded during the reporting period.

Liviu Dobre
General Manager

Ioan Stelian Vezentan
Chief Financial Officer



Report on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders of Agricover Holding SA:

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Agricover Holding SA and its subsidiaries (the "Group") as at 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

For and on behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered in the electronic public register of the financial auditors and audit firms under no FA6

**Refer to the original signed
Romanian version**

Francesca Postolache

Financial auditor

registered in the electronic public register of the financial auditors and audit firms under no AF1716

Bucharest, 25 August 2025

PricewaterhouseCoopers Audit S.R.L.

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This version of our report is a translation from the original, which was prepared in Romanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

AGRICOVER HOLDING SA

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 June 2025

Prepared in accordance with IAS 34 Interim Financial Reporting
as adopted by the European Union

** The original version of the condensed consolidated interim financial statements was written in Romanian. This document is an English translation of the original document. In case of any discrepancy between the English text and the Romanian text, the latter will prevail.*

AGRICOVER HOLDING SA | Condensed Consolidated Interim Financial Statements
as at and for the six-month period ended 30 June 2025

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AGRICOVER HOLDING SA | Condensed Consolidated Interim Financial Statements
as at and for the six-month period ended 30 June 2025

Condensed Consolidated Statement of Financial Position as at

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	30 June 2025	31 December 2024
ASSETS			
Non-current assets			
Property, plant and equipment		8,037	11,058
Right of use assets		40,313	38,917
Intangible assets		17,758	21,675
Trade and other receivables	10	30,083	1,388
Loans and advances to customers	8	1,432,927	1,187,246
Finance lease receivable	17	955	51
Deferred income tax assets	7	13,710	11,313
		1,543,783	1,271,648
Current assets			
Inventories	15	66,532	59,994
Current income tax receivable		-	684
Loans and advances to customers	8	2,282,060	1,867,779
Finance lease receivable	17	1,207	70
Trade and other receivables	10	775,785	343,190
Other current assets	16	36,916	42,516
Cash and cash equivalents	11	277,716	406,804
		3,440,216	2,721,037
Total assets		4,983,999	3,992,685
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital and share premium		196,468	192,501
Treasury shares		(3,947)	(33)
Revaluation reserves		892	892
Other reserves		72,833	72,936
Retained earnings		499,295	439,875
		765,541	706,171
Non-controlling interests		16,673	14,507
Total equity		782,214	720,678
Non-current liabilities			
Borrowings	12	1,376,865	1,162,966
Lease liabilities	12	29,611	27,925
Other payables	13	578	368
		1,407,054	1,191,259
Current liabilities			
Trade and other payables	13	598,622	276,025
Contract liabilities		11,787	12,266
Current income tax liability	7	8,035	2,107
Borrowings	12	2,162,045	1,773,743
Lease liabilities	12	12,582	11,669
Derivative liabilities for risk management	14	777	4,334
Allowance for loan commitments		883	604
		2,794,731	2,080,748
Total liabilities		4,201,785	3,272,007
Total equity and liabilities		4,983,999	3,992,685

AGRICOVER HOLDING SA | Condensed Consolidated Interim Financial Statements
as at and for the six-month period ended 30 June 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	2025	2024
Continuing operations			
Revenue from contracts with customers	4	847,964	806,445
Interest income	5	237,216	214,672
Fee and commission income		8,283	6,557
Cost of sales	6	(824,973)	(805,599)
Interest and similar expenses	5	(114,488)	(111,929)
Fee and commission expenses		(2,044)	(284)
Net credit losses on financial assets		(20,369)	(19,589)
Gross profit		131,589	90,273
Administrative expenses	6	(51,979)	(46,573)
Research and development	6	-	(277)
Other operating income		1,569	3,479
Other operating expenses		(1,583)	(1,532)
Operating profit		79,596	45,370
Finance income	5	5,565	7,661
Exchange differences gain / (loss)		(5,618)	(860)
Finance costs	5	(5,105)	(2,613)
Profit before tax		74,438	49,558
Income tax expense	7	(11,754)	(9,216)
Profit for the period from continuing operations		62,684	40,342
Profit / (loss) for the period from discontinued operations, net of tax		1	(4,967)
Profit for the period		62,685	35,375
Total comprehensive income for the period		62,685	35,375
Profit for the period attributable to:			
Owners of the company		59,505	35,557
Non-controlling interests		3,180	(182)
Profit for the period		62,685	35,375
Total comprehensive income attributable to:			
Owners of the company		59,505	35,557
Non-controlling interests		3,180	(182)
Total comprehensive income for the period		62,685	35,375
Earnings per share			
Basic and diluted earnings per share (RON)		0.034	0.019
Earnings per share from continuing operations (RON)		0.034	0.021

Approved for issue and signed on behalf of the Board of Directors on 25 August 2025.

Liviu Dobre
General Manager

Ioan Stelian Vezentan
Chief Financial Officer

AGRICOVER HOLDING SA | Condensed Consolidated Interim Financial Statements as at and for the six-month period ended 30 June 2025

Condensed Consolidated Statement of Changes in Equity
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Note	Attributable to owners of Agricover Holding					Total	Non-controlling interests	Total equity
		Share capital and share premium	Treasury shares	Revaluation reserves	Other reserves	Retained earnings			
at 1 January 2025		192,501	(33)	892	72,936	439,875	706,171	14,507	720,678
Profit / (loss) for the period		-	-	-	-	59,505	59,505	3,180	62,685
Total comprehensive income for the period		-	-	-	-	59,505	59,505	3,180	62,685
Distributed dividends		-	-	-	-	-	-	(1,202)	(1,202)
<i>SOP related transactions:</i>	6								
Increase in share capital		638	-	-	-	-	638	-	638
Sale of treasury shares		-	635	-	-	-	635	-	635
Acquisition of treasury shares		-	(4,549)	-	-	-	(4,549)	-	(4,549)
Change in share premium		3,329	-	-	-	-	3,329	-	3,329
Allocated to NCI		-	-	-	(103)	(85)	(188)	188	-
Total transactions with owners at 30 June 2025		3,967	(3,914)	-	(103)	(85)	(135)	(1,014)	(1,149)
		196,468	(3,947)	892	72,833	499,295	765,541	16,673	782,214

	Note	Attributable to owners of Agricover Holding					Total	Non-controlling interests	Total equity
		Share capital and share premium	Treasury shares	Revaluation reserves	Other reserves	Retained earnings			
at 1 January 2024		194,900	(2,542)	894	66,146	403,049	662,447	13,301	675,748
Profit / (loss) for the period		-	-	-	-	35,557	35,557	(182)	35,375
Total comprehensive income for the period		-	-	-	-	35,557	35,557	(182)	35,375
Distributed dividends		-	-	-	-	(30,005)	(30,005)	-	(30,005)
Transfers and other changes in equity		-	-	-	-	(23)	(23)	-	(23)
Total transactions with owners at 30 June 2024		-	-	-	-	(30,028)	(30,028)	-	(30,028)
		194,900	(2,542)	894	66,146	408,578	667,976	13,119	681,095

AGRICOVER HOLDING SA | Condensed Consolidated Interim Financial Statements
as at and for the six-month period ended 30 June 2025

Condensed Consolidated Statement of Cash Flows
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	2025	2024
Cash flows from operating activities			
Profit for the period from continuing operations		62,684	40,342
Profit/(loss) for the period from discontinued operations		1	(4,967)
Adjustments for:			
Net credit loss allowance	8	20,369	18,219
Depreciation and amortization	6	12,819	12,533
Loss from write down of inventory		161	670
Net loss from derivative liabilities for risk management		197	744
Intangible assets write-off		662	-
Loss from the sale of fixed assets		66	5
Unrealized FX differences		4,241	3,504
Income tax	7	11,754	9,216
Interest income	5	(242,781)	(222,330)
Interest expense	5	119,384	114,568
Changes in working capital			
Increase in trade and other receivables	10	(459,164)	(360,819)
Increase in loans and advances to customers	8	(469,882)	(302,807)
Increase in inventories	15	(6,700)	(21,793)
Increase in trade and other payables	13	327,001	295,018
		(619,376)	(417,897)
Interest paid		(114,954)	(115,762)
Interest received		47,355	60,518
Payments for settlement of derivative financial instruments		(1,261)	(195)
Proceeds from settlement of derivative financial instruments		-	549
Income tax paid		(7,539)	(8,573)
Net cash (used in) operating activities		(695,775)	(481,360)
Cash flows from investing activities			
Payments for acquisitions of intangible and fixed assets		(4,875)	(4,337)
Proceeds from sale of intangible and fixed assets		234	14
Net cash (used in) investing activities		(4,641)	(4,323)
Cash flows from financing activities			
Proceeds from borrowings	12	6,851,669	2,002,343
Repayment of borrowings	12	(6,269,295)	(1,835,656)
Payments for lease liabilities	12	(5,656)	(4,329)
Proceeds from increase of share capital		638	-
Payments for treasury shares acquisition		(5,352)	-
Proceeds from sale of treasury shares		161	-
Dividends paid		(1,202)	(2)
Net cash generated from financing activities		570,963	162,356
Unrealized FX differences on cash and cash equivalents		365	-
Cash and cash equivalents at the beginning of the period	11	406,804	477,529
Net (decrease)/ increase in cash and cash equivalents		(129,088)	(323,327)
Cash and cash equivalents at the end of the period		277,716	154,202

Notes to the Condensed Consolidated Interim Financial Statements
General Information and Basis of Preparation

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section includes general information about the Group and its structure as well as material accounting policy information that relate to the condensed consolidated interim financial statements as a whole.

1 GENERAL INFORMATION

Agricover Holding SA (“the Company”, “the Parent”) and its subsidiaries (together referred to as “the Group”) are incorporated and are domiciled in Romania. The Company’s headquarter is located at 1B Pipera Blvd, Voluntari, Ilfov, Romania.

The Company’s material subsidiaries as of 30 June 2025, 31 December 2024 and 30 June 2024 are presented below. Each subsidiary has share capital consisting solely of ordinary shares. The proportion of ownership interests held reflects the corresponding voting rights, held directly or indirectly by the Company.

Entity	Operating Segment	Activity	% owned @ 30 Jun 2025	% owned @ 31 Dec 2024	% owned @ 30 Jun 2024
Agricover Distribution SA	Agribusiness	Distribution of agriculture inputs	86.62	86.62	86.62
Agricover Credit IFN SA	Agrifinance	Financing businesses in agriculture	99.99	99.99	99.99
Clubul Fermierilor Romani Broker de Asigurare SRL	Agrifinance	Intermediation of insurance products	51.02	51.02	51.02
Agricover Commodities SRL	Agribusiness	Distribution of agriculture inputs	100	100	100
Agricover Payments SA	Agrifinance	Payment institution, under authorisation	100	100	n/a

Group business model

The Group carries out activities in the agriculture sector, including financing and inputs distribution. The Company is an investment vehicle that controls the five material entities of the Group, namely:

- Agricover Distribution SA and Agricover Commodities SRL, (jointly representing the Agribusiness segment), specialised in the distribution of agricultural inputs – seeds, crop protection products, crop nutrition products, and fuel;
- Agricover Credit IFN SA, non-banking financial institution specialized in financing farmers; currently with a portfolio of four main categories of products: short term credit lines for working capital, discounting operations (denominated in RON), medium or long-term loans for financing investment projects (investment loans products denominated in RON or EUR), and medium or long-term loans for working capital (in RON or EUR); all designed with the needs of the farmers in mind, having tailored maturities which are usually correlated with the harvesting and sale of crops seasons. All factoring agreements of Agricover Credit IFN SA are with Agricover Distribution SA and as such their impact is eliminated at consolidation (please refer to note 3);
- Clubul Fermierilor Romani Broker de Asigurare SRL, specialized in intermediation of

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- agricultural insurance.
- Agricover Payments SA, established during 2024 as a company that aims to become an authorised payment institution, with the purpose of providing modern and efficient financial services to the agricultural sector in Romania.

2 BASIS OF PREPARATION

Compliance statement

These condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, and should be read in conjunction with the Group's latest annual consolidated financial statements as at and for the year ended 31 December 2024 ('latest annual consolidated financial statements'), which have been prepared in compliance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union. They do not include all the information required for a complete set of financial statements prepared in accordance with Order no. 2844 for the approval of accounting regulations in accordance with the International Financial Reporting Standards issued by the Romanian Ministry of Finance on 12th of December 2016, with subsequent amendments and modifications ("Order 2844/2016"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's consolidated financial position and performance since the latest annual consolidated financial statements.

Historical cost convention

These condensed consolidated interim financial statements have been prepared under the historical cost convention, except for land and buildings, for which the Group applied the revaluation model, and derivative liabilities for risk management, which are carried at fair value.

Functional and presentation currency

These condensed consolidated interim financial statements are presented in Romanian New Lei ("RON"), which is the functional currency of the Company and all its subsidiaries. All amounts are presented in thousands RON and rounded to the nearest unit, unless otherwise stated.

Going concern

After considering liquidity, gearing, budgeted cash flows and related assumptions, management believes that the Group has adequate resources to continue in business for the foreseeable future and these condensed consolidated interim financial statements are prepared on that basis.

Consistent application of accounting policies

The material accounting policies applied are consistent with those of the previous financial year. The preparation of interim financial statements in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, requires the use of judgements and estimates. The areas involving a higher degree of judgment or complexity or areas where estimates are significant to the interim financial statements, are disclosed in the relevant Notes to these condensed consolidated interim financial statements if significantly changed during the interim period (as compared to the latest annual consolidated financial statements). Such areas include:

- forward looking scenarios considered in the Group's calculation of expected credit losses on loans and advances to customers – note 8;
- expected credit losses on loans and advances to customers and trade and other receivables – note 8;

Standards and amendments newly applicable for periods starting January 1st, 2025

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's latest annual consolidated financial statements, except for the adoption of new amendments to existing standards effective as of 1 January 2025.

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates', relating to the lack of foreign exchange ability

The amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group's condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements
Segment information

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the financial performance of the Group and of its significant operating segments.

3 SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and services and reports operating segments as follows:

- **Agrifinance segment:** financing agricultural businesses and intermediation of insurance products mainly carried out by Agricover Credit IFN and its subsidiaries Clubul Fermierilor Români Broker de Asigurare and Agricover Payments;
- **Agribusiness segment:** distribution of agricultural inputs carried out by Agricover Distribution and Agricover Commodities;

Other segments which are not separately reportable include Group services and investments management costs. The results of these activities are included in the 'All other segments' column in the analysis below.

Operating segments are reported in these condensed consolidated interim financial statements in a manner consistent with the internal reporting provided to the chief operating decisionmakers. The chief operating decisionmaker who is responsible for allocating resources and assessing the performance of the operating segments is the Board of Directors of the Group. They primarily use Operating Profit to assess the performance of the operating segments. However, on a monthly basis, the Board of Directors also receives information about the segments' revenue, gross margin, EBITDA, finance costs and trade and other receivables, borrowings and loans and advances granted to customers.

The Group earns revenue and holds assets exclusively in Romania, the geographical area of its operations.

The Group earns revenues and interest from a large number of customers and no single customer or group of related customers contributes with more than 10% in the total revenue or interest income of the Group (further refer to Note 8).

Operating profit, revenue and interest income as periodically reported to the Board of Directors are disclosed below, together with their reconciliation with the consolidated net profit for the six-month periods ended 30 June 2025 and 30 June 2024, respectively:

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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

30 June 2025	Agrifinance	Agribusiness	Total reportable segments	All other segments	Total segments	Adjustments and Eliminations	Consolidated
External revenue	-	847,964	847,964	-	847,964	-	847,964
Intersegment-revenue	-	195	195	-	195	(195)	-
Revenue from contracts with customers	-	848,159	848,159	-	848,159	(195)	847,964
Cost of sales	(22,632)	(801,789)	(824,421)	-	(824,421)	(552)	(824,973)
Interest income	237,410	-	237,410	-	237,410	(194)	237,216
Interest and similar expenses	(114,488)	-	(114,488)	-	(114,488)	-	(114,488)
Net fee and commission income	6,239	-	6,239	-	6,239	-	6,239
Net credit losses on financial assets	(11,088)	(9,281)	(20,369)	-	(20,369)	-	(20,369)
Gross profit	95,441	37,089	132,530	-	132,530	(941)	131,589
Dividend income	-	-	-	24,994	24,994	(24,994)	-
Administrative expenses, out of which:	(27,649)	(20,052)	(47,701)	(2,979)	(50,680)	(1,299)	(51,979)
<i>Depreciation and amortisation</i>	(7,124)	(5,685)	(12,809)	(10)	(12,819)	-	(12,819)
<i>Tax on turnover</i>	-	(1,661)	(1,661)	-	(1,661)	-	(1,661)
Research and development	-	-	-	-	-	-	-
Other gains and losses, net	183	(195)	(12)	(2)	(14)	-	(14)
Operating profit	67,975	16,842	84,817	22,013	106,830	(27,234)	79,596
EBITDA¹	n/a	24,189	n/a	n/a	n/a	n/a	n/a
Finance costs – net	(6,485)	2,216	(4,269)	(1,011)	(5,280)	122	(5,158)
Profit before tax	61,490	19,058	80,548	21,002	101,550	(27,112)	74,438
Income tax expense	(9,544)	(2,376)	(11,920)	166	(11,754)	-	(11,754)
Profit for the period	51,946	16,682	68,628	21,168	89,796	(27,112)	62,684

¹ EBITDA = Operating profit/(loss) + Depreciation and amortisation + Tax on turnover

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Segment information

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

30 June 2024	Agrifinance	Agribusiness	Total Reportable segments	All other segments	Total segments	Adjustments and Eliminations	Consolidated (continued)
External revenue	-	806,445	806,445	-	806,445	-	806,445
Inter-segment revenue	-	556	556	-	556	(556)	-
Revenue from contracts with customers	-	807,001	807,001	-	807,001	(556)	806,445
Cost of sales	(25,538)	(779,909)	(805,447)	62	(805,384)	(215)	(805,599)
Interest income	222,909	-	222,909	-	222,909	(8,237)	214,672
Interest and similar expenses	(111,929)	-	(111,929)	-	(111,929)	-	(111,929)
Net fee and commission income	6,273	-	6,273	-	6,273	-	6,273
Net credit losses on financial assets	(11,960)	(7,629)	(19,589)	-	(19,589)	-	(19,589)
Gross profit/(loss)	79,755	19,463	99,218	62	99,281	(9,008)	90,273
Dividend income	-	-	-	19,309	19,309	(19,309)	-
Administrative expenses, out of which:	(19,391)	(24,019)	(43,410)	(2,842)	(46,252)	(321)	(46,573)
<i>Depreciation and amortisation</i>	(5,826)	(5,173)	(10,999)	(1,534)	(12,533)	-	(12,533)
<i>Tax on turnover</i>	-	(7,018)	(7,018)	-	(7,018)	-	(7,018)
Research and development	-	-	-	(278)	(278)	1	(277)
Other gains and losses, net	(319)	243	(76)	2,047	1,971	(24)	1,947
Operating profit/(loss)	60,045	(4,313)	55,732	18,298	74,031	(28,661)	45,370
EBITDA	n/a	7,878	n/a	n/a	n/a	n/a	n/a
Finance costs – net	117	1,822	1,939	(683)	1,256	2,932	4,188
Profit/(loss) before tax	60,162	(2,491)	57,671	17,615	75,287	(25,729)	49,558
Income tax expense	(8,970)	(1,083)	(10,053)	-	(10,053)	837	(9,216)
Profit/(loss) for the period	51,192	(3,574)	47,618	17,615	65,234	(24,892)	40,342

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When reported to the Board of Directors, segment assets and liabilities are measured in the same way as in the financial statements. Their allocation on operating segments as at 30 June 2025 and 31 December 2024 is presented below:

30 June 2025	Agrifinance	Agribusiness	Total reportable segments	All other segments	Total segments	Adjustments and Eliminations	Consolidated
Non-current assets, of which:	1,458,753	85,128	1,543,881	254	1,544,135	(352)	1,543,783
Loans and advances to customers	1,432,927	-	1,432,927	-	1,432,927	-	1,432,927
Trade and other receivables	-	29,867	29,867	216	30,083	-	30,083
Current assets, of which	2,580,606	862,085	3,442,691	218,615	3,661,306	(221,090)	3,440,216
Loans and advances to customers	2,284,885	-	2,284,885	205,692	2,490,577	(208,517)	2,282,060
Trade and other receivables	2,996	774,491	777,487	10,070	787,557	(11,772)	775,785
Inventories	-	66,532	66,532	-	66,532	-	66,532
Cash and cash equivalents	269,703	5,213	274,916	2,800	277,716	-	277,716
Total assets	4,039,359	947,213	4,986,572	218,869	5,205,441	(221,442)	4,983,999
Non-current liabilities, of which:	1,381,134	25,643	1,406,777	578	1,407,355	(301)	1,407,054
Borrowings	1,376,682	-	1,376,682	-	1,376,682	183	1,376,865
Lease liabilities	4,452	25,643	30,095	-	30,095	(484)	29,611
Current liabilities, of which:	1,994,721	807,876	2,802,596	212,717	3,015,313	(220,582)	2,794,731
Trade and other payables	21,740	582,673	604,413	3,436	607,849	(9,227)	598,622
Borrowings	1,962,837	195,900	2,158,737	209,279	2,368,016	(205,971)	2,162,045
Lease liabilities	3,241	8,855	12,096	1,006	13,102	(520)	12,582
Total Liabilities	3,375,855	833,519	4,209,373	213,295	4,422,668	(220,883)	4,201,785

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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

31 December 2024	Agrifinance	Agribusiness	Total Reportable segments	All other segments	Total Segments	Adjustments and Eliminations	Consolidated
Non-current assets, of which:	1,215,858	55,708	1,271,566	198,862	1,470,428	(198,780)	1,271,648
Loans and advances to customers	1,187,246	-	1,187,246	198,496	1,385,742	(198,496)	1,187,246
Trade and other receivables	-	1,070	1,070	318	1,388	-	1,388
Current assets, of which	2,299,835	425,995	2,725,830	8,983	2,734,813	(13,776)	2,721,037
Loans and advances to customers	1,869,206	-	1,869,206	6,332	1,875,539	(7,760)	1,867,779
Trade and other receivables	1,088	346,362	347,450	1,260	348,710	(5,520)	343,190
Inventories	-	59,994	59,994	-	59,994	-	59,994
Cash and cash equivalents	404,356	1,123	405,479	1,325	406,804	-	406,804
Total assets	3,515,693	481,703	3,997,396	207,845	4,205,241	(212,556)	3,992,685
Non-current liabilities, of which:	1,365,758	24,304	1,390,061	367	1,390,429	(199,170)	1,191,259
Borrowings	1,361,630	-	1,361,630	-	1,361,630	(198,664)	1,162,966
Lease liabilities	4,128	24,304	28,432	-	28,432	(507)	27,925
Current liabilities, of which:	1,509,506	372,003	1,881,508	212,499	2,094,007	(13,259)	2,080,748
Trade and other payables	16,549	259,764	276,313	5,263	281,576	(5,551)	276,025
Borrowings	1,482,906	90,943	1,573,849	207,234	1,781,083	(7,340)	1,773,743
Lease liabilities	3,005	9,030	12,035	-	12,035	(366)	11,669
Total Liabilities	2,875,264	396,307	3,271,569	212,867	3,484,436	(212,429)	3,272,007

Notes to the Condensed Consolidated Interim Financial Statements
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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the financial performance of the Group. The section ends with details of the Group's tax result for the period and the deferred tax assets and liabilities existing at the end of the period. The accounting policy information, significant judgements and estimates made in relation to particular items with significant impact on the financial performance are the ones disclosed in the Group's latest annual consolidated financial statements.

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group generates revenue mainly through its Agribusiness segment, which distributes advanced technological solutions (i.e. certified seeds, crop nutrition products, crop protection products, and fuel) to farmers.

Disaggregation of revenue from contracts with customers by product type is presented below for the six-month period ended 30 June:

	2025	2024
Revenue from goods sold		
Crop protection products	315,316	280,317
Fuel	186,233	207,596
Crop nutrition products	196,159	162,977
Seeds	149,882	152,058
	847,590	802,948
Revenue from transportation services	220	968
Revenue from storage services	87	253
Other revenue	67	2,276
Total	847,964	806,445

The Group's revenue recognition accounting policies, including those applicable to 'bill-and-hold' arrangements, as well as the related significant judgements, estimates, remain substantially unchanged from those disclosed in the latest annual consolidated financial statements.

Value of inventories held by the Group on behalf of third parties as part of 'bill-and-hold' arrangements were as follows:

	30 June 2025	30 June 2024
Crop protection products	15,208	23,686
TOTAL	15,208	23,686

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5 NET INTEREST INCOME AND NET FINANCE INCOME

Significant components of interest income and expense and finance income and expenses for the six-month period ended 30 June 2025 and 30 June 2024 are presented below:

	30 June 2025	30 June 2024
Interest Income – Agrifinance	237,216	214,672
<i>Credit lines</i>	227,450	200,609
<i>Investment loans</i>	8,629	11,871
<i>Deposits and current accounts</i>	1,137	2,192
Interest Expense – Agrifinance	(114,488)	(111,929)
Net Interest Income – Agrifinance	122,728	102,743
Interest Income – Agribusiness	5,565	7,660
Finance Income	5,565	7,660
Interest Expense – Agribusiness	(4,895)	(2,689)
Other finance gain / (losses)	(210)	77
Finance Cost	(5,105)	(2,612)

6 PRESENTATION OF EXPENSES BY NATURE

In the condensed consolidated statement of profit or loss and other comprehensive income, the Group presents its expenses by function.

All operating expenses of the Group are allocated to cost centres corresponding to regional working points, warehouses, and headquarters across operating segments. The basis for allocation of expenses to cost of sales and administrative expenses remains unchanged from that applied and disclosed in the latest annual consolidated financial statements.

The table below presents the breakdown of expenses by their nature for the six-month period ended:

	30 June 2025	30 June 2024
Merchandise	769,683	740,424
Employees costs	63,811	63,143
Transportation expenses	3,134	5,541
Third party services	6,686	6,137
Depreciation and amortisation	12,819	11,023
Consumables expenses	1,738	1,841
Communication and marketing	3,172	2,040
Repairs and maintenance	2,803	4,066
Write-down and losses of inventories	161	670
Taxes except income tax	4,413	9,358
Other	8,532	8,206
Total, of which	876,952	852,449
Cost of sales	824,973	805,599
Administrative expenses	51,979	46,573
Research and development	-	277

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Defined Contribution Plan

The Group paid 14.8 million RON to defined contribution retirement plans during the six-month period ended 30 June 2025 (six-month period ended 30 June 2024: 14.5 million RON). Beyond the settlement of monthly contributions, the Group has no other obligations towards its employees in relation to their defined contribution retirement plans.

Share Option Plan

Employees costs include expenses related to a share-based compensation program, implemented by the Company starting 2022, whereby eligible personnel within the Group receive conditional rights to acquire shares in the Company under a Share Option Plan (“the SOP”). Under the SOP, options on the Company’s shares are granted to senior managers (including executive officers) and other eligible employees of the Group, at the discretion of the Board of Directors of the Company (no individual has a contractual right to participate in the plan or to receive any guaranteed benefits).

The SOP is designed to provide short-term and long-term incentives for the participants to deliver long-term shareholder returns. It includes two components:

- a) short-term component, with options that vest after twelve months depending on the participants’ achievements with respect to their individually assigned KPIs (non-market performance condition), and
- b) long-term component, with options that vest over a three-year period (graded vesting, one third of the total number of granted options vesting each year) depending on the Group’s consolidated net profit in the grant date financial year (non-market performance condition).

Vesting under both components of the SOP is conditioned upon the participant remaining employed with the Group on such vesting date, and on the achievement of the relevant performance indicators (whereby the maximum number of options that can vest is for a performance level of 130% versus the assigned levels of the performance indicators). The share options granted will not vest if the performance conditions are not met or if the participant leaves the Group before vesting date.

Options are granted under the SOP for no consideration and carry no dividend or voting rights. The share options are exercisable at 0.1 RON/share.

The Group provides a redemption mechanism of the SOP-acquired shares as follows:

- anytime during the holding period, the new shareholder has the right to ask the Company to buy his/her shares and the Company has the right to accept or deny the acquisition. Identical acquisition options can be initiated by the Company as well, without the holder having the obligation to accept the sale. In practice, except as stated below, there is no obligation on either side to buy or sell as a result of the other party's sell or buy initiative.
- the shares are mandatorily redeemable by the Company upon employment termination of the participants to the program.

Given the redemption mechanism, the plan is classified as a cash-settled share-based payment arrangement under IFRS 2 – *Share Based Payments*. Accordingly, the Company recognises the related service cost an expense over the vesting period, which represents the period during which the relevant service and performance conditions are fulfilled. For SOP beneficiaries employed directly by the

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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Company, this expense is recognised in the income statement. For beneficiaries employed by other Group entities, a corresponding increase in the carrying amount of investments in subsidiaries is recognised.

The service cost is measured by reference to the fair value of the share options, which is determined at grant date and remeasured at each subsequent reporting date until the options vest. A liability is recognised for all outstanding options, with the cumulative amount at each reporting date reflecting: i) the elapsed portion of the vesting period, and ii) an estimate of the number of options expected to vest.

The fair value of the share options is determined based on the fair value of the underlying shares. This valuation considers, among others, the equity of the Agrifinance segment, the consolidated net profit of the Agribusiness segment (as reported in the most recent annual consolidated financial statements of the Company), and relevant average market multiples. Such market multiples include the price-to-book value ratio and the price-to-earnings ratio of comparable entities or sectors listed on the Bucharest Stock Exchange. Performance conditions are only considered in estimating the number of options expected to vest and do not affect the individual fair value of the options granted.

Set out below are summaries of options granted, exercised or expired under the plan during the six-month period ended 30 June 2025 and, respectively for the year ended 31 December 2024:

Number of options	2025	2024
1 January	46,406,882	22,091,584
Granted during the period	17,064,896	44,496,885
Exercised during the period	(7,992,961)	(4,176,019)
Expired during the period	(20,411,042)	(16,005,568)
30 June/ 31 December	35,067,775	46,406,882

All options outstanding at 30 June 2025 have an exercise price of 0.1 RON/share. The weighted average remaining contractual life of outstanding unvested options is 1.38 years at 30 June 2025.

A liability related to the SOP recognized as at 30 June 2025, amounting to 2.0 million RON (3.2 million RON as at 31 December 2024), was presented in the condensed consolidated statement of financial position as follows: 0.6 million RON as non-current "Other payables" (0.4 million as at 31 December 2024) and 1.4 million RON as current "Trade and other payables" (2.8 million RON as at 31 December 2024).

For the six-month period ended 30 June 2025 the Group recognised an expense of 2.9 million RON in relation to the SOP (3.55 million RON for the six-month period ended 30 June 2024) presented in the condensed consolidated statement of profit or loss and other comprehensive income as follows: 0.6 million RON recognized as expense in "Cost of sales" (0.46 million RON for the six-month period ended 30 June 2024) and 2.3 million RON recognized as expense in "Administrative expenses" (3.09 million RON for the six-month period ended 30 June 2024).

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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

7 CURRENT AND DEFERRED INCOME TAX

Current and deferred income tax charges are calculated on the basis of tax rates and tax laws enacted or substantively enacted in Romania at the balance sheet date.

Significant components of the income tax expense are presented below.

	30 June 2025	30 June 2024
(Current) income tax	(14,151)	(11,051)
Deferred tax income	2,397	1,835
Income tax expense	(11,754)	(9,216)

Significant components of deferred tax assets and liabilities as at 30 June 2025, including their movements during the period then ended, are presented below:

	1 January 2025			30 June 2025	
	Deferred tax assets	Deferred tax liabilities	(Charged) / Credited to profit or loss	Deferred tax assets	Deferred tax liabilities
Carried forward fiscal losses	-	-	898	898	-
Property, plant and equipment	-	(156)	250	95	-
Allowance for loans granted	59	-	44	103	-
Allowance for trade and other receivables	9,686	-	736	10,422	-
Other timing differences	1,724	-	469	2,192	-
	11,469	(156)	2,397	13,710	-

Fiscal Group for Income Tax Purposes

Starting with the fiscal year 2025, the Group has formed a fiscal group for income tax purposes in accordance with applicable tax legislation. The following entities are members of the fiscal group: Agricovert Holding SA, Agricovert Credit IFN SA, Agricovert Distribution SA and Agricovert Commodities SRL.

Deferred Tax Asset on Carried Forward Fiscal Losses

A deferred tax asset has been recognised in respect of fiscal losses carried forward by Agricovert Commodities SRL. The estimation of the deferred tax asset was based on that company's profit generated during the first half of 2025. For the purpose of this estimation, and considering that under applicable tax rules fiscal losses carried forward may be utilised up to 70% of the taxable profit in any given fiscal year, the Group has conservatively assumed utilisation of only 50% of such profit in fiscal year 2025 and in each subsequent year until the earlier of (i) the expiry of the carry-forward period for the losses, or (ii) full utilisation of those losses.

As of 30 June 2025, Agricovert Holding SA and Agricovert Commodities SRL have cumulated fiscal losses amounting to 44 million RON (31 December 2024: 45 million RON).

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This section presents risks arising from financial instruments to which the Group is exposed, if significant changes in exposures or in the way that those risks are managed occurred during the interim period, including specific information about:

- credit risk, presenting changes in estimates and any additional estimates related to the macroeconomic environment;
- market risk, presenting the Group's exposure to foreign exchange risk and interest rate risk, given the volatile macroeconomic environment with high interest rates.

Practices and patterns around liquidity risk management remain similar to the ones disclosed in the Group's latest annual financial statements.

8 FINANCIAL RISKS MANAGEMENT

The Group's strategy for growth and development has the farmers and their needs at its core. The Group's aim is to support its clients in achieving their potential and, in the process, to support the Romanian agriculture in its important role in the European and global food chain. With this in mind, the Group has developed a business model which follows the seasonality of the agricultural year and offers a wide range of inputs and technologies, including financing of both working capital and investment needs of the farmers.

In this context the trade receivables peak in June and are collected in the second part of the financial year (as main crops are harvested and sold). Trade receivables are financed through similar agreements with suppliers (trade payables are also peaking around this period) and, where not possible or more costly for the Group, through bank loans (which follow the same seasonality). Bank loans, loans from international financial institutions, investment funds and capital markets are the main source of financing for the loans and advances to customers granted within the Agrifinance sector.

This business model involves taking on and managing financial risks in a targeted manner. The core functions of the Group's risk management are to identify all key risks for the Group, measure these risks, manage the risk positions and determine related capital allocations.

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and with consideration of best market practice.

The Group's internal audit function, including the Audit Committee, is responsible for the independent review of the risk management and the internal control environment.

The Group's risk management policies are consistent with those disclosed in the latest annual consolidated financial statements.

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i. CREDIT RISK

Credit risk is the risk of suffering financial loss should any of the Group's customers, clients or market counterparties fail to fulfil their contractual obligations to the Group.

Credit risk arises mainly from loans and advances to customers, but may also arise from other sources such as loans commitments and other transactions giving rise to financial assets, including trade receivables.

Credit risk is the largest financial risk to the Group's business. The Group's maximum exposure to credit risk is reflected by the carrying amounts of financial assets recognised in the condensed consolidated statement of financial position. The Group is active exclusively on the Romanian market, it sells goods and provides services and financing exclusively to farmers. As at 30 June 2025 the Group is not exposed to significant concentration of credit risk, details are included in the table below:

	Loans and advances		Trade receivables	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Top client	2.0%	1.9%	1.6%	1.9%
Top 10 clients	8.3%	9.2%	8.2%	12.1%

The biggest bank accounts for 51.3% of Group's cash and cash equivalents as at 30 June 2025 (31 December 2024: 62.7%).

In accordance with IFRS 9, the Group calculates expected credit losses ("ECL") for all financial assets measured at amortised cost and for off-balance sheet commitments. ECL represent an estimate of potential credit losses resulting from default events that may occur over either a 12-month period or the remaining life of the financial asset, depending on the level of credit risk at the reporting date as well as on its evolution since the origination of the financial asset. ECL are assessed individually or collectively, depending on the nature and risk profile of the exposures.

Movements in expected credit losses are recognised in the income statement under credit losses on financial assets, and reflect the net impact of impairment charges and reversals. Net credit losses on financial assets also include ECL recognised for off-balance sheet exposures such as loan commitments and financial guarantees. The breakdown of net credit losses on financial assets is presented below:

	30 June 2025	30 June 2024
Net credit losses on loans and advances to customers	10,780	14,785
Net credit losses on commitments	278	(1,369)
Net credit losses on trade and other receivables	9,310	6,174
Total net credit losses	20,369	19,590

i.1. Credit risk on loans and advances, including loan commitments

i.1.1. Forward-looking information incorporated in the ECL model

The Group incorporates forward-looking information into the measurement of ECL.

The Group's approach to incorporating forward-looking information in the measurement of expected credit losses has remained unchanged since 31 December 2024. Moreover, the macroeconomic scenarios and risk parameters applied as at 30 June 2025 are consistent with those used in the latest

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The table below presents a summary of the forward-looking macroeconomic scenarios used in the measurement of expected credit losses as at 30 June 2025. The forecasted values represent the weighted average of three scenarios used: base scenario with a probability of 60%, optimistic scenario with a probability of 20%, pessimistic scenario with a probability of 30%.

	Q4 2025	Q4 2026	Q3 2027
agriculture commodities price index	+6.98%	+7.44%	+7.44%
yearly agriculture gross domestic product	+7.32%	-1.49%	+5.72%
market interest rates (as at period-end)	+5.04%	+4.49%	+4.18%

The table below includes a summary of the forward looking scenarios used in the calculation of expected credit losses as at 30 June 2024. The forecasted values represent the weighted average of three scenarios used: base scenario with a probability of 60%, optimistic scenario with a probability of 20%, pessimistic scenario with a probability of 25%.

	Q4 2024	Q4 2025	Q3 2026
agriculture commodities price index	-8.57%	-2.45%	+0.55%
yearly agriculture gross domestic product	+8.74%	+5.57%	+6.04%
market interest rates (as at period-end)	+5.23%	+4.75%	+3.81%

Significant estimate – forward looking scenarios

The incorporation of forward-looking information reflects the expectations of the management and involves the creation of scenarios (base case, optimist and pessimist), including the assignment of probability weights for each scenario as presented below. Scenarios used in the calculation of expected credit losses as at 30 June 2025 and, respectively, as at 30 June 2024 are presented in this section above.

The following sensitivities of the results to reasonably possible alternatives to the management's best estimates were performed:

1. as at 30 June 2025:

- if the pessimistic scenario was assigned a probability of 100%, the allowance account would have increased by 0.3 million RON.
- if the optimistic scenario was assigned a probability of 100%, the allowance account would have decreased by 0.1 million RON.
- if the base scenario was assigned a probability of 100%, the allowance account would decrease by 0.1 million RON.

2. as at 30 June 2024:

- if the pessimistic scenario was assigned a probability of 100%, the allowance account would have increased by 1.5 million RON.
- if the optimistic scenario was assigned a probability of 100%, the allowance account would have decreased by 1.6 million RON.
- if the base scenario was assigned a probability of 100%, the allowance account would decrease by 0.5 million RON.

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i.1.2. Collateral and other methods of risk reduction

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The main collateral types for loans and advances are:

- Mortgages over agricultural land (arable land);
- Other mortgages over residential and commercial, respectively agricultural properties; and
- Pledge over business assets such as premises, inventories and accounts receivable.

The valuation methodologies for different types of collaterals is consistent with that presented in the Group's latest annual consolidated financial statements.

Significant estimate – value of collateral

For the purpose of ECL measurement the fair values of collaterals as included in the valuation reports are adjusted with haircuts specific to each type of collateral to reflect the management estimated recoverable amounts in forced sales scenarios and to account for the forward looking macroeconomic scenarios considered within the ECL measurement exercise.

A 10% decrease or increase in the value of collateral estimates would impact total expected credit loss allowances as follows:

- increase of RON 6.2 million or decrease of RON 4.2 million at 30 June 2025.
- increase of RON 7.3 million or decrease of RON 4.2 million at 31 December 2024.

The table below includes information about the fair value of the collaterals considered in the ECL measurement. The values presented represent the fair values of the collaterals as included in the valuation reports (i.e. before haircuts discussed above), capped at level of the exposure (i.e. if the fair value of the collateral is higher than the exposure to which it relates, then the value of the exposure is included in the table), as at 30 June 2025 is as follows:

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Collateral \ Loan type	total, of which:		Stage 3	
	Investment loans	Credit Line	Investment loans	Credit Line
Loans collateralized by:				
Mortgage	167,566	3,143,759	1,639	94,456
Pledge on equipment	37,668	221,872	744	10,812
Pledge on stock	-	22,477	-	-
Total value of collaterals	205,234	3,388,108	2,383	105,268
Gross loans and advances granted	162,257	3,675,318	4,354	115,355

Comparative information as at 31 December 2024 is as follows:

Collateral \ Loan type	total, of which:		Stage 3	
	Investment loans	Credit Line	Investment loans	Credit Line
Loans collateralized by:				
Mortgage	76,037	1,537,462	784	52,918
Pledge on equipment	29,583	131,887	844	7,411
Pledge on stock	1,567	57,264	-	-
Total value of collaterals	107,187	1,726,613	1,628	60,329
Gross loans and advances granted	146,325	3,020,447	4,761	101,988

As at 30 June 2025, the Group has asset (land or other) obtained by taking possession of collateral held as security in total amount of 19,7 million RON, included in other assets as a result of foreclosure procedures (31 December 2024: 19,7 million RON). Repossessed assets (generally represented by arable land and inventories – agricultural products) are sold as soon as practicable.

i.1.3. Expected credit losses

The following table explains the changes in the loss allowance for six-month period ended 30 June 2025 whereby the impact of migration to a different stage is included in the "increase of existing assets" line item:

	Stage 1	Stage 2	Stage 3	POCI ²	Total
ECL at 1 Jan 2025	46,564	7,511	56,494	1,175	111,744
New assets originated	6,507	-	-	433	6,940
Increase of existing assets	14,650	4,453	20,010	-	39,113
Assets derecognized or repaid (excluding write off)	(18,178)	(3,389)	(13,642)	-	(35,209)
Transfers from Stage 1	(447)	326	121	-	-
Transfers from Stage 2	360	(717)	357	-	-
Transfers from Stage 3	-	140	(140)	-	-
ECL at 30 June 2025	49,456	8,324	63,200	1,608	122,588

The increase in allowance as of 30 June 2025, compared to 30 June 2024, is mainly linked to higher probabilities of default.

² POCI - financial assets impaired at acquisition or origination date

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Comparative information for the six-month period ended 30 June 2024 is included below:

	Stage 1	Stage 2	Stage 3	POCI	Total
ECL at 1 Jan 2024	42,341	6,580	56,279	1,741	106,941
New assets originated	11,230	-	-	-	11,230
Increase of existing assets	10,522	4,627	30,773	2,210	48,132
Assets derecognized or repaid (excluding write off)	(21,029)	(6,790)	(17,068)	-	(44,887)
Transfers from Stage 1	(420)	420	-	-	-
Transfers from Stage 2	-	(528)	528	-	-
Transfers from Stage 3	-	1,162	(1,162)	-	-
ECL at 30 June 2024	42,644	5,471	69,350	3,951	121,416

Significant changes in the gross carrying amount (“GCA”) of loans and advances that contributed to changes in the respective loss allowance were as follows:

	Stage 1	Stage 2	Stage 3	POCI	Total
GCA at 1 Jan 2025	2,781,286	278,738	105,149	1,599	3,166,772
New assets originated	307,791	-	-	2,421	310,212
Increase of existing assets	682,072	40,395	-	-	722,467
Assets derecognized or repaid (excluding write off)	(340,348)	(14,339)	(7,189)	-	(361,876)
Transfers from Stage 1	(42,456)	31,867	10,589	-	-
Transfers from Stage 2	31,205	(39,208)	8,003	-	-
Transfers from Stage 3	-	862	(862)	-	-
GCA at 30 June 2025	3,419,550	298,315	115,690	4,020	3,837,575

Comparative information for the six-month period ended 30 June 2024 is included below:

	Stage 1	Stage 2	Stage 3	POCI	Total
GCA at 1 Jan 2024	2,398,591	249,617	108,232	2,144	2,758,584
New assets originated	333,951	-	-	3,843	337,794
Increase of existing assets	535,049	33,019	5,874	-	573,942
Assets derecognized or repaid (excluding write off)	(424,536)	(16,944)	(11,588)	-	(453,068)
Transfers from Stage 1	(25,755)	22,164	3,591	-	-
Transfers from Stage 2	-	(16,345)	16,345	-	-
Transfers from Stage 3	-	5,523	(5,523)	-	-
GCA at 30 June 2024	2,817,300	277,034	116,931	5,987	3,217,252

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Loans and advances by type of product, stage classification and type of credit risk assessment are detailed below:

30 June 2025	Investment loans		Credit line	
	GCA	ECL	GCA	ECL
<i>Collective analysis</i>				
Stage 1	154,221	2,114	3,265,330	47,342
Stage 2	3,682	148	294,632	8,176
Stage 3	4,354	3,700	95,692	57,426
Purchased Credit Impaired	-	-	1,599	1,265
<i>Individual analysis</i>				
Stage 3	-	-	15,644	2,074
Purchased Credit Impaired	-	-	2,421	343
Total	162,257	5,962	3,675,318	116,626

Comparative information for the year ended 31 December 2024 is included below:

31 Dec 2024	Investment loans		Credit line	
	GCA	ECL	GCA	ECL
<i>Collective analysis</i>				
Stage 1	138,622	2,271	2,642,664	44,294
Stage 2	2,942	103	275,795	7,409
Stage 3	4,342	3,504	85,001	48,253
Purchased Credit Impaired	-	-	1,599	1,175
<i>Individual analysis</i>				
Stage 3	419	392	15,388	4,346
Total	146,325	6,270	3,020,447	105,477

Sections below include a presentation of loans and advances to customers, separately for each significant class of products and type of customers, by credit quality, whereby credit quality is defined as:

- Low risk – loans and advances to customers included in Stage 1;
- Medium risk – loans and advances to customers included in Stage 2;
- Substandard – loans and advances to customers included in Stage 3 with 0-180 days past due;
- Doubtful – loans and advances to customers included in Stage 3 with 181-360 days past due;
- Loss – loans and advances included in Stage 3 with more than 360 days past due.

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i.1.3.1. Credit lines

The table below shows the credit quality and the exposure to credit risk from Credit lines type of loans granted as at 30 June 2025.

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	Purchased Credit Impaired	Total
Performing						
<i>below 400HA</i>						
	Low risk	906,642	-	-	-	906,642
	Medium risk	-	94,568	-	-	94,568
<i>above 400HA</i>						
	Low risk	2,292,680	-	-	-	2,292,680
	Medium risk	-	199,708	-	-	199,708
<i>others</i>						
	Low risk	66,008	-	-	-	66,008
	Medium risk	-	357	-	-	357
Non-performing						
<i>below 400HA</i>						
	Substandard	-	-	17,158	-	17,158
	Doubtful	-	-	22,072	-	22,072
	Loss	-	-	8,453	-	8,453
<i>above 400HA</i>						
	Substandard	-	-	17,134	2,421	19,555
	Doubtful	-	-	20,598	-	20,598
	Loss	-	-	25,920	1,599	27,519
Total GCA		3,265,330	294,633	111,335	4,020	3,675,318
ECL		47,342	8,176	59,500	1,608	116,626

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Comparative information for 31 December 2024 is presented below:

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	Purchased Credit Impaired	Total
Performing						
<i>below 400HA</i>						
	Low risk	712,132	-	-	-	712,132
	Medium risk	-	83,549	-	-	83,549
<i>above 400HA</i>						
	Low risk	1,876,739	-	-	-	1,876,739
	Medium risk	-	190,404	-	-	190,404
<i>others</i>						
	Low risk	53,793	-	-	-	53,793
	Medium risk	-	1,842	-	-	1,842
Non-performing						
<i>below 400HA</i>						
	Substandard	-	-	30,404	-	30,404
	Doubtful	-	-	1,313	-	1,313
	Loss	-	-	7,948	-	7,948
<i>above 400HA</i>						
	Substandard	-	-	33,940	1,599	35,539
	Doubtful	-	-	3,490	-	3,490
	Loss	-	-	23,294	-	23,294
Total GCA		2,642,664	275,795	100,389	1,599	3,020,447
ECL		44,294	7,409	52,599	1,175	105,477

The tables below summarise the ageing of Stage 2 and Stage 3 Credit lines granted, as follows:

- Stage 2 – loans less than 30 days past due (“dpd”) irrespective of the criteria that triggered their classification in Stage 2.
- Stage 3 – loans less than 90 dpd, thus presenting the loans classified as Stage 3 due to criteria other than aging.

30 June 2025	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
<i>Less than</i>				
Collective analysis				
30 dpd (for Stage 2)	294,190	8,164	-	-
90 dpd (for Stage 3)	-	-	10,485	5,914
Individual analysis				
30 dpd (for Stage 2)	-	-	-	-
90 dpd (for Stage 3)	-	-	14,291	721
Total	294,190	8,164	24,776	6,635

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Comparative information for the year ended 31 December 2024 is included below:

31 Dec 2024	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
<i>Less than</i>				
Collective analysis				
30 dpd (for Stage 2)	264,567	7,003	-	-
90 dpd (for Stage 3)	-	-	17,762	10,231
Individual analysis				
30 dpd (for Stage 2)	-	-	-	-
90 dpd (for Stage 3)	-	-	14,171	3,648
Total	264,567	7,003	31,933	13,879

i.1.3.2. Investment loans

The table below shows the credit quality and the exposure to credit risk from Investment granted, by probability of default, as at 30 June 2025.

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	Total
Performing					
<i>below 400HA</i>	Low risk	27,896	-	-	27,896
	Medium risk	-	1,409	-	1,409
<i>above 400HA</i>	Low risk	123,359	-	-	123,359
	Medium risk	-	2,273	-	2,273
<i>others</i>	Low risk	2,965	-	-	2,965
	Medium risk	-	-	-	-
Non-performing					
<i>below 400HA</i>	Substandard	-	-	45	45
	Doubtful	-	-	761	761
	Loss	-	-	660	660
<i>above 400HA</i>	Doubtful	-	-	2,229	2,229
	Loss	-	-	660	660
Total GCA		154,220	3,682	4,355	162,257
ECL		2,114	148	3,700	5,962

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Comparative information for 31 December 2024 is presented below:

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	Total
Performing					
<i>below 400HA</i>	Low risk	40,344	-	-	40,344
	Medium risk	-	1,455	-	1,455
<i>above 400HA</i>	Low risk	98,277	-	-	98,277
	Medium risk	-	1,488	-	1,488
Non-performing					
<i>below 400HA</i>	Substandard	-	-	676	676
	Doubtful	-	-	354	354
	Loss	-	-	306	306
<i>above 400HA</i>	Substandard	-	-	2,687	2,687
	Doubtful	-	-	663	663
	Loss	-	-	75	75
Total GCA		138,621	2,943	4,761	146,325
Total ECL		2,271	103	3,896	6,270

The tables below summarise the ageing of Stage 2 and Stage 3 investment loans granted, as follows:

- Stage 2 – loans less than 30 dpd irrespective of the criteria that triggered their classification in Stage 2.
- Stage 3 – loans less than 90 dpd, thus presenting the loans classified as Stage 3 due to criteria other than aging.

30 June 2025	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
<i>Less than</i>				
Collective analysis				
30 dpd (for Stage 2)	3,682	148	-	-
90 dpd (for Stage 3)	-	-	45	45
Total	3,682	148	45	45

Comparative information for the year ended 31 December 2024 is included below:

31 December 2024	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
<i>Less than</i>				
Collective analysis				
30 dpd (for Stage 2)	2,252	75	-	-
90 dpd (for Stage 3)	-	-	563	506
Individual analysis				
90 dpd (for Stage 3)	-	-	419	392
Total	2,252	75	982	898

i.1.4. Modified loans and advances to customers

Restructuring activities include extended payment arrangements, modification and deferral of payments. Restructuring policies and practices are based on indicators or criteria that, in the judgment

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of management, indicate that collection will most likely continue. These policies are kept under continuous review. Repeated restructuring is one of the Group's impairment indicators. As at 30 June 2025, the modified net exposure was of 86.0 millions RON (31 December 2024: 84.9 millions RON).

An analysis of the restructured loans and advances to customers outstanding as at 30 June 2025 and 31 December 2024, per types of loans, is presented in the table below. The analysis presents the stage where the modified exposure is classified as at the reporting date, irrespective of its initial classification as at the modification date.

	30 June 2025		31 December 2024	
	Investment loans	Credit lines	Investment loans	Credit lines
Collective analysis				
Gross Carrying Amount, of which:	1,168	93,977	1,147	92,038
Stage 2	486	74,009	465	73,261
Stage 3	682	19,968	682	18,777
Expected Credit Losses, of which:	654	14,517	565	12,628
Stage 2	30	1,624	7	1,985
Stage 3	624	12,893	558	10,643
Individual analysis				
Gross Carrying Amount, of which:	-	6,613	-	8,087
Stage 3	-	6,613	-	8,087
Expected Credit Losses, of which:	-	522	-	3,164
Stage 3	-	522	-	3,164
Totals				
Total gross exposure	1,168	100,590	1,147	100,125
Total expected credit losses	654	15,039	565	15,792
Total net exposure	514	85,551	582	84,333

The Group monitors the subsequent performance of modified assets. The Group may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for minimum twelve consecutive months or more.

i.2. Credit risk on financial assets other than loans and advances

Other financial assets which potentially subject the Group to credit risk consist mainly of cash equivalents, trade and other current and non-current receivables. Each subsidiary of the Group has policies in place to ensure that payment terms for sales of goods and services are given to customers with an appropriate credit standing. Risk control assesses the credit quality of new customers before standard or customised payment and delivery terms and conditions are offered, and periodically updates the assessment for existing customers. Such assessments consider the financial position of the customer, the Group's past experience with that customer, external credit risk information where available and other relevant factors as the case may be. Individual risk limits are set based on internal analysis in accordance with limits set by the Board of Directors. The compliance with credit limits is

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regularly monitored according to responsibility grids.

i.2.1. Individually significant exposures

Significant exposures are analysed individually for the purpose of identification of any impairment indicators and / or of measuring the related expected credit losses. Such analyses are based on the age of the receivable balances, external evidence of the credit status of the counterparty and any disputed amounts.

Cash and cash equivalents are analysed individually. The credit risk on cash and cash equivalents is very small, since cash and cash equivalents are placed on short term with financial institutions which are considered at time of deposit to have low risk of default (further refer to Note 11).

i.2.2. Trade and other receivables

Significant estimate – expected credit losses

The Group applies the IFRS 9 simplified approach to measuring expected credit losses on trade and other receivables, which requires a lifetime expected loss allowance for all trade receivables and contract assets. The methodology used, including the application of a provision matrix and the estimation of loss rates as well as related significant estimates and judgements, remain substantially unchanged from those applied and disclosed in the latest annual consolidated financial statements. The following sensitivities of the results to reasonably possible alternatives to the management's best estimates were performed:

- if loss rates were 20% higher, the allowance account would have been higher by 6.3 million RON;
- if loss rates were 10% lower, the allowance account would have been lower by 8.3 million RON.

The loss allowance for trade and other receivables as at 30 June 2025 was determined as follows:

DPD	Not due	1-30	31-60	61-90	91-180	181-365	> 365	Total
ECL rate (%)	1%	1%	42%	18%	78%	86%	100%	
Trade receivables	780,624	8,590	1,918	2,170	1,881	32,980	45,068	873,231
ECL	6,257	128	797	393	1,462	28,477	45,068	82,582

Comparative information as at 31 December 2024 is included below:

DPD	Not due	1-30	31-60	61-90	91-180	181-365	> 365	Total
ECL rate (%)	2%	6%	14%	27%	42%	11%	100%	
Trade receivables	287,775	940	20,791	16,108	35,102	2,098	48,916	411,730
ECL	4,537	56	2,875	4,377	14,750	237	48,916	75,748

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ii. Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates.

The Group is exposed to market risks arising from its open positions in interest rate and currency products. Quantitative and qualitative information about the Group's exposure to these risks as well as related risk management policies and practices within the Group are discussed in this note.

ii.1. Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Board of Directors has set limits on the net positions the Group can hold in foreign currencies, including foreign exchange positions of subsidiaries and both accounting and economic hedges. Such limits are especially relevant for the Agrifinance division, where part of borrowings from international financial institutions, other debt agreements and proceeds from issued bonds are EUR denominated. According to the limits set by the Group and to certain financial covenants imposed by borrowing agreements, the open currency position within Agrifinance should not exceed 10% of its Total Capital (see note 9).

The Group's strategy is to monitor open positions on a daily basis and apply risk management strategies, including hedging, to ensure it manages itself against currency risk. Positions are maintained within established limits by either balancing the assets and liabilities in the relevant currencies, or taking out foreign currency swaps or forwards.

The Group's exposure to foreign currency risk at the end of the reporting period, showing the Group's monetary financial assets and financial liabilities, at their carrying amounts, by denomination currency, was as follows:

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	30 June 2025		31 December 2024	
	EUR	USD	EUR	USD
<i>Assets</i>				
Cash and cash equivalents	77,927	316	98,773	62
Loans and advances to customers	418,548	-	345,564	-
Derivatives for risk management	1,175	-	1,996	-
Trade and other receivables	886	-	988	-
Total assets	498,536	316	447,321	62
<i>Liabilities</i>				
Borrowings	712,239	316	512,872	29,466
Issued bonds	208,274	-	206,228	-
Trade and other payables	60,042	-	42,409	1,280
Lease liabilities	41,984	-	39,594	-
Total Liabilities	1,022,539	316	801,103	30,746
Derivative financial instruments (notional)	360,771	-	272,431	-
Net financial position	(163,232)	(22,787)	(81,351)	(30,684)

The following table presents sensitivities of profit or loss and equity to reasonably possible changes in EUR and USD exchange rates relative to the functional currency. The rates used are based on the market estimation and the reporting period end rates. The sensitivities are calculated by applying the changes in exchange rates to the net financial positions as at 30 June 2025 and 30 June 2024, in case of profit / (loss) before tax, respectively by considering tax effect in case of equity impact.

	30 June 2025	30 June 2024
	EUR strengthening by 1.2%	EUR strengthening by 1.5%
Profit / (loss) before tax	(1,902)	(2,405)
Equity	(1,606)	(2,020)

	30 June 2025	30 June 2024
	USD weakening by 3.65%	USD weakening by 1.3%
Profit / (loss) before tax:	(719)	2,351
Equity	(608)	1,975

ii.2. Interest rate risk

The Group's main interest rate risk arises from the mismatch between the repricing frequency of loans and advances granted with floating rates, on the asset side, and the repricing frequency of borrowings together with the fixed rate bonds issued on the liabilities side. As at 30 June 2025, fixed rate borrowings amounted to 285 million RON (31 December 2024: 316 million RON), representing 7% of total financial liabilities (31 December 2024: 10%). Such mismatches expose the Group to cash flow interest rate risk. All other financial assets and liabilities of the Group, including cash and cash equivalents, trade and other receivables and payables, finance lease receivables, and lease liabilities, do not bear interest and to that extent expose the Group to fair value interest rate risk.

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The Group's strategy is to monitor and, depending on the market conditions and anticipated trends, partially manage the risk of open repricing gap using floating-to-fixed interest rate swaps.

Borrowings contracted by the Group bear fixed or floating interest rate and are measured at amortised cost. During 2021, the Group contracted a 5 year maturity 40 million EUR fixed rate bond. The proceeds were used to finance the loans granting activity of the Agrifinance division.

The following table provides an analysis of the Group's interest rate risk exposure on financial assets and liabilities as at 30 June 2025. The Group's assets and liabilities are included at carrying amount and categorised by the earlier of contractual repricing or maturity dates.

asset / liability class	up to 1 month	1 to 3 months	3 to 12 months	1 year and above	Total
Loans and advances to customers	1,380,109	51,667	2,229,607	53,604	3,714,987
Trade and other receivables	283,265	186,132	306,388	30,083	805,868
Finance lease receivable	143	278	1,211	530	2,162
Cash and cash equivalents	277,716	-	-	-	277,716
Total financial assets	1,941,233	238,077	2,537,206	84,217	4,800,733
Bonds issued	-	-	208,273	-	208,273
Borrowings	738,252	1,817,607	729,351	45,427	3,330,637
Lease liabilities	1,052	2,083	9,831	29,227	42,193
Trade and other payables	117,988	110,333	332,405	10	560,736
Derivative financial instruments	14	(43)	73	733	777
Total financial liabilities	857,306	1,929,980	1,279,933	75,397	4,142,616
Interest repricing gap	1,083,927	(1,691,903)	1,257,273	8,820	658,117

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Comparative information as at 31 December 2024 is included below:

asset / liability class	up to 1 month	1 to 3 months	3 to 12 months	1 year and above	Total
Loans and advances to customers	1,252,678	5,434	1,761,311	35,602	3,055,025
Trade and other receivables	37,239	20,631	285,346	1,362	344,578
Finance lease receivable	-	-	-	121	121
Cash and cash equivalents	406,804	-	-	-	406,804
Total financial assets	1,696,721	26,065	2,046,657	37,085	3,806,528
Bonds issued	1,213	6,336	-	198,678	206,227
Borrowings	725,128	1,464,321	469,823	71,210	2,730,482
Lease liabilities	983	1,917	8,941	27,753	39,594
Trade and other payables	34,655	22,034	183,013	-	239,702
Derivative financial instruments	2,552	142	262	1,378	4,334
Total financial liabilities	764,531	1,494,750	662,039	299,019	3,220,339
Interest repricing gap	932,190	(1,468,685)	1,384,618	(261,934)	586,189

The gaps in up to one year risk bands are explained by the fact that 54% of the Group's granted loans and advances to the customers bear floating interest with 6M tenor base rates and monthly repricing frequency. Remaining portfolio is either repriced at a six-month frequency or bears fixed interest rates. Most of the Group's borrowings bear floating interest with 6M, 1M or 3M tenor base rates with repricing frequencies that match the tenor of the respective base rates. Such risk exposure is in the normal course of business for the Group.

The following table presents sensitivities of profit or loss and equity to reasonably possible changes in interest rates. The sensitivities are calculated by applying the changes in the floating rates to the floating rate financial assets and liabilities outstanding at the reporting date.

	30 June 2025 Interest rate lower by 1.89%	30 June 2024 Interest rate lower by 0.81%
<i>Profit / (loss) before tax:</i>	(2,002)	(2,555)
<i>Equity</i>	(1,681)	(2,146)

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This section includes information about the capital management practices within the Group as well as its dividend distribution policy.

9 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to manage its capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the Net Debt Ratio, which shall be equal to or lower than 6.00. The Net Debt Ratio or gearing ratio is computed based on these condensed consolidated interim financial statements and represents Total borrowings (including lease liabilities) less Cash and cash equivalents over Total equity, as follows:

#	item description	Note	30 June 2025	31 December 2024	30 June 2024
=(A+B- C)/D	Net Debt Ratio		4.22	3.57	4.11
A	Borrowings	12	3,538,910	2,936,709	2,932,949
B	Lease liabilities		42,193	39,594	17,742
C	Cash and cash equivalents	11	277,716	406,804	154,202
D	Total equity		782,214	720,678	681,095

Regulatory capital is monitored by Agricover Credit IFN SA, employing techniques based on the guidelines developed by the National Bank of Romania ("NBR") for supervisory purposes. The required information is filed with the NBR on a quarterly basis at individual Agricover Credit IFN level. Agricover Credit IFN and the Group complied with all externally imposed capital requirements throughout the six-month period ended 30 June 2025 and year ended 31 December 2024, as described above and in Note 12.

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This section provides information about the Group's financial assets and liabilities, including specific information about each type of financial instrument held as well as their fair values. Accounting policies for recognising and measuring financial instruments are the ones disclosed in the Group's latest annual consolidated financial statements.

10 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. The payment terms and the judgements and estimates involved in the measurement of variable consideration related to commercial discounts remain substantially unchanged from those applied and disclosed in the Group's latest annual consolidated financial statements.

	30 June 2025	31 December 2024
Trade receivables	1,229,326	551,809
Expected commercial discounts (note 4)	(356,095)	(140,079)
Trade receivables net of expected discounts	873,231	411,730
Less: allowance for trade receivables	(82,582)	(75,748)
Trade receivables – net	790,649	335,982
Receivables from related parties	12,543	7,703
Less: allowance for receivables from related parties	(498)	(498)
Receivables from related parties	12,045	7,205
Other receivables	3,274	1,491
Less: allowance for other receivables	(99)	(99)
Other receivables	3,175	1,392
Total other receivables, net	15,220	8,597
Total, of which:	805,869	344,579
current portion	775,785	343,190
non-current portion, of which:	30,083	1,388
Trade receivables	29,867	1,070
Receivables from related parties	216	318

Increase in trade and other receivables is mainly due to the seasonality inherent in the agriculture sector (further refer to Note 8).

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11 CASH AND CASH EQUIVALENTS

As at 30 June 2025 and 31 December 2024 Cash and cash equivalents presented in the Condensed Statement of financial position are represented by placements held with highly reputable local banks, as follows:

	30 June 2025	31 December 2024
Investment grade	28,171	19,705
Non-investment grade	63,717	50,023
Unrated	185,313	336,336
Parent investment grade	515	740
Total	277,716	406,804
<i>out of which:</i>		
Current account	252,757	366,759
Overnight deposits	24,959	10,045
Deposits with banks	-	30,000
Total	277,716	406,804

The investment-grade and parent investment grade categories include exposures to banks with the following Fitch ratings, or their equivalent: AA, A+, A, A-, A1, BBB+, BBB-, BBB. Where the banks are unrated but their parent is rated, the parent rating was used in the above analysis. The non-investment-grade category includes exposures to banks with the following Fitch ratings, or their equivalent: BB+, BB and BB-. The unrated category includes exposures to bank, with no rating assigned, to those banks or to their parent by any of the biggest three global credit rating agencies.

12 BORROWINGS

	30 June 2025	31 December 2024
Non-current		
Borrowings	1,376,865	1,162,966
Total non-current borrowings	1,376,865	1,162,966
Current		
Borrowings	1,953,771	1,567,515
Issued bonds	208,274	206,228
Total current borrowings	2,162,045	1,773,743
Total borrowings	3,538,910	2,936,709

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Borrowings from banks and international financial institutions

Borrowings from local banks bear floating interest rate and can be denominated in RON or EUR. Some are secured by assignment of loans granted to customers, by pledges on inventories, by pledges on current accounts opened at respective banks, and / or by assignment of receivables.

Borrowings from international financial institutions and investments funds bear mainly floating interest rates or fixed interest rates, can be denominated in RON or EUR and are uncollateralised.

Geographical concentration is as follows:

<i>Borrowings from:</i>	30 June 2025	31 December 2024
Local banks	1,857,803	1,400,216
International financial institutions within European Union	1,254,873	1,259,546
International Investment Bank	73,436	70,719
International Finance Corporation	144,524	-
Issued bonds	208,274	206,228
Total borrowings	3,538,910	2,936,709

Issued bonds

During 2021, the Group issued a 40 million EUR fixed rate bond with 5 years maturity. The proceeds were used to finance the loans granting activity of the Agrifinance division. The bond is unsecured and includes certain financial covenants with which the Group or its subsidiaries must comply and which are monitored on the basis of the Group's annual consolidated financial statements or the annual financial statements of the relevant subsidiaries, as appropriate.

Compliance with financial covenants

Under the terms of major borrowing facilities, the Group and its subsidiaries are required to comply with financial covenants such as: capital adequacy ratios, non-performing loans ratios, economic group exposure/ large exposure ratios, related party exposure ratios or currency risk ratios, etc.

Non-compliance with financial covenants imposed by the Group's borrowings or other contractual breaches, including breach of payment terms, would result in the creditors having the right to early call the related facilities. Moreover, some of the Group's funding agreements include customary cross default provisions, including provisions that puts Agricover Distribution or Agricover Credit in default if the other defaults on its funding agreements.

Except as discussed below in this note, as at 30 June 2025 the Group and its subsidiaries have complied with all applicable financial covenants imposed by their respective borrowing facilities.

OFAC Sanctions

In April 2023, the U.S Treasury Department's Office of Foreign Assets Control ("OFAC") has included one of the Group's lenders ("Sanctioned Lender") on the specially designated nationals and blocked persons list ("OFAC Sanctions").

The Group is borrower under two facility agreements ("Facility Agreement") concluded with the Sanctioned Lender, with a total current outstanding principal amount of RON 60.8 million RON. Similarly, Agricover Holding SA, upon receiving the list of bondholders from Depozitarul Central, for the reference dates 12th January 2024, and 12th January 2025, became aware that some of the corporate bonds it had issued were and continue to be held by the Sanctioned Lender.

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Unlike sanctions imposed by European Union or by Romanian authorities, OFAC Sanctions are not applicable directly in Romania. Furthermore, to the best of the management's knowledge, there are no legal provisions in the primary and/or secondary legislation related to the Romanian capital market, and/or in Depozitarul Central's Code, and/or in the service agreement concluded by Agricover Holding SA with Depozitarul Central regarding the treatment of payment obligations to investors subject to international sanctions. To the best of the management's knowledge, up to the date of these consolidated financial statements, the applicable Romanian legislation or regulations do not include any specific guidelines on dealing with the OFAC Sanctions.

Notwithstanding the OFAC Sanctions not being directly applicable under Romanian law, the Group does not wish its lenders to become directly or indirectly subject to international sanctions or to be exposed in any way to international sanctions.

In view of the above, at its own initiative, the Group:

- a) Stopped making any payments to the Sanctioned Lender and placed and blocked into one of its bank accounts the funds corresponding to the amounts outstanding under the Facility Agreement.

The Sanctioned Lender, at their own initiative, issued temporary waivers to the Group for the payments due in 2023, 2024, and first half of 2025 under the Facility Agreement to be postponed for payment until 19 September 2025.

We have explored and continue to evaluate options to terminate the relationship with the Sanctioned Lender, including by way of voluntary prepayment of the amounts owed under the Facility Agreement, however, only in a manner complying with the international sanctions.

- b) Placed and blocked into one of its bank accounts the funds corresponding to the part of the interest on the issued corporate bonds that was due, under the prospectus, on 5th February 2024 and on 5th of February 2025, to the Sanctioned Lender.

The Sanctioned Lender was informed by our decision to withhold the interest owed until such payment becomes possible with the observance of the international sanctions. However, in the unlikely scenario that, for whatever reasons and with the observance of the international sanctions, the Group will have to early repay the outstanding principal on its issued corporate bonds, the management considers that this will not significantly impact the Group's ongoing business.

Bond Financial Covenants

The Company's listed bonds' prospectus, approved by the Financial Supervisory Authority (FSA) Decision no. 400 of 26.03.2021, includes financial covenants to be observed by the Company and its subsidiaries Agricover Credit IFN SA and Agricover Distribution SA for each year during the life of the bonds, until their maturity on 3 February 2026, or earlier if redeemed or cancelled. The financial covenants are tested annually, based on the IFRS-compliant audited consolidated financial statements of the Company, the IFRS-compliant audited financial statements of Agricover Distribution SA, and the IFRS-compliant audited consolidated financial statements of Agricover Credit IFN SA.

As disclosed in the consolidated financial statements as at and for the year ended 31 December 2024, certain financial covenants were not met as of that date. In accordance with the terms of the bond

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prospectus, such a breach gives bondholders the right to early redemption at nominal value plus any accrued interest, provided that holders representing at least 25% of the bonds support such action. However, should the breach be remedied within 90 calendar days from its occurrence and bondholders conclude that the covenant has been complied with, it is deemed that no breach occurred at the relevant calculation date.

As at the date of these interim financial statements, the Company has not received any notices or requests from bondholders regarding early redemption, nor does it have any indication that such actions are being considered. Furthermore, the bonds mature on 3 February 2026, less than eight months after the interim reporting date, limiting the potential implications of any historical or hypothetical breach. Related liabilities have been classified as current in both these condensed interim consolidated financial statements as at and for the six-month period ended 30 June 2025, and in the consolidated financial statements as at and for the year ended 31 December 2024.

Changes in liabilities arising from financing activities

Significant changes in the Group's liabilities as arising from its financing activities are presented here:

	2025		2024	
	Borrowings	Lease liability	Borrowings	Lease liability
at 1 January	2,936,709	39,594	2,764,071	19,600
New contracts and withdrawals	6,851,669	-	1,990,781	-
New lease agreement	-	7,834	11,562	2,734
Interest accrued during the period	118,750	634	114,407	161
Interest paid	(114,102)	(852)	(115,387)	(375)
Repayments	(6,269,295)	(5,656)	(1,835,656)	(4,329)
Foreign exchange rate effect	15,179	639	3,171	(49)
at 30 June	3,538,910	42,193	2,932,949	17,742

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13 TRADE AND OTHER PAYABLES

	30 June 2025	31 December 2024
Trade payables	563,826	230,690
Expected commercial discounts	(55,154)	(24,482)
Trade payables, net of expected discounts	508,672	206,208
Payables to related parties (note 17)	48,403	29,892
Fixed assets suppliers	70	9
Dividends payable	3,590	3,591
Total other payables	52,063	33,492
Total financial liabilities	560,735	239,700
Other non-financial liabilities		
Refund liability	4,408	5,925
Personnel and related taxes	24,268	26,388
VAT payable	10	543
Tax on turnover	7,057	491
Other current liabilities	2,722	3,346
Total non-financial liabilities	38,465	36,693
Total trade and other payables, of which	599,200	276,393
<i>Current</i>	<i>598,622</i>	<i>276,025</i>
<i>Non-current portion</i>	<i>578</i>	<i>368</i>

Trade and other payables are unsecured and their carrying amounts are considered to be the same as their fair values, due to their short-term nature.

Increase in trade and other payables is mainly due to the seasonality inherent in the agriculture sector (further refer to Note 8).

14 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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i. Financial instruments measured at fair value

The level in the fair value hierarchy into which the recurring fair value measurements are categorized is presented in the table below. Recurring fair value measurements are those that the accounting standards require or permit in the consolidated statement of financial position at the end of each reporting period.

	30 June 2025		31 December 2024	
	Level 2	Total	Level 2	Total
<i>Financial liabilities at fair value:</i>				
Derivatives held for risk management	777	777	4,334	4,334

As at 30 June 2025 the Group had FX Forward contracts outstanding with a total negative fair value of 0.8 million RON (31 December 2024: 4.3 million RON). The fair value was estimated based on discounted cash flows model, using directly observable inputs (i.e.: market FX and interest rates). As such, the fair value of the derivative is classified as Level 2 in the fair value hierarchy.

Foreign exchange derivative financial instruments entered into by the Group are generally traded in an over-the-counter market with professional market counterparties on standardized contractual terms and conditions. Derivatives have potentially favourable (assets) or unfavourable (liabilities) conditions as a result of fluctuations in market interest rates, foreign exchange rates or other variables relative to their terms. The aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time. The Group does not take trading or speculative positions when entering into derivative transactions. All such transactions are initiated for risk management purposes.

ii. Financial instruments not measured at fair value but for which fair value is disclosed

The level in the fair value hierarchy into which the fair value measurements of financial assets and liabilities not measured at fair value but for which fair value is disclosed is categorized and presented in the table below. Fair value is disclosed for all financial assets and liabilities not measured at fair value and for which fair value is significantly different than the carrying amount.

30 June 2025	Fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
Loans and advances to customers					
<i>Investment loans</i>	-	-	152,399	152,399	156,279
<i>Credit lines</i>	-	-	3,525,777	3,525,777	3,558,708
Total assets	-	-	3,678,176	3,678,176	3,714,987
Borrowings					
<i>From local banks</i>	-	-	1,857,803	1,857,803	1,857,803
<i>From international financial institutions</i>	-	-	1,478,201	1,478,201	1,472,833
<i>Issued bonds</i>	-	205,126	-	205,126	208,274
Total liabilities	-	205,126	3,336,004	3,541,130	3,538,910

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as at and for the six-month period ended 30 June 2025
Notes to the Condensed Consolidated Interim Financial Statements
Financial assets and liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Comparative information as at 31 December 2024 is presented below:

31 December 2024	Fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
Loans and advances to customers					
<i>Investment loans</i>	-	-	131,698	131,698	140,056
<i>Credit lines</i>	-	-	2,859,715	2,859,715	2,914,969
Total assets	-	-	2,991,413	2,991,413	3,055,025
Borrowings					
<i>From local banks</i>	-	-	1,400,216	1,400,216	1,400,216
<i>From international financial institutions</i>	-	-	1,322,597	1,322,597	1,330,265
<i>Issued bonds</i>	-	201,535	-	201,535	206,228
Total liabilities	-	201,535	2,722,813	2,924,348	2,936,709

All other financial assets and liabilities in the Group's statement of financial position, namely those that are not included in the table above and for which the fair value is not disclosed, have their fair values approximated by the carrying value.

Techniques and inputs used to determine level 2 and level 3 fair values

Fair value of **loans and advances to customers** was estimated as follows:

- fair value of floating rate loans and advances was approximated by their gross carrying amount less their lifetimes expected credit losses calculated based on the methodology detailed in Note 8.i;
- in estimating the fair value of fixed rate loans and advances the Group has discounted contractual cash flows. The discount rate was estimated for each exposure individually by adjusting the contractual fixed rate with the change in the relevant floating rate benchmarks (e.g. 3M or 6M ROBOR) between the grant date of each respective loans and the valuation date.

Fair value of **borrowings** contracted was estimated as follows:

- fair value of floating rate loans and advances was approximated by their net carrying amount;
- in estimating the fair value of fixed rate borrowings, the Group has discounted contractual cash flows. The discount rate was estimated for each borrowing individually by considering: i) the yields on contracted floating rate borrowings with similar risk characteristics (e.g. currency), or firm financing offers received thereof, close to the valuation date; and ii) the interest rate swap curve to convert the floating rates determined at i) above to fixed rates for relevant maturities.

AGRICOVER HOLDING SA | Condensed Consolidated Interim Financial Statements
as at and for the six-month period ended 30 June 2025
Notes to the Condensed Consolidated Interim Financial Statements
Financial assets and liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

The **issued bonds** were not actively traded close to the end of the reporting period. For disclosure purposes the Company estimated their fair value by:

- calculating the yield spread over EUR denominated Romanian sovereign bonds with similar maturities and annual coupon, as of the origination date (i.e. February 2021);
- estimating the yield on the Company issued corporate bonds as of 30 June 2025 by considering:
 - i. the evolution of the yield of the respective sovereign bonds between February 2021 and June 2025, and
 - ii. constant yield spread between the Company issued corporate bonds and the government bonds with otherwise similar characteristics.

AGRICOVER HOLDING SA | Condensed Consolidated Interim Financial Statements
as at and for the six-month period ended 30 June 2025
Notes to the Condensed Consolidated Interim Financial Statements
Non-financial assets and liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the Group's non-financial assets and liabilities, including specific information about:

- Inventories (note 15);
- Other current assets (note 16).

15 INVENTORIES

	30 June 2025	31 December 2024
Seeds	1	7,011
Crop nutrition products	936	1,795
Crop protection products	64,835	50,468
Other	-	19
Total carrying amount of goods purchased for resale	65,772	59,293
Packaging, spare parts and other consumables	760	701
	66,532	59,994

Inventories of crop protection products as at 30 June 2025 are higher than 31 December 2024, driven by seasonality (higher acquisitions are made in June in preparation for the autumn campaign).

During the six-month period ended 30 June 2025, 0.3 million RON (30 June 2024: 0.7 million RON) was recognised as expense for inventories carried at net realisable value. This expense is presented in cost of sales.

16 OTHER CURRENT ASSETS

	30 June 2025	31 December 2024
Advances for inventories	6,136	4,072
Right to returned goods	3,764	4,793
Prepayments	3,789	1,972
Advances to suppliers	178	2,655
Land held for sale	19,733	19,733
Other current assets	3,316	9,291
Total other current assets	36,916	42,516

Right to returned goods

In accounting for the implicit right of return for products sold to customers, the Group recognises the "Right to returned goods" asset (with a corresponding adjustment to cost of sales) representing its right to recover the products when it settles the refund obligation.

Land held for sale

Land held for sale is represented by asset obtained by taking possession of collateral held as security for loans and advances to customers, as a result of foreclosure procedures. Repossessed assets are sold as soon as practicable.

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to the Group's financial performance, its risk management or to individual line items in the condensed consolidated interim financial statements.

17 RELATED PARTIES TRANSACTIONS

Significant related party transactions of the Group were conducted on terms judged by management to be equivalent to those prevailing in an arm's length transaction. The Group discloses below its significant transactions, related income and expenses, and balances in respect of each category of related parties.

Ultimate controlling party

The ultimate beneficial owner of the Group is Mr. Kanani Jabbar, who controls 86.780% of the share capital and voting rights of the Company (31 December 2024: 87.080%). EBRD is the other major shareholder of the Company, owning 12.660% of its share capital and voting rights (31 December 2024: 12.700%).

Key management compensation

During the six-month period ended 30 June 2025 compensation granted to key management personnel amounts to 3.4 million RON (six-month period ended 30 June 2024: 4.6 million RON). Additional expense of 0.7 million RON was recognised during six-month period ended 30 June 2025 related to share-based compensation granted to key management personnel. There are no other types of benefits or commitments granted by the Group to key management.

Transactions with other related parties

The following transactions were carried out with other related parties during the six-month periods ended 30 June 2025 and 30 June 2024:

	Note	30 June 2025	30 June 2024
Sales to other related parties:		12,096	10,266
Sale of services		25	15
Sale of goods	4	12,071	10,251
Acquisitions from other related parties:		35,941	22,858
Purchase of services		271	51
Purchase of goods	6	35,670	22,807
Loans granted to other related parties:		1,029	19
Interest income		1,029	19

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Outstanding balances arising from transactions with other related parties

The following balances are outstanding at the end of the year in relation to transactions with other related parties:

	Note	30 June 2025	31 December 2024
Receivables from other related parties:		35,298	29,507
Trade receivables	10	10,721	2,262
Other receivables		1,323	4,942
Finance lease receivable		2,162	122
Loans and advances to customers		21,092	22,181
Payables to other related parties:		48,405	29,894
Trade payables	13	48,385	29,894
Other payables		20	-

18 COMMITMENTS AND CONTINGENCIES

Revocable commitments

To meet the financial needs of customers, the Group enters into various revocable and irrevocable commitments to lend. Even though these obligations may not be recognised on the statement of financial position, they contain credit risk and, therefore, form part of the overall risk of the Group.

The Group designs for and offers to farmers a product range consisting of loans with a Mastercard credit card attached, addressed to legal entities active in the agricultural sector. As at 30 June 2025 total irrevocable commitments under the credit cards amounted to 139 million RON, of which 93 million RON were utilised (31 December 2024: 122 million RON, of which 61 million RON were utilised).

Except for the credit card related limits detailed above, the Group does not grant irrevocable commitments. Under uncommitted credit lines it is the Group's policy to approve any withdrawals, based on an analysis of the applicant, including of developments after the initial approval of the limit. The analysis done by the Group for withdrawal purposes is more simplified in extent and nature as compared to the initial granting of the credit line. As at 30 June 2025 the undrawn balance of the credit lines granted by the Group amounts to 276 million RON (31 December 2024: 381 million RON).

Contingent liabilities

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its general operations and specifically to its investing activity. As a result, it is involved in various litigations and legal proceedings arising in the ordinary course of its business. Management of the Group considers that these litigations will not have a significant impact on the operations or on the financial position of the Group.

19 EVENTS AFTER THE REPORTING PERIOD

No significant events after the reporting period.



Report on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders of Agricover Credit IFN S.A.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Agricover Credit IFN S.A. and its subsidiaries (the "Group") as at 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

For and on behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered in the electronic public register of the financial auditors and audit firms under no FA6

**Refer to the original signed
Romanian version**

Andreea Negruțiu

Financial auditor

registered in the electronic public register of the financial auditors and audit firms under no AF4000

Bucharest, 20 August 2025

PricewaterhouseCoopers Audit S.R.L.

Ana Tower, 24/3 floor, 1A Poligrafiei Blvd, District 1, 013704 Bucharest, Romania

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This version of our report is a translation from the original, which was prepared in Romanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

AGRICOVER CREDIT IFN SA

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE SIX-MONTH PERIOD ENDED
30 June 2025

Prepared in accordance with IAS 34 Interim Financial Reporting,
as adopted by the European Union

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AGRICOVER CREDIT IFN SA | Condensed Consolidated Interim Financial Statements

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the six-month period ended 30 of June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Note	2025	2024
Interest income		237,410	222,909
Interest and similar expenses		(114,492)	(111,929)
Net interest income	3	122,918	110,980
Net credit loss allowance			
	4, 7	(11,088)	(11,960)
Net interest income after credit losses		111,830	99,020
Fee and commission income		8,284	6,276
Fee and commission expense		(2,044)	(3)
Net fee and commission income	5	6,240	6,273
Other operating income		931	987
General and administrative expenses	6	(47,076)	(41,619)
Other operating expenses		(3,752)	(3,871)
Net loss from derivative financial instruments		(197)	(744)
Foreign exchange translation gains less losses		(6,485)	117
Profit before tax		61,491	60,163
Income tax expense		(9,544)	(8,970)
Profit for the period		51,947	51,193
Other comprehensive income for the period		-	-
Total comprehensive income for the period		51,947	51,193
Profit attributable to:			
- Owners of the Company		50,906	50,766
- Non controlling interests		1,041	427
Profit for the period		51,947	51,193
Total comprehensive income attributable to:			
- Owners of the Company		50,906	50,766
- Non controlling interests		1,041	427
Total comprehensive income for the period		51,947	51,193

Condensed Consolidated Statement of Financial Position as at

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Note	30 June 2025	31 December 2024
Assets			
Cash and cash equivalents	9	269,703	404,356
Loans and advances to customers	7	3,717,812	3,056,452
Other financial assets		2,996	1,088
Other assets		23,022	25,185
Current income tax asset		-	40
Deferred income tax asset		548	769
Intangible assets		16,461	19,416
Property, plant and equipment		1,664	1,600
Right of use assets		7,152	6,826
Total Assets		4,039,358	3,515,732
Liabilities			
Derivative liabilities held for risk management	12	777	4,334
Borrowings	10	3,339,519	2,844,536
Other financial liabilities	11	21,740	16,549
Lease liabilities		7,692	7,133
Current income tax liability		5,244	2,147
Allowance for loan commitments		883	604
Total Liabilities		3,375,855	2,875,303
Equity			
Share capital		187,925	187,925
Retained earnings		441,310	416,764
Legal and other reserves		32,757	34,067
Equity attributable to owners of the Company		661,992	638,756
Non-controlling interests		1,512	1,673
Total equity		663,504	640,429
Total liabilities and equity		4,039,358	3,515,732

Approved for issue and signed on behalf of the Board of Directors on 20 August 2025.

Serhan Hacisuleyman
Chief Executive Officer

Denisa Manoliu
Deputy Chief Executive Officer
(Financial Director)

AGRICOVER CREDIT IFN SA | Condensed Consolidated Interim Financial Statements

Condensed Consolidated Statement of Changes in Equity
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Note	Attributable to owners of the Company				Total	Non-controlling interest	Total equity
		Share capital	Legal reserves	Other reserves	Retained earnings			
Balance at 1 January 2025		187,925	31,126	2,941	416,764	638,756	1,673	640,429
Profit for the period		-	-	-	50,906	50,906	1,041	51,947
Total comprehensive income for the period					50,906	50,906	1,041	51,947
Share option plan (note 6)		-	-	(1,310)	(1,366)	(2,676)	-	(2,676)
Dividends (note 11)		-	-	-	(24,994)	(24,994)	(1,202)	(26,196)
Total transactions with owners in their capacity as owners		-	-	(1,310)	(26,360)	(27,670)	(1,202)	(28,872)
Balance at 30 June 2025		187,925	31,126	1,631	441,310	661,992	1,512	663,504

	Note	Attributable to owners of the Company				Total	Non-controlling interest	Total equity
		Share capital	Legal reserves	Other reserves	Retained earnings			
Balance at 1 January 2024		137,925	25,357	1,559	391,859	556,700	1,347	558,047
Profit for the period		-	-	-	50,766	50,766	427	51,193
Total comprehensive income for the period		-	-	-	50,766	50,766	427	51,193
Share option plan (note 6)		-	-	858	-	858	-	858
Dividends (note 11)		-	-	-	(19,309)	(19,309)	-	(19,309)
Other changes in equity		-	-	-	(24)	(24)	-	(24)
Total transactions with owners in their capacity as owners		-	-	858	(19,333)	(18,475)	-	(18,475)
Balance at 30 June 2024		137,925	25,357	2,417	423,292	588,991	1,774	590,765

Condensed Consolidated Statement of Cash Flows
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	June 2025	June 2024
Cash flows from operating activities			
Profit for the year		51,947	51,193
Adjustments for:			
Net credit loss allowance	4,7	11,088	11,961
Depreciation and amortization	6	7,124	5,826
Net loss from derivative financial instruments		197	744
Unrealized FX differences		6,485	(117)
Other non-monetary adjustments		3,383	(996)
Income tax expense		9,544	8,970
Interest income	3	(237,410)	(222,909)
Interest expense	3	114,492	111,929
Changes in working capital:			
(Increase)/decrease in other and financial assets		(2,582)	11,570
(Increase)/ decrease in loans and advances to customers		(473,580)	(290,598)
Increase/ (decrease) in other and financial liabilities		(7,090)	(19,559)
		(516,402)	(331,987)
Interest paid		(111,287)	(113,263)
Interest received		47,187	60,024
Payments from settlements of derivative financial instruments		(1,261)	-
Proceeds from settlements of derivative financial instruments		-	195
Income tax paid		(6,185)	(3,920)
Net cash (used in)/ generated from operating activities		(587,949)	(388,952)
Cash flows from investing activities			
Payments for acquisitions of intangible and fixed assets		(4,233)	(4,162)
Net cash (used in) investing activities		(4,233)	(4,162)
Cash flows from financing activities			
Withdrawals from borrowings	10	6,659,644	1,899,637
Repayment of borrowings	10	(6,185,398)	(1,827,007)
Payments for lease liabilities		(1,381)	(1,194)
Dividends paid		(15,700)	-
Net cash generated from financing activities		457,165	71,436
Unrealized FX differences on cash and cash equivalents		363	(203)
Cash and cash equivalents at the beginning of the year	9	404,356	470,227
Net increase (decrease) in cash and cash equivalents		(134,653)	(321,678)
Cash and cash equivalents at the end of the year	9	269,703	148,549

Notes to the Condensed Consolidated Interim Financial Statements

General Information and Basis of Preparation

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section includes general information about the Group and its structure as well as material accounting policy information that relate to the condensed consolidated interim financial statements as a whole. Material accounting policy information and related estimates, judgements and assumptions in the application of those policies specific to a particular item are those applied in the Consolidated financial statements as at and for the period ended December 2024, unless otherwise specified in these condensed consolidated interim financial statements.

1 GENERAL INFORMATION

Agricover Credit IFN SA (hereinafter referred to as “the Company”) provides lending services to agricultural customers and, through its subsidiary Clubul Fermierilor Romani Broker de Asigurare SRL, brokerage services in the field of agricultural insurance intermediation. It also operates Agricover Payments S.A., a company aiming to become an authorized payment institution, with the purpose of providing modern and efficient financial services to the agricultural sector in Romania.

Agricover Credit IFN SA Group (hereinafter referred to as „the Group” or “Agricover”) comprises of Agricover Credit IFN SA, Clubul Fermierilor Romani Broker de Asigurare SRL (set up by the Company during 2011) and Agricover Payments (set up by the Company during 2024). Agricover Credit IFN SA is subject to consolidation as a subsidiary of Agricover Holding SA (“the Parent”).

The Company is a joint stock entity and is incorporated and domiciled in Romania, having its registered office at 1B Pipera Blvd, Voluntari, Ilfov, Romania. The Group’s shareholders are AGRICOVER HOLDING SA (99.999998%) and AGRICOVER DISTRIBUTION SA (0.000002%). The ultimate beneficial owner of the Group is Mr. Jabbar Kanani.

The Group offers four main categories of products: short term credit lines for working capital, discounting operations (denominated in RON), medium or long-term loans for financing investment projects (investment loans products denominated in RON or EUR), and medium or long-term loans for working capital (in RON or EUR). These financing facilities are designed for farmers and have various tailored maturities which are usually correlated with the harvesting and sale of crops periods.

2 BASIS OF PREPARATION

Compliance statement

The Group’s condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2025 have been prepared in accordance with IAS 34 “Interim Financial Reporting”, as adopted by the European Union (“EU”) (“IAS 34”) (“condensed consolidated interim financial statements”) and should be read in conjunction with the Group’s last annual financial statements as at and for the year ended 31 December 2024 (“last annual financial statements”). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS, as adopted by EU. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

Historical cost convention

These condensed consolidated interim financial statements have been prepared under the historical cost convention, except for derivative financial instruments, which are measured at fair value.

Notes to the Condensed Consolidated Interim Financial Statements

General Information and Basis of Preparation

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Functional and presentation currency

These condensed consolidated interim financial statements are presented in Romanian Lei ("RON"), which is the functional currency of the Group. All amounts are presented in thousands RON and rounded to the nearest unit, unless otherwise stated.

Going concern

After consideration of the Group's liquidity, capital adequacy ratio, budgeted cash flows and related assumptions, management believes that the Group has adequate resources to continue as a going concern for the foreseeable future and these condensed consolidated interim financial statements are prepared on this basis.

Consistent application of accounting policies

The material accounting policies applied are consistent with those of the previous financial year. The preparation of interim financial statements in accordance with IAS 34 requires the use of judgements and estimates. The areas involving a higher degree of judgment or complexity, or areas where estimates are significant to the condensed consolidated interim financial statements, are disclosed in the relevant Notes to these condensed consolidated interim financial statements if significantly changed during the interim period as compared to the last annual financial statements.

Standards and amendments newly applicable for periods starting January 1st, 2025

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the last Group's annual consolidated financial statements, except for the adoption of new standards or amendments to existing standards effective as of 1 January 2025.

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates', relating to the lack of foreign exchange ability

The amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group's condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

Financial Performance

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the financial performance of the Group. The section covers, as applicable, changes or new aspects, as compared to the last annual financial statements, regarding material accounting policy information with a focus on those areas where IFRS either allow a choice or do not deal with a particular type of transaction, and significant judgements and estimates made in relation to particular items with significant impact on financial performance.

3 NET INTEREST INCOME

The Group offers a range of financing products, including working capital and investment loans tailored to the needs of the farmers. To finance its loans granting activity, the Group has access to a diverse range of capital sources, including debt agreements with international financial institutions, local banks and related parties.

All interest income and expenses are measured and recognised using the effective interest method, as prescribed by IFRS 9 *Financial Instruments*.

Significant components of interest income and expense as included in the statement of profit or loss for the six-month periods ended 30 June 2025 and 30 June 2024 are presented below:

	30 June 2025	30 June 2024
Interest income		
Credit lines	227,546	201,425
Factoring	98	7,421
Investment loans	8,629	11,871
	236,273	220,717
Other similar interest income	1,135	2,192
Interest expense	(114,492)	(111,929)
Net interest income	122,918	110,980

As of June 2025, interest income recognised on credit-impaired financial assets amounts to RON 1,979 (June 2024: RON 5,308).

4 NET CREDIT LOSS ALLOWANCE

Credit losses on financial assets are represented by the movements in expected credit losses calculated for existing and new loans and advances to customers (such movements are detailed in Note (7)). Net credit losses include also expected credit losses for loan commitments granted by the Group (refer to Note 7 and Note 15).

	30 June 2025	30 June 2024
Net credit losses allowance	(10,810)	(13,329)
Net credit losses on loan commitments	(278)	1,369
Total net credit loss allowance	(11,088)	(11,960)

Notes to the Condensed Consolidated Interim Financial Statements

Financial Performance

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

5 OTHER SIGNIFICANT EXPENSES AND INCOME

Net fee and commission income

Fee and commission income mainly represents commission income for intermediation of insurance products. The expenses related to fees and commissions are generated by the collaboration with agents providing insurance intermediation services. Intermediation fees are generally recognised on an accrual basis when the service has been provided, i.e. when the policy is written, and the premium is cashed.

	30 June 2025	30 June 2024
Insurance intermediation commission income	8,284	6,276
Fee and commission expense	(2,044)	(3)
Net fee and commission income	6,240	6,273

6 GENERAL AND ADMINISTRATIVE EXPENSES

Breakdown of significant general and administrative expenses is included below:

	30 June 2025	30 June 2024
Employees' cost	(29,158)	(27,470)
Depreciation and amortization expense	(7,124)	(5,826)
Software expenses	(1,761)	(1,242)
Fuel expenses and maintenance	(803)	(1,102)
Marketing and advertising expenses	(1,273)	(1,069)
Advisory and audit expenses	(2,035)	(844)
Other administrative expenses	(4,922)	(4,065)
Total	(47,076)	(41,618)

Defined Contribution Plan

The Group paid 7.8 million RON to defined contribution retirement plans during the six-month period ended 30 June 2025 (six-month period ended 30 June 2024: 6.2 million RON). Beyond the settlement of monthly contributions, the Group has no other obligations towards its employees in relation to their defined contribution retirement plans.

Share Option Plan

Employees costs include expenses related to a share-based compensation program, implemented by the Parent and the Company starting 2022, whereby eligible personnel within the Group receive conditional rights to acquire shares in the Parent under a Share Option Plan (“the SOP”). Under the SOP, options on the Parent’s shares are granted to senior managers (including executive officers) and other eligible employees of the Group, at the discretion of the Board of Directors of the Parent (i.e. no individual has a contractual right to participate in the plan or to receive any guaranteed benefits).

The SOP is designed to provide short-term and long-term incentives for the participants to deliver long-term shareholder returns. It includes two components:

- a) short-term component, with options that vest after twelve months depending on the participants’ achievements with respect to their individually assigned KPIs (non-market

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performance condition), and

- b) long-term component, with options that vest over a three-year period (graded vesting, one third of the total number of granted options vesting each year) depending on the Parent's consolidated net profit in the grant date financial year (non-market performance condition).

Vesting under both components of the SOP is conditioned upon the participant remaining employed with the Parent's group on such vesting date, and on the achievement of the relevant performance indicators (whereby the maximum number of options that can vest is for a performance level of 130% versus the assigned levels of the performance indicators). The share options granted will not vest if the performance conditions are not met or if the participant leaves the Parent's group before vesting date.

Options are granted under the SOP for no consideration and carry no dividend or voting rights. The share options are exercisable at 0.1 RON/share.

Since the Company has no obligation to settle the share option plan, which is administered and settled directly by the Parent, the arrangement is classified as an equity-settled share-based payment, under IFRS 2 – *Share Based Payments*. Accordingly, the Company recognises the related service cost as an expense over the vesting period, which is the period over which the service and performance conditions are satisfied, with a corresponding credit recognised directly in equity.

The service cost is determined by reference to the fair value of the underlying shares. The fair value of the share options is estimated at the grant by considering, among others, the consolidated equity of the Company, the consolidated net profit of the Parent's agricultural inputs distribution segment (as reported in its most recent annual consolidated financial statements) and relevant average market multiples. Such multiples include the price-to-book value ratio and the price-to-earnings ratio of relevant entities or sectors listed on the Bucharest Stock Exchange. The performance conditions are only considered in determining the number of instruments that will ultimately vest and have no impact on the value of the options granted.

The Parent provides a redemption mechanism of the shares acquired under the SOP, as follows:

- anytime during the holding period, the new shareholder has the right to ask the Parent to buy his/her shares and the Parent has the right to accept or deny the acquisition. Identical acquisition options can be initiated by the Parent as well, without the holder having the obligation to accept the sale. In practice, except as stated below, there is no obligation on either side to buy or sell as a result of the other party's sell or buy initiative.
- the shares are mandatorily redeemable by the Parent upon employment termination of the participants to the program.

The redemption price is set as the higher of the fair value of one share as estimated by a qualified independent valuator or the value of one share determined by the Parent, based on a pre-agreed valuation formula which accounts for the group specific and market inputs discussed above.

Set out below are details regarding the number of options granted, exercised or expired under the SOP during the six-month periods ended 30 June 2025 and, respectively 30 June 2024:

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Number of options	6 months ended 30 June 2025	6 months ended 30 June 2024
Outstanding beginning of period	23,791,795	8,233,041
Granted during the period	9,459,541	23,592,718
Exercises during the period	(4,423,032)	-
Expired during the period	(9,948,232)	(5,438,519)
End of period	18,880,072	26,387,240

All options outstanding at 30 June 2025 have an exercise price of 0.1 RON/share. The weighted average remaining contractual life of outstanding unvested options is 1.37 years at 30 June 2025.

For the six-month period ended 30 June 2025 the Group recognised an expense of 0.3 million RON in relation to the SOP (0.8 million RON for the six-month period ended 30 June 2024).

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This section presents risks arising from financial instruments to which the Group is exposed if significant changes in exposures or in the way that those risks are managed occurred during the interim period, including specific information about:

- credit risk, presenting changes in estimates and any additional estimates related to the macroeconomic environment;
- market risk, presenting the Group's exposure to foreign exchange risk and interest rate risk, given the volatile macroeconomic environment with high interest rates.

Practices and patterns around liquidity risk management remain similar to the ones disclosed in the Group's last annual financial statements.

7 FINANCIAL RISKS MANAGEMENT

The Group's strategy for growth and development has the farmers and their needs at its core. The Group's aim is to support its clients in achieving their potential and, in the process, to support the Romanian agriculture in its important role in the European and global food chain. With that in mind the Group have perfected a business model which follows the seasonality of the agricultural year and financing both working capital and investment needs of the farmers.

This business model involves taking on and managing financial risks in a targeted manner. The core functions of the Group's risk management are to identify all key risks for the Group, measure these risks, manage the risk positions and determine related capital allocations.

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and with consideration of best market practice.

Under policies approved by the Board of Directors and in collaboration with the risk and finance departments the risk management is carried out by the following committees:

- Credit Risk Committee;
- Management Committee;
- Assets Liabilities Committee;
- Collection Committee;
- Monthly Analysis of the Results Committee;
- Audit Committee; and
- Management of Significant Risks Committee ("CARS").

The Group's internal audit function, including the audit committee, is responsible for the independent review of the risk management and the internal control environment.

The Group's risk management policies are consistent with those disclosed in the last annual financial statements.

i. CREDIT RISK

Credit risk is the risk of suffering financial loss should any of the Group's customers or other market counterparties fail to fulfill their contractual obligations to the Group.

Credit risk arises mainly from loans and advances and loan commitments granted by the Group but

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can also arise from other sources such as financial guarantees as well as from other transactions with counterparties giving rise to financial assets.

Credit risk is the largest financial risk for the Group's business. The Group's maximum exposure to credit risk is reflected by the carrying amounts of financial assets on the condensed consolidated statement of financial position. The Group is active exclusively on the Romanian market, and provides financing exclusively to farmers. Apart from that, there are no significant concentration of credit risk, the biggest client representing 1.99% of the total exposure as of June 2025 (31 December 2024: 1.88%), with the top 10 clients representing as of June 2025, 8.28% of the total exposure (31 December 2024: 9.19%). The biggest bank accounts for 52.80% of Group's cash and cash equivalents as at 30 June 2025 (31 December 2024: 63.1%).

i.1. Forward-looking information incorporated in the ECL model

The Group incorporates forward-looking information into the measurement of ECL.

The Group's approach to incorporating forward-looking information in the measurement of expected credit losses has remained unchanged since 31 December 2024. Moreover, the macroeconomic scenarios and risk parameters applied as at 30 June 2025 are consistent with those used in the last annual consolidated financial statements.

The table below presents a summary of the forward-looking macroeconomic scenarios used in the measurement of expected credit losses as at 30 June 2025. The forecasted values represent the weighted average of three scenarios used: base scenario with a probability of 45%, optimistic scenario with a probability of 20%, pessimistic scenario with a probability of 30%.

	Q4 2024	Q4 2025	Q3 2026
agriculture commodities price index	+6.98%	+7.44%	+7.44%
yearly agriculture gross domestic product	+7.32%	-1.49%	+5.72%
market interest rates (as at year-end)	+5.04%	+4.49%	+4.18%

As at 30 June 2024, the forecasted values represent the weighted average of three scenarios used: base scenario with a probability of 60%, optimistic scenario with a probability of 20% and pessimistic scenario with a probability of 20%.

	Q4 2024	Q4 2025	Q3 2026
Agriculture commodities price index	-8.57%	-2.45%	0.55%
Yearly agriculture gross domestic product	+8.74%	+5.57%	+6.04%
Market interest rates (as at year-end)	5.23%	4.75%	3.81%

The incorporation of forward-looking information reflects the expectations of the Management and involves the creation of scenarios (base case, optimist, and pessimist), including the assignment of probability weights for each scenario. Scenarios used in the calculation of expected credit losses as at 30 June 2025 and, respectively, as at 30 June 2024 are presented in this section above.

The following sensitivities of the results to reasonably possible alternatives to the management's best estimates were performed:

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1. as at 30 June 2025:
 - if the pessimistic scenario was assigned a probability of 100%, the allowance account would have increased by 0.3 million RON.
 - if the optimistic scenario was assigned a probability of 100%, the allowance account would have decreased by 0.13 million RON.
 - if the base scenario was assigned a probability of 100%, the allowance account would decrease by 0.1 million RON.

2. as at 30 June 2024:
 - if the pessimistic scenario was assigned a probability of 100%, the allowance account would have increased by 1.5 million RON.
 - if the optimistic scenario was assigned a probability of 100%, the allowance account would have decreased by 1.6 million RON.
 - if the base scenario was assigned a probability of 100%, the allowance account would decrease by 0.5 million RON.

i.2. Collateral and other credit enhancements

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The main collateral types for loans and advances are:

- Mortgages over agricultural land (arable land);
- Other mortgages over residential and commercial, respectively agricultural properties;
- Pledge on equipment: based on fair value of the collateral at the origination, updated yearly with an internal depreciation rate and
- Pledge over business assets such as premises, inventories and accounts receivable.

The valuation methodologies for collaterals have remained unchanged compared to the previous financial statements.

Significant estimate – value of collateral

For the purpose of ECL measurement the fair values of collaterals as included in the valuation reports are adjusted with haircuts specific to each type of collateral to reflect the management estimated recoverable amounts in forced sales scenarios and to account for the forward looking macroeconomic scenarios considered within the ECL measurement exercise.

A 10% decrease or increase in the value of collateral estimates would impact total expected credit loss allowances as follows:

- increase of RON 6.2 million or decrease of RON 4.2 million at 30 June 2025.
- increase of RON 7.3 million or decrease of RON 4.2 million at 31 December 2024.

The table below includes information about the fair value of the collaterals considered in the ECL measurement. The values presented represent the fair values of the collaterals as included in the valuation reports (i.e. before haircuts discussed above), capped at level of the exposure (i.e. if the fair

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value of the collateral is higher than the exposure to which it relates, then the value of the exposure is included in the table), as at 30 June 2025 is as follows:

Collateral \ Loan type	total, of which:		Stage 3	
	Investment loans	Credit Line	Investment loans	Credit Line
Loans collateralized by:				
Mortgage	167,565	3,143,759	1,639	94,456
Pledge on equipment	37,668	221,871	744	10,812
Pledge on stock	-	22,477	-	-
Total value of collaterals	205,233	3,388,107	2,383	105,268
Gross loans and advances granted	162,257	3,675,297	4,354	115,355

Comparative information as at 31 December 2024 is as follows:

Collateral \ Loan type	total, of which:		Stage 3	
	Investment loans	Credit Line	Investment loans	Credit Line
Loans collateralized by:				
Mortgage	76,037	1,537,462	784	52,918
Pledge on equipment	29,583	131,887	844	7,411
Pledge on stock	1,567	57,264	-	-
Total value of collaterals	107,187	1,726,613	1,628	60,329
Gross loans and advances granted	146,325	3,021,451	4,761	101,988

As at 30 June 2025, the Group has asset (land or other) obtained by taking possession of collateral held as security in total amount of 19,7 million RON, included in other assets as a result of foreclosure procedures (31 December 2024: 19,7 mil RON). Repossessed assets (generally represented by arable land and inventories – agricultural products) are sold as soon as practicable.

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i.3. Expected credit losses

The following tables explain the changes in the loss allowance between the beginning of January and the end of 30 June 2025 whereby the impact of migration to a different stage is included in the "increase of existing assets" line item:

	Stage 1	Stage 2	Stage 3	POCI	Total
ECL at 1 Jan 2025	46,570	7,516	60,157	1,175	115,418
New assets originated	6,533	-	-	433	6,966
Increase of existing assets	14,665	4,453	20,010	-	39,128
Assets derecognized or repaid (excluding write off)	(18,178)	(3,394)	(13,648)	-	(35,220)
Transfers from Stage 1	(447)	326	121	-	-
Transfers from Stage 2	360	(717)	357	-	-
Transfers from Stage 3	-	140	(140)	-	-
ECL at 30 June 2025	49,503	8,324	66,857	1,608	126,292

The increase in the allowance as of 30 June 2025, compared to 30 June 2024, is mainly linked to higher probabilities of default.

Comparative information for loss allowance between the beginning of January and the end of June 2024 is included below:

	Stage 1	Stage 2	Stage 3	POCI	Total
ECL at 1 Jan 2024	45,287	6,608	58,433	1,741	112,069
New assets originated	11,274	-	-	-	11,274
Increase of existing assets	11,002	4,627	31,363	2,210	49,202
Assets derecognized or repaid (excluding write off)	(23,302)	(6,819)	(17,063)	-	(47,184)
Transfers from Stage 1	(443)	443	-	-	-
Transfers from Stage 2	-	(528)	528	-	-
Transfers from Stage 3	-	1,162	(1,162)	-	-
ECL at 30 June 2024	43,818	5,493	72,099	3,951	125,360

Significant changes in the gross carrying amount ("GCA") of loans and advances that contributed to changes in the respective loss allowance were as follows:

	Stage 1	Stage 2	Stage 3	POCI	Total
GCA at 1 Jan 2025	2,782,523	278,936	108,812	1,599	3,171,870
New assets originated	308,981	-	-	2,421	311,402
Increase of existing assets	683,521	40,395	-	-	723,916
Assets derecognized or repaid (excluding write off)	(341,373)	(14,514)	(7,195)	-	(363,082)
Transfers from Stage 1	(42,456)	31,867	10,589	-	-
Transfers from Stage 2	31,205	(39,208)	8,003	-	-
Transfers from Stage 3	-	862	(862)	-	-
GCA at 30 June 2025	3,422,401	298,338	119,347	4,020	3,844,106

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Comparative information for GCA at the beginning of January and the end of 30 June 2024 is included below:

	Stage 1	Stage 2	Stage 3	POCI	Total
GCA at 1 Jan 2024	2,542,742	250,607	110,384	2,144	2,905,878
New assets originated	340,784	-	-	3,843	344,627
Increase of existing assets	541,000	33,019	6,569	-	580,588
Assets derecognized or repaid (excluding write off)	(438,470)	(17,639)	(11,588)	-	(467,696)
Transfers from Stage 1	(27,802)	24,211	3,591	-	-
Transfers from Stage 2	-	(16,345)	16,345	-	-
Transfers from Stage 3	-	5,523	(5,523)	-	-
GCA at 30 June 2024	2,958,254	279,376	119,779	5,987	3,363,396

Loans and advances by type of product, stage classification, and type of credit risk assessment are detailed below:

30 June 2025	Investment loans		Credit lines		Factoring	
	GCA	ECL	GCA	ECL	GCA	ECL
<i>Collective analysis</i>						
Stage 1	154,221	2,114	3,265,310	47,345	2,870	47
Stage 2	3,682	148	294,632	8,174	23	0
Stage 3	4,354	3,700	95,692	57,426	3,657	3,657
POCI	-	-	1,599	1,265	-	-
<i>Individual analysis</i>						
Stage 3	-	-	15,644	2,074	-	-
POCI	-	-	2,421	343	-	-
Total	162,257	5,962	3,675,298	116,627	6,550	3,704

Comparative information as at 31 December 2024 is included below:

31 Dec 2024	Investment loans		Credit lines		Factoring	
	GCA	ECL	GCA	ECL	GCA	ECL
<i>Collective analysis</i>						
Stage 1	138,622	2,271	2,643,669	44,294	232	6
Stage 2	2,942	103	275,795	7,408	198	5
Stage 3	4,342	3,504	85,001	48,252	3,663	3,663
POCI	-	-	1,599	1,175	-	-
<i>Individual analysis</i>						
Stage 3	419	392	15,388	4,346	-	-
Total	146,325	6,270	3,021,452	105,475	4,093	3,674

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Sections below include a presentation of loans and advances to customers, separately for each significant class of products and type of customers, by credit quality, whereby credit quality is defined as:

- Low risk – loans and advances to customers included in Stage 1;
- Medium risk – loans and advances to customers included in Stage 2;
- Substandard – loans and advances to customers included in Stage 3 with 0-180 days past due;
- Doubtful – loans and advances to customers included in Stage 3 with 181-360 days past due;
- Loss – loans and advances included in Stage 3 with more than 360 days past due.

i.3.1. Credit lines

The table below shows the credit quality and the exposure to credit risk from Credit lines type of loans granted as at 30 June 2025.

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	POCI	Total
Performing						
<i>below 400HA</i>						
	Low risk	906,642	-	-	-	906,642
	Medium risk	-	94,568	-	-	94,568
<i>above 400HA</i>						
	Low risk	2,292,660	-	-	-	2,292,660
	Medium risk	-	199,708	-	-	199,708
<i>others</i>						
	Low risk	66,008	-	-	-	66,008
	Medium risk	-	357	-	-	357
Non-performing						
<i>below 400HA</i>						
	Substandard	-	-	17,158	-	17,158
	Doubtful	-	-	22,072	-	22,072
	Loss	-	-	8,453	-	8,453
<i>above 400HA</i>						
	Substandard	-	-	17,134	2,421	19,555
	Doubtful	-	-	20,598	-	20,598
	Loss	-	-	25,920	1,599	27,519
Total GCA		3,265,310	294,633	111,335	4,020	3,675,298
ECL		47,345	8,174	59,500	1,608	116,627

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Comparative information as at 31 December 2024 is presented below:

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	POCI	Total
Performing						
<i>below 400HA</i>						
	Low risk	712,132	-	-	-	712,132
	Medium risk	-	83,549	-	-	83,549
<i>above 400HA</i>						
	Low risk	1,877,744	-	-	-	1,877,744
	Medium risk	-	190,404	-	-	190,404
<i>others</i>						
	Low risk	53,793	-	-	-	53,793
	Medium risk	-	1,842	-	-	1,842
Non-performing						
<i>below 400HA</i>						
	Substandard	-	-	30,404	-	30,404
	Doubtful	-	-	1,313	-	1,313
	Loss	-	-	7,948	-	7,948
<i>above 400HA</i>						
	Substandard	-	-	33,940	-	33,940
	Doubtful	-	-	3,490	-	3,490
	Loss	-	-	23,294	1,599	24,893
Total GCA		2,643,669	275,795	100,389	1,599	3,021,452
ECL		44,294	7,408	48,252	5,522	105,475

The tables below summarise the ageing of Stage 2 and Stage 3 Credit lines granted, as follows:

- Stage 2 – loans less than 30 days past due (dpd) irrespective of the criteria that triggered their classification in Stage 2.
- Stage 3 – loans less than 90 dpd, thus presenting the loans classified as Stage 3 due to criteria other than aging.

30 June 2025	Stage 2		Stage 3		POCI	
	GCA	ECL	GCA	ECL	GCA	ECL
Less than						
Collective analysis						
30 dpd (for Stage 2)	294,190	8,164	-	-	-	-
90 dpd (for Stage 3)	-	-	10,485	5,914	-	-
Individual analysis						
90 dpd (for Stage 3)	-	-	14,291	721	2,421	343
Total	294,190	8,164	24,776	6,635	2,421	343

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Comparative information as at 31 December 2024 is included below:

31 Dec 2024	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
Less than				
Collective analysis				
30 dpd (for Stage 2)	264,567	7,003	-	-
90 dpd (for Stage 3)	-	-	17,762	10,231
Individual analysis				
90 dpd (for Stage 3)	-	-	14,171	3,648
Total	264,567	7,003	31,933	13,879

i.3.2. Factoring

The table below shows the credit quality and the exposure to credit risk from Factoring type of loans granted, as at 30 June 2025.

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	Total
Performing					
<i>below 400HA</i>					
	Low risk	1,712	-	-	1,712
<i>above 400HA</i>					
	Low risk	1,158	-	-	1,158
	Medium risk	-	23	-	23
Non-performing					
<i>below 400HA</i>					
	loss	-	-	61	61
<i>above 400HA</i>					
	Doubtful	-	-	1,373	1,373
	Loss	-	-	2,222	2,222
Total GCA		2,870	23	3,656	6,549
ECL		47	-	3,656	3,704

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Comparative information for 31 December 2024 is presented below:

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	Total
Performing below 400HA	Low risk	113	-	-	113
	Medium risk	-	88	-	88
above 400HA	Low risk	119	-	-	119
	Medium risk	-	110	-	110
Non-performing Below 400 HA	Substandard			61	61
above 400HA	Substandard	-	-	1,379	1,379
	Doubtful	-	-	424	424
	Loss	-	-	1,798	1,798
Total GCA		232	198	3,662	4,092
ECL		6	5	3,662	3,673

The tables below summarise the ageing of Stage 2 and Stage 3 Factoring loans granted, as follows:

- Stage 2 – loans less than 30 days past due (dpd) irrespective of the criteria that triggered their classification in Stage 2.
- Stage 3 – loans less than 90 dpd, thus, presenting the loans classified as Stage 3 due to criteria other than aging.

30 June 2025	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
Less than Collective analysis				
30 dpd (for Stage 2)	23	-	-	-
Total	23	-	-	-

Comparative information for the year ended 31 December 2024 is included below:

31 Dec 2024	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
Less than Individual analysis				
90 dpd (for Stage 3)	-	-	2	2
Total	-	-	2	2

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i.3.3. Investment loans

The table below shows the credit quality and the exposure to credit risk from investment loans type of loans granted, as at 30 June 2025.

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	Total
Performing					
below 400HA	Low risk	27,896	-	-	27,896
	Medium-risk	-	1,409	-	1,409
above 400HA	Low risk	123,360	-	-	123,360
	Medium-risk	-	2,273	-	2,273
others	Low risk	2,965	-	-	2,965
Non-performing					
below 400HA	Substandard	-	-	45	45
	Doubtful	-	-	761	761
	Loss	-	-	660	660
above 400HA	Doubtful	-	-	2,229	2,229
	Loss	-	-	660	660
Total GCA		154,221	3,682	4,355	162,258
ECL		2,114	148	3,700	5,962

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Comparative information for 31 December 2024 is presented below:

Internal classification / Stage	Credit quality	Stage 1	Stage 2	Stage 3	Total
Performing					
<i>below 400HA</i>					
	Low risk	40,344	-	-	40,344
	Medium risk	-	1,455	-	1,455
<i>above 400HA</i>					
	Low risk	98,278	-	-	98,278
	Medium risk	-	1,488	-	1,488
Non-performing					
<i>below 400HA</i>					
	Substandard	-	-	676	676
	Doubtful	-	-	354	354
	Loss	-	-	306	306
<i>above 400HA</i>					
	Substandard	-	-	2,687	2,687
	Doubtful	-	-	663	663
	Loss	-	-	75	75
Total GCA		138,622	2,943	4,761	146,326
Total ECL		2,271	103	3,896	6,270

The tables below summarise the ageing of Stage 2 and Stage 3 investment loans granted, as follows:

- Stage 2 – loans less than 30 days past due (dpd) irrespective of the criteria that triggered their classification in Stage 2.
- Stage 3 – loans less than 90 dpd, thus presenting the loans classified as Stage 3 due to criteria other than aging.

30 June 2025	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
Less than				
Collective analysis				
30 dpd (for Stage 2)	3,682	148	-	-
90 dpd (for Stage 3)	-	-	45	45
Total	3,682	148	45	45

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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Comparative information for the year ended 31 December 2024 is included below:

31 December 2024	Stage 2		Stage 3	
	GCA	ECL	GCA	ECL
Less than				
Collective analysis				
30 dpd (for Stage 2)	2,252	75	-	-
90 dpd (for Stage 3)	-	-	563	506
Individual analysis				
90 dpd (for Stage 3)	-	-	419	392
Total	2,252	75	982	898

i.4. Modified loans and advances to customers

Restructuring activities include extended payment arrangements, modification and deferral of payments. Restructuring policies and practices are based on indicators or criteria that, in the judgment of management, indicate that collection will most likely continue. These policies are kept under continuous review. Repeated restructuring is one of the Group's impairment indicators. As at 30 June 2025, the modified net exposure was of RON 86 million (31 December 2024: RON 84.9 million).

An analysis of the restructured loans and advances to customers outstanding as at 30 June 2025 and 31 December 2024, per types of loans, is presented in the table below. The analysis presents the stage where the modified exposure is classified as at the reporting date, irrespective of its initial classification as at the modification date.

	30 June 2025		31 December 2024	
	Investment loans	Credit lines	Investment loans	Credit lines
Collective analysis				
Gross Carrying Amount, of which:	1,168	93,977	1,147	92,038
Stage 2	486	74,009	465	73,261
Stage 3	682	19,968	682	18,777
Expected Credit Losses, of which:	654	14,517	565	12,628
Stage 2	30	1,624	7	1,985
Stage 3	624	12,893	558	10,643
Individual analysis				
Gross Carrying Amount, of which:	-	6,613	-	8,087
Stage 3	-	6,613	-	8,087
Expected Credit Losses, of which:	-	522	-	3,164
Stage 3	-	522	-	3,164
Totals				
Total gross exposure	1,168	100,590	1,147	100,126
Total expected credit losses	654	15,039	565	15,792
Total net exposure	514	85,551	582	84,334

The Group monitors the subsequent performance of modified assets. The Group may determine that

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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for twelve consecutive months or more.

ii. Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

The Group is exposed to market risks arising from its open positions in interest rate and currency products. Quantitative and qualitative information about the Group’s exposure to these risks as well as related risk management policies and practices withing the Group are discussed in this note.

ii.1. Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Board has set limits on the net positions the Group can hold in foreign currencies, including foreign exchange positions of subsidiaries and both accounting and economic hedges. Such limits are especially relevant for the Group, where part of borrowings from international financial institutions and other debt agreements are EUR denominated. According to the limits set by the Group and to certain financial covenants imposed by borrowing agreements, the open currency position of the Group should not exceed 10% of its Total Capital (see note 8).

The Group’s strategy is to monitor open positions on a daily basis and apply risk management strategies, including hedging, to ensure it manages the currency risk. Positions are maintained within established limits by either balancing the assets and liabilities in the relevant currencies, or taking out currency swaps or forwards.

The Group’s exposure to foreign currency risk at the end of the reporting period, showing the Group’s monetary financial assets and financial liabilities, at their carrying amounts, by denomination currency, was as follows:

	30 June 2025	31 December 2024
	EUR	EUR
Financial Assets		
Cash and bank balances	75,358	97,399
Loans and advances to customers	418,548	345,564
Derivatives for risk management	1,175	1,996
Total financial assets	495,081	444,959
Financial Liabilities		
Borrowings	850,608	705,353
Other financial liabilities	1,631	1,681
Lease liabilities	7,691	7,133
Total Financial Liabilities	859,930	714,167
Derivative financial instruments (notional)	360,771	272,431
Net position	(4,078)	3,223

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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

The following table presents sensitivities of profit and loss and equity to reasonably possible changes in EUR exchange rates relative to the functional currency. The rate used are based on the market estimation and the year end rates. The sensitivities are calculated by applying the changes in the exchange rates to the above net financial position, in case of profit / (loss) before tax, respectively by considering tax effect in case of equity impact.

	June 2025 EUR strengthening by 1.2%	June 2024 EUR strengthening by 1.7%
<i>Profit/(loss) before tax</i>	23	(475)
<i>Equity</i>	19	(399)

ii.2. Interest rate risk

The Group's main interest rate risk arises from the mismatch between the repricing frequency of loans and advances granted with floating rates, on the asset side, and the repricing frequency of borrowings together with the fixed rate borrowings on the liabilities side. As at 30 June 2025 fixed rate borrowings amounted to 285 million RON (31 December 2024: 316 million RON), representing 9% of total financial liabilities. Such mismatches expose the Group to cash flow interest rate risk. All other financial assets and liabilities of the Group, including cash and cash equivalents, lease liabilities, other financial assets, and other financial liabilities do not bear interest and to that extent expose the Company to fair value interest rate risk.

During 2021 the Group contracted a 40 million EUR fixed rate loan with 5 years maturity from Agricoover Holding SA, the Company's parent. The loan increases the Group's exposure to both currency and interest rate risks.

The Group's strategy is to monitor and, depending on the market conditions and anticipated trends, partly manage the risk of open repricing gap using floating-to-fixed interest rate swaps.

The following table provides an analysis of the Group's interest rate risk exposure on financial assets and liabilities as at 30 June 2025. The Group's financial assets and liabilities are included at carrying amount and categorised by the earlier of contractual repricing or remaining maturity dates.

	up to 1 month	1 to 3 months	3 to 12 months	1 year and above	Total
Financial Assets					
Cash and cash equivalents	269,703	-	-	-	269,703
Loans and advances to customers	1,588,628	51,667	2,023,914	53,604	3,717,813
Other financial assets	2,996	-	-	-	2,996
Total financial assets	1,861,327	51,667	2,023,914	53,604	3,990,512
Financial Liabilities					
Derivative financial instruments	14	(43)	73	733	777
Borrowings	883,076	1,756,411	654,605	45,427	3,339,519
Lease liabilities	290	576	2,412	4,415	7,692
Other financial liabilities	3,074	9,294	-	-	12,368
Total financial liabilities	886,454	1,766,238	657,090	50,575	3,360,356
Interest repricing gap	974,873	(1,714,571)	1,366,823	3,030	630,155

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(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Comparative information as at 31 December 2024 is included below:

	up to 1 month	1 to 3 months	3 to 12 months	1 year and above	Total
Financial Assets					
Cash and cash equivalents	404,356	-	-	-	404,356
Loans and advances to customers	1,254,106	5,434	1,761,311	35,602	3,056,453
Other financial assets	1,088	-	-	-	1,088
Total financial assets	1,659,550	5,434	1,761,311	35,602	3,461,897
Financial Liabilities					
Derivative financial instruments	2,552	142	262	1,378	4,334
Borrowings	693,868	1,442,723	438,123	269,822	2,844,536
Lease liabilities	261	521	2,224	4,128	7,133
Other financial liabilities	2,673	-	-	-	2,673
Total financial liabilities	699,353	1,443,385	440,610	275,328	2,858,676
Interest repricing gap	960,197	(1,437,951)	1,320,701	(239,726)	603,220

The gaps in up to one year risk bands are explained by the fact that 41% of the the Group's granted loans and advances to the customers bear floating interest with 6M tenor base rates and monthly repricing frequency. Remaining portfolio is either repriced with a six-month frequency or bears fixed interest rates. Most of the Group's borrowings bear floating interest with 6M, 1M or 3M tenor base rates with repricing frequencies that match the tenor of the respective base rates. Such risk exposure is in the normal course of business for the Group.

The following table presents sensitivities of profit and loss and equity to reasonably possible changes in interest rates. The sensitivities are calculated by applying the changes in the floating rates to the floating rate financial assets and liabilities outstanding at the reporting date.

	30 June 2025 Interest rate (decrease by 1.89%)	30 June 2024 Interest rate (decrease by 0.81%)
Profit / (loss) before tax	(8,774)	(3,199)
Equity	(7,370)	(2,687)

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section includes information about the Company's share capital, the Group's equity, what it manages as capital and capital management practices within the Group.

8 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to:

- comply with the capital requirements set by the National Bank of Romania ("NBR");
- safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain a strong capital base to support the development of its business.

Regulatory capital is monitored by the Company's management, employing techniques based on the guidelines developed by the National Bank of Romania for supervisory purposes. The required information is filed with the NBR on a quarterly basis by the Company at individual Agricover Credit IFN level. The Company has complied with all externally imposed capital requirements throughout the six month periods ended 30 June 2025 and 30 June 2024.

The table below shows the regulatory capital measures of the Company, as reported to the NBR and in line with the requirements of the Regulation No 20 regarding non-banking financial institutions issued in 2009 by the National Bank of Romania, with subsequent amendments and modifications ("Regulation 20"). Regulation 20 requires non-banking financial institutions to keep the solvency ratio (own funds to weighted risk exposure) above 8%.

Capital management	30 June 2025	30 June 2024
Capital and aggregate exposure		
Share capital	187,925	137,925
Legal reserve	31,067	25,298
Other reserves	(133)	1,233
Retained earnings	403,629	384,310
Net profit	53,122	50,321
1. Available capital	675,610	599,087
Intangibles	15,706	16,346
2. Deductions from available capital	15,706	16,346
I. Total capital	659,904	582,741
II. Investment capital	4,150	150
III. Other elements deducted (difference between regulatory credit risk provisions and IFRS 9 expected credit losses)	13,491	13,491
IV. Own funds	642,263	569,100
Weighted risk	2,714,806	2,542,481
Solvency: Own Funds to weighted risk exposure	23.66%	22.38%

9 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held with financial institutions, with original maturities of 3 months or less. Bank overdrafts are shown within borrowings in the statement of financial position.

As disclosed in the Group's annual consolidated financial statements as at and for the year ended 31 December 2024, the Group changed its accounting policy for reporting cash flows from operating activities, electing to apply the indirect method instead of the previously used direct method. Consistent with that presentation, the Group has also applied the indirect method retrospectively in these condensed consolidated interim financial statements. This change in presentation did not impact the amounts of cash flows from operating, investing, or financing activities, nor did it affect the Condensed Interim Statement of Financial Position or the Condensed Interim Statement of Comprehensive Income.

As at 30 June 2025 and 31 December 2024 cash and cash equivalents presented in the Statement of financial position and in the Statement of cash flows are represented by placements held with highly reputable local banks, as follows:

	30 June 2025	31 December 2024
Investment grade	21,216	17,646
Non-investment grade	62,660	49,635
Parent investment grade	185,313	336,336
Unrated	514	739
Total	269,704	404,356
<i>out of which:</i>		
Current accounts	251,900	366,238
Overnight deposits	17,804	8,118
Deposits with banks	-	30,000

The investment-grade and parent investment grade categories include exposures to banks with the following Fitch ratings, or their equivalent: AA, A+, A, A-, A1, BBB+, BBB and BBB-. The non-investment-grade category includes exposures to banks with the following Fitch ratings, or their equivalent: BB+, BB and BB-. Where the banks are unrated but their parent is rated, the parent rating was used in the above analysis.

The unrated category includes exposures to banks with no rating assigned, to those banks or to their parent, by any of the biggest three global credit rating agencies.

10 BORROWINGS

Borrowings from banks and international financial institutions

Borrowings from local banks are denominated in RON, bear floating interest rates and some are secured by assignment of loans granted to customers. The carrying amounts of assets pledged as security are disclosed in note 14.

Borrowings from international financial institutions bear mainly floating interest rates, can be denominated in RON or EUR and are uncollateralised. Geographical concentration is as follows:

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

<i>Borrowings from:</i>	30 June 2025	31 December 2024
local banks	1,660,896	1,309,274
international financial institutions within European Union	1,254,900	1,259,597
International Investment Bank	73,436	70,719
International Finance Corporation	144,524	-
related parties (note 13)	205,763	204,946
Total borrowings	3,339,519	2,844,536

Given the Group's seasonal pattern, loans and advances to customers peak in June, this evolution being supported using short-term local bank facilities

Compliance with financial covenants

Under the terms of its borrowing facilities, the Company is required to comply with financial covenants such as: capital adequacy ratios, non-performing loans ratios, large exposure ratios, related party exposure ratios or currency risk ratios, among others.

Non-compliance with financial covenants imposed by the Company's borrowings or other contractual breaches, including breach of payment terms, would result in the creditors having the right to early call the related facilities. Moreover, some of the Company's funding agreements include customary cross default provisions, which could trigger a default for the Group if other entities within the Agricovert group fail to meet their obligations.

Except as discussed below in this note, as at 30 June 2025 and 31 December 2024 the Company complied with all applicable financial covenants imposed by their respective borrowing facilities or, where breaches have occurred, relevant waivers have been obtained from the lenders.

OFAC Sanctions

In April 2023, the U.S Treasury Department's Office of Foreign Assets Control ("OFAC") has included one of the Company's lenders ("Sanctioned Lender") on the specially designated nationals and blocked persons list ("OFAC Sanctions").

The Company is borrower under two facility agreements ("Facility Agreement") concluded with the Sanctioned Lender, with a total current outstanding principal amount of RON 60.8 million RON.

Unlike sanctions imposed by European Union or by Romanian authorities, OFAC Sanctions are not applicable directly in Romania. Furthermore, to the best of the management's knowledge, there are no legal provisions regarding the treatment of payment obligations to lenders subject to international sanctions. To the best of the management's knowledge, up to the date of these consolidated financial statements, the applicable Romanian legislation or regulations do not include any specific guidelines on dealing with the OFAC Sanctions.

Notwithstanding the OFAC Sanctions not being directly applicable under Romanian law, the Company does not wish its lenders to become directly or indirectly subject to international sanctions or to be exposed in any way to international sanctions.

In view of the above, at its own initiative, the Company stopped making any payments to the Sanctioned Lender and placed and blocked into one of its bank accounts the funds corresponding to the amounts outstanding under the Facility Agreement. The Sanctioned Lender, at their own initiative, issued temporary waivers to the Group for the payments due in 2023, 2024 and 2025 under the Facility Agreement to be postponed for payment until September 2025. Although we expect that the Sanctioned Lender will continue to grant such temporary waivers, if, for whatever reasons and with the

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

observance of international sanctions, the Company will early repay the loans, the management considers that this will not significantly impact the Company's ongoing business.

Moreover, the Company has explored and continues to evaluate options to terminate the relationship with the Sanctioned Lender, including by way of voluntary prepayment of the amounts owed under the Facility Agreement, however, only in a manner complying with the international sanctions.

Borrowings from related parties

During 2021, the Company's parent (Agricover Holding SA) issued a 40 million EUR fixed rate bond with 5 years maturity. The proceeds were used to finance the loans granting activity of the Company through an intra-group loan with similar terms and conditions. Both are unsecured and include certain financial covenants that the Company and Agricover Holding SA and its other subsidiaries have to comply with.

Changes in liabilities arising from financing activities

Significant changes in the Group's liabilities as arising from its financing activities are presented below:

	30 June 2025		30 June 2024	
	Borrowings	Lease Liabilities	Borrowings	Lease Liabilities
at 1 January	2,844,536	7,133	2,712,988	9,235
New contracts and withdrawals	6,659,644		1,899,637	
new lease contracts		2,011		1,613
repayments	(6,185,398)	(1,381)	(1,827,007)	(1,195)
interest accrued	114,492		111,929	
interest paid	(111,287)	(219)	(113,263)	(214)
foreign exchange rate effect	17,532	148	(3,479)	(5)
at 30 June 2025/30 June 2024	3,339,519	7,691	2,780,805	9,434

11 OTHER FINANCIAL LIABILITIES

Breakdown of other financial liabilities is included below:

	30 June 2025	31 December 2024
Suppliers	3,074	2,673
Dividends	9,294	-
Total financial liabilities	12,368	2,673
Payables to employees	6,572	10,256
Taxes and social contributions	1,924	1,430
Other	545	1,647
VAT	331	543
Total non-financial liabilities	9,372	13,876
Total financial and other liabilities	21,740	16,549

The shareholders approved, in May 2025, the distribution of dividends in the amount of RON 25 million (i.e. RON 1.33 per share), representing 24.9% of the net profit of the financial year ended 31 December 2024.

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

12 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

i. Financial instruments measured at fair value

The level in the fair value hierarchy into which the recurring fair value measurements are categorized is presented in the table below. Recurring fair value measurements are those that the accounting standards require or permit in the statement of financial position at the end of each reporting period.

	30 June 2025		31 December 2024	
	Level 2	Total	Level 2	Total
<i>Financial liabilities at fair value:</i>				
Derivatives held for risk management	(777)	(777)	(4,334)	(4,334)

As at 30 June 2025 the Group had FX Forward contracts outstanding with a total negative fair value of RON 777 (31 December 2024: RON 4,334). The fair value was estimated based on discounted cash flows model, using directly observable inputs (i.e. market FX and interest rates). As such, the fair value of the derivative is classified as Level 2 in the fair value hierarchy.

Foreign exchange derivative financial instruments entered into by the Group are generally traded in an over-the-counter market with professional market counterparties on standardized contractual terms and conditions. Derivatives have potentially favorable (assets) or unfavorable (liabilities) conditions as a result of fluctuations in market interest rates, foreign exchange rates or other variables relative to their terms. The aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time. The Group does not take trading or speculative positions when entering into derivative transactions. All such transactions are initiated for risk management purposes.

ii. Financial instruments not measured at fair value but for which fair value is disclosed

The level in the fair value hierarchy into which the fair value measurements of financial assets and liabilities not measured at fair value but for which fair value is disclosed are categorized and presented in the table below. Fair value is disclosed for all financial assets and liabilities not measured at fair value and for which fair value is significantly different than the carrying amount.

30 June 2025	Level 1	Level 2	Level 3	Total	Carrying value
<i>Loans and advances to customers:</i>					
Investment loans	-	-	152,399	152,399	156,279
Credit lines	-	-	3,525,755	3,525,755	3,558,687
Factoring	-	-	2,845	2,845	2,846
Total	-	-	3,680,999	3,680,999	3,717,812

30 June 2025	Level 1	Level 2	Level 3	Total	Carrying value
<i>Borrowings:</i>					
from local banks	-	-	1,660,897	1,660,897	1,660,897
from international financial institutions	-	-	1,478,201	1,478,201	1,472,860
from related parties	-	202,638	-	202,638	205,762
Total	-	202,638	3,139,098	3,341,736	3,339,519

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Comparative information as at 31 December 2024 is presented below:

31 December 2024	Level 1	Level 2	Level 3	Total	Carrying value
<i>Loans and advances to customers:</i>					
Capex	-	-	131,698	131,698	140,056
Credit lines	-	-	2,860,720	2,860,720	2,915,976
Factoring	-	-	420	420	420
Total	-	-	2,992,838	2,992,838	3,056,452

31 December 2024	Level 1	Level 2	Level 3	Total	Carrying value
<i>Borrowings:</i>					
from local banks	-	-	1,309,273	1,309,273	1,309,273
from international financial institutions	-	-	1,322,597	1,322,597	1,330,317
from related parties	-	189,023	-	189,023	204,946
Total		189,023	2,631,870	2,820,893	2,844,536

All other financial assets and liabilities in the Group's statement of financial position, those that are not included in the table above and for which the fair value is not disclosed, have their fair values approximated by the carrying value.

Techniques and inputs used to determine level 2 and level 3 fair values

Fair value of loans and advances to customers was estimated as follows:

- fair value of floating rate loans and advances was approximated by their gross carrying amount less their lifetimes expected credit losses calculated based on the methodology detailed in Note 7;
- in estimating the fair value of fixed rate loans and advances the Group has discounted contractual cash flows. The discount rate was estimated for each exposure individually by adjusting the contractual fixed rate with the change in the relevant floating rate benchmarks (e.g. 3M or 6M ROBOR) between the grant date of each respective loans and the valuation date.

Fair value of borrowings contracted from banks and financial institutions was estimated as follows:

- fair value of floating rate loans and advances was approximated by their net carrying amount;
- in estimating the fair value of fixed rate borrowings, the Group has discounted contractual cash flows. The discount rate was estimated for each borrowing individually by considering: i) the yields on contracted floating rate borrowings with similar risk characteristics (e.g. currency), or firm financing offers received thereof, close to the valuation date; and ii) the interest rate swap curve to convert the floating rates determined at i) above to fixed rates for relevant maturities.

Fair value of the related party borrowing was estimated with reference to the fair value of the bond issued by the Company's parent, as both have identical terms. As the bonds were not actively traded

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

close to the end of the reporting period, their fair value by was estimated by:

- ✓ calculating the yield spread over EUR denominated Romanian sovereign bonds with similar maturities and annual coupon, as of the origination date (i.e. February 2021);
- ✓ estimating the yield on the bonds as of 30 June 2025 by considering:
 - i. the evolution of the yield of the respective sovereign bonds between February 2021 and June 2025, and
 - ii. constant yield spread between the bonds and the government bonds with otherwise similar characteristics.

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to the Group's financial performance, its risk management or to individual line items in the financial statements.

13 RELATED PARTIES TRANSACTIONS

Significant related party transactions of the Group were conducted on terms equivalent to those prevailing in an arm's length transaction. The Group discloses below its significant transactions, related income, expenses and balances in respect of each of the following categories of related parties:

Category	Definition	Impact on the condensed consolidated interim financial statements
Parent	entity that controls the Group	the main shareholder of the Company is Agricover Holding SA.
Key management	persons having authority and responsibility for planning, directing and controlling the activities of the Group and its subsidiaries.	there are no significant transactions between the Group and key management. Key management compensation is disclosed below in this note.
Other related parties	related parties that do not fall under any of the above categories	significant transactions with other related parties are disclosed below in this note.

Ultimate controlling party

The ultimate beneficial owner of the Company is Mr. Kanani Jabbar, who owns 86.78% of the share capital of the Company's Parent (31 December 2024: 87.08%).

Key management compensation

During the six-month period ended 30 June 2025 compensation granted to key management personnel amounts to RON 2,217 thousands (June 2024: RON 1,437 thousands). It represents short term benefits, including monthly salaries, performance bonuses and share-based compensation. There are no other types of benefits or commitments granted by the Group to key management.

Related parties transactions and balances

The following transactions were carried out as of 30 June 2025 and 2024:

	30 June 2025	30 June 2024
Transactions with parent		
Interest expense	3,496	3,476
Transactions with other related parties		
Interest income	2,307	10,561

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Outstanding balances arising from transactions with related parties

The following balances are outstanding at the end of each the reporting periods in relation to transactions detailed above:

	30 June 2025	31 December 2024
Balances with parent		
Borrowings	205,788	204,997
Balances with other relates parties		
Other financial assets	135	100
Other financial liabilities	34	83
Loans and advances to customers	21,092	23,187

Other financial assets include mainly VAT receivables on commissions applied for factored trade receivables (the commission is netted of when the price of the receivable is paid, the VAT is settled separately).

Other financial liabilities represent mainly amount for goods and services purchased by other entities withing the Agricovert group for the benefit of the whole group (i.e. to benefit for volume discounts or other improved commercial terms when such acquisitions are negotiated as a package at Agricovert Group level).

14 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	30-June-25	31-Dec-24
Pledge Assets with residual maturity lower than 1 year:		
Loans and receivables	1,778,368	1,632,817
Pledge Assets with residual maturity greater than 1 year:		
Loans and receivables	352,440	291,011

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

15 COMMITMENTS AND CONTINGENCIES

Letters of credit and guarantees

Letters of credit and guarantees (including standby letters of credit) commit the Group to make payments on behalf of customers in the event that the customer cannot meet its contractual payment obligations. Guarantees and standby letters of credit carry a similar credit risk to loans.

Commitments

To meet the financial needs of customers, the Group enters into various revocable and irrevocable commitments to lend and similar contingent liabilities. Even though these obligations may not be recognised on the statement of financial position, they contain credit risk and, therefore, form part of the overall risk of the Group (qualitative and quantitative details regarding risk management practices of the Group are detailed in note 7.i)

The Group designed for and offers to farmers loans with a Mastercard credit card attached, addressed to legal entities active in the agricultural sector. As at 30 June 2025 total irrevocable commitments under the credit cards amounted to 139 million RON, of which 93 million RON were utilised (31 December 2024: 122 million RON, of which 61 million RON were utilised)

Except for the credit card related limits detailed above, the Group does not grant irrevocable commitments. Under uncommitted credit lines it is the Group's policy to approve any withdrawals, based on an analysis of the applicant, including of developments after the initial approval of the limit. The analysis done by the Group for withdrawal purposes is more simplified in extent and nature as compared to the initial granting of the credit line. As at 30 June 2025 the undrawn balance of the credit lines granted by the Group amounts to 276 million RON (31 December 2024: 381 million RON).

Contingent liabilities

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its general operations and specifically to its financing activity. As a result, it is involved in various litigations and legal proceedings arising in the ordinary course of its business. Management of the Group considers that these litigations will not have a significant impact on the operations or on the financial position of the Group.

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section includes certain performance measures that are monitored by the management, the regulator or the creditors. The section then concludes with significant events which have occurred after the yearend and have not impacted these consolidated financial statements, but which have or might impact the financial performance of the Group in subsequent periods.

16 ALTERNATIVE PERFORMANCE MEASURES

The performance measures presented below, together with details of their calculation, are considered key performance indicators monitored by the Group.

Capital Ratio

The capital ratio refers exclusively to the Company and is derived from the regulatory capital measures (i.e. Own Funds and Total Aggregated Exposure) of the Company. Such regulatory capital measures are based on the provisions of Regulation 20 (further refer to Note 8). These measure are then used to calculate the capital ratio, as detailed in the table below.

#	Performance indicator	30 June 2025	30 June 2024
=A/B*100%	Capital ratio	23.66%	22.38%
A	Own funds	642,262	569,100
B	Total aggregate exposure	2,714,806	2,542,481

Other performance indicators

#	performance indicator	30 June 2025	30 June 2024
=C/D*100%	Non-Performing loan ratio	3.21%	3.74%
C	Gross loans exposure Stage 3	123,367	125,766
D	Gross loans exposure	3,844,105	3,363,396
=(G+H)/(E+I+J)* 100%	Cost income ratio	39.07%	38.47%
E	Net interest income	122,918	110,980
G	General and administrative expenses	47,076	41,619
H	Other operating expenses	3,752	3,871
I	Net fee and commission income	6,240	6,273
J	Other operating income	931	987

17 EVENTS AFTER THE REPORTING PERIOD

No significant events.



Report on Review of Condensed Interim Financial Statements

To the Shareholders of Agricover Distribution SA:

Introduction

We have reviewed the accompanying condensed statement of financial position of Agricover Distribution SA as at 30 June 2025 and the related condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

For and on behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered in the electronic public register of the financial auditors and audit firms under no FA6

**Refer to the original signed
Romanian version**

Francesca Postolache

Financial auditor

registered in the electronic public register of the financial auditors and audit firms under no AF1716

Bucharest, 20 August 2025

PricewaterhouseCoopers Audit S.R.L.

Ana Tower, 24/3 floor, 1A Poligrafiei Blvd, District 1, 013704 Bucharest, Romania

EUID ROONRC.J1993017223405, fiscal registration code RO4282940, share capital RON 7,630

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This version of our report is a translation from the original, which was prepared in Romanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

AGRICOVER DISTRIBUTION SA

CONDENSED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE SIX-MONTH PERIOD ENDED
30 June 2025

Prepared in accordance with IAS 34 Interim Financial Reporting,
as adopted by the European Union

** The original version of the separate financial statements was written in Romanian. This document is an English translation of the original document. In case of any discrepancy between the English text and the Romanian text, the latter will prevail.*

AGRICOVER DISTRIBUTION SA | Condensed Interim Financial Statements as at and for the six-month period ended 30 June 2025

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Condensed Statement of Financial Position as at

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	30 June 2025	31 December 2024
ASSETS			
Non-current assets			
Property, plant and equipment		6,270	9,109
Right of use assets		32,146	31,304
Intangible assets		1,068	1,189
Trade and other receivables	9	29,867	1,070
Deferred income tax assets	6	12,267	10,547
Finance lease receivable		1,300	659
		82,918	53,878
Current assets			
Inventories	15	66,479	59,946
Trade and other receivables	9	737,214	338,569
Finance lease receivable		1,632	514
Other current assets	10	7,728	13,298
Income tax receivable		-	684
Cash and cash equivalents	11	347	495
		813,400	413,506
Total assets		896,318	467,384
EQUITY AND LIABILITIES			
Equity			
Share capital		10,464	10,464
Revaluation reserves		1,030	1,030
Other reserves		8,746	9,515
Retained earnings		88,984	73,638
Total equity		109,224	94,647
Non-current liabilities			
Lease liabilities		24,977	23,953
		24,977	23,953
Current liabilities			
Trade and other payables	14	570,396	244,882
Borrowings	12	170,400	89,372
Contract liabilities	13	4,383	5,761
Lease liabilities		9,284	8,769
Current income tax liability	6	7,654	-
		762,117	348,784
Total liabilities		787,094	372,737
Total equity and liabilities		896,318	467,384

Condensed Statement of Profit or Loss and Other Comprehensive Income
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	2025	2024
Continued operations			
Revenue from contracts with customers	3	520,351	460,914
Cost of sales	5	(480,080)	(440,799)
Net credit losses on trade receivables	9	(9,119)	(7,199)
Gross profit		31,152	12,916
Administrative expenses	5	(14,578)	(21,436)
Other operating income		439	216
Other operating expenses		(97)	-
Operating profit/ (loss)		16,916	(8,304)
Finance income		6,048	5,105
Finance costs		(4,266)	(1,993)
Foreign exchange (loss)/gain		404	(972)
Net financial result	4	2,186	2,140
Profit/ (loss) before tax		19,102	(6,164)
Income tax expense	6	(3,122)	(175)
Profit/ (loss) for the period from:			
Continued operations		15,981	(6,338)
Discontinued operations		-	1,786
Total comprehensive income/(loss) for the period		15,981	(4,552)

Approved for issue and signed on behalf of the Board of Directors on 20 August 2025.

Jaydeep Singh
Chief Executive Officer

Daniela Dumitrache
Chief Financial Officer

Condensed Statement of Changes in Equity

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Share capital	Revaluation reserves	Other reserves	Retained earnings	Total Equity
at 1 January 2025	10,464	1,030	9,515	73,638	94,647
Profit for the period	-	-	-	15,981	15,981
Total comprehensive income for the period	-	-	-	15,981	15,981
Other changes in equity	-	-	(769)	(635)	(1,404)
Total transactions with owners	-	-	(769)	(635)	(1,404)
at 30 June 2025	10,464	1,030	8,746	88,984	109,224

	Share capital	Revaluation reserves	Other reserves	Retained earnings	Total Equity
at 1 January 2024	10,464	1,033	8,405	68,449	88,351
Loss for the period	-	-	-	(4,552)	(4,552)
Total comprehensive loss for the period	-	-	-	(4,552)	(4,552)
Other changes in equity	-	-	490	-	490
Total transactions with owners	-	-	490	-	490
at 30 June 2024	10,464	1,033	8,895	63,897	84,289

AGRICOVER DISTRIBUTION SA | Condensed Interim Financial Statements as at and for the six-month period ended 30 June 2025

Condensed Statement of Cash Flows
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	2025	2024
Cash flows from operating activities			
Profit/(loss) for the reporting period, out of which:		15,981	(4,552)
<i>Continued operations</i>		15,981	(6,338)
<i>Discontinued operations</i>		-	1,786
Adjustments for:			
Depreciation and amortization	5	5,461	5,173
Unrealized net foreign exchange differences		(897)	1,013
Net credit losses on trade receivables	9	9,119	7,199
Recovery of inventories provision	15	161	670
(Gain)/ loss from the sale of tangible assets		(9)	5
Income tax expense	6	3,122	1,083
Interest income	4	(5,319)	(5,106)
Factoring expenses		-	(254)
Financial discounts	4	(729)	-
Interest expense	4	4,266	2,285
Other non-monetary adjustments		(999)	490
Changes in working capital:			
Increase in trade and other receivables and other assets		(424,338)	(352,512)
Increase in inventories		(6,695)	(21,240)
Increase in trade and other payables		328,768	301,287
		(72,108)	(64,459)
Payments related to SOP		(404)	-
Interest paid		(4,266)	(2,285)
Interest received		168	374
Factoring expenses paid		-	(1,491)
Income tax paid		(1,215)	(4,653)
Net cash (used in) operating activities		(77,825)	(72,514)
Cash flows from investing activities			
Payments for acquisitions of property, plant and equipment and intangible assets		(538)	(2,126)
Proceeds from sale of property, plant and equipment		34	14
Receipts from lease receivable		459	308
Net cash (used) in investing activities		(45)	(1,804)
Cash flows used in financing activities			
Proceeds from borrowings		114,961	91,027
Repayment of borrowings		(32,312)	(3,660)
Payments for the reduction of the lease liabilities		(4,275)	(3,135)
Dividends paid		(652)	(15,409)
Net cash generated from financing activities		77,722	68,823
Cash and cash equivalents at the beginning of the period	11	495	7,089
(Decrease) in cash and cash equivalents		(148)	(5,495)
Cash and cash equivalents at the end of the period	11	347	1,594

Notes to the Condensed Interim Financial Statements
General Information and Basis of Preparation

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section includes general information about the Company and its structure as well as material accounting policy information that relate to the interim financial statements as a whole.

1 GENERAL INFORMATION

AGRICOVER DISTRIBUTION SA (“the Company”) is a Romanian company established in the year 2000, specialised in the distribution of advanced technological solutions (i.e. crop protection products, seeds, and specialised crop nutrition products) to farmers. The Company’s head-office is located at 1B Pipera Blvd, Voluntari, Ilfov.

All the Company’s sales are made in Romania and all the clients are local.

2 BASIS OF PREPARATION

Compliance statement

These condensed interim financial statements as at and for the six-month period ended 30 June 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Company’s last annual financial statements as at and for the year ended 31 December 2024 (‘last annual financial statements’). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS, as adopted by EU. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual financial statements.

Historical cost convention

These condensed interim financial statements have been prepared under the historical cost convention, except for land and buildings, for which the Company applied the revaluation model, and derivative financial instruments, which are carried at fair value.

Consistent application of accounting policies

The material accounting policies applied are consistent with those of the previous financial year. The preparation of interim financial statements in accordance with IAS 34 Interim Financial Reporting requires the use of judgements and estimates. The areas involving a higher degree of judgment or complexity, or areas where estimates are significant to the interim financial statements, are disclosed in the relevant Notes to these condensed interim financial statements if significantly changed during the interim period as compared to the last annual financial statements.

Functional and presentation currency

These condensed interim financial statements are presented in Romanian New Lei (“RON”), which is the functional currency of the Company. All amounts are presented in thousands RON and rounded to the nearest unit, unless otherwise stated.

Going concern

To fund its working capital needs, Agricover Distribution has long standing relationships with some of the largest credit institutions active on the Romanian market. While most of the funding attracted is

Notes to the Condensed Interim Financial Statements
General Information and Basis of Preparation

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

RON denominated, Agricovert Distribution has access to multicurrency facilities which allow us to actively manage currency exposures on trade payables. Currently, all ongoing funding contracts agreed by Agricovert Distribution are short term, including unconditional early call options in favour of the lenders. This allows the Company to manage financing costs, while its strong financial standing ensures continued access to funds required to cover its working capital needs. Moreover, based on its history and relationships developed with its business partners, the Company concluded that exercising such options is highly unlikely. After consideration of the strong financial performance achieved during the six-month period ending on 30 June 2025, of the Company's liquidity, gearing level, budgeted cash flows and related assumptions, management believes that the Company has adequate resources to continue as a going concern for the foreseeable future and these condensed interim financial statements are prepared on this basis.

Standards and amendments newly applicable for periods starting 1st January 2025

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2024, except for the adoption of new amendments to existing standards effective as of 1 January 2025.

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates', relating to the lack of foreign exchange ability

The amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Company's condensed interim financial statements.

Notes to the Condensed Interim Financial Statements

Financial performance

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the financial performance of the Company. The accounting policy information, significant judgements and estimates made in relation to particular items with significant impact on the financial performance are the ones disclosed in the Company's last annual financial statements.

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company generates revenue mainly through distribution of advanced technological solutions (i.e. crop protection products, seeds, specialised crop nutrition products) to farmers.

Disaggregation of revenue from contracts with customers by product type is presented below.

Continued operations	30 June 2025	30 June 2024
Revenue from goods sold		
Crop protection products	315,316	281,735
Crop nutrition products	54,583	24,916
Seeds	149,882	152,058
	519,781	458,709
Revenue from transportation	220	549
Revenue from storage	87	242
Revenue from rent	169	609
Revenue from services	94	805
Revenue	520,351	460,914

Sales with normal delivery

Revenue from sales with normal delivery is recognised when control of goods sold has transferred to the buyer, being when the goods leave the warehouses we operate or rent, when invoices are also issued. Revenue is measured at the fair value of the consideration received or receivable, net of commercial discounts, returns and value added taxes. Depending on the customer's financial situation and existing relationships with the group, and on specific market conditions, the Company may request total or partial advance payments collected based on proforma or advance invoices.

Payment terms depend on type of goods acquired and financing options selected by the client (e.g. own funds, loans from other entities within the Agricovert Group or commercial credit). Generally, the Company negotiates payment terms that match its clients' operating cycle, as follows:

- seeds are sold with payment terms around the harvesting period;
- crop nutrition products are generally sold with payment terms around harvesting period, but for specific products or customers the Company may collect in advance, based on proforma invoices;
- crop protection products are sold with payment terms around the harvesting period; however during certain marketing campaigns or following negotiations with clients such payment terms could be extended up to the following harvesting period (such extended payment terms might exceed one year).

Payment terms are extended to clients exclusively following a credit risk assessment and considering limits approved under the risk management practices of the Company. Depending on the results of such credit risk assessments, payment terms offered to specific clients might differ from the general

Notes to the Condensed Interim Financial Statements

Financial performance

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

terms highlighted above (further refer to Note 7 for details around risk practices and exposures).

As part of 'bill and hold' arrangements, the Company concludes a custody contract with the buyer, who accepts legal ownership of the goods sold. The Company's management is satisfied that control of the goods sold is transferred to the customer (and related revenue is recognized) when the warehouse certificates are issued, confirming separate storage and availability for delivery.

Value of inventories held by the Company on behalf of third parties as part of bill and hold arrangements were as follows:

	30 June 2025	30 June 2024
Crop protection products	15,208	23,686
TOTAL	15,208	23,686

4 NET FINANCIAL RESULT

Significant components of interest income and expense as included in the profit or loss for six months period ending 30 June 2025 and 30 June 2024 are presented below:

Continued operations	30 June 2025	30 June 2024
Interest income	5,319	5,105
Financial discounts	729	-
Finance Income	6,048	5,105
Interest expense	(4,266)	(2,286)
Factoring expense	-	213
Other finance expense	-	80
Finance Expense	(4,266)	(1,993)
Net FX (losses)/ gains	404	(972)
Net Finance Result	2,186	2,140

5 PRESENTATION OF EXPENSES BY NATURE

In the Statement of profit or loss and other comprehensive income, the Company presents its expenses by function.

All operating expenses of the Company are allocated to cost centres. Separate cost centres exist for regional working points and warehouses and headquarters.

Expenses related to sales, acquisition and distribution process as allocated to regional working points and warehouses (e.g.: inbound and outbound transportation related expenses, salaries of personnel, rent or depreciation, third party storage cost, consumables, etc.) are allocated to Cost of sales. Expenses related to headquarters cost centres incurred to support the functioning of the business and which are not directly related to the distribution process (e.g. support functions including finance or human resources, headquarters rent etc.) are allocated to Administrative expenses. Those expenses related to headquarters cost centres which are directly related to the sales or distribution process (e.g. expenses incurred with or related to purchases, logistics and sales teams) are allocated to Cost of sales. Headquarters rent is allocated between cost of sales and administrative expenses based on the area occupied by respective teams.

Notes to the Condensed Interim Financial Statements

Financial performance

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

The table below presents the breakdown of expenses by their nature:

Continued operations	30 June 2025	30 June 2024
Merchandise	(447,974)	(407,029)
Transportation expenses	(3,093)	(3,403)
Employees costs	(28,552)	(31,074)
Third party services	(1,903)	(2,882)
Software expenses	(1,086)	(978)
Maintenance expense	(1,929)	(1,965)
Consumable expense	(1,693)	(1,749)
Protocol and publicity expenses	(1,686)	(968)
Depreciation and amortisation	(5,461)	(5,112)
Write-down and (losses)/ reversal of inventories	(161)	(1,082)
Tax on turnover	-	(4,451)
Other	(1,120)	(1,542)
Total, of which	(494,658)	(462,235)
Cost of sales	(480,080)	(440,799)
Administrative expenses	(14,578)	(21,436)

Defined Contribution Plan

The Company paid 6.2 million RON to defined contribution retirement plans during the six-month period ended 30 June 2025 (six-month period ended 30 June 2024: 6.4 million RON). Beyond the settlement of monthly contributions, the Company has no other obligations towards its employees in relation to their defined contribution retirement plans.

Share Option Plan

Employee costs include expenses related to a share-based compensation program, implemented by the parent company starting 2022, whereby eligible personnel receive conditional rights to acquire shares in the Parent company under a Share Option Plan (“the SOP”). Under the SOP, options on the parent company’s shares are granted to senior managers (including executive officers) and other eligible employees of the Company, at the discretion of the Board of Directors of the parent company (no individual has a contractual right to participate in the plan or to receive any guaranteed benefits).

The SOP is designed to provide short-term and long-term incentives for the participants to deliver long-term shareholder returns. It includes two components:

- a) short-term component, with options that vest after twelve months depending on the participants’ achievements with respect to their individually assigned KPIs (non-market performance condition), and
- b) long-term component, with options that vest over a three-year period (graded vesting, one third of the total number of granted options vesting each year) depending on the Parent’s consolidated net profit in the grant date financial year (non-market performance condition).

Vesting under both components of the SOP is conditioned upon the participant remaining employed with Agricover Group on such vesting date, and on the achievement of the relevant performance indicators (whereby the maximum number of options that can vest is for a performance level of 130% versus the assigned levels of the performance indicators). The share options granted will not vest if the performance conditions are not met or if the participant leaves Agricover Group before vesting

Notes to the Condensed Interim Financial Statements

Financial performance

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

date.

Options are granted under the SOP for no consideration and carry no dividend or voting rights. The share options are exercisable at 0.1 RON/share.

Since the Company has no obligation to settle the share option plan, which is administered and settled directly by the Parent, the arrangement is classified as an equity-settled share-based payment, under IFRS 2 – *Share Based Payments*. Accordingly, the Company recognizes the related service cost as an expense over the vesting period, which is the period over which the service and performance conditions are satisfied, with a corresponding credit recognized directly in equity.

The service cost is determined by reference to the fair value of the underlying shares. The fair value of the share options is estimated at the grant by considering, among others, the consolidated equity of the Company, the consolidated net profit of the Parent’s agricultural inputs distribution segment (as reported in its most recent annual consolidated financial statements) and relevant average market multiples. Such multiples include the price-to-book value ratio and the price-to-earnings ratio of relevant entities or sectors listed on the Bucharest Stock Exchange. The performance conditions are only considered in determining the number of instruments that will ultimately vest and have no impact on the value of the options granted.

The Parent provides a redemption mechanism of the shares acquired under the SOP, as follows:

- anytime during the holding period, the new shareholder has the right to ask the Parent to buy his/her shares and the Parent has the right to accept or deny the acquisition. Identical acquisition options can be initiated by the Parent as well, without the holder having the obligation to accept the sale. In practice, except as stated below, there is no obligation on either side to buy or sell as a result of the other party's sell or buy initiative.
- shares are mandatorily redeemable by the Parent upon employment termination of the participants to the program.

Set out below are details regarding the number of options granted, exercised or expired under the plan during the six-month period ended 30 June 2025 and, respectively for the year ended 31 December 2024:

Number of options	2025	2024
1 January	16,360,107	10,651,804
Granted during the period	5,149,623	15,090,236
Exercised during the period	(2,365,170)	(932,368)
Expired during the period	(7,118,997)	(8,449,565)
30 June/ 31 December	12,025,563	16,360,107

As at 30 June 2025 all options outstanding are unvested and have an exercise price of 0.1 RON/share. The weighted average remaining contractual life of options outstanding is 1.39 years at 30 June 2025. For the six-month period ended 30 June 2025 the Company recognized an expense of 56 thousand RON in relation to the SOP (six-month period ended 30 June 2024: 490 thousand RON).

Notes to the Condensed Interim Financial Statements

Financial performance

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

6 CURRENT AND DEFERRED INCOME TAX

Current and deferred income tax charges are calculated on the basis of tax rates and tax laws enacted or substantively enacted in Romania at the balance sheet date.

Significant components of the income tax expense are presented below:

	30 June 2025	30 June 2024
Current tax – continued operations	(4,842)	(1,205)
Deferred tax income	1,720	1,030
Income tax (expense)	(3,122)	(175)

Deferred tax assets and liabilities as at 30 June 2025, including their movements during the six-months period then ended, are presented below:

	1 January 2025			30 June 2025	
	Deferred tax assets	Deferred tax liabilities	(Expense) / Income in the period	Deferred tax assets	Deferred tax liabilities
Expected credit losses	9,451	-	736	10,187	-
Other timings differences	1,096	-	984	2,080	-
	10,547	-	1,720	12,267	-

Fiscal Group for Income Tax Purposes

Starting with fiscal year 2025, Agricover Group has formed a fiscal group for income tax purposes in accordance with applicable tax legislation. The following entities are members of the fiscal group: Agricover Holding SA, Agricover Credit IFN SA, Agricover Distribution SA and Agricover Commodities SRL.

Notes to the Condensed Interim Financial Statements
Risk Management

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section discusses the Company's exposure to various risks, explains how these risks are managed and shows how these could affect the Company's financial position and performance.

7 FINANCIAL RISKS MANAGEMENT

The Company's strategy for growth and development has the farmers and their needs at its core. Our aim is to support our clients in achieving their potential and, in the process, to support the Romanian agriculture in its important role in the European and global food chain. With that in mind we have developed a business model which follows the seasonality of the agricultural year. The Company negotiates payment terms that match its clients' operating cycle.

In this context the trade receivables peak in June and are collected in the second part of the financial year (as the main crops are harvested and sold). Trade receivables are financed through similar agreements with suppliers (trade payables are also peaking around this period) and, where not possible or more costly for the Company, through bank loans (which follow the same seasonality).

This business model involves taking on and managing financial risks in a targeted manner. The core functions of the Company's risk management are to identify all key risks for the Company, measure these risks, manage the risk positions, and determine related capital allocations.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company regularly reviews its risk management policies and systems to reflect changes in markets and products with consideration of best market practice.

i. Credit risk

Credit risk is the risk of suffering financial loss should any of the Company's customers, clients or market counterparties fail to fulfill their contractual obligations to the Company.

Credit risk arises mainly from trade receivables but can also arise from other receivables from sales of non-current assets or from cash equivalents. Credit risk is the single largest financial risk for the Company's business. The Company's maximum exposure to credit risk is reflected by the carrying amounts of financial assets on the statement of financial position. The Company is active exclusively on the Romanian market, and sells products and services exclusively to farmers. Apart from that, there are no significant concentrations of risk. The biggest client represents 1.7% of the total trade receivables (31 December 2024: 1.9%), with the top 10 clients represent 8.6% of total trade receivables (31 December 2024: 11.85%).

Significant estimate – expected credit losses

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which requires a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, the Company uses a provision matrix whereby trade receivables and contract assets have been grouped based on the days past due.

The Company also analyses individually the trade receivables from companies within insolvency processes and the trade receivables past due for more than 270 days. This analysis may result in additional allowance related to subject receivables.

Notes to the Condensed Interim Financial Statements

Risk Management

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2025 or 31 December 2024 respectively and the corresponding historical credit losses experienced within this period. Where material, the historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The following sensitivities of the results to reasonably possible alternatives to the management's best estimates were performed:

- if loss rates were 20% higher, the allowance account would have been higher by 5.4 million RON;
- if loss rates were 10% lower, the allowance account would have been lower by 7.8 million RON.

On that basis, the expected credit loss allowance as at 30 June 2025, excluding related parties, was determined as follows for trade receivables:

DPD	Not due	1-30	31-60	61-90	91-180	181-365	> 365	Total
ECL rate (%)	0.34%	1.51%	92.67%	18.35%	79.53%	86.40%	100%	
Trade receivables	743,104	4,087	765	2,047	1,824	32,951	45,058	829,836
ECL	2,548	62	709	376	1,450	28,469	45,058	78,672

Comparative information as at 31 December 2024 is included below:

DPD	Not due	1-30	31-60	61-90	91-180	181-365	> 365	Total
ECL rate (%)	0.31%	7.78%	13.88%	27.23%	42.04%	11.04%	100%	
Trade receivables	276,897	667	20,622	16,043	35,069	2,066	48,916	400,280
ECL	861	52	2,863	4,368	14,743	228	48,916	72,031

ii. Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and commodities prices.

The Company is exposed to market risks arising from its open positions in interest rate and currency products. Quantitative and qualitative information about the Company's exposure to these risks as well as related risk management policies and practices within the Company are discussed in this note.

ii.1. Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro ("EUR") and US dollar ("USD").

The Company's exposure to foreign currency risk at the end of the reporting period, showing the Company's monetary financial assets and financial liabilities, at their carrying amounts, by

Notes to the Condensed Interim Financial Statements

Risk Management

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

denomination currency, was as follows (amounts are expressed in RON thousand equivalent):

	30 June 2025		31 December 2024	
	EUR	USD	EUR	USD
<i>Assets</i>				
Cash and bank balances	9	55	106	60
Finance lease receivable from related parties	2,932	-	1,173	-
Trade and other receivables	61	-	61	-
Total assets	3,002	55	1,340	60
<i>Liabilities</i>				
Borrowings	40,913	19,508	12,516	27,895
Lease liabilities	34,053	-	32,722	-
Trade and other payables	54,546	3,508	38,495	1,196
Total Liabilities	129,512	23,016	83,733	29,091
Net financial position	(126,510)	(22,961)	(82,393)	(29,031)

The following table presents sensitivities of profit or loss and equity to reasonably possible changes in EUR and USD exchange rates relative to the functional currency. The sensitivities are calculated by applying the changes in the exchange rates to the above net financial position.

	30 June 2025	30 June 2024
	EUR strengthening by 1.2%	EUR strengthening by 1.5%
<i>Gain / (loss) before tax of:</i>	(1,552)	(1,399)
<i>Equity</i>	(1,304)	(1,175)

	30 June 2025	30 June 2024
	USD strengthening by 3.15%	USD weakening by 1.3%
<i>Gain / (loss) before tax of:</i>	(724)	451
<i>Equity</i>	(608)	379

ii.2. Interest rate risk

The Company's main interest rate risk arises from borrowings with floating rates, which expose the Company to cash flow interest rate risk. The company's policy is to attract floating rate borrowings, and all its borrowings as at 30 June 2025 are floating rate.

The Company's borrowings and receivables are carried at amortized cost. The borrowings are periodically contractually repriced (see below) and to that extent are also exposed to the risk of future changes in market interest rates. The exposure of the Company to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows (assets and liabilities are included at carrying amount and categorized by the earlier of contractual repricing or maturity dates).

Notes to the Condensed Interim Financial Statements
Risk Management

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Asset / liability class	up to 1 month	1 to 3 months	3 to 12 months	1 year and above	Total
Trade and other receivables	282,578	151,635	303,001	29,867	767,081
Lease receivable	142	278	1,212	1,300	2,932
Cash and cash equivalents	347	-	-	-	347
Total financial assets	283,067	151,913	304,213	31,167	770,360
Borrowings	60,969	34,690	74,741	-	170,400
Lease liabilities	730	1,444	7,110	24,977	34,261
Trade and other payables	106,173	109,362	332,329	-	547,864
Total financial liabilities	167,872	145,496	414,180	24,977	752,525
Interest repricing gap	115,195	6,417	(109,967)	6,190	17,835

Comparative information as at 31 December 2024 is included below:

Asset / liability class	up to 1 month	1 to 3 months	3 to 12 months	1 year and above	Total
Trade and other receivables	37,280	17,388	283,901	1,070	339,639
Lease receivable	74	149	291	659	1,173
Cash and cash equivalents	495	-	-	-	495
Total financial assets	37,849	17,537	284,192	1,729	341,307
Borrowings	37,649	20,027	31,696	-	89,372
Lease liabilities	703	1,357	6,710	23,952	32,722
Trade and other payables	27,556	18,466	183,002	-	229,024
Total financial liabilities	65,908	39,850	221,408	23,952	351,118
Interest repricing gap	(28,059)	(22,313)	62,784	(22,223)	(9,811)

The following table presents sensitivities of profit and loss and equity to reasonably possible changes in interest rates. The sensitivities are calculated by applying the changes in the floating rates to the floating rate financial assets and liabilities outstanding at the reporting date.

	30 June 2025	30 June 2024
	Interest lower by 1.89%	Interest lower by 0.81%
<i>Gain / (loss) before tax of:</i>	2,310	644
<i>Equity</i>	1,940	541

8 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard the Company's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In recent years it has been the Company's practice to distribute around 65% of its net profit as dividends. In order to manage its capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Notes to the Condensed Interim Financial Statements

Financial assets and liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the Company's financial assets and liabilities, including specific information about each type of financial instrument held, related accounting policies for recognising and measuring financial instruments as well as their fair values.

9 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Payment terms depend on type of goods acquired and financing options selected by the client (e.g. own funds, loans from other entities within the Agricover group or commercial credit).

	30 June 2025	31 December 2024
Trade receivables	1,185,931	540,359
Expected commercial discounts	(356,095)	(140,079)
Trade receivables net of expected discounts	829,836	400,280
Less: allowance for trade receivables (note 7)	(78,672)	(72,031)
Trade receivables – net	751,164	328,249
Receivables from related parties (note 16)	15,764	11,366
Other receivables	252	123
Total other receivables	16,016	11,489
Less: allowance for other receivables	(99)	(99)
Total other receivables	15,917	11,390
Total, of which:	767,081	339,639
current portion	737,214	338,569
non-current portion, of which:	29,867	1,070
Trade receivables	29,867	1,070

10 OTHER CURRENT ASSETS

	30 June 2025	31 December 2024
Advances for inventories	294	516
Right to returned goods	3,764	4,793
Prepayments	3,492	1,023
Advances to other suppliers	178	2,655
Other current assets	-	4,311
Total other current assets	7,728	13,298

Right to returned goods

In accounting for the implicit right of return for products sold to customers, the Company recognises the “Right to returned goods” asset (with a corresponding adjustment to cost of sales) representing its right to recover the products when it settles the refund obligation.

Notes to the Condensed Interim Financial Statements

Financial assets and liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

11 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet. As allowed by IAS 7: *Statement of Cash Flows*, the Company presents receipts and payments of interest, receipts of dividends, and income taxes paid within cash flows from operating activities; while payments of dividends are presented within cash flows from financing activities.

As at 30 June 2025 and 31 December 2024 Cash and cash equivalents presented in the Statement of financial position and in the Statement of cash flows are represented by current accounts held with highly reputable local banks.

12 BORROWINGS

All borrowings are contracted from local banks, bear floating interest rates and are secured by pledges on inventories and on current accounts opened at respective banks and by assignment of receivables.

Compliance with covenants

Under the terms of its major borrowing facilities and of its engagements took under the prospectus of the bonds issued by its Parent, the Company is required to comply with certain financial covenants. All applicable financial covenants are tested annually, considering the audited annual IFRS based financial statements of the Company. As at 31 December 2024, where covenants thresholds were breached, the Company has obtained relevant waivers from its lenders.

13 CONTRACT LIABILITIES

A contract liability is recognized when a payment is received, or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognized as revenue when the Company performs under the contract (i.e. transfers control of the related goods or services to the customer).

	30 June 2025	31 December 2024
Advances from customers	4,263	5,391
Deferred revenues	120	370
Total	4,383	5,761

To mitigate price and availability risk farmers chose to secure their acquisitions by placing firm orders backed by prepayments.

Notes to the Condensed Interim Financial Statements

Financial assets and liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

14 TRADE AND OTHER PAYABLES

	30 June 2025	31 December 2024
Trade payables	550,199	218,040
Expected commercial discounts	(54,990)	(16,394)
Trade payables net of expected discounts	495,209	201,646
Payables to related parties (note 16)	48,999	23,132
Dividends	3,590	4,241
Fixed assets suppliers	66	5
Total financial liabilities	547,864	229,024
Other non-financial liabilities		
Refund liability	4,408	5,925
Tax on turnover	-	491
Value added tax	6,262	-
Personnel and related taxes	11,788	9,362
Other current liabilities	74	80
Total non-financial liabilities	22,532	15,858
Total trade and other payables	570,396	244,882

Trade and other payables are unsecured and their carrying amounts are considered to be the same as their fair values, due to their short-term nature.

Notes to the Condensed Interim Financial Statements
Non-Financial Assets and Liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the Company's non-financial assets and liabilities, including specific information about Inventories.

15 INVENTORIES

	30 June 2025	31 December 2024
Seeds	1	7,011
Crop nutrition products	883	1,766
Crop protection products	64,835	50,468
Total carrying amount of goods purchased for resale	65,719	59,244
Packaging, spare parts and other consumables	760	701
Total	66,479	59,946

During the period of six months ended 30 June 2025, 0.3 million RON (30 June 2024: 0.9 million RON) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales, part of *Write-down and losses of inventories*.

Notes to the Condensed Interim Financial Statements

Other information

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to the Company's financial performance, its risk management or to individual line items in the condensed interim financial statements.

16 RELATED PARTIES TRANSACTIONS

Significant related party transactions of the Company were conducted on terms judged by management to be equivalent to those prevailing in an arm's length transaction. The Company discloses below its significant transactions, related income, expenses and balances in respect of each of the following categories of related parties:

Category	Definition	Impact on the financial statements
Parent	entity that controls the Company	the main shareholder of the Company is Agricover Holding SA.
Key management	persons having authority and responsibility for planning, directing and controlling the activities of the Company and its subsidiaries,	there are no significant transactions between the Company and key management. key management compensation is disclosed below in this note.
Other related parties	related parties that do not fall under any of the above categories, and are not subsidiaries, associates, or joint ventures of the Company	significant transactions with other related parties are disclosed below in this note.

Ultimate beneficial owner

The ultimate beneficial owner of the Company is Mr. Kanani Jabbar, who controls 86.780% of the share capital and voting rights of the Company's Parent (31 December 2024: 87.080%).

Key management compensation

During six months period ended 30 June 2025 compensation granted to key management personnel amounts to 1.2 million RON (30 June 2024: 1.1 million RON). It represents short term benefits, including monthly salaries and performance bonuses. Additional expense of RON 90 thousand was recognised in the six-month period ended 30 June 2025 related to share-based compensation granted to key management personnel (for further detail please refer to note 5). There are no other types of benefits granted by the Company to key management.

Notes to the Condensed Interim Financial Statements

Other information

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Transactions with other related parties

The following transactions were carried out with other related parties during the six-month period ended 30 June 2025 and 30 June 2024:

	30 June 2025	30 June 2024
Sales to other related parties:	4,344	11,669
Sale of services	-	1,418
Sale of goods	4,344	10,251
Rent revenue from other related parties	99	555
Acquisitions from other related parties:	36,033	23,012
Purchase of services	148	205
Purchase of goods	35,885	22,807
Financial expenses/ (revenues) with other related parties	-	(254)
Interest income from other related parties	80	-

In the six-months period ended 30 June 2025 AGV Commodities SA, wholly owned by the Company's Parent, acted as an agent for the Company in relation to IT licenses and other service acquisitions with a total cost of 0.1 million RON (30 June 2024: 0.4 million RON).

Commissions paid by the Company to Agricover Credit IFN (wholly owned by the Company's Parent) for cross-sale transactions are deducted from Revenue and amount to 0.1 million RON for the six-month period ended 30 June 2025 (30 June 2024: 0.3 million RON).

Outstanding balances arising from transactions with other related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	Note	30 June 2025	31 December 2024
Receivables from other related parties:		18,696	12,539
Trade and other receivables	9	15,764	11,366
Finance lease receivables		2,932	1,173
Payables to other related parties:		52,589	27,373
Trade and other payables	14	48,999	23,132
Dividends	14	3,590	4,241

17 EVENTS AFTER THE REPORTING PERIOD

No significant events after the reporting period.



Report on Review of Condensed Interim Financial Statements

To the Sole Shareholder of Agricover Commodities SRL:

Introduction

We have reviewed the accompanying condensed statement of financial position of Agricover Commodities SRL as at 30 June 2025 and the related condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

For and on behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered in the electronic public register of the financial auditors and audit firms under no FA6

**Refer to the original signed
Romanian version**

Francesca Postolache

Financial auditor

registered in the electronic public register of the financial auditors and audit firms under no AF1716

Bucharest, 20 August 2025

PricewaterhouseCoopers Audit S.R.L.

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This version of our report is a translation from the original, which was prepared in Romanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

AGRICOVER COMMODITIES SRL

**CONDENSED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE SIX-MONTH PERIOD ENDED
30 JUNE 2025**

Prepared in accordance with **IAS 34 Interim Financial Reporting**,
as adopted by the European Union

** The original version of the condensed interim financial statements was written in Romanian. This document is an English translation of the original document. In case of any discrepancy between the English text and the Romanian text, the latter will prevail.*

AGRICOVER COMMODITIES SRL | Condensed Interim Financial Statements
as at and for the six-month period ended 30 June 2025

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AGRICOVER COMMODITIES SRL | Condensed Interim Financial Statements
as at and for the six-month period ended 30 June 2025

Condensed Statement of Financial Position as at

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	30 June 2025	31 December 2024
ASSETS			
Non-current assets			
Property, plant and equipment		64	299
Right of use assets		841	371
Intangible assets		177	1,018
Finance lease receivable		230	141
Deferred income tax assets		898	-
		2,210	1,829
Current assets			
Inventories	14	53	48
Trade and other receivables	9	37,277	7,793
Other current assets	15	6,311	3,924
Finance lease receivable		178	97
Cash and cash equivalents	10	4,866	628
		48,685	12,490
Total assets		50,895	14,319
EQUITY AND LIABILITIES			
Equity			
Share capital	8	22,257	31,045
Retained earnings		(18,824)	(41,313)
Other reserves		32	13
Total equity		3,465	(10,255)
Non-current liabilities			
Lease liabilities		666	351
		666	351
Current liabilities			
Trade and other payables	12	12,277	14,880
Borrowings	11	26,506	2,577
Lease liabilities		577	261
Contract liabilities	13	7,404	6,505
		46,764	24,223
Total liabilities		47,430	24,574
Total equity and liabilities		50,895	14,319

AGRICOVER COMMODITIES SRL | Condensed Interim Financial Statements
as at and for the six-month period ended 30 June 2025

Condensed Statement of Profit or Loss and Other Comprehensive Income
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	2025	2024
Continuing operations			
Revenue from contracts with customers	3	327,809	158,919
Cost of sales	5	(321,709)	(156,542)
Net credit losses on financial assets	7	(162)	(25)
Gross profit		5,938	2,352
Administrative expenses	5	(5,474)	(1,053)
Research and development	5	-	(277)
Other operating expenses, net		(538)	12
Operating profit/ (loss)		(74)	1,034
Finance income	4	14	10
Finance costs	4	(555)	(3)
Exchange differences gain / (loss)		569	(2)
Profit/ (Loss) before tax		(46)	1,039
Income tax	6	746	-
Profit/ (Loss) for the period from:			
Continuing operations		700	1,039
Discontinued operations	16	1	(6,059)
Total profit / (loss) for the period		701	(5,020)
Total comprehensive income / (loss) for the period		701	(5,020)

Approved for issue and signed on 20 August 2025.

Liviu Dobre

Administrator

AGRICOVER COMMODITIES SRL | Condensed Interim Financial Statements
as at and for the six-month period ended 30 June 2025

Condensed Statement of Changes in Equity for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Share capital	Other reserves	Retained earnings	Total equity
at 1 January 2025	31,045	13	(41,313)	(10,255)
Profit for the period	-	-	701	701
Total comprehensive profit for the period	-	-	701	701
Increase in share capital	13,000	-	-	13,000
Decrease in share capital	(21,788)	-	21,788	-
Increase in other reserves	-	19	-	19
Total transactions with owners	(8,788)	19	21,788	13,019
at 30 June 2025	22,257	32	(18,824)	3,465

	Share capital	Other reserves	Retained earnings	Total equity
at 1 January 2024	22,545	-	(22,000)	545
Loss for the period	-	-	(5,020)	(5,020)
Total comprehensive loss for the period	-	-	(5,020)	(5,020)
Increase in share capital	8,500	-	-	8,500
Increase in other reserves	-	7	-	7
Total transactions with owners	8,500	7	-	8,507
at 30 June 2024	31,045	7	(27,020)	4,032

AGRICOVER COMMODITIES SRL | Condensed Interim Financial Statements
as at and for the six-month period ended 30 June 2025

Condensed Statement of Cash Flows
for the six-month period ended 30 June

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

	Notes	2025	2024
Cash flows from operating activities			
Profit/ (Loss) for the period, out of which:		701	(5,020)
<i>Continued operations</i>		700	1,039
<i>Discontinued operations</i>	16	1	(6,059)
Adjustments for:			
Net credit loss allowance	7	162	25
Depreciation and amortization	5, 16	224	1,531
Loss/ (gain) from the sale of intangible assets		75	-
Write-off intangible assets		662	-
Unrealized FX differences		(504)	1
Income tax expense/ (income)		(746)	-
Interest income	4	(14)	(10)
Interest expense	4	460	1,030
Changes in working capital:			
(Increase) / Decrease in trade receivables and other current assets		(32,251)	(23,824)
(Increase)/ Decrease in inventories		(5)	(553)
Increase / (Decrease) in trade and other payables		(1,519)	5,597
		(32,755)	(21,223)
Interest paid		(1,165)	(280)
Income tax paid		(139)	-
Net cash from / (used in) operating activities		(34,059)	(21,503)
Cash flows from investing activities			
Payments for acquisitions of intangible and fixed assets		(20)	(1,610)
Proceeds from sale of intangible and fixed assets		264	-
Proceeds from finance lease receivables		62	-
Net cash generated by/ (used in) investing activities		306	(1,610)
Cash flows from financing activities			
Proceeds from borrowings		77,665	43,799
Repayment of borrowings		(52,487)	(28,791)
Payments for lease liabilities		(187)	-
Proceeds from increase of share capital		13,000	8,500
Net cash flows generated by / (used in) financing activities		37,991	23,508
Cash and cash equivalents at the beginning of the year		628	113
Net increase in cash and cash equivalents	10	4,238	395
Cash and cash equivalents at the end of the period		4,866	508

This section includes general information about the Company as well as material accounting policy information that relate to the condensed interim financial statements as a whole.

1 GENERAL INFORMATION

Agricover Commodities SRL ("the Company", formerly known as Agricover Technology SRL) is an entity established in 2020 and registered at the Trade Register under number J2020004637233. The Company is based in Romania and is specialised in the distribution of agricultural inputs (mostly commodities).

The Company's headquarter is located in Blvd. Pipera nr. 1B, Voluntari, Ilfov, Romania.

The parent company is Agricover Holding SA, registered with the Trade Register under number J23/447/2018 and has its headquarters in Voluntari, Bld. Pipera, no. 1B, Cubic Center, 8 floor, Ilfov county, Romania. Agricover Holding SA prepares consolidated financial statements of the Group which include Agricover Holding SA ("the Parent company") and its material subsidiaries Agricover Distribution SA, Agricover Credit IFN SA, Clubul Fermierilor Romani Broker de Asigurare SRL, Agricover Payments SRL and Agricover Commodities SRL. These consolidated interim financial statements are public and are available on the parent's website, at <https://relatii-investitori.agricover.ro/en/investor-relations>.

2 BASIS OF PREPARATION

i. Compliance statement

These condensed interim financial statements as at and for the six-month period ended 30 June 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, and should be read in conjunction with the Company's last annual financial statements as at and for the year ended 31 December 2024 ("last annual financial statements"). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS, as adopted by EU. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

ii. Historical cost convention

These condensed interim financial statements have been prepared under the historical cost convention.

iii. Consistent application of accounting policies

The material accounting policies applied are consistent with those of the previous financial year. The preparation of interim financial statements in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, requires the use of judgements and estimates. The areas involving a higher degree of judgment or complexity or areas where estimates are significant to the interim financial statements, are disclosed in the relevant Notes to these condensed interim financial statements if significantly changed during the interim period as compared to the last annual financial statements.

iv. Functional and presentation currency

These condensed interim financial statements are presented in Romanian New Lei ("RON"), which is the Company's functional currency. All amounts are presented in thousands RON and rounded to the nearest unit, unless otherwise stated.

v. Going concern

After consideration of the Company's liquidity, level of indebtedness, budgeted cash flows and related assumptions, management believes that the Company has adequate resources to continue in operation for the foreseeable future and these condensed interim financial statements are prepared on this basis.

As a result of the losses recorded during the year ended 31 December 2024, the Company's net assets, defined as the difference between its total assets and total liabilities, fell below half of its subscribed share capital. In order to comply with the provisions of Companies Act 31/1990, as modified and amended, the sole shareholder: i) reduced the share capital by 21.8 million RON to cover historical losses accumulated in retained earnings; ii) increased the share capital through a cash contribution of 13.0 million RON. A further reduction of share capital is planned for the second half of 2025 to cover the remaining accumulated losses, after which the Company will be fully aligned with the requirements of the Companies Act 31/1990.

Given the positive early results of the strategic changes outlined in the last annual financial statements, including the implementation of streamlined commodity-like agricultural inputs distribution business, the management remains confident in the Company's future prospects. Accordingly, the application of the going concern principle in the preparation of these financial statements is considered appropriate. Furthermore, in view of the above and in line with approved budgets, the Group will continue to support the operation and development of the Company.

vi. Standards and amendments newly applicable for periods starting 1st January 2025

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the last Company's annual financial statements, except for the adoption of new standards or amendments to existing standards effective as of 1 January 2025.

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates', relating to the lack of foreign exchange ability

The amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Company's condensed interim financial statements.

Notes to the Condensed Interim Financial Statements
Financial Performance

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the Company's financial performance. The section covers significant disclosures about accounting policies and significant judgments and estimates made in relation to particular items.

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company generates revenue mainly through distribution of commodity-like agricultural inputs (i.e. crop nutrition products and fuel) to farmers. The breakdown of revenues by product type is shown below.

	30 June 2025	30 June 2024
Revenues from sale of		
Crop nutrition products	141,576	-
Fuel	186,233	158,919
Total	327,809	158,919

In 2024, the Company launched a new operation focused on the distribution of commodity-like agricultural inputs, primarily crop nutrition products and fuel. This operation has already proven to be profitable and is expected to continue to generate positive results moving forward.

The increase in revenue for the six-month period ended 30 June 2025, compared to the same period in 2024, is primarily attributable to the implementation of this commodities distribution business model in 2024. The distribution of fuel products started during the first quarter of 2024 (in March), while the crop nutrition segment followed in the third quarter of the same year. As a result, the current period reflects a full six-months of revenue under the new model for fuel and crop nutrition products.

4 FINANCE INCOME AND FINANCE COSTS

Significant components of finance income and expenses included in the profit or loss are presented below:

	30 June 2025	30 June 2024
Interest income	14	10
Finance income	14	10
Interest expense	(460)	-
Other finance losses	(95)	(3)
Finance costs	(555)	(3)

The increase in interest expense and net foreign exchange gain compared to the prior period is directly linked to the growth in revenue, which required additional financing and resulted in a higher volume of foreign currency transactions.

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

5 PRESENTATION OF EXPENSES BY NATURE

In the statement of profit or loss and other comprehensive income, the Company presents its expenses by function.

All operating expenses of the Company are allocated to cost centres. Expenses related to the purchasing and distribution process (e.g. salaries of staff in: procurement or sales force, costs related to consumables, etc.) are allocated to cost of sales. Expenses incurred to support the operation of the business but not directly related to the distribution process (e.g. support functions including financial or human resources, rental expenses for headquarters, etc.) are allocated to administrative expenses.

The table below presents the breakdown of expenditure by nature:

	30 June 2025	30 June 2024
Merchandise	(321,709)	(156,156)
Employee costs	(2,210)	(214)
Transportation expenses	(41)	-
Third party services	(870)	(1,098)
Depreciation and amortisation	(224)	(19)
Consumables expenses	(45)	(385)
Communication and marketing	(213)	-
Repairs and maintenance	(71)	-
Taxes other than income tax	(1,661)	-
Other	(139)	-
Total, of which	(327,183)	(157,872)
<i>Cost of sales</i>	(321,709)	(156,542)
<i>Administrative expenses</i>	(5,474)	(1,053)
<i>Research and development</i>	-	(277)

The increase in operating costs for the six-month period ended 30 June 2025 primarily reflects the growth in business activity following the implementation of the new business model in 2024 (refer to *Revenue From Contracts with Customers* note above). The most significant changes relate to merchandise costs, consistent with higher sales volumes, and employee costs, reflecting the operational capacity needed to run the business.

Taxes other than income tax

Starting from the fiscal year 2024, Law 296 regarding certain fiscal and budgetary measures for ensuring the long term financial sustainability of Romania, issued on 26 October 2023, with subsequent amendments and modifications ("Law 296") introduced a tax on revenue for entities operating in the oil and gas sector with a turnover exceeding 50 million EUR in the previous fiscal year. This tax applies in addition to corporate income tax and is calculated based on total revenue, with only certain types of revenue being excluded. In these condensed interim financial statements, the Company recognized a related expense of 1.7 million RON under *Taxed other than income tax*.

Defined Contribution Plan

The Company paid 0.5 million RON to defined contribution retirement plans during the period ended 30 June 2025 (30 June 2024: 0.6 million RON). Beyond the settlement of monthly contributions, the Company has no other obligations towards its employees in relation to their defined contribution retirement plans.

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

6 CURRENT AND DEFERRED INCOME TAX

Current and deferred income tax expense is calculated based on tax rates and tax laws enacted or substantively enacted in Romania, at the balance sheet date.

Deferred tax assets as at 30 June 2025 are presented below:

	01-Jan-25		(Charged) / Credited to profit or loss	30-Jun-25	
	Deferred tax assets	Deferred tax liabilities		Deferred tax assets	Deferred tax liabilities
Fiscal losses carried forward	-	-	898	898	-

Deferred Tax Asset on Carried Forward Fiscal Losses

A deferred tax asset has been recognised in respect of fiscal losses carried forward. The estimation of the deferred tax asset was based on that company's profit generated during the first half of 2025. For the purpose of this estimation, and considering that under applicable tax rules fiscal losses carried forward may be utilised up to 70% of the taxable profit in any given fiscal year, the Company has conservatively assumed utilisation of only 50% of such profit in fiscal year 2025 and in each subsequent year until the earlier of (i) the expiry of the carry-forward period for the losses, or (ii) full utilisation of those losses.

As at 30 June 2025, the Company has cumulative fiscal losses amounting to RON 36,730 thousand (31 December 2024: RON 38,975 thousand).

The expiration dates for the cumulative fiscal losses as at 30 June 2025 are presented below:

		Expiring date (31 December...)						
		2026	2027	2028	2029	2030	2031	2032
Fiscal losses	36,730	-	-	155	22,691	13,884	-	-

The expiration dates for the cumulative fiscal losses as at 31 December 2024 are presented below:

		Expiring date (31 December...)						
		2025	2026	2027	2028	2029	2030	2031
Fiscal losses	38,975	-	-	753	1,748	21,696	14,778	-

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section discusses the Company's exposure to various risks, explains how these risks are managed and indicates how they could affect the Company's financial position and performance.

7 FINANCIAL RISKS MANAGEMENT

The Company's strategy for growth and development has the farmers and their needs at its core. The Company's aim is to support its customers in reaching their potential and, in the process, to support Romanian agriculture in its important role in the European and global food chain.

This business model involves taking on and managing financial risks in a targeted manner. The core functions of the Company's risk management are to identify the key risks to the Company, measure these risks, manage the risk positions and determine related capital allocations.

The Company's Administrator has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and market best practice.

The Company's risk management policies are consistent with those disclosed in the last annual financial statements.

i. Credit risk

Credit risk is the risk of suffering financial loss if any of the Company's customers or market counterparties fail to fulfil their contractual obligations to the Company.

Credit risk arises primarily from trade receivables, but may also arise from other receivables, or cash equivalents. The Company's maximum exposure to credit risk is reflected by the carrying amounts of financial assets in the statement of financial position.

On that basis, the expected credit losses ("ECL") for trade receivables as at 30 June 2025, excluding related parties, were determined as follows:

DPD	Not due	1-30	31-60	61-90	91-180	181-365	> 365	Total
ECL rate (%)	0.06%	1.47%	7.63%	13.83%	21.18%	27.84%	100%	
Trade receivables	30,969	4,503	1,153	123	57	29	10	36,844
ECL	5	66	88	17	12	8	10	206

Comparative information as at 31 December 2024 is included below:

DPD	Not due	1-30	31-60	61-90	91-180	181-365	> 365	Total
ECL rate (%)	0.06%	1.47%	7.63%	13.83%	21.18%	27.84%	100%	
Trade receivables	6,861	273	170	65	33	32	-	7,434
ECL	2	4	13	9	7	9	-	44

ii. Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates.

The Company is exposed to market risks arising from its open interest rate and foreign exchange positions, as well as from its long position of commodity-like agricultural inputs (mostly crop nutrition

Notes to the Condensed Interim Financial Statements
Risk management

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

products). Quantitative and qualitative information about the Company's exposure to these risks and the related risk management policies and practices within the Company are discussed in this note.

a) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises from future commercial transactions and recognised monetary assets and liabilities. The Company is exposed mainly to the euro ('EUR') and the US dollar ("USD").

The Company's exposure to foreign currency risk at the end of each reporting period, presenting the Company's monetary financial assets and monetary financial liabilities, at their carrying amounts, by denomination currency, was as follows (amounts are expressed in RON thousand equivalent):

	30 June 2025		31 December 2024	
	EUR	USD	EUR	USD
Active				
Cash and balances with banks	12	261	33	2
Finance lease receivable	408	-	238	-
Trade and other receivables	-	-	-	-
Total assets	420	261	271	2
Liabilities				
Borrowings	(26,506)	-	-	(1,571)
Lease liabilities	(1,243)	-	(612)	-
Trade and other payables	(3,865)	(87)	(2,233)	(84)
Total liabilities	(31,614)	(87)	(2,845)	(1,655)
Net financial position	(31,194)	174	(2,574)	(1,653)

The following table presents the sensitivities of profit or loss to reasonably possible changes in EUR exchange rate relative to the functional currency. The sensitivities are calculated by applying the changes in the exchange rate to the net financial position above.

	30 June 2025		30 June 2024	
	EUR strengthening by 1.2%	USD strengthening by 3.2%	EUR strengthening by 1.5%	USD weakening by 1.3%
<i>Profit / (loss) before tax of:</i>	(383)	5	3	-
<i>Net profit/ (loss)</i>	(321)	5	2	-

b) Interest rate risk

The Company's main interest rate risk arises from floating rate borrowings, which expose the Company to cash flow interest rate risk. The Company's policy is to attract floating rate borrowings, and all of its borrowings at 30 June 2025 and 31 December 2024 are floating rate.

The Company's borrowings and receivables are carried at amortised cost. The borrowings are periodically contractually repriced (see below) and to that extent expose the Company to cash flow interest rate risk. All other financial assets and financial liabilities of the Company, including trade and other receivables, cash and cash equivalents, and trade and other payables do not bear interest and to

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Notes to the Condensed Interim Financial Statements

Risk management

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

that extent expose the Company to fair value interest rate risk.

The exposure of the Company to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows (assets and liabilities are included at carrying amount and categorized by the earlier of contractual repricing or maturity dates).

Asset / liability class	up to 1 month	1 to 3 months	3 to 12 months	1 year and over	Total
Trade and other receivables	-	34,497	2,780	-	37,277
Finance lease receivable	13	28	132	235	408
Cash and cash equivalents	4,866	-	-	-	4,866
Total financial assets	4,879	34,525	2,912	235	42,551
Borrowings	-	(26,506)	-	-	(26,506)
Lease liabilities	(46)	(91)	(441)	(665)	(1,243)
Trade and other payables	(9,262)	(971)	(86)	-	(10,319)
Total financial liabilities	(9,308)	(27,568)	(527)	(665)	(38,068)
Interest repricing gap	(4,429)	6,957	2,385	(430)	4,483

The comparative information as at 31 December 2024 is presented below:

Asset / liability class	up to 1 month	1 to 3 months	3 to 12 months	1 year and over	Total
Trade and other receivables	-	3,453	4,340	-	7,793
Finance lease receivable	7	15	75	141	238
Cash and cash equivalents	628	-	-	-	628
Total financial assets	635	3,468	4,415	141	8,659
Borrowings	-	(1,571)	(1,006)	-	(2,577)
Lease liabilities	(20)	(39)	(202)	(351)	(612)
Trade and other payables	(9,512)	(4,218)	(11)	-	(13,741)
Total financial liabilities	(9,532)	(5,828)	(1,219)	(351)	(16,930)
Interest repricing gap	(8,897)	(2,360)	3,196	(210)	(8,271)

The following table presents sensitivities of profit or loss and equity to reasonably possible changes in interest rates. The sensitivities are calculated by applying the changes in the floating rates to the floating rate financial assets and liabilities outstanding at the reporting date.

	30 June 2025 Interest lower by 1.87 %	30 June 2024 Interest lower by 0.81%
Profit / (loss) before tax of:	440	138
Net profit/ (loss)	370	116

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section contains information about the Company's share capital, the Company's equity, what is managed as capital, and the Company's capital management practices.

8 EQUITY AND CAPITAL MANAGEMENT

The Company's shares and shareholding structure are detailed below:

Ordinary shares, issued and fully paid:	30 June 2025	31 December 2024
at 1 January	3,104,500	2,254,500
cancelled during the period	(2,178,763)	-
issued during the period	1,300,000	850,000
at the end of the period,	2,225,737	3,104,500
RON 10 each, 100% owned by:		
Agricover Holding SA	2,225,737	3,104,500

Issued share capital is detailed below:

	30 June 2025	31 December 2024
Share capital	22,257	31,045

Capital management

The Company's objectives when managing capital are to:

- safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for its stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

Changes in the share capital were primarily undertaken to cover accumulated losses and ensure compliance with the requirements of the Companies Act 31/1990, as modified and amended. Further details are included in Note 2, *Going Concern* section.

Other reserves

Other reserves include share-based payments reserve.

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the Company's financial assets and liabilities, including specific information about each type of financial instrument held as well as their fair values. Accounting policies for recognising and measuring financial instruments are the ones disclosed in the Company's last annual financial statements.

9 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Payment terms depend on type of goods acquired and the financing options selected by the customer (e.g. own funds, loans from other entities within the Agricover Group or commercial credit), and generally do not exceed 30 calendar days.

	30 June 2025	31 December 2024
Trade receivables	36,844	7,434
Less: allowance for trade receivables	(206)	(44)
Trade receivables - net	36,638	7,390
Receivables from related parties (note 17)	613	123
Other receivables	26	280
Total other receivables	639	403
Less: allowance for other receivables	-	-
Total other receivables - net	639	403
Total trade and other receivables	37,277	7,793

Other receivables are represented mainly by deductible and collected VAT.

10 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and deposits held with financial institutions, with original maturities of 3 months or less. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

As at 30 June 2025 and 31 December 2024 cash and cash equivalents presented in the statement of financial position are represented by placements held with highly reputable local banks.

11 BORROWINGS

	30 June 2025	31 December 2024
Current		
Borrowings from local banks	26,506	1,571
Borrowings from related parties	-	1,006
Total borrowings	26,506	2,577

Borrowings from related parties and from local banks are represented by working capital revolving credit lines, secured by promissory notes.

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Notes to the Condensed Interim Financial Statements
Financial Assets and Liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

12 **TRADE AND OTHER PAYABLES**

	30 June 2025	31 December 2024
Trade payables	10,430	9,643
Expected commercial discounts	(164)	(1,028)
Trade payables, net	10,266	8,615
Payables to related parties (note 17)	49	5,122
Fixed assets suppliers	4	4
Total other payables	53	5,126
Total financial liabilities	10,319	13,741
Other non-financial liabilities		
Personnel and related taxes	1,150	1,136
Tax on turnover	795	-
Other current liabilities	13	3
Total non-financial liabilities	1,958	1,139
Total trade and other payables	12,277	14,880

Trade and other payables are all current and unsecured.

Notes to the Condensed Interim Financial Statements
Non-Financial Assets and Liabilities

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides information about the Company's non-financial assets, including specific information about:

- Contract liabilities (note 13);
- Inventories (note 14);
- Other current assets (note 15);

and related material accounting information, judgements and estimates.

13 CONTRACT LIABILITIES

A contract liability is recognised when a payment is received, or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e. transfers control of the related goods or services to the customer).

14 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts, if the case. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Any net realisable value adjustment is reversed when the inventories are sold or when the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances.

Inventories of the Company are represented by crop nutrition products.

15 OTHER CURRENT ASSETS

	30 June 2025	31 December 2024
Advances for inventories	5,842	3,557
Prepayments	244	350
Other current assets	225	17
Total	6,311	3,924

Advances for inventories represent amounts paid by the Company to its suppliers of fuel and crop nutrition products. Prepayments represent mainly advance payments for software as a service expensed over the period of subscriptions.

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

This section provides details regarding the Company's discontinued operations, including the nature and financial impact of business activities that have been discontinued during the reporting period. It outlines the rationale behind the discontinuation, the financial performance of these operations, and their classification in the condensed interim financial statements.

16 DISCONTINUED OPERATIONS

During the second half of 2024, in response to challenges related to the slow adoption of advanced precision agriculture software and tools by farmers, the Company undertook a strategic reorganization of its business operations. As part of this reorganization, the Company decided to discontinue its digital operations, which included the closure of the Crop360 platform. The reorganisation involved the launch of a new business line focused on the distribution of commodity-like agricultural inputs, primarily crop nutrition products and fuel. This activity has already proven profitable and is expected to continue delivering positive results. Related details are provided in the last annual financial statements.

The Company assessed these operations as representing a major line of business and classified all directly attributable income and expenses as part of the "Profit/(loss) for the year from discontinued operations" line item in the statement of comprehensive income. Indirect costs (e.g. management, back office etc.) which are not directly attributable to the discontinued operations were not allocated to the result from discontinued operations as respective employees continued their activity with the Company as at the date of these financial statements, and are expected to continue in the foreseeable future. Moreover, when an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is restated as if the operation had been discontinued from the start of the comparative period.

As a consequence of the above, the statement of comprehensive income for both the six-month period ended 30 June 2025 and the six-month period ended 30 June 2024 presents the result of the Company's digital operations, including related research and development costs, on a separate single line related to discontinued operations under "Profit/(loss) for the period from discontinued operations".

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Notes to the Condensed Interim Financial Statements
Discontinued Operations

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

The statement of profit or loss and other comprehensive income (loss) related to discontinued operations is detailed below:

	30 June 2025	30 June 2024
Revenue from contracts with customers	-	4,586
Cost of sales	1	(3,366)
Gross profit	1	1,220
Administrative expenses	-	(2,190)
Research and development	-	(3,948)
Other operating expenses, net	-	(111)
Operating loss	1	(5,029)
Finance costs	-	(1,030)
Loss before tax	1	(6,059)
Income tax expense	-	-
Loss for the period from discontinued operations	1	(6,059)

The breakdown of other expenses from discontinued operations by nature is detailed in the table below.

	30 June 2025	30 June 2024
Merchandise	1	(3,366)
Employee costs	-	(2,522)
Transportation expenses	-	(66)
Third party services	-	(1,849)
Depreciation and amortisation	-	(1,386)
Consumables expenses	-	(86)
Communication and marketing	-	(159)
Repairs and maintenance	-	(49)
Other	-	(21)
Total, of which	1	(9,504)
<i>Cost of sales</i>	1	(3,366)
<i>Administrative expenses</i>	-	(2,190)
<i>Research and development</i>	-	(3,948)

Notes to the Condensed Interim Financial Statements

Other information

(all amounts are in thousands of RON, rounded to the nearest thousand unless otherwise stated)

This section of the notes includes other information that must be disclosed to comply with accounting standards and other pronouncements, but which is not immediately related to the Company's financial performance, its risk management or individual line items in the financial statements.

17 **RELATED PARTIES TRANSACTIONS**

Significant related parties transactions of the Company were conducted on terms judged by management to be equivalent to those prevailing in an arm's length transaction. The Company discloses below its significant transactions, related income, expenses and balances in respect of the following categories of related parties:

Parent company

The Company's sole shareholder is Agricover Holding SA. Mr. Kanani Jabbar, the ultimate beneficial owner of the Company, owns 86.780% of the share capital of the Parent company (31 December 2024: 87.080%). During the years 2025 and 2024 there were no significant transactions with the Parent company.

Key management

For the six-months ended 30 June 2025, the compensation granted to key management personnel amounts is RON 84 thousand (30 June 2024: nil). It represents short term benefits, including monthly salaries, performance bonuses and share based payments. There are no other types of benefits or commitments granted by the Company to key management.

Other related parties

The following transactions were carried out with related parties during the six-months ended 30 June 2025 and 30 June 2024:

	Notes	30 June 2025	30 June 2024
Sales to other related parties:		7,881	10
Sale of services		285	-
Sale of goods		7,796	-
Other operating income		85	10
Acquisitions from other related parties:		166	1,593
Purchase of services		166	1,593
Loans received from other related parties		25	986
Interest expenses		25	986
Income tax expense		139	-
Group profit tax		139	-

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Notes to the Condensed Interim Financial Statements
Other information

(all amounts in thousands RON, rounded to the nearest unit, unless otherwise stated)

Outstanding balances arising from transactions with other related parties

The following balances are outstanding at the end of each reporting period in relation to transactions with other related parties:

	Notes	30 June 2025	31 December 2024
Receivables from other related parties	9	613	123
Trade receivables		613	123
Payables to other related parties	12	49	5,122
Trade payables		42	5,084
Other payable		7	38
Borrowings	11	-	1,006

During the six-month period ended 30 June 2025, the Company acted as agent for Agricover Distribution SA, Agricover Credit IFN SA, and Agricover Payments SA, entities controlled by the Parent company, in relation to IT licenses and other IT service acquisitions with a total value of RON 357 thousand (30 June 2024: RON 482 thousand).

18 **EVENTS AFTER THE REPORTING PERIOD**

No significant events after the reporting period.