

**Report of the Board of Directors on the individual financial statements of  
COMELF SA prepared in accordance with the Order of the Ministry of Public Finance  
no. 2844/2016**

**For the financial year: 2025**

**Company name: COMELF S.A.**

**Registered Office: Bistrita, no. 4, Industriiei Street**

**Phone / fax number: 0263 234462;**

**Fax: 0263 238092**

**VAT code with the Trade Register Office: 568656**

**Registration number with the Trade Register: J06/02/1991**

**Subscribed and paid-in share capital: 13,036,325,34 lei**

**Regulated market in which the issued securities are traded: Bucharest Stock Exchange**

**The main characteristics of the securities issued by the company: -Dematerialized registered shares in the number of 22,476,423 with a nominal value of 0.58 lei/share.**

The Board of Directors of Comelf SA Bistrita, appointed by the General Meeting of Shareholders, has prepared, for the financial year 2025, this report on the balance sheet, income statement, statement of changes in equity, cash flow statement, accounting policy and explanatory notes included in the individual financial statements of 2025.

These financial statements are presented together with the Audit Report and this Directors' Report and refer to:

<b>Equity</b>	RON 76,458,670
<b>Total revenue:</b>	RON 163,897,017
<b>Profit of the period</b>	<b>4.787.536 RON</b>

The financial statements have been prepared in accordance with:

- (i) Accounting Law 82/1991 republished in June 2008 (Law 82);
- (ii) The provisions of Order no. 2844/2016;

Since 2012, the company presents individual financial statements prepared in accordance with the provisions of Order 2844/2016 (previously Order 1286/2012) for the approval of Accounting Regulations in accordance with International Financial Reporting Standards, applicable to companies whose securities are admitted to trading on a regulated market, with subsequent amendments and clarifications required by Order 881/2012.

COMELF was audited by the independent auditor G2 Expert. The results of the Company's audit are presented in the Report of the Independent Auditor G2 Expert.

**1. Review of the Company's activity:**

**i. Description of the basic activity of the Company:**

The company operates based on the Commercial Companies Law no. 31/1990 (with subsequent amendments and additions), the Capital Market Law no. 297/2004 and Law 24/2017 regarding issuers of financial instruments and market operations. According to article 6 of the Constitutive Act updated in July 2022, the object of activity of the Company is **"Manufacturing machines and equipment for earthworks, for power plants and environmental protection, equipment for lifting and transporting, including their subassemblies."**

**ii. Date of establishment of the Company:**

COMELF SA is a joint stock company established in Romania, in 1991, on the structure of the Bistrita Technological Equipment Company.

**iii. Changes in the Company's equity, mergers or significant reorganizations of the Company or its controlled companies during the financial year:**

COMELF is a company with Romanian majority capital and since 1995 COMELF has been listed on the Bucharest Stock Exchange, being part of the 12 founding companies. The subscribed and paid-in share capital at the end of the financial year 2025 is 13,036,325.34 LEI. The shareholding structure at the end of the period reviewed is (*Source: Depozitarul Central on 31.12.2025*): **Uzinsider SA-80.9292%** of shares and **Other natural and legal persons-19.0708%**.

COMELF is a production company in the field of machine building industry and its object of activity is the manufacture of equipment for power plants and environmental protection, metal structures in the field of renewable energy (source: water, wind and sun), earthmoving machines and equipment or sub-assemblies equipment for lifting and transport equipment, including components therefor. In order to carry out its activity, the company owns and operates a total of 18 buildings with a total area of 174.614 square meters, of which the built area, intended for operational activity, is 88.521 square meters, of which the basic production activity is carried out in 6 production halls equipped with machinery, installations, machine tools for machining, laboratories and utility networks for the production processes.

On 31.12.2024 COMELF S.A. fully acquired the shares of Mottra SRL, a company operating in the field of services (electrical repairs - engine winding), the acquisition value was 220.000 lei. COMELF SA has no subsidiaries.

**iv. Description of acquisitions and / or disposals of assets:**

Total assets as of December 31, 2025, amounted to 161,876,983 LEI, an increase of 4,066,604 LEI compared to the amount recorded at the beginning of the year, with the difference resulting from the following increases and decreases: (i) the decrease in the company's fixed assets due to depreciation (7,334,494 LEI), offset by investments in fixed assets in 2025 (6,980,034 LEI) and the sale of assets amounting to 5,317 LEI; (ii) the increase in current assets (4,415,747 LEI) and here, in detail, accounts receivable from customer contracts increase significantly due to sales volumes in the last quarter of 2025 compared to Q4 2024, the customer mix, and the varying collection terms reported for each customer in the mix (5,254,238 LEI), the value of advances for tangible fixed assets is increasing (48,231 LEI), (iii) the value of inventories is increasing (4,256,541 LEI) as a result of order volumes with delivery dates in the first quarter of 2026. In addition, trade receivables and other receivables

increase due to the VAT refund amount being significantly higher than at the end of the previous year, the current amount to be offset against liabilities to the state budget and the social security budget. The amount allocated to Depozitarul Central for the distribution of interim dividends increases, as does the amount receivable, recorded as a contra entry under advance revenue, in the account for the promise of sale of a property owned by COMELF SA. The amount of LEI 2,255,515 remains constant, representing corporate income tax and additional VAT, including interest and penalties, established following a tax audit for the period 2017-2022, amounts paid by COMELF but for which a court action was opened against the tax assessment decision, unsettled at the date of this report. Cash and cash equivalents decreased by 11,544,055 LEI compared to the beginning of the year, primarily as a result of dividend payments made during the year.

**v. The main results of the evaluation of the company's activity:**

The profit and loss account, i.e. the income and expenditure grouped by source during 2025, is presented as follows:

<b>Profit and loss account (thousand lei)</b>	<b>Year 2025</b>	<b>Year 2024</b>	<b>Differences</b>
<b>Turnover</b>	<b>157,810</b>	<b>166,012</b>	<b>(8,202)</b>
Other operating income, TOTAL, of which:	4,833	2,434	+2,399
Stored production variation (+/-)	3,142	318	+2,824
Income from operating subsidies	-	8	(8)
Income from investment grants	1,141	1,199	(58)
Other operating revenues	550	909	(359)
<b>Operating income-TOTAL</b>	<b>162,643</b>	<b>168,446</b>	<b>(5,803)</b>
Expenditures on raw materials, consumables, utilities, goods	70,436	70,834	(398)
Staff costs	59,267	58,916	+351
Provision expenses, depreciation and amortization adjustments, TOTAL of which:	7,567	8,331	(764)
Depreciation expenses	7,567	8,234	(667)
Value adjustment of current assets	-	97	(97)
Adjustments for provisions for risks and expenses	(252)	(363)	+111
Other operating expenses	17,574	18,044	(470)
<b>Operating expenses-TOTAL</b>	<b>154,592</b>	<b>155,762</b>	<b>(1,170)</b>
<b>Operating profit-TOTAL</b>	<b>8,051</b>	<b>12,684</b>	<b>(4,633)</b>
Financial income	1,254	295	+959
Financial expenses	3,839	3,210	+629
<b>Financial result</b>	<b>(2,585)</b>	<b>(2,915)</b>	<b>+330</b>
<b>Total revenue:</b>	<b>163,897</b>	<b>168,717</b>	<b>(4,820)</b>
<b>Overall expenses</b>	<b>158,431</b>	<b>158,948</b>	<b>(517)</b>
<b>Profit and loss account (thousand lei)</b>	<b>Year 2025</b>	<b>Year 2025</b>	<b>Differences</b>
<b>Gross result</b>	<b>5,466</b>	<b>9,769</b>	<b>(4,303)</b>
<b>Net result</b>	<b>4,787</b>	<b>8,990</b>	<b>(4,203)</b>
<b>EBITDA</b>	<b>15,366</b>	<b>20,652</b>	<b>(5,286)</b>
<b>EBITDA was determined as follows:</b>			

<b>Indicators (thousand lei)</b>	<b>2025</b>	<b>2024</b>	<b>Differences</b>
Operational profit	8,051	12,684	(4,633)
Provision expenses, depreciation and amortization adjustments,	7,315	7,968	(653)

Asset changes are as follows:

<b>Assets (thousand lei)</b>	<b>Year 2025</b>	<b>Year 2024</b>	<b>Differences</b>
<b>1.1. TOTAL fixed assets, of which:</b>	<b>75,813</b>	<b>76,162</b>	<b>(349)</b>
1.1.1. Tangible fixed assets	36,443	36,492	(49)
1.1.2. Real estate assets	38,240	39,051	(811)
1.1.3. Intangible assets	743	339	+404
1.1.4. Research and development expenditure	167	60	+107
<b>Assets (thousand lei)</b>	<b>Year 2025</b>	<b>Year 2024</b>	<b>Differences</b>
1.1.4. Financial assets	220	220	-
<b>1.2. Current assets TOTAL, of which:</b>	<b>86,064</b>	<b>81,649</b>	<b>+4,416</b>
1.2.1. Stocks of raw materials and materials	11,065	9,695	+1,370
<b>Assets (thousand lei)</b>	<b>Year 2025</b>	<b>Year 2024</b>	<b>Differences</b>
1.2.2. Stocks of finished products and production in progress	13,768	10,881	+2,887
1.2.3. Receivables from contracts with customers	39,530	34,276	+5,254
1.2.4. Income tax to be recovered	-	221	(221)
1.2.5. Other receivables and advances for fixed assets	12,522	5,852	+6,670
1.2.6. Cash and cash equivalents	9,179	20,723	(11,544)
<b>Total Assets</b>	<b>161,877</b>	<b>157,810</b>	<b>+4,067</b>

The structure of liabilities in the company's balance sheet as at December 31, 2025 is as follows:

<b>Assets (thousand lei)</b>	<b>Year 2025</b>	<b>Year 2024</b>	<b>Differences</b>
<b>1.1. Total share capital, of which:</b>	<b>13,036</b>	<b>13,036</b>	<b>-</b>
1.1.1. Subscribed share capital	13,036	13,036	-
1.1.2. Share capital adjustments	8,812	8,812	-
1.1.3. Other items of equity	(4,307)	(4,471)	+164
1.2. Revaluation reserves	33,890	34,917	(1,027)
1.3. Legal reserves	2,607	2,607	-
1.4. Other reserves	17,376	19,246	(1,870)
1.5. Own shares	-	-	-
1.6. Reported result	1,016	1,384	(368)
1.7. The result of the period	4,787	8,990	(4,203)
1.8. Profit distribution	759	3,385	+2,626
<b>Total equity</b>	<b>76,459</b>	<b>81,137</b>	<b>(4,678)</b>
<b>1.2. Long-term debts</b>	<b>10,648</b>	<b>10,106</b>	<b>+542</b>

1.2.1. Interest-bearing loans and liabilities	-	-	-
1.2.2. Deferred tax liabilities	5,117	5,230	(113)
1.2.3. Provisions for risks and expenses	167	209	(42)
1.2.4. Debts on deferred income	5,364	4,667	+697
<b>1.3. Current debts</b>	<b>74,771</b>	<b>66,567</b>	<b>+8,204</b>
1.3.1. Trade and similar payables, of which:	37,569	30,113	+7,456
Trade payables	27,729	22,267	+5,462
Other debts	9,840	7,846	+1,994
1.3.2. Interest-bearing loans and borrowings	34,670	33,891	+779
1.3.4. Provisions for risks and expenses	551	860	(309)
1.3.5. Debts on deferred income	1,868	1,539	+329
1.3.6. Deferred tax liabilities	113	164	(51)
<b>Total debt</b>	<b>85,418</b>	<b>76,673</b>	<b>+8,746</b>
<b>Total equity and debt</b>	<b>161,877</b>	<b>157,810</b>	<b>+4,067</b>

The **Company's equity** decreased in the financial year 2025 by 4.678.056 lei.

**The legal reserve** is 2,607,265 lei and represents 20% of the share capital.

The Company's **total liabilities** increased by 8,070,768 lei, as a result of (i) an increase in accounts payable of 5,461,644 lei due to purchases in the fourth quarter driven by production orders to be delivered in the first half of 2026; (ii) an increase in other liabilities by 2,019,816 lei, primarily as a result of distributed dividends;

The Company's **provisions** decreased by 351,974 lei being influenced by:

-A decrease in provisions for employee retirement benefits by 42,158 lei, as 15 employees retired in 2025 due to reaching the retirement age and thus received this benefit, affecting costs for the period; additionally, the number of employees decreased;

- decrease in provisions for commercial penalties/potential customer claims related to the year 2025 by 188,797 lei, due to the decrease in the number of claims/non-compliances. The amounts are under discussion.

-Decrease in provisions for the buy-back of pension insurance policies, following the retirement of 15 people, for which the corresponding amounts were paid (121,019 lei).

The evolution of current assets and current liabilities is as follows:

<b>Indicators (thousand lei)</b>	<b>2025</b>	<b>2024</b>
<b>Current assets</b>	86,064	81,649
<b>Current debts</b>	74,771	66,567
<b>Net current assets</b>	11,293	15,082

The accounting organization was carried out by the centralized Economic Department, at the company level, by profit centers, through which the correct and up-to-date accounting operations were followed and carried out, the accounting principles and the accounting rules and methods provided in the regulations in force were observed. The financial statements were prepared on the basis of the trial balance, the summary accounts and compliance with the methodological rules and regulations for the preparation of financial statements, the items

entered in the financial statements with the data recorded in the accounts being brought into line with the actual situation of the assets based on the inventories.

The profit and loss account accurately reflects the income, expenses and financial results of 2025. The company has carried out an inventory of all its assets, the results of which are recorded in the accounts and implicitly in the financial statements. The Company has organized the activity of preventive financial control.

The internal audit activity in the financial year 2025 was provided by Acon Audit.

### **Elements of general evaluation**

#### **a). Profit / (Loss):**

<b>Indicators (thousand lei)</b>	<b>Realizat2025</b>	<b>Realizat2024</b>
<b>Gross profit (loss)</b>	5,466	9,769
<b>Net profit (loss)</b>	4,787	8,990

**Gross profit:** decreased significantly, influenced by the following:

- lower order volume for the first half of the year due to slower demand across all market segments, which led to a decrease in turnover;
- in the second half of the year, the volume of orders increased, which led to an increase in the volume of work that was offset by overtime, which led to an increase in labor costs, negatively affecting the company's economic results;
- maintenance of salary expenses as a result of the 5% indexation of salaries starting on April 1, 2025, against the backdrop of inflation and the increase in the minimum wage in the economy. This increase was, however, mitigated by the decrease in the average number of personnel by 37 people. Although, on the one hand, it slightly offset the increase in wage costs as a result of indexation, the decrease in the average number of employees also had unfavorable effects on the company's costs, as the production of products within the deadlines requested by customers and the lack of qualified personnel on the labor market led to an increase in overtime/directly productive employee;
- The cost of other materials, excluding metal, which increased compared to 2024, due to the rise in the price of these materials but also because their quantity does not increase proportionally with the amount of metal processed (technical gases, fasteners and other commercial components, work and protective equipment, tools and devices, packaging materials, etc.);
- increased utility costs due to higher prices and consumption, especially for electricity, where energy production from renewable sources decreased compared to the previous year;
- increased local taxes and fees;
- other fixed expenses: equipment maintenance expenses, audit services, accreditations, employee transportation expenses, increased slightly (+3.61%) due to inflation, although below the previous year's level (5.1%), but have a direct impact on gross profit as long as operating income decreases;

#### **b). Turnover:**

<b>Indicators (thousand lei)</b>	<b>Achieved 2025</b>	<b>Budget 2025</b>	<b>Achieved 2024</b>	<b>Δ% vs. 2024</b>	<b>Δ% vs. Budget</b>
<b>Turnover</b>	157,810	178,975	166,012	(4,88)%	(11,83)%

**Turnover** decreased by 4.88% in 2025 compared to 2024, influenced by a 6% decrease in turnover from core operations, due to a 1.30% decrease in product selling prices, influenced by both the product mix and the decline in the price of basic raw materials (metal), as well as a decrease in physical volumes. In 2025, the physical volume sold was 5% lower than the physical volume sold in 2024, especially in the terrace segment.



**c). Intra-Community exports and deliveries:**

<b>Indicators (thousand lei)</b>	<b>Achieved 2025</b>	<b>Achieved 2024</b>	<b>Δ% vs. 2024</b>
<b>Turnover</b>	157,810	166,012	(4,88)%
<b>Export or LIC directly-EUR</b>	16,565	26,974	(38,59)%
<b>Export or LIC directly-LEI</b>	141,245	134,183	5.20 %

In 2025, revenue from export operations, including direct intra-Community deliveries, increased by 5.20% compared to the previous year. Of the total of 141,245 thousand lei, 20,434 thousand lei are sales invoiced to Uzinsider Techno SA in EUR, according to the LEU/EUR exchange rate, and which are then delivered to the final customer General Electric, amounts which are also collected in EUR.

**d). Costs:**

<b>Expenses (thousand lei)</b>	<b>2025</b>	<b>2024</b>
<b>Raw materials, consumables used and goods</b>		
Expenses for raw materials	53,986	53,916
Consumable expenses	10,786	12,582
Expenditure on goods	451	909
<b>TOTAL</b>	<b>69,044</b>	<b>67,407</b>
<b>Employee benefit expenses</b>		
Wages	52,264	52,439
Contributions to the state social insurance fund	2,214	2,262
Other wages-related taxes and contributions	-	-
Meal tickets	4,576	4,215
Other salary benefits	484	-
<b>Expenses (thousand lei)</b>	<b>59,538</b>	<b>58,915</b>
Income from operating grants for staff pay	-	8
Professional training expenses	73	102
<b>TOTAL</b>	<b>59,611</b>	<b>59,009</b>
<b>Other expenses</b>		
Shipping costs	4,061	5,209
Utility expenses	3,821	4,058
Expenses with services provided by third parties	1,795	6,373
Expenses with compensations, fines, penalties, donations, sponsorships and subsidies	350	607
Protocol, advertising and publicity expenses	127	92
Other Overheads	10	1,158
Expenses with other taxes and fees	2,170	1,194

Repair expenses	1,353	1,369
Travel expenses	221	64
Rent expenses	350	231
Expenses with postal and telecommunications taxes	475	518
Expenses with insurance premiums	426	371
<b>TOTAL</b>	<b>25,937</b>	<b>21,931</b>

**e). Market share:**

Given that the company's products are diversified, it is not possible to determine a global market share.

**f). Cash available:**

The company held in its accounts on December 31, 2024 the amount of 9,179 thousand lei.

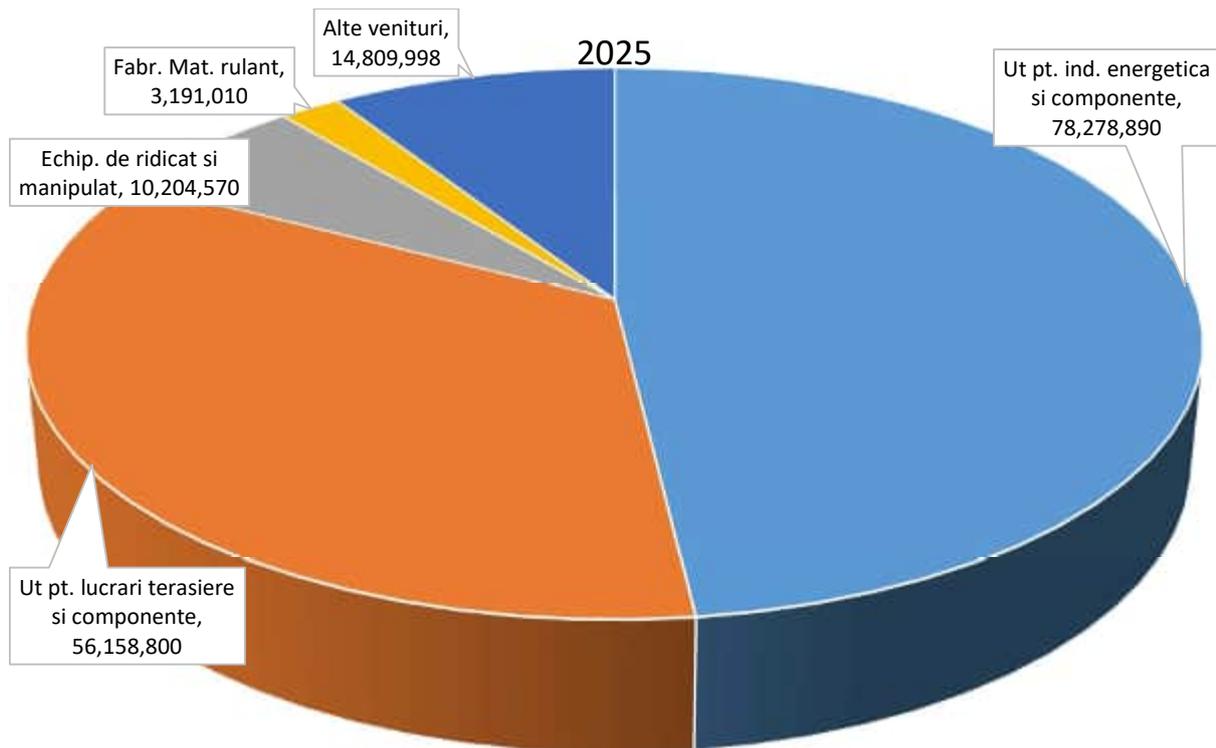
**2. Analysis of the technical level and the sales activity of the Company**

The COMELF product range is structured on five main lines, as follows: (1) Power Industry machinery and components; (2) Earthmoving machinery and components; (3) Environmental protection machinery; (4) Lifting and handling equipment; (5) Technological machinery; The sale of products is carried out at customer and project level, through the centralised commercial department, with project managers specialised by product type and customer. Comelf products are mainly delivered for export to countries such as: Italy, France, England, Holland, Sweden, Austria, Norway, Germany, Belgium, Switzerland, Hungary, USA.

The productive activity of the Company takes place within the factories organized as profit centers:

- ❖ Stainless Steel Products Factory (“FPI”)
- ❖ Earthmoving Machinery and Equipment, Filters and Electrofilters Factory (“FUET”)
- ❖ Earthmoving Components and Machines Factory (“TERRA”)

Share of operating revenue by main operating lines in total revenue  
FY 2025:



The commercial policy of the Company is to avoid significant dependence on a single Customer (no more than 35% customer exposure). During 2025 the largest share of sales on a single customer was 19.45% of the total turnover, as follows:

Partner	Income share (> 5%)	Income	The segment in which revenues are included
Siemens	19.45 %	31,629,375	Equipment for power-generation industry and components: FPI- FUET
Uzinsider Techno SA(GE)	12.56 %	20,433.563	Equipment for energy industry, end customer General Electric
Komatsu	10.07 %	16,374,934	Equipment for earthworks and components: FUET
HD Hyundai Infracore	8.95 %	14,548,583	Earth-Moving quipment and its components: FCT
Tesmec	7.86 %	12,786,426	Equipment for earthworks, rolling stock manufacturing and their components: FUET + FCT
GE (other divisions)	7.22 %	11,735,200	Equipment for power-generation industry FUET- FPI

### 3. Evaluation of the technical-material supply activity:

The raw-material sourcing and procurement activity aims at providing for the material resources of the

always in the best conditions for the good development of the company's production activity.

The raw-material procurement activity is carried out centrally, through the DIRECTORATE MATERIAL PROCUREMENT AND LOGISTICS (DABM)

The procurement department, the warehouse sector and supplier control sector, outsourcing and the logistics sector all operate within DABM.

The management of the sourcing and procurement activity is carried out based on the material requirements the technical departments prepared for each client depending on the orders issued by such client.

The procurement department together with the warehousing sector have the task of constantly checking stocks of materials and then issue purchase orders to maintain stocks as far as possible, under control in order to avoid financial blockages and to avoid overstock, especially for products non-repetitive.

According to Comelf procedures there is a database of suppliers selected and evaluated based on several criteria of quality, price, delivery time.

At the same time, through the supplier control department, periodic plans are drawn up for auditing suppliers in order to maintain the supply chain at a high standard correlated with Comelf customer requirements.

The issuance of purchase orders is made after assessing the quotations received from minimum 2 suppliers, selecting the supplier that offers the best conditions at least in terms of product quality, price, delivery time, payment conditions, etc.

Safety stocks are defined for the usual raw materials.

#### **4. Evaluation of the aspects related to the Company's employees:**

The average number of employees decreased during 2025 from 593 average number of employees in 2024 to 556 average number of employees in 2025. The staff structure was as follows:

	<b>2025</b>	<b>2024</b>
Executive directors/managers	8	8
Direct productive staff	319	335
Management and administration staff	229	250
<b>Total</b>	<b>556</b>	<b>593</b>

According to the Labor Code, within COMELF the value of the minimum wage cannot be lower than the gross minimum wage. In addition, within the Company, in addition to the basic salary earned for actual working time or working hours (in the case of directly productive workers paid individually), the following categories of bonuses are also granted: night bonus, overtime bonus, bonuses for work on weekly rest days, bonus for working in a noxious environment, increase for head of micro-team / team.

The Company has also implemented a system of rewarding its employees, at the time of retirement, with the equivalent of a fixed amount, which is evolving depending on the number of years of work performed within the company. The company recorded provisions for these payments. In 2025, the Collective Bargaining Agreement, which took effect on December 28, 2024, was in force.

#### **5. 5. Assessment of the environmental impact of the Company's core business**

COMELF's activity has inherent effects on the environment. In order to minimize these effects, there is a preventive approach at the company level and a permanent monitoring of the entire activity by dedicated and specialized people on environmental issues. The main objectives of the company's management on the environmental protection side are to keep the fugitive emissions within the legal limits, below 20% compared to the annual consumption of corrosion protection materials, to reduce the quantities of waste from the activities carried out in the corrosion protection workshops. to all employees regarding the selective collection of waste.

In order to carry out the production processes, Comelf obtained:

- Water management authorization no. BN 05/29.01.2025, issued by the Somes-Tisa Water Basin Administration, Bistrita-Nasaud Water Management System, valid until 29.01.2030;
- Environmental permit for operation no. 30/06.04.2022, issued by MMGA-Environmental Protection Agency BN, with annual extension;
- Certification of the Integrated Management System quality, environment, health and safety at work in accordance with ISO 9001: 2015, ISO 14001: 2015, and ISO 45001: 2018;

## **6. Evaluation of the aspects related to the research-development activities**

Given the specific nature of the company's operations and the high level of technical complexity, the company operates a Design Department which, in addition manufacturing preparation, continuously conducts research and development activities. Recently, these activities have evolved from improving existing products to developing proprietary equipment, particularly in the field of crushing and sorting mineral materials, including concepts optimized in terms of design, functionality, and cost-effectiveness.

Research activities are based on integrating feedback from operations, collaborations with industrial partners, and partnerships with academia, with the goal of enhancing product performance and developing a competitive proprietary portfolio. In the coming period, the company plans to continue developing these products and launching them into production.

## **7. Evaluation of the company's risk management activity:**

### **(a) Credit risk**

Credit risk refers to the risk that a third party will not comply with its contractual obligations, thus causing financial losses to the Company. The Company's exposure and the credit ratings of third party contractors are closely monitored by management. There is a policy implemented regarding the valuation of both potential customers and existing customers, an evaluation based on which the credit limit and the settlement method are established. However, we consider that the Company is exposed to credit risk as a result of commercial receivables payment of up to 120 days, a significant part of which is not insured.

### **(b) Risk regarding cash-available**

The final responsibility for managing the risk regarding cash available rests with the executive directors/managers, in particular Comelf's economic director, who have built an

appropriate management framework for securing the Company's short, medium and long-term funds and available-cash management requirements. There is a continuous monitoring of the expected cash flows (3 months) but also of the real flows by matching the maturities of the assets and financial debts. The additional need for cash can be covered by the company, including by accessing credit facilities, the company being at a satisfactory level of indebtedness.

### **(c) Currency risk**

Currency risk is the risk of recording losses or of not realizing the estimated profit due to unfavorable exchange rate fluctuations. Most of the Company's financial assets and liabilities are expressed in national currency, the other currencies in which operations are performed being EUR, USD and GBP.

The majority of the current assets are denominated in foreign currency (55%) and the liabilities of the Company are denominated in foreign currency (48%) and in national currency (52%) and therefore exchange rate fluctuations do not significantly affect the Company's business. Exposure to exchange rate fluctuations is mainly due to current currency conversion transactions necessary for current payments in LEI.

### **(d) Interest rate risk**

As of December 31, 2025, most of the Company's assets and liabilities are non-interest-bearing, with the exception of bank loans. As a result, the Company is not significantly affected by the risk of interest rate fluctuations.

The Company does not use derivative financial instruments to hedge against interest rate fluctuations.

### **(e) Market risk**

Market risk is defined as the risk of recording a loss or not obtaining the expected profit, as a result of price fluctuations, interest rates and exchange rates for foreign currency.

The company is exposed to the following market risk categories:

#### ***(i) Price risk***

The company is exposed to price risk, with the possibility that the value of the costs for the fulfillment of the projects will be higher than the estimated value, thus the contracts will run at a loss.

In order to cover the price risk generated by the increase of the basic raw material, the metal, the company has written, in the commercial contracts concluded with the clients, a protection clause that allows it to update the sale price if the price of the basic raw material increases. In the current economic context marked by political and economic instability, there is a risk linked to volatile raw material prices. The company also has a material procurement policy that offers protection for a period of 2-3 months, for confirmed orders, which ensures a balance, for the period in which we reposition ourselves vis-à-vis suppliers and vis-à-vis customers.

*Interest rate risk and currency risk* have been detailed above.

**(f) The risk related to the economic environment**

The Romanian economy continues to have the specific characteristics of an emerging economy and there is a significant degree of uncertainty regarding the development of the political, economic and social environment in the future. The management of the Company is concerned to estimate the nature of the changes that will take place in the world political and economic environment and, in particular, in Romania and what will be their effect on the financial situation and the operational and treasury result of the Company.

One of the features of the Romanian economy is the existence of a currency that is not fully convertible abroad and a low degree of liquidity of the capital market. The Company's management cannot foresee all the effects of the economic situation, considered as a whole, which will have an impact on the financial sector in Romania, nor their potential impact on the present financial statements. The management of the Company considers that it has adopted the necessary measures for the sustainability and development of the Company in the current market conditions. The main challenge, at this moment for the Company, is the evolution of the price of raw materials as well as the labor market regarding the training of qualified personnel in the field in which we operate, necessary for the operational success of the company.

**(g) Fair value of financial instruments**

The company does not hold any financial instruments as at December 31, 2025.

**8. Perspective elements regarding the activity of COMELF company:**

The probable evolution of the company can be found in the Draft Revenue and Expenditure Budget for 2026, which provides the following:

➤ Turnover:	166.666 thousands lei;
➤ Total operating income, of which:	172.737
thousands lei;	
➤ Revenues from customer contracts	161,580 thousand lei;
➤ Revenues from the sale of goods + performance of services	5,086 thousand lei;
➤ Income from investment subsidies	981 thousand lei;
➤ Financial income (interest)	1 thousand lei;
➤ Overall expenses	162.096 thousands
lei;	
➤ Gross profit:	8.500 thousands
lei;	

Comelf proposed an investment budget of 1.329 thousand EUR for 2026. These investments are intended for the purchase of a profile/pipe cutting machine, fixtures, edge-rounding machines, drilling and chamfering machines, standard tools and fixtures, upgrades to paint booths and machining equipment, and servers.

The investment program for 2026, mentioned above, will be funded through internal and external sources.

**The tangible assets of the Company:**

1. COMELF SA had the following production capacities at the end of 2025:

- ❖ **Earthmoving Machinery and Equipment Factory (FUET):** which produces naval equipment, telescopic cranes, excavator components and components for earthmoving machines (jibs), engine housings, electric generator housings, turbine frames, industrial gas dust removal equipment, asphalt station filters, power plant equipment with gas turbines, wastewater treatment and treatment equipment, hydropower equipment, technological equipment. FUET activity is carried out in two production units, of which one with a built area of 16,128 sqm and one with a built area of 18,827 sqm;
- ❖ **Factory for earthmoving machinery and components (FCT) - which manufactures** earthmoving machines with final assembly (crushers, asphalt pouring machines), components for earthmoving machines (chassis, arms, frames), mobile presses for compacting car bodies, fixed presses and equipment components for compacting metal waste, telescopic cranes, subassemblies for heavy-duty dump trucks. Built area 17,322 sqm;
- ❖ **Stainless Steel Products Factory (FPI) - which manufactures:** stainless steel (equipment for gas turbine power plants, components for wind installations, components for freight wagons, components for combustion air filtration) and carbon steel (equipment for gas turbine power plants, chassis for turbines, compressors, generators, conveyors with metal belt, components for transport, assembly and equipment of wind installations, components for transcontainer handling machines); Built area 28,547 sqm;

All these factories are located in Bistrita, 4 Industriei Street, Bistrita-Nasaud County.

The company also has its own administrative buildings and material warehouses, all located in Bistrita, 4 Industriei Street.

In addition, the company has a 6450 square meters of land located outside the municipality of Bistrita.

The total land area owned by the company amounts to 174,614 sqm.

The buildings were built in 1971 but later underwent modernization works to meet current standards. All company buildings are insured.

The machines, equipment and installations used by Comelf in the production activity were purchased, a significant part, in the period 2014-2015, during which the company implemented the project "Fundamental modification of manufacturing flows and introduction of new technologies in order to increase productivity and competitiveness on the internal and external market of COMELF "according to the financing contract signed with the Ministry of Economy as managing authority for POS-CCE.

For the most part, subsequent investments were made to maintain existing machines and machinery, to automate the welding process, to increase cutting capacity and to increase energy efficiency.

## 2. Market of securities issued by the Company

2.1. Since 20.11.1995 Comelf is listed on the Bucharest Stock Exchange. The Company's shares are ordinary, registered, dematerialized and indivisible shares.

2.2. The retained profit for 2025, remaining after the creation of reserves for reinvested profit and the distribution of dividends, will be recorded as retained earnings and will be allocated at a later date, in accordance with the Board of Directors' proposal.

2.4. The share capital of the Company has not changed in 2025, it is in the amount of 13,036,325, 34 LEI equivalent to 22,476,423 shares, nominal value 0.58 lei / share.

On 31.12.2024 COMELF S.A. fully acquired the shares of Mottra SRL, a company operating in the field of services (electrical repairs - engine winding), the acquisition value was 220.000 lei. COMELF SA has no subsidiaries.

### 3. Company management

#### 3.1. Board of Directors

Comelf SA is managed in a unitary system by the Board of Directors consisting of five members elected by the General Meeting of Shareholders by secret ballot. The term of office of the members of the Board of Directors is 4 years and they can be re-elected.

At the date of this report, the structure of the Board of Directors is as follows:

Savu Constantin Chairman  
 Babici Emanuel member  
 Mustata Costica member  
 Sofroni Vlad member  
 Parvan Cristian member

The members of the Board of Directors are elected at the General Meeting of Shareholders on the basis of the shareholders' vote in accordance with the legal requirements. Therefore, there are no agreements and arrangements to report in this regard.

#### List of persons affiliated with the company:

<b>Affiliated party</b>	<b>Activity</b>	<b>Description of the type of business relation</b>
Uzinsider SA	Management consulting services	Uzinsider SA is the majority shareholder
Uzinsider Techo SA	Trade intermediation services for industrial products	
Uzinsider General Contractor SA	Collaborations on turnkey objectives	
Promex SA	Electricity trade	
24 Ianuarie SA	Collaborations in the manufacture of subassemblies	

The other companies are related to Comelf SA due to a combination of common management and / or persons who are also shareholders of the other companies.

#### 3.2. Executive management

Comelf's executive management is appointed by the Board of Directors. The directors/managers lead the daily activity of the company and have the obligation to ensure a correct circuit of the corporate information.

- Members of the Executive Management of the Company:

Cenusa Gheorghe General Manager	
Pop Mircea	Deputy General Manager
Business Operation	
Oprea Paul Cristian Deputy General Manager	
	Technical and Production
Tatar Dana Economic Manager	
Jurje Valeriu AQM Manager	
Campian Cosmin Factory Executive Manager	
Tatar Eugen	Factory Executive Manager
Viski Vasile Factory Executive Manager	

The members of the executive management are elected by the Board of Directors and there are no agreements, understandings or family ties between the directors and directors, which could be reported in this report.

For the members of the Board of Directors and the members of the Executive Management, we specify that there are not and have not been any litigations or administrative procedures in which they have been involved, in the last 5 years, related to their activity within the Company, as well as others that concern the capacity of the respective person to perform their duties within the company.

# SUSTAINABILITY REPORT 2025

Message from the General Manager (CEO)

Evolution in numbers

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## **Message from the General Manager-Eng. Cenusă Gheorghe — COMELF S.A.**

Dear partners, shareholders, employees and community representatives,

COMELF S.A. is a company with over five decades of experience in the production of complex metal structures and industrial equipment. It is listed on the Bucharest Stock Exchange and is part of the Uzinsider Group—one of the leading industrial groups with 100% Romanian capital. This sustainability report covers the activity of 2025 and defines the company's strategic commitments for 2026.

### ***Context of 2025***

The year 2025 confirmed that the industrial economic environment remains challenging. Net income for the 2025 fiscal year reflected rising utility costs and inflationary pressures on personnel expenses.

In this context, COMELF maintained investment discipline and continued its modernization and sustainability programs, without subordinating them to short-term financial results.

### ***Environmental performance — continuing the trend***

The year 2025 reinforced the direction set in 2024 regarding energy efficiency and reducing environmental impact. The company's own photovoltaic park continued to provide the majority of the energy required for manufacturing processes, maintaining the company's energy mix at 65% renewable. The reduction in the carbon footprint achieved in 2024 compared to the 2023 baseline was maintained and further strengthened in 2025.

A significant element of 2025 is the start of the implementation of a battery energy storage system. This investment will allow for the optimal use of our own photovoltaic energy production, reducing dependence on the external grid during periods of high consumption and ensuring greater energy stability of production processes. The completion and commissioning of this system is one of the priority objectives for 2026.

Previously implemented practices — centralized nesting to reduce raw material consumption, optimization of anti-corrosion protection processes, and the waste management and recovery system — continued to function as operational standards, not as one-off measures.

### ***Modernization and research and development***

New investments underway at the end of 2025 total approximately 7 million lei, reflecting the ongoing commitment to modernizing the technological infrastructure. The company's research and development expenses in 2025 increased by over 130% compared to the previous year, a clear sign of the strategic focus on innovation and the development of new technical solutions.

The company's design department carries out manufacturing preparation activities based on 3D models, identification of new technical solutions and continuous improvement of the products in the portfolio, in active partnership with universities in Romania. Reference customers such as Siemens and General Electric impose high technical standards that permanently stimulate this evolution.

Integrated digital solutions for nesting, manufacturing tracking and production scheduling, along with welding and handling robots introduced in previous periods, continue to generate measurable results in productivity and resource efficiency.

### ***Responsibility towards employees***

As of 2025, the average number of employees was 556, a trend influenced by adjustments to the product mix. Regardless of team size, occupational health and safety standards remained uncompromised. The strategic objective of zero work accidents is integrated into the design and evaluation of all the company's technological processes.

Health and prevention programs addressed to staff continued in 2025, complementing investments in equipment that reduce exposure to risk factors and improve physical working conditions.

### ***Goals for 2026***

For 2026, COMELF has set the following priority areas:

- Completion and commissioning of the battery energy storage system, with monitoring of the impact on energy autonomy and operational costs;
- Continuing the automation and robotization program for key manufacturing processes;

- Advancing formalized reporting of sustainability indicators, in accordance with the requirements of the European CSRD Directive and the green taxonomy;
- Maintaining and developing research and development partnerships with universities in Romania.

*For COMELF S.A., sustainable development is a strategic direction integrated into all of the company's operational and investment decisions. We continue on this path with responsibility towards all those involved — employees, partners, shareholders, and the community.*

### *Evolution in numbers*

<i>Economic indicators</i>	<i>UM</i>	<i>2025</i>	<i>2024</i>	<i>2025 vs 2024</i>
<i>Total revenue</i>	<i>thousand lei</i>	<i>163,897</i>	<i>168,717</i>	<i>-3 %</i>
<i>Total expenses</i>	<i>thousand lei</i>	<i>158,431</i>	<i>158,948</i>	<i>-</i>
<i>EBITDA</i>	<i>thousand lei</i>	<i>15,366</i>	<i>20,652</i>	<i>-26 %</i>
<i>Physical production</i>	<i>tons</i>	<i>5,184</i>	<i>5,453</i>	<i>-5 %</i>
<i>Equity</i>	<i>thousand lei</i>	<i>76,459</i>	<i>81,137</i>	<i>-6 %</i>
<i>Total debt</i>	<i>thousand lei</i>	<i>85,418</i>	<i>76,673</i>	<i>+11 %</i>
<i>Environmental indicators</i>				
<i>Electricity expenses</i>	<i>thousand lei</i>	<i>1,842</i>	<i>1,643</i>	<i>+12 %</i>
<i>Electricity production</i>	<i>MWH</i>	<i>2558</i>	<i>2890</i>	<i>-11 %</i>
<i>Total electricity consumption</i>	<i>MWH</i>	<i>5097</i>	<i>5008</i>	<i>+2 %</i>
<i>Quantity of metal waste recovered</i>	<i>tons</i>	<i>1679</i>	<i>2852</i>	<i>-41 %</i>
<i>Social indicators</i>				
<i>Average number of employees</i>	<i>people</i>	<i>556</i>	<i>593</i>	<i>-6 %</i>
<i>Sponsorships; dual education scholarships</i>	<i>thousand lei</i>	<i>343</i>	<i>378</i>	<i>-9 %</i>

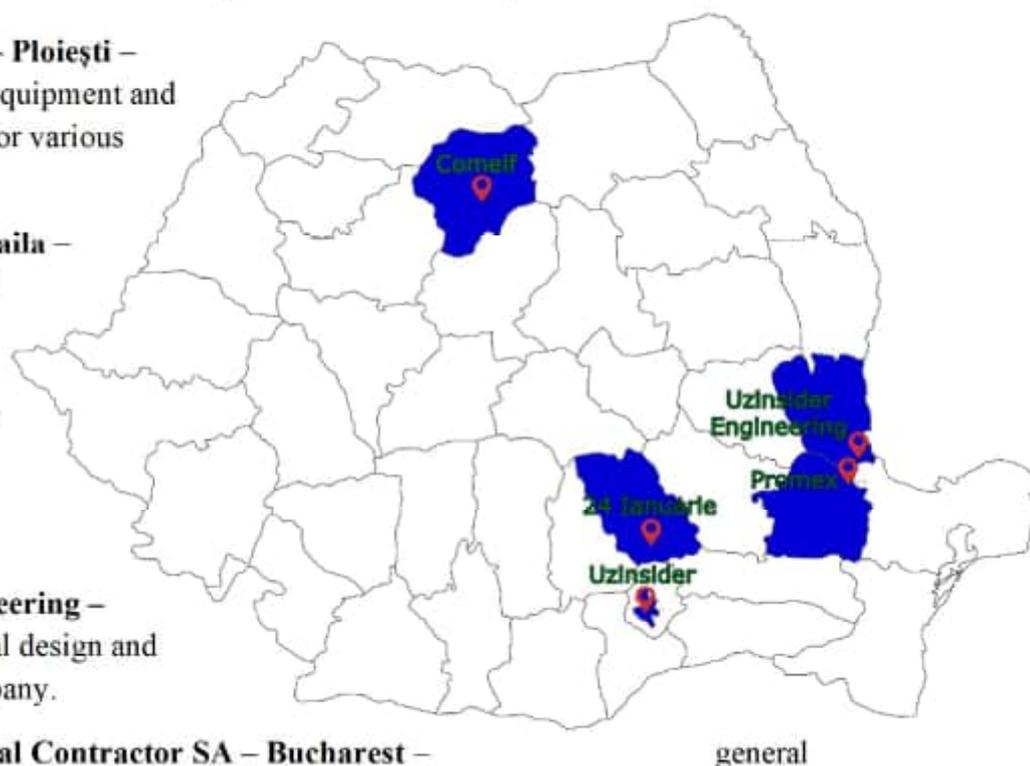
## 1.1 Company Profile

Comelf S.A. is a recognized leader in the industrial equipment industry, with more than 50 years of tradition in the production of complex metal structures and components for various sectors, including energy, renewable energy, earthmoving machinery and environmental equipment.

Our company has been listed on the Bucharest Stock Exchange since 1995 and is part of the **Uzinsider Group**, one of the most important industrial groups in Romania.

Together with Comelf, the Uzinsider Group also includes other specialized companies such as:

- **24 Ianuarie SA – Ploiești** – manufacturer of equipment and metal structures for various industries.
- **Promex SA – Braila** – specialized in the production of heavy equipment for the construction and rail transport industries.
- **Uzinsider Engineering – Galați** – industrial design and engineering company.
- **Uzinsider General Contractor SA – Bucharest** – contracting firm for industrial and civil projects.
- **Uzinsider Techno SA – Bucharest** – industrial trade and distribution company of equipment and components.

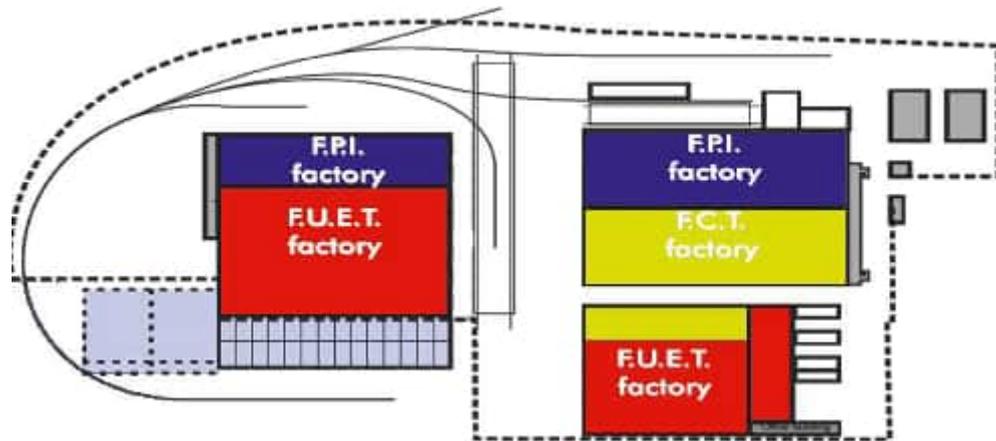


By collaborating with the other companies in the group, Comelf benefits from access to **advanced technological and engineering solutions** and development opportunities on international markets, consolidating its position as one of the most important industrial manufacturers in Romania.

### Production units

Comelf's production activity is carried out in three factories located in Bistrița:

- **F.P.I. Factory (Stainless Steel Products Factory)** - manufactures complex stainless steel equipment, including industrial turbine casings, power plant filters and metal structures for the power industry.
- **F.U.E.T. Factory (Earthmoving Machinery and Equipment Factory)** - dedicated to manufacturing equipment for the mining and construction industry, such as excavator booms, earthmoving machinery structures and components for heavy-duty machinery.
- **F.C.T. Factory (Components and Sub-Assemblies Factory)** - focused on the production of earthmoving machinery with final assembly and marine components.



### **Innovation and development**

In 2025, Comelf continued its production modernization strategy, investing over **1.4 million euros** in state-of-the-art equipment, including:

- **Numerical control machining centers** to improve the precision and efficiency of the manufacturing process.
- **Advanced CNC laser and plasma cutting technologies** for the production of complex metal components.

### **Sustainability and ecological impact**

In line with its sustainability objectives, Comelf has implemented projects to reduce its carbon footprint, including:

- Installation of **photovoltaic panels with a capacity of 3 MWp**, reducing energy consumption from the national grid by 55%.
- The use of **paints and advanced technologies** for protecting metal surfaces with reduced toxic emissions.
- Implementation of an advanced **recycling system for scrap metal and industrial water**.

## Market expansion

In line with its strategy of diversification and expansion into new markets, Comelf aims to strengthen its presence in the defense industry by developing and manufacturing components for military equipment.

The company holds AQAP 2110 certification, which attests its compliance with NATO requirements for the design, development and production of equipment and components for the defense industry. This certification represents a strategic step towards expanding production capabilities for metal structures, armor and other components used in military technology.

In 2026, Comelf aims to initiate new partnerships with military equipment manufacturers and suppliers, both nationally and internationally.

## 1.2 Corporate governance

- ✚ **Environmental impact:** We promote a corporate governance oriented towards the protection and conservation of the environment, the protection of resources and their rational exploitation in a transparent manner, in compliance with specific regulations;
- ✚ **Impact on people:** We are concerned and committed to finding solutions to improve working conditions in order to enhance the quality of life of our employees. We are committed to seeking opportunities to ensure a balance between employee performance and private life.
- ✚ **Impact on the economy:** we look for solutions to ensure business continuity, we exploit new opportunities to maintain, in sustainable conditions, the company's activity, with impact on local budgets and state and social security budgets.  
We are an important local player in terms of contribution to the above mentioned budgets.

The COMELF company is listed on the BVB, so being part of a regulated market helps us to comply with transparency in information and monitoring of the company.

### Structure of the governing bodies:

Comelf SA is a company managed in a unitary system: General Meeting of Shareholders (GMS) - the highest level of approval and Board of Directors (BoD). The members of the Board of Directors are elected every 4 years (the last term is valid until 31.12.2027) by the GMS and they appoint the executive management. Not all members of the Board of Directors are part of the executive management.

An Audit Committee was nominated within the Board of Directors, consisting of 2 members, neither of whom is a financial auditor.

Also, a Remuneration Committee is formed, consisting of the members of the Board of Directors, whose duties are to establish the policy and remuneration indicators for the members of the Board of Directors and the executive management.

A guide on the evaluation of board members is currently being developed, covering the purpose, criteria, and frequency of the evaluation process. The deadline for completion is June 30, 2026.

The members of the Board of Directors are 100% men.

*Division of the Board members by age category:*

- over 80 years old-2 people;
- between 70-80 years old-1 person;
- between 60-70 years old-1 person
- between 50-60 years old-1 person

*The members of the Board of Directors have the following professional training:*

- 4 people are engineers by profession;
- 1 person is an economist by profession;

A set of regulations is currently being drafted at the Board level that includes provisions on how to manage conflicts of interest.

During 2025, the Board of Directors met 7 times.

### **COMELF shareholders and the relationship with them and potential investors**

As of December 31, 2025, according to data from the Central Securities Depository, there were 5,310 natural and legal persons.

At the company level, all essential information and quarterly/semi-annual and annual reports are reported through the company website and the BVB.

### **1.3 Risk management and compliance**

At Comelf SA, risk management is an essential process integrated into the corporate strategy, aiming to protect the company's value and ensure long-term sustainability. The company has implemented a robust risk management framework, which includes the identification, assessment and continuous monitoring of operational, financial and compliance risks.

#### **Risk Identification and Assessment**

The risk identification process involves a detailed analysis of internal and external factors that could affect business performance and continuity. Among the main risk categories considered by Comelf SA are:

- **Operational risks** – associated with process efficiency, raw material availability and technological capacity.
- **Financial risks** – include market volatility, currency risks and fluctuations in raw material prices.
- **Compliance risks** – related to national and international regulations, as well as the standards imposed by business partners.

For each of these risks, Comelf SA applies quantitative and qualitative assessment methods, using performance indicators and impact scenarios to determine the level of exposure and to develop strategies to mitigate negative effects.

#### **Risk Monitoring and Control**

The company uses an advanced digital system for real-time monitoring of identified risks. Through integrated IT platforms, the management team can analyze relevant data, detect anomalies and make quick decisions to prevent or mitigate the effects of risks. Also, Comelf SA organizes periodic internal audits to evaluate the effectiveness of the implemented measures and to identify any vulnerable points. These audits are complemented by risk scenario simulations, which allow teams to be trained in managing critical situations.

### **Risk Reduction Strategies**

To reduce risk exposure, the company has adopted several proactive strategies, including:

- **Diversification of suppliers** to reduce dependence on a limited number of partners.
- **Securing critical raw materials** through long-term contracts and constant monitoring of stocks.
- **Optimization of internal processes** to increase operational efficiency and reduce resource waste.
- **Continuous employee training** for risk management, through training sessions specific to each risk category.

### **Compliance with International Regulations and Standards**

To ensure compliance with all legal regulations, Comelf SA has implemented a rigorous compliance system, which includes:

- **Continuous monitoring of legislation** to quickly identify and implement new requirements.
- **Updating internal policies** to reflect legislative changes and international standards.
- **Specialized training for employees** regarding new industry-specific regulations and requirements.

In 2025, Comelf SA organized training sessions on environmental legislation, occupational safety and data protection, with the main objective of increasing awareness and reducing the risks of non-compliance.

### **Using Technology for Risk Management**

An essential component in the risk management strategy is the use of technology to collect, analyze and interpret relevant data. Comelf SA has implemented advanced software solutions that allow:

- **Automation of risk identification processes** and generating detailed reports.
- **Integration of financial and operational data** for greater visibility into risk factors.
- **Simulation of crisis scenarios** to evaluate the organization's reactions and identify points for improvement.

Through these initiatives, Comelf SA demonstrates a firm commitment to an organizational culture oriented towards prevention and compliance, thus ensuring the company's long-term stability and success.

## 1.4 Integrity, ethics and good business practices

Comelf SA is committed to conducting its business in accordance with the highest standards of integrity and ethics, by implementing a set of internal policies and practices that guarantee transparency and accountability in all organizational processes. The company's commitment to ethics and good practices is reflected in the **Code of Ethics and Professional Conduct**, in **domestic policies** and in **continuous training projects**.

### INTERNAL APPROACH

Comelf SA integrates the principles of ethics and integrity into all aspects of its activities through a systematic and coherent approach, focusing on the implementation of clear policies and effective control measures. These principles are supported by a robust governance framework, which ensures transparent and accountable leadership. In this context, the company aims to develop and implement measures to prevent risks related to unethical behavior or deviations from legal regulations.

### Competition Policy

Within the framework of its commercial activity, Comelf SA adopts a **strict competition policy**, aiming to prevent anti-competitive behavior and promote a free and fair market.

Competition policy includes the following fundamental principles:

- **Compliance with competition law:** Comelf SA complies with national and European competition legislation in force, taking care to avoid any practice that could restrict competition or negatively affect consumers.
- **Prevention of restrictive agreements:** The company is committed to avoiding any form of agreement between competitors that could limit or distort competition in the market, such as price agreements, market sharing or output limitation agreements.
- **Promoting transparency:** All purchasing, selling and commercial negotiations practices are carried out in a transparent manner, respecting the principles of free competition.

### Anti-Corruption Policy

CoComelf SA adopts a **firm anti-corruption policy**, which prohibits any form of bribery, influence peddling or other acts of corruption in its commercial or administrative relations. Within this policy, all aspects related to the behavior of employees and business partners are regulated, including:

- **Prohibition of unjustified payments:** Comelf SA does not allow employees or collaborators to offer or accept payments, gifts or benefits that could influence the decision-making process.
- **Continuous training:** All employees are periodically trained on anti-corruption legislation to prevent any form of illegal or unethical behavior.
- **Reporting mechanisms:** An anonymous reporting system is available to employees to report any suspicious activity related to corruption, without fear of retaliation.

### Conflict of Interest Policy

Comelf SA adopts a **clear policy on conflicts of interest**, with the objective of protecting objectivity in the decision-making process and preventing any situations in which the

personal interest of employees or collaborators may negatively influence the company's activities. Policy includes:

- **Conflict of interest declaration:** All employees and board members are required to declare any situation that could constitute a conflict of interest, to ensure transparency in the decision-making process.
- **Corrective measures:** If a conflict of interest is identified, Comelf SA takes measures to prevent any influence on the company's activities and to protect the interests of the organization.
- **Preventing personal favoritism:** The policy prohibits any form of favoritism to the detriment of the company or other stakeholders, thus ensuring that all business relationships are conducted fairly.

### **Goals for 2026**

In order to continuously strengthen and improve ethics and integrity practices, Comelf SA aims to achieve the following objectives in 2026:

1. **Expanding internal training:** Continue to implement educational programs on business ethics for all employees, with an emphasis on developing an organizational culture oriented towards responsibility and transparency.
2. **Improving the deviation reporting mechanism:** Developing a more accessible and secure digital system for reporting unethical behavior, thus ensuring greater confidentiality and ease in the process of reporting violations.
3. **Evaluation and updating of competition policy:** Comelf SA will periodically review competition policies to adapt to new regulations in the field and to ensure compliance with the principles of a free and fair market.
4. **Strengthening ethical partnerships:** Comelf SA will continue to collaborate only with partners who respect the same ethical values, further integrating clear criteria for selecting suppliers and partners, based on compliance with international standards and best practices in the field.

By implementing these objectives, Comelf SA aims to strengthen its commitment to the highest standards of integrity and ethics, thus maintaining the trust of customers, partners and employees in its commercial and operational activities.

## **1.5 Cybersecurity**

In today's interconnected world, where almost every aspect of our lives is linked to digital technology and where cyber attacks have become a constant threat to companies, organizations, and individual users, cybersecurity is an essential concern within the company both in terms of internal processes and the relationship with partners. Our organization must be proactive in protecting its infrastructure, software used, databases, etc., and the use of security technologies is a necessity and a continuous concern for preventing cyber attacks.

We are aware that the security and integrity of company data and assets are very important aspects and that a cyber attack can jeopardize sensitive information, business plans, customer data or personal data, while also affecting not only the normal functioning of the organization but also our reputation and credibility.

We constantly monitor the infrastructure and applications and ensure that the software is updated periodically (including patches for discovered vulnerabilities). Also, a constant concern within the company is informing and raising users' awareness of the dangers of cyber attacks (including rules and user agreements, software, email, etc.).

Because the digitalization of processes is a constant concern in our company, we use various software tools in all departments, including the production area, tools that are as up-to-date as possible in terms of the technologies used. In this regard, we can mention the replacement of ERP software in the period 2023-2024, which in addition to improved functionalities compared to the old software also brings a plus in terms of data security through the use of current technologies and more.

The safety of our data is also ensured by daily backups, as well as an offsite backup system with Disaster Recovery for specific vital resources. Also, applying specific measures to ensure that we fully comply with the regulations in force regarding cybersecurity is a constant concern and through the activity of the IT department, we constantly strengthen these measures.

During the previous year, we did not register any complaints regarding violations of personal data management rules or losses of data or personal information of employees or collaborators.

### **Objectives**

- Continuing to secure the computer network (network equipment, network segmentation, etc.)
- Ensuring data center redundancy;

### **1.6 Supply chain and sourcing of raw materials from responsible sources**

In a world where sustainability is becoming a priority, we have set ourselves the goal that efficient supply chain management and the choice of raw materials from responsible sources represent essential factors for the long-term success of COMELF.

A well-structured supply chain not only optimizes the company's costs and resources but also contributes to environmental protection and the observance of social rights.

In this regard, we have adopted as an objective within DABM responsible sourcing in order to use raw materials obtained through ethical and sustainable methods.

This entails:

- Respecting the environment by choosing suppliers who use environmentally friendly practices.
- Collaborating with partners who ensure fair and safe working conditions.
- Monitoring the origin of purchased raw materials and eliminating illegal or unethical practices.

A sustainable supply chain brings multiple benefits to the company:

- **Reducing environmental impact** - Using recycled or renewable materials reduces pollution.
- **Increasing the company's reputation** - Customers appreciate companies that promote responsible practices.

- **Compliance with international regulations** - Legislation is becoming increasingly strict regarding the origin of raw materials.
- **Economic efficiency** – although it may initially seem expensive, a sustainable supply chain reduces legal and economic risks in the long term. Although the benefits are obvious, there are also obstacles:
- **Higher costs** – certified materials and ethical partnerships may have higher prices.
- **Difficulties in verifying suppliers** – full traceability of raw materials requires advanced technologies and additional resources.
- **Fluctuations in the availability of raw materials** – demand for sustainable resources may exceed available supply.

Consequently, adopting a responsible supply chain is not only an ethical choice, but also a strategic necessity for Comelf. As environmental and social requirements become increasingly stringent, we are forced to adapt our supply chain to sustainability standards in order to gain a competitive advantage in the marketplace.

Comelf is committed to establishing sustainable and transparent business relationships with suppliers and implementing ethical and sustainable practices in the selection and procurement of raw materials. The company has a global procurement footprint that extends to Europe (EC and outside the EC) as well as the United States.

Starting in 2026, at the express request of our clients, we have set out to develop and implement the following as a standard operating procedure:

**COMELF’S RESPONSIBLE SOURCING POLICY regarding conflict minerals (CM)**, defining the workflow for identifying, assessing, mitigating, and reporting risks associated with tin (Sn), tantalum (Ta), tungsten (W), gold (Au), cobalt (Co), and mica in our supply chain, in accordance with Regulation (EU) 2017/821 and the OECD Guidelines.

The policy applies to all procurement activities of COMELF S.A., to all departments involved: Procurement, Production, Quality, Legal and all suppliers of materials, components or finished products that may contain minerals from conflict areas.

The working procedure will be developed and implemented by December 31st 2026 , under the care of the Material Supply Department and will be entitled:

**PROCUREMENT OF MINERALS FROM CONFLICT AREAS AND RISK MANAGEMENT (DUE DILIGENCE PROCEDURE CM)**

The process description and workflow according to the OECD includes the following steps:

**STEP 1: IDENTIFYING AND CATALOGING SUPPLIERS AND PRODUCTS WITH CM RISKS**

**STEP 2: RISK ASSESSMENT AND INFORMATION COLLECTION**

**STEP 3: RISK ANALYSIS AND CLASSIFICATION**

**STEP 4: PLANNING AND IMPLEMENTATION OF MITIGATION MEASURES**

**STEP 5: INDEPENDENT VERIFICATION AND REPORTING**

**1.5 Stakeholders**

Stakeholder categories	Involvement method	Frequency	How we communicate	Thematic
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<b>Employees</b>	<ul style="list-style-type: none"> <li>○ Through the trade union organization</li> <li>○ competitions</li> <li>○ Involvement in improvement activities</li> </ul>	<b>Permanent</b>	<ul style="list-style-type: none"> <li>✓ Union</li> <li>✓ Factory Managers</li> <li>✓ Direct supervisors</li> <li>✓ Human resources</li> </ul>	<ul style="list-style-type: none"> <li>-Productivity indicators/performance</li> <li>-Company evolution</li> <li>-Internal regulations</li> </ul>
<b>Clients/Suppliers-Legal Entities</b>	<ul style="list-style-type: none"> <li>○ Meetings</li> <li>○ Announcements on the company website</li> </ul>	<b>Permanent When needed</b>	<ul style="list-style-type: none"> <li>✓ E-mail</li> <li>✓ Press</li> <li>✓ Company website/BVB</li> </ul>	<ul style="list-style-type: none"> <li>-Evolution of collaboration</li> <li>-Capability/company capacity</li> <li>-Audit</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>○ Access to information on the company website and the BVB website</li> <li>○ Press</li> </ul>	<b>Annual/Quarterly/Periodically for important events</b>	<ul style="list-style-type: none"> <li>✓ General meeting of shareholders</li> <li>✓ BVB Website</li> <li>✓ Company website</li> <li>✓ Press</li> </ul>	<ul style="list-style-type: none"> <li>-Company evolution</li> <li>-Budgets</li> <li>- Acquisitions/mergers</li> <li>-Forecast</li> </ul>
<b>Institutions</b>	<ul style="list-style-type: none"> <li>○ Address</li> <li>○ SPV</li> </ul>	<b>When needed</b>	<ul style="list-style-type: none"> <li>✓ SPV</li> </ul>	<ul style="list-style-type: none"> <li>-Situations</li> <li>-Reports</li> </ul>

## 1.7 Materiality analysis

This concept targets the financial risks and opportunities as well as the impact on the enterprise;

In this sense, we considered in the analysis both the impact perspective and the financial perspective.

Following this process, we identified sustainability indicators that are found in the reporting and that help us better understand the risks and opportunities arising from an environmental, social and governance perspective. Moreover, this allows us to improve our engagement and communication process with our stakeholders.

The company's employees, main clients and suppliers were surveyed.

## *Chapter 2 – OUR PRODUCTS*

### 2.1 Our products

Comelf S.A. offers a wide range of industrial equipment and components, manufactured according to the highest quality and safety standards. Our products are

used in various industries, including machine building, energy, rail transport and shipping.

<b>Business line</b>	<b>Product categories</b>
<b>Complex products from the component of gas-fired cogeneration power plants</b>	<ul style="list-style-type: none"> <li>- Inlet silencer and exhaust plenum for industrial turbines</li> <li>- Air/gas intake and exhaust pipes</li> <li>- Support structures for cogeneration turbines</li> <li>- Heat dissipation elements and noise absorbers</li> </ul>
<b>Equipment for the Energy Industry</b>	<ul style="list-style-type: none"> <li>- Components and containers for conversion transformers (HVDC)</li> <li>- Generator housings and components for nuclear power plants</li> <li>- Frames and housings for compressors and electric generators</li> </ul>
<b>Earthmoving equipment</b>	<ul style="list-style-type: none"> <li>- Crushers for recovering materials from demolitions</li> <li>- Components for excavators and front-end loaders</li> <li>- Components for high-capacity dump trucks</li> <li>- Arms and structures for heavy machinery</li> <li>- Welded frames and structures for construction equipment</li> <li>- Press for compacting metal waste</li> <li>- Hydraulic equipment and attachments for earthmoving machinery</li> </ul>
<b>Lifting and handling equipment</b>	<ul style="list-style-type: none"> <li>- Chassis and turrets for mobile cranes</li> </ul>
<b>Railway equipment</b>	<ul style="list-style-type: none"> <li>- Metal chassis and frames for locomotives and wagons</li> <li>- Welded structures for railway maintenance equipment</li> <li>- Bodywork and components for railway emergency vehicles</li> </ul>
<b>Hydromechanical equipment</b>	<ul style="list-style-type: none"> <li>- Volutes and casings for hydraulic turbines</li> <li>- Metal structures for dams and locks</li> <li>- Dampers and valves for regulating water flow</li> </ul>
<b>Naval equipment</b>	<ul style="list-style-type: none"> <li>- Components for commercial and military ships</li> <li>- Deck elements and structures for cranes and anchoring</li> <li>- Modules for port infrastructure and mooring structures</li> </ul>
<b>Pressure vessels</b>	<ul style="list-style-type: none"> <li>- Tanks for industrial fluids and technical gases</li> <li>- Metal containers for chemical and petroleum products</li> <li>- Storage tanks for industrial processes</li> </ul>

Comelf products are recognized for their reliability, resistance and compliance with international standards, being used in large-scale industrial projects globally.

## 2.2 The quality of the products we manufacture

Comelf's quality policy is oriented towards fully and constantly satisfying the requirements and expectations of our customers, by offering and producing products and services at the highest quality standards, by reducing the costs of non-conformities and by carrying out activities and processes that use the most efficient methods of preventing, reducing or eliminating their impact on the environment.

## Reference

The quality of the products made in Comelf is based on a series of certifications obtained over the last 30 years of activity, representing an additional guarantee for our customers:

- ISO 9001-Quality Management System Certification
- ISO 14001-Environmental Management System Certification
- ISO 45001-Occupational Health and Safety Management System Certification
- EN 1090-2-Technical requirements for the execution of steel structures
- EN 1090-3-Technical requirements for the execution of aluminum structures
- EN 3834-2-Quality requirements for fusion welding of metallic materials
- EN 15085-2 CL1-Welding of railway vehicles and components
- AD 2000 Merkblatt HP 0-Manufacture of products working under pressure
- AQAP 2110 - NATO requirements regarding quality assurance in design, development and

Comelf has a laboratory with the ability to perform physical-mechanical tests for elongation, flow, creep, resilience, hot yield strength and metallography of samples made from materials used in current manufacturing. There is also a metrological laboratory that performs the verification and calibration of various measuring instruments.

We have a welding laboratory that also serves as a welding school. Here, welders are guided by the laboratory's specialized staff to improve their performance and obtain new certifications from authorized bodies, such as TÜV Germany.

For non-destructive verification of the conformity of welded joints, Comelf has a fully equipped laboratory and we collaborate with a specialized and authorized company for this type of control (with magnetic powder, ultrasonic and x-ray).

For the necessary checks during manufacturing and for final inspections, the Quality Management Department of Comelf is composed of customer quality engineers, product quality inspectors, physical-mechanical and metrology laboratories, the measurement team, the quality files department, as well as welding coordinators and inspectors.

For final measurements, especially after machining operations, we employ a team of engineers and use precision instruments:

- Tesa Unimaster Universal Measuring Instrument
- Faro EDGE Arm
- Faro Laser Tracker Ion and Vantage
- Scanner Faro Laser Line Probe
- SuPAR Augmentea Reality Interactive Inspection

## Performance

The products made in Comelf are checked both through self-control, by the operators who execute them, and by quality inspectors, specialized in the manufacturing phases of the products. For clients who have the largest volumes of ordered products, the Quality Management Department, within the Quality Engineering Service, has additionally established the position of customer quality engineers, engineers who know all the quality requirements in the client's drawings and specifications for which they are responsible and who perform the final verification of the quality of the executed products, of the quality

documents drawn up, participate in the inspections made by the client's representatives and keep in touch with their counterparts in the client's organizations.

All products manufactured in Comelf have, upon completion, a quality file called "Quality Book", which contains all the information related to the product in question, namely the materials used, the list of operators who executed it, as well as the checks made during manufacturing. Upon delivery, a quality and warranty certificate is signed and sent to the customer, valid for 24 months from commissioning but no more than 36 months from product delivery.

Non-conforming products, detected internally, are labeled and stored in specially arranged places and delimited from the rest of the manufacturing areas. They are subjects of analysis in order to establish preventive measures for the manufacturing flow. At the same time, a team of specialists determines whether they can be remedied and reintroduced into the manufacturing flow or will be handed over to authorized collectors and recyclers.

When quality problems are reported by customers for products already delivered, they are registered as complaints, for which, following analyses carried out with the personnel involved, the causes of the non-conformities and preventive measures are established to avoid the recurrence of these quality problems.

The total number of complaints decreased by 37.3% compared to 2024, the number of repetitive complaints decreased by 28.33% and the number of returned products decreased by 68.18%. The total quality index in 2025 was 0.15% compared to 0.23% in 2024, given that the quality index proposed at the beginning of 2025 was 0.38%.

### **Goals for 2026**

- One of the objectives will be to intensify the technical support provided to operators to understand and precisely implement the requirements in the documentation provided by customers.

- Reducing the number of internal non-conformities by intensifying control actions during manufacturing, after each stage completed.

- Reducing the number and values of non-conformities received from customers, by implementing and continuously monitoring the preventive measures established over time.

- Additional training of workplace managers to prevent the occurrence of quality problems.

## *CHAPTER 3-CARING FOR THE ENVIRONMENT*

### **3.1 Our care for the environment**

#### **General aspects**

- ❖ The company is ISO 14001 certified and is regularly audited for surveillance/recertification in accordance with the requirements of the recertification standard.
- ❖ The company's Environmental Policy provides for the assessment of environmental impacts and risks and compliance with environmental performance requirements regarding:
  - energy use
  - emissions into the atmosphere
  - water use and disposal
  - use of raw materials
  - waste management and handling of hazardous substances.
- ❖ A permanent concern for the company is the selective and correct collection of waste resulting from its own activity. We conduct training campaigns for all employees regarding this aspect, with the objective of reducing the amount of household waste in favor of selective collection in various categories: wood, metal, paper/cardboard, plastic, glass.
- ❖ To make our contribution to the circular economy, we recycle paint waste resulting from painting activities, producing recycled thinner which is then used in manufacturing processes exclusively for cleaning painting equipment. In this way, we reduced the amount of diluent supplied and implicitly the supply costs for painting systems.



### **3.2 Resource management**

Energy efficiency and the use of renewable energy sources:

- We are concerned with actively monitoring consumption in order to optimize
- We have implemented monitoring systems for raw material and utility consumption and optimized production flows to reduce raw material consumption and maximize resource utilization efficiency.
- Renewable sources: we invest in renewable energy sources - solar panels, to reduce dependence on fossil fuels and reduce greenhouse gases

Reducing resource consumption and recycling materials:

- We are ready to identify new opportunities that take into account environmental protection, alongside the activities we already carry out.
- Recycling programs: we have developed recycling programs to reduce the volume of waste produced and to use materials in our production processes. In this regard, we recycle paint waste resulting from painting activity, producing recycled thinner which is then used in manufacturing processes exclusively for cleaning painting equipment.

- Resource management involves the efficient management of existing resources through the use of advanced tools and instruments for monitoring, measuring and anticipating needs. This approach allows awareness of current consumption and the establishment of strategies for optimizing processes, thus reducing the impact on the environment and society.
- Efficient resource management is essential for the company, contributing to reducing our environmental impact and optimizing our operations. By monitoring, measuring and anticipating, we can identify opportunities to save and streamline the use of resources, thus supporting long-term sustainability.

### Annual consumption

An analysis of natural gas consumption shows that we have succeeded in optimizing consumption, reducing costs and the environmental impact relative to the weather conditions of 2025.

Natural gas consumption [m3] 2023	Natural gas consumption [m3] 2024
33372	356344

### Electricity consumption

In the company's medium and long-term development strategy, the company's management considered investments aimed at:

- Achieving rigorous resource management** through advanced metering within technological processes, on all energy flows (electricity, heat, water, compressed air, etc.) in order to identify energy losses and the potential for savings and to locate application points to maximize efficiency for energy efficiency measures.
- Achieving the company's transition to a low-carbon production activity, aiming to promote investments in the clean energy and energy efficiency sector**

Consumption 2024 – 2,119,040 kWh Consumption 2025 – 2,191,403 kWh

To achieve this goal, the company's management's concern was to attract non-reimbursable funds and, together with its own capital, investments were made in:

- Electricity production from renewable sources**

**Starting with 2020, photovoltaic systems with a total installed power of 3000.00 kWp were implemented in stages as follows:**

- In 2021, the first photovoltaic system with an installed power of 990Kwp was completed.

- In 2022, the expansion of electricity production capacity from renewable sources with an equivalent installed power of 1500 Kwp was implemented.
  - In 2023, the expansion of electricity production capacity from renewable sources continued with an equivalent installed power of 500 Kwp.
  - In 2025, the 3 MW production capacity produced 165,943 MWh
- 2. Heating systems with pellet burners with radiant tubes** as an alternative to heating equipment using methane gas.
- Heating systems with ecoHORNET pellet burners with radiant tubes - technology that consists of highly efficient and ecological combustion, at temperatures above 1250 °C, with minimal polluting emissions of pellets made from biomass, simultaneously integrating gasification, combustion, incineration, post-combustion and optimized heat transfer processes.
  - Our company's objective is for this investment, which is currently being implemented, to ensure the heating of production spaces with an area of 30,000 square meters.

### 3.3 Energy efficiency measures

- In 2023, the project **was implemented. Energy efficiency measures by changing the lighting system at COMELF SA**"- Project co-financed by the European Regional Development Fund through the Large Infrastructure Operational Program 2014-2020", in which mercury vapor or metal halide lighting fixtures were replaced in the production halls with LED lighting fixtures.

### Water consumption

The company is committed to managing water resources in a responsible and sustainable manner. Within the company, water is used in the pickling and passivation process of stainless steel, in this regard, the company has invested in a treatment and recirculation installation for the wastewater resulting from the pickling/passivation of stainless steel.

The wastewater treatment and recirculation plant contains:

- mechanical and hydro installation consisting of treatment tanks
  - aerator
  - pH adjustment tank
  - Reagent storage tanks
  - Hydro fluid circulation system
  - Reagent dosing system
  - Compressed air stirring-homogenization system

- Air exhaust system
- Submersible electrode mounts
- Wastewater transfer pump
- Automation equipment
- Sludge pump filter press

#### Treated water filtration system

The chemically impure water desalination plant operates automatically and can operate in continuous flow with an hourly flow rate of 1 mc/h.

After treatment, the resulting clean water is passed through a mechanical filtration system. The wastewater resulting from the stainless steel surface pickling installation (pickling-degreasing, passivation and washing) will be collected in a basin from where it will be pumped into the treatment tank of the pickling and recirculation station.

The installation automatically controls the processes of:

- tartarizes acidic wastewater containing heavy metals, simultaneously with their precipitation
- regulates the pH of alkaline waters, corrects the pH of neutralized water to a value of 6.5-8.5
- optically signals the ordered dosing elements
- optically signals the basin where the limits of correct functioning of the neutralization process have been exceeded
- optically signals the occurrence of a failure in the dosing system and regulation of process parameters
- permanently displays the pH value when neutralizing water is discharged

Total consumption[m3] 2023	Total consumption [m3]2024
9992	10205

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### 3.4 Greenhouse gas emissions and climate protection

#### GHG emissions

- ▶ Greenhouse gas emissions represent a major risk to the environment, contributing to global climate change.
- ▶ Our company recognizes the importance of monitoring and reducing GHG emissions to minimize environmental impact and contribute to global efforts to combat climate change.
- ▶ In addition to being aware of the impact, it is important to set clear goals to reduce emissions and significantly improve the carbon footprint.



The environmental objectives of the sustainability strategy assign major importance to the decarbonization effort. Some of these objectives are already in advanced stages of implementation and include:

- analyzing the fuel consumption of vehicles and exploring the possibilities of replacing them with electric or hybrid cars
- Logistics optimization: increasing the efficiency of logistics for the vehicles used in our activities
- Sustainable energy suppliers: selecting energy suppliers with the lowest possible emission factor
- Renewable energy: continuing the solar panel installation programs
- Energy audit: conducting energy audits to identify energy saving opportunities
- Efficiency of compressed air use to reduce energy consumption



To reduce pollutant emissions and combat climate change, the company has carried out 2 projects:

1. Photovoltaic system with an installed capacity equivalent to 990 kWp for own consumption, without storage and with 0 injection into the public electricity distribution network
2. 1500kWp photovoltaic power plant with grid feed-in

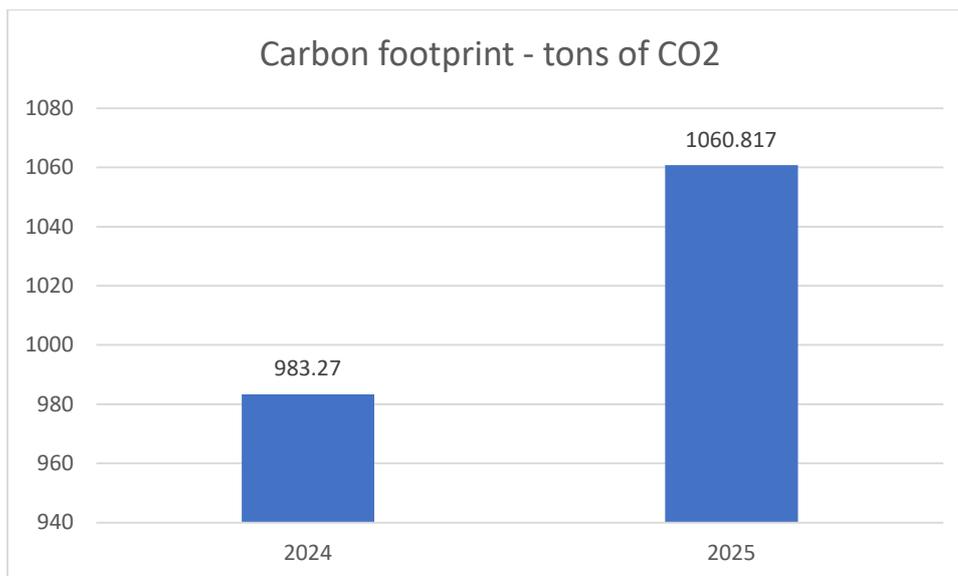
The projects have a positive impact on the environment due to the fact that green energy with 0 CO2 emissions will be generated.

\*Details regarding the carbon footprint and its calculation are presented in the Energy chapter **Greenhouse gas emissions and climate protection**

Romania and the European Union have adopted a series of regulations and agreements in the field of energy and the environment, which must be respected by all entities carrying out economic activities in these areas. In 2019, the EU revised its energy policy framework to help us transition from fossil fuels to cleaner energy – and, more specifically, to meet our Paris Agreement commitments on reducing greenhouse gas emissions.

In this regard, our company began implementing measures in 2019 to reduce greenhouse gas emissions resulting from energy consumption through:

- advanced monitoring of energy consumption,
- generating electricity through solar energy,
- partial replacement of conventional heating systems by heating with pellet burner heating systems with radiant tubes
- energy performance in buildings (thermal rehabilitation and replacement of mercury vapor or metal halide lighting systems with LED lighting fixtures.)
- purchase of energy efficient machinery and equipment
- The implementation of these measures led to the reduction of the carbon footprint on the environment generated by the activities of the COMELF company.



## *CHAPTER 4 - CARING FOR PEOPLE AND COMMUNITIES*

### **4.1 Caring for our employees**

As one of the largest employers in the county, we are aware of the responsibility we have for the well-being of our team. During the past year, our activity was not affected by unforeseen events or situations. We focus on efficiency and productivity, respecting all

occupational health and safety regulations, as well as the principles of ethics, non-discrimination and integrity. Collaboration and dialogue are fundamental to our team's performance.

Every day, we leverage collaboration to achieve common goals, based on trust and the desire to develop. These values are promoted internally and we expect ethical and integrity behavior from our colleagues, both in internal relations and in interactions with third parties.

We are believers in constructive feedback and strive to stay connected to the challenges our employees face, in order to find the best solutions to create a harmonious and productive work environment.

We ensure that we comply with all regulations related to employment relations and that we align with international human rights directives, standards and norms, such as the UN Universal Declaration of Human Rights, the EU Charter of Fundamental Rights and the European Convention on Human Rights. We also reinforce our commitments to comply with good practices in the fields of labor, anti-corruption, employee health and safety, as well as human rights and non-discrimination, both within the organization and in the business relationships we conduct.

We invest time and resources to constantly improve the working environment and conditions. In this regard, for 2026, we aim to allocate more resources for the purchase of work equipment, with the aim of improving its quality. At the same time, we will continue to implement an awareness program regarding the risks associated with inattention in the workplace and the importance of using protective equipment, by conducting control sessions and trainings.

#### **4.1.1 Employee recruitment and retention**

We are a dynamic and growth-oriented company, and well-trained teams with a diverse set of skills are essential to our success. Our activity is carried out in an environment where identifying qualified personnel can be a challenge, and employee retention thus becomes an important priority.

We believe that motivated employees, who share the company's values, can significantly contribute to the performance of our business. At the same time, we promote a professional environment in which our colleagues feel respected and fairly rewarded, without affecting their rights or safety, either personal or that of their loved ones.

The recruitment process, coordinated by the Human Resources Department, aims to form balanced teams by attracting new colleagues with expertise who can add value to the group or who can be trained to support the long-term sustainability of the workforce. During the recruitment process, we take care to create a diverse mix in terms of age, culture, personality, skills and passions, respecting the principles of equal opportunities, diversity and non-discrimination.

Annually, we evaluate the performance of our employee recruitment and retention process, constantly looking for ways to improve, in order to remain competitive in the labor market and as an employer. We believe that employees can be the best ambassadors of the company and we encourage them to actively participate in the recruitment process through recommendations.

Accepted norms of behavior, as well as undesirable behaviors, are clearly regulated by the Internal Order Regulations.

For 2026, we aim to maintain the number of employees, recruit talented young people, continue the selection of non-EU personnel and encourage gender diversity by promoting available jobs among women. We also want a decrease in staff turnover by at least 5%,

supported by the implementation of a KPI-based performance bonus system for production areas.

#### 4.1.2 Health and safety at work

- ▶ The well-being of our employees is a key priority, supported by individual responsibility and reinforced by our role as a responsible employer. In this sense, our programs and objectives consider both improving working conditions and employee health because our staff is the company's most valuable asset.
- ▶ Considering the health profile of our employees, we have designed and implemented health services, programs and campaigns that target and address major health impact issues and this also aligns with our vision: zero accidents/zero injuries with the protection of people and the environment.
- ▶ The company aims to produce high quality products in conditions of employee safety and environmental protection.
- ▶ When employees are healthy, motivated and satisfied, their productivity increases, which leads to positive financial results for the company. Therefore, it is essential to create a pleasant, productive and safe working environment. This involves not only preventing unwanted incidents, but also promoting a healthy balance between professional and personal life, so that employees are in the best shape to carry out their work.
- ▶ Occupational safety is of paramount importance and is a fundamental component in technological processes. Our strategic commitments are to reach zero work accidents.
- ▶ Our company strives and has investment programs in this regard, to ensure a safe working environment for employees, respecting safety standards and specific legislation.
- ▶ For each process and workplace there is a risk assessment, an assessment imposed by legislation and which is reviewed when working conditions change or following accidents.



- ▶ For discipline regarding workplace safety and compliance with specific workplace legislation, specific occupational health and safety instructions have been drawn up for various types of jobs and activities.
- ▶ The activity regarding Occupational Health and Safety, Environment, Fire Prevention and Extinguishing - Emergency Situations is coordinated by an internal department with qualified and specialized people in these fields.

We are ISO 45001-2018 certified, audit programs carried out systematically are part of the organization's operational responsibilities for occupational safety and health. Positive findings from these audits are communicated within the organization to be an example of good practices



within the company and for similar activities, while improvement opportunities and non-conformities are examined by the company's management in sessions to identify improvement measures.

Considering that we have implemented an integrated Quality, Environment, Occupational Health and Safety Management System - SIM, we prioritize carrying out inspections to verify compliance with legal and standard requirements on both environmental and safety-oriented aspects, by promoting open discussions during these sessions. This approach facilitates better understanding and strengthens communication and trust between employees and company management.

All employees are periodically trained in the fields of OHS, Fire Prevention -Emergency Situations and Protection of Environment, depending on the specifics of the activity they carry out.

For new employees, general introductory training is carried out by the specialized department at the company level and on-the-job training is provided by the workplace manager. These training sessions aim to provide knowledge regarding the basic legislation in the fields of Occupational Safety and Health (OSH), Environment, Fire Safety – Emergency Response, the risks to which they are exposed, their specific obligations for the prevention of accidents and occupational diseases, fires, first aid measures, the proper and selective collection of waste, as well as how to respond in emergency situations. Workplace supervisors are trained and tested annually on occupational safety and health. During these sessions, good practices are presented or solutions are sought for certain problems raised by them, which materialize in programs of measures with deadlines and responsibilities.

Within the Occupational Health and Safety Committee:

- ▶ The activity regarding Occupational Health and Safety is evaluated by drawing up an annual report.
- ▶ Presentation of the Prevention and Protection Plan - PPP, which proposes organizational, technical, hygienic-sanitary and other measures to prevent work accidents and occupational diseases,

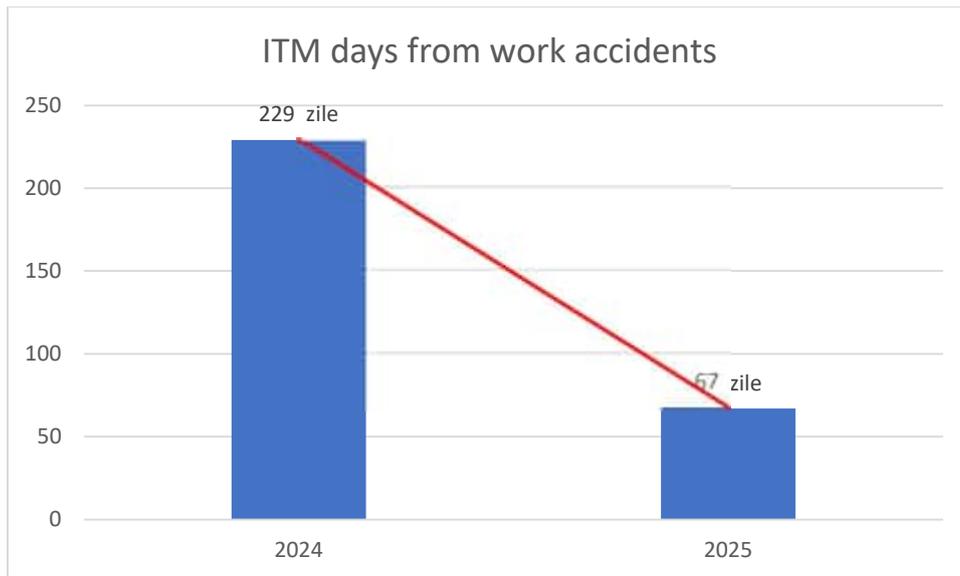
- ▶ Consultation with employee representatives on safe and healthy working conditions through employee participation in identifying risks specific to activities and workplaces and opportunities to prevent/eliminate hazards
- ▶ Consulting employees on their intention to get vaccinated against seasonal flu



We are concerned, through the actions we take, to maintain adequate and safe policies regarding Occupational Health and Safety by involving workers at all levels in developing actions to improve the OHS Management System - training, worker consultation, easy access to information, as well as adapting work to the person.

For better communication and information on the specifics of OSH, Environment, PSI-SU, the specialized department continues the campaign to promote the importance of Occupational Safety and Health on the occasion of International OSH Day, April 28, by drafting and editing the OSH magazine, which reached number 10 in 2025, an activity promoted and started in 2014.

- ▶ Within the company, in 2025 there were a total of 4 workplace accidents resulting in 67 days of temporary disability, representing a 30% decrease in the number of days of temporary disability compared to 2024. In 2024, there were a total of 3 workplace accidents, resulting in 229 days of temporary work disability
- ▶ No fatal accidents or accidents resulting in disability at work were recorded.



In 2025, the company did not record any fines or sanctions related to incidents of non-compliance with legislative regulations regarding occupational health and safety, environmental protection, fire prevention and extinguishing, and emergency situations.

#### **Fire Prevention and Extinguishing – Emergency Situations**

Fires constitute a significant risk to personnel safety, the integrity of the physical structures of buildings, economic efficiency and the environment. Early detection and prevention of fires are fundamental for the company.

Industrial fires can have devastating consequences on human life. Early detection of fires allows for the rapid and efficient evacuation of personnel, reducing the risk of serious injury or death.

The ability of an industrial company to continue operating following a fire is very important and in this regard, effective fire prevention and control plans are drawn up that help optimize reaction and response times in the event of emergency situations.

The company has efficient fire prevention systems at its disposal that contribute both to protecting all resources and to complying with legal requirements.

The company has:

- 312 extinguishers of specific types: P1, P3, P6, P50, G2, G5, SM9
- 23 interior hydrants
- 6 outdoor hydrants
- 93 signal lamps for evacuation directions / emergency exits
- Centralized alarm system with siren linked to the national system
- 15 sirens mounted in the activity sectors that are manually activated in case of emergency situations
- 11 smoking areas located outside the buildings

As part of the training sessions, simulation exercises are carried out every year for fire intervention, intervention in case of accidental water pollution and for providing first aid.

In each sector of activity there is a personnel evacuation plan and teams nominated and trained for interventions in case of emergency situations.

The company owns a civil protection shelter with an area of 300 square meters equipped with a ventilation filter system, which can be used in case of emergency situations.



#### **4.1.3 Equal opportunities, rights and freedoms**

Comelf SA is committed to creating a diverse and inclusive work environment, in which all employees benefit from the same opportunities for professional development and career advancement. The company recognizes the importance of respecting fundamental human rights and ensures that all its policies and practices comply with international standards regarding equal opportunities and non-discrimination.

##### **Commitment to Diversity and Inclusion**

Comelf SA is dedicated to promoting diversity in the workplace, encouraging an environment where employees from all corners of society, regardless of gender, race, ethnicity, religion or sexual orientation, feel respected and appreciated. The company's internal policies are designed to support and promote diversity in all areas of activity, ensuring that the recruitment and selection process is objective and merit-based. The company also promotes a culture of inclusion through initiatives that encourage collaboration between diverse teams and capitalize on the strengths of each employee.

##### **Equal Opportunities Policies**

Comelf SA has implemented a diversity management system, which includes specific measures to promote equal employment and promotion opportunities. In 2025, the company conducted an internal audit of its recruitment processes to identify potential areas for improvement, thus ensuring that employees from underrepresented groups are supported and have access to the same opportunities as other colleagues. The company has also initiated mentoring and development programs for employees in these groups, providing them with a favorable framework for professional growth and their effective integration into the organization.

##### **Training and Support for Employees from Underrepresented Groups**

Comelf SA has introduced a mentoring program dedicated to supporting employees from underrepresented groups. This program provides them with ongoing support in their career development, helping them overcome their barriers and reach their full potential. Also, as part of the continuous training program, the company organizes awareness sessions on the importance of diversity and inclusion in the workplace, aiming to reduce stereotypes and promote a fair work environment.

## **Employee Rights and Freedoms**

Comelf SA ensures that the fundamental rights and freedoms of its employees are respected in every aspect of its activity. The company guarantees a safe working environment, which complies with international regulations regarding occupational safety and health, and employees benefit from protection against any forms of abuse or discrimination. Internal policies are consistent with national and European legislation on employee rights, including maternity and paternity rights, family care leave and access to healthcare services.

### **Measures to Eliminate Discrimination**

Comelf SA has adopted clear policies to prevent and combat discrimination in the workplace. These policies are applicable to all employees, regardless of position held, and include specific measures to prevent discrimination based on gender, age, religion, disability or other personal characteristics. The company has created a confidential reporting system to facilitate reporting of any cases of discrimination, and all complaints are treated with the utmost seriousness.

### **Goals for 2026**

For 2026, Comelf SA proposes a series of ambitious objectives to support and promote diversity and inclusion in the workplace. These objectives include:

1. **Increasing the percentage of employees from underrepresented groups in management positions:** Comelf SA aims to reach a goal of 5% employees from underrepresented groups in leadership and management positions, thus promoting diversity and equity in the decision-making process.
2. **Implementation of a continuous training program for all employees:** The company will launch ongoing training sessions on diversity, inclusion and anti-discrimination, providing employees with tools and resources to understand and apply diversity principles in the workplace.
3. **Monitoring and evaluating the impact of diversity programs:** Comelf SA will implement a diversity progress monitoring system, using specific indicators to assess the impact of measures adopted regarding equal opportunities, inclusion and the reduction of discrimination within the company.
4. **Increasing transparency in recruitment and selection:** In 2026, the company will continue to improve recruitment processes, implementing clear transparency policies to ensure a fair and non-discriminatory process for candidates from diverse groups.

Through these objectives, Comelf SA reaffirms its commitment to creating a fair and inclusive workplace, where all employees have equal opportunities for professional and personal development.

#### **4.1.4 Employee well-being**

Comelf SA recognizes that employees are the company's most important asset and represent the key to long-term success. Employee well-being is a central element of the company's organizational culture, and Comelf is committed to creating a healthy, safe and stimulating work environment. In this regard, the company implements a series of measures and programs aimed at improving the quality of life of employees, promoting work-life balance, as well as ensuring a safe and accessible workplace.

## **Employee Health and Safety Policy**

Comelf SA aims to guarantee a safe working environment for all its employees, being dedicated to respecting the highest standards of health and safety in the workplace. The company implements strict safety procedures and accident prevention measures, aiming to minimize risks and increase awareness among employees.

- **Continuous training in the field of occupational safety:** Comelf SA organizes training sessions and simulations for employees on risk management, the correct use of protective equipment and accident prevention behaviors. In 2025, the company conducted training sessions and we can say that there were no major accidents reported at the workplace.
- **Investments in protective equipment:** All employees benefit from personal protective equipment (PPE), adapted to the specific nature of the activity carried out, to reduce risks related to their health and safety.
- **Measures for mental health:** Comelf SA understands the importance of mental health and implements psychological support programs for employees. These include psychological counseling and stress management sessions when necessary.

## **Employee Benefits Program**

Comelf SA rewards its employees with a complete benefits package that includes both financial incentives and non-financial benefits. The goal of this program is to contribute to improving the quality of life of employees and to support their personal and professional development.

- **Competitive salaries and performance bonuses:** Comelf SA offers competitive salary packages, which include annual bonuses based on individual and team performance. In 2025, over 50% of employees received performance bonuses.
- **Health insurance and private pensions:** Comelf SA provides its employees with a set of annual medical tests, free flu vaccination and screening programs, which include medical tests and investigations, to ensure their optimal health and reduce future medical costs. These benefits are available to all permanent employees, and the company contributes 100% to their payment.
- **Recreational programs and social events:** In addition to financial benefits, Comelf SA periodically organizes social events for employees, including team-building trips, holiday parties, and on-the-job training sessions.

## **Education and Professional Development**

Comelf SA is dedicated to the continuous professional development of its employees, recognizing that investing in their training is essential for the long-term success of the company. Therefore, the company provides a wide range of learning and professional development opportunities.

- **Continuing training programs:** Comelf SA encourages employees to participate in training and certification courses in areas relevant to their activity, offering partial or full financing for such courses. In 2025, 300 employees participated in specialization courses in areas such as project management, technology and sustainability.

<b>Item</b>	<b>Course name</b>	<b>No. of participants</b>	<b>Scheduled</b>	<b>accomplished</b>	<b>Remarks:</b>
<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b><i>EXTERNAL QUALIFICATION</i></b>				
1	Overhead-Crane operator	150	First quarter	YES	In collaboration with Multipractic Tg. Mures
2	Forklift driver	37	Third quarter	YES	In collaboration with Multipractic Tg. Mures
3	Quality Management Systems Manager	1	First quarter	YES	In collaboration with Meda Consulting
4	Quality auditor	1	First quarter	YES	In collaboration with Meda Consulting
	<b><i>IN-HOUSE TRAINING</i></b>				
1	ELIN Project - Manufacturing of nuclear products	90	Second quarter	YES	ELIN Motoren
	<b><i>EXTERNAL TRAINING</i></b>				
1	International/European Welding Engineer (IWE/EWE)	8	First quarter	YES	ISIM TIMISOARA
2	Product conformity assessment	3	Third quarter	YES	In collaboration with Meda Consulting
3	"Romanian language - beginner level" course	10	Third quarter	YES	CCIBN
	<b>Total</b>	<b>300</b>			

- **Career development:** The company supports the career advancement of its employees through a transparent internal promotion system, based on performance and skills. In 2025, 30% of employees in management positions were promoted from within the company.
- **Mentoring and coaching:** Comelf SA has implemented a mentoring program for young employees, through which they benefit from guidance and support from experienced colleagues. The program was particularly appreciated, with numerous young participants in 2025.

## Diversity and Inclusion

Comelf SA aims to create a diverse and inclusive work environment, in which all employees, regardless of age, gender, race or sexual orientation, feel valued and respected. The company promotes a work environment where diversity is considered a source of innovation and success.

- **Diversity Policy:** Comelf SA has introduced clear policies to promote diversity in the workplace, including for the recruitment and integration of employees from underrepresented groups. In 2025, the company recorded a 5% increase in the number of female employees in technical positions, and the goal for 2026 is to reach 10%.
- **Inclusion projects:** Comelf SA implements projects that promote and support the inclusion of people with disabilities. For example, in 2025, the company adapted accessible workplaces for this category, and currently, people with disabilities are employed within Comelf.

### Goals for 2026

To continue to support employee well-being and provide them with a stimulating and safe working environment, Comelf SA sets the following objectives for 2026:

1. **Increase in benefits package:** Comelf SA aims to improve the benefits offered to employees, including by increasing average salaries by 7% and expanding the health insurance and private pension package for all employees.
2. **Promoting work-life balance:** In 2025 Employees were able to spend more time with their family, which could lead to increased job satisfaction and motivation. It has been found that if employees can adapt the schedule to their personal needs, there may be fewer requests for sick leave or days off without affecting the company's critical manufacturing processes.
3. **Increasing the number of employees from diverse groups:** The company aims to increase the number of employees from underrepresented groups, including women in technical positions and people with disabilities, to 15% by 2026.
4. **Expanding professional development programs:** Comelf SA aims to invest 5% of its annual budget in continuing training programs and to increase the number of employees benefiting from these programs by 10% by 2026.

Through these measures, Comelf SA reaffirms its commitment to ensuring the well-being of employees and contributing to a healthy and balanced work environment, which supports the personal and professional development of each team member.

### 4.1.5 Professional Development and Promotion in the Workplace

Developing the personal and professional skills of our employees was a priority for us, having a positive impact on their satisfaction and motivation. Increasing productivity and improving skills have a direct effect on the development of our business and on the

community, by increasing the overall level of education. Employees who receive training are more likely to contribute new ideas to processes in their field of activity, and their specialization can lead to better quality work. At the same time, this increases internal promotion opportunities, so that the right people for dedicated positions are recruited from among existing employees.

We constantly offer training opportunities through recurring programs and, annually, process coordinators can request courses for subordinate employees, through the annual evaluation form.

### **Skills development**

In 2025, 12 training sessions were held at the factory level, benefiting a total of 350 employees from various forms of professional training.

### **4.2 Caring for communities**

We believe it is our responsibility to be actively involved in the community in which we operate. In addition to the economic impact we have through our business, supporting local projects contributes to the sustainable development of the community. This approach brings significant benefits, such as improving the well-being of individuals, increasing the quality of life and, in the case of educational projects, increasing the level of training.

In 2025, we were involved in several projects in areas such as sports, tourism, education, equal opportunities, and encouraging performance. We also supported humanitarian initiatives to help disadvantaged people.

We have a solid partnership with Grigore Moisil Technological High School, where we were among the first to implement dual education. Every year, we welcome students from the welder, CNC operator, and mechanical locksmith classes to our company for internship periods.

We support dual education by providing monthly scholarships, providing protective equipment, arranging school workshops, and providing specialized equipment and materials necessary for students' practical activities.



Also, through the partnership with the Technical University of Cluj Napoca and the branch in Bistrita, we organize annual internships for pupils and students who do their school practice within our company and support them in carrying out their diploma projects, dissertations or

even doctoral theses. We make the company's laboratories and classrooms within the company available to them.



Among the projects supported in 2025 are:

- Supporting the SC Gloria Bistrita women's handball team



- Supporting the Rodo Bistrita Sports Association



- "European Welder" Competition



- "Professional Locksmith" Contest



- "Digital CNC Operator" Competition



- Charitable and humanitarian actions in partnership with Rotary Club Bistrița



- Ecological afforestation and sanitation actions - in partnership with Rotary Club Bistrița



## 5. Our performance in numbers

### 5.1. Resource Management 2023/2024/2025

CAP. III – EVOLUȚIA UNOR INDICATORI ECONOMICI ȘI A CONSUMURILOR DE ENERGIE ÎN PERIOADA ULTIMILOR DOI ANI (anul anterior = anul 2)					
Nr. crt.	Indicatorul (coef. de transf. în tep)	Anul 1 - 2024		Anul 2 - 2025	
		[ u.m.] Val.; cant.	[ tep / an ]	[ u.m.] Val.; cant.	[ tep / an ]
A	B	C	D	E	F
1.	Valoarea totală a producției anuale	[ mii lei/an ] <b>156357,08</b>	<b>773,3648275</b>	[ mii lei/an ] <b>152082</b>	<b>825,081</b>
2.	Pondereea energiei în costurile de producție	[ % ] <b>2,19%</b>	-	[ % ] <b>2,402%</b>	-
3.	Consumul total de energie electrică (0,086)	[ MWh/an ] <b>2119,04</b>	<b>182,23744</b>	[ MWh/an ] <b>2191,40</b>	<b>188,461</b>
4.	Consumul total de energie termică (0,1)	[ Gcal/an ] <b>0</b>	<b>0</b>	[ Gcal/an ] <b>0</b>	<b>0</b>
5.	Consumul total de gaze naturale (0,086)	[ MWh/an ] <b>3489,920579</b>	<b>300,1331698</b>	[ MWh/an ] <b>3726,395133</b>	<b>320,47</b>
6.	Consumul total de păcură (0,95)	[ t/ an ] <b>0</b>	<b>0</b>	[ t/ an ] <b>0</b>	<b>0</b>
7.	Consumul total de CLU (0,97)	[ t/ an ] <b>0</b>	<b>0</b>	[ t/ an ] <b>0</b>	<b>0</b>
8.	Consumul total de cărbune (coef. de transf. în tep este în funcție de tip și de sortiment)	[ t/ an ] <b>0</b>	<b>0</b>	[ t/ an ] <b>0</b>	<b>0</b>
9.	Consumul total de benzină (1,05)	[ t/ an ] <b>1,019271</b>	<b>1,07023455</b>	[ t/ an ] <b>1,182885</b>	<b>1,242</b>
10.	Consumul total de motorină (1,015)	[ t/ an ] <b>11,22935</b>	<b>11,39779025</b>	[ t/ an ] <b>10,1813</b>	<b>10,334</b>
11.	Consumul total de alți combustibili (coef. de transf. în tep = funcție de tip) Deșeu lemn + Peleți	[ u.m.] <b>69,75</b>	<b>29,993</b>	[ bne / an ] <b>196,88</b>	<b>84,6584</b>
12.	Consumul total de energie electrică din resurse recuperabile și/sau regenerabile (0,086)	[ MWh/an ] <b>2889,920848</b>	<b>248,5331929</b>	[ MWh/an ] <b>2557,16411</b>	<b>219,9161135</b>
13.	Consumul total de energie termică din resurse recuperabile și/sau regenerabile (0,1)	[ Gcal/an ] <b>0</b>	<b>0</b>	[ Gcal/an ] <b>0</b>	<b>0</b>
14.	<b>TOTAL</b> (= col. D, col. F, rd. 3+ 4 + 5 + 6 + 7 + 8 + 9 + 10 + 11 + 12 + 13)	-	<b>773,3648275</b>	-	<b>825,081</b>
15.	Intensitate energetică [ tep/ mii lei ]		(= D14 / C1) <b>0,0049</b>		(= F14 / E1) <b>0,0054</b>

## 5.2. Greenhouse gas emissions and climate protection

### Carbon footprint 2023

Defalcare consum de energie 2023	Unitate de măsură	Total	T.E.P.	KWh	Consum CO2	Consum CO2
		Canitate	t.e.p.	KWh	KgCO2	Tone CO2
		Energie electrică achiziționată SEN	MWh	2.831,403	243,501	2.831.403,00
Energie produsă panouri fotovoltaice	MWh	2.276,828	195,807	2.276.828,00	0,00	0,000
<b>Energie electrică consumată Total</b>	<b>MWh</b>	<b>5.108,231</b>	<b>439,308</b>	<b>5.108.231,00</b>	<b>302.960,12</b>	<b>302,960</b>
Consum Gaze Naturale pentru încălzire	Mii mc	403,629	300,133	4.221.002,74	852.642,55	852,643
Consum deșeuri Lemn de foc și peleți	Tone	55,035	23,665	275.175,00	10.731,83	10,732
<b>Energie termică Total</b>		<b>0,000</b>	<b>323,798</b>	<b>4.496.177,74</b>	<b>863.374,38</b>	<b>863,374</b>
Consum Carburanți Motorină Auto	litrii/an	11.477,650	9,902	115.143,518	30.282,745	30,283
Consum Carburanți Benzină Auto	litrii/an	1.626,860	1,259	14.638,902	3.659,726	3,660
Total Consum Carburanți auto	T.E.P.		774,267	129.782,420	33.942,471	33,942
<b>Total CO2</b>				<b>9.734.191,160</b>	<b>1.200.276,970</b>	<b>1.200,277</b>

### Carbon footprint 2024

Defalcare consum de energie 2024	Unitate de măsură	Total	T.E.P.	KWh	Consum CO2	Consum CO2
		Canitate	t.e.p.	KWh	KgCO2	Tone CO2
		Energie electrică achiziționată SEN	MWh	2.119,040	182,237	2.119.040,00
Energie produsă panouri fotovoltaice	MWh	2.889,921	248,533	2.889.920,85	0,00	0,000
<b>Energie electrică consumată Total</b>	<b>MWh</b>	<b>5.008,961</b>	<b>430,771</b>	<b>5.008.960,85</b>	<b>226.737,28</b>	<b>226,737</b>
Consum Gaze Naturale pentru încălzire	Mii mc	333,720	300,133	3.489.920,28	704.963,90	704,964
Consum deșeuri Lemn de foc și peleți	Tone	69,750	29,993	348.750,00	13.601,25	13,601
<b>Energie termică Total</b>		<b>0,000</b>	<b>330,126</b>	<b>3.838.670,28</b>	<b>718.565,15</b>	<b>718,565</b>
Consum Carburanți Motorină Auto	litrii/an	13.211,000	11,398	132.532,445	34.856,033	34,856
Consum Carburanți Benzină Auto	litrii/an	1.383,000	1,070	12.444,588	3.111,147	3,111
Total Consum Carburanți auto	T.E.P.		773,364	144.977,033	37.967,180	37,967
<b>Total CO2</b>				<b>8.992.608,164</b>	<b>983.269,607</b>	<b>983,270</b>

### Carbon footprint 2025

Structura Consumului TOTAL de Energie "COMELF" S.A. Bistrița 2025

Defalcare consum de energie 2025	Unitate de măsură	Total	T.E.P.	KWh	Consum CO2	Consum CO2
		Canitate	t.e.p.	KWh	KgCO2	Tone CO2
		Energie electrică achiziționată SEN	MWh	2.191,403	188,461	2.191.403,00
Energie electrică prod. din surse regenerabile	MWh	0,000	0,000	0,00	0,00	0,000
Energie produsă panouri fotovoltaice	MWh	2.557,164	219,916	2.557.164,11	0,00	0,000
<b>Energie electrică consumată Total</b>	<b>MWh</b>	<b>4.748,567</b>	<b>408,377</b>	<b>4.748.567,11</b>	<b>234.480,12</b>	<b>234,480</b>
Consum Gaze Naturale pentru încălzire	MWh	3.726,395	320,470	3.726.395,13	752.731,82	752,732
Consum deșeuri Lemn de foc și peleți	Tone	196,880	84,658	984.400,00	38.391,60	38,392
<b>Energie termică Total</b>		<b>0,000</b>	<b>405,128</b>	<b>4.710.795,13</b>	<b>791.123,42</b>	<b>791,123</b>
Consum Carburanți Motorină Auto	litrii/an	11.978,000	10,334	120.163,017	31.602,874	31,603
Consum Carburanți Benzină Auto	litrii/an	1.605,000	1,242	14.442,201	3.610,550	3,611
Total Consum Carburanți auto	T.E.P.		825,081	134.605,218	35.213,424	35,213
<b>Total CO2</b>				<b>9.593.967,461</b>	<b>1.060.816,962</b>	<b>1.060,817</b>

### 5.3. Waste management

#### Waste management

Managing the waste generated involves a major responsibility for our company. Their efficient management requires establishing clear collection practices and identifying reduction and reuse solutions. These measures help us support the transition to a circular economy and reduce our environmental impact.

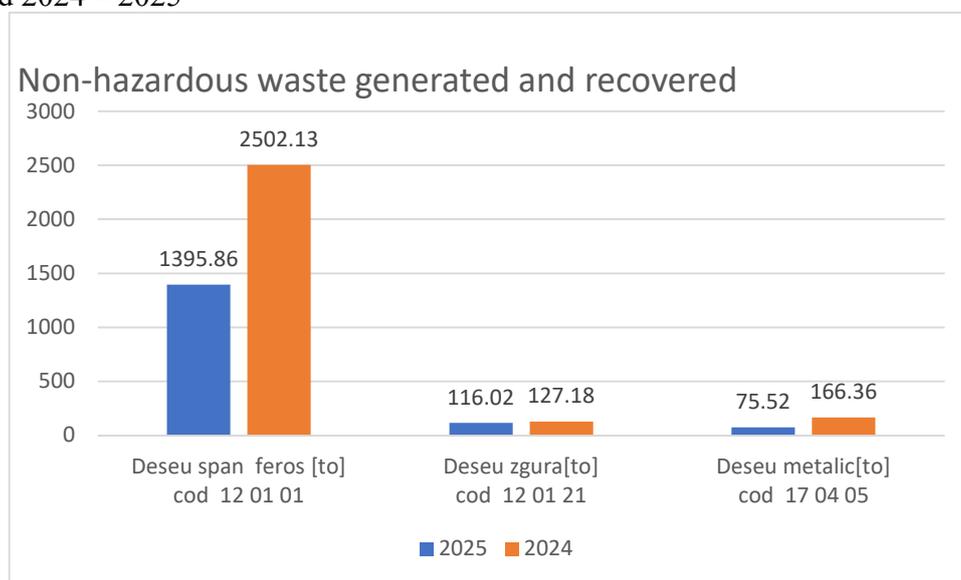
Within the company, we take waste management very seriously, recognizing the importance of protecting the environment and using resources responsibly. The resulting waste includes both hazardous materials - contaminated metal and plastic packaging, paints - and non-hazardous materials - paper/cardboard, wood, metal, plastic. To minimize this waste, we apply rigorous strategies to streamline production processes and we strongly promote the recycling and reuse of materials. Our employees receive ongoing training to develop and maintain a sustainability-oriented mindset.

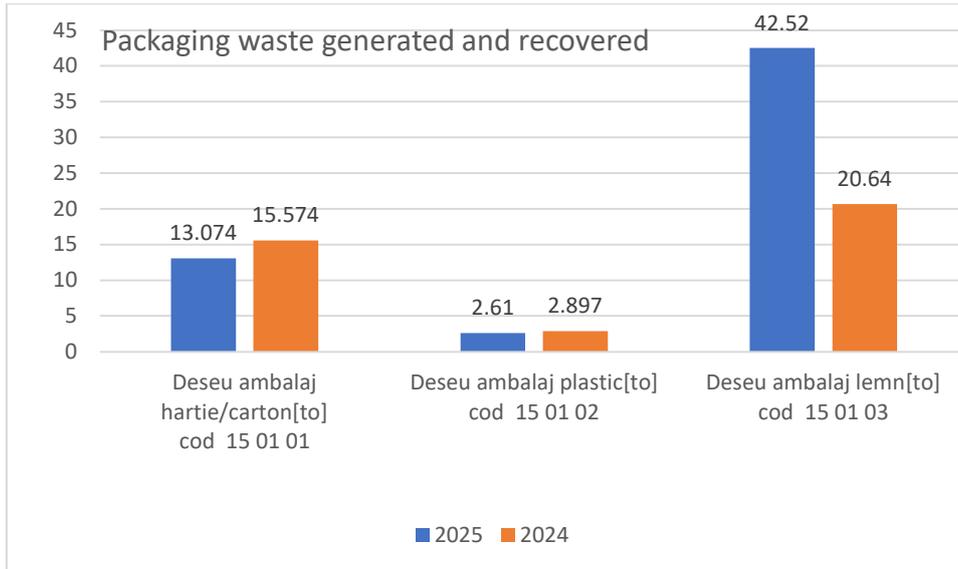
We collaborate with companies specializing in the collection, transportation, and treatment/disposal/recycling of waste. Waste data is collected monthly and reported to the competent authorities, ensuring compliance with regulations in force. In the long term, we are committed to continuing to optimize processes and implement advanced technologies for waste recovery and processing.

By constantly monitoring progress and achieving established objectives, we assume the responsibility to significantly contribute to protecting the environment and increasing the sustainability of our operations.

We aim to be an example of best practices in our industry by adopting strict and effective waste management measures.

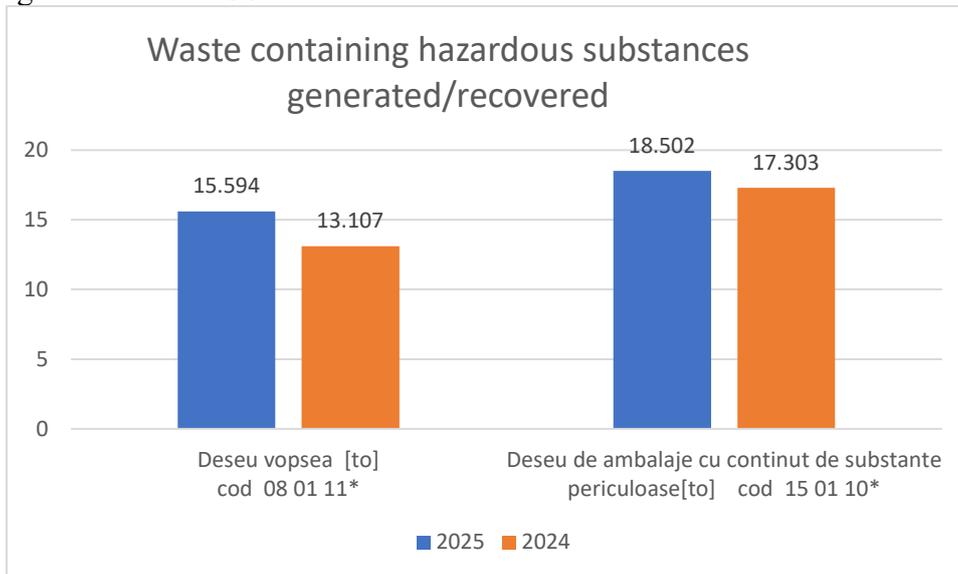
Quantities by type of hazardous and non-hazardous waste, generated and recovered, compared 2024 – 2025

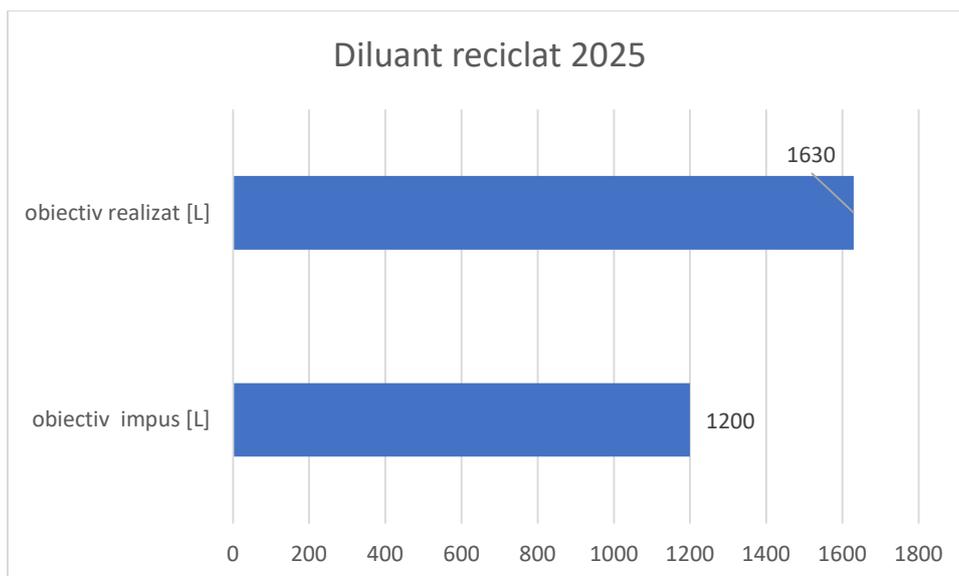




To reduce the paint waste generated, we have developed recycling programs to reduce the volume of waste produced and to use the materials in our production processes. In this regard, we recycle the paint waste resulting from the painting activity, with the production of recycled thinner which is then used in manufacturing processes exclusively for cleaning painting equipment.

In 2025, a quantity of 1630 L of diluent was recycled compared to the 1200 L target imposed, thus having an increase of 36%.





#### 5.4. Employee information

Average number of employees 556

Staff distribution:

	Men	Women	Total
Management	6	2	8
Direct production workers	306	13	319
Indirectly productive workers	161	68	229
Total number of employees	473	83	556
Employees under 25 years old		31	2
33			
Employees between 25-54 years old	250	56	306
Employees over 54 years old	192	25	217

Our colleagues are an essential pillar of our group's success. In 2025, we had an average of **556** of employees within the company, of which **2%** were employed part-time, and the rest had full-time contracts. Women represent **17%** of the total number of employees, and a positive aspect is the increase in the number of colleagues under 25 years of age – **33 people**.

**People with disabilities employed by the company as of December 31, 2025: 5 people**

Chairman of the Board of Directors, eng. Savu Constantin

General Manager,  
eng. Cenusă Gheorghe

Financial Manager,

ec. Tatar Dana



**COMELF S.A.**

RO 568656  
J06/2/1991  
Str. Industriei nr. 4  
420063, Bistrița  
România

# **SITUAȚII FINANCIARE ANUALE INDIVIDUALE IFRS LA 31 DECEMBRIE 2025**

<b>Situația poziției financiare</b>	<b>1</b>
<b>Situația contului de profit sau pierdere și alte elemente ale rezultatului global</b>	<b>2</b>
<b>Situația modificării capitalurilor proprii</b>	<b>3 - 4</b>
<b>Situația fluxurilor de numerar</b>	<b>5</b>
<b>Notele la situațiile financiare individuale</b>	<b>6 - 46</b>

**COMELF S.A.**

INDIVIDUAL FINANCIAL STATEMENTS AS OF December 31, 2025 IN ACCORDANCE WITH IFRS  
(All amounts are expressed in lei, unless otherwise indicated)

**STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31st, 2025**

	Note	31.12.2025	31.12.2024
<b>Assets</b>			
Development cost		166,662	60,281
Intangible assets	5	743,435	339,226
Tangible assets	5	74,682,613	75,542,346
Financial assets	5	220,000	220,000
Financial assets available for sale	6	-	-
<b>Total non-current assets</b>		<b>75,812,709</b>	<b>76,161,853</b>
Advance payments for tangible assets		926,387	878,156
Stocks	7	24,832,690	20,576,149
Receivables from contracts with customers	8	39,529,985	34,275,747
Trade receivables and other receivables	9	11,596,545	4,974,277
Current tax receivables		-	221,475
Cash and cash equivalents	11	9,178,667	20,722,722
<b>Total Current Assets</b>		<b>86,064,273</b>	<b>81,648,526</b>
<b>Total Assets</b>		<b>161,876,983</b>	<b>157,810,379</b>
<b>Equity</b>			
Share capital	12	13,036,325	13,036,325
Share capital adjustments	12	8,812,271	8,812,271
Reserves	12	49,566,447	52,298,627
Reported outcome	12	1,015,642	1,384,335
Financial year outcome	25	4,787,536	8,990,433
Profit sharing		(759,551)	(3,385,265)
<b>Total Equity</b>		<b>76,458,670</b>	<b>81,136,726</b>
<b>Debts</b>			
Long-term bank loans	13	-	-
Other loans and debts-leasing	13	-	-
Defferend tax liabilities	22	5,116,535	5,229,881
Provisions for risks and expenses	21	166,697	208,855
Defferend income liabilities	23	4,733,145	4,667,387
<b>Total long-term debts</b>		<b>10,016,377</b>	<b>10,106,123</b>
Overdrafts	13	34,669,800	33,823,880
The current part related to long-term loans	13	-	-
Defferend tax liabilities	22	113,345	164,187
The current other loans and liabilities - leasing	11	-	66,665
Commercial debts and other debts	14	37,569,100	30,113,399
Provisions for risks and expenses	21	550,615	860,431
Defferend tax liabilities	23	2,499,076	1,538,968
<b>Total current debts</b>		<b>75,401,937</b>	<b>66,567,530</b>
<b>Total Debts</b>		<b>85,418,313</b>	<b>76,673,653</b>
<b>Total equity and debts</b>		<b>161,876,983</b>	<b>157,810,379</b>

Cenusa Gheorghe  
General Manager

Tatar Dana  
Economic Manager

**COMELF S.A.**

INDIVIDUAL FINANCIAL STATEMENTS AS OF December 31, 2025 IN ACCORDANCE WITH IFRS  
(All amounts are expressed in lei, unless otherwise indicated)

**PROFIT OR LOSS ACCOUNT SITUATION  
AND OTHER ELEMENTS OF THE OVERALL RESULT**

	Nota	31.12.2025	31.12.2024
<b>Continuous operations</b>			
<b>Revenues</b>			
Revenue from contracts with customers	15	149,259,896	156,365,397
Revenues from sales of goods		456,299	904,496
Other elements related to the turnover		11,235,759	9,059,609
<b>Total revenues</b>		<b>160,951,954</b>	<b>166,329,502</b>
<i>of which turnover</i>	3	157,810,007	166,011,697
<b>Other revenues</b>	16	<b>1,691,314</b>	<b>2,116,420</b>
<b>Expenses</b>			
Raw material costs and other expenses		(66,162,408)	(66,498,078)
Electricity and water costs		(3,821,258)	(3,426,576)
Commodity expenses		(451,068)	(909,304)
Employment charges	17	(59,267,486)	(58,915,510)
Transport costs	18	(4,060,948)	(5,208,821)
Other expenses related to revenues	19	(13,152,901)	(12,444,032)
Cost depreciaton charge	5	(7,567,381)	(8,233,713)
Financial costs , net	25	(2,585,550)	(2,915,051)
Ajustments related to cirrent assets depreciation ,net	8	-	(97,846)
Provision costs for risks and expenses, net	21	251,649	362,603
<b>Other expenses</b>	19	(360,287)	(390,617)
<b>Total expenses</b>		<b>(157,177,638)</b>	<b>(158,676,945)</b>
<b>Pre-tax profit</b>		<b>5,465,630</b>	<b>9,768,977</b>
Profit tax	20	(678,094)	(778,544)
Profit from continuous operations		4,787,536	8,990,433
Profit from discontinuous operations		-	-
<b>PROFIT OF THE PERIOD</b>		<b>4,787,536</b>	<b>8,990,433</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to expenses and revenues</i>			
Value changes of the used assets as a result of revaluation ,net of tax		-	-
<i>Items that can be reclassified to expenses and revenues</i>			
Value changes of securities available for sale	3	-	-
<b>Total profit and loss account and other comprehensive income</b>		<b>4,787,536</b>	<b>8,990,433</b>
<b>Outcome per share</b>			
From continuous and discontinuous operations			
Outcome per basic share (lei per share)	24	0.21	0.40
Diluted outcome per share (lei per share)	24	0.21	0.40
Din operatiuni continue			
Outcome per basic share (lei per share)	24	0.21	0.40
Diluted outcome per share (lei per share)	24	0.21	0.40

Cenusa Gheorghe,  
General Manager

Tatar Dana ,,  
Economic Manager

**COMELF S.A.**

## INDIVIDUAL FINANCIAL STATEMENTS AS OF December 31, 2025 IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

STATEMENT OF CHANGES IN EQUITY	Capital Social	Adjustments of share capital	Reserves from revaluation	Reserves legal	Other reserves	The Result withheld	Total equity
<b>Balance as of January 1, 2024</b>	<b>13,036,325</b>	<b>8,812,271</b>	<b>30,955,944</b>	<b>2,607,265</b>	<b>15,861,059</b>	<b>10,518,520</b>	<b>81,791,384</b>
<i>Profit or loss account and other elements of the overall result</i>							
Profit or loss						8,990,433	8,990,433
<i>Other elements of the overall result</i>							0
Net change in the fair value of available-for-sale financial assets							0
<i>Movements in the profit or loss account and other elements of the overall result</i>							
Realised revaluation differences transferred to retained earnings - current year			-608.221			510.905	-97.316
Legal reserves established							0
Reserves from tax exemption of reinvested profits (according to the Tax Code)					3,385,265	-3,385,265	0
Other equity items			97.315				97.315
Revaluation of tangible fixed assets after taxation							0
<b>Total profit or loss account and other elements of the overall result</b>	<b>0</b>	<b>0</b>	<b>-510.906</b>	<b>0</b>	<b>3,385,265</b>	<b>5,799,403</b>	<b>8,673,762</b>
Other items retained-correction of accounting errors						0	0
<b>Other items retained-correction of accounting errors</b>			<b>0</b>			<b>0</b>	<b>0</b>
<b>Transactions with shareholders, recorded directly in equity</b>	<b>0</b>				0	0	0
<b>Contributions from and distributions to shareholders/employees</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-9,328,420</b>	<b>-9,328,420</b>
Total transactions with shareholders	0	0	0	0	0	-9,328,420	-9,328,420
<b>Balance as of December 31, 2024</b>	<b>13,036,325</b>	<b>8,812,271</b>	<b>30,445,038</b>	<b>2,607,265</b>	<b>19,246,324</b>	<b>6,989,503</b>	<b>81,136,726</b>

*Continued on next page*

**COMELF S.A.**

## INDIVIDUAL FINANCIAL STATEMENTS AS OF December 31, 2025 IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

STATEMENT OF CHANGES IN EQUITY	Capital Social	Adjustments of share capital	Reserves from revaluation	Reserves legal	Other reserves	The Result withheld	Total equity
<b>Balance as of January 01, 2025</b>	<b>13,036,325</b>	<b>8,812,271</b>	<b>30,445,038</b>	<b>2,607,265</b>	<b>19,246,324</b>	<b>6,989,503</b>	<b>81,136,726</b>
<i>Profit or loss account and other elements of the overall result</i>							
Profit or loss						4,787,536	4,787,536
<i>Other elements of the overall result</i>							
Net change in the fair value of available-for-sale financial assets			0				0
<i>Movements in the profit or loss account and other elements of the overall result</i>							
Realized revaluation differences transferred to retained earnings - current year			-1,026,178			861.990	-164.188
Legal reserves established				0		0	0
Reserves from tax exemption of reinvested profits (according to the Tax Code)					759.551	-759.551	0
Other equity items			164.188		0		164.188
Revaluation of tangible fixed assets after taxation							0
<b>Total profit or loss account and other elements of the overall result</b>	<b>0</b>	<b>0</b>	<b>-861.990</b>	<b>0</b>	<b>759.551</b>	<b>4,889,975</b>	<b>4,787,536</b>
Other items retained-correction of accounting errors						-1,230,683	-1,230,683
<b>Other items retained-correction of accounting errors</b>			<b>0</b>			<b>-1,230,683</b>	<b>-1,230,683</b>
<b>Transactions with shareholders, recorded directly in equity</b>	<b>0</b>						<b>0</b>
<b>Contributions from and distributions to shareholders/employees</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2,629,741</b>	<b>-5,605,168</b>	<b>-8,234,909</b>
Total transactions with shareholders	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,629,741</b>	<b>-5,605,168</b>	<b>-8,234,909</b>
<b>Balance as of December 31, 2025</b>	<b>13,036,325</b>	<b>8,812,271</b>	<b>29,583,048</b>	<b>2,607,265</b>	<b>17,376,134</b>	<b>5,043,627</b>	<b>76,458,670</b>

**COMELF S.A.**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)***CASH FLOW STATEMENT**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Net Profit	4,787,536	8,990,434
Amortization and provisions	7,567,381	8,233,712
<b>Gross operating cash</b>	<b>12,354,917</b>	<b>17,224,146</b>
<b>Working capital variation</b>		
Variation of receivables	5,254,238	-15,069,352
Inventory variation	4,256,541	-898.061
Variation in other current assets	6,351,145	-7,438,384
Changes In prepaid rev. / exp.	49.647	-14.812
Supplier variation	5,461,644	-2,092,365
Variation in down-payments from customers	-143.266	460.406
Variation in employee and similar debts	-34.500	-2,867,623
<b>Net operating cash</b>	<b>1,727,224</b>	<b>36,145,173</b>
<b>Cash flow from net investments</b>	<b>7,266,468</b>	<b>8,891,442</b>
<b>Variation of debts</b>		
Variation of short-term loans	779.255	-2,921,495
Variation of long-term loans	-	-
Variation in related party liabilities	1,812,032	-479.659
Variation in other debts	195.603	-117.364
Capital variation	-8,791,700	-10,636,128
<b>Cash flow from financing</b>	<b>-6,004,810</b>	<b>-14,154,646</b>
<b>Total cash variations during the period</b>	<b>-11,544,054</b>	<b>13,099,086</b>
Initial Cash	20,722,722	7,623,636
<b>NET Cash at the end of period</b>	<b>9,178,668</b>	<b>20,722,722</b>

Cenusa Gheorghe  
General ManagerTatar Dana  
Economic Manager

**COMELF S.A.**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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**OPIS NOTE**

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|--|---|
| 1. Reporting entity                          | 17. Staff costs                         |
| 2. Basics of preparation                     | 18. Shipping costs                      |
| 3. Significant accounting policies           | 19. Other operating expenses            |
| 4. Significant risk management               | 20. Income tax                          |
| 5. Tangible and intangible assets            | 21. Provisions for risks and expenses   |
| 6. Financial assets available for sale       | 22. Deferred tax liabilities            |
| 7. Inventories                               | 23. Deferred income                     |
| 8. Receivables from contracts with customers | 24. Earnings per share                  |
| 9. Trade receivables and other receivables   | 25. Financial elements                  |
| 10. Value adjustments                        | 26. Contingent assets and liabilities   |
| 11. Cash and cash equivalents                | 27. Affiliated parties                  |
| 12. Equity                                   | 28. Capital commitments                 |
| 13. Loans                                    | 29. Operational segment reporting       |
| 14. Trade and other payables                 | 30. Events after the balance sheet date |
| 15. Revenues from construction contracts     | 31. Approval of financial statements    |
| 16. Other incomes                            |   |

**COMELF S.A.**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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**1. Reporting entity**

COMELF SA (the “Company”) is a joint-stock company operating in Romania in accordance with the provisions of Law 31/1990 on companies and Law 297/2004 on the capital market, with subsequent additions and amendments. The company is headquartered in Bistrita, 4 Industriei Street, Bistrita Nasaud County, Romania.

The company was established as a commercial company in 1991 as a result of the reorganization of the former Bistrita Technological Equipment Company.

The company’s shares are listed on the Bucharest Stock Exchange, the regulated market, with the code CMF, since November 20, 1995. Evidence of shares and shareholders is held in accordance with the law by the SC Depozitarul Central SA Bucharest.

The individual financial statements in accordance with International Financial Reporting Standards have been prepared for the financial year ended December 31, 2025.

The main activity of the Company is the manufacture of engines and turbines (except for those for airplanes, automobiles and motorcycles). The company also manufactures installations, sub-assemblies and components for power plants and environmental protection, earthmoving equipment, lifting and transport equipment, including their sub-assemblies, steel structures, weapons and ammunition, road transport vehicles and military combat vehicles.

**2. Basics for preparation****a. Declaration of conformity**

The financial statements have been prepared by the *Company* in accordance with:

- International Financial Reporting Standards adopted by the European Union (“IFRS”);  
These financial statements of the Company are prepared in accordance with the requirements of the Order of the Ministry of Finance no. 2844 of 2016, for the approval of Accounting Regulations compliant with International Financial Reporting Standards, applicable to companies whose securities are admitted to trading on a regulated market, which replaces Order no. 1286/2012. International Financial Reporting Standards represent the standards adopted according to the procedure provided by Regulation (EC) no. 1,606 / 2002 of the European Parliament and of the Council of 19 July 2002 on the application of International Accounting Standards. The transition date to International Financial Reporting Standards was January 1, 2011;
- Law 82 of 1991 on accounting republished and updated.

The financial statements were authorized for issue by the Board of Directors on 30 March 2026.

**b. Basis for evaluation**

The financial statements have been prepared on a historical cost basis, with the exceptions mentioned in these Explanatory Notes.

**c. Functional and presentation currency**

These financial statements are presented in lei, which is also the Company's functional currency. All financial information is presented in lei, rounded, without decimals.

**COMELF S.A.**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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**d. Use of professional estimates and reasoning**

The preparation of the financial statements in accordance with IFRS involves the use by management of professional reasoning, estimates and assumptions that affect the application of accounting policies and the reported value of assets, liabilities, income and expenses. Actual results may differ from estimated values.

**e. Changes in accounting policies**

## General presentation

The financial year ended on December 31, 2025, represents the first year of adoption by the Company of International Financial Reporting Standards according to IFRS 1, which entered into force on July 1, 2009.

(i) The Company applies in the 2025 financial year for the comparability of information with the 2024 financial year the following International Financial Reporting Standards with the implicit changes to the Company's accounting policies.

IAS 1	Presentation of financial statements	Fundamental accounting principles, the structure and content of the financial statements, the required items and the notion of a fair image.
IAS 2	Inventories	Definition of the accounting treatment applicable to stocks in the historical cost system: valuation (first in - first out, weighted average cost and net realizable value) and the scope of allowable costs.
IAS 7	Cash flow statements	Analysis of cash changes, classified into three categories: operating flows, investment flows, financing flows.
IAS 8	Accounting policies, changes in accounting estimates and errors	Defining the classification, disclosures and accounting treatment of certain income statement items. Definition of materiality.
IAS 10	Events after the balance sheet date	Provisions regarding the taking into account of the elements after the closure: definitions, terms and conditions of application, particular cases (dividends).
IAS 12	Income tax	Definition of the accounting processing of income taxes and detailed provisions regarding deferred taxes.
IAS 16	Tangible fixed assets	The principles and date of accounting for assets, the determination of their carrying amount and the principles relating to the accounting for depreciation.
IAS 19	Employee benefits	Principles of accounting and disclosure of employee benefits: short-term and long-term benefits, post-employment benefits, equity benefits and termination benefits.
IAS 20		

**COMELF S.A.****NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS***(All amounts are expressed in LEI, unless otherwise indicated)*

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	Accounting for government grants and reporting of government assistance	Principles of accounting and disclosure of direct or indirect public aid (clear identification, notion of fair value, linkage to subsidized assets, etc.).
IAS 21	The effects of exchange rate fluctuations	Defining the accounting processing of activities abroad, transactions in foreign currencies and the conversion of the financial statements of a foreign entity.
IAS 23	Borrowing costs	Definition of accounting processing of borrowing costs: the notion of qualified assets, the ways of incorporating borrowing costs into the value of qualified assets.
IAS 24	Disclosure of related party information	Detailed information on relationships and transactions with related parties (legal and natural persons), which have a significant control or influence over one of the group companies or management.
IAS 26	Accounting and reporting of pension plans	Defining the principles of evaluation and information regarding retirement schemes (funds), distinguishing between defined contribution schemes and defined benefit schemes.
IAS 27	Consolidated and individual financial statements	Principles relating to the presentation of consolidated accounts, definition of the consolidation obligation and notion of control, convergence of accounting rules within the group, other principles.
IAS 31	Interests in joint ventures	Accounting principles and policies for the joint venture, operations carried out or assets or participations held in a joint venture.
IAS 32	Financial instruments: presentation	Presentation rules (classification of debts / equity, expenses or income / equity).
IAS 33	Earnings per share	Principles of determination and representation of earnings per share.
IAS 36	Impairment of assets	Key definitions (recoverable amount, fair value less costs to sell, value in use, cash-generating units), timing of impairment testing, accounting for impairment, case of goodwill.
IAS 37	Provisions, contingent liabilities and contingent assets	Definition of provisions and estimation methods, particular cases analyzed (among which the issue of restructuring).
IAS 38	Intangible assets	Definition and accounting treatment of intangible assets, recognition and measurement policies on the

**COMELF S.A.****NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS***(All amounts are expressed in LEI, unless otherwise indicated)*

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IAS 40	Real estate investments	treatment of research and development expenditure, etc. Choosing between two valuation methods: fair value or amortized cost, transfers between different asset classes, etc.
IFRS 1	First-time Adoption of International Financial Reporting Standards	Procedures to be followed for the publication of financial statements under IAS/IFRS, optional exceptions and mandatory exceptions from retrospective application of IAS/IFRS.
IFRS 5	Fixed assets held for sale and discontinued operations	Defining an asset intended for trading and abandonment of activity, evaluation of these elements.
IFRS 7	Financial instruments: information to be provided	Financial information related to financial instruments mainly refers to: (i) information on the significance of financial instruments; (ii) information on the nature and extent of the risks posed by financial instruments; (iii) reform of the interest rate benchmark.
IFRS 9	Financial instruments	Establishes principles for financial reporting of financial assets and financial liabilities, for assessing the value, timing and uncertainty of an entity's future cash flows for the purpose of presenting relevant and useful information.
IFRS 13	Fair value measurement	Applying fair value in the case of non-financial assets, presenting information related to the fair value.
IFRS 15	Revenues from contracts with customers	The principles applicable by a company to determine the nature, amount, timing and uncertainty of revenue and cash flows generated by a contract with a customer;

**3. Significant accounting policies**

**COMELF S.A.**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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The accounting policies have been applied consistently over all the intervals presented in the financial statements prepared by the Company.

The individual financial statements are prepared on the assumption that the Company will continue in business for the foreseeable future. To assess the applicability of this hypothesis, management reviews forecasts of future cash inflows.

As at December 31, 2025, the Company has positive net current assets of RON 12,193,136 (RON 15,080,996 in 2024) and a net profit of RON 4,787,536 (RON 8,990,433 as at December 31, 2024).

For 2026, the proposed income and expenditure budget would generate positive cash flows with liquidity enhancing effect, thus the company will be able to meet its commitments to the financing bank, part of the company's operational activity being financed by bank credit.

The effects of global military conflicts may have direct implications for companies' economic activities and may result in changes that are being analyzed and that could affect the carrying amounts of assets and liabilities in the 2026 fiscal year. Further considerations are presented in note 30-Subsequent events.

**Foreign currency transactions**

Transactions denominated in foreign currency are recorded in lei at the official exchange rate on the settlement date. Monetary assets and liabilities recorded in foreign currencies at the date of preparation of the statement of financial position are converted into functional currency at the exchange rate on that day.

Gains or losses on their settlement and conversion using the exchange rate at the end of the financial year for monetary assets and liabilities denominated in foreign currency other elements of the overall result are recognized in the statement of profit or loss.

The exchange rates of the main foreign currencies were:

<b>Currency</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Euro (EUR)	1: LEU 5.0985	1: LEU 4.9741
US Dollar (USD)	1: LEU 4.3417	1: LEU 4.7768

**Accounting for the effect of hyperinflation**

In accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 29"), the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy must be presented in the measuring unit current at the statement of financial position date (non-monetary items are restated using a general price index at the date of acquisition or contribution).

According to IAS 29, an economy is considered hyperinflationary if, among other factors, the cumulative inflation rate over a three-year period exceeds 100%.

The continuous decrease of the inflation rate and other factors related to the characteristics of the Romanian economic environment indicate that the economy whose functional currency was adopted by the Company has ceased to be hyperinflationary, with effect on the financial periods starting with January 1, 2004. Therefore, the provisions of IAS 29 have been adopted in the preparation of the financial statements starting with 2012, for the periods prior to December 31, 2003.

**COMELF S.A.**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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Thus, amounts expressed in the current unit of measure for periods prior to December 31, 2003 are treated as the basis for the carrying amounts reported in the financial statements and do not represent appraised values, replacement cost, or any other measure of the current value of assets or the prices at which transactions would occur at that time.

For the purpose of preparing the financial statements, the Company adjusts the following non-monetary items to be expressed in the current unit of measurement for periods prior to December 31, 2003:

- Registered capital
- reserves
- property, plant and equipment other than land and buildings

Land and buildings are shown at revalued amount as at 31 December 2015, with buildings adjusted for accumulated depreciation up to the end of the financial year 2025.

The most recent reassessment was performed by the Company as of December 31, 2018, for the purpose of determining the amount of local taxes and fees under GEV 500. Revalued values are not reflected in the Financial Statements.

**Inventories**

Inventories are measured at cost in accordance with IAS 2 and the cost formula used is a weighted average cost. This method does not apply to work in progress and finished goods for which the provisions of IFRS 15 "Revenue from Contracts with Customers" apply.

Work in progress is found under Inventories - Work in progress. Under IFRS 15, revenue from contracts with customers is measured on the basis of the company's receipts and efforts to meet performance obligations in relation to the total expected receipts to meet the performance obligation. In determining revenue from contracts with customers, the entity continually assesses the level of actual costs against the initial, pre-manufacturing estimated costs and recognises revenue only at the level of costs that contribute to the entity's progress and that have been reflected in the contract price, weighted by the quantity and physical stage of completion of the contract.

**Cash and cash equivalents**

Cash and cash equivalents include: cash, current accounts and short-term bank deposits.

**Financial assets and liabilities*****(i) Classification***

The company classifies the financial instruments held in the following categories:

***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not listed on an active market, other than those that the Company intends to sell immediately or in the near future.

***Available-for-sale financial assets***

Available-for-sale financial assets are those financial assets that are not classified as loans and receivables.

**COMELF S.A.**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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For available-for-sale financial assets for which an active market exists or can be measured using valuation methods, subsequent to initial recognition, equity instruments are measured at fair value and changes in fair value, other than impairment losses, are recognised directly in equity.

When the asset is derecognised, the cumulative gain or loss is transferred to the profit or loss account.

***(ii) Recognition***

Assets and liabilities are recognized on the date on which the Company becomes a contractual party under the terms of that instrument. Financial assets and liabilities are measured at the time of initial recognition at fair value plus directly attributable trading costs, except for investments in shares whose fair value could not be reliably determined and which are initially recognized at cost.

***(iii) Valuation at amortized cost***

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, less principal payments, plus or minus the accumulated depreciation up to that time using the method. effective interest, less impairment losses.

***(iv) Fair value measurement***

Fair value is the amount at which an asset can be traded or a debt settled, between interested and knowledgeable parties, in a transaction carried out under objective conditions at the valuation date.

***(v) Identifying and evaluating impairment***

*Financial assets measured at amortized cost*

The Company reviews at each reporting date whether there is any objective evidence that a financial asset is impaired. A financial asset is impaired if and only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (“loss-generating event”) and the loss-generating event or events. have an impact on the future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there are objective indications that there has been a impairment loss on financial assets measured at amortized cost, then the loss is measured as the difference between the carrying amount of the asset and the present value of future cash flows using the effective interest rate of the financial asset in the beginning.

The carrying amount of an asset is reduced by the Company through the use of a provision account. Impairment losses are recognized in the income statement and other comprehensive income.

If in a subsequent period an event that occurred after the recognition of the impairment results in a reduction in the impairment loss, the previously recognized impairment loss is reversed by adjusting the provision account. The reduction of the impairment loss is recognized in the profit or loss account and other elements of the overall result.

*Available-for-sale financial assets*

In the case of available-for-sale financial assets, when a decrease in the fair value of a available-for-sale financial asset has been recognized directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that was recognized directly in equity will be resumed from equity accounts and recognized in the statement of comprehensive income even if the financial asset has not yet been derecognized.

**COMELF S.A.**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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The amount of the accumulated loss that is resumed from equity accounts in the statement of comprehensive income will be the difference between the acquisition cost (net of principal repayments and amortization) and current fair value, less any impairment loss of that financial asset previously recognized in the statement of comprehensive income.

Impairment losses on assets recognized in the income statement and other comprehensive income related to investments classified as available for sale may not be reversed in the income statement. If, in a subsequent period, the fair value of an impaired investment increases, the increase in value will be recognized directly in other comprehensive income.

Given the intrinsic limitations of the methodologies applied and the significant uncertainty of the valuation of assets on international and local markets, the Company's estimates may be significantly revised after the date of approval of the financial statements.

***(vi) Derecognition***

The Company derecognises a financial asset when the rights to receive cash flows from that financial asset expire, or when the Company has transferred the rights to receive contractual cash flows related from that financial asset in a transaction in which it has significantly transferred all the risks and benefits of ownership.

The company derecognizes a financial debt when the contractual obligations have been concluded or when the contractual obligations are canceled or expire.

On derecognition of a financial asset in its entirety, the difference between:

- its carrying amount and
- the amount consisting of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

**Other Financial assets and liabilities**

Other financial assets and liabilities are measured at amortized cost using the effective interest method, less any impairment losses.

**Tangible and intangible assets*****(i) Recognition and evaluation***

Property, plant and equipment recognised as assets are initially measured at cost by the Company. The cost of an item of property, plant and equipment consists of the purchase price, including irrecoverable taxes, after deducting any price discounts of a commercial nature and any costs that may be directly attributable to bringing the asset to its location and in the condition required for its use for the purpose desired by the management, such as: employee expenses resulting directly from the construction or acquisition of the asset, site development costs, initial delivery and handling costs, installation and assembly costs, professional fees.

The value of the Company's tangible and intangible assets as of December 31, 2025, and December 31, 2024, is detailed in Note 5.

Tangible fixed assets are classified by the Company in the following classes of assets of the same nature and with similar uses:

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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- Land
- Buildings
- Items of equipment, technical installations and machinery;
- Means of transport;
- Other tangible fixed assets.

Fair value is based on market price quotations, adjusted where appropriate to reflect differences in the nature, location or conditions of the asset.

All fixed assets in the company's assets were used for the purpose of achieving the main object of activity, i.e. production contracted with customers for 2025 or for the purpose of achieving the secondary object of activity (for a small proportion of assets). They are recorded at fair value, classified in level 2 in the fair value hierarchy.

During 2025 there were no transfers between the categories of value hierarchy.

The re-evaluations were performed by specialized evaluators, ANEVAR members. The frequency of revaluations is dictated by the dynamics of the markets to which the land and buildings owned by the Company belong. Assets consisting of land and buildings that represent collateral under financing contracts are revalued annually, without these existing values being adjusted according to the results of these revaluations.

The other categories of tangible assets are highlighted at cost, less accumulated depreciation and the provision for impairment.

Expenses for the maintenance and repair of property, plant and equipment are recorded by the Company in the statement of comprehensive income when they arise, and significant improvements made to property, plant and equipment, which increase their value or life, or which significantly increase the ability to generate economic benefits, are capitalized.

***(ii) Amortization***

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	20 - 55 years
Equipment	2 - 36 years
Means of transport	4 - 8 years
Furniture and other tangible assets	3 - 18 years

Land is not subject to depreciation.

Intangible assets that meet IFRS recognition criteria are recorded at cost less accumulated depreciation. Depreciation of intangible assets is recorded in the income statement on a straight-line basis over an estimated period of up to 4 years.

Depreciation methods, estimated useful lives and residual values are reviewed by the Company's management at each reporting date.

***(iii) Sale / disposal of tangible and intangible assets***

Tangible fixed assets that are scrapped or sold are eliminated from the statement of financial position together with the corresponding accumulated depreciation. Any profit or loss resulting from such an

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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operation is included in the current profit or loss account. The disposal of property, plant and equipment is carried out annually, where there are proposals for disposal, following an inventory and is approved by the Board of Directors.

**Impairment of non-financial assets**

The carrying amount of the Company's non-financial assets, other than deferred tax assets, is reviewed at each reporting date to identify any evidence of impairment. If there are such indications, the recoverable amount of those assets is estimated.

An impairment loss is recognized when the carrying amount of the asset or its cash-generating unit exceeds the recoverable amount of the asset or cash-generating unit. A cash-generating unit is the smallest identifiable group that generates cash and has the ability to generate cash flows independently of other assets and other groups of assets. Impairment losses are recognized in the statement of comprehensive income.

The recoverable amount of an asset or a cash-generating unit is the higher between its value in use and its fair value less costs to sell that asset or unit. In determining value in use, future cash flows are discounted using a pre-tax discount rate that reflects current market conditions and risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date to determine whether they have decreased or no longer exist. The impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment losses are reversed only if the carrying amount of the asset does not exceed the carrying amount that would have been calculated, net of depreciation and amortization, if the impairment loss had not been recognized.

**Investment grants**

The company has registered investment grants. The policies adopted for the recognition and disclosure of investment grants received are as follows: a grant is recognized only when there is reasonable assurance that the entity will comply with the terms attached to the grant and that the grant will be received. The company recognizes these receivables on the date of collection or on a date close to the date of collection, at the same time as the recognition of a deferred income.

Deferred income is recognized as income from grants (Other income) as assets are depreciated. See **Note on other income.**

**Registered capital**

Ordinary shares are recognized in share capital. Incremental costs directly attributable to an issue of ordinary shares are deducted from capital, net of tax effects.

**Revaluation reserves**

The revaluations were performed so that the carrying amount does not differ substantially from that which would have been determined using fair value on the date of the statement of financial position.

If the result of the revaluation is an increase in net book value, then it is treated as follows: as an increase in the revaluation reserve presented in equity, if there was no previous decrease recognized as an expense related to that asset or as income to offset the expense with the previously recognized decrease in that asset.

If the result of the revaluation is a decrease in the net carrying amount, it is treated as an expense with the full amount of the impairment when no revaluation reserve amount is recorded on that asset (revaluation

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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surplus) or as a decrease in the revaluation reserve. with the minimum between the value of that reserve and the value of the decrease, and any difference left uncovered is recorded as an expense.

The revaluation surplus included in the revaluation reserve is transferred to retained earnings when that surplus represents a realized gain. The gain is deemed to be realised when the asset for which the revaluation reserve was set up is derecognised.

Starting with May 1, 2009, as a result of the changes occurred in the fiscal legislation, the revaluation reserves registered after January 1, 2004 become taxable as the respective fixed asset is depreciated.

**Legal reserves**

In accordance with legal requirements, the Company has fully established legal reserves in the amount of 5% of the gross profit recorded, but not more than 20% of the share capital valid at the date of establishment of the reserve. These reserves are deductible when calculating income tax.

**Dividends to be distributed**

Dividends are treated as a distribution of profits in the period in which they were declared and approved by the General Meeting of Shareholders.

**Provisions for risks and expenses**

Provisions are recognized in the statement of financial position when an obligation arises for the Company as a result of a past event and it is probable that future economic resources will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation. In determining the provision, future cash flows are discounted using a pre-tax discount rate that reflects current market conditions and the risks specific to the liability.

**Revenues from contracts with customers**

Revenue from contracts with customers is recognized periodically and is measured on the basis of the Company's receipts and efforts to meet performance obligations in relation to the total expected receipts to meet the performance obligation. In determining revenue from contracts with customers, the entity continually assesses the level of actual costs against the initial, unrecognized costs and recognizes revenue only at the level of costs that contribute to the entity's progress and that have been reflected in the contract price, weighted by the quantity and physical stage of completion of the contract. The Company transfers to the customer over time (by phase) control over the goods fulfilling a performance obligation, thereby recognising revenue over time at each stage of completion. When recognising revenue over time, the company analyses the terms of the contract relating to the payment obligation, guarantees, remediation costs and any other costs that may affect contract performance and adjusts contract revenue accordingly.

**Interest income**

Interest income and expenses are recognized in the income statement and other comprehensive income through the effective interest method. The effective interest rate is the rate that accurately updates payments and cash receipts expected in the future over the life of the asset or financial liability (or, where applicable, for a shorter term) to the carrying amount of the asset. or financial debt.

**Employee benefits*****(i) Short-term benefits***

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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Obligations with short-term benefits granted to employees are not discounted and are recognized in the income statement and other comprehensive income as the related service is provided.

Short-term employee benefits include wages, bonuses and social security contributions. Short-term employee benefits are recognized as an expense when the services are provided. The Company recognizes a provision for amounts expected to be paid in respect of accrued and unused leave entitlements, short-term cash bonuses or profit-sharing schemes if the Company has a present legal or constructive obligation to pay those amounts as a result of past services rendered by employees and if that obligation can be measured reliably.

***(i) Determined contribution plans***

The company makes payments on behalf of its employees to the public pension system, health insurance and the employer's contribution for work in the normal course of business.

The Company is not engaged in any other post-retirement benefit scheme. The company has no obligation to provide subsequent services to former or current employees.

***(ii) Long-term employee benefits***

The Company's net liability in respect of long-term service benefits is the amount of future benefits that employees have earned in return for services rendered by them in the current and prior periods. Under the collective bargaining agreement, the Company is obligated to pay its employees, upon retirement and based on their length of service with the Company (at least 10 years), a fixed amount ranging from 1,100 to 4,000 RON (CBA 2025).

The Company uses an internal actuarial calculation to calculate the amount of retirement benefits and updates the amount of this debt each year, based on the seniority of the Company's employees and the staff turnover rate over the past 5 years. The amount of retirement benefits is recognized as a provision in the statement of financial position.

Adjustments resulting from the annual revision of anniversary provisions are recognized in the income statement.

The provision for retirement benefits is reversed in the income statement when the Company pays the obligation.

**Income and loss from exchange rate differences**

Foreign currency transactions are recorded in the functional currency (leu), by converting the amount in foreign currency at the official exchange rate communicated by the National Bank of Romania, valid on the date of the transaction.

On the reporting date, monetary items expressed in foreign currency are converted using the closing exchange rate.

Exchange differences arising on the settlement of monetary items or on the translation of monetary items at rates different from those at which they were translated on initial recognition (during the period) or in the previous financial statements are recognised as a gain or loss in the income statement and other comprehensive income in the period in which they arise.

**Income tax**

The profit tax for the year includes the current tax and the deferred tax.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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Income tax is recognized in the statement of profit or loss account, other items of comprehensive income or directly in equity, taking into account how the items to which they relate affect one or the other of these items.

The current tax is the tax payable related to the profit realized in the current period, determined based on the percentages applied at the reporting date and all the adjustments related to the previous periods.

For the period 1 January to 31 December 2025, the corporate tax rate was 16%.

The provisions of OUG 153/2020 were additionally applied, as well as the provisions of Law 227/2015, art.22., regarding the tax exemption of reinvested profits.

Deferred tax is not recognised for the following temporary differences: initial recognition of goodwill, initial recognition of assets and liabilities arising from transactions that are not business combinations and that affect neither accounting nor taxable profit, and differences arising from investments in subsidiaries, provided they are not reversed in the foreseeable future.

The deferred tax is calculated on the basis of the tax rates that are expected to be applicable to temporary differences upon their resumption, based on the legislation in force at the reporting date. Deferred tax assets and liabilities are offset only if there is a legal right to offset current tax debts and receivables and if they are related to the tax collected by the same tax authority for the same taxable entity or for different tax authorities but wishing to settle claims. and current tax liabilities using a net basis or the related assets and liabilities will be realized simultaneously.

The deferred tax asset is recognized by the Company only to the extent that it is probable that future profits may be used to cover the tax loss. The receivable is revised at the end of each financial year and is diminished to the extent that the related tax benefit is unlikely to be realized.

**Earnings per share**

The company presents the result per basic share and diluted for ordinary shares. The result per basic share is determined by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares related to the reporting period. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares with the dilution effects generated by potential ordinary shares.

**Operational-segment reporting**

A segment is a distinct component of the Company that provides certain products or services (business segment) or provides products and services in a particular geographic environment (geographic segment) and that is subject to risks and benefits different from those of other segments.

**4. Management of significant risks**

The Company's management considers that risk management must be performed within a consistent methodological framework and that their management is an important component of the strategy to maximize profitability, achieve an expected level of profit while maintaining an acceptable risk exposure and compliance with legal regulations. The formalization of the risk management procedures decided by the Company's management is an integral part of the Company's strategic objectives.

The investment activity leads to the Company's exposure to a variety of risks associated with the financial instruments held and the financial markets on which it operates. The main risks to which the Company is exposed are:

- market risk (price risk, interest rate risk and currency risk);

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

(All amounts are expressed in LEI, unless otherwise indicated)

- credit risk;
- the risk related to the economic environment;
- operational risk.
- capital adequacy

The general risk management strategy aims at maximizing the Company's profit relative to the level of risk to which it is exposed and minimizing potential adverse variations on the Company's financial performance.

The company has implemented policies and procedures for managing and assessing the risks to which it is exposed. These policies and procedures are presented in the section dedicated to each type of risk.

**(a) Market risk**

Market risk is defined as the risk of recording a loss or not obtaining the expected profit, as a result of price fluctuations, interest rates and exchange rates for foreign currency.

The company is exposed to the following market risk categories:

*(i) Price risk*

The company is exposed to price risk, with the possibility that the value of the costs for the fulfillment of the projects will be higher than the estimated value, thus the contracts will run at a loss.

In order to cover the price risk generated by the increase of the basic raw material, the metal, the company has written, in the commercial contracts concluded with the clients, a protection clause that allows it to update the sale price if the price of the basic raw material increases. In the current economic context marked by political and economic instability, there is a risk linked to volatile raw material prices. The company also has a material procurement policy that offers protection for a period of 2-3 months, for confirmed orders, which ensures a balance, for the period in which we reposition ourselves vis-à-vis suppliers and vis-à-vis customers.

The carrying amount of financial assets and liabilities with a maturity of less than one year is approximated to their fair value.

	<b>December 31, 2025</b>		<b>December 31, 2024</b>	
	<b>Book value</b>	<b>Fair value</b>	<b>Book value</b>	<b>Fair value</b>
Receivables from contracts with customers	39,529,985	39,529,985	34,275,747	34,275,747
Trade receivables and other receivables	11,596,545	11,596,545	5,195,752	5,195,752
Down-payments granted for tangible assets	926.387	926.387	878.156	878.156
Grants receivable	-	-	-	-
Cash and cash equivalents	9,178,667	9,178,667	20,722,722	20,722,722
Short-term bank loan	-34,669,800	-34,669,800	-33,823,880	-33,823,880
Current part-lease	-	-	-66.665	-66.665
Deferred tax liabilities (current part)	-113.345	-113.345	-164.187	-164.187
Trade and other payables	-37,569,100	-37,569,100	-30,113,399	-30,113,399
<b>Total</b>	<b>-11,120,661</b>	<b>-11,120,661</b>	<b>-3,095,754</b>	<b>-3,095,754</b>

*(ii) Interest rate risk*

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(All amounts are expressed in LEI, unless otherwise indicated)

As of December 31, 2025, most of the Company's assets and liabilities are non-interest-bearing, with the exception of bank loans. As a result, the Company is not significantly affected by the risk of interest rate fluctuations.

The Company does not use derivative financial instruments to hedge against interest rate fluctuations.

The following tables show the Company's exposure to interest rate risk.

Fixed rate financial instruments	2025	2024
<i>Financial assets</i>		
Working capital loan	34,669,800	33,823,880
Interest rate:	Euribor / Libor / Robor 1M + +1.15%	Euribor / Libor / Robor 1M + 1.15%
Leasing contracts		
PORSCHE leasing contracts	0	0
Interest rate: PLP18FE 6.09%		
BRD Sogelease Leasing contracts	0	10,643
Interest rate: Eur3M +2.40%		

**Currency risk**

Currency risk is the risk of recording losses or of not realizing the estimated profit due to unfavorable exchange rate fluctuations. Most of the Company's financial assets and liabilities are expressed in national currency, the other currencies in which operations are performed being EUR, USD and GBP.

Most current assets are expressed in foreign currency (55%) and the Company's financial liabilities are expressed in foreign currency (48%) and in the national currency (52%) and therefore exchange rate fluctuations do not significantly affect the Company's activity. Exposure to foreign exchange rate fluctuations is primarily due to current currency conversion transactions required for current payments in RON.

**(b) Credit risk**

The Company is exposed to credit risk related to financial instruments arising from the possible non-fulfillment of payment obligations that a third party has towards the Company. The company is exposed to credit risk as a result of trade receivables with payment terms of up to 120 days.

The maximum exposure to credit risk of the Company is in the amount of 52,052,916 lei as of December 31, 2024 and in the amount of 40,349,545 lei as of December 31, 2024 and can be analyzed as follows:

**Receivables from contracts with customers, miscellaneous debtors and trade receivables**

The status of receivables at the date of the financial statements (compared to the invoice date) was:

	Gross value as of December 31, 2025	Impairment adjustments	Gross value as of December 31, 2024	Impairment adjustments
Between 0 - 30 days	19,141,452	-	26,632,026	-
Between 31 - 60 days	15,356,406	-	3,618,797	-
Between 61 - 90 days	6,272,816	-	841,461	-

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*(All amounts are expressed in LEI, unless otherwise indicated)*

<b>Between 91 - 180 days</b>	<b>3,922,792</b>	<b>-</b>	<b>2,689,489</b>	<b>-</b>
<b>Between 181 - 365 days</b>	<b>836.778</b>	<b>-</b>	<b>818.038</b>	<b>-</b>
<b>Over 365 days</b>	<b>9,337,529</b>	<b>2,814,858</b>	<b>8,564,702</b>	<b>2,814,858</b>
<b>Total</b>	<b>54,867,773</b>	<b>2,814,858</b>	<b>43,164,513</b>	<b>2,814,858</b>
<b>Total net:</b>	<b>52,052,916</b>		<b>40,349,545</b>	

Receivables older than 180 days, not provided are within the contractual terms (customer guarantees by withholding amounts from due invoices, amounts to be offset against supplier invoices, amounts paid to ANAF for which there is a lawsuit on the courts). See Note 8, 9 and 10. Out of the total receivables with an overdue maturity of more than 365 days, provisions were made for uncertain amounts.

**(c) The risk related to the economic environment**

The Romanian economy continues to have the specific characteristics of an emerging economy and there is a significant degree of uncertainty regarding the development of the political, economic and social environment in the future. The management of the Company is concerned to estimate the nature of the changes that will take place in the world political and economic environment and, in particular, in Romania and what will be their effect on the financial situation and the operational and treasury result of the Company.

One of the features of the Romanian economy is the existence of a currency that is not fully convertible abroad and a low degree of liquidity of the capital market.

The Company's management cannot foresee all the effects of the economic situation, considered as a whole, which will have an impact on the financial sector in Romania, nor their potential impact on the present financial statements. The management of the Company considers that it has adopted the necessary measures for the sustainability and development of the Company in the current market conditions. The main challenge, at this moment for the Company, is the evolution of the price of raw materials as well as the labor market regarding the training of qualified personnel in the field in which we operate, necessary for the operational success of the company.

**(d) Operational risk.**

Operational risk is defined as the risk of incurring losses or not achieving expected profits due to internal factors such as inadequate internal operations, inadequate staff or systems, or external factors such as economic conditions, changes in the capital market, technological developments, fluctuations in raw material prices. The operational risk is inherent in all the Company's activities.

The policies defined for the management of operational risk have taken into account each type of event that can generate significant risks and the ways in which they manifest themselves, in order to eliminate or mitigate losses of a financial nature or concerning reputation.

**(e) Capital adequacy**

Management's policy regarding capital adequacy is focused on maintaining a solid capital base, in order to support the continuous development of the Company and achieve investment objectives.

The Company's equity includes share capital, various types of reserves and retained earnings. The company is not subject to legal capital adequacy requirements.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)*

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**(f) Determining fair value**

Certain Company accounting policies and disclosure requirements require the determination of fair value for both financial and non-financial assets and liabilities. Fair values were determined for the purpose of evaluating and / or presenting information based on the methods described below. Where applicable, additional information on the assumptions used in determining fair value is disclosed in the specific notes on that asset or liability.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025, IN ACCORDANCE WITH IFRS

*(All amounts are expressed in LEI, unless otherwise indicated)***5. Tangible and intangible assets**

On December 31, 2024 and December 31, 2024, tangible and intangible assets evolved as follows:

	Development costs	Intangible assets	Lands	Buildings	Technical installations and machinery	Other installations and furniture	Tangible assets in progress	Total	Advance payment for Fixed assets	Financial assets	Total fixed assets*
<b>Balance as of January 01, 2025</b>	<b>60.281</b>	<b>1,731,815</b>	<b>21,247,075</b>	<b>42,658,968</b>	<b>99,836,164</b>	<b>465,846</b>	<b>10,151,575</b>	<b>176,151,724</b>	<b>878.156</b>	<b>220.000</b>	<b>177,249,880</b>
inputs	0	4.406	0	68.991	509.568	11.974	5,874,319	6,469,258	825.986	0	7,295,244
Domestic production	106.381	620.679	0	1,334,215	1,073,420	0	404.395	3,539,090	0	0	3,539,090
Outflows (write-offs, sales)	0	0	0	0	-5.317	0	0	-5.317	0	0	-5.317
Internal transfers	0	0	0	0	0	0	-3,028,314	-3,028,314	-777.755	0	-3,806,069
Internal transfers	0	0	0	0	0	0	0	0	0	0	0
<b>Balance as of December 31, 2025</b>	<b>166662</b>	<b>2,356,900</b>	<b>21,247,075</b>	<b>44,062,174</b>	<b>101,413,835</b>	<b>477.820</b>	<b>13,401,975</b>	<b>183,126,441</b>	<b>926.387</b>	<b>220.000</b>	<b>184,272,828</b>
<b>Balance as of January 01, 2025</b>	<b>0</b>	<b>1,392,588</b>	<b>0</b>	<b>24,855,867</b>	<b>73,655,446</b>	<b>305.970</b>	<b>0</b>	<b>100,209,871</b>	<b>0</b>	<b>0</b>	<b>100,209,871</b>
Depreciation expense per year	0	220.876	0	2,213,058	4,857,887	37.357	0	7,329,177	0	0	7,329,177
Cumulative depreciation of outflows	0	0	0	0	-5.317	0	0	-5.317	0	0	-5.317
Depreciation cancellation for revalued fixed assets	0	0	0	0	0	0	0	0	0	0	0
<b>Balance as of December 31, 2025</b>	<b>0</b>	<b>1,613,464</b>	<b>0</b>	<b>27,068,924</b>	<b>78,508,016</b>	<b>343.327</b>	<b>0</b>	<b>107,533,731</b>	<b>0</b>	<b>0</b>	<b>107,533,731</b>
<b>Net book value</b>											
<b>On January 01, 2025</b>	<b>60.281</b>	<b>339.227</b>	<b>21,247,075</b>	<b>17,803,101</b>	<b>26,180,718</b>	<b>159.876</b>	<b>10,151,575</b>	<b>75,941,853</b>	<b>878.156</b>	<b>220.000</b>	<b>77,040,009</b>
<b>On December 30, 2025</b>	<b>166.662</b>	<b>743.436</b>	<b>21,247,075</b>	<b>16,993,250</b>	<b>22,905,819</b>	<b>134.493</b>	<b>13,401,975</b>	<b>75,592,710</b>	<b>926.387</b>	<b>220.000</b>	<b>76,739,097</b>

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*(All amounts are expressed in LEI, unless otherwise indicated)*

	Development costs	Intangible assets	Lands	Buildings	Technical installations and machinery	Other installations and furniture	Tangible assets in progress	Total	Advance payment for Fixed assets	Financial assets	Total fixed assets*
<b>Balance as of January 01, 2024</b>	<b>60.281</b>	<b>1,400,383</b>	<b>21,247,075</b>	<b>42,361,645</b>	<b>93,580,010</b>	<b>462.485</b>	<b>8,240,266</b>	<b>167,352,145</b>	<b>1,033,263</b>	<b>0</b>	<b>168,385,408</b>
inputs	0	183.752	0	258.827	673.994	3.361	7,679,596	8,799,530	282.119	220.000	9,328,769
Domestic production	0	147.680	0	38.496	5,609,231	0	0	5,795,407	0	0	5,768,287
Outflows (write-offs, sales)	0	0	0	0	-27.071	0	0	-27.071	0	0	-27.071
Internal transfers	0	0	0	0	0	0	-5,768,287	-5,768,287	-437.226	0	-6,205,513
Internal transfers	0	0	0	0	0	0	0	0	0	0	0
<b>Balance as of December 31, 2024</b>	<b>60281</b>	<b>1,731,815</b>	<b>21,247,075</b>	<b>42,658,968</b>	<b>99,836,164</b>	<b>465.846</b>	<b>10,151,575</b>	<b>176,151,724</b>	<b>878.156</b>	<b>220.000</b>	<b>177,249,880</b>
<b>Balance as of January 01, 2024</b>	<b>0</b>	<b>1,136,657</b>	<b>0</b>	<b>22,087,936</b>	<b>68,512,014</b>	<b>266.522</b>	<b>0</b>	<b>92,003,129</b>	<b>0</b>	<b>0</b>	<b>92,003,129</b>
Depreciation expense per year	0	255.932	0	2,767,930	5,170,403	39.448	0	8,233,713	0	0	8,233,713
Cumulative depreciation of outflows	0	0	0	0	-26.971	0	0	-26.971	0	0	-26.971
Depreciation cancellation for revalued fixed assets	0	0	0	0	0	0	0	0	0	0	0
<b>Balance as of December 31, 2023</b>	<b>0</b>	<b>1,392,589</b>	<b>0</b>	<b>24,855,866</b>	<b>73,655,446</b>	<b>305.970</b>	<b>0</b>	<b>100,209,871</b>	<b>0</b>	<b>0</b>	<b>100,209,871</b>
<b>Net book value</b>											
<b>On January 1, 2024</b>	<b>60.281</b>	<b>263.726</b>	<b>21,247,075</b>	<b>20,273,709</b>	<b>25,067,996</b>	<b>195.963</b>	<b>8,240,266</b>	<b>75,349,016</b>	<b>1,033,263</b>	<b>0</b>	<b>76,382,279</b>
<b>On December 31, 2024</b>	<b>60.281</b>	<b>339.226</b>	<b>21,247,075</b>	<b>17,803,102</b>	<b>26,180,718</b>	<b>159.876</b>	<b>10,151,575</b>	<b>75,941,853</b>	<b>878.156</b>	<b>220.000</b>	<b>77,040,009</b>

\*Total fixed assets includes advances fixed assets, for verification with line 26, balance sheet code S\_1040;

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The company has in recent years valued land and buildings at fair value. The last revaluation of the buildings that had an effect on the financial statements was performed on December 31, 2015. The company performed the revaluation of property, plant and equipment with independent appraisers.

During 2025, the Company made new investments totaling 7,028,265 lei, financed from the surplus of current operations for the period. During the year 2024 intangible and tangible fixed assets amounting to 3,729,634 lei were put into use.

The increases in tangible/ intangible/financial fixed assets ,in the year under review, mainly materialized in:

Commissioning:

a) Electric forklift, manual pallet jack	34.719 lei
b)IT technology & licenses	95.644 lei
c) Production accessory equipment	579.594 lei
d) Modernization of machining and cutting machines	136.490 lei
e) Deburring machine	662.311 lei
f) Building renovation (including the construction of accommodation facilities)	1,403,207 lei
g) Universal welded assembly system	74.229 lei
h) Integrated Software	625,085 lei
i) Research and development expenses	118.355 lei

The amortization method was a linear one throughout the financial year, its total amount was 7,786,122 lei. In the same period, the amount of 1,140,957 lei was added back to the income from investment grants. The company holds ownership papers for the land and buildings. The situation of the sureties in the form of mortgages is presented in note 14.

## 6. Financial assets available for sale

As of December 31, 2025 and December 31, 2024, Comelf SA no longer holds financial assets available for sale.

## 7. Inventories

On December 31, 2025 and December 31, 2024, the stocks record the following balances:

	<b>31decembrie 2025</b>	<b>December 31, 2024</b>
Raw materials	9,952,891	9,283,099
Raw materials currently being procured	142.696	180.217
Auxiliary materials	47.728	58.152
Fuel + Machine oil	8.699	15.444
Inventory items	105.018	126.870
Other	246.213	31.182
Production in progress	13,768,268	10,743,349
Finished product	-	137.806
Goods	561.177	-
Adjustments for depreciation of raw materials	0	0
<b>Total</b>	<b>24,832,690</b>	<b>20,576,148</b>

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The Company has no inventory impairment adjustments recorded as of December 31, 2025.

In 2025, the expenses related to the above positions recognized in the cost of sales amounted to 66,390,072 lei (2024: 66,498,078 lei).

The accounting policies for the valuation of inventories are presented in Note 3.

No stocks were pledged for the contracted loans.

**8. Receivables from contracts with customers**

As of December 31, 2025 and December 31, 2024, the receivables from commercial contracts are as follows:

	<b>31decembrie 2024</b>	<b>December 31, 2023</b>
Invoiced receivables from contracts with customers	42,344,843	37,090,605
Unbilled receivables from contracts with customers	<b>0</b>	<b>0</b>
Value adjustments regarding receivables from invoiced construction contracts	(2,814,858)	(2,814,858)
<b>Total</b>	<b>39,529,985</b>	<b>34,375,747</b>

The division by seniority was presented in point 4 "Management of significant risks."

The situation of the seniority of the impaired receivables at the date of the financial statements was:

	<b>31decembrie 2025</b>	<b>December 31, 2024</b>
Between 181 - 365 days	-	-
Over 365 days	2,814,858	2,814,858
<b>Total</b>	<b>2,814,858</b>	<b>2,814,858</b>

An aging analysis of receivables from contracts with customers that are past due at December 31, 2025 ,but not impaired is presented below:

**December 31, 2025**

<b>DEBT</b>	<b>Total</b>	<b>On time</b>	<b>Backlog &lt;30 days</b>	<b>Backlog Between 30 - 90 days</b>	<b>Backlog &gt; 90 days</b>
Receivables from contracts with customers	<b>39,529,985</b>	30,524,949	3,564,992	4,522,410	917.634

Receivables with maturity > 90 days are offset by payables to be offset against each other.

The turnover rate of the clients (the recovery period of the receivables), expresses the number of days until the date on which the debtors pay their debts to the company and thus shows the efficiency of the company in collecting its receivables. For the year 2025 (Average balance of customers / Turnover) x 365 days = 85 days, for the year 2024 it is 92 days. In general, the penalties are treated according to the contracts with each client and are solved by case by case negotiation. The procedure for accepting new clients is performed in accordance with the bidding-contracting procedures outlined in the procedures manual. These procedures are reviewed periodically.

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**9. Trade receivables and other receivables**

On December 31, 2025 and December 31, 2024, trade and other receivables are as follows

	<b>31decembrie 2025</b>	<b>December 31, 2024</b>
VAT to be recovered	1,764,584	521.330
Down-payments made to domestic suppliers (excluding those for fixed assets)	326.601	5.159
Down-payments made to external suppliers	-	70.122
Down-payments made to fixed assets suppliers	926.387	878.156
Grants receivable	127.423	-
Different debtors	6,212,844	1,002,522
CB recoverable from CASS	574.190	840.316
Other receivables	2,590,902	2,534,828
Profit tax to be recovered	-	221.475
<b>Total</b>	<b>12,522,931</b>	<b>6,073,908</b>

Sundry debtors include: (i) amounts receivable from employees for the sale of social housing, with monthly payment facility, for a maximum period of 5 years; (ii) amounts transferred to the Depozitarul Central on account of dividends to be paid; (iii) amounts from the sale of fixed assets to be offset against payment obligations; Other receivables include (i) amounts in litigation with ANAF, representing VAT and corporate income tax established additionally, paid but contested and subject to legal proceedings;(iii) amounts due from customers to be offset against debts.

Below is an analysis by age of trade and other receivables that are past due on December 31, 2025 but not impaired:

**December 31, 2025**

<b>DEBT</b>	<b>Total</b>	<b>On time</b>	<b>Backlog &lt;30 days</b>	<b>Backlog Between 30 - 90 days</b>	<b>Backlog &gt; 90 days</b>
Trade receivables and other receivables	<b>12,522,931</b>	6,036,664	1,024,023	208.485	5,253,759

Amounts past due > 90 days Amounts paid for medical certificates that have not been reimbursed by CASS BN, amounts in dispute with ANAF, amounts related to dividends from previous years held in the Depozitarul Central account until the expiration date.

Exposure to credit risk and currency risk, as well as impairment losses related to commercial contracts and other receivables, excluding construction contracts in progress, are presented after the Note on miscellaneous debtors.

**10 . Impairment adjustments for current assets**

The evolution of impairment adjustments on current assets in 2025 was as follows:

	<b>Balance on 01 January 2024</b>	<b>increases</b>	<b>Decreases</b>	<b>Balance on December 31st, 2024</b>
Value adjustments regarding receivables from contracts with customers	2,814,859	-	-	2,814,859

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Value adjustments for miscellaneous debtors	-	-	-	-
<b>Total</b>	<b>2,814,859</b>	-	-	<b>2,814,859</b>

Value adjustments for the amount of 2,340,342 lei are constituted for a total of 14 clients, of which two are in litigation for the amount of 1,957,919 lei.

The adjustment in the amount of 474,516 lei is an adjustment of secured debts over 365 days old, related to a client.

The reasons why the entity considered financial assets to be impaired are mainly related to contractual guarantees or/and non-conformities under discussion with customers.

**11. Cash and cash equivalents**

As of December 31, 2025, and December 31, 2024, cash and cash equivalents are as follows:

	<b>31decembrie 2025</b>	<b>December 31, 2024</b>
Amounts available in bank accounts in local currency	1,260,228	3,041,889
Amounts available in bank accounts in foreign currency	7,916,980	17,678,041
Cash	1.459	2.792
Other amounts available	-	-
<b>Total</b>	<b>9,178,667</b>	<b>20,722,722</b>

Current accounts opened with banks are permanently available to the Company and are not restricted.

**Liquidity management**

The responsibility for the liquidity risk lies with the Board of Directors and the executive management of Comelf, which establishes the liquidity management through BVC and the cash flow, prepared on the whole company and for each subunit separately.

**December 31, 2025**

<b>DEBT</b>	Total	<1 Month	1 - 3 months	3 months - 1 year	> 1 year
<b>Receivables from contracts with customers</b>	39,529,985	34,089,941	4,522,410	282.359	635.275
<b>Trade receivables and other receivables</b>	12,522,932	9,486,415	485.102	2,551,415	-
<b>Current tax receivables</b>	-	-	-	-	-
<b>Cash and cash equivalents</b>	9,178,667	9,178,667	-	-	-
<b>TOTAL</b>	61,231,584	52,755,023	5,007,512	2,833,774	635.275

**December 31, 2024**

<b>LIABILITIES</b>	Total	<1 Month	1 - 3 months	3 months - 1 year	> 1 year
<b>Trade and other payables</b>	37,569,099	15,683,677	13,013,055	7,456,470	1,264,732
<b>Current part - leasing loans</b>	-	-	-	-	-
<b>Deferred tax liabilities (current part)</b>	113.345	-	28.842	84.503	-
<b>Overdraft (current part)</b>	34,669,800	34,669,800	-	-	-

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<b>TOTAL</b>	72,352,244	50,353,477	13,041,897	7,540,973	1,264,732
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**December 31, 2024**

<b>DEBT</b>	Total	<1 Month	1 - 3 months	3 months - 1 year	> 1 year
<b>Receivables from contracts with customers</b>	34,275,747	25,855,622	3,515,141	4,904,984	-
<b>Trade receivables and other receivables</b>	5,852,433	876.294	878.156	4,097,983	-
<b>Current tax receivables</b>	221.475	-	221.475	-	-
<b>Cash and cash equivalents</b>	20,722,722	20,722,722	-	-	-
<b>TOTAL</b>	61,072,377	47,454,638	4,614,772	9,002,967	-

**December 31, 2024**

<b>LIABILITIES</b>	Total	<1 Month	1 - 3 months	3 months - 1 year	> 1 year
<b>Trade and other payables</b>	30,113,399	21,051,461	8,997,021	64.917	-
<b>Current part - leasing loans</b>	66.665	16.357	32.948	17.360	-
<b>Deferred tax liabilities (current part)</b>	164.187	-	45.064	119.123	-
<b>Overdraft (current part)</b>	33,823,880	33,823,880	-	-	-
<b>TOTAL</b>	64,168,131	54,891,698	9,075,033	201.400	0

**12. Equity**

**(a) Share capital**

In 2025 there were no changes to the value of the share capital (13,036,325.34 LEI) and the number of shares (22,476,423 shares).

As of December 31, 2025, and December 31, 2024, the *Company's* shareholder structure is as follows:

	2025			2024		
	Number of shares	Total face value	%	Number of shares	Total face value	%
Uzinsider SA	18,189,999	10,550,199	80.93 %	18,189,999	10,550,199	80.93 %
Other shareholders	4,286,424	2,486,126	19.07 %	4,286,424	2,486,126	19.07 %
<b>Total</b>	<b>22,476,423</b>	<b>13,036,325</b>	<b>100 %</b>	<b>22,476,423</b>	<b>13,036,325</b>	<b>100 %</b>

All shares are ordinary, have been subscribed, have the same voting right and have a nominal value of 0.58 lei / share.

The restated share capital contains the following components:

	December 31, 2025	December 31, 2024
Social capital	13,036,325	13,036,325
Share capital adjustments - IAS 29	8,812,271	8,812,271
<b>Social capital portrayed</b>	<b>21,848,596</b>	<b>21,848,596</b>

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The effect of hyperinflation on the share capital in the amount of 8,812,271 lei was registered by decreasing the carried forward result (earnings).

**b) Reserves and retained result**

Below is a breakdown of the lines in the statement of financial position representing reserves and retained earnings.

The rows marked in bold can be found both in the financial position and in the statement of changes in equity, where the variation from December 31, 2025, to December 31, 2024, is explained.

	Financial year ended on 31 Dec 2025	Financial year ended on 31 Dec 2024
<b>Legal reserves</b>	<b>2,607,265</b>	<b>2,607,265</b>
<b>Reserves and revaluation differences</b>	<b><u>29,583,048</u></b>	<b><u>30,445,038</u></b>
Differences from revaluation of fixed assets	33,890,326	34,916,504
Temporary differences in deferred income tax recognized on account of capital	-4,307,278	-4,471,466
Reserves from the revaluation of available-for-sale financial instruments	-	-
<b>Other reserves</b> (account 1068)	<b>17,376,135</b>	<b>19,246,324</b>
<b>Profit carried forward and profit (retained earnings)</b>	<b><u>5,043,626</u></b>	<b><u>6,989,503</u></b>
The carried forward result representing the surplus realized from revaluation reserves	16,900,208	16,038,218
Retained earnings from the transition to IFRS, less IAS 29	-11,176,457	-11,176,457
Retained earnings representing retained profit or unappropriated retained loss, retained earnings resulting from the adjustment	-4,821,885	-3,591,202
Account 118 Deferred income from the first adoption of IAS 29	113,776	113,776
Profit	4,787,536	8,990,433
Profit distribution	-759,551	-3,385,265
<b>Total Reserves and retained result</b>	<b><u>54,610,074</u></b>	<b><u>59,288,130</u></b>

**Capital management****(a) Legal reserves**

In accordance with legal requirements, the Company establishes legal reserves in the amount of 5% of the gross profit recorded under IFRS in 2025 but not more than 20% of the share capital valid at the date of establishment of the reserve.

Legal reserves cannot be distributed to shareholders, but can be used to cover cumulative losses. As at December 31, 2025 the Company had already constituted legal reserve up to the amount of these limits.

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**(b) Revaluation reserves**

The revaluation reserve is fully associated with the revaluation of the company's tangible assets.

**(c.) Dividends**

During 2025, in accordance with the Resolution of the Ordinary General Meeting of Shareholders dated April 29, 2025, the Company decided to distribute dividends from the results of the fiscal year ended December 31, 2024. The Company distributed dividends in the amount of 5,605,168 lei (representing 0.249 lei per share, gross). Furthermore, during 2025, by resolution of the General Meeting of Shareholders on October 10, 2025, it was decided to distribute interim dividends from the net profit for the first half of 2025 in the amount of 2,381,172 lei (gross dividend of 0.106 lei per share) and the distribution of dividends from the "Other Reserves" account in the amount of 2,627,741 lei (gross dividend of 0.117 lei per share).

As of December 31, 2025, the balance of dividends payable is 2,945,831 lei, comprising 1,106,149 lei for the year 2024 and 543,145 lei for the first half of 2025.

In the last two years, the evolution of gross dividends has been as follows:

	<b>2025</b>	<b>2024</b>
<b>Dividends</b>	<b>2,381,172</b>	<b>5,605,168</b>
<b>lei / share</b>	<b>0.106</b>	<b>0.249</b>

From the 2025 profit, the amount of 2,381,172 lei, in accordance with the proposal of the Board of Directors, will be approved for the distribution of dividends.

**13. Loans****a) Credit line**

As at December 31, 2024 the Company has a working capital loan agreement with ING Bank Romania - contract no. 11438/09.11.2011, with annual maturity, renewable in November each year. The object of the contract is a credit facility in the amount of EUR 6,800,000 for working capital.

For the facility granted, the Company will pay interest at the rates specified below:

- for the amounts in euro used from the loan option, the annual interest rate is EURIBOR / LIBOR/ ROBOR 1M plus a margin of 1.15% per year;

As of December 31, 2025, the Company has a total credit line balance of 34,669,800 lei (December 31, 2023: 33,823,880 lei).

**b). Leasing contracts**

During 2019, the Company undertook the purchase of three leased passenger vehicles.

Lease contracts no.234267,234268,234269 were concluded on 08.01.2019, financier Porsche Leasing, financed amount 38,443.31 EUR, payable in 60 monthly installments. The contract matured in April 2024.

Also during 2019, the Company committed to the purchase of a CLOOS Robotic Welding System on lease. The leasing contract nr.120882 was signed on 22.05.2019, lender BRD Sogelease, financed amount 179.660,70 eur, payable in 60 monthly installments. The contract matured in April 2025.

**The main mortgages in favor of ING BANK, related to loans are:**

- Land in surface of 13.460 sq.m and buildings with built area of 12.600 sq.m, with topographic number 8118/1/6, registered in CF 8685 of Bistrita.

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- Land with an area of 20.620 sq.m and buildings with a built area of 17894 sq.m, with topographic number 8118/1/15, registered in CF 8694 of Bistrita.
- Land with an area of 581 sqm and buildings with a built-up floor area of 572.93 sqm, bearing the topographic number 6628/2/2/1/2, registered in CF 8697 of Bistrita locality and topographic no. 6628/2/2/1/2 / I, registered in CF 8697 / I of Bistrita locality.
- CF 55054 topo 8118/1/5: land with an area of 16820 sqm, cad.C1 top: 8118/1/5: SIDUT monobloc hall.

**14. Trade and other payables**

As of December 31, 2025 and December 31, 2024, trade payables and other payables are as follows:

	31decembrie 2025	December 31, 2024
Trade payables	27,728,933	22,267,289
Debts to budgets	2,246,488	2,109,692
Debts to staff	3,683,281	3,658,974
Silver dividend	3,436.592	1,434,033
Other loans and similar debts	473.806	643.611
<b>Total</b>	<b>37,569,100</b>	<b>30,113,399</b>

Trade payables in the amount of 37,569,100 lei 31December 2024 ( 2023:30,113,399 lei ) are in accordance with contracts with suppliers.

Credit turnover rate - supplier approximates the number of credit days that the company obtains from its suppliers. For 2025 (Average supplier balance / Turnover) x 365 days = 58 days; for 2024, it was 51 days.

As of December 31, 2025 and 2024, liabilities to the state budget and social security budget mainly include payroll-related contributions, for which a request for offsetting against recoverable VAT from the State Budget has been submitted, pertaining to December 2025. The company has no outstanding liabilities to the state budget or the social security budget.

**15. Revenues from contracts with customers**

	December 31, 2025	December 31, 2024
Revenues from contracts with customers related to delivered goods, for which the full transfer of ownership to the customer was achieved (ct 701)	146,117,949	156,047,591
Revenues from contracts with clients, recognized by execution stages, estimated at the level of receivables entered in contracts, in proportion to the actual expenditure related to the planned expenditure, for the same execution phase (balance 711500)	3,141,947	317.806
<b>TOTAL</b>	<b>149,259,896</b>	<b>156,365,397</b>

In determining revenues from contracts with customers, the entity permanently evaluates the level of actual costs compared to the initial costs, pre-calculated and recognizes revenues in execution stages proportional to the level of costs that contribute to the progress of the entity and were reflected in the contract price. and the physical stage of execution of the contract. The company transfers in time (in stages), to the client, the control over the goods fulfilling an execution obligation, thus recognizing revenues in time, at each execution stage. The company manufactures goods based on designs, only at the request of customers, based on firm orders. The evaluation of the revenues from the contracts with the clients, on execution stages, is made taking into account the physical stage of execution of the contracts which is established at the end of each month by

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physical inventory, the costs actually accumulated corresponding to the physical stage. budgets specific to the physically determined stage of execution. Depending on the evolution of the actual costs compared to the budgeted costs, without taking into account the possible unfavorable evolutions of the actual costs, the Company recognizes an income, based on the total income to be obtained related to the contract balanced with the evolution of the corrected actual cost (without negative deviations) for the execution of the contract.

**16a. Other revenue related to turnover**

The position includes:

	<b>2025</b>	<b>2024</b>
Rental income	307.403	199.882
Income from various activities	5,103,114	5,125,773
Revenues from the sale of residual products	1,738,249	2,360,076
Revenue from the sale of goods	456.299	904.497
Revenue from services rendered	4,086,993	1,373,878
<b>Total</b>	<b>11,692,058</b>	<b>9,964,106</b>

**16b. Other incomes**

The position includes:

	<b>2025</b>	<b>2024</b>
Income from investment grants	1,140,957	1,199,280
Revenue from operating subsidiaries (for staff)	-	7.652
Income from disposed of fixed assets	45.176	268.509
Other	505.181	640.978
<b>Total</b>	<b>1,691,314</b>	<b>2,116,419</b>

The income from the production of tangible fixed assets of 2025 was offset against the related expenses as per the provisions of Order 2844/ 2016 as follows: expenses with raw materials and other material expenses amounting to 227,664 lei, personnel expenses amounting to 270,686 lei, other expenses related to income amounting to 12,426 lei. Therefore, the amount recorded in position 16b Other income, in the amount of 1,691,314 lei, does not include the income from immobilized production in the total amount of 510.775 lei.

The income from the production of tangible fixed assets of 2024 was offset against the related expenses as per the provisions of Order 2844/ 2016 as follows: expenses with raw materials and other material expenses in the amount of 460,949 lei, staff expenses in the amount of 80,906 lei, other expenses related to income in the amount of 116,489 lei. Therefore, the amount recorded under item 16b, "Other revenue," totaling 11,590,532 lei, does not include revenue from fixed assets totaling 658,344 lei.

The turnover on December 31, 2025 is 157,810,007 lei (December 31, 2023: 166,011,697 lei).

**17. Staff costs**

The average number of employees as of December 31, 2025, and December 31, 2024, was as follows:

	<b>2025</b>	<b>%</b>	<b>2024</b>	<b>%</b>
Direct productive staff	319	57 %	335	57 %
Management and administration staff	237	43 %	258	43 %
<b>Total</b>	<b>556</b>	<b>100 %</b>	<b>593</b>	<b>100 %</b>

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Staff costs were as follows:

	<b>2025</b>	<b>2024</b>
Staff salary expenses	51,993,430	51,980,355
Expenses with meal vouchers	5,059,866	4,670,466
Expenses regarding insurance and social protection	2,214,189	2,264,689
<b>Total</b>	<b>59,267,485</b>	<b>58,915,510</b>

On December 31, 2025, out of the total amount of 59,267,485, the salary expenses related to the incomes from the production of fixed assets were deducted, according to the provisions of Order 2844/2016, for the amount of 270,686 lei. See also Note on other income.

On December 31, 2024, out of the total amount of 58,915,510, the salary expenses related to the incomes from the production of fixed assets were deducted, according to the provisions of Order 2844/2016, for the amount of 80,906 lei. See also Note on other income.

The Company recognizes in the financial statements the value of accrued but unused vacation leave as of December 31, 2025, in the form of a provision for unused vacation leave reflected in account 4282.

The amounts awarded to key management personnel, Board members and directors, were as follows (gross amounts) and are included in the amounts shown above. Staff costs are shown gross. Gross expenses with staff are recorded.

	<b>2025</b>	<b>2024</b>
Salary expenses - managers/directors	3,971,057	3,056,465
B.D. allowance	258.790	255.140
<b>Total</b>	<b>4,229,847</b>	<b>3,311,605</b>

The company did not grant loans or advance payments to the members of the administrative, management or supervisory bodies in 2025 and 2024.

As of *December 31, 2025*, the management of COMELF SA was composed of the following:

- Members of the Company's Board of Directors:

Savu Constantin	Chairman
Babici Emanuel	member
Mustata Costica	member
Sofroni Vlad	member
Parvan Cristian	member

- Members of the Executive Management of the Company:

Cenusa Gheorghe	General Manager
Pop Mircea	Deputy General Manager Business Operation
Oprea Paul	Deputy General Manager - Technical and Production
Tatar Dana	Economic Manager
Jurje Valeriu	AQM Manager
Tatar Eugen	Factory Executive Manager
Viski Vasile	Factory Executive Director
Campian Cosmin	Factory Executive Director

As of *December 31, 2024*, the management of COMELF SA was composed of the following:

Savu Constantin	Chairman
Babici Emanuel	member

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Mustata Costica	member
Sofroni Vlad	member
Parvan Cristian	member

- Members of the Executive Management of the Company:

Cenusa Gheorghe	General Manager
Pop Mircea	Deputy General Manager Business Operation
Oprea Paul	Deputy General Manager - Technical and Production
Tatar Dana	Economic Manager
Jurje Valeriu	AQM Manager
Tatar Eugen	Factory Executive Manager
Viski Vasile	Factory Executive Director
Campian Cosmin	Factory Executive Director

**18. Shipping costs.**

This position includes:

	<b>2025</b>	<b>2024</b>
Expenses for the transport of raw materials	2.296	683.027
Expenses for transporting finished products	3,152,341	3,696,278
Expenses for transporting employees	906.312	829.516
Other transport costs	-	-
<b>Total</b>	<b>4,060,948</b>	<b>5,208,821</b>

**19a. Other expenses related to income**

	<b>2025</b>	<b>2024</b>
Maintenance and repair expenses	1,353,495	1,379,507
Rent expenses	349.930	260.886
Insurance expenses	425.833	399.012
Expenses with personnel training	72.998	101.699
Consulting expenses	704.436	704.436
Outsourcing expenses	3,922,920	2,896,416
Expenses regarding commissions and fees	1,432,793	1,938,105
Protocol expenses	118.587	127.922
Expenses with travel, secondments and transfers	221.122	152.709
Postal charges and telecommunications charges	475.496	544.129
Expenses with banking and similar services	113.722	111.733
Other expenses with services provided by third parties	1,791,304	1,662,864
Expenses with other taxes and fees	2,170,265	2,164,612
<b>Total</b>	<b>13,152,901</b>	<b>12,444,030</b>

From the total amount of 13,152,901 lei (December 2024) were deducted other expenses for services rendered by third parties related to income from the production of fixed assets, according to the provisions of Order 2844 / 2016, for the amount of 12,426 lei. See also Note on other income.

From the total amount of 12,444,030 lei (December 2024) were deducted other expenses for services rendered by third parties related to income from the production of fixed assets, according to the provisions of Order 2844 / 2016, for the amount of 116,489 lei. See also Note on other income.

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**19b. Other expenses**

	<b>2025</b>	<b>2024</b>
<b>Total</b>	<b>360.287</b>	<b>390.617</b>

As of December 31, 2025, the balance includes 6,105 lei in commercial penalties, 766 lei in late payment interest; 343,034 lei represents donations and sponsorships, and the difference of 10,382 lei represents other current operating expenses.

As at 31.12.2024 the position includes the amount of 4,815 lei, representing commercial penalties, 3,067 lei interest on arrears; 378,005 lei represents donations and sponsorships; 100 lei represents the undepreciated value of a sold fixed asset, the difference of 4,631 lei represents other current operating expenses.

**20. Income tax**

The Company's current profit tax as of December 31, 2025 is determined at a statutory rate of 16% based on IFRS profit.

The income tax expense related to the year ended December 31, 2025 and the year ended December 31, 2024 is detailed as follows:

	<b>2025</b>	<b>2024</b>
Current income tax expense	678.094	778.544
(Income) / deferred income tax expense	-	-
<b>Total</b>	<b>678.094</b>	<b>778.544</b>

Reconciliation of profit before tax to income tax expense in the income statement:

<b>Corporate tax reconciliation</b>	<b>2025</b>	<b>2024</b>
Profit of the period	4,787,536	8,990,433
Income tax expense	678.094	778.544
Profit before tax	<b>5,465,630</b>	<b>9,768,977</b>
Local tax rate of the entity	16 %	16 %
	<b>874.501</b>	<b>1,563,036</b>
<b>Profit tax calculated using the entity's local tax rate</b>		
The influence of the deductible legal reserve established during the period	-	-
Influence of reserves set up on account of tax-exempt reinvested earnings	-121.528	-541.642
The influence of non-taxable income	-75.262	-208.744
The influence of income-like items: revaluation differences that become taxable	164.188	97.315
The influence of non-deductible expenses	180.307	207.203
Minus amounts representing sponsorship	-162.734	-223.434

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<b>Income tax calculation for the period, of which:</b>	<b>859.472</b>	<b>893.734</b>
Profit tax recorded directly in equity, related to revaluation differences that have become taxable	-164.188	-97.315
2% tax rebate according to Government Ordinance 153/2020	-17.190	-17.875
Income tax charged on expenses	678.094	778.544

**21. Provisions for risks and expenses**

As of December 31, 2025, the Company has registered provisions for risks and expenses in the amount of 1,258,938 lei (1,258,938 lei as of December 31, 2025). Their summarized situation is presented below:

	Provision for guarantees	Pension provision	Provision for litigation	Other provisions	Total
<b>Balance as of January 01, 2025</b>	<b>0</b>	<b>208,855</b>	<b>0</b>	<b>860,431</b>	<b>1,069,286</b>
Established during the interval	0	0		16,764	16,764
Used during the interval	0	(42,158)	0	(326,580)	(368,738)
Real estate receivables value adjustments (ct 2968)	0				0
Resumed during the interval	0	0	0	0	0
<b>Balance as of December 31st, 2025</b>	<b>0</b>	<b>166,697</b>	<b>0</b>	<b>550,615</b>	<b>717,312</b>
Long-term	0	166,697	0	0	166,697
short term	0	0	0	550,615	550,615

- **Pension provisions in the amount of 166,697 lei (December 31, 2024: 208.855 lei).**

According to the collective labor contract, the Company offers cash benefits depending on the length of service upon retirement for employees. The provision amount was calculated taking into account the amount expected to be granted upon retirement based on length of service with the company, the time remaining until retirement for each employee, adjusted by the Company's average employee turnover rate over the last 5 years, namely .....

- **Other provisions in the amount of 550.616 lei (December 31, 2022: 860.432 lei) include:**
  - The provision related to redemptions of pension insurance policies for the amount of 533,851 lei, are loyalty pension rights of COMELF employees, granted based on the law and the Collective Labor Agreement, to be paid to employees (short term).
  - The amount of 16,764 includes provision for potential commercial penalties as per commercial contracts and customer notifications, under negotiation.

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**22. Deferred tax liabilities**

Deferred tax liabilities as of December 31, 2025 are generated by the items detailed in the following table:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Deferred tax receivables	-	-
Deferred tax liabilities related to reserves made up of reinvested earnings	(922.602)	(922.602)
Deferred tax liabilities related to revaluation differences of tangible assets.	(4,307,278)	(4,471,466)
<b>Deferred tax, net</b>	<u><b>(5,229,880)</b></u>	<u><b>(5,394,068)</b></u>

**23. Deferred income**

1) The company received a government subsidy in 2013 in the amount of 16,848,613 lei within the project "Fundamental modification of manufacturing flows and introduction of new technologies in order to increase productivity and competitiveness on the internal and external market of SC COMELF SA".

The governmental subsidy was conditioned by the contribution from the Beneficiary of the amount of 27,635,774 lei, of which the eligible value 16,848,613 lei, the difference being ineligible value, including VAT within the project, during the project implementation period which was 24 months from 04.02. 2013.

In 2025, the Company resumed in revenue the amount of 923.614 lei (2024: 980,852 lei), representing the amortization of subsidies.

2) The company signed in 2018 (03.05.2018) a financing contract within POIM, having as objective the granting of a non-reimbursable financing by AM POIM for the implementation of the project "Smart Metering application of utility consumption", the total value of the contract financing is 1,072,188.43 lei, of which non-reimbursable financing is worth 900,988.68 lei. In October 2019 the "Utilities consumption and production monitoring system and energy management software license" was put into operation and the income from subsidies within this project in 2025 amounted to 81,108 lei (2024:84,834 lei).

3) The company signed in 2020 (11.06.2020) a financing contract within the EEA and Norway Grants 2014 - 2021, with the objective of granting non-refundable financing by Innovation Norway for the implementation of the project, "An investment in a smarter future and more efficient", the total value of the financing contract was EUR 632,500, of which non-refundable financing in the amount of up to EUR 350,000. In November 2021, "a unit for the production of renewable energy from photovoltaics with a capacity of 1,200 MWH / year" was put into operation. The total value of the investment on 31.12.2021 was 2,998,953 lei, of which the amount of the subsidy received in March 2022 is 1,513,994 lei.

On December 31, 2024, the Company resumed in revenue the amount of 101.027 lei (2024: 101,027 lei) , representing the amortization of subsidies.

4) The company has signed in 2023 (08.03.2023) a financing contract within the framework of POIM, with the objective of obtaining a grant for the implementation of the project "Energy efficiency measurements by changing the lighting system at COMELF Sa", the total amount of the financing contract is 1,110,499,499. 22 lei, of which the grant amount is 845,016.39 lei (718,263.93 lei ERDF funds +126,752.46 funds from the national budget). At the end of 2023 the project implementation was finalized.

On December 31, 2025, the Company resumed in revenue the amount of 35.208 lei (2024: 32,568 lei) , representing the amortization of subsidies.

The accounting policies adopted are presented in Note 3.

**24. Earnings per share**

The calculation of the basic earnings per share was performed based on the profit attributable to ordinary shareholders and the balanced average number of ordinary shares:

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	<b>December 31st, 2025</b>	<b>December 31st, 2024</b>
Profit attributable to ordinary shareholders	4,787,536	8,990,433
Balanced average number of ordinary shares	22,476,423	22,476,423
<b>Basic earnings per share</b>	<b>0.21</b>	<b>0.40</b>

Diluted earnings per share are equal to basic earnings per share, as the Company has not recorded any potential ordinary shares.

**25. Net financial expenses**

The financial elements are the following:

	<b>December 31st, 2025</b>	<b>December 31st, 2024</b>
Interest income	19,652	20.292
Income from exchange rate differences	1,144,863	234.092
Other items of financial income	89,234	40.598
<b>Total financial income</b>	<b>1,253,749</b>	<b>294.982</b>
Interest expenses	(1,180,948)	(1,770,793)
Expenses with exchange rate differences	(1,913,867)	(804.756)
Other items of financial expenditure, of which:	(744,485)	(634.484)
<b>Total financial expenses</b>	<b>(3,839,300)</b>	<b>(3,210,033)</b>

Income and expenses from exchange rate differences refer to the following items in the financial statements: short-term and long-term loans, including leasing: net amount December 2024 of RON -830,230 (December 2024: -228,206 lei), third-party accounts (including reverse factoring): net amount as of December 2025 of -178,367 lei (December 2024: -113,936 lei), cash and cash equivalents: net amount as of December 2025 of +239,593 lei (December 2024: -228,522 lei).

Other financial income and expenses consist mainly of discounts granted for payments made in advance of due dates.

**26. Contingent liabilities and debts****(a) Environmental contingencies**

Environmental regulations are in development in Romania, and the Company did not register any obligations on December 31, 2025 for any anticipated costs, including legal and consulting fees, site studies, design and implementation of remediation plans, on environmental elements.

The Company's management does not consider the expenses associated with possible environmental problems to be significant.

**(b) Transfer price**

According to Order 442/2016, the category of large taxpayers that exceed the following value thresholds in transactions with affiliated parties:

- 200,000 euros, in case of interest collected / paid for financial services, calculated at the exchange rate communicated by the National Bank of Romania valid for the last day of the fiscal year;
- 250,000 euro, in the case of transactions regarding the provision of services received / provided, calculated at the exchange rate communicated by the National Bank of Romania valid for the last day of the fiscal year;
- 350,000 euro, in the case of transactions concerning purchases/sales of tangible or intangible goods, calculated at the exchange rate communicated by the National Bank of Romania valid for the last day of the tax year. are obliged to draw up the transfer pricing file and make it available to the tax authorities, upon request within 10 days from the date of the request by the competent tax authority.

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Comelf S.A. has drawn up the transfer pricing file for 2024 and will update it for 2025 by the legal deadline.

**27. Transactions and balances with affiliated parties**

The affiliated parties as well as a brief description of their activities and relations with the Company are as follows:

The transactions with the companies within the group are carried out based on the framework commercial contracts in which the rights and obligations of each party are stipulated, specifying the type of contract:

- - commission/brokerage contract, consultancy contract, electricity purchase contract, subassembly manufacturing collaboration contract;

The rights and obligations of the parties are well delimited by the contractual clauses, the eventual litigations being within the competence of the International Arbitration Court attached to the Chamber of Commerce and Industry of Romania.

Transactions between the parties will be based on the principle of uncontrolled competition.

Based on the framework contract, firm orders are issued, the purpose of which is monitored, following the full observance of the contact clauses.

<b>Affiliated party</b>	<b>Activity</b>	<b>Description of the type of business relation</b>
Uzinsider SA	Management consulting services	Uzinsider SA is the majority shareholder
Uzinsider Techo SA	Consulting services	
	-	
Uzinsider General Contractor SA	Sale of finished products	
Promex SA	Acquisition of electricity	
24 Ianuarie SA	Collaborations in the manufacture of subassemblies	

The other companies are related to Comelf SA due to a combination of common management and / or persons who are also shareholders of the other companies.

**a) Receivables and payables from related parties**

As at 31 December 2025 and 31 December 2024, receivables from related parties are as follows:

<b>Receivables from</b>	<b>December 31st, 2025</b>	<b>December 31st, 2024</b>
Uzinsider Techo SA	6,583,232	9,299,266
Uzinsider General Contractor SA	0	237.418
Promex SA	370.829	18.696
24 Ianuarie SA	-	28.557
<b>Total</b>	<b>6,954,061</b>	<b>9,583,937</b>

As of December 31st, 2025 and December 31st, 2024, the debts to the affiliated parties are as follows:

<b>Debts to</b>	<b>December 31st, 2025</b>	<b>December 31st, 2024</b>
Uzinsider SA	425.007	1,117,705
Uzinsider Techo SA	926.759	541.526
Uzinsider General Contractor SA	5.191	800.898
Promex SA	28.869	41.419
24 Ianuarie SA	-	-
<b>Total</b>	<b>1,385,826</b>	<b>2,501,548</b>

**b) Affiliated party transactions**

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The sales of goods and services to the affiliated parties are carried out at prices similar to those in the contracts concluded with external beneficiaries, as follows:

<b>Sales in the year ended at:</b>	<b>December 31st, 2025</b>	<b>December 31st, 2024</b>
Uzinsider Techo SA	20,433,563	24,821,159
Uzinsider General Contractor SA	237.418	-
Promex SA	453.310	23.202
24 Ianuarie SA	21.333	44.153
<b>Total</b>	<b>21,145,624</b>	<b>24,888,514</b>

The acquisitions from the affiliated parties were made at the acquisition value according to the contracts, as follows:

<b>Acquisitions in the year ended at:</b>	<b>December 31st, 2025</b>	<b>December 31st, 2024</b>
Uzinsider SA	704.436	704.436
Uzinsider Techo SA	1,381,704	1,599,620
Uzinsider General Contractor SA	-	6,303,722
Promex SA	581.337	198.028
24 Ianuarie SA	-	-
<b>Total</b>	<b>2,667,477</b>	<b>8,805,806</b>

Payment of dividends due to Uzinsider SA Bucharest was made in full during 2025 (Note 12 item c)

As there were no delays as to the contract deadlines, no impairment losses related to these transactions were recognized during the year.

The general terms and conditions provided in the relations concluded with the affiliated parties are the following: payment terms 60-120 days, payment method - payment orders, no guarantees, and no penalties for non-payment.

## 28. Capital commitments

Procurement commitments for the period 2026 are limited to own sources of financing and are estimated at EUR 1.3 million.

## 29. Operational segment reporting

The productive activity of the Company takes place within the factories organized as profit centers:

- Stainless Steel Products Factory (“FPI”)
- Earthmoving Machinery and Equipment, Filters and Electrofilters Factory (“FUET”)
- Earthmoving Components and Machines Factory (“TERRA”)

The Company's activity involves exposure to a number of inherent risks. These include economic conditions, changes in legislation or tax rules. A variety of measures are taken to manage these risks. At the level of the Company, there is a risk-reporting system designed to identify current and potential obligations and to facilitate timely action. Insurance and taxation are also managed at the Company level.

The Company regularly carries out review activities to identify and monitor ongoing litigations and processes. The essential decisions are taken by the Board of Directors. The operating segments are managed independently, as each of them represents a strategic unit with different products:

- FPI - the most important products are: stainless steel (equipment for gas turbine power plants, components for wind installations, components for freight wagons, components for combustion air filtration) and carbon steel (equipment for gas turbine power plants, chassis for turbines, compressors, generators, conveyors with metal belt, components for transport, assembly and equipment of wind installations, components for transcontainer handling machines);

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- FUET - the most important products are: naval equipment, filters for asphalt stations, components for freight wagons, components for asphalt cutters, components for excavators, motor housings and electric generators, equipment for industrial gas dedusting, equipment for power plants with gas turbines, wastewater treatment and purification equipment, hydromechanical and hydropower equipment, technological equipment;
- TERRA - the most important products are: earthmoving machines with final assembly (crushers, asphalt pouring machines), components for earthmoving machines (chassis, arms, frames), mobile presses for compacting car bodies, fixed presses and equipment components for compacting metal waste, telescopic cranes, subassemblies for heavy-duty dump trucks.

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*(All amounts are expressed in LEI, unless otherwise indicated)***Reporting by operating segments**

	FPI		FUET		TERRA		Center		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
External revenues of the segment	61,748,696	61,363,318	57,758,737	60,146,198	36,585,283	38,644,083	5,473,872	8,292,324	162,643,268	168,445,923
<b>Total segment revenues</b>	<b>61,748,696</b>	<b>61,363,318</b>	<b>57,758,737</b>	<b>60,146,198</b>	<b>36,585,283</b>	<b>38,644,083</b>	<b>6,550,552</b>	<b>8,292,324</b>	<b>162,643,268</b>	<b>168,445,923</b>
Net financial costs	-1,033,600	-678.558	-707.611	-737.296	-844.339	-671.309	-	-827.888	-2,585,550	-2,915,051
Depreciation and amortization	1,774,257	1,990,899	3,027,577	3,013,259	1,695,330	2,143,860	1,070,217	1,085,694	7,567,381	8,233,712
Income tax expense	-459.943	-484.614	-58.863	-	-159.288	-248.972	-	-44.968	-678.094	-778.544
The net result for the interval	3,248,185	3,102,387	415.699	2,540,343	1,123,652	1,517,444	-	1,830,259	4,787,536	8,990,433
Segment assets	42,135,694	39,985,881	68,588,694	62,487,923	22,158,808	16,563,435	28,993,787	11,448,526	161,876,983	157,810,379
Investments in associated entities										
Segment debts	28,412,986	22,755,359	33,202,435	34,419,472	18,638,102	17,211,916	3,633,990	2,286,906	83,887,513	76,673,653

All amounts presented as a total correspond to the amounts presented in the financial statements, without the need for reconciliation.

The total income of the segment corresponds to the item income plus other income, and the other items with similar items in the financial statements.

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In the total operational revenues of the segment in the amount of 162,643,268 lei (fy 2025:) and 168,445,923 lei (fy 2024) the major types of products and services are the following:

	<b>31decembrie 2025</b>	<b>31decembrie 2024</b>
Equipment for power-generation industry and components	78,278,890	75,690,600
Equipment for earthworks and components	56,158,800	68,389,690
Lifting and handling equipment	10,204,570	10,494,470
Manufacture of rolling stock	3,191,010	4,029,450
Other incomes	14,809,998	9,841,713
<b>TOTAL</b>	<b>162,643,268</b>	<b>168,445,923</b>

The total revenues of the company may be divided according to the geographical area as follows:

	<b>31decembrie 2025</b>	<b>31decembrie 2024</b>
Income from Romania		34,262,707
Income from outside Romania		134,183,216
<b>TOTAL</b>		<b>168,445,923</b>

Through our contracting policy we have avoided being significantly dependent on a single customer. Our clients are world-renowned companies, and it is our company's policy to develop business relationships with strong companies that provide the basis for secure and forward-looking collaboration. The main countries from which these customers come are: ITALY, GERMANY, SWEDEN, NORWAY, AUSTRIA, NETHERLANDS, SWITZERLAND, ENGLAND, FRANCE.

The main customers that have a share of turnover greater than 5% of related revenues and the business segment where these revenues are included are the following:

<b>Partner</b>	<b>Income share (&gt; 5%)</b>	<b>Income</b>	<b>The segment in which revenues are included</b>
Uzinsider Techno SA(GE)	14.74 %		Equipment for energy industry, end customer General Electric
Siemens	11.69 %		Equipment for power-generation industry and components: FPI- FUET
Komatsu	11.04 %		Equipment for earthworks and components: FUET
HD Hyundai Infracore	10.43 %		Earth-Moving equipment and its components: FCT
Tesmec	7.49 %		Equipment for earthworks, rolling stock manufacturing and their components: FUET + FCT
Tekhrint SA	7.11 %		Equipment for earthworks, rolling stock manufacturing and their components: FPI + FCT

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**30. Events subsequent to the date of the statement of financial position:**

The situation arising from the military conflict in Iran may affect the company's economic activity; however, at this time, we are unable to assess the future effects. The only certainty at the time of presenting the financial statements is the rise in fuel prices; therefore, the company has determined that a minimum safeguard is the acquisition of a buffer stock to ensure business continuity for a period of 3–5 months.

**31. Approval of financial statements**

The financial statements were approved by the Board of Directors and published on the website on March 27, 2026.

Cenusa Gheorghe  
General Manager

Tatar Dana  
Economic Manager

# STATEMENT

**in accordance with the provisions of art. 30 from the Accounting Law no. 82/1991**

The annual financial statements were prepared on **31/12/2025** for :

Entity: COMELF SA

County: BISTRITA-NASAUD

Address: BISTRITA str. INDUSTRIEI, nr. 4

Trade register number: J06/02/1991

Form of ownership: **34-Joint stock companies**

Main activity (NACE code and class name) 2811 -Manufacture of engines and turbines (except for aircraft, motor vehicles and motorcycles)

Tax identification code: 568656

General Manager Eng. Cenusa Gheorghe and Financial Director Ec. Tatar Dana of the company, undertake responsibility for the preparation of the annual financial statements as of **31/12/2025** and confirm that:

a) Accounting policies used in the preparation of the annual financial statements are in accordance with applicable accounting regulations.

b) The annual financial statements provide a true and fair view of the financial position, financial performance and other information regarding the activity performed.

c) The legal entity carries out its activity in conditions of continuity.

General Manager  
Cenusa Gheorghe

Financial Manager  
Tatar Dana

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**PROPOSAL**  
**for the distribution of net profit for 2025**

We propose that the net profit for 2025 be distributed as follows:

Net profit to be distributed	4,787,536 lei
• Other reserves (reinvested profit facility)	759,551 lei
• Dividends	2,381,172 lei
• Retained earnings	1,646,813 lei

The dividend to be paid for the 2025 fiscal year is 0.106 lei gross, distributed as an interim dividend in accordance with the General Meeting of Shareholders held on October 10, 2025.

Chairman of the Board of Directors  
eng. Savu Constantin

General Manager,  
eng. Cenusă Gheorghe

Financial Manager,  
ec. Tatar Dana

**G2 Expert**

Limited liability company  
405200. Mihail Kogălniceanu, nr.18  
J12/4477/2008 ; 24725081  
Registered capital: 5,000 lei  
+40 264 214 434  
+40 744 583 031  
office@proceduriaudit.ro

# **REPORT OF THE INDEPENDENT AUDITOR**

on the financial statements concluded at  
December 31, 2025

by  
**COMELF S.A.**

## REPORT OF THE INDEPENDENT AUDITOR

To,

**COMELF SA Shareholders**

**Report on the audit of financial statements**

### *Unreserved opinion*

We have audited the accompanying financial statements of COMELF SA (“the Company”), with its registered office in Bistrita, 4 Industriei Street, identified by the unique tax registration code RO568656, which comprise the statement of financial position as of December 31, 2025, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the fiscal year ended on that date, and notes to the financial statements, including a summary of significant accounting policies.

The financial statements as of December 31, 2025, are identified as follows:

• <b>Total Assets</b>	<b>161.876.983 lei</b>
• <b>Total equity:</b>	<b>76.458.670 lei</b>
• <b>Liabilities:</b>	<b>85.418.313 lei</b>
• <b>Net profit for the year:</b>	<b>4.787.536 lei</b>

In our opinion, the accompanying financial statements present a true and fair view of the Company’s financial position as of December 31, 2025, as well as of its financial performance and cash flows for the financial year ended on that date, in accordance with Order No. 2844/2016 of the Ministry of Public Finance approving the Accounting Regulations in accordance with International Financial Reporting Standards (IFRS), as subsequently amended and clarified by the European Union.

The Company complied with the provisions regarding issuers of financial instruments and market operations in that the individual annual reports in accordance with IFRS were prepared in XHTML/XBRL format. As statutory auditor of COMELF SA, we express our opinion that the audited company has complied with the single European financial reporting format in accordance with the IFRS-ESEF taxonomy.

### ***Basis for the opinion***

We conducted our audit in accordance with International Standards on Auditing (“ISA”), EU Regulation No. 537/2014 of the European Parliament and of the Council of April 16, 2014 (hereinafter “EU Regulation No. 537/2014”), and Law No. 162/2017 (“Law 162/2017”). Our responsibilities under these standards are described in detail in the “Auditor's Responsibilities in an Audit of Financial Statements” section of our report. We are independent of the Company, in accordance with the International Code of Ethics for Professional Accountants (including the International Standards on Independence) issued by the International Ethics Standards Board for Accountants (IESBA Code), in accordance with the ethical requirements relevant to the audit of financial statements in Romania, including EU Regulation No. 537/2014 and Law 162/2017, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Key audit features***

The key audit aspects are those that, based on our professional judgment, were of the greatest importance for auditing the financial statements for the current period. These items have been addressed in the context of the audit of the financial statements as a whole and in the formation of our opinion on them, and we do not provide a separate opinion on these key items.

<b>Key issues</b>	<b>How our audit addressed key issues</b>
<b><i>Establishment of provisions for unused holiday leave</i></b>  Rest leave not taken during the year may be taken within the next 18 months following the year in which the right to annual leave arose, according to the Labor Code, Title III, art. 146, para. (2).  Unused vacation days by 31.12.2025, both the outstanding days from 2023 and 2024, must be provisioned to reflect the fact that the Company has a debt to its staff that will represent an outflow of financial resources in the next financial period.  The amount provisioned by the Company for 2021 is 100,325 lei.	  To address the risk of estimating the value of the provisions to be established, our procedures included the following:  - We requested from the financial accounting department of each factory a statement of unused vacation days for employees who had unused vacation days as of December 31, 2025;  - We requested a statement of unused vacation days as of December 31, 2025, from the human resources department;  - we reconciled the two situations to determine if there were any differences.

## ***Revenue recognition***

Effective January 1, 2018, the company has adopted IFRS 15, "Revenue from Contracts with Customers." Under the new standard, the principles for revenue recognition have changed, and the impact may be significant.

Under IFRS 15, revenue from contracts with customers is measured based on the company's inputs and efforts to fulfill its performance obligations relative to the total expected inputs. In determining revenue from contracts with customers, the entity continually assesses the level of actual costs against the initial, pre-manufacturing estimated costs and recognizes revenue only at the level of costs that contribute to the entity's progress and that have been reflected in the contract price, weighted by the quantity and physical stage of completion of the contract.

At the same time, as of December 31, 2025, in addition to the accounts representing the company's business turnover, it had material turnover in revenue account 7584 "Revenue from subsidies."

The turnover represents a significant value and amounts to 157,810,007 lei.

Due to the reasoning that the company's management needed to make regarding the application of the new standard, as well as the materiality of account 7584, we consider revenue recognition as a key audit matter.

To address this key aspect, our procedures consisted of:

- reviewing customer contracts to determine the recognition criteria in accordance with IFRS 15
- we identified the type of performance obligations; at Comelf S.A., these are performance obligations fulfilled over time, and they involve firm and specific contracts for each client, so the implementation of the new standard did not have a significant impact on revenue recognition from customer contracts.
- For the recognition of revenue in account 7584, we performed analytical procedures and detailed tests; we requested a list of fixed assets acquired from the project and for which depreciation is recorded, resulting in the recognition of revenue in account 7584.
- We verified compliance with the principle of the independence of the financial year;
- we verified their reflection in the profit and loss account and their presentation in the notes to the attached individual financial statements.

## ***Other information - Management's Report***

Administrators are responsible for compiling and presenting other information. This other information includes the Management's Report, but does not include the financial

statements and the auditor's report thereon, nor the non-financial statement, which is presented in a separate report (if applicable).

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

In connection with the audit of the financial statements for the financial year ended December 31, 2025, it is our responsibility to read that other information and, in doing so, to assess whether that other information is materially inconsistent with the financial statements, or with the knowledge that we have obtained during the audit, or if they appear to be significantly distorted.

Based solely on the procedures performed during the audit of the financial statements, in our opinion:

- a) The information presented in the Directors' Report for the financial year for which the financial statements were prepared is consistent, in all material respects, with the financial statements;
- b) The directors' report has been prepared in all material respects in accordance with Order 2844/2016

In addition, based on our knowledge and understanding of the Company and its environment, acquired during the audit of the financial statements for the year ended December 31, 2025, we are required to report whether we have identified material misstatements in the Directors' Report. We have nothing to report on this matter.

### ***Responsibilities of management and those responsible for governance for the financial statements***

The Company's management is responsible for the preparation and presentation of financial statements that give a true and fair view in accordance with Ministry of Public Finance Order No. 2844/2016 approving the Accounting Regulations in accordance with International Financial Reporting Standards, as amended and classified, and for such internal control as management deems necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error.

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

Those responsible for governance are responsible for overseeing the Company's financial reporting process.

### *Auditor's responsibilities in an audit of financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but there is no guarantee that an audit conducted in accordance with the ISA will always detect a significant misstatement, if any. Distortions may be caused by either fraud or error and are considered significant if they can reasonably be expected to have an individual or cumulative effect on the economic decisions of users, based on these financial statements.

As part of an ISA-compliant audit, we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of failing to detect a material misstatement caused by fraud is higher than the risk of failing to detect a material misstatement caused by error, because fraud may involve collusion, forgery, intentional omissions, misrepresentations, and the circumvention of internal controls.
- We understand internal control relevant to the audit in order to design audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We assess the adequacy of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.
- We formulate a conclusion regarding the adequacy of management's use of accounting based on business continuity and determine, based on the audit evidence obtained, whether there is significant uncertainty about events or conditions that could raise significant doubts about the Company's ability to continue its activity. If we conclude that there is material uncertainty, we must draw attention in the auditor's report to the related disclosures in the financial statements or, if those disclosures are inadequate, modify our opinion. Our findings are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease operations on a going concern basis.
- We evaluate the presentation, structure and content of the financial statements, including disclosures, and the extent to which the financial statements reflect the underlying transactions and events in a manner that results in a fair presentation.

We communicate to those responsible for governance, among other things, the planned scope and timing of the audit, as well as the main findings of the audit, including any significant deficiencies in internal control, which we identify during the audit.

We also provide those charged with governance with a statement regarding our compliance with ethical requirements regarding independence and disclose to them all relationships and other matters that might reasonably be thought to impair our independence, and, where applicable, the related safeguards.

Among the issues we have communicated to those charged with governance, we identify those issues that were most important in the audit of the current financial statements and are therefore key audit issues. We describe these matters in our audit report, unless legislation or regulation prevents public disclosure of the matter in question or unless, in extremely rare circumstances, we believe that a matter should not be disclosed in our report because the benefits to the public interest are reasonably expected to be outweighed by the negative consequences of such disclosure.

### **Report on other legal and regulatory provisions**

We were appointed by the General Meeting of Shareholders on April 29, 2025, to audit the financial statements of COMELF SA for the fiscal year ended December 31, 2025. The total uninterrupted duration of our engagement is 5 years, covering the fiscal years ended December 31, 2021, through December 31, 2025.

We confirm that:

- Our audit opinion is consistent with the additional report submitted to the Company's Audit Committee, which we issued on the same date we issued this report. Also, in conducting our audit, we maintained our independence from the audited entity.
- We have not provided the Company with any prohibited non-audit services, as referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council, and we remain independent of the Company throughout the audit.

### **Other issues**

This independent auditor's report is addressed exclusively to the Company's shareholders as a whole. Our audit was performed in order to be able to report to the Company's shareholders those issues that we need to report in a financial audit report, and not for other purposes. To the extent permitted by law, we accept and assume no responsibility other than to the Company and its shareholders, as a whole, for our audit, for this report or for the opinion formed.

Cluj-Napoca, 29.03.2026

The audit engagement partner who prepared this independent auditor's report is,

OLTEAN Mihaela Ioana, financial auditor

Registered in the Electronic Public Register of the Authority for the Public Supervision of Statutory Audit Activity with number AF15/131/20

for and on behalf of G2 EXPERT SRL

Registered with the Authority for Public Oversight of Statutory Audit Activity with registration number FA1152

Auditor address:

G2 Expert S.R.L.  
str. no. 18, Mihail Kogalniceanu,  
405200 Dej, Cluj county, Romania  
Reg. No. Reg. Of Com. J12/4477/2008, CUI: 24725081  
Telephone: +40 264 214 434  
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Email: office.g500@yahoo.com

# Apply or Explain Statement (DAE)

Company Name: COMELF SA

Section	Principle	Req. no.	Requirement (detailed)	Yes	Partial	No	Explanation (text and url link if the document is on the website)
<b>A MANAGEMENT BODIES</b>							
A MANAGEMENT BODIES	A.1. The Board must ensure the long-term success and sustainability of the Company, in the interests of the Company and its shareholders, and taking into account the interests of other stakeholders. The board must clearly define and fully publicize its role and responsibilities.	A.1., 1	The board must have internal regulations that formalize and clearly specify its role and responsibilities. The Articles of Association, the Board's internal regulations and other internal regulations must clearly delineate the role and powers between the Board, the general meeting of shareholders (GMS) and the executive management.				No <a href="#">It is under development. Completion date 30.06.2026</a>
A MANAGEMENT BODIES	A.1. The Board must ensure the long-term success and sustainability of the Company, in the interests of the Company and its shareholders, and taking into account the interests of other stakeholders. The board must clearly define and fully publicize its role and responsibilities.	A.1., 2	The Board's internal regulations must include, among other things, the Board's powers, as well as the fiduciary responsibilities of the Board members to act in full knowledge of the facts, in good faith, with due diligence and care and in the interest of the Company, its shareholders and taking into account the interests of other stakeholders, in accordance with legal requirements.				No It is currently being drafted and will include express provisions in this regard. Completion date 30.06.2026
A MANAGEMENT BODIES	A.1. The Board must ensure the long-term success and sustainability of the Company, in the interests of the Company and its shareholders, and taking into account the interests of other stakeholders. The board must clearly define and fully publicize its role and responsibilities.	A.1., 3	To support the long-term viability and success of the Company, the Board should: <ul style="list-style-type: none"> <li>Oversee the development and approve the Company's strategy and ensure that it incorporates sustainability considerations, including social and environmental (E&amp;S) factors and climate-related risks and opportunities;</li> <li>Appoint and remove the CEO and other members of executive management to whom executive management responsibilities have been delegated (referred to as "executive management") and ensure succession planning for them;</li> <li>To oversee the performance of executive management, the role of executive management in addressing material sustainability-related risks and opportunities, and to align executive management compensation with the Company's long-term interests and sustainability, in accordance with the provisions of the Company's compensation policy;</li> <li>Ensure that there is a robust framework for internal control and risk management;</li> <li>Ensure that the Company has procedures in place to enable effective communication with shareholders and other stakeholders.</li> </ul>				No All duties and responsibilities of the Board of Directors will be included in the Internal Regulations, with an emphasis on sustainability, social considerations, the environment, risks and opportunities, risk management, etc. Term: June 30, 2026

A MANAGEMENT BODIES	<b>A.1. The Board must ensure the long-term success and sustainability of the Company, in the interests of the Company and its shareholders, and taking into account the interests of other stakeholders. The board must clearly define and fully publicize its role and responsibilities.</b>	A.1., 4	The term of appointment of Board members and executive management should be clearly established and should, as far as possible, promote stability and predictability.	Yes		<a href="#">According to the articles of association, the term of office of the Board of Directors members is 4 years.</a>
A MANAGEMENT BODIES	<b>A.2. The board must have an appropriate balance between skills, experience, gender diversity, knowledge and independence in order to effectively carry out its duties and responsibilities.</b>	A.2., 1	The Board must have at least five members.	Yes		<a href="#">The Board of Directors consists of 5 members.</a>
A MANAGEMENT BODIES	<b>A.2. The board must have an appropriate balance between skills, experience, gender diversity, knowledge and independence in order to effectively carry out its duties and responsibilities.</b>	A.2., 2	The Board must have a policy on Board and executive management diversity and ensure that diversity in terms of gender, age, experience and skills is incorporated into the Nomination Policy.		No	100% male. Upon the expiration of the current board members' terms (in 2027), steps will be taken to ensure diversity.
A MANAGEMENT BODIES	<b>A.2. The board must have an appropriate balance between skills, experience, gender diversity, knowledge and independence in order to effectively carry out its duties and responsibilities.</b>	A.2., 3	The Board must develop a Board profile specifying the desired characteristics and traits of its members, including factors such as independence, diversity, integrity, specific skills and experience, industry knowledge, the ability and willingness to devote time and effort commensurate with the Board's responsibilities, in the context of the needs of the Board and its committees and their exercise of the Board's strategic and oversight role. The Board profile may be part of the Nomination Policy.		No	Document regarding the Board of Directors' Profile, characteristics, competencies, diversity, etc. Deadline: December 31, 2026
A MANAGEMENT BODIES	<b>A.2. The board must have an appropriate balance between skills, experience, gender diversity, knowledge and independence in order to effectively carry out its duties and responsibilities.</b>	A.2., 4	The majority of the Board members must be non-executive. At least one third of the members of the Board must be independent. Each independent member of the Board must submit a statement regarding their independence at the time of their nomination for election or re-election, as well as whenever there is any change in their status, in accordance with the independence criteria set forth in the legislation and in Annex A to the Code.	Partial		100% non-executive members. One independent member (Parvan Cristian), the rest are members or management bodies of related companies.
A MANAGEMENT BODIES	<b>A.2. The board must have an appropriate balance between skills, experience, gender diversity, knowledge and independence in order to effectively carry out its duties and responsibilities.</b>	A.2., 5	The Nomination and Compensation Committee (or the full Board if there is no Nomination and Compensation Committee) shall assess whether Board members can be considered independent based on the factors taken into account, examining whether there are any business or other personal relationships that could significantly affect the Board member's independence and objectivity and their ability to act in the best interests of the Company, its shareholders, and stakeholders.	Partial		There is a Nomination and Remuneration Committee formed by the members of the Board of Directors, but the evaluation criteria are not established. A Regulation on the functioning of the Committees within the Board of Directors will be developed. Deadline

A MANAGEMENT BODIES	<b>A.2. The board must have an appropriate balance between skills, experience, gender diversity, knowledge and independence in order to effectively carry out its duties and responsibilities.</b>	A.2., 6	It is advisable that the positions of Chairman of the Board and General Manager be held by different persons.	Yes		Chairman of the Board of Directors-eng. Savu Constantin; General Manager eng. Cenușă Gheorghe
A MANAGEMENT BODIES	<b>A.2. The board must have an appropriate balance between skills, experience, gender diversity, knowledge and independence in order to effectively carry out its duties and responsibilities.</b>	A.2., 7	If the positions of Chairman of the Board and General Manager are held by the same person, it is advisable for the Company to appoint an independent Vice Chairman.	Yes		Not applicable, see above
A MANAGEMENT BODIES	<b>A.3. The Board must ensure that a formal, rigorous and transparent procedure is established regarding the appointment of new members to the Board.</b>	A.3., 1	The Company will develop and publish a Board Member Nomination Policy that must define the processes and procedures for nominating, electing or replacing a Board member. The nomination policy, approved by the competent governance body, will describe how the Company receives and evaluates nominations from shareholders (including minority shareholders) or from Board members, including with regard to the Board's profile, independence and diversity.			No Remuneration Committee formed by the members of the Board of Directors, but the evaluation criteria are not established. A Regulation on the functioning of the Committees within the Board of Directors will be developed. Deadline
A MANAGEMENT BODIES	<b>A.3. The Board must ensure that a formal, rigorous and transparent procedure is established regarding the appointment of new members to the Board.</b>	A.3., 2	The Board, through the Nomination and Compensation Committee, if any, must oversee the process of nominating candidates for the position of Board member.			No There is a Nomination and Remuneration Committee formed by the members of the Board of Directors, but the evaluation criteria are not established. A Regulation on the functioning of the Committees within the Board of Directors will
A MANAGEMENT BODIES	<b>A.3. The Board must ensure that a formal, rigorous and transparent procedure is established regarding the appointment of new members to the Board.</b>	A.3., 3	The Company will provide shareholders with information regarding the experience and résumés of candidates for Board membership, which they need to make an informed decision regarding the appointment or reappointment of Board members, including the following: <ul style="list-style-type: none"> <li>the candidates' professional commitments and engagements, including executive and non-executive positions in companies, public authorities, non-profit organizations, and other organizations;</li> <li>any existing or potential conflicts of interest, including whether they have business, family, or other relationships that could affect their performance as a Board member;</li> <li>which shareholder or Board member nominated each candidate for the position of Board member.</li> </ul>	Partial		The résumés of the Board members are published on the company's website (www.comelf.ro)
A MANAGEMENT BODIES	<b>A.4. The Board must establish committees to assist it in fulfilling its key responsibilities, addressing strategic challenges, and managing sensitive issues with high potential for conflict of interest.</b>	A.4., 1	The Board will establish an Audit Committee to enhance its oversight capacity over financial reporting, the internal control framework, internal and external audit processes, and compliance with applicable laws and regulations. Unless required by law or a dedicated risk management committee has already been established, the Audit Committee will also include responsibilities for monitoring the effectiveness of the risk management framework.	Partial		Two individuals have been nominated to form the Audit Committee, which collaborates with the Company's financial auditor and internal auditor.

A MANAGEMENT BODIES	A.4. The Board must establish committees to assist it in fulfilling its key responsibilities, addressing strategic challenges, and managing sensitive issues with high potential for conflict of interest.	A.4., 2	It is advisable that the Audit Committee consists only of non-executive members of the Board. It is also advisable that the majority of the Committee members be independent, including the Committee Chairman. The Audit Committee must possess, overall, relevant skills in the field in which the Company operates. The Committee and its members must comply with the requirements of applicable national and European legislation.		Partial	Both persons are non-executive members, one person is independent (Parvan Cristian), one is not independent (Mustata Costica).
A MANAGEMENT BODIES	A.4. The Board must establish committees to assist it in fulfilling its key responsibilities, addressing strategic challenges, and managing sensitive issues with high potential for conflict of interest.	A.4., 3	The Board of Companies listed in the Premium Category must establish a Nomination and Remuneration Committee composed of non-executive members of the Board. It is recommended that the majority of the Committee's members be independent, including the Committee Chair. The Board may also establish separate Nomination and Compensation Committees, provided that the composition of the Board permits this and that it is justified given the size and complexity of the Company's business and governance structures.		Partial	Compensation Committee and the Audit Committee are established. As mentioned above, the independence criteria are not fully met, and operating regulations and procedures have not been drafted; these are currently being developed. Deadline 31.12.2026.
A MANAGEMENT BODIES	A.4. The Board must establish committees to assist it in fulfilling its key responsibilities, addressing strategic challenges, and managing sensitive issues with high potential for conflict of interest.	A.4., 4	În addition to its specific responsibilities as set forth in this Code, the Nominating and Compensation Committee: i.Reviews and recommends to the Board the size and composition of the Board and oversees the development and ongoing review of the Board's profile; ii.Identifies qualified individuals to serve as members of the Board and executive management, if requested; evaluates candidates for executive management positions; evaluates candidates proposed by shareholders or Board members for Board membership and reports to the AGM accordingly; iii.Makes recommendations to the Board regarding appointments to committees (other than the Nominating and Compensation Committee); iv.Coordinates an annual evaluation of the Board, Board members, and committees in accordance with the provisions of Principle A.5.; v. Assists the Board in fulfilling its responsibilities regarding the Company's compensation policy; vi.AAssists the Board in developing succession plans for executive management, as well as contingency succession plans and the recruitment process for the Chief Executive Officer, as appropriate; vii.Oversees the administration of the Company's compensation and benefits plans.		No	All responsibilities of the members of these Committees are to be established.
A MANAGEMENT BODIES	A.4. The Board must establish committees to assist it in fulfilling its key responsibilities, addressing strategic challenges, and managing sensitive issues with high potential for conflict of interest.	A.4., 5	The roles and responsibilities of the Board committees must be defined in separate internal regulations (operating regulations) and published on the Company's website. If the Company chooses not to establish any of the Board committees not required by law, the corresponding duties and responsibilities shall be performed by the Board and must be appropriately noted in the Board's internal regulations.		No	Upon completion, the Regulations will be published on the Company's website.
A MANAGEMENT BODIES	A.4. The Board must establish committees to assist it in fulfilling its key responsibilities, addressing strategic challenges, and managing sensitive issues with high potential for conflict of interest.	A.4., 6	The assessment of the independence of committee members, including committee members appointed by the GMS, is carried out following the same procedure applicable to independent members of the Board.		No	There are no procedures. They will be drafted in accordance with the above provisions.

A MANAGEMENT BODIES	<b>A.4. The Board must establish committees to assist it in fulfilling its key responsibilities, addressing strategic challenges, and managing sensitive issues with high potential for conflict of interest.</b>	A.4., 7	The chairs of the Audit Committee and the Nomination and Compensation Committee shall not also serve as the Chair of the Board or of other committees, unless this is justified by the size of the Board.	Yes		Chairman of the Board of Directors-eng. Savu Constantin; Chairman of the Audit Committee: Costica Mustata; Chairman of the Nomination and Compensation Committee: Babici Emanuel.
A MANAGEMENT BODIES	<b>A.5. The Board must establish robust procedures for the Board's operation, as well as mechanisms for the Board's ongoing evaluation and development to enhance the skills of Board members and their ability to effectively fulfill their responsibilities.</b>	A.5., 1	The Chair of the Board is primarily responsible for ensuring that the Board functions properly The Board's internal rules must specify the role and responsibilities of the Chair of the Board, and the Chair of the Board must, at a minimum: <ul style="list-style-type: none"> <li>• Set the agenda for Board meetings, preside over these meetings, and ensure that minutes of these meetings are taken;</li> <li>• Ensure that the Board receives accurate, timely, useful, and concise information to enable the Board to make sound decisions;</li> <li>• Ensure that the Board has sufficient time for consultation and decision-making;</li> <li>• Facilitate the proper functioning of committees and ensure effective communication with Board committees, including timely and relevant reports from committees to the full Board;</li> <li>• Ensure that the Board's performance is evaluated and discussed at least once a year and publicly disclosed in accordance with provision D.1., 3;</li> <li>• Ensure that the Board has an appropriate working relationship with executive management. The General Manager (CEO) and the Chair of the Board (if these roles are held by different individuals) meet on a regular basis;</li> <li>• Address and manage internal disputes and conflicts of interest involving Board members.</li> </ul>		Partial	The conditions regarding the functioning of the Board of Directors are met, but all rules and procedures to be followed are to be described in the Board of Directors' Rules of Organization and Operation. Deadline 30.06.2026.
A MANAGEMENT BODIES	<b>A.5. The Board must establish robust procedures for the Board's operation, as well as mechanisms for the Board's ongoing evaluation and development to enhance the skills of Board members and their ability to effectively fulfill their responsibilities.</b>	A.5., 2	The Board must meet whenever necessary, but not less than six (6) times a year.	Yes		During 2025 Board of Directors me
A MANAGEMENT BODIES	<b>A.5. The Board must establish robust procedures for the Board's operation, as well as mechanisms for the Board's ongoing evaluation and development to enhance the skills of Board members and their ability to effectively fulfill their responsibilities.</b>	A.5., 3	The Board may request the appointment of a Secretary General to assist it in fulfilling its obligations under the law, the Board's internal regulations and other policies. The Secretary General shall be a senior expert within the Company, tasked with assisting the Board and its committees in organizing their activities, preparing meetings, the annual evaluation of the performance of the Board and committees, as well as training programs for Board members, if needed.	Yes		The Board of Directors has nominated a Secretary in the person of Mr. Coltea Lucian_Legal advisor CAMELF SA.

A MANAGEMENT BODIES	A.5. The Board must establish robust procedures for the Board's operation, as well as mechanisms for the Board's ongoing evaluation and development to enhance the skills of Board members and their ability to effectively fulfill their responsibilities.	A.5., 4	The Board must clearly define the rights and responsibilities, scope of authority and other matters related to the Secretary General.			Partial	These are to be described in the Board of Directors' Rules of Operation.
A MANAGEMENT BODIES	A.5. The Board must establish robust procedures for the Board's operation, as well as mechanisms for the Board's ongoing evaluation and development to enhance the skills of Board members and their ability to effectively fulfill their responsibilities.	A.5., 5	The Board and its committees must develop and approve an annual internal work plan that identifies the topics to be addressed during the year before the end of the previous year. The plan must take into account the decisions required to be proposed to the GMS, the reporting by the executive management and internal control functions, the necessary frequency of Board and committee meetings, and must be reviewed by the Chair with the support of the Secretary General.			No	It will be developed for the year 2026 by the end of April 2026.
A MANAGEMENT BODIES	A.5. The Board must establish robust procedures for the Board's operation, as well as mechanisms for the Board's ongoing evaluation and development to enhance the skills of Board members and their ability to effectively fulfill their responsibilities.	A.5., 6	The Board must conduct an annual assessment of the composition, activity and dynamics of the Board and its committees, individually and as a whole, an assessment that must be coordinated by the Nomination and Compensation Committee.			No	It will be completed at the end of 2026
A MANAGEMENT BODIES	A.5. The Board must establish robust procedures for the Board's operation, as well as mechanisms for the Board's ongoing evaluation and development to enhance the skills of Board members and their ability to effectively fulfill their responsibilities.	A.5., 7	The Nomination and Remuneration Committee must share the results of the Board's assessment with the full Board and establish follow-up actions, if necessary, including professional development and training plans for the Board, to fill gaps.			NO	It will be completed at the end of 2026

A MANAGEMENT BODIES	<p><b>A.5. The Board must establish robust procedures for the Board's operation, as well as mechanisms for the Board's ongoing evaluation and development to enhance the skills of Board members and their ability to effectively fulfill their responsibilities.</b></p>	A.5., 8	<p>The Board's internal regulations must require orientation (induction) programs for newly appointed Board members, provided by the Company's in-house staff. The Council's internal regulations may refer to continuing education programs for Board members, if necessary. The implementation of orientation and continuous training programs for Board members (according to the Board's decision) is carried out under the supervision of the Nomination and Compensation Committee, with the support of the Secretary General. Based on the results of the annual Board assessment, the Nomination and Compensation Committee together with the Chairman of the Board will develop professional development programs focused on areas where capacity should be built among Board members.</p>				No
A MANAGEMENT BODIES	<p><b>A.6. The executive management is responsible for the day-to-day management of the Company. The Board must ensure that the executive management is capable of effectively leading the Company, and that the composition, competence, roles and incentives of the executive management support the successful implementation of the Company's strategy and plans.</b></p>	A.6., 1	<p>The executive management must lead the Company and be accountable to the Board. The division of responsibilities between the Board and the executive management and between different members of the executive management must be clearly articulated in the Company's articles of association and the Company's internal regulations.</p>	Yes			<p><a href="#">The executive management of the Company was delegated to the General Manager and Deputy General Manager.</a></p>
A MANAGEMENT BODIES	<p><b>A.6. The executive management is responsible for the day-to-day management of the Company. The Board must ensure that the executive management is capable of effectively leading the Company, and that the composition, competence, roles and incentives of the executive management support the successful implementation of the Company's strategy and plans.</b></p>	A.6., 2	<p>When the roles of Chairman of the Board and General Manager are exercised by the same person, the different responsibilities of the Chairman of the Board and the General Manager must be clearly defined and differentiated in the Company's articles of association.</p>	Yes			They are different people.

A MANAGEMENT BODIES	A.6. The executive management is responsible for the day-to-day management of the Company. The Board must ensure that the executive management is capable of effectively leading the Company, and that the composition, competence, roles and incentives of the executive management support the successful implementation of the Company's strategy and plans.	A.6., 3	The Board must ensure that the executive management consists of individuals with appropriate knowledge, skills, diversity and experience to support the successful performance of the Company and that there are measures in place to ensure the orderly succession of executive management.		Partial	There is no succession plan defined.
A MANAGEMENT BODIES	A.6. The executive management is responsible for the day-to-day management of the Company. The Board must ensure that the executive management is capable of effectively leading the Company, and that the composition, competence, roles and incentives of the executive management support the successful implementation of the Company's strategy and plans.	A.6., 4	The Board, with the support of the Nomination and Compensation Committee, must annually evaluate the performance of the executive management and the effectiveness of its cooperation with the Board, including the information provided to the Board.		Partial	See Compensation (Remuneration
<b>B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</b>						
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The company must have an adequate and effective internal control framework and risk management framework, taking into account its strategy, size, the complexity of its operations, and its risk profile, including the potential environmental and social impact of its activities.	B.1., 1	The Board determines the nature and extent of the risks that the Company is willing to assume as necessary to achieve the Company's strategic objectives (i.e. the Company's risk appetite) and must ensure that there are clear structures, policies and procedures that identify, assess, report, manage and monitor significant and emerging risks, including risks related to sustainability, cybersecurity and the use of digital technologies. The board must explain in the annual report the mechanisms and processes established for identifying and managing risks.	Yes		There are system procedures that cover all risks identified within the company.

B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.1. The company must have an adequate and effective internal control framework and risk management framework, taking into account its strategy, size, the complexity of its operations, and its risk profile, including the potential environmental and social impact of its activities.</b>	B.1., 2	The Board must adopt a formal risk management policy to ensure the correct, complete and timely identification, measurement and reporting of risks, the existence of adequate and feasible risk control measures, and the integration of E&S risks into the risk management framework, in order to implement the Company's strategy.		Partial	The control framework is ensured by the Audit Committee and the internal auditor.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.1. The company must have an adequate and effective internal control framework and risk management framework, taking into account its strategy, size, the complexity of its operations, and its risk profile, including the potential environmental and social impact of its activities.</b>	B.1., 3	The Board and Audit Committee must understand emerging changes related to information technology and artificial intelligence so as to mitigate cybersecurity risks. The Board's agenda must allocate time to AI risks and opportunities and cybersecurity to ensure an understanding of cybersecurity.		Partial	The company is in the process of complying with NIS II requirements.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.1. The company must have an adequate and effective internal control framework and risk management framework, taking into account its strategy, size, the complexity of its operations, and its risk profile, including the potential environmental and social impact of its activities.</b>	B.1., 4	It is advisable for the Company to establish a risk management function responsible for ensuring the correct, complete and timely identification of risks, ensuring that adequate and feasible risk control measures are in place and monitoring of risk management procedures. The risk management function, through the Chief Risk Officer (CRO), if any, must have direct communication and functional reporting to the Board and the Audit Committee (if there is no dedicated Risk Committee).		Partial	There is an Internal Control and Process Audit Service. See the organizational chart.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.1. The company must have an adequate and effective internal control framework and risk management framework, taking into account its strategy, size, the complexity of its operations, and its risk profile, including the potential environmental and social impact of its activities.</b>	B.1., 5	The Board, assisted by the Audit Committee, must assess the adequacy and effectiveness of the Company's risk management and internal control framework at least annually (including operational and compliance controls) and make relevant recommendations. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and compliance, internal control reports, if required by applicable law, to the Audit Committee of the Board, the responsiveness and effectiveness of management in addressing identified deficiencies or weaknesses in internal control and the submission of relevant reports to the Board.		Partial	Internal Audit Reports

B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.1. The company must have an adequate and effective internal control framework and risk management framework, taking into account its strategy, size, the complexity of its operations, and its risk profile, including the potential environmental and social impact of its activities.</b>	B.1., 6	The Board must develop and make available on the Company's website, free of charge, a whistleblowing mechanism that allows employees and other interested parties to make disclosures regarding alleged violations or irregularities in accordance with applicable legislation in force.			No	Compliance will be achieved by the end of April 2026.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.2. The Audit Committee must assist the Board in ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework, and maintaining an appropriate relationship with the Company's external auditors.</b>	B.2., 1	In addition to its responsibilities set forth in the legislation and elsewhere in the Code, the Audit Committee must: <ul style="list-style-type: none"> <li>• Review the Company's internal controls and risk management framework;</li> <li>• Monitor the development and implementation of the Company's policies regarding conflicts of interest and transactions with related parties;</li> <li>• Ensure the independence and review the effectiveness of the Company's internal audit function and make recommendations to the Board;</li> <li>• Oversee the internal audit function;</li> <li>• Oversee the preparation of sustainability reports and the information included therein, unless this task is assigned to another committee;</li> <li>• To oversee the framework for ensuring the Company's compliance with applicable legal and regulatory requirements, as well as with the Company's internal regulations (such as procedures for reporting violations of the law or the Company's Code of Conduct), unless this task is assigned to another committee.</li> </ul>		Partial		It is monitored by the Internal Auditor.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.2. The Audit Committee must assist the Board in ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework, and maintaining an appropriate relationship with the Company's external auditors.</b>	B.2., 2	Whenever the Code mentions reviews or analyses to be performed by the Audit Committee, these must be followed by periodic (at least annual) or ad-hoc reports to be presented to the Board.			No	No such actions were taken.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.2. The Audit Committee must assist the Board in ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework, and maintaining an appropriate relationship with the Company's external auditors.</b>	B.2., 3	The Audit Committee must monitor the independence and objectivity of the external auditor. The committee should approve a policy on the provision of permitted non-audit services by the external auditor, in accordance with legal requirements, and ensure the implementation of this policy. The Committee's findings on the independence of the external auditor must be made public in the annual report.		Yes		There is an annual audit plan, approved by the Audit Committee. The external auditor is independent: ACON AUDIT SRL.

B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.2. The Audit Committee must assist the Board in ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework, and maintaining an appropriate relationship with the Company's external auditors.</b>	B.2., 4	The Audit Committee must discuss the annual work plan with the external auditor, covering the scope and materiality of the activities to be audited. The Audit Committee must meet with the external auditor whenever necessary to discuss identified issues and monitor the quality of services provided.	Yes			The annual audit plan is established, depending on the importance of the activities and the frequency of controls.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.3. The board must ensure the independence of the internal audit function. The Company's internal audit function must provide independent and objective assurance on the effectiveness of the risk management and internal control framework.</b>	B.3., 1	The Board must ensure that internal audit has the authority, resources and appropriate procedures to assist the Board in ensuring the effectiveness and efficiency of the Company's risk management and internal control framework.	Yes			There is a contract with rights and obligations for both parties.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.3. The board must ensure the independence of the internal audit function. The Company's internal audit function must provide independent and objective assurance on the effectiveness of the risk management and internal control framework.</b>	B.3., 2	To ensure that the core functions of internal audit are fulfilled, the head of this function must be appointed and report directly to the Board, through the Audit Committee, which is responsible for approving his or her appointment and dismissal. This does not affect administrative reporting to the General Manager (CEO) and the exchange of information with the Company's executive management, in accordance with legal requirements and professional standards.	Yes			He is an independent auditor who, according to the organizational chart, reports to the Audit Committee.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.3. The board must ensure the independence of the internal audit function. The Company's internal audit function must provide independent and objective assurance on the effectiveness of the risk management and internal control framework.</b>	B.3., 3	The internal audit function must be established in accordance with applicable legal requirements and industry standards (e.g., those of the Institute of Internal Auditors). The internal audit authority, composition, remuneration, annual budget, working procedures and other relevant aspects will be regulated in an internal audit regulation, approved by the Board, following the recommendation of the Audit Committee.	Yes			ACON AUDIT SRL is a member of CAFR.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<b>B.3. The board must ensure the independence of the internal audit function. The Company's internal audit function must provide independent and objective assurance on the effectiveness of the risk management and internal control framework.</b>	B.3., 4	The Audit Committee should agree on an annual internal audit work plan with the internal auditor, receive internal audit reports, updates on key audit issues, monitor the implementation of internal audit recommendations and provide necessary guidance.	Yes			For each year there is an internal audit plan approved by the Audit Committee.

**C PERFORMANCE, MOTIVATION AND REWARD**

C PERFORMANCE, MOTIVATION AND REWARD	<b>C.1. Board members should receive compensation commensurate with the scope and importance of their duties and responsibilities, rather than with the performance of management or the Company. The structure and amount of compensation for Board members should enable the Company to attract, retain, and motivate competent and qualified Board members.</b>	C.1., 1	Board members must receive compensation in accordance with the Company's Compensation Policy. Members who also serve on Board committees must receive additional compensation for this work. However, under no circumstances shall compensation be tied to the number of Board or Committee meetings.	Yes			It is mentioned in the Compensation Policy
C PERFORMANCE, MOTIVATION AND REWARD	<b>C.2. The Board must ensure that there is a formal and transparent policy and procedure for determining executive compensation, which is aligned with the Company's long-term interests and strategy. This policy will be submitted to the GMS for approval, in accordance with legal requirements.</b>	C.2., 1	The Board must determine the annual compensation of executive management based on the recommendations of the Nomination and Compensation Committee and in accordance with the Company's Compensation Policy. The Compensation Policy must be developed in accordance with relevant legal requirements.	Yes			It is mentioned in the Compensation Policy
C PERFORMANCE, MOTIVATION AND REWARD	<b>C.2. The Board must ensure that there is a formal and transparent policy and procedure for determining executive compensation, which is aligned with the Company's long-term interests and strategy. This policy will be submitted to the GMS for approval, in accordance with legal requirements.</b>	C.2., 2	The compensation levels for members of executive management and the key performance indicators taken into account when determining the variable (performance-based) portion of compensation must be established in advance and must be measurable and appropriate in relation to the agreed strategy and risk appetite, the economic environment in which the Company operates, as well as the remuneration and conditions of the Company's employees. In particular, these should include indicators relating to non-financial performance and appropriate sustainability objectives.	Yes			It is mentioned in the Compensation Policy
C PERFORMANCE, MOTIVATION AND REWARD	<b>C.2. The Board must ensure that there is a formal and transparent policy and procedure for determining executive compensation, which is aligned with the Company's long-term interests and strategy. This policy will be submitted to the GMS for approval, in accordance with legal requirements.</b>	C.2., 3	The Company's shares and/or share purchase options must represent a significant part (e.g., not less than 10%) of the total variable remuneration of the executive management member.			No	

## D REPORTING AND INVESTOR RELATIONS

D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 1	The company must ensure that it provides accurate, complete and timely financial and operational information, including quarterly, semi-annual and annual reports, as well as current reports. Companies must ensure that all relevant information is easily accessible to investors, including through the Company's website and other public information sources, as appropriate.	Yes			Through the company website: <a href="http://www.comelf.ro">www.comelf.ro</a>
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 2	It is advisable for the Company to have an investor relations (IR) function and must appoint a dedicated person responsible for the IR function. The contact details of the person or persons responsible for the IR function will be available on the Company's website. The IR function will report directly to the CEO/CFO, underlining its importance in the Company's hierarchy and emphasizing its central role in managing and communicating the Company's commitments and status in the capital market. The company must organize induction courses and periodic training, if necessary, for the IR function, adapted to its specific needs and responsibilities.	Partial			There is a person nominated for investor relations, mentioned on the company's website: Eng. Mircea Maiercan
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 3	The company must include on its website a section dedicated to Investor Relations, with all relevant information of interest to investors, available in both Romanian and English.	Yes			see website <a href="http://www.comelf.ro">www.comelf.ro</a>
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 3	The company must include in the section dedicated to Investor Relations: <ul style="list-style-type: none"> <li>• Main corporate regulations: updated articles of association, GMS procedures, internal regulations of the Board and internal regulations of the Board committees;</li> </ul>	Yes			see website <a href="http://www.comelf.ro">www.comelf.ro</a>
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 3	The company must include in the section dedicated to Investor Relations: <ul style="list-style-type: none"> <li>• A list of the current members of the Board, Board committees, and Executive Management, indicating their updated independence status, professional CVs (containing at least: first name, last name, gender, nationality, age; professional experience by year, position, and company; education, field of study, and the academic or professional institution awarding the degree), other professional engagements, including executive and non-executive positions on boards of directors in companies, non-profit organizations, and state institutions; relationships with shareholders holding at least 5% of the voting rights/shares issued by the Company; the term of appointment of the members of the Board, committees, and executive management, specifying the date on which they were appointed;</li> </ul>	Yes			see website <a href="http://www.comelf.ro">www.comelf.ro</a>

D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 3	The company must include in the section dedicated to Investor Relations: • Current and periodic reports (quarterly, semi-annual and annual reports);	Yes		see website <a href="http://www.comelf.ro">www.comelf.ro</a>
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 3	The company must include in the section dedicated to Investor Relations: • Information regarding the General Shareholders' Meeting (GSM): the agenda, supporting materials, and resolutions adopted; the procedure for conducting the GSM; the Nomination Policy, along with professional résumés (containing at least: first name, last name, gender, nationality, age; professional experience by year, position, and company; education, field of study, and the academic or professional institution awarding the degree), as well as any other information specified in A.3., 3; the communication channels through which shareholders may submit questions to the Company; answers to shareholders' questions regarding the agenda; statements of independence from Board candidates and evaluations of the candidates by the Nomination and Remuneration Committee/Board, including regarding their compliance with independence criteria;	Yes		see website <a href="http://www.comelf.ro">www.comelf.ro</a>
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 3	The company must include in the section dedicated to Investor Relations: • Information on the Council's evaluation, carried out in accordance with provision A.5., 7 including the evaluation criteria and process, as well as a summary of the results of the evaluation and the actions that have been or will be taken as a result of the evaluation;		No	There was no framework developed for the evaluation of the Board members.
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 3	The company must include in the section dedicated to Investor Relations: • Information on corporate events, such as the payment of dividends and other distributions to shareholders or other events leading to the acquisition or restriction of a shareholder's rights, including the timelines and principles applied to such transactions. This information must be disclosed in a timely manner to enable investors to make investment decisions;	Yes		see website <a href="http://www.comelf.ro">www.comelf.ro</a>
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 3	The company must include in the section dedicated to Investor Relations: • Corporate policies, including the Code of Conduct, Dividend Policy, Compensation Policy, Forecast Policy, Investor Relations Policy, Corporate Social Responsibility (CSR)/Sponsorship Policy, Related-Party Transactions Policy, Diversity, Equity, and Inclusion Policy, and Whistleblowing Policy (if not already part of the Code of Conduct);		Partial	The Code of Conduct and Compensation Policy are public. The rest of the Policies are under development.

D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 4	The company must organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions must be published in the IR section of the Company's website at the time of the meetings/teleconferences.				No
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 5	The company must disclose significant and reportable non-financial and sustainability aspects, with a focus on environmental, social and governance (ESG) issues of its business and operations, in accordance with the recognized sustainability reporting standard. The Company's sustainability statements will be published on its website.	Yes			see the website <a href="http://www.comelf.ro">www.comelf.ro</a>
D REPORTING AND INVESTOR RELATIONS	<b>D.1. The company must ensure adequate communication with shareholders, investors, regulators and other stakeholders and establish appropriate systems for financial and sustainability reporting.</b>	D.1., 6	The company should have a CSR/sponsorship policy to guide its activity in the field of supporting CSR activities and sponsorship.	Yes			see the website <a href="http://www.comelf.ro">www.comelf.ro</a> -Sustainability REPORT
D REPORTING AND INVESTOR RELATIONS	<b>D.2. The Company must ensure the fair and equitable treatment of all shareholders, as well as the availability of the necessary resources and information to enable shareholders to exercise their rights with respect to the Company.</b>	D.2., 1	The Company must have a dividend policy as a set of directions that the Company intends to follow regarding the distribution of net profit.				No Under development
D REPORTING AND INVESTOR RELATIONS	<b>D.2. The Company must ensure the fair and equitable treatment of all shareholders, as well as the availability of the necessary resources and information to enable shareholders to exercise their rights with respect to the Company.</b>	D.2., 2	The procedure for conducting the GMS must not restrict shareholders' participation in the GMS and the exercise of their rights. Changes to the procedure for conducting the GMS must enter into force, at the earliest, from the next GMS.	Yes			.
D REPORTING AND INVESTOR RELATIONS	<b>D.2. The Company must ensure the fair and equitable treatment of all shareholders, as well as the availability of the necessary resources and information to enable shareholders to exercise their rights with respect to the Company.</b>	D.2., 3	External auditors must attend the GMS where their reports are presented, to answer shareholders' questions.	Yes			

D REPORTING AND INVESTOR RELATIONS	<b>D.2. The Company must ensure the fair and equitable treatment of all shareholders, as well as the availability of the necessary resources and information to enable shareholders to exercise their rights with respect to the Company.</b>	D.2., 4	The Board must present to the annual GMS a summary of the assessment of the adequacy and effectiveness of the risk management and internal control framework, according to the incident information included in the annual report.			No	The GMS will take place on 29.04.2026
D REPORTING AND INVESTOR RELATIONS	<b>D.2. The Company must ensure the fair and equitable treatment of all shareholders, as well as the availability of the necessary resources and information to enable shareholders to exercise their rights with respect to the Company.</b>	D.2., 5	The company must stimulate commitment to shareholders and investors by: <ul style="list-style-type: none"> <li>• Encouraging active participation of shareholders in General Meetings of Shareholders, including ensuring conditions for virtual participation;</li> <li>• Organizing periodic information and updates for investors, especially during significant corporate events;</li> <li>• Establishing channels through which shareholders can provide feedback and ask questions, ensuring that answers are provided in a timely and comprehensive manner.</li> </ul>			Partial	Online Meeting Participation is also allowed.
D REPORTING AND INVESTOR RELATIONS	<b>D.2. The Company must ensure the fair and equitable treatment of all shareholders, as well as the availability of the necessary resources and information to enable shareholders to exercise their rights with respect to the Company.</b>	D.2., 6	Any professional, consultant, expert or financial analyst may participate in the GMS upon prior invitation by the Chairman of the Board. Accredited journalists may also attend the GMS, unless the President decides otherwise.			No	It will be taken into consideration.
<b>E: SUSTAINABILITY AND STAKEHOLDERS</b>							
E: SUSTAINABILITY AND STAKEHOLDERS	<b>E.1. The Company must integrate sustainability considerations into its strategy and mitigate any material negative social and environmental impacts of its operations to the extent possible.</b>	E.1., 1	The Board must ensure that sustainability, environmental and social considerations are integrated into the Company's strategy and operations, risk management and remuneration practices, and oversee this integration. A specialised sustainability committee or one of the Council's standing committees assists the Board in carrying out these tasks.			No	Objectives are to be set in this regard.
E: SUSTAINABILITY AND STAKEHOLDERS	<b>E.1. The Company must integrate sustainability considerations into its strategy and mitigate any material negative social and environmental impacts of its operations to the extent possible.</b>	E.1., 2	The Board must ensure that the Company's operations are conducted in accordance with national and international E&S standards and that the Company's E&S policies are consistent with its long-term objectives. In particular, the Company must have internal documents regarding its responsibilities on environmental and social aspects, as well as policies and procedures that allow it to identify significant factors and assess the impact on the Company's activities.			Partial	Through internal procedures
E: SUSTAINABILITY AND STAKEHOLDERS	<b>E.1. The Company must integrate sustainability considerations into its strategy and mitigate any material negative social and environmental impacts of its operations to the extent possible.</b>	E.1., 3	Whenever a decision to be taken by the Board has a potential significant and negative impact in the E&S sphere, the Board must receive from the executive management (i) an analysis of how this decision is aligned with the Company's sustainability objectives and E&S policies or (ii) a proposal of measures to mitigate the negative E&S impact.			Partial	The impact of the decision on important sustainability issues is discussed.

E: SUSTAINABILITY AND STAKEHOLDERS	<b>E.2. The Company must have a process for identifying stakeholders affected by the Company's operations. The Board must take into account the interests of stakeholders and ensure that there is active communication between the Company and stakeholders.</b>	E.2., 1	The Board must ensure that there is a formal process for identifying the Company's stakeholders, including investors, creditors, customers, employees and suppliers, as well as specific approaches for engaging priority stakeholders.			Partial	Through system management
E: SUSTAINABILITY AND STAKEHOLDERS	<b>E.3. The Board must adopt a Code of Conduct (Code of Ethics) with an appropriate scope, which includes guiding principles that reflect the Company's commitment to ethics, integrity and quality of performance.</b>	E.3., 1	The Board must develop a statement of purpose and a vision statement, as well as articulate the Company's values, so that the entire organization understands the Company's strategic direction.			No	It will be developed until the end of 2026
E: SUSTAINABILITY AND STAKEHOLDERS	<b>E.3. The Board must adopt a Code of Conduct (Code of Ethics) with an appropriate scope, which includes guiding principles that reflect the Company's commitment to ethics, integrity and quality of performance.</b>	E.3., 2	The Board must adopt a Code of Conduct for Board members, executive management and employees of the Company, with clear provisions designed to prevent and sanction fraud and bribery. The Board must not allow any waiver of ethical requirements for any member of the Board, executive management or employee.			No	It will be developed until the end of 2026
E: SUSTAINABILITY AND STAKEHOLDERS	<b>E.3. The Board must adopt a Code of Conduct (Code of Ethics) with an appropriate scope, which includes guiding principles that reflect the Company's commitment to ethics, integrity and quality of performance.</b>	E.3., 3	The Board must ensure that the policies in the Code of Conduct are integrated into the Company's practices and incorporated into the Company's integration process for new employees. The Board must ensure the effective implementation and monitoring of compliance with the Code of Conduct and review it periodically.			No	It will be developed until the end of 2027