



COMEELF S.A.

RO 568656

J06/2/1991

Str. Industriei, nr. 4

420063, Bistrita

Romania

SITUAȚII FINANCIARE INTERIMARE IFRS LA 30 IUNIE 2025

Situația poziției financiare	1
Situația contului de profit sau pierdere și Alte elemente ale rezultatului global	2
Situația modificării capitalurilor proprii	3 – 4
Situația fluxurilor de numerar	5
Notele la situațiile financiare individuale	6 - 26

The report of the directors of COMELF SA according to ASF Regulation 5/2018, Annex 14

Issued on: August 29, 2025

Company name: COMELF SA

Registered Office: Bistrita, str. Industry no. 4

Phone/fax number: 0263/234462; 0263/238092

VAT code: 568656

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

Subscribed and paid-in share capital as of 6/30/2022: 13,036,325.34 lei

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

Regulated market in which the issued securities are traded:

Bucharest Stock Exchange

The Board of Directors of Comelf SA Bistrita, appointed by the General Assembly of the shareholders prepared, for the period January-June 2025, the present report on the balance sheet, the profit and loss account, the statement of changes in shareholders' equity, the state of the cash flows, accounting policies and explanatory notes included in the individual financial statements half-yearly reports prepared on 30 June 2025. These financial statements are presented together with the Directors' Report and relate to:

Equity	RON 78,358,096
Turnover:	RON 75,010,138
Net result of the year-profit:	RON 3,140,723

I.1 Important events taking place between January and June 2025

- On April 29, 2025, the OGM took place, approving the distribution of the net profit for 2024, amounting to 8,990,433 lei, as follows: 5.605.168 lei for payment of dividends to the shareholders of the company and 3.385.265 lei for constitution of other reserves, the amount for which the reinvested profit facility was applied).
- The OGMS approved on 29.04.2025, the REB for the current year, the investment program relating to the year 2025, the company's organizational chart and the maximum credit limit for the year current;

For the next six months of the 2025 fiscal year, we have not identified any significant risks.

I.2 Transactions between related parties in the period January-June 2025

Transactions with companies within the group are carried out on the basis of framework commercial contracts

stipulating the rights and obligations of each party and specifying the type of contract.

Commercial relations with affiliated parties are conducted on the basis of sale and purchase agreements,

commission agreements, and consulting agreements.

Affiliated party	Activity	Description of the type of business relation
Uzinsider SA	Consulting services	Uzinsider SA is the majority shareholder of COMELF
Uzinsider Techo SA	Brokerage services	

	Sale of products (filter unit/turbine parts/diffusers)	Common shareholders-natural persons, common administrators
Uzinsider General Contractor SA	Acquisition of electricity	Common shareholding, common administrators
	Sale of products	
Promex SA	Collaborations in the manufacture of subassemblies	Uzinsider SA is the majority shareholder in both companies, joint administrators
24 Ianuarie SA	Collaborations in the manufacture of subassemblies	Uzinsider SA is the majority shareholder in both companies, joint administrators

- The sales of goods and services to the affiliated parties are carried out at the prices of the contracts concluded for each order of the external customers;
- Purchases from related parties were made at the purchase value (in line with the market price) according to the contracts;

Sales at:	2025	June 30,	Purchases from:	2025	June 30,
Uzinsider SA			- Uzinsider SA		352,218
Uzinsider Techo SA	9,851,244		Uzinsider Techo SA		611,247
Uzinsider General Contractor SA			- General Contractor SA		5,191
Promex SA	17,571		Promex SA		474,834
24 Ianuarie SA	21,333		24 Ianuarie SA		-
Total	9,890,148	Total			1,443,490

Transactions with related parties carried out in the first 6 months of 2025 are the traditional ones, there are no other special transactions, different from those carried out in previous years.

II. Review of the Company's activity:

a) 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."**

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 therefore. Manufacturing is carried out in 6 production halls, with a total area of 80,824 sqm, equipped with machinery, installations, machine tools for mechanical processing, laboratories and utility networks for the production processes. COMELF S.A. does not own shares in other companies and does not have any branches.

b). The economic-financial situation

Presentation of an analysis of the current economic-financial situation compared to the same period last year:

a) Balance sheet elements of COMELF SA:

RON	June 30, 2025	December 31, 2024
ASSETS		
Non-current Assets	74,403,368	76,161,853
Total Current Assets, of which:	82,905,231	81,501,595
Inventories	28,621,457	20,576,149
Commercial and similar receivables	44,440,417	40,202,724
Cash and short-term deposits	9,843,357	20,722,722
Total Assets	157,308,599	167,122,430
<u>Prepayments</u>	<u>1,281,289</u>	<u>146,931</u>
Equity and debt		
Total share capital, of which:	78,358,096	81,136,726
Registered capital	13,036,325	13,036,325
Share capital adjustments	8,812,271	8,812,271
Other equity items	(4,336,274)	(4,471,466)
Reserves	55,925,146	53,384,828
Reported result	1,779,905	1,384,335
The result of the period	3,140,723	8,990,433
Total Long-term liabilities, of which:	9,467,971	10,106,123
Long-term bank loans	-	-
Lease liabilities	-	-
Provisions for risks and expenses	208,855	208,855
Debts on deferred taxes	5,127,807	5,229,881
Subsidies for investments_long-term portion	4,131,309	4,667,387
Total Current Liabilities, of which:	70,763,821	66,567,530
Trade payables	33,980,512	30,113,399
Interest-bearing bank loans	34,528,360	33,823,880
Lease liabilities	-	66,665
Provisions for risks and expenses	639,897	860,431
Subsidies for investments_short-term portion	1,086,087	1,141,072
Debts on deferred taxes	131,069	164,187
<u>Prepaid Income</u>	<u>397,896</u>	<u>397,896</u>
Total equity and Liabilities	158,589,888	157,810,379

b) COMELF SA profit and loss account:

RON	June 30, 2025	June 30, 2024
Income	82,497,949	88,118,301
Operational result	4,414,064	6,911,676
EBITDA	8,780,783	10,656,786
Financial result	(899,133)	(1,503,119)
Profit before tax	3,514,931	5,408,557
Income tax expense	374,208	654,428
Profit for the financial year	3,140,723	4,754,129
Number of shares	22,476,423	22,476,423
Earnings per share	0.14	0.21

COMELF SA's **revenues** amounted to RON 82 million in H1/2025 compared to RON 88 million in H1/2024, down 6.4%, due to the decrease in the selling price of raw materials and the change in the product mix (fewer products incorporating special materials or stainless steel, which, in terms of value, would have had a greater impact on the price and, implicitly, on turnover due to their higher purchase price). Although in terms of value, due to lower raw material prices (11-14%) and higher consumption of common materials compared to the quantity of special materials, added value increased by 2%, which means an improvement in the productivity of the company's staff, especially those directly involved in production.

COMELF SA's **expenses** decreased compared to the first half of 2024, to a lesser extent (5%) than revenues, influenced by the decrease in raw material costs (11%), the increase in personnel expenses as a result of inflation and the increase in the minimum wage, amid a 5% decrease in the average number of employees, an increase in utility costs due to rising electricity and natural gas prices, as well as gas and pellet consumption for heating, an increase in depreciation expenses (+16.5%), and a 10% decrease in service costs.

The company's **gross profit** decreased compared to H1 2024, due to the factors mentioned above, the main cause being fixed costs which, at reduced volumes, have a direct impact on profit (depreciation, gas and pellet utilities for heating, taxes and fees, other consumables).

2. Review of the Company's activity:

2.1. Presentation and analysis of trends, items, events or uncertainty factors that affect or could affect the company's liquidity compared to the same period last year.

Comelf SA was at no time unable to meet its financial obligations during the period under review and we estimate that there will be no events or factors affecting the liquidity of the company until the end of the financial year.

2.2 Presentation and analysis of the effects on the company's financial situation of all capital expenditures, current or anticipated, compared to the same period last year.

Capital expenditures for the first half of 2025 amounted to RON 2.6 million (first half of 2024 = RON 2.9 million). Capital expenditures were financed from own sources.

2.3. Presentation and analysis of events, transactions, economic changes that significantly affect income from core business. Indication of the extent to which revenues have been affected by each item identified. Comparison with the corresponding period last year.

The economic-financial operations related to first half of 2025 were correctly registered, based on legally prepared documents. The obligations stipulated by the law have been fulfilled, regarding the correct and up-to-date organization and management of accounting, regarding compliance with accounting principles, accounting rules and methods provided by the regulations in force.

The obligations towards the state and local budget, towards the special funds were correctly established and the transfers were made in accordance with the legal provisions.

It is also worth mentioning that the income, expenses and individual financial result related to the first six months of 2025 are faithfully reflected in the profit and loss account (income statement).

3. Changes affecting company capital and management

3.1. Description of cases where the company was unable to meet its financial obligations during the period in question:

Not applicable.

3.2. Description of any change in the rights of holders of securities issued by the company:

Not applicable.

4. Significant transactions

In the case of issuers of shares, information on major transactions entered into by the issuer with persons with whom it acts in concert or in which such persons have been involved during the relevant time period:

Not applicable

5. ANNEXES

A copy for the following documents is attached to this report:

-balance sheet, as of 30.06.2025;

- the declaration of the General Manager of Comelf SA regarding the assumption of responsibility for the preparation of the financial and accounting statements related to the 1st half-year/2025;

-shareholder structure, as of 30.06.2025;

6. REMARK: The half-yearly financial statements prepared for the six-month period ended June 30, 2024 have not been audited or reviewed by an independent auditor, as there is no legal or statutory requirement to do so.

Annexes:

Shareholder structure as of the reference date of June 30, 2025:

	Number of shares	% ownership
Uzinsider SA	18,189,999	80.9292 %
Other shareholders	4,286,424	19.0708 %
Total	22,476,423	100 %

Management structures:

As of *June 30, 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:

Cenusu Gheorghe	General Manager
Pop Mircea	Deputy General Manager Business Operation

Oprea Paul Cristian	Deputy General Manager Technical and Production
Tatar Dana	Financial Manager
Serban Marcela	Raw Material Procurement Manager
Tatar Eugen	Factory Executive Manager
Viski Vasile	Factory Executive Director
Campion Cosmin	Factory Executive Manager

Management statement

According to the best information available, we confirm that the individual financial statements, for the half year 1/2025, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit and loss account of Comelf SA, as required by applicable accounting standards.

We also confirm that the operating performance situation and the information presented in this report give a true and fair view of the main events that occurred during the first six months of 2025 and their impact on the financial statements.

Chairman of the Board of Directors-eng. Savu Constantin

General Manager-eng. Cenușă Gheorghe

Financial Manager-ec. Tatar Dana

The unaudited financial statements as of June 30, 2025, together with the Board of Directors' Report, are posted on the company's website www.comelf.ro under the heading "Current Information."

The financial statements and reports have been submitted to the Bucharest Stock Exchange and the Financial Supervisory Authority and can also be viewed at the link below.

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 2025 IN ACCORDANCE WITH
IFRS

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

STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2025

	Nota	30 iunie 2025	31 decembrie 2024
Active			
Cheltuieli de dezvoltare		112.666	60.281
Imobilizari necorporale	5	891.741	339.226
Imobilizari corporale	5	73.178.961	75.542.346
Active financiare	6	220.000	220.000
Total Active non-curente		74.403.368	76.161.853
Avansuri acordate pentru imobilizari corporale		994.829	878.156
Stocuri	7	28.621.457	20.576.149
Creante din contracte cu clientii	8	37.623.484	34.275.747
Creante comerciale si alte creante	9	7.103.393	4.974.277
Creante privind impozitul curent		-	221.475
Numerar si echivalente de numerar	11	9.843.357	20.722.722
Total Active Curente		84.186.520	81.648.526
Total Active		158.589.888	157.810.379
Capital social	12	13.036.325	13.036.325
Ajustari ale capitalului social	12	8.812.271	8.812.271
Alte elemente de capitaluri proprii	12	(4.336.274)	(4.471.466)
Reserve	12	56.684.697	56.770.093
Rezultat reportat	12	1.779.905	1.384.335
Rezultatul exercitiului	25	3.140.723	8.990.433
Repartizarea profitului	12	(759.551)	(3.385.265)
Total Capitaluri Proprii		78.358.096	81.136.726
Datorii			
Alte imprumuturi si datorii -leasing	13	-	-
Datorii privind impozitul amanat	22	5.127.807	5.229.881
Provizioane pentru riscuri si cheltuieli	21	208.855	208.855
Datorii privind venituri amanate	23	4.131.309	4.667.387
Total datorii pe termen lung		9.467.971	10.106.123
Descoperiri de cont	13	34.528.360	33.823.880
Datorii privind impozitul amanat	22	131.069	164.187
Partea curenta alte imprumuturi si datorii - leasing	11	-	66.665
Datorii comerciale si alte datorii	14	33.980.512	30.113.399
Provizioane pentru riscuri si cheltuieli	21	639.897	860.431
Venituri inregistrate in avans		397.896	397.896
Datorii privind venituri amanate	23	1.086.087	1.141.072
Total datorii curente		70.763.821	66.567.530
Total Datorii		80.231.792	76.673.653
Total capitaluri proprii si datorii		158.589.888	157.810.379

Cenusu Gheorghe
General Manager

Tatar Dana
Economic Manager

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 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	30 iunie 2025	30 iunie 2024
<i>Operatiuni continue</i>			
Venituri			
Venituri din contracte cu clientii	15	76.146.872	81.739.643
Venituri din vanzarea marfurilor		17.911	893.303
Alte venituri aferente cifrei de afaceri	16	4.519.526	4.362.373
Total venituri		80.684.309	86.995.319
Alte venituri	16	769.916	999.805
Cheltuieli			
Cheltuieli cu materii prime si alte cheltuieli materiale		(33.428.952)	(36.664.245)
Cheltuieli cu energia si apa		(2.055.212)	(1.657.488)
Cheltuieli cu marfurile		(17.373)	(884.370)
Cheltuieli cu personalul	17	(29.170.150)	(29.301.201)
Cheltuieli cu transportul	18	(1.904.867)	(2.799.529)
Alte cheltuieli aferente veniturilor	19	(5.948.454)	(5.620.218)
Cheltuieli cu amortizarea si depreciera imobilizarilor	5	(4.587.253)	(3.937.316)
Cheltuieli financiare , net	25	(899.133)	(1.503.119)
Ajustari privind depreciera activelor circulante, net	8	-	(826.250)
Cheltuieli cu provizioane pentru riscuri si cheltuieli, net	21	220.534	818.456
Alte cheltuieli	19	(148.433)	(211.287)
Total cheltuieli		(77.939.294)	(82.586.567)
Profit inaintea impozitului pe profit		3.514.931	5.408.557
Impozit pe profit	20	(374.208)	(654.428)
Profit din operatiuni continue	24	3.140.723	4.754.129
Profit din operatiuni discontinue		-	-
Profitul perioadei		3.140.723	4.754.129
Alte elemente ale rezultatului global			
Elemente care nu vor fi reclasificate la cheltuieli sau venituri		-	-
Modificari de valoare ale activelor utilizate, rezultate in urma reevaluarii, net de impozite		-	-
Elemente care pot fi reclasificate la cheltuieli sau venituri		-	-
Modificari de valoare ale titlurilor disponibile pentru vanzare	3	-	-
Total cont de profit sau pierdere si alte elemente ale rezultatului global	24	3.140.723	4.754.129
Rezultatul pe actiune			
Rezultatul pe actiune de baza	24	0,14	0,21
Rezultatul pe actiune diluat	24	0,14	0,21

Cenusa Gheorghe,
General Manager

Tatar Dana „,
Economic Manager

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

STATEMENT OF CHANGES IN EQUITY	Capital	Adjustments of	Reserves	Reserves	Other	The Result	Total
	Social	share capital	from revaluation	legal	reserves	withheld	equity
Balance as of January 1, 2024	13,036,325	8,812,271	30,955,944	2,607,265	15,861,059	10,518,520	81,791,384
Profit or loss account and other elements of the overall result							
Profit or loss						8,990,433	8,990,433
Other elements of the overall result							
Net change in the fair value of available-for-sale financial assets							0
Movements in the profit or loss account and other elements of the overall result						-316,670	-316,670
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
Legal reserves established							0
Total profit or loss account and other elements of the overall result	0	0	-510,906	0	3,385,265	5,799,403	8,673,762
Other items retained-correction of accounting errors						0	0
Other items retained-correction of accounting errors			0			0	0
Transactions with shareholders, recorded directly in equity						0	0
Contributions from and distributions to shareholders/employees	-	-	-	-	-	-9,328,420	-9,328,420
Total transactions with shareholders	0	0	0	0	0	-9,328,420	-9,328,420
Balance as of December 31, 2024	13,036,325	8,812,271	30,445,038	2,607,265	19,246,324	6,989,503	81,136,726

Continued on next page

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Balance as of January 01, 2025	13,036,325	8,812,271	30,445,038	2,607,265	19,246,324	6,989,503	81,136,726
<i>Profit or loss account and other elements of the overall result</i>							
Profit or loss						3,140,723	3,140,723
<i>Other elements of the overall result</i>							
Net change in the fair value of available-for-sale financial assets				0		0	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			-845,547			709,755	-135,792
Legal reserves established				0			0
Reserves from tax exemption of reinvested profits (according to the Tax Code)					759,551	-759,551	0
Other equity items			135,792				135,792
Legal reserves established				0	0		0
Total profit or loss account and other elements of the overall result	0	0	-709,755	0	759,551	3,090,927	3,140,723
Other items retained-correction of accounting errors						-314,185	-314,185
Other items retained-correction of accounting errors				0	0	-314,185	-314,185
Transactions with shareholders, recorded directly in equity							0
Contributions from and distributions to shareholders/employees	-	-	-	-	-	-5,605,168	-5,605,168
Total transactions with shareholders	0	0	0	0	0	-5,605,168	-5,605,168
Balance as of June 30, 2025	13,036,325	8,812,271	29,735,283	2,607,265	20,005,875	4,161,077	78,358,096

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

CASH FLOW STATEMENT

	June 30, 2025	December 31, 2024
Net Profit	3,140,723	8,990,434
Amortisation and provisions	4,587,253	8,233,712
Gross operating cash	7,727,976	17,224,146
Working capital variation		
Variation of receivables	-3,347,737	14,879,352
Inventory variation	-8,045,308	898,061
Variation in other current assets	-773,282	7,438,384
Changes In prepaid rev. / exp.	-1,134,358	14,812
Supplier variation	2,386,836	-2,092,365
Variation in down-payments from customers	-47,554	460,406
Variation in employee and similar debts	-62,902	-2,867,684
Net operating cash	-3,296,329	35,955,112
Cash flow from net investments	-2,945,441	-8,891,442
Variation of debts		
Variation of short-term loans	704,480	-2,988,160
Variation of long-term loans	0	0
Variation in related party liabilities	1,363,433	311,236
Variation in other debts	25,441	-651,532
Capital variation	-6,730,949	-10,636,128
Cash flow from financing	-4,637,595	-13,964,584
Total cash variations during the period	-10,879,365	13,099,086
Initial Cash	20,722,722	7,623,636
NET Cash at the end of period	9,843,357	20,722,722

Cenusu Gheorghe
 General Manager

Tatar Dana
 Economic Manager

OPIS NOTE

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	

NOTES TO THE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**1. Reporting entity**

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

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.

Separate financial statements in accordance with International Financial Reporting Standards have been prepared for the period H1 2024.

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”);
- Law 82 of 1991 on accounting republished and updated.

The financial statements prepared on June 30, 2025 are read together with the financial statements prepared for December 31, 2024 according to the same financial reporting framework.

The financial statements as at June 30, 2025 are not audited.

3. Significant accounting policies

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.

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);
- credit risk;

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

- 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 related to material availability and their volatile price, which may generate, in the short term, possible disruptions in the operational activity. 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.

(ii) Interest rate risk

As of June 30, 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 interest rate fluctuations. The Company does not use derivative financial instruments to hedge against interest rate fluctuations.

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.

Part of the current assets are denominated in foreign currency (49%), and the Company's current financial liabilities are denominated in foreign currency (51%) and in the national currency (49%), and therefore exchange rate fluctuations do not significantly affect the Company's activity. Exposure to exchange rate fluctuations is due to mainly current currency conversion transactions required for current payments in LEI.

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

5. Tangible and intangible assets

On June 30, 2025 and December 31, 2024, tangible and intangible assets evolved as follows:

	Cheltuieli de dezvoltare	Imobilizari necorporale	Terenuri	Constructii	Instalatii tehnice si masini	Alte instalatii si mobilier	Imobilizari corporale in curs	Total	Avansuri imobilizari	Imob. Fin.	Total imobilizari
Cost	203	205	211	212	213	214	231		4093	262	
Sold la 1 ianuarie 2025	60.281	1.731.815	21.247.075	42.658.968	99.836.164	465.846	10.151.575	176.151.724	878.156	220.000	177.249.880
Intrari	0	9.395	0	68.991	182.018	0	2.305.470	2.565.874	914.634	0	3.480.508
Productie interna	52384,93	620.679	0	79.213	310.980	0	210.508	1.273.765	0	0	1.273.765
Iesiri (casari)	0	0	0	0	0	0	0	0	0	0	0
Transferuri interne	0	0	0	0	0	0	-1.010.871	-1.010.871	-797.961	0	-1.808.832
Transferuri interne	0	0	0	0	0	0	0	0	0	0	0
Sold la 30 iunie 2025	112.666	2.361.889	21.247.075	42.807.172	100.329.162	465.846	11.656.682	178.980.491	994.829	220.000	180.195.321
Sold la 1 ianuarie 2024	60.281	1.400.383	21.247.075	42.361.645	93.580.010	462.485	8.240.266	167.352.145	1.033.263	0	168.385.408
Intrari	0	183.752	0	258.827	673.994	3.361	7.679.596	8.799.530	282.119	220.000	9.301.649
Productie interna	0	147.680	0	38.496	5.609.231	0	0	5.795.407	0	0	5.795.407
Iesiri (casari)	0	0	0	0	-27.071	0	0	-27.071	0	0	-27.071
Transferuri interne	0	0	0	0	0	0	-5.768.287	-5.768.287	-437.226	0	-6.205.513
Transferuri interne	0	0	0	0	0	0	0	0	0	0	0
Sold la 31 decembrie 2024	60.281	1.731.815	21.247.075	42.658.968	99.836.164	465.846	10.151.575	176.151.724	878.156	220.000	177.249.880
Amortizare cumulata											
Sold la 1 ianuarie 2025	0	1.392.589	0	24.855.866	73.655.446	305.970	0	100.209.871	0		100.209.871
Cheltuiala cu amortizarea in an	0	77.559	0	1.166.107	3.324.281	19.306	0	4.587.253	0		4.587.253
Amortizarea cumulata a iesirilor	0	0	0	0	0	0	0	0	0		0
Anulare amortizare pentru mijloacele fixe reevaluate	0	0	0	0	0	0	0	0	0		0
Sold la 30 iunie 2025	0	1.470.148	0	26.021.973	76.979.727	325.276	0	104.797.124	0		104.797.124
Sold la 1 ianuarie 2024	0	1.136.657	0	22.087.936	68.512.014	266.522	0	92.003.129	0	0	92.003.129
Cheltuiala cu amortizarea in an	0	255.932	0	2.767.930	5.170.403	39.448	0	8.233.713	0	0	8.233.713
Amortizarea cumulata a iesirilor	0	0	0	0	-26.971	0	0	-26.971	0	0	-26.971
Anulare amortizare pentru mijloacele fixe reevaluate	0	0	0	0	0	0	0	0	0	0	0
Sold la 31 decembrie 2024	0	1.392.589	0	24.855.866	73.655.446	305.970	0	100.209.871	0	0	100.209.871
Valoare neta contabila											
La 30 iunie 2025	112.666	891.741	21.247.075	16.785.199	23.349.435	140.570	11.656.682	74.183.367	994.829		75.398.196
La 31 decembrie 2024	60.281	339.226	21.247.075	17.803.102	26.180.718	159.876	10.151.575	75.941.853	878.156		77.040.009

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

6. Financial assets available for sale

On June 30, 2025 and December 31, 2024, Comelf SA does not hold any financial assets available for sale.

7. Inventories

On June 30, 2025 and December 31, 2025, the stocks record the following balances:

	June 30, 2025	December 31, 2024
Raw materials	11,774,071	9,283,099
Auxiliary materials	69.743	58.152
Fuel + Machine oil	13.011	15.444
Inventory items	146.005	126.870
Other (including materials in the process of being procured)	318.135	31.182
Production in progress	16,300,492	10,743,349
Finished product	0	137.806
Adjustments for depreciation of raw materials	0	0
Total	28,621,457	20,395,902

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

8. Receivables from contracts with customers

As of June 30, 2025 and December 31, 2024, the receivables from commercial contracts are as follows:

	June 30, 2025	December 31, 2024
Invoiced receivables from contracts with customers	40,438,342	37,090,605
Unbilled receivables from contracts with customers	0	0
Value adjustments regarding receivables from invoiced construction contracts	(2,814,858)	(2,814,858)
Total	37,623,484	34,275,747

9. Trade receivables and other receivables

On June 30, 2025 and December 31, 2024, trade and other receivables are as follows

	June 30, 2025	December 31, 2024
Receivables from sales of goods	-	-
VAT to be recovered	825.229	521.330
Down-payments made to domestic suppliers (excluding those for fixed assets)	149.628	5.159
Down-payments made to external suppliers	5.190	70.122
Down-payments made to fixed assets suppliers	994.829	878.156
Grants receivable	-	-
Different debtors	1,721,493	1,002,522

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

	June 30, 2025	December 31, 2024
CB recoverable from CASS	728.806	840.316
Other receivables	3,693,525	2,534,828
Profit tax to be recovered	0	221.475
Total	8,118,700	6,073,908

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

10. Impairment adjustments for current assets

The evolution of value adjustments regarding the depreciation of current assets as of June 30, 2025 was as follows:

	Balance on 01 January 2025	increases	Decreases	Balance as of June 30, 2025
Value adjustments regarding receivables from contracts with customers	2,814,858	-	-	2,814,858
Total	3,661,064	-	-	2,814,858

Value adjustments in the amount of 2,814,858 lei are constituted for a number of 22 customers, of which one is in litigation for the amount of 949,436 lei, and another customer has entered bankruptcy proceedings for the amount of 1,115,995 lei.

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 June 30, 2025, and December 31, 2024, cash and cash equivalents are as follows:

	June 30, 2025	December 31, 2024
Amounts available in bank accounts in local currency	1,040,416	3,041,889
Amounts available in bank accounts in foreign currency	8,795,626	17,678,041
Cash	7.193	2.792
Other amounts available	121	-
Total	9,843,356	20,722,722

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

Liquidity management

Responsibility for liquidity risk lies with the Board of Directors and Comelf's executive management, which determines liquidity management through BVC and cash flow, prepared for the entire company and for each subunit separately. The company manages liquidity risk by maintaining adequate reserve amounts, through working capital credit limits, and by monitoring cash flows on a daily basis.

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

12. Equity

(a) Share capital

As of June 30, 2025, no changes were made on the value of the share capital (13,036,325.34 LEI) and on the number of shares (22,476,423 shares).

As of June 30, 2025 and December 31, 2024, the Company's shareholding structure is as follows:

	June 30, 2025			December 31, 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 %
Total	22,476,423	13,036,325	100 %	22,476,423	13,036,325	100 %

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:

	June 30, 2025	December 31, 2024
Social capital	13,036,325	13,036,325
Share capital adjustments - IAS 29	8,812,271	8,812,271
Social capital portrayed	21,848,596	21,848,596

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).

Capital management

The company manages its capital in order to ensure business continuity in financial balance. The capital structure for the immediate future in 2025 remains unchanged and no significant changes are expected in terms of the proportion of capital in total assets.

(a) Legal reserves

In accordance with legal requirements, the Company establishes legal reserves amounting to 5% of the gross profit recorded in accordance with IFRS at the reporting date, 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 June 30, 2025 the Company had already constituted legal reserve up to the amount of these limits.

(b) Revaluation reserves

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

(c.) Dividends

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

During 2025, in accordance with the decision of the Ordinary General Meeting of Shareholders, the Company decided to distribute dividends from the results of the financial year ended December 31, 2024. The Company distributed dividends in the amount of 5,605,168 lei (representing 0.25 lei/share). By June 30, 2025, the Company had paid dividends to shareholders in the amount of 4,393,072 lei, representing dividends distributed from the current year and previous years.

The dividend balance as of 30.06.2025 is worth 2,646,129 lei.

13. Imprumuturi**a) Account overdraft**

As at June 30, 2025 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 subject matter of the contract is a credit facility in the initial amount of 6,800,000. The loan was accessed for the temporary provision of working capital to support operating activities in line with the new cash conversion cycle.

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 June 30, 2025, the Company records a total credit line balance of 34,528,360 lei (December 31, 2024: 33,823,880 lei).

b). Leasing contracts

Also during 2019, the Company committed to the purchase of a CLOOS Robotic Welding System on lease. Leasing contract no. 120882 was concluded on May 22, 2019, with BRD Sogelease as the financier, for a financed amount of EUR 179,660.70, payable in 60 monthly installments. The contract matured in April 2025.

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

- Land with an area of 13,460 sqm and buildings with a built-up area of 12,600 sqm, with topographic number 8118/1/6, registered in CF 8685 of Bistrita locality, inventory value = 2,780,904 lei.
- Land with an area of 20,620 sqm and buildings with a built-up area of 17,894 sqm, with topographic number 8118/1/15, registered in CF 8694 of Bistrita locality, inventory value = 4,673,623 lei.
- Land with an area of 581 sqm and buildings with a built-up area of 572.93 sqm, bearing the topographic number 6628/2/2/1/2, registered in CF 8697 of Bistrita locality and no. topographic 6628/2/2/1/2 / I, registered in CF 8697 / I of Bistrita locality, inventory value = 1,217,062 lei
- 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 June 30, 2025 and December 31, 2024, trade payables and other payables are as follows:

	June 30, 2025	December 31, 2024
Trade payables	24,654,125	22,267,289
Debts to budgets	2,075,867	2,109,692
Debts to staff	3,688,302	3,658,974
Silver dividend	2,646,129	1,434,033

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Other loans and similar debts	419.545	525.436
Total	33,483,968	29,995,424

Trade payables as of June 30, 2025, in the amount of 33,483,968 lei (December 31, 2024: 29,995,424 lei) are in accordance with the contracts concluded with suppliers.

As of June 30, 2025, and December 31, 2024, liabilities to budgets mainly include contributions related to salaries, for which compensation was requested with VAT recoverable from the State Budget. The company has no outstanding liabilities to the state budget and the social security budget.

15. Revenues from contracts with customers

	June 30, June 30, 2025	2024
Revenues from contracts with customers related to delivered goods, for which the full transfer of ownership to the customer was achieved (ct 701)	70,472,702	81,401,531
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)	5,674,170	338.112
TOTAL	76,146,872	81,739,643

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 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:

	June 30, 2025	June 30, 2024
Rental income	65.718	4.679
Income from various activities	2,558,615	2,615,938
Revenues from the sale of residual products	966.926	1,311,159
Revenue from the sale of goods	17.911	-
Revenue from services rendered	928.268	430.597
Total	4,537,438	4,362,373

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

16b. Other incomes

The position includes:

	June 30, 2025	June 30, 2024
Income from investment grants	591,062	602,276
Income from operating subsidies	172,210	136,490
Income from disposed of fixed assets	6,644	261,039
Other	-	-
Total	769,916	999,805

Revenues from the production of tangible assets as of June 30, 2025 were offset by related expenses in accordance with the provisions of Order 2844/2016 as follows: personnel expenses in the amount of 136,437 lei, raw material expenses and other expenses in the amount of 111,029 lei, other expenses related to revenues in the amount of 15,427 lei. Therefore, the amount recorded in item 16b Other income, in the amount of 769,916 lei, does not include income from the production of fixed assets in the amount of 262,893 lei.

Revenues from the production of tangible assets as of June 30, 2024 were offset by related expenses in accordance with the provisions of Order 2844/2016 as follows: personnel expenses in the amount of 69,043 lei, raw material expenses and other expenses in the amount of 299,742 lei, other expenses related to revenues in the amount of 115,553 lei. Therefore, the amount recorded in item 16b Other income, in the amount of 999,805 lei, does not include income from the production of fixed assets in the amount of 484,338 lei.

17. Staff costs

The average number of employees as of June 30, 2025, and June 30, 2024, was as follows:

	June 30, 2025	%	June 30, 2024	%
Direct productive staff	318	57 %	346	57 %
Management and administration staff	244	43 %	258	43 %
Total	562	100 %	605	100 %

Staff costs were as follows:

	June 30, 2025	June 30, 2024
Staff salary expenses	25,749,314	25,932,662
Expenses with meal vouchers	2,426,606	2,285,576
Expenses regarding insurance and social protection	1,130,667	1,152,006
Total	29,306,587	29,370,244

From the amount of 29,306,587 lei (June 30, 2025), personnel expenses related to income from the production of fixed assets were deducted, in accordance with the provisions of Order 2844/2016, for the amount of 136,437 lei. See also the note on other income.

From the amount of 29,370,244 lei (June 30, 2024), personnel expenses related to income from the production of fixed assets were deducted, in accordance with the provisions of Order 2844/2016, for the amount of 69,043 lei. See also Note on other income.

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.

June 30, 2025	June 30, 2024
----------------------	----------------------

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Salary expenses - managers/directors	1,825,360	1,825,837
B.D. allowance	128.430	127.555
Total	1,953,790	1,953,392

The company did not grant loans or advance payments to the members of the administrative, management or supervisory bodies on June 30, 2025 and June 30, 2024.

As of *June 30, 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:

Cenusu Gheorghe	General Manager
Pop Mircea	Deputy General Manager Commercial and AQM
Oprea Paul	Deputy General Manager - Technical and Production
Tatar Dana	Economic Manager
Tatar Eugen	Factory Executive Manager
Viski Vasile	Factory Executive Director
Campian Cosmin	Factory Executive Director

As of *June 30, 2024*, 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:

Cenusu Gheorghe	General Manager
Pop Mircea	Deputy General Manager Business Operation
Oprea Paul	Deputy General Manager Engineering 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:

	June 30, 2025	June 30, 2024
Expenses for the transport of raw materials	2.296	673.928
Expenses for transporting finished products	1,451,426	1,707,169
Expenses for transporting employees	451.146	418.432

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Other transport costs	-	-
Total	1,904,868	2,799,529

19a. Other expenses related to income

	June 30, 2025	June 30, 2024
Maintenance and repair expenses	692.611	619.804
Rent expenses	155.231	118.561
Insurance expenses	212.159	203.430
Expenses with personnel training	47.007	61.119
Consulting expenses	352.218	352.218
Outsourcing expenses	1,430,193	1,221,880
Expenses regarding commissions and fees	617.518	958.099
Protocol expenses	56.679	73.676
Expenses with travel, secondments and transfers	117.222	70.040
Postal charges and telecommunications charges	231.105	289.317
Expenses with banking and similar services	55.281	56.077
Other expenses with services provided by third parties	875.707	650.355
Expenses with other taxes and fees	1,121,351	1,061,195
Total	5,964,282	5,735,771

From the amount of 5,964,282 lei (June 30, 2025), expenses related to services provided by third parties related to income from the production of fixed assets were deducted, in accordance with the provisions of Order 2844/2016, for the amount of 15,427 lei. See also Note on other income.

From the amount of 5,735,771 lei (June 30, 2024), expenses for services provided by third parties related to income from the production of fixed assets were deducted, in accordance with the provisions of Order 2844/2016, for the amount of 115,553 lei. See also the note on other income.

19b. Other expenses

	June 30, 2025	June 30, 2024
Total	148.434	211.287

The item "Outsourcing Expenses" includes direct expenses related to the production process (processing services).

The item "Expenses with commissions and fees" includes expenses for intermediation of customer contracts.

20. Income tax

The Company's current profit tax as of June 30, 2025 is determined at a statutory rate of 16% based on IFRS profit.

The income tax expense as of June 30, 2025 and June 30, 2024 is detailed as follows:

	June 30, 2025	June 30, 2024
Current income tax expense	150.206	654.428
Total	150.206	654.428

COMEFL S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

21. Provisions for risks and expenses

As of June 30, 2025, the Company has registered provisions for risks and expenses in the amount of 848.752 lei (1.069286 lei as of December 31, 2024). Their summarized situation is presented below:

	Provision for guarantees	Pension provision	Provision for litigation	Other provisions	Total
Balance as of January 01, 2025	0	208.855	0	860.431	1,069,286
Established during the interval	0	0	0	0	0
Used during the interval	0	0	0	0	0
Real estate receivables value adjustments (ct 2968)	0	0	0	0	0
Resumed during the interval	0	0	0	(220.534)	(220.534)
Balance as of June 30, 2025	0	208.855	0	639.897	848.752
Long-term	0	208.855	0	0	208.855
short term	0	0	0	639.897	639.897

- Pension provisions in the amount of 208,855 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 provisioned amount was calculated taking into account the amount provided for retirement based on seniority in the company, the time left until retirement for each employee adjusted by the average variance rate of the Company's staff in the last 5 years, i.e. 23.55%.

- Other provisions in the amount of 639,897 lei (December 31, 2024: 860,431 lei) include:**

- The provision related to redemptions of pension insurance policies for the amount of 592,568 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 47,329 includes a provision for potential commercial penalties, according to commercial contracts and customer notifications.

22. Deferred tax liabilities

Deferred tax liabilities as of June 30, 2025, and December 31, 2024, are generated by the items detailed in the following table:

	June 30, 2025	December 31, 2024
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.	(4,336,274)	(4,471,466)
Deferred tax, net	(5,258,876)	(5,394,068)

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

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 government subsidy was conditional on the beneficiary contributing 27,635,774 lei, of which 16,848,613 lei was eligible, with the difference being ineligible, including VAT within the project, during the project implementation period, which was 24 months from February 4, 2013.

On June 30, 2025, the Company resumed income in the amount of 480,667 lei (June 30, 2024: 482,908 lei), representing subsidy amortization.

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 "Utility consumption and production monitoring system and energy management software license" was put into operation.

The value of the received subsidy was 892,572 lei.

On June 30, 2025, the Company resumed revenues in the amount of 42,277 lei (June 30, 2024: 51,250 lei), representing subsidy amortization.

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 June 30, 2025, the Company resumed in revenue the amount of 50,513 lei (June 30, 2024: 50,514 lei), representing amortization of subsidies.

4) In 2023 (08.03.2023), the company signed a financing contract under POIM, with the objective of granting non-reimbursable financing for the implementation of the project "energy efficiency measurements by changing the lighting system at COMELF SA". The total value of the financing contract is 1,110,499.22 lei, of which non-reimbursable financing amounts to 845,016.39 lei (718,263.93 lei ERDF funds + 126,752.46 lei funds from the national budget). At the end of 2023, the implementation of the project was completed. In March 2024, 90% of the subsidy amounting to 760,500 lei was collected for this project, and the difference of 84,500 lei was collected in May 2024.

On June 30, 2025, the Company resumed the amount of 17,604 lei (June 30, 2024: 17,604 lei) representing subsidy amortization.

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:

	June 30, 2024	June 30, 2024
Profit attributable to ordinary shareholders	3,140,723	4,754,129
Balanced average number of ordinary shares	22,476,423	22,476,423

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Basic earnings per share	0.14	0.21
---------------------------------	-------------	-------------

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:

	June 30, 2025	June 30, 2024
Interest income	294	5.998
Income from exchange rate differences	763.587	75.962
Other items of financial income	16.950	41.217
Total financial income	780.831	123.177
Interest expenses	(588.590)	(911.774)
Expenses with exchange rate differences	(769.743)	(333.071)
Other items of financial expenditure, of which:	(321.140)	(381.451)
Total financial expenses	(1,679,473)	(1,626,296)

26. Contingent liabilities and debts

(a) Environmental contingencies

Environmental regulations are in development in Romania, and the Company did not register any obligations on June 30, 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 case of transactions regarding acquisitions / 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 fiscal year.

Such entities have the obligation to draw up the file of transfer prices and to make it available to the fiscal bodies, upon request within 10 days from the date of the request by the authorized fiscal body.

Comelf SA has prepared the file of transfer prices for 2024.

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:

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

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.

Affiliated party	Activity	Description of the type of business relation
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 Electricity trade	
Promex SA	Collaborations in the manufacture of subassemblies	
24 Ianuarie SA	Collaborations in the manufacture of subassemblies	
Uzinsider Engineering SA	Providing services	

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 Affiliated parties

As at 30 June 2025 and 31 December 2024, receivables from Affiliated parties are as follows:

Receivables from	June 30, 2025	December 31st, 2024
Uzinsider Techo SA	6,107,863	9,299,266
Uzinsider General Contractor SA	-	237,418
Promex SA	39.605	18,696
24 Ianuarie SA	-	24,557
Total	6,147,468	19,925,180

As of June 30, 2025, and December 31, 2024, the amounts owed to Affiliated parties are as follows:

Debts to	June 30, 2025	December 31st, 2024
Uzinsider SA	588.853	1,117,705
Uzinsider Techo SA	582.314	541.526
Uzinsider General Contractor SA	-	800.898
Promex SA	4	41,419
24 Ianuarie SA	-	-
Total	1,171,171	3,920,051

b) Affiliated party transactions

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:

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Sales in the year ended at:	June 30, 2024	June 30, 2024
Uzinsider Techo SA	9,851,244	14,242,808
Uzinsider General Contractor SA	-	-
Promex SA	17.571	14.422
24 Ianuarie SA	21.333	16.539
Total	9,890,148	14,273,769

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

Acquisitions in the year ended at:	June 30, 2025	June 30, 2024
Uzinsider SA	352,218	352,218
Uzinsider Techo SA	611,247	786,389
Uzinsider General Contractor SA	5,191	3,790,019
Promex SA	474,834	43,274
24 Ianuarie SA	-	-
Total	1,443,490	4,971,900

As there were no delays as to the contact 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 2025 are limited to own sources of financing and are estimated at EUR 1.6 million. On June 30, 2025, the value of fixed assets was 2.6 million lei.

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,

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

generators, conveyors with metal belt, components for transport, assembly and equipment of wind installations, components for transcontainer handling machines);

- 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.

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Reporting by operating segments

	FPI		FUET		TERRA		Center		Total	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
External revenues of the segment	29,476,879	31,975,191	31,188,948	31,315,489	17,766,846	20,421,865	3,274,445	4,766,917	81,717,118	88,479,462
Total segment revenues	29,476,879	31,975,191	31,188,948	31,315,489	17,766,846	20,421,865	3,274,445	4,766,917	81,717,118	88,479,462
Net financial costs	-216.429	-329.035	-85.596	-393.311	-184.582	-350.990	-412.590	-429.783	-899.157	-1,503,119
Depreciation and amortization	889.752	1,001,787	2,228,709	1,351,648	949.464	1,033,818	357.436	550.063	4,587,253	3,937,316
Income tax expense	-236.284	-239.485	-51.986	-125.980	-128.792	-137.903	42.854	-151.060	374.208	-654.428
The net result for the interval	1,802,648	1,884,437	567.623	724.972	905.004	840.078	-134.616	1,304,642	3,140,659	4,754,129
	June 30, 2025	December 2024	June 30, 2025	December 2024	June 30, 2025	December 2024	June 30, 2025	December 2024	June 30, 2025	December 2024
Segment assets	42,851,256	39,985,881	56,487,732	62,487,923	25,195,318	16,563,435	34,055,581	11,448,526	158,589,888	157,810,379
Segment debts	28,235,508	14,085,469	20,505,944	22,859,618	13,679,377	8,542,026	17,810,964	31,186,540	80,231,792	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.

COMELF S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30th, 2025 IN ACCORDANCE WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

In the total operating revenues of the segment amounting to 81,454,225 lei (as of June 30, 2025) and 88,479,462 lei (as of June 30, 2024), the major types of products and services are as follows:

	June 30, 2025	June 30, 2024
Equipment for power-generation industry and components	34,552,740	38,938,640
Equipment for earthworks and components	27,347,140	38,082,820
Lifting and handling equipment	8,989,520	4,211,500
Manufacture of rolling stock	555.720	1,914,480
Other types	10,009,105	5,332,022
TOTAL	81,454,225	88,479,462

The main customers who account for more than 10% of turnover, the related revenues, and the business segment where these revenues are included are as follows: SIEMENS (with all divisions) 21.08%; GENERAL ELECTRIC (including indirect sales through Uzinsider Techno) 18.55%; KOMATSU 11.85%.

30. Approval of financial statements

The financial statements were approved by the Board of Directors on August 29, 2025.

31. Management statement

We confirm that, to the best of our knowledge, the unaudited financial statements give a true and fair view of the company's assets, liabilities, financial position, and results, in accordance with applicable accounting standards.

Cenusu Gheorghe
General Manager

Tatar Dana
Economic Manager