

FINANCIAL STATEMENTS IFRS ON 31 th DECEMBER 2022

COMELEX SA
RO 568656
J06/2/1991
Str.Industriei nr.4
420063, Bistrita
Romania

Financial statements	1
Profit and loss account and other comprehensive income	2
Statement of changes in equity	3-4
Cash flow statement	5
Notes to the individual financial statements	6-46

COMELF S.A.

INDIVIDUAL FINANCIAL STATEMENTS AS OF December 31, 2024 IN ACCORDANCE WITH IFRS
(All amounts are expressed in lei, unless otherwise indicated)

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31st, 2021

	Nota	2024	2023
Assets			
Development cost		60,281	60,281
Intangible assets	5	339,226	263,726
Tangible assets	5	75,542,346	75,025,009
Financial assets	5	220,000	-
Financial assets available for sale	6	-	-
Total non-current assets		76,161,853	75,349,016
Advance payments for tangible assets		878,156	1,033,263
Stocks	7	20,576,149	21,474,210
Receivables from contracts with customers	8	34,275,747	49,155,099
Trade receivables and other receivables	9	4,974,277	12,648,949
Current tax receivables		221,475	-
Cash and cash equivalents	11	20,722,722	7,623,636
Total Current Assets		81,648,526	91,935,157
Total Assets		157,810,379	167,284,173
Share capital	12	13,036,325	13,036,325
Share capital adjustments	12	8,812,271	8,812,271
Other elements of equity	12	-	-
Reserves	12	52,298,627	49,424,268
Reported outcome	12	1,384,335	1,190,100
Financial year outcome	25	8,990,433	9,328,420
Profit sharing	12	(3,385,265)	-
Total Equity		81,136,726	81,791,384
Debts			
Long-term bank loans	13	-	-
Other loans and debts-leasing	13	-	66,771
Deferrend tax liabilities	22	5,229,881	5,211,782
Provisions for risks and expenses	21	208,855	249,196
Deferrend income liabilities	23	4,667,387	5,711,499
Total long-term debts		10,106,123	11,239,248
Overdrafts	13	33,823,880	36,812,040
The current part related to long-term loans	13	-	-
Deferrend tax liabilities	22	164,187	279,601
The current other loans and liabilities - leasing	11	66,665	203,782
Commercial debts and other debts	14	30,113,399	34,652,136
Provisions for risks and expenses	21	860,431	1,009,742
Deferrend tax liabilities	23	1,538,968	1,296,240
Total current debts		66,567,530	74,253,541
Total Debts		76,673,653	85,492,789
Total equity and debts		157,810,379	167,284,173

Cenusă Gheorghe
 General Manager

Tatar Dana
 Economic Manager

COMELF S.A.

INDIVIDUAL FINANCIAL STATEMENTS AS OF December 31, 2024 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	2024	2023
<i>Continuous operations</i>			
Revenues			
Revenue from contracts with customers	15	156,365,397	171,976,747
Revenues from sales of goods		904,496	0
Other elements related to the turnover		9,059,609	10,606,427
Total revenues		166,329,502	182,583,174
<i>of which turnover</i>	3	166,011,697	191,437,298
Other revenues	16	2,116,420	1,590,532
Expenses			
Raw material costs and other expenses		(66,498,078)	(84,311,518)
Electricity and water costs		(3,426,576)	(4,058,370)
Commodity expenses		(909,304)	-
Employment charges	17	(58,915,510)	(56,134,282)
Transport costs	18	(5,208,821)	(5,829,438)
Other expenses related to revenues	19	(12,444,032)	(11,370,772)
Cost depreciation charge	5	(8,233,713)	(7,601,133)
Financial costs, net	25	(2,915,051)	(2,642,183)
Ajustments related to current assets depreciation, net	8	(97,846)	1,010,987
Provision costs for risks and expenses, net	21	362,603	(1,993,833)
Other expenses	19	(390,617)	(606,655)
Total expenses		(158,676,945)	(173,537,197)
Pre-tax profit		9,768,977	10,636,509
Profit tax	20	(778,544)	(1,308,089)
Profit from continuous operations		8,990,433	9,328,420
Profit from discontinuous operations		-	-
PROFIT OF THE PERIOD		8,990,433	9,328,420
<i>Other comprehensive income</i>			
<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	-	-
Total profit and loss account and other comprehensive income		8,990,433	9,328,420
<i>Outcome per share</i>			
From continuous and discontinuous operations			
Outcome per basic share (lei per share)	24	0.40	0.42
Diluted outcome per share (lei per share)	24	0.40	0.42
Din operatiuni continue			
Outcome per basic share (lei per share)	24	0.40	0.42
Diluted outcome per share (lei per share)	24	0.40	0.42

Cenusu Gheorghe,
 General Manager

Tatar Dana,,
 Economic Manager

COMELF S.A.

INDIVIDUAL FINANCIAL STATEMENTS AS OF December 31, 2024 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

	13,036,325	8,812,271	32,423,851	2,607,265	15,861,059	5,503,751	78,244,522
Balance as of January 1, 2023							
<i>Profit or loss account and other elements of the overall result</i>							
Profit or loss						9,328,420	9,328,420
<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			-1,747,508			0	-1,747,508
Legal reserves established			0			0	0
Reserves from tax exemption of reinvested profits (according to the Tax Code)						0	0
Other equity items		279.601			0	0	279.601
Revaluation of tangible fixed assets after taxation						0	0
Total profit or loss account and other elements of the overall result	0	0	-1,467,907	0	0	9,328,420	7,860,513
Other items retained-correction of accounting errors						-171.439	-171.439
Other items retained-correction of accounting errors			0			-171.439	-171.439
Transactions with shareholders, recorded directly in equity	0				0	0	0
Contributions from and distributions to shareholders/employees	-	-	-	-	-	-4,142,212	-4,142,212
Total transactions with shareholders	0	0	0	0	0	-4,142,212	-4,142,212
Balance as of December 31, 2023	13,036,325	8,812,271	30,955,944	2,607,265	15,861,059	10,518,520	81,791,384

Continued on next page

COMELF S.A.

INDIVIDUAL FINANCIAL STATEMENTS AS OF December 31, 2024 IN ACCORDANCE WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

STATEMENT OF CHANGES IN EQUITY	Capital Social	Adjustments of	Reserves from revaluation	Reserves legal	Other reserves	The Result withheld	Total equity
		share capital					
Balance as of January 01, 2024	13,036,325	8,812,271	30,955,944	2,607,265	15,861,059	10,518,520	81,791,384
<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>							
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>							
Realised revaluation differences transferred to retained earnings - current year						-316.670	-316.670
Legal reserves established						510.905	-97.316
Reserves from tax exemption of reinvested profits (according to the Tax Code)						3,385,265	0
Other equity items						97.315	97.315
Revaluation of tangible fixed assets after taxation						0	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
<i>Transactions with shareholders, recorded directly in equity</i>							
Contributions from and distributions to shareholders/employees							0
Total transactions with shareholders							0
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

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

CASH FLOW STATEMENT

	31/12/2024	31/12/
Pre - tax profit	8,990,433	9,328
Depreciation of fixed assets	8,233,713	7,601
Cash operational brut	17,224,146	16,929
Working Capital Variation		
Variation receivables	-14,879,352	12,191
Variation stocks	-898,061	-13,544
Variation in other current assets	-7,438,384	8,269
Variation Income/Expenses in advances	-14,812	40
Variation suppliers	-2,092,365	-2,521
Variation customer advances	460,406	-264
Variation employees and assimilated	-2,923,784	2,408
Net operating Cash	35,899,012	9,585
Cash flow from net investment	8,891,442	6,439
Debts change		
Variation of short-term loans	-2,988,160	-2,781
Variation of long-term loans	-	-971
Variation of associated debts	367,334	-1
Variation of other liabilities	-651,530	
Variation of capital	-10,636,128	-6,081
Cash flow from financing	-13,908,484	-9,841
Total cash variation between	13,099,086	-6,690
Initial Cash	7,623,636	14,319
Net Cash at end of period	20,722,722	7,623

Cenusu Gheorghe
General Manager

Tatar Dana
Economic Manager

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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, 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”);
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 the 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 issuance by the Board of Directors on 25 of March 2025.

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 INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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, 2012 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 2024 financial year for the comparability of information with the 2023 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 INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

	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 subsidised 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 treatment of research and development expenditure, etc.

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

IAS 40	Real estate investments	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

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.

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS

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

As at December 31, 2024, the Company has positive net current assets of RON 15,080,996 (RON 17,681,616 in 2023) and a net profit of RON 8,990,433 (RON 9,328,420 as at December 31, 2023).

For 2025, 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 the conflict in Ukraine on a global level, the change in the US leadership, may have direct implications on the economic activity of the companies and may generate changes, which are being scrutinized and which may change the carrying amounts of assets and liabilities in the financial year 2025. 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:

Currency	December 31, 2024	December 31, 2023
Euro (EUR)	1: LEU 4.9741	1: LEU 4.9746
US Dollar (USD)	1: LEU 4.7768	1: LEU 4.4958

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.

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:

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

- 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 2024.

The most recent reassessment was performed by the Company as of December 31, 2024, 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 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.

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.

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

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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 an 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.

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

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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 property, plant and equipment and intangible assets at December 31, 2024 and December 31, 2023 are 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:

- 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.

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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 2024 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 2024 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 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

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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 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.

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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 recognizing revenue over time at each stage of completion. When recognizing 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***

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

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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. According to the collective labor agreement, the Company is obliged to pay a fixed amount of between RON 1600-2000 to its employees upon retirement, depending on their length of service (at least 10 years).

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.

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 2024, 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.

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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.

Leasing payments

The minimum lease payments under the financial leasing contracts are divided proportionally between the leasing interest expense and the reduction of the leasing debt. The lease interest expense is allocated to each lease term in such a way as to produce a constant interest rate for the remaining lease debt.

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

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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.

	December 31, 2024		December 31, 2023	
	Book value	Fair value	Book value	Fair value
Receivables from contracts with customers	34,275,747	34,275,747	49,155,099	49,155,099
Trade receivables and other receivables	5,195,752	5,195,752	11,803,949	11,803,949
Down-payments granted for tangible assets	878.156	878.156	1,033,263	1,033,263
Grants receivable	-	-	845.000	845.000
Cash and cash equivalents	20,722,722	20,722,722	7,623,636	7,623,636
Short-term bank loan	-33,823,880	-33,823,880	-33,827,280	-33,827,280
Current part-lease	-66.665	-66.665	-203.782	-203.782
Deferred tax liabilities (current part)	-164.187	-164.187	-279.601	-279.601
Trade and other payables	-30,113,399	-30,113,399	-34,659,152	-34,659,152
Total	-3,095,754	-3,095,754	1,491,132	1,491,132

(ii) Interest rate risk

As at 31 December 2024 most of the Company's assets and liabilities are non-interest bearing, except for bank loans and leases. 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.

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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

Fixed rate financial instruments	2024	2023
<i>Financial assets</i>		
Working capital loan	36,812,040	36,812,040
Interest rate: Euribor / Libor / Robor 1M + +1.15%		Euribor / Libor / Robor 1M + 1.15%
Leasing contracts		
PORSCHE leasing contracts	0	166
Interest rate: PLP18FE 6.09%		
BRD Sogelease Leasing contracts	10,643	10,855
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 (54%) and the Company's financial liabilities are expressed in foreign currency (47%) and in the national currency (53%) and therefore exchange rate fluctuations do not significantly affect the Company's activity. The exposure to exchange rate fluctuations is mainly due to the current currency conversion transactions necessary for current payments in LEI.

(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 38,062,975 lei as of December 31, 2024 and in the amount of 62,836,726 lei as of December 31, 2023 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, 2023	Impairment adjustments	Gross value as of December 31, 2022	Impairment adjustments
Between 0 - 30 days	26,632,026	-	39,716,612	-
Between 31 - 60 days	3,618,797	-	10,585,657	-
Between 61 - 90 days	841.461	-	8,704,972	-
Between 91 - 180 days	2,689,489	-	3,099,429	-
Between 181 - 365 days	818.038	-	560.782	-
Over 365 days	5,644,853	2,814,858	3,830,337	3,661,063
Total	42,796,110	2,814,858	66,497,789	3,661,063

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

Total net:	39,981,252	62,836,726
-------------------	------------	------------

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.

(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.

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY 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*
Balance as of January 01, 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
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
Balance as of December 31, 2023	60281	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
Balance as of January 01, 2024	0	1,136,657	0	22,087,936	68,512,014	266.522	0	92,003,129	0	0	92,003,129
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
Balance as of December 31, 2023	0	1,392,589	0	24,855,866	73,655,446	305.970	0	100,209,871	0	0	100,209,871
Net book value											
On December 31, 2023	60.281	263.726	21,247,075	20,273,709	25,067,996	195.963	8,240,266	75,349,016	1,033,263	0	76,382,279

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

On December 31,
2024 **60.281** **339.226** **21,247,075** **17,803,102** **26,180,718** **159.876** **10,151,575** **75,941,853** **878.156** **220.000** **77,040,009**

	Exp. on develop- ment	Intangible assets	Lands	Buildings	Technical installations and machinery	Other installa- tions and furniture	Tangible assets in progress	Total	Advance p. for tangible assets	Total fixed assets*
Cost	203	205	211	212	213	214	231		4093	
Balance as of January 01, 2023	59.864	1,347,543	21,247,075	40,789,917	95,404,980	503.867	6,405,825	165,759,071	995.184	166,754,255
inputs	417	52.840	0	243.853	1,267,715	29.318	4,491,271	6,085,414	794.822	6,880,236
Domestic production	0	0	0		0	0	594.410	594.410	0	594.410
Outflow (discarded assets)	0	0	0	0	-5,086,750	0	0	-5,086,750	0	-5,086,750
Internal transfers	0	0	0	1,327,875	1,994,065	-70.700	-3,251,240	0	-756.743	-756.743
Revaluation of fixed assets	0	0	0	0	0	0	0	0	0	0
Balance as of December 31st, 2023	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	168,385,408
Balance as of January 01, 2023	0	892.149	0	19,398,223	68,634,598	285.585	0	89,210,555	0	89,210,555
Depreciation expense per year	0	244.508	0	2,689,713	4,629,098	37.814	0	7,601,133	0	7,601,133
Cumulative depreciation of outflows	0	0	0	0	-4,751,682	-56.877	0	-4,808,559	0	-4,808,559
Depreciation cancellation for revalued fixed assets	0	0	0	0	0	0	0	0	0	0
Balance as of December 31, 2023	0	1,136,657	0	22,087,936	68,512,014	266.522	0	92,003,129	0	92,003,129

*Total fixed assets includes
advances fixed assets, for
verification with line 26,
balance sheet code S_1040;

COMEFLF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

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 2024, the Company realized new investments amounting to 9,019,530 lei financed from the surplus of the current activity of the period and from non-reimbursable funds. During the year 2024 intangible and tangible fixed assets amounting to 6,915,341 lei were put into use.

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

Commissioning:

a) CNC portal machining center	3,385,265 lei
b) Blast-Cleaning tunnel	871,568 lei
c) Software + devices SUPAR VISUAL MOBILE-inspection	341,549 lei
d) IT technology + licenses	104,954 lei
e) Production accessory equipment	166,979 lei
f) Upgrading of machining + cutting machinery	1,674,520 lei
g) Toyota forklift	64,947 lei
h) Modernization of overhead cranes + buildings	297,323 lei
i) Other fixed assets	8,235 lei

The amortization method was a linear one throughout the financial year, its total amount was 8,233,713 lei. In the same period, the amount of 1,297,279 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, 2024 and December 31, 2023, Comelf SA no longer holds financial assets available for sale.

7. Inventories

On December 31, 2024 and December 31, 2022, the stocks record the following balances:

	31decembrie 2024	December 31, 2023
Raw materials	9,283,099	9,820,860
Auxiliary materials	58.152	64.011
Fuel + Machine oil	15.444	19.572
Inventory items	126.870	411.475
Other	31.182	173.194
Production in progress	10,743,349	10,960,899
Finished product	137.806	24.531
Adjustments for depreciation of raw materials	0	-332
Total	20,395,902	21,474,210

The Company has no inventory impairment adjustments recorded as of December 31, 2024.

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

In 2024, the expenses related to the above positions recognized in the cost of sales amounted to 66,498,078 lei (2023: 84,311,518 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, 2024 and December 31, 2023, the receivables from commercial contracts are as follows:

	31decembrie 2024	December 31, 2023
Invoiced receivables from contracts with customers	37,090,605	52,816,163
Unbilled receivables from contracts with customers	0	0
Value adjustments regarding receivables from invoiced construction contracts	(2,814,858)	(3,661,064)
Total	34,375,747	49,155,099

Receivables from contracts with customers are shown net of advances received, as at 2023, in the amount of RON 190,000 (December 31, 2023).

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:

	31decembrie 2024	December 31, 2023
Between 181 - 365 days	-	-
Over 365 days	2,814,858	3,661,064
Total	2,814,858	2,215,838

An aging analysis of receivables from contracts with customers that are past due at December 31, 2024, but not impaired is presented below:

December 31, 2024

DEBT	Total	On time	Backlog <30 days	Backlog Between 30 - 90 days	Backlog > 90 days
Receivables from contracts with customers	34,275,747	19,175,639	4,853,240	3,376,693	6,870,175

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 2024 (Average balance of customers / Turnover) x 365 days = 92 days, for the year 2023 it is 81 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.

COMEFL S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

9. Trade receivables and other receivables

On December 31, 2024 and December 31, 2023, trade and other receivables are as follows

	31decembrie 2024	December 31, 2023
VAT to be recovered	521.330	3,030,168
Down-payments made to domestic suppliers (excluding those for fixed assets)	5.159	8.175
Down-payments made to external suppliers	70.122	90.413
Down-payments made to fixed assets suppliers	878.156	1,033,263
Grants receivable	-	845.000
Different debtors	1,002,522	938.063
CB recoverable from CASS	840.316	4,680,872
Other receivables	2,534,828	3,056,258
Profit tax to be recovered	221.475	-
Total	6,073,908	13,682,212

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, 2024 but not impaired:

December 31, 2024

DEBT	Total	On time	Backlog <30 days	Backlog Between 30 - 90 days	Backlog > 90 days
				Between 30 - 90 days	> 90 days
Trade receivables and other receivables	6,073,908	2,897,838	182.534	214.823	3,112,661

Outstanding amounts > 90 days Amounts paid for sick leave that have not been recovered from CASS BN, amounts in dispute with ANAF, amounts to be offset against debts related to a client.

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 2024 was as follows:

	Balance on 01 January 2024	increases	Decreases	Balance on December 31st, 2024
Value adjustments regarding receivables from contracts with customers	3,661,064	-	846.205	2,814,859
Value adjustments for miscellaneous debtors	-	-	-	-

COMEFL S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Total	3,661,064	-	846.205	2,814,859
--------------	------------------	---	----------------	------------------

The decrease of the value adjustments by 846,205 lei was realized on account of losses from debtors, because for a total of 5 companies there is no legal possibility of recovery, the companies being liquidated or in the process of liquidation and COMEFL's claim is no longer eligible for recovery.

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

At December 31, 2024 and December 31, 2023, cash and cash equivalents are as follows:

	31decembrie 2024	December 31, 2023
Amounts available in bank accounts in local currency	3,041,889	1,481,067
Amounts available in bank accounts in foreign currency	17,678,041	6,135,726
Cash	2.792	6.843
Other amounts available	-	-
Total	20,722,722	7,623,636

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, 2024

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

December 31, 2024

LIABILITIES	Total	<1 Month	1 - 3 months	3 months - 1 year	> 1 year
Trade and other payables	30,113,399	21,051,461	8,997,021	64.917	-
Current part - leasing loans	66.665	16.357	32.948	17.360	-

COMEFL S.A.

 NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Deferred tax liabilities (current part)	164.187	-	45.064	119.123	-
Overdraft (current part)	33,823,880	33,823,880	-	-	-
TOTAL	64,168,131	54,891,698	9,075,033	201.400	0

December 31, 2023

DEBT	Total	<1 Month	1 - 3 months	3 months - 1 year	> 1 year
Receivables from contracts with customers	49,155,099	32,146,373	14,431,972	2,576,754	0
Trade receivables and other receivables	13,682,212	7,329,187	2,227,799	4,125,226	0
Current tax receivables	0	0	0	0	0
Cash and cash equivalents	7,623,636	7,623,636			
TOTAL	70,460,947	47,099,196	16,659,771	6,701,980	-

December 31, 2023

LIABILITIES	Total	<1 Month	1 - 3 months	3 months - 1 year	> 1 year
Trade and other payables	34,652,136	25,803,369	4,297,437	4,551,330	0
Current part - leasing loans	203.782	14.014	46.283	143.485	
Deferred tax liabilities (current part)	279.601	0	69.900	209.701	0
Overdraft (current part)	36,812,040	36,812,040	0	0	0
TOTAL	71,947,559	62,629,423	4,413,620	4,904,516	0

12. Equity
(a) Share capital

In 2024 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).

At December 31, 2024 and December 31, 2023 the *Company's* shareholding structure is:

	2024			2023		
	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:

December 31, 2024	December 31, 2023
--------------------------	--------------------------

COMEFL S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

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).

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 are found both in the statement of financial position and in the statement of changes in equity where the change from 31.12.2023 to 31.12.2022 is explained.

	Financial year ended on 31 Dec 2024	Financial year ended on 31 Dec 2023
Legal reserves	2,607,265	2,607,265
Reserves and revaluation differences	30,445,038	30,955,944
Differences from revaluation of fixed assets	34,916,504	35,524,725
Temporary differences in deferred income tax recognized on account of capital	-4,471,466	-4,568,781
Reserves from the revaluation of available-for-sale financial instruments	-	-
Other reserves (account 1068)	19,246,324	15,861,059
Profit carried forward and profit (retained earnings)	6,989,503	10,518,520
The carried forward result representing the surplus realized from revaluation reserves	16,038,218	15,527,312
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	-3,591,202	-3,274,531
Account 118 Deferred income from the first adoption of IAS 29	113.776	113.776
Profit	8,990,433	9,328,420
Profit distribution	-3,385,265	0
Total Reserves and retained result	59,288,130	59,935,187

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 2024 but not more than 20% of the share capital valid at the date of establishment of the reserve.

COMEFL S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

Legal reserves cannot be distributed to shareholders, but can be used to cover cumulative losses. As at 31.12.2024 the Company had already constituted legal reserves 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

During 2024, in accordance with the Decision of the Ordinary General Meeting of Shareholders, the Company decided to distribute dividends from the earnings of the financial year ended December 31, 2023. The company distributed dividends in the amount of 9,328,420 lei (representing 0.415 lei per share, gross), of which 4,680,420 lei were distributed and paid as interim dividends for the second quarter of 2023 and, additionally during 2024, distributed and paid the amount of 4,647,548 lei.

At December 31, 2024, the balance of dividends payable is RON 1,434,033, respectively RON 850,321 related to 2024.

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

	2024	2023
Dividends	5,605,168	9,328,420
lei / share	0.249	0.415

From the profit for the year 2024 in the amount of 5,605,168 lei, in accordance with the proposal of the Board of Directors, it will be distributed as dividends. The gross dividend that would be granted in 2024 would be 0.249 lei/share.

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, 2024, the Company has a total credit line balance of 33,823,880 lei (December 31, 2023: 36,812,040 lei).

b). Leasing contracts

During 2018, the Company undertook the acquisition of a vehicle for passenger transport, on lease. Leasing contract no. 30154891 was signed on 16.02.2018, lender Unicredit Leasing Corporation IFN, financed amount EUR 18.110,40, payable in 60 monthly installments. The contract matured in February 2023.

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 balance at December 31, 2024 is EUR 13,402.50, maturing in April 2025.

COMEFL S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

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.
- 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.
- Pledge of technological equipment with a net book value at 31.12.2024 of 2,166,997 lei.
- The pledge on equipment is lifted starting February 2025, following the repayment of a part of the initial amount, according to the repayment schedule.

14. Trade and other payables

As of December 31, 2024 and December 31, 2023, trade payables and other payables are as follows:

	31decembrie 2024	December 31, 2023
Trade payables	22,267,289	24,359,654
Debts to budgets	2,109,692	4,977,414
Debts to staff	3,658,974	3,769,338
Silver dividend	1,434,033	1,330,551
Other loans and similar debts	525.436	215.179
Total	29,995,424	34,652,136

Trade payables in the amount of 29,995,424 lei 31December 2024 (2023:34,652,136 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 the year 2024 (Average Supplier Balance/Turnover) x 365 days = 51 days, for the year 2023 it was 49 days. As of December 31, 2024 and 2023, the debts to the budgets include mainly contributions related to salaries, for which compensation has been requested with VAT to be recovered from the State Budget, related to December 2024. The company has no outstanding debts to the state budget and social insurance budget.

15. Revenues from contracts with customers

	December 31, 2024	December 31, 2023
Revenues from contracts with customers related to delivered goods, for which the full transfer of ownership to the customer was achieved (ct 701)	156,047,591	180,830,871
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)	317.806	-8,854,124
TOTAL	156,365,397	171,976,747

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

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:

	2024	2023
Rental income	199,882	9,338
Income from various activities	5,125,773	6,779,319
Revenues from the sale of residual products	2,360,076	2,732,884
Revenue from the sale of goods	904,497	-
Revenue from services rendered	1,373,878	1,084,886
Total	9,964,106	10,606,427

16b. Other incomes

The position includes:

	2024	2023
Income from investment grants	1,199,280	1,261,033
Income from operating subsidies	7,652	-
Income from disposed of fixed assets	268,509	14,346
Other	640,978	315,153
Total	2,116,419	1,590,532

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 amounting to 460,949 lei, personnel expenses amounting to 80,906 lei, other expenses related to income amounting to 116,489 lei. Therefore, the amount recorded in position 16b Other income, in the amount of 2,116,419 lei, does not include the income from immobilized production in the total amount of 658,344 lei.

The income from the production of tangible fixed assets of 2023 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 434,129 lei, personnel expenses amounting to 142,435 lei, other expenses related to income amounting to 17,846 lei. Therefore, the value registered in position 16b Other income, in the amount of 11,590,532 lei, does not contain the income from the fixed production in the total amount of 594,410 lei.

The turnover on December 31, 2024 is 166,011,697 lei (December 31, 2023: 191,437,298 lei).

17. Staff costs

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

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

	2024	%	2023	%
Direct productive staff	335	57 %	384	61 %
Management and administration staff	258	43 %	249	39 %
Total	593	100 %	633	100 %

Staff costs were as follows:

	2024	2023
Staff salary expenses	51,980,355	50,002,490
Expenses with meal vouchers	4,670,466	3,874,965
Expenses regarding insurance and social protection	2,264,689	2,256,827
Total	58,915,510	56,134,282

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.

On December 31, 2023, out of the total amount of 56,134,282, 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 142,435 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.

	2023	2023
Salary expenses - managers/directors	3,,056,465	3,356,339
B.D. allowance	255.140	253.945
Total	3,311,605	3,610,284

The company did not grant loans or advance payments to the members of the administrative, management or supervisory bodies in 2024 and 2023.

As of December 31, 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 - Technical and Production
Tatar Dana	Financial Manager
Jurje Valeriu	AQM Manager
Tatar Eugen	Factory Executive Manager
Viski Vasile	Factory Executive Director
Campion Cosmin	Factory Executive Director

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

As of *December 31, 2023*, the management of COMELF SA was composed of the following:

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 - Technical and Production
Tatar Dana	Financial 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:

	2024	2022
Expenses for the transport of raw materials	683.027	1,379,729
Expenses for transporting finished products	3,696,278	4,271,606
Expenses for transporting employees	829.516	771.460
Other transport costs	-	-
Total	5,208,821	6,422,795

19a. Other expenses related to income

	2023	2022
Maintenance and repair expenses	1,379,507	1,368,647
Rent expenses	260.886	231.054
Insurance expenses	399.012	371.099
Expenses with personnel training	101.699	222.656
Consulting expenses	704.436	723.222
Outsourcing expenses	2,896,416	2,929,573
Expenses regarding commissions and fees	1,938,105	2,297,453
Protocol expenses	127.922	92.940
Expenses with travel, secondments and transfers	152.709	64.548
Postal charges and telecommunications charges	544.129	518.003
Expenses with banking and similar services	111.733	110.444
Other expenses with services provided by third parties	1,662,864	1,247,006
Expenses with other taxes and fees	2,164,612	1,194,127
Total	12,444,030	11,370,772

From the total amount of 12,560,519 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.

COMEFL S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

From the amount of 11,370,772 lei (December 2023) 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 17,846 lei.

19b. Other expenses

	2024	2023
Total	390.617	606.655

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.

At 31.12.2023 the position includes the amount of 176,146 lei, representing commercial penalties; 426,714 lei represent donations and sponsorships; the difference of 3,795 represents other current operating expenses.

20. Income tax

The Company's current profit tax as of December 31, 2024 is determined at a statutory rate of 16% based on IFRS profit.

The income tax expense related to the year ended December 31, 2024 and the year ended December 31, 2023 is detailed as follows:

	2024	2023
Current income tax expense	778.544	1,308,089
(Income) / deferred income tax expense	-	-
Total	778.544	1,308,089

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

Corporate tax reconciliation	2024	2023
Profit of the period	8,990,433	9,328,420
Income tax expense	778.544	1,308,089
Profit before tax	9,768,977	10,636,509
Local tax rate of the entity	16 %	16 %
	1,563,036	1,701,841
Profit tax calculated using the entity's local tax rate		
The influence of the deductible legal reserve established during the period	-	-
Influence of reserves set up on account of tax-exempt reinvested earnings	-541.642	-
The influence of non-taxable income	-208.744	-33.328
The influence of income-like items: revaluation differences that become taxable	97.315	279.601
The influence of non-deductible expenses	207.203	260.894
Minus amounts representing sponsorship	-223.434	-426.714
Income tax calculation for the period, of which:	893.734	1,783,921

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

Profit tax recorded directly in equity, related to revaluation differences that have become taxable	-97.315	-279.601
2% tax rebate according to Government Ordinance 153/2020	-17.875	-196.231
Income tax charged on expenses	778.544	1,308,089

21. Provisions for risks and expenses

As of December 31, 2024, 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, 2023). Their summarized situation is presented below:

	Provision for guarantees	Pension provision	Provision for litigation	Other provisions	Total
Balance as of January 01, 2024	0	249.196	0	1,009,742	1,258,938
Established during the interval	0	4.108		124.657	322.512
Used during the interval	0	(44.449)	0	(222.478)	0
Real estate receivables value adjustments (ct 2968)	0				0
Resumed during the interval	0	0	0	(51,490))	(208.302)
Balance as of December 31st, 2024	0	208.855	0	860.432	1,258,938
Long-term	0	208.855	0	0	208.855
short term	0	0	0	860.432	860.432

• Pension provisions in the amount of 208,855 lei (December 31, 2022: 249.196 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. 19.97%.

• Other provisions in the amount of 860.432 lei (December 31, 2022: 1,009,742 lei) include:

- The provision related to redemptions of pension insurance policies for the amount of 654,871 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 205,561 includes provision for potential commercial penalties as per commercial contracts and customer notifications, under negotiation.

22. Deferred tax liabilities

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

	December 31, 2023	December 31, 2023
Deferred tax receivables	-	-
Deferred tax liabilities related to reserves made up of reinvested earnings	(922.602)	(922.602)

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(*All amounts are expressed in LEI, unless otherwise indicated*)

Deferred tax liabilities related to revaluation differences of tangible assets.	<u>(4,471,466)</u>	<u>(4,568,781)</u>
Deferred tax, net	<u>(5,394,068)</u>	<u>(5,491,383)</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 2024, the Company resumed in revenue the amount of 980.852 lei (2022: 1,075,449 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 2024 amounted to 84,834 lei (2022: 84,557 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.

As of December 31, 2024, the Company reversed to income the amount of 101,027 lei (2022: 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, 2024, the Company resumed the amount of 32,568 lei, representing 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:

	December 31st, 2024	December 31st, 2023
Profit attributable to ordinary shareholders	8,990,433	9,328,420
Balanced average number of ordinary shares	22,476,423	22,476,423
Basic earnings per share	0.40	0.42

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:

	December 31st, 2024	December 31st, 2023
Interest income	20,292	46,200
Income from exchange rate differences	234,092	849,182
Other items of financial income	40,598	727,528
Total financial income	294,982	1,622,894
Interest expenses	(1,770,793)	(1,546,142)
Expenses with exchange rate differences	(804,756)	(1,545,508)
Other items of financial expenditure, of which:	(634,484)	(1,173,427)
Total financial expenses	(3,210,033)	(4,265,077)

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 228,206 (December 2023: 696,326 lei), third party accounts (including reverse factoring): net amount December 2023 of 113,936 lei (December 2023: 410,094 lei), cash: net amount December 2023 of 228,522 lei (December 2023: 270,995 lei), and other smaller amounts for other positions.

Other items of income and financial expenses mainly represent discounts granted for advance payments compared to 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, 2024 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.

Comelf S.A. has drawn up the transfer pricing file for 2023 and will update it for 2024 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:

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY 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 contract 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	

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 2024 and 31 December 2023, receivables from related parties are as follows:

Receivables from	December 31st, 2023	December 31st, 2022
Uzinsider Techo SA	9,299,266	19,687,762
Uzinsider General Contractor SA	237.418	237.418
Promex SA	18.696	-
24 Ianuarie SA	28.557	-
Total	9,583,937	19,925,180

As of December 31st, 2024 and December 31st, 2023, the debts to the affiliated parties are as follows:

Debts to	December 31st, 2024	December 31st, 2023
Uzinsider SA	1,117,705	698.566
Uzinsider Techo SA	541.526	1,289,688
Uzinsider General Contractor SA	800.898	1,931,797
Promex SA	41.419	-
24 Ianuarie SA	-	-
Total	2,501,548	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:

Sales in the year ended at:	December 31st, 2024	December 31st, 2023
Uzinsider Techo SA	24,821,159	35,770,287

COMEFL S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Uzinsider General Contractor SA	-	-
Promex SA	23.202	-
24 Ianuarie SA	44.153	21.508
Total	24,888,514	35,791,795

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

Acquisitions in the year ended at:	December 31st, 2024	December 31st, 2023
Uzinsider SA	704.436	723.222
Uzinsider Techo SA	1,599,620	2,444,684
Uzinsider General Contractor SA	6,303,722	9,204,211
Promex SA	198.028	-
24 Ianuarie SA	-	-
Total	8,805,806	12,371,854

Payment of dividends due to Uzinsider SA Bucharest was made in full during 2024 (Note 12 item c)

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.

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);
- 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,

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

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 INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH IFRS
(All amounts are expressed in LEI, unless otherwise indicated)

Reporting by operating segments

	FPI		FUET		TERRA		Center		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
External revenues of the segment	61,363,318	60,407,246	60,146,198	69,309,075	38,644,083	44,446,816	8,292,324	10,604,979	168,445,923	184,768,116
Total segment revenues	61,363,318	60,407,246	60,146,198	69,309,075	38,644,083	44,446,816	8,292,324	10,604,979	168,445,923	184,768,116
Net financial costs	-678.558	-436.201	-737.296	-698.638	-671.309	-620.837	-827.888	-886.507	-2,915,051	-2,642,183
Depreciation and amortization	1,990,899	1,833,448	3,013,259	2,708,391	2,143,860	2,014,821	1,085,694	1,044,473	8,233,712	7,601,133
Income tax expense	-484.614	-375.006	-	-251.353	-248.972	-365.011	-44.968	-324.320	-778.544	-1,315,690
The net result for the interval	3,102,387	2,465,951	2,540,343	1,206,715	1,517,444	2,207,482	1,830,259	3,448,272	8,990,433	9,328,420
Segment assets	39,985,881	44,392,126	62,487,923	54,039,240	16,563,435	26,901,122	11,448,526	41,951,685	157,810,379	167,284,173
Investments in associated entities							0	0	0	0
Segment debts	14,085,469	9,492,066	22,859,618	11,262,735	8,542,026	5,551,039	31,186,540	59,186,949	76,673,653	85,492,789

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 INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

In the total operational revenues of the segment in the amount of 168,445,923 lei (fy 2024:) and 184,768,116 lei (fy 2023) the major types of products and services are the following:

	31decembrie 2024	31decembrie 2023
Equipment for power-generation industry and components	75,690,600	85,616,340
Equipment for earthworks and components	68,389,690	85,383,690
Lifting and handling equipment	10,494,470	8,687,806
Manufacture of rolling stock	4,029,450	5,080,280
Other incomes	9,841,713	-
TOTAL	168,445,923	184,768,116

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

	31decembrie 2024	31decembrie 2023
Income from Romania	34,262,707	49,745,828
Income from outside Romania	134,183,216	135,022,288
TOTAL	168,445,923	184,768,116

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:

Partner	Income share (> 5%)	Income	The segment in which revenues are included
Uzinsider Techno SA(GE)	14.74 %	24,821,159	Equipment for energy industry, end customer General Electric
Siemens	11.69 %	19,699,511	Equipment for power-generation industry and components: FPI- FUET
Komatsu	11.04 %	18,603,327	Equipment for earthworks and components: FUET
HD Hyundai Infracore	10.43 %	17,568,133	Earth-Moving equipment and its components: FCT
Tesmec	7.49 %	12,621,257	Equipment for earthworks, rolling stock manufacturing and their components: FUET + FCT
Tekhnint SA	7.11 %	11,970,266	Equipment for earthworks, rolling stock manufacturing and their components: FPI + FCT

COMELF S.A.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 IN CONFORMITY WITH
IFRS

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

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

Not applicable.

31. Approval of financial statements

The financial statements were approved by the Board of Directors and published on the website on
.....

Cenusu Gheorghe
General Manager

Tatar Dana
Economic Manager