

REPORT **regarding the financial auditor selection procedure**

Electromagnetica SA with headquarters in Bucharest, Calea Rahovei no. 266-268, sector 5, registered at the Office of the Trade Registry of the Bucharest Court under no. J40/19/1991, CUI 414118, is a joint-stock company, founded in 1930, with Romanian legal personality and unlimited life span that is organized and operates according to the statute and on the basis of Law no. 31/1991 republished, in compliance with the Capital Market Law no. 297/2004 and the Issuers Law no. 24/2017.

- The social capital of the company is 67,603,870.40 lei divided into 676,038,704 common shares, registered and dematerialized, registered in an electronic account in the register of shareholders held by Depozitarul Central SA. According to the company statute, the main object of activity is the manufacture of instruments and devices for measurement, verification, control, navigation (CAEN code 2651).
- Electromagnetica SA, as a commercial company whose shares are admitted to a regulated market (Bucharest Stock Exchange, Premium category, symbol ELMA), has adopted IFRS (International Financial Reporting Standard) starting with the 2012 financial year.
- The financial statements for 2020 were drawn up in accordance with the provisions of OMFP 2844/2016 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the European Union.

Since the mandate of the external auditor **came to an end**, it is necessary to submit to the approval of the General Meeting of Ordinary Shareholders in April 2023, the appointment of an auditor.

The appointed auditor will have as activity, mainly, those established by the legislation in the field of the capital market, respectively but not only:

- Audit in accordance with ISA of the individual financial statements for the exercise ended on 31.12.202X, drawn up in accordance with OMFP 2844/2016;
- Audit in accordance with ISA of the consolidated financial statements for the year ended 31.12.202X, drawn up in accordance with OMFP 2844/2016;
- Additional report to the Audit Committee

- Report on compliance with Delegated Regulation (EU) 2018/815 of the Commission (the "Regulatory Technical Standard on the Single European Electronic Reporting Format" or "ESEF") within the audit report on the financial statements
- Report on compliance in all significant aspects with the provisions of L24/2017 art. No. 107, of the Remuneration Report, within the audit report on the financial statements;
- Report on other financial and non-financial information contained in the Annual Report of Electromagnetica, within the audit report.

In this sense, we ask for the approval of the communication to the annexed companies, companies authorized in this sense by the ASF, **request for the submission of a candidacy file, until March 1, 2023.**

The application file will include:

- registration certificate at the Trade Registry Office (certified photocopy)
- contact data
- proof that he is a CAFR member and is registered in the electronic public register provided for by Law 162/2017 under the conditions established by law and by ASPAAS regulations (certified photocopy)
- curriculum vitae related to the legal representative of the audit firm;
- professional civil liability insurance contract (certified photocopy)
- the financial auditor's declaration of independence from the undersigned;
- experience in the audit of companies with similar activity to underwriting;
- the team component, respectively the professional experience
- the criminal record and the tax record, issued no more than 30 days before the submission of the file
- price offer for financial audit services.

Legal Office
Daniela Cucu