



ELECTROMAGNETICA S.A.
ADMINISTRATORS' REPORT FOR THE YEAR 2025
- SEPARATE STATEMENTS -

according to the provisions of art. 63 of Law no. 24/2017 on issuers of financial instruments and market operations,
Annex 15 to A.S.F. Regulation no. 5/2018 on issuers of financial instruments and market operations and the BVB
Code

CONTENTS:		Page
1.	IDENTIFICATION DATA OF THE COMPANY	3
2.	GENERAL INFORMATION	3
3.	ANALYSIS OF THE COMPANY'S ACTIVITY	4
4.	MERGERS, LIQUIDATIONS OR REORGANIZATIONS OF COMPANIES CONTROLLED BY ELECTROMAGNETICA S.A IN 2025	7
5.	MAIN EVENTS WITH A SIGNIFICANT IMPACT ON THE FUNCTIONING OF SOCIETY	8
6.	RISK MANAGEMENT OBJECTIVES AND POLICIES	8
7.	PERSPECTIVE ELEMENTS	10
8.	SECURITIES MARKET	10
9.	SEPARATE FINANCIAL STATEMENT AS AT 31.12.2025	11
10.	SUBSEQUENT EVENTS	12
11.	CORPORATE GOVERNANCE STATEMENT	13
	APPENDIX TO THE CORPORATE GOVERNANCE STATEMENT	17

1. IDENTIFICATION DATA OF THE COMPANY

Company Name:	Electromagnetica S.A.
Registered Office:	Bucharest, Sector 5, Calea Rahovei nr. 266-268, postal code 050912
Tel/ Fax:	021 404 21 02/ 021 404 21 95
WHO:	414118
Registration no. at ORCTB:	J1991000019408
Regulated market:	BVB, Equity Sector, Equities, Premium Category
Market symbol:	ELMA
Number of shares:	676.038.704
Nominal value:	0.1000 RON
Share capital:	67.603.870,40 RON
LEI Code:	254900MYW7D8IGEFRG38

2. GENERAL INFORMATION

Electromagnetica S.A. is a joint-stock company established in 1930 with Romanian legal personality and unlimited lifespan that is organized and operates according to the articles of association and based on Law no. 31/1990 on companies, republished, in compliance with Law no. 24/2017 on issuers of financial instruments and market operations and ASF Regulation no. 5/2018 on issuers of financial instruments and market operations.

The company's share capital is RON 67,603,870.40 divided into 676,038,704 common shares, registered and dematerialized, registered in an electronic account in the shareholders' register kept by Depozitarul Central SA.

At the Ordinary General Meeting of Shareholders on April 28, 2025, the modification of the main object of activity of Electromagnetica S.A. was approved, with the new main activity being NACE 6820 - Rental and subletting of own or leased real estate, according to the Classification of Activities in the National Economy, approved by the Order of the President of the National Institute of Statistics no. 377/17.04.2024 (CAEN Rev.3). Previously, the main object of activity of the Company was NACE 2651 - Manufacture of instruments and devices for measurement, verification, control, navigation.

Electromagnetica S.A., as a company whose shares are admitted on a regulated market (Bucharest Stock Exchange, Premium category, symbol ELMA) has adopted IFRS (International Financial Reporting Standards) starting from the 2012 financial year. The financial statements for 2025 were prepared in accordance with the provisions of OMFP no. 2844/2016 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the European Union.

Legal framework

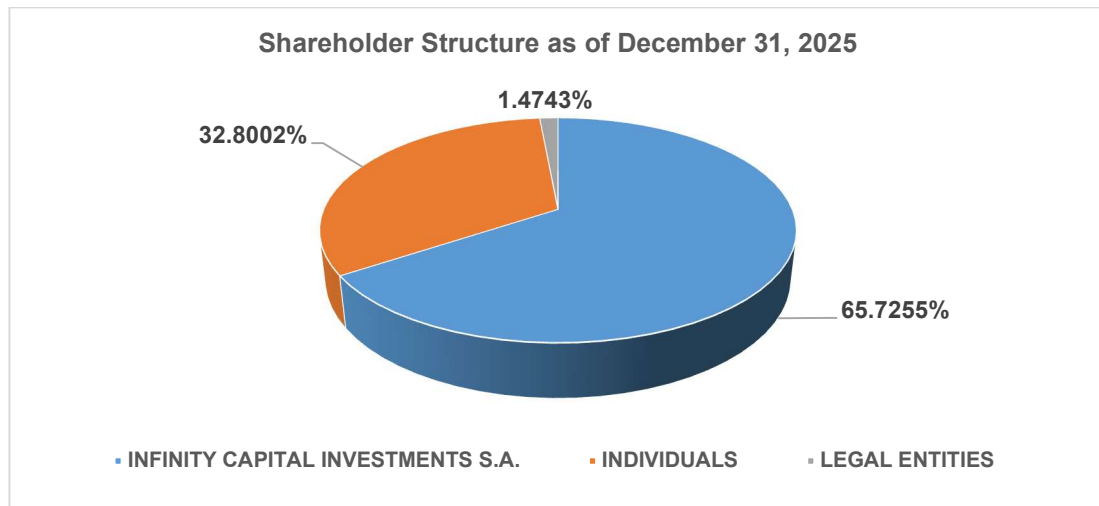
During the reporting period, the Company carried out its activity in compliance with the legal provisions contained, in particular, in:

- Law no. 31/1990 on companies, republished, with subsequent amendments and completions;
- Law no. 24/2017 on issuers of financial instruments and market operations, republished;
- The Law on Electricity and Natural Gas no. 123/2012, as subsequently amended and supplemented;
- Water Law no. 107/1996, as subsequently amended and supplemented;
- A.S.F. Regulation no. 5/2018, on issuers of financial instruments and market operations, with subsequent amendments and completions;
- A.N.R.E Order no. 5 / 2023 for the approval of the Regulation on the supply of electricity to end customers, as well as for the amendment and completion of some orders of the President of the National Energy Regulatory Authority;
- Bucharest Stock Exchange Code,

as well as in other regulations of primary and secondary legislation in the fields of activity in which it operates, as well as in compliance with the provisions of the Company's Articles of Incorporation, updated according to the decision of the Extraordinary General Meeting of Shareholders of April 28, 2025.

Shareholding structure

As of 31.12.2025, the company had a number of **6,062** shareholders. According to the records of Depozitarul Central S.A., the synthetic structure at the end of 2025 is as follows:



3. ANALYSIS OF THE COMPANY'S ACTIVITY

In 2025, Electromagnetica's main line of business was the real estate rental activity (rents, maintenance fee and other related services).

Starting with 2024, the company has implemented an extensive operational efficiency process, aimed at strengthening value-added lines of activity and reducing exposure to high-risk segments or low profitability.

In the second half of 2024, as a result of the sale of micro-hydropower plants in Suceava County, the company exited the electricity production market.

In 2025, the process of streamlining the production of goods activity continued, in the context of the steps to renegotiate trade relations and restrict operations to profitable partnerships. In the third quarter of 2025, the relay production line was sold, and the process of optimizing the activity will continue in 2026.

Company's Tangible Assets

The rental spaces are located exclusively in Bucharest and Vârteju, Ilfov County, most of them being located at the headquarters in Calea Rahovei no. 266–268.

The company manages a total leasable area (GLA) of approximately 60,400 sqm (including common spaces) located in Bucharest, Calea Rahovei nr. 266–268, as well as approximately 3,400 sqm in Vârteju, Magurele city, Ilfov County.

The company owns land and buildings in Bucharest, Ilfov County and Dambovită County. The company has no disputes related to the ownership of its land.

3.1. KEY FINANCIAL FIGURES AND KEY INDICATORS

Indicator	2024	2025	Variation
Revenue (RON)	97,667,983	29,317,963	-70%
EBITDA (RON)	22,986	(924,978)	-4124%
Net Profit (RON)	(7,407,144)	(10,728,051)	45%
Net Profit Margin	-7.6%	-36.6%	382%
Average Number of Employees	211	60	-72%

*EBITDA represents profit before tax, depreciation and amortization expenses, financial expenses and income, investment income and net income from the revaluation of investment property.

The turnover in 2025 was RON 29.3 million, down 70% compared to the previous year, amid the measures adopted in order to streamline the company's activities and the significant abandonment/reduction of the resources allocated to the lines of activity that did not generate added value for the company (such as the production of lighting fixtures, the production of electric car charging stations or plastic injection).

Rental revenues increased by 3.4% compared to 2024, confirming the consolidation of this segment as the main operating driver.

Revenues from production activity decreased from RON 38.2 million in 2024 to RON 4.8 million in 2025, in the context of reduced involvement in government projects that have a slow collection of receivables and measures to align operations in the segment of production of electric car charging stations and production of lighting fixtures to reference markets.

In 2025, no revenues were recorded from the production of electricity from renewable sources and from the supply of electricity, as the activity of electricity production was sold during 2024. Revenues in 2024 were worth RON 35.7 million.

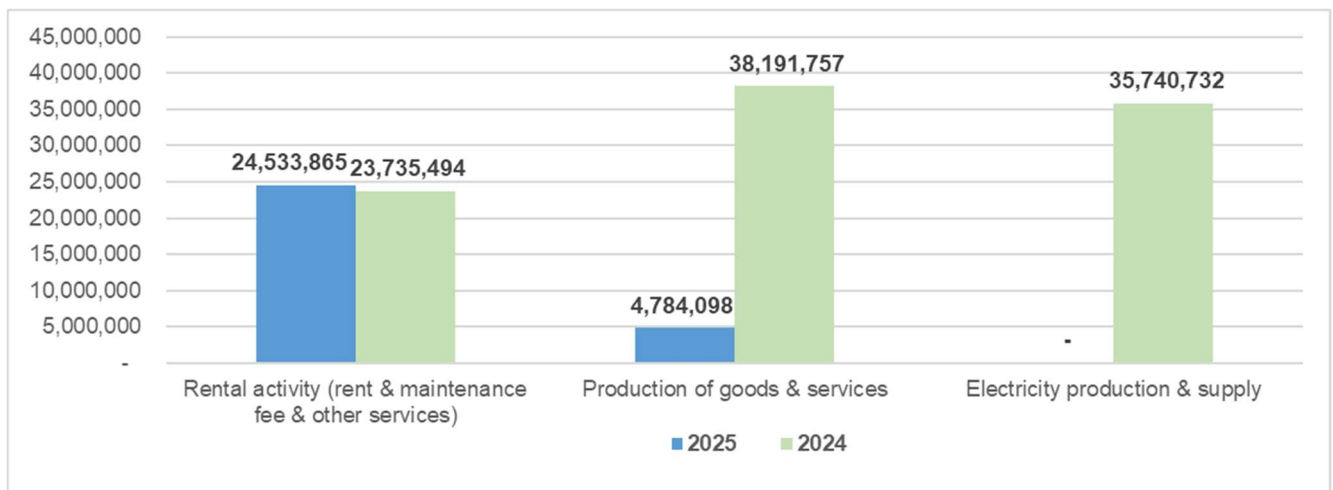
The streamlining process implemented during the analyzed period aimed at optimizing the portfolio, improving cash flows and stabilizing financial performance in a difficult economic context.

More details can be found in the Financial Statements and in the Explanatory Notes thereto.

3.2. REVENUE STRUCTURE

The turnover structure reflects the strategic process of repositioning the company's activity, with a focus on consolidating the rental segment and resizing the production activity taking into account the competitive environment in the markets in which the company operates.

In 2025, the main contribution to turnover was generated by the rental activity, while the goods production segment had a significantly reduced share, in line with the efficiency and optimization measures implemented starting with 2024.



Rental activity

The company manages a total leasable area (GLA) of approximately 60,400 sqm (including common spaces) located in Bucharest, Calea Rahovei nr. 266–268, as well as approximately 3,400 sqm in Vârteju, Magurele city, Ilfov County.

On December 31, 2025, the occupancy rate was 51% for the property in Calea Rahovei no. 266–268, Bucharest, and 83% for the property in Vârteju. Compared to the end of the 2024 financial year, the total leased area at the end of 2025 decreased by 2%.

During 2025, the company had about 300 tenants. The top 10 tenants, by share in rental income, generated about 35% of this total revenue, while the top 20 contributed about 48%, highlighting a moderate degree of portfolio concentration.

The structure of the use of the leased spaces at the end of 2025 was as follows:

- storage spaces – 30%;
- office spaces – 27%;
- service spaces – 25%;
- spaces for production – 18%.

In 2025, the rental activity represented the main operational segment of the company. The implemented strategy aimed at increasing profitability and strengthening financial performance, by:

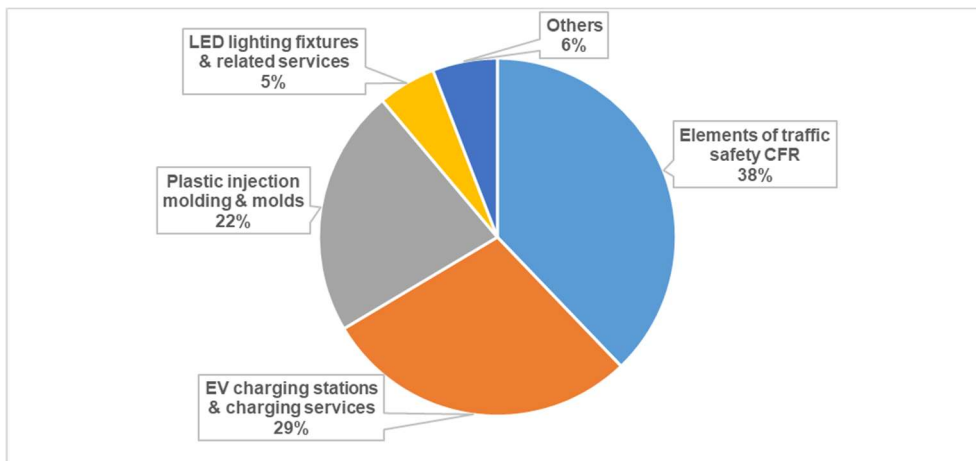
- optimization of operational costs;
- efficient management of resources;
- attracting and maintaining tenants with a stable profile and adequate creditworthiness.

As of 31.12.2025, following the cessation of the use of real estate for own production purposes, they were reclassified from the category of property, plant and equipment to the category of investment property, in accordance with International Financial Reporting Standards (IFRS) and applicable accounting policies.

This reclassification reflects the change in the destination of assets, which are held mainly for the purpose of obtaining rental income and/or increasing the value of capital, without there being an active sale plan. The transfer was made at fair value determined on the basis of an independent valuation report as at 31 December 2025.

Production of goods

The share of the main product groups in the turnover related to the production of goods (excluding services) is presented below:



In 2025, the company continued the process of streamlining its production activity by aligning the production of LED lighting fixtures and systems and electric vehicle charging stations with the level of demand, optimizing inventory management and targeting partners with shorter collection periods (0–90 days), in order to improve cash flows and predictability of receipts.

Given the significant level of inventories of electric vehicle charging stations and LED lighting products, the company focused on capitalizing on existing inventories and managing contracts in force with various public authorities, without allocating resources for the production of such goods. At the end of the 2025 financial year, the company held exclusively inventories of finished products intended for sale. Part of the inventories of LED lighting fixtures is maintained in the form of a buffer inventories, intended for possible replacements during the warranty period related to the products already sold to the public authorities with which the company has contracts in force.

As for the activity related to railway traffic safety elements, it was affected by the slow pace of railway infrastructure modernization projects, the final beneficiary being CFR Infrastructură. In this context, the company decided to capitalize on the assets related to this production line. Thus, on October 8, 2025, the sale-purchase contract for the relay production line was signed, awarded in a competitive open outcry tender, organized on September 26, 2025. The measure is part of the strategy of focusing on activities with sustainable potential and generating added value.

Electricity production and supply

In 2024, the Company's energy production and supply segment was represented by the operation of 10 micro-hydropower plants in the basin of the Suceava and Brodina rivers, with an installed capacity of 5.5 MW. These assets were sold by the company in the auction held on August 7, 2024.

In 2025, the Company did not make purchases of electricity for the supply activity, which is why it did not generate income from this activity.

3.3. HUMAN RESOURCES AND OHS & ENVIRONMENTAL COMPLIANCE

In 2025, the average number of employees was 60, the reduction in staff being determined by the consolidation of internal processes and the optimization of the portfolio of activities, in order to increase profitability and stabilize financial performance. Relations between management and employees were conducted under normal conditions, without significant conflicts.

At the same time, the company ensured compliance with the legal requirements regarding environmental protection and occupational health and safety, properly managing waste and fulfilling reporting obligations. The monitoring of environmental factors and prevention measures in the field of OSH have been maintained at the standards imposed by the regulations in force, without the registration of any relevant incidents.

4. MERGERS, LIQUIDATIONS OR REORGANIZATIONS OF COMPANIES CONTROLLED BY ELECTROMAGNETICA S.A IN 2025

The group of companies within which Electromagnetica S.A. is the parent company was formed by Procetel S.A., Electromagnetica Fire S.R.L. and Electromagnetica Prestserv S.R.L., representing mainly outsourcing of services. Following the analysis of the operations carried out by the subsidiaries, it was necessary to implement measures to reduce costs and improve operational efficiency, which resulted in the decision to dissolve and liquidate these companies.

Procetel S.A. is a joint stock company with headquarters in Bucharest, Calea Rahovei nr. 266-268, serial number at the J1991010437403 Trade Register, CUI 406212, tel: 031.700.26.14, fax: 031.700.26.16. Procetel S.A. is a closed joint stock company (shares are not traded on the capital market) whose main object of activity is research – development in other natural sciences and engineering (NACE code 7219). In 2025, the company no longer carried out the research activity, the results obtained coming mainly from the space rental activity. The administrative management is ensured by Business Recovery BD&A S.P.R.L. In the General Meeting of Shareholders of Procetel S.A. held on 18.11.2024, the dissolution of Procetel S.A. was approved. On 21.07.2025, the Extraordinary and Ordinary General Meeting of Shareholders of Procetel S.A. was held, during which the balance sheet for the beginning of liquidation on 31.03.2025 was approved. As of 31.12.2025, the dissolution process was ongoing.

Electromagnetica Prestserv S.R.L. was a limited liability company with headquarters in Bucharest, Calea Rahovei no. 266-268, sector 5, building 1, 2nd floor, axes A-B, pillars 1-2, registered at the Trade Register Office attached to the Bucharest Tribunal with no. J40/1528/2003, CUI 15182750, which provided cleaning services (NACE code 4311). Considering the decision of the sole shareholder of April 30, 2024 and the fulfillment of the necessary legal conditions, the shareholder Electromagnetica Prestserv S.R.L. initiated the process of dissolution and liquidation of the company, appointing Business Recovery BD&A S.P.R.L. as liquidator. On July 11, 2025, by the Conclusion pronounced by the Trade Register Office attached to the Bucharest Tribunal, the deregistration of the company Electromagnetica Prestserv S.R.L. was ordered, following the completion of the dissolution and voluntary liquidation procedure. The liquidation balance sheet was drawn up on June 30, 2025, and consequently, the company was removed from the accounting records of Electromagnetica S.A.

Electromagnetica Fire S.R.L. was a limited liability company with headquarters in Bucharest, Calea Rahovei no. 266-268, sect 5, building 2, ground floor, axes C-D, pillars 6 1/2 - 7, registered at the Trade Register Office attached to the Bucharest Tribunal with no. J40/15634/2006, CUI 19070708, and carried out activities in the field of fire protection, technical assistance for fire prevention and extinguishing and private emergency services regarding civil protection (NACE code 8299). Considering the decision of the sole shareholder of April 30, 2024 and the fulfillment of the necessary legal conditions, the shareholder Electromagnetica Fire S.R.L. initiated the process of dissolution and liquidation of the company, appointing Business Recovery BD&A S.P.R.L. as liquidator. On April 14, 2025, by the Conclusion pronounced by the Trade Register Office attached to the Bucharest Court, the deregistration of the company Electromagnetica Fire S.R.L. was ordered, following the completion of the dissolution and voluntary liquidation procedure. The liquidation balance sheet was drawn up on January 31, 2025. Consequently, this company was removed from the accounting records of Electromagnetica S.A., and the related assets and liabilities were eliminated.

5. MAIN EVENTS WITH A SIGNIFICANT IMPACT ON THE FUNCTIONING OF SOCIETY

In 2025, several events took place, the most important being set out below, in chronological order:

14.02.2025	Termination of the mandate of Commercial Director Robert - Ștefan Ion (last day of the mandate being 13.02.2025).
19.02.2025	Steps regarding the sale of Plastic Injection Machine.
28.04.2025	Holding of the Ordinary General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders. The financial statements, the change of the main object of activity of the company, the acquisition, alienation, exchange or security of assets in the category of fixed assets of the company, whose value, individually or cumulatively, is no more than 50% of the total fixed assets, minus receivables, are approved.
30.04.2025	Steps regarding the sale of electric car charging stations.
15.05.2025	Publication of the report for the first quarter of 2025
12.05.2025 12.06.2025	Steps regarding the sale of real estate (land located in Bucharest, 23-37 Petre Ispirescu Street). Conclusion of the deed regarding the sale of real estate (land located in Bucharest, 23-37 Petre Ispirescu Street).
21.05.2025	Appointment of Deputy General Manager - George - Alin Ștefan (starting with May 22, 2025)
27.06.2025	Termination of mandate of the General Manager - Daniela Cucu (last day being June 30, 2025) / Appointment of General Manager - George - Alin Ștefan (starting with July 1, 2025).
10.07.2025	Steps regarding the sale of SMD line.
15.07.2025	Electromagnetica subsidiary Prestserv S.R.L.
04.08.2025	Subscription of bonds issued by PK Development Holding S.A.
18.08.2025	Publication of the report for the first semester of 2025
26.09.2025 08.10.2025	Relay production line for sale. Conclusion of the deed regarding the sale of the relay production line.
17.11.2025	Publication of the report for the third quarter of 2025
31.12.2025	Early repayment of corporate bonds PK Development Holding S.A.

Detailed information is available at:

<https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=ELMA>

6. RISK MANAGEMENT OBJECTIVES AND POLICIES. RISK FACTORS

The Company's risk management policy includes all the principles, procedures and control mechanisms necessary to identify, assess, monitor and manage significant risks that may influence the achievement of strategic objectives and the performance of the activities under conditions of efficiency and legal compliance.

Risk management is an essential component of corporate governance and is integrated into current decision-making processes, being adapted to the specifics of the activities carried out within Electromagnetica.

The main categories of risks identified are:

- market risk;
- credit risk (non-payment);
- liquidity and cash-flow risk;
- operational risk (including legal and compliance);
- data protection and processing risk;
- sanctions risk;
- litigation risk;
- risks covered by insurance policies.

Market risk

Market risk is the risk of incurring losses as a result of adverse developments in market variables, such as interest rates, exchange rates, commodity prices or selling prices of goods and services.

The company continuously monitors macroeconomic and sector developments, with the objective of maintaining a balance between profitability and the risk associated with the activities carried out.

Currency risk

Currency risk is the risk of losses arising from exchange rate fluctuations. The Company's exposure is limited, as the majority of supplies and transactions are carried out in the domestic market.

In order to mitigate the impact of exchange rate fluctuations, the Company correlates the timing of payments with that of foreign currency receipts and permanently monitors foreign exchange positions. Typically, cash flows generate a surplus that helps mitigate currency risk. No derivatives are used to hedge this risk.

Risk of non-payment

Credit risk consists of the possibility that the contractual partners will not meet their obligations, generating financial losses. Trade receivables come from a diverse number of customers, mainly public authorities or economic agents active in various fields.

The company applies prudent partner selection policies and, where market practice allows, requires contractual guarantees. It also continuously monitors the situation of receivables and takes steps to recover them, including notifications, court actions (payment orders) and, where appropriate, enforcement.

The exposure to credit risk is reviewed periodically, and impairment adjustments for receivables are recognized in accordance with the applicable accounting regulations.

Liquidity and cash-flow risk

Liquidity risk is the risk that the Company will not be able to meet its payment obligations at maturity.

The management of this risk is achieved by:

- developing cash flow forecasts;
- maintaining an adequate level of liquidity buffers;
- monitoring the maturities of receivables and debts;
- setting investment priorities according to available resources.

The investments were made mainly from its own sources, depending on the current needs of Electromagnetica S.A. and sectors considered profitable or developing. Liquidity risk is closely correlated with market and credit risks and is monitored as part of the integrated risk management system.

Data protection and processing risk

This risk may arise from situations such as accidental loss or modification of data, as well as unauthorized access to personal data. Regardless of the basis of processing, Electromagnetica complies with the obligations set out in the General Data Protection Regulation (GDPR) – Regulation (EU) 2016/679 including the obligation to inform the data subject, at the time of data collection.

Risk of sanctions

The company manages this risk through preventive actions. This involves, among other things, monitoring legislative changes and informing employees, participating in courses and seminars (labor law, competition law, GDPR - personal data protection, risk management and corporate governance, etc.).

Litigation risk

The company is involved in disputes specific to its current activity, but their values are not likely to affect financial stability. In most cases, the Company has the status of creditor.

For all pending cases, including those concerning companies in insolvency or bankruptcy, legal positions are formulated and legal steps to protect the Company's interests are actively pursued.

Risks covered by insurance policies

In order to mitigate the impact of unforeseen events, the Company concludes appropriate insurance policies, which may cover, as the case may be: the risk of natural disasters, the risk of accidental damage, the risk of business interruption, the risk of injury to exposed employees, the protection of assets through insurance, liability to third parties, liability as a manufacturer, professional liability for some professions, directors' liability.

7. PERSPECTIVE ELEMENTS

In 2026, the company estimates to increase the occupancy rate of the spaces by identifying new rental opportunities, including by arranging additional surfaces, as well as by updating rents according to market developments.

Electromagnetica will also continue to maintain a low level of production activity, focusing mainly on the efficient capitalization of existing products in inventories, with a focus on LED lighting systems and electric vehicle charging stations and the management of contracts concluded with public authorities. The company's priority will be to optimize the sales process and reduce the costs associated with storage through commercial and logistics efficiency measures.

The company's investments in 2026 will be mainly oriented towards maintenance and modernization activities, most of the projects being planned at the headquarters of Electromagnetica S.A. in Bucharest.

8. SECURITIES MARKET

8.1 Share price evolution

Electromagnetica is listed in the Premium category of the BVB, where it is traded with the following characteristics:

Market Symbol: **ELMA**

Ordinary, registered, dematerialized shares

Number of shares issued: **676,038,704**

Face value: **0.1000 RON**

Share capital: **RON 67,603,870.40**

ISIN code: **ROELMAACNOR2**

LEI Code: **254900MYW7D8IGEFRG38**

ELMA shares are included in the **BET Plus stock market index**

The evolution of the closing price and the traded volume is illustrated in the following chart.



During 2025, a total of 40,082,760 Electromagnetica S.A. shares were traded (on all markets), representing 5.9291% of the total number of shares, at an average price of RON 0.227/share. The reference price oscillated between a low of RON 0.2020/share and a high of RON 0.2620/share.

8.2 Dividends granted

Electromagnetica S.A. has always considered protecting the interests of shareholders, both in terms of development strategy and dividend distribution policy. During periods when financial performance permitted, the company distributed dividends to shareholders. However, the financial results for 2023 and 2024 recorded losses, which led to no dividends being paid to shareholders.

9. SEPARATE FINANCIAL STATEMENT AS AT 31 DECEMBER 2025

9.1 Financial position

	December 31 2025	December 31 2024
ASSETS		
Non-current assets		
Property, plant and equipment	54,744,749	296,843,904
Investment property	170,145,830	18,780,265
Intangible assets	163,440	359,541
Investments in subsidiaries	732,008	842,008
Other non-current assets	2,851,070	4,512,037
Rights of use assets	2,320,925	1,329,540
Total non-current assets	230,958,022	322,667,295
Current assets		
Inventories	1,284,983	7,234,948
Trade receivables	6,566,025	12,924,372
Cash and cash equivalents	98,632,700	73,532,273
Deposits in banks	173,642	10,000,000
Other current assets	10,067,115	3,284,963
Assets classified as held for sale	-	841,296
Current income tax receivables	1,254,319	1,703,829
Total current assets	117,978,784	109,521,681
Total assets	348,936,806	432,188,976
EQUITY AND LIABILITIES		
Equity		
Share capital	67,603,870	67,603,870
Reserves and other equity items	153,201,654	223,114,466
Retained earnings	98,725,119	94,004,175
Total equity	319,530,643	384,722,511
Long-term liabilities		
Trade and other payables	2,893,237	1,717,399
Deferred income tax liabilities	15,143,319	28,903,190
Lease liabilities	1,653,293	737,735
Total long-term liabilities	19,689,849	31,358,324
Current liabilities		
Trade and other payables	7,399,728	12,724,364
Provisions	1,411,452	2,511,532
Lease liabilities	905,134	872,245
Total current liabilities	9,716,314	16,108,141
Total liabilities	29,406,163	47,466,465
Total equity and liabilities	348,936,806	432,188,976

9.2 Profit or loss result

	Period of 12 months ended December 31 2025	Period of 12 months ended December 31 2024
Revenue	29,317,963	97,667,983
Investment income	-	5,820,666
Net result from the revaluation of investment property	(9,161,082)	-
Other net income and expenses	(704,028)	3,098,513
Variation in the inventory of finished products and production in progress	(1,443,584)	(2,447,031)
Expenses on raw materials and consumables	(4,172,770)	(56,028,654)
Employees benefits expenses	(9,442,162)	(25,297,143)
Depreciation and amortization expenses	(13,341,124)	(10,733,561)
Other expenses	(14,480,397)	(16,970,682)
Financial income	10,108,755	1,886,960
Financial expenses	(345,922)	(221,171)
Profit / (Loss) before tax	(13,664,351)	(3,224,120)
Corporate income tax	2,936,300	(4,183,024)
Profit / (Loss) for the period	(10,728,051)	(7,407,144)

9.3 Cash flow situation

	Period of 12 months ended December 31 2025	Period of 12 months ended December 31 2024
Net cash from operating activities	18,450,547	11,279,698
Net cash used in investment activities	12,936,442	38,603,209
Net cash used in financing activities	(6,286,562)	(1,489,534)
Net increase/(decrease) of cash and cash equivalents	25,100,427	48,393,373
Cash and cash equivalents at the beginning of the period	73,532,273	25,138,900
Cash and cash equivalents at the end of the period	98,632,700	73,532,273

10. SUBSEQUENT EVENTS

By the decision adopted on 15.01.2026, the company approved the appointment of Mr. Mihai Odoviciuc as Deputy General Manager, effective as of 01.02.2026.

Between 21.01.2026 – 03.02.2026, the company carried out a public offer for the purchase of its own shares, based on A.S.F. Decision no. 25/15.01.2026, issued in accordance with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations. The offer was completed with the acquisition of 12,230,815 shares, representing 1.8092% of the share capital.

At the meeting of the Board of Directors of Electromagnetica S.A. on 10.02.2026, the registration of the updated value of property, plant and equipment and investment property as of 31.12.2025 in the amount of RON 219,789,868 was approved, resulting in a total negative net revaluation difference of RON 77,804,415 compared to the value prior to the revaluation of RON 297,594,283.

Also, at the meeting of 10.02.2026, in accordance with the accounting policy manual, the Board of Directors approved the reclassification on 31.12.2025 from property, plant and equipment to investment property of assets worth RON 160,526,647, representing buildings and land.

Also, on 25.02.2026, at the headquarters in Bucharest, Calea Rahovei no. 266–268, sector 5, a competitive auction was organized, in which a series of assets from the company's patrimony were awarded, at the total price of EUR 115,000, to

which is added VAT. The sale-purchase contract is to be concluded with the successful bidder within ten working days from the date of signing the award report.

On 27.02.2026, Electromagnetica S.A. published on its website and on the website of the Bucharest Stock Exchange the preliminary financial results for 2025.

11. CORPORATE GOVERNANCE STATEMENT

11.1. Relevant corporate governance code

The company's management believes that a high level of transparency, continuous and real-time communication of important information, together with investor protection, is the key to long-term support of the company's development strategy by shareholders and maximization of the value of the shares.

Strict application of the incidental legal framework (Law no. 31/1990 – companies law, republished; Law no. 24/2017 on issuers of financial instruments and market operations; ASF Regulation no. 5/2018 on issuers of financial instruments and market operations and the Bucharest Stock Exchange Code) provides the premises for compliance with internationally established Corporate Governance requirements.

The Board of Directors decided to voluntarily apply the BVB Corporate Governance Code with the mention that, according to the specifics of the company, some provisions will be partially complied with. The current status of compliance with the CGC of B.V.B., the reasons for the partial application and the measures adopted to achieve the corporate governance objectives are presented in the Annex to the Corporate Governance Statement published together with this report.

11.2. General Meetings and Shareholders' Rights

The shareholders' rights and the procedure for participating in the general meetings of shareholders are mentioned in the convening notice of the general meetings and have been summarized in a regulation, available in the Corporate Governance section of the company's website at www.electromagnetica.ro/investitori/guvernanta-corporativa.

11.3. Administration system

Currently, the management system is a unitary one, the Company being led by a Board of Directors consisting of 5 members.

11.4. Corporate governance structures

The main management, management and supervisory structures of the company are the Board of Directors, the Executive Directors, the Audit and Risk Committee, the External Auditor and the Internal Auditor.

11.4.1 Board of Directors (Board of Directors)

In 2025, the composition of the Board of Directors was as follows:

Name	Function	Mandate expiration	Profession	Individual holdings of ELMA shares
Daniela-Adi CUCU	Chairman of the Board of Directors	18 Oct 2027	Bachelor of Legal Science	0%
Cristina-Gabriela Gagea	Member of the Board of Directors	18 Oct 2027	Bachelor of Science in Economics	0%
Sorin-Iulian Cioacă	Member of the Board of Directors	18 Oct 2027	Bachelor of Science in Mathematics and Economics	0%
Mihai Trifu	Member of the Board of Directors	18 Oct 2027	Bachelor of Science in Economics	0%
Mihai Zoescu	Member of the Board of Directors	18 Oct 2027	Bachelor of Science in Economics	0%

The majority of the members of the Board of Directors are non-executive directors, so a balance of authority is ensured. In 2025, the Board of Directors met at least monthly, with all members present in person or using postal voting. The level of the allowances of the members of the Board of Directors is established by the decision of the shareholders in the general meeting.

11.4.2. Directors

According to the statutory provisions, the Chairman of the Board of Directors can also be the General Manager and legally represents the company. The Board of Directors delegates part of its powers to one or more directors on the basis of mandate contracts, while fixing their tasks. The executive leadership during 2025 was ensured as follows:

Name	Quality	Period	Individual holdings of ELMA shares
Daniela-Adi Cucu	General Manager	01.01.2025 - 30.06.2025	0 %
Robert – Ștefan Ion	Commercial Director	01.01.2025 - 13.02.2025	0 %
George - Alin Ștefan	Deputy General Manager/ General Manager	22.05.2025 - 30.06.2025 01.07.2025 - 31.12.2025	0 %

The remuneration of the directors is established by the decision of the Board of Directors.

In order to comply with the legal obligations introduced by Law no. 24/2017 on issuers of financial instruments and market operations - republished, the Remuneration Policy for directors, executive directors and members of the Audit and Risk Committee was developed, which was approved in the OGMS of April 25, 2024.

11.4.3. Independent external auditor

Following the OGMS of April 2023, it was decided to mandate Deloitte Audit S.R.L. to audit the financial statements for the years 2023 and 2024. Subsequently, in the April 2025 OGMS, the extension of the mandate of the auditor Deloitte Audit S.R.L. by 1 year was approved, respectively the mandate for auditing the financial statements for 2025.

The audit firm is represented by Mr. Răzvan Ungureanu – Audit Partner.

Identification data of **Deloitte Audit S.R.L.** are as follows:

CIF RO 7756924 , Registration No. with the Trade Register J1995006775407

Authorization of the Chamber of Financial Auditors of Romania no. 25/25.06.2001

The company's headquarters – Bucharest, Sector 1, The Mark Building, Calea Griviței nr. 84-98 and 100-102, 9th floor

11.4.4. Internal control

The Board of Directors works closely with the Audit and Risk Committee, the Internal Auditor and Financial Control on matters related to financial reporting, internal control and risk management. The managerial experience and professional training of the members of the Board of Directors allow them to assess the effectiveness of the internal control system.

The company has an internal/managerial control system, the design and application of which allow the executive management and the Board of Directors to provide reasonable assurance that the company's funds allocated for the purpose of achieving the general and specific objectives have been used in conditions of legality, regularity, efficiency and economy. The internal/managerial control system includes both self-control mechanisms and subsequent control through the Audit and Risk Committee, and the application of measures aimed at increasing its effectiveness is based on risk assessment.

The company's internal accounting and financial control was applied in order to ensure accounting management and financial monitoring of the Company's activity. The internal control activity was aimed at:

- ensuring compliance with the legislation in force;
- the application of decisions taken by the company's management;
- the proper functioning of the company's internal activity;
- reliability of financial information;
- efficient use of resources;
- risk prevention and control.

The control activity was carried out together with the Internal Auditor, taking into account his recommendations and observations.

11.4.5. Audit and Risk Committee

In accordance with the provisions of the Audit Law no. 162/2017 and EU Regulation no. 537/2014 on auditing and with the BVB recommendations for listed companies, the Board of Directors decided in 2018 to set up an Audit and Risk Committee.

It is an important structure within corporate governance, in many cases providing the interface with the statutory financial auditor and having an important role in the preparation of annual audit reports and the proper functioning of the company.

The Audit and Risk Committee establishes responsibilities for: the quality and integrity of the company's financial statements; the company's compliance with legal and regulatory requirements; the company's global risk management process; performing the company's internal audit function.

It also approves the audit program and coordinates the work of the internal auditor, which is an outsourced service.

The Audit Committee of Electromagnetica is made up of: Mrs. Cristina-Gabriela Gagea, President; Mr. Sorin-Iulian Cioacă, Member; Mr. Mihai Trifu, Member.

11.5. Conflict of interest management, stakeholder transactions and confidential information regime

Directors in a potential conflict of interest shall inform the Board of Directors and refrain from debating the issues concerned and voting. Transactions with the parties involved are concluded on non-preferential terms and are negotiated by members of the management who are not related to the parties involved, being reported to the FSA and BVB, if applicable. The external auditor will duly report and analyse these transactions. The company compiles and updates the list of people who are presumed to have access to insider information. Annually, the directors and directors of the company and of the other affiliated parties make declarations on their own responsibility regarding conflicts of interest and non-competitive activities.

11.6. Acquisition of own shares

At the General Meeting of Shareholders of Electromagnetica S.A. held on December 19, 2024, the implementation of a buyback program by the Company of its own shares was approved.

- Program size – the redemption of a maximum of 60,000,000 treasury shares with a nominal value of RON 0.10 per share;
- acquisition price - the minimum purchase price is 0.10 RON/share, and the maximum price is 0.40 RON/share;
- program duration – maximum 18 months from the date of registration in the Trade Register;
- payment of the repurchased shares will be made from the distributable profit or from the available reserves of the company recorded in the latest approved annual financial statement, except for legal reserves, according to the 2023 financial statements;
- program purpose - reduction of the share capital by cancelling the repurchased shares.

In 2025, there were no buyback programs for own shares.

On January 15, 2026, the company informed shareholders and investors that the Financial Supervisory Authority issued Decision no. 25/15.01.2026, which approved the public offer document for the purchase of shares issued by Electromagnetica S.A., initiated by the Company, in accordance with the Resolution of the General Shareholders' Meeting of 19.12.2024, an offer with the following characteristics:

- Number of shares subject to the offer: 60,000,000 shares, representing 8.8752% of the share capital;
- Nominal value: 0.10 RON/share;
- The purchase price is: 0.26 RON/share;
- Period: 21.01.2026-03.02.2026;
- Intermediary of the offer: SWISS Capital S.A.;
- Subscription locations: according to the information contained in the offer document.

On February 6, 2026, the company informed shareholders and investors that, during the public tender offer carried out between 21.01.2026 - 03.02.2026, it acquired 12,230,815 treasury shares, representing 1.8092% of the share capital.

11.7. Reporting of the transactions of directors and other persons involved with the company's shares

The Company does not apply any additional rules, other than those provided by the legal rules, regarding transactions with the company's shares carried out by the directors or other persons involved.

11.8. Amendments to the articles of association

The Articles of Association were updated on April 28, 2025, following the approval of the shareholders on the proposals made at the EGMS of that date.

11.9. Dissemination of corporate information

The company establishes and publishes annually, on the BVB website and on its own website, a financial reporting calendar. The company prepares and disseminates periodic and continuous information relevant to the investment decision, information published both on its own website and on the BVB website (symbol "ELMA").

The staff dedicated to this activity is permanently prepared, trained and professionally formed on aspects regarding the relationship of a company with its shareholders and the principles of corporate governance.

During 2025, the dissemination of information was made in Romanian and English, for those categories of documents provided by the applicable legal framework.

The Company encourages communication with shareholders through the **Investors** section of its website available at <https://www.electromagnetica.ro/investitori/> and for additional information investors can contact tel: 021.404.21.02, fax: 021.404.21.95 and email: juridic@electromagnetica.ro.

Attached to this Report is the Corporate Governance Statement.

Chairman of the Board of Directors

Daniela – Adi Cucu

General Manager

George – Alin Ștefan

Chief Accountant

Maria Gârzu

Comply-or-Explain Statement (CES)

Company Name: Electromagnetica S.A.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES							
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 1	The Board should have an internal regulation that formalises and clearly states its roles and responsibilities. The articles of association, Board's internal regulation and other internal regulations should clearly delineate the roles and competencies among the Board, general meeting of shareholders (GMS) and executive management.	X			
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 2	Board's internal regulation should include, among others, the Board's responsibilities as well as fiduciary duties of directors to act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company, its shareholders and taking into account the interests of other stakeholders in line with legal requirements.	X			
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 3	To sustain the Company's long-term viability and success, the Board should: <ul style="list-style-type: none"> ·Oversee the development and approve the Company's strategy and ensure that it also integrates sustainability aspects, including environmental and social (E&S) considerations and climate-related risks and opportunities; ·Appoint and dismiss CEO and other executives to whom executive management responsibilities were delegated (called executive management) and ensure their succession planning; ·Oversee the management performance, management role in addressing material sustainability risks and opportunities and align the remuneration of executive management with the long-term interests and sustainability of the Company, according to the provisions of the Company's remuneration policy; ·Ensure there is a sound framework for internal controls and risk management; ·Ensure that the Company has in place procedures to enable effective communication with shareholders and other stakeholders. 	X			
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 4	Duration of appointment of Board and executive management should be set clearly and should, to the extent possible, foster stability and predictability.	X			
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 1	The Board should have at least five members.	X			
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 2	The Board should have in place a policy on Board and executive management diversity and should ensure that diversity requirements in terms of gender, age, experiences and skills are incorporated in the Nomination Policy.	X			
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 3	The Board should develop a Board profile which specifies the desired characteristics and traits of its members including factors such as independence, diversity, integrity, specific skills and experience, industry knowledge, ability and willingness to devote adequate time and effort to Board responsibilities in the context of the needs of the Board and its committees and their exercise of the Board's strategic and oversight roles. The Board profile can be part of the Nomination Policy.	X			
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 4	The majority of the members of the Board should be non-executives. At least a third of the Board members should be independent. Each independent member of the Board should submit a declaration regarding his/her independence at the time of his/her nomination for election or re-election as well as when any change in his/her status arises, as per the criteria of independence defined in law and in Appendix A to the Code.	X			
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 5	The Nomination and Remuneration Committee (or the entire Board if there is no Nomination and Remuneration Committee) should assess whether the directors can be considered independent under the factors taken into account, by examining whether there are any business or other personal relationships that could materially affect the independence and objectivity of the director and his/her ability to act in the best interests of the Company, its shareholders and stakeholders.	X			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 6	The positions of Chairperson and Chief Executive Officer (CEO) are recommended to be held by different individuals.	X			
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 7	If the Chairperson and CEO functions are performed by the same person, it is recommended that the Board appoints an independent Vice-Chairperson.	X			
A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 1	The Company should develop and disclose a board nomination policy ("Nomination Policy") that should define the processes and procedures for the nomination, election or replacement of a director. The Nomination Policy, approved by the competent governance body, shall describe how the Company receives and evaluates nominations from shareholders (including minority shareholders) or from members of the Board, including in relation to the board profile, independence and diversity.	X			
A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 2	The Board, through its Nomination and Remuneration Committee, if established, should monitor the nomination process of candidates for the position of Board member.	X			
A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 3	The Company should disclose to shareholders information on the experiences and CV of the director candidates that they require to make an informed decision on the appointment or reappointment of the directors including the following: -candidates' professional commitments and engagements, including executive and non-executive positions in companies, public authorities, not-for-profit bodies or other organisations; -any existing or potential conflicts of interest including whether they have business, family or other relationships that could affect their performance as directors on the Board; -which shareholder or member of the Board proposed each candidate for the Board positions.	X			
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 1	The Board shall establish an Audit Committee to enhance its oversight capability over the financial reporting, internal control framework, internal and external audit processes, and compliance with applicable laws and regulations. Where a separate risk management committee is not required by law or already established, the Audit Committee will also include oversight responsibilities for the efficiency of the risk management framework.	X			
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 2	The Audit Committee is recommended to be composed of non-executive directors. The majority of the Committee members is recommended to be independent, including the Committee chairperson. The Audit Committee, as a whole, should have competencies relevant to the Company's area of operations. The Committee and its members should comply with the applicable national and European legislation.	X			
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 3	The Boards of Premium Tier companies should set up a Nomination and Remuneration Committee formed of non-executive directors. The majority of the Committee members is recommended to be independent, including the Committee chairperson. The Board may also establish a separate Nomination Committee and a separate Remuneration Committee if the Board composition accommodates it and if this is justified given the Company's size and complexity of its business and governance structures.	X			The duties are carried out by the members of the Board of Directors
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 4	In addition to its specific responsibilities as provided under this Code, the Nomination and Remuneration Committee should: i. Review and recommend to the Board the size and composition of the Board and lead the development and ongoing review of the Board profile; ii. Identify individuals qualified to become Board members and members of the executive management, if requested; evaluate the candidates for executive management roles; evaluate the candidates proposed by the shareholders or by Board members for a director role and inform the GMS accordingly; iii. Make recommendations to the Board concerning committee appointments (other than the Nomination and Remuneration Committee); iv. Coordinate an annual evaluation of the Board, directors and committees in line with provisions set out in Principle A.5.; v. Assist the Board in fulfilling its responsibilities related to the Company's remuneration policy; vi. Assist the Board in the development of the succession plans for executive management, as well as the emergency succession plans and CEO search process, as required; vii. Oversee the administration of the Company's compensation and benefits plans.	X			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 5	The role and responsibilities of Board committees should be defined in separate internal regulation (operating regulations) and disclosed on the Company's website. If the Company chooses not to establish any of the Board committees not required by law, the corresponding tasks and responsibilities shall be done by the Board and should be adequately stated in the Board's internal regulation.	X			
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 6	The evaluation of independence for the members of the committees, including when the members of the committees are appointed by the GMS, shall be carried out according to the same procedure applicable to the independent members of the Board.	X			
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 7	The chairpersons of the Audit Committee and Nomination and Remuneration Committee should not be the Chairperson of the Board or of any other committee, unless this is justified by the size of the Board.	X			
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 1	The Board Chairperson is primarily responsible for ensuring that the Board functions properly. The Board's internal regulation should contain the role and responsibilities of the Board Chairperson and the Board Chairperson, at a minimum, should: <ul style="list-style-type: none"> •Determine the agenda of the Board meetings, chair such meetings and ensure that minutes are kept of such meetings; •Ensure the Board receives accurate, timely, useful, succinct information to enable the Board to make sound decisions; •Ensure the Board has sufficient time for consultation and decision-making; •Enable the Committees to function properly and that there is effective communication with Board committees, including actionable, insightful reports of committees back to the full Board; •Ensure the performance of the Board is evaluated and discussed at least once a year and disclosed as per provision D.1.3; •Ensure that the Board has proper working relationship with the executive management. The CEO and the Chairman of the Board (if positions are held by different individuals) shall meet regularly; •Address and manage internal disputes and conflicts of interest concerning Board members. 	X			
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 2	The Board should meet as often as necessary but not less than six (6) times a year.	X			
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 3	The Board can request to designate the Corporate Secretary who should assist the Board in complying with its obligations under law, Board internal regulation and other policies. The Corporate Secretary should be a senior officer in the Company tasked with assisting the Board and its committees in organising their activities, in preparing for the meetings, annual Board and committee performance evaluation and director training programs, if the case.	X			
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 4	The Board should clearly define the rights and responsibilities, scope of authority and other issues related to the Corporate Secretary.	X			
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 5	The Board and its committees should develop and approve an annual internal work plan identifying topics to address during the year before the end of the previous year. The plan should take into account decisions that need to be proposed to the GMS, reporting by management and internal control functions, the required frequency of Board and Committee meetings, and should be reviewed by the Chairperson, assisted by the Corporate Secretary.	X			
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 6	The Board should conduct an annual evaluation of the composition, activity and dynamics of the Board and its committees, individually and as a whole, and which should be coordinated by the Nomination and the Remuneration Committee.	X			
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 7	The Nomination and Remuneration Committee should share the results of the Board evaluation with the whole Board and should then set follow up actions, if any, including professional development and training plans for the Board to fill gaps.	X			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 8	The Board's internal regulation should require Company orientation (induction) programmes for newly appointed directors, ensured by internal staff of the Company. The Board's internal regulation can also include references for ongoing director education program, if needed. The implementation of any orientation and ongoing trainings programmes for directors (as per the Board decision) is made under the oversight of the Nomination and Remuneration Committee, with the support of the Corporate Secretary. Based on the results of the annual board evaluation, the Nomination and Remuneration Committee jointly with the Board Chairperson shall develop professional development programmes focusing on the areas where capacity should be built among Board members.	X			
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 1	Executive management should run the Company and be accountable to the Board. Division of responsibilities between the Board and the executive management and between different members of the executive management should be clearly articulated in the Company's by-laws and the internal regulations of the Company.	X			
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 2	When Board Chairperson and CEO roles are exercised by one individual, the different responsibilities of the Board Chairperson and CEO should be clearly defined and distinguished in the Company by-laws.	X			
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 3	The Board should ensure that the executive management is comprised of persons with adequate knowledge, skills, diversity and experience to support successful Company performance and that there are measures in place to provide for the orderly succession of executive management.	X			
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 4	The Board, with the support of the Nomination and Remuneration Committee, should annually evaluate executive management's performance, the effectiveness of its cooperation with the Board, including the information provided to the Board.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK							
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 1	The Board determines the nature and extent of the risks the Company is willing to take necessary for the achievement of Company's strategic objectives (i.e., the Company's risk appetite) and should ensure there are clear structures, policies and procedures in place that identify, evaluate, report, manage and monitor significant and emerging risks, including risks related to sustainability, cybersecurity and the use of digital technologies. The Board should explain in the annual report the mechanisms and processes in place to identify and manage risks.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 2	The Board should adopt a formal risk management policy, to ensure accurate, complete and timely identification, measurement and reporting of risks, adequate and feasible risk control measures as well as integration of an E&S risks into the risk management framework in support of the Company's strategy implementation.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 3	The Board and Audit Committee should understand emerging information technology and artificial intelligence-related changes so to mitigate cybersecurity risks. Time should be given to the AI risks and opportunities and cybersecurity on Board agenda to ensure understanding of cyber protection.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 4	The Company is recommended to establish a risk management function responsible for ensuring accurate, complete and timely identification of the risks, ensuring that adequate and feasible risk control measures are in place and monitoring the risk management procedures. The risk management function, through the Chief Risk Officer (CRO), where present, should have a direct communication and functional reporting to the Board and Audit Committee (if there is no separate Risk Committee).	X			The monitoring of the company's risks is carried out by the Audit and Risk Committee.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 5	The Board with the assistance from the Audit Committee should at least annually assess the adequacy and effectiveness of Company's risk management and internal control framework (including operational and compliance controls) and make relevant recommendations. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and compliance, internal control reports, if they are required by applicable legislation, to the Audit Committee, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and submission of relevant reports to the Board.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 6	The Company should develop and make available on a free of charge basis on the Company's website a whistle-blowing mechanism which would enable employees and stakeholders to make reports about suspected breaches or wrongdoings as per the applicable legislation in place.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 1	In addition to its responsibilities mentioned in legislation and elsewhere in the Code, the Audit Committee should: <ul style="list-style-type: none"> ·Review the Company's internal controls and risk management frameworks; ·Oversee the development and application of the Company's policies on conflicts of interests and related party transactions; ·Ensure independence and review the effectiveness of the Company's internal audit function and make a recommendation to the Board; ·Oversee the internal audit function; ·Oversee the preparation of sustainability-related reports and information included in them, unless this task is assigned to another committee; ·Oversee the framework for ensuring the Company's compliance with applicable legal and regulatory requirements and internal regulations of the Company (like the procedures for reporting breaches of the law or the Company's Code of Conduct), unless this task is assigned to another committee. 	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 2	Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by regular (at least annual) or ad-hoc reports to the Board.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 3	The Audit Committee should monitor the independence and objectivity of the external auditor. The Committee should approve a policy on the provision of permitted non-audit services by the external auditor in line with legal requirements and enforce implementation of that policy. Committee's findings regarding the independence of the external auditor should be disclosed in the annual report.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 4	The Audit Committee should discuss the annual audit work plan with the external auditor covering the scope and materiality of the activities to be audited. The audit committee should meet the external auditor as needed to discuss issues identified and to monitor the quality of the services provided.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 1	The Board should ensure that the internal audit has the authority, resources and procedures adequate to assist the Board in ensuring effectiveness and efficiency of the Company's risk management and internal control framework.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 2	To ensure fulfillment of the core functions of the internal audit function, the head of the function should be appointed by and report functionally directly to the Board via the Audit Committee, who shall be tasked with approving his/her appointment and dismissal. This is without prejudice to administrative reporting to the CEO and sharing information with the Company's executive management, in line with legal requirements and professional standards.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 3	The internal audit function should be established in line with applicable legal requirements and industry standards (e.g., Institute of Internal Auditors). The internal audit authority, composition, remuneration, annual budget, working procedures and other relevant matters shall be regulated in separate internal audit's internal regulation approved by the Board, following the recommendation of the Audit Committee.	X			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 4	The Audit Committee should agree an annual internal audit work plan with the internal auditor, receive internal audit reports, updates on key audit issues, monitor implementation of recommendations of the internal audit and provide necessary guidance.	X			
C: PERFORMANCE, MOTIVATION AND REWARD							
C: PERFORMANCE, MOTIVATION AND REWARD	C.1. Members of the Board shall receive remuneration corresponding to the volume and weight of powers and their responsibilities, rather than the performance of management or the Company. The structure and amount of director's remuneration should enable the Company to attract, retain and motivate the competent and qualified directors.	C.1., 1	Board members should receive remuneration, as per the Remuneration Policy of the Company. Members who also serve on Board committees should receive additional remuneration for this work. But in no circumstances should the remuneration be linked to the number of board or committee meetings.	X			
C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 1	The Board should determine the annual remuneration of the executive management, based on the recommendations of the Nomination and Remuneration Committee and in accordance with the Company's remuneration policy. The remuneration policy should be prepared in accordance with the relevant legal requirements.	X			
C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 2	Levels of remuneration for executive management members and key performance indicators taken into account when determining variable (performance-based) part of the remuneration should be set in advance and be measurable and appropriate in relation to the agreed strategy and risk appetite, the economic environment within which the Company operates, and the pay and conditions of employees within the Company. In particular, they should include indicators related to non-financial performance and appropriate sustainability objectives.	X			
C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 3	Company's shares and/or share purchase options should represent a significant part (e.g., not less than 10%) of the executive management member's total variable remuneration.	X			
D: DISCLOSURE AND INVESTOR RELATIONS							
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 1	The Company should make sure to provide accurate, complete and timely financial and operational information, including quarterly, half-yearly and annual reports, as well as current reports. Companies should ensure all relevant information is easily accessible to investors, including through the Company website and other public information sources, as the case may be.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 2	The Company is recommended to have an Investor Relations (IR) function and should appoint a dedicated person in charge of IR function. The contact details of the person or persons charged of the IR function shall be available on the Company's website. The IR function will report directly to the CEO/CFO, underscoring its significance within the Company's hierarchy and emphasizing its central role in managing and communicating the Company's capital market engagements and status. The Company should organise induction and regular training/courses, if needed, for the IR function, tailored to its specific needs and responsibilities.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The Company should include on its corporate website a dedicated Investor Relations section, with all relevant information of interest for investors, available both in Romanian and English.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: •Main corporate regulations: updated articles of association, GMS procedures, board's internal regulation and board committees' internal regulations.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: •List of current members of the Board, Board's Committees and executive management, providing an up-to-date information on independence status, professional CVs (containing at least: name, surname, gender, nationality, age; work experience by year, position and Company; studies, field of study and academic or professional institution granting the diploma), other professional commitments, including executive and non-executive Board positions in companies, not-for-profit institutions and state institutions; relationship with shareholders holding at least 5% of the voting rights/shares issued by the Company; the duration of the appointment of the members of the Board, the Committees and the executive management, specifying the date from which they were appointed.	X			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: •Current reports and periodic reports (quarterly, semi-annual and annual reports).	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: •Information related to GMS: the agenda, supporting materials and the decisions taken; procedure for running the GMS; the Nomination Policy; candidates' professional CVs (containing at least: name, surname, gender, nationality, age; work experience by year, position and Company; studies, field of study and academic or professional institution granting the diploma), as well as any other information presented at A.3.3; communication channel(s) for shareholders to address questions; answers to shareholders' questions related to the agenda; declarations of independence for board candidates and evaluations made by Nomination and Remuneration Committee/Board for candidates, including their compliance with independence criteria.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: •Information on Board evaluation, made as per Provision A.5.7, including evaluation criteria and process, as well as a summary result of the evaluation and actions that have been or will be undertaken as a result of the evaluation.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: •Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a timeframe that enables investors to make investment decisions.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: •Corporate policies, among which code of conduct, dividend policy, remuneration policy, forecast policy, policy for communication with investors, the corporate social responsibility (CSR)/sponsorship policy, policy for related parties' transactions, policy for diversity, equity and inclusion, and whistleblowing policy (if not already part of the Code of Conduct).	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 4	The Company should organise at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the Company website at the time of the meetings/conference calls.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 5	The Company should disclose the material and reportable non-financial and sustainability issues with emphasis on the disclosure of environmental, social and governance (ESG) issues of its business and operations in line with the recognized standard of sustainability reporting. The Company's sustainability statements shall be disclosed on its website.	X			Information regarding ESG aspects is presented in the Board of Directors' Report; the Company does not meet the criteria requiring it to prepare a Non-Financial Statement.
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 6	The Company should have a CSR/sponsorship policy to guide the activity in the area of supporting CSR activities and sponsorship.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 1	The Company should have a dividend policy as a set of directions the Company intends to follow regarding the distribution of net profit.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 2	The procedure for running the GMS should not restrict the participation of shareholders in GMS and the exercise of their rights. Amendments of the procedure for running the GMS should take effect, at the earliest, as of the next GMS.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 3	The external auditors should attend the shareholders' meetings where their reports are presented, in order to respond to shareholders' questions.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 4	The Board should present to the annual GMS a summary of the assessment of the adequacy and effectiveness of the risk management and internal control framework, as per the related information included in the annual report.	X			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 5	The Company should stimulate engagement with shareholders and investors by: •Encouraging active shareholder participation in GMS, like ensuring conditions for virtual participation. •Holding regular briefings and updates for investors, especially during significant corporate events. •Establishing channels for shareholders to provide feedback and ask questions, ensuring responses are timely and comprehensive.	X			
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 6	Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairperson of the Board. Accredited journalists may also participate in the GMS, unless the Chairperson decides otherwise.	X			
E: SUSTAINABILITY AND STAKEHOLDERS							
E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 1	The Board should ensure that sustainability, environmental and social considerations are integrated in the Company's strategy and operations, risk management and remuneration practices and shall oversee this integration. A specialised sustainability committee or one of the standing committees of the Board shall assist the Board with these tasks.	X			
E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 2	The Board should ensure that Company's operations run according to the national and international E&S standards and Company's E&S policies are consistent with its long-term objectives. In particular, the Company shall have internal acts relating to its responsibilities for environmental and social issues and policies and procedures that enable it to identify material factors and assess the impact on the Company's activities.	X			
E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 3	Whenever a decision to be approved by the Board has potential material and negative E&S impact, the Board should receive from the executive management (i) an analysis on how this decision is aligned with the Company's sustainability objectives and E&S policies or (ii) proposal of the measures to mitigate negative E&S impacts.	X			
E: SUSTAINABILITY AND STAKEHOLDERS	E.2. The Company should have in place a process for identifying the stakeholders affected by Company's operations. The Board should take into consideration stakeholders' interests and ensure there is active communication between the Company and its stakeholders.	E.2., 1	The Board should ensure that there is a formal stakeholder identification process for Company's stakeholders including investors, creditors, clients, employees and suppliers, as well as targeted approaches for engaging with its priority stakeholders.	X			
E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 1	The Board should develop a purpose statement and a vision statement as well as articulate Company's values, so the entire organisation understands the Company's strategic direction.	X			
E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 2	The Board should adopt a Code of Conduct for Board members, executive management and Company employees, with clear provisions aimed at preventing and sanctioning fraud and bribery. The Board should not permit any waiver of any ethics requirement by any director, executive manager or employee.	X			
E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 3	The Board should ensure that the Code of Conduct policies are integrated into Company's practices and incorporated into the onboarding process for new hires. The Board should ensure the efficient implementation and monitoring of compliance with the Code of Conduct and periodically review it.	X			

To: The Board of Directors of Electromagnetica SA

Request to terminate the Executive Director mandate

I, the undersigned Robert Stefan Ion, appointed as executive director based on the meeting of the Board of Directors of Electromagnetica SA dated 30.08.2024, hereby request the termination of the mandate contract with the agreement of the parties starting from 14.02.2025.

Signature,
Stefan Robert Ion

Date
13.02.2025



ELECTROMAGNETICA S.A.

Board of Directors

EXCERPT FROM THE DECISION

of the Board of Directors of 27.06.2025

The Board of Directors of Electromagnetica S.A. with headquarters in Bucharest, Calea Rahovei 266-268, sector 5, registered with the Trade Register Office attached to the Bucharest Tribunal under no. J1991000019408, C.U.I. 414118, meeting in the meeting of June 27, 2025, attended by the members of the Board of Directors: Sorin – Iulian Cioacă, Cristina – Gabriela Gagea, Mihai Trifu, Mihai Zoescu and Daniela Cucu, the vote being electronic, based on the rights conferred by the law and its own Articles of Incorporation,

Decides:

.....

5.1 Approves the termination of the mandate contract of Mrs. Cucu Daniela – Adi, from the position of Executive Director (General Manager) starting with July 1, 2025, the last day of the mandate being June 30, 2025.

.....

Chairman of the Board of Directors

Daniela Cucu



DECLARATION

**according to the provisions of Law no. 24/2017
regarding financial instruments issuers and market operations**

By this present document, we confirm that, to the best of our knowledge, the annual financial statements, prepared in accordance with the applicable accounting standards, provide a true and fair view of the assets, liabilities, financial position, and profit and loss account of Electromagnetica S.A., and that the Board of Directors' report includes a correct analysis of the Company's development and performance, as well as a description of the main risks and uncertainties specific to its operations.

We also confirm that:

- a) the accounting policies applied in the preparation of the separated annual financial statements are in accordance with the applicable accounting regulations;
- b) the separated annual financial statements give a true and fair view of the financial position, financial performance, and other information relevant to the Company's operations;
- c) the Company conducts its activities on a going concern basis.

**Chair of the Board
Daniela – Adi Cucu**

**General Manager
George – Alin Ștefan**

**Chief Accountant
Maria Gârzu**