

REGULATION FOR THE ORGANIZATION OF THE AUCTION OF THE ASSET

This Regulation establishes the stages, the way of organizing and carrying out the process of selling the asset owned by Electromagnetica S.A., at the address in Bucharest, Str. Veseliei, no. 19 (former Calea Ravohei, no. 266-268) Sector 5, respectively intra-urban land, with an area of 16,095 sqm, registered in the land book no. 203630 (no. old CF 11506), cadastral number 203630 (old cadastral no. 3273) and Building with no. cadastral 203630-C1 composed of: service dwelling with a built area of 60 sqm, a utility gallery with a built area of 319.90 sqm, an administrative body with a built area of 257.4 sqm and a hydrophore with an area of 63.60 sqm (hereinafter referred to as the "**Asset**").

The object of this Regulation is the sale of the Asset.

The asset has the basic sports legal regime, with all the consequences arising from this regime provided by the Law on Physical Education and Sport no. 69/2000 which the participants in the auction expressly assume.

I. PRINCIPLES

The principles underlying the selection of bidders and the award **of the Asset** put up for public auction for sale are the following:

- a) transparency, i.e. making available to all interested parties information regarding the application of the procedure for the sale **of the Asset**, owned by the Seller;
- b) equal treatment for all tenderers, meaning that all selection criteria are applied in a non-discriminatory manner;
- c) free competition, respectively ensuring the conditions for any candidate, Romanian or foreign natural or legal person, capable, according to the legislation, of acquiring immovable property on the territory of Romania, to have the right to participate in the auction organized for the sale of such goods;
- d) proportionality, meaning that a fair award procedure is defined and carried out in relation to bidders.

The sales process will consist of two stages:

1. Designation of the successful bidder/buyer of the Asset;

2. Conclusion of the contract of sale.

For the avoidance of doubt, this Tender procedure (including these Regulations and/or the Tender Notice and/ or the Tender Specifications) is not a bid, but a request for a bid, within the meaning of art. 1189 para. (1) of the Civil Code.

Neither the Auction Regulations and/ or the Auction Notice and/ or these Tender Specifications nor the auction minutes regarding the appointment of the Successful Bidder represent and cannot be interpreted either together or separately in the sense of a promise to conclude a sales contract or an option agreement or a unilateral promise by Electromagnetica SA to sell the Asset or in any similar sense.

According to art. 6 para. (1) of Law no. 312/2005 on the acquisition of the right of private ownership over land by foreign citizens and stateless persons, as well as by foreign legal persons, foreign citizens, stateless persons and legal persons belonging to third states may acquire the right of ownership over land, under the conditions regulated by international treaties, on the basis of reciprocity.

II. DEFINITIONS

AUCTION means competitive auction with call, i.e. the open sale procedure, by sending bids, in which an unlimited number of participants can participate, used for the transparency of the transaction and ensuring equal treatment between bidders, during the auction meeting the bidders having the right to bid by call in the established order an equal or higher price (an upward price);

SELLER or **ELECTROMAGNETICA S.A.**, with headquarters in Bucharest, Calea Rahovei no. 266 – 268, sector 5, registered at the Trade Register attached to the Bucharest Tribunal under no. J40/19/1991, having CUI RO 414118, and IBAN account no. **RO93BTRLRONCRT0317847001** opened at Banca Transilvania S.A.;

BIDDER – any natural or legal person, who wishes to acquire **the Asset** and who meets the conditions for participation in the auction established by these Regulations;

OBJECT OF THE AUCTION ("Asset") – The asset described in the Specifications, namely land within the built-up area of 16,095 sqm located in Bucharest, Sector 5, Str. Veseliei, no. 19 (former Calea Ravohei, no. 266-268), registered in the land book no. 203630 (no. old CF 11506), cadastral number 203630 (old cadastral no. 3273) and the building with no. cadastral 203630-C1 composed of: service dwelling with a built area of 60 sqm, a utility grandstand with a built area of 319.90 sqm, an administrative body for utilities with a built area of 257.4 sqm and a hydrophore with an area of 63.60 sqm, known as the Veseliei Sports Base;

SALES CONTRACT – finalized agreement concluded between the seller and the successful bidder which has as its object the transfer of the ownership right over the Asset described in the Tender Specifications, in the form annexed to the Tender Specifications, as Annex 4 (*Sale Contract authentic form*);

STARTING PRICE - the price requested by the seller for the AUCTION meeting, indicated in the Auction Regulations;

TENDER SPECIFICATIONS - includes the conditions for participation in the public auction organized for the sale of the Asset, respectively the sale announcement, the presentation of the Asset put up for sale, the right to bid by shouting in the established order, a price equal to or higher (an upward price);

WARRANTY - In order to protect the Seller from the risk of improper conduct by the auctioneer (for example, but not limited to, participating in the auction with the aim of influencing the sale price/participation in the auction without the intention of offering the starting price and/or concluding the contract, as well as any other act or fact contrary to the principle of good faith in negotiations, etc.), during the auction and until the conclusion of the sales contract, the auctioneer shall record a guarantee of participation in the auction under the conditions described in the tender specifications. At the written request of the participants in the Auction (except for the successful bidder), the Guarantee is refunded starting with the first working day following the resolution of the appeals or after the expiry of the deadline provided in the documentation for submitting appeals, if no appeals are registered.

The tender participation guarantee is EUR 500,000 (calculated at the NBR exchange rate on the date of payment). VAT is not included and applies according to the legal provisions.

A non-refundable participation fee of 10,000 lei is paid for participation in the auction, plus VAT. This is paid by bank transfer, to the account of the company ELECTROMAGNETICA S.A., IBAN account no. **RO93BTRLRONCRT0317847001** opened at Banca Transilvania S.A. The participation fee is not refunded at the end of the auction, regardless of the outcome of the auction.

Additional information about the Asset, visits, technical information, other information than the information mentioned in the Tender Specifications and/or made public by the ELECTROMAGNETICA S.A. website, can be requested only with proof of payment of the participation fee.

TENDER COMMISSION

- Mihai Odoviciuc - President;
- Maria Gârzu - Member,
- Chirilov Cristina Mirela - Member.

III. AUCTION ROUNDS

1. The auction will take place on 20.05.2026, 11:00 a.m. and 28.05.2026, 11:00 a.m., at the headquarters of ELECTROMAGNETICA S.A. in Bucharest, Calea Rahovei, no. 266-268, Sector 5 at the starting price requested by the seller, indicated in the Auction Regulations, brought to the attention of the bidder, being in the amount of EUR 2,000,000, which does not include VAT and which can be added according to the legal provisions. The price will be set in lei at the NBR exchange rate valid on the date of signing the sales contract, but not lower than the NBR exchange rate valid on the date of adjudication of the Asset.

If no bid is registered that meets the conditions for awarding, new Auction meetings will be organized, at the same location and in compliance with the initial conditions of participation, as follows:

No.	Date of the meeting	Starting price	Maximum term for concluding the Sale-Purchase Agreement
1.	20.05.2026, 11:00 a.m.	2.000.000 EUR	no more than 60 working days from the date of the auction meeting
2.	28.05.2026, 11:00 a.m.	2.000.000 EUR	no more than 60 working days from the date of the auction meeting

2. The successful bidder shall be responsible for the proper fulfilment of all the obligations provided by law in order to validly complete the sale, including for obtaining any and all necessary authorizations and approvals both internally and from the public authorities.

3. The qualification documents will be submitted/sent at least 2 working days before the date of the auction meeting according to the provisions of Chapter III of the Tender Specifications, at the headquarters of ELECTROMAGNETICA S.A. or at the email address juridic@electromagnetica.ro. If the documentation will be sent by email, it will be signed with a qualified electronic signature, according to the legal provisions.

4. If at the start of the auction there will be two or more participants declared qualified, the auction will start by call at a price equal to or higher (an upward price) than the starting price requested by the Seller, at the specified auction step of EUR 10,000 (VAT is applied according to the legal provisions).

If there is at least one participant who chooses to improve the submitted bid (by increasing the price), with a value at least equal to a multiple/multiples of the auction step (EUR 10,000), the participant who will offer the highest price will be declared the winner.

In the event that no participant declared qualified opts for the improvement of the submitted bid, the participant who, at a price offer equal to another participant, offers the best payment conditions according to the following criteria in order will be declared the winner:

- i.) The winner will be declared the first participant who offers the shortest payment term of the total award price;
- ii.) The winner will be declared the first participant registered in the AUCTION according to the lower number of participation (received according to Point VI.3).

If there is only one bidder who offers the minimum starting price, he is declared the winner, in the absence of other offers higher in value.

IV. PAYMENT TERMS

The bidder declared winner of the auction will make the payment for the equivalent value of the Asset by bank transfer. The Purchase Price will be paid as follows:

i) in a single tranche, namely:

Tranche	Percentage value of hammer price (%)	Payment deadline
	100%	Within a maximum of 5 working days from the date of conclusion of the Sales Contract, the Buyer will pay the remaining Price (i.e. the difference between the Price and the value of the warranty). Failure to pay the remaining price within the mentioned term allows the Seller to apply late payment penalties of (0.5% of the amount due for each day of delay) and allows the Seller to opt for any of the following remedies provided by law: activation of a commission agreement by which it will be able to terminate the Sales Contract as of right, with damages equal to the participation guarantee plus another 0.5% of the amount due for each day of delay, without the intervention of the courts and without any formality or the execution of the legal mortgage on the Asset from which the Seller will benefit according to art. 2386 item 1 of the Civil Code for the payment of the rest of the price and any possible late payment penalties, calculated until the date of issuance by the bailiff of the report of termination of the forced execution following the collection of the main claim by Electromagnetica S.A. NB: The seller may unilaterally decide to renounce the legal mortgage and/or to register it in the land register through the sale contract, if the successful bidder proves the approval of a bank financing in order to pay the price and if such a requirement is expressly imposed by the successful bidder's financing bank.
TOTAL (%)	100%	

V. ORGANIZATION OF THE AUCTION

The auction will be organized and conducted by ELECTROMAGNETICA S.A., as seller, through the auction commission, in compliance with the following rules by the bidders:

1. The tender organization regulations are brought to the attention of the bidders together with the Tender Specifications, on the website of ELECTROMAGNETICA S.A., www.electromagnetica.ro and <https://electromagnetica.ro/anunturi-licitații-vanzari> respectively. On 11.05.2026 and 12.05.2026, screenings will be organized at the location in Bucharest, Sector 5, 19 Veseliei Street (former Calea Ravohei, no. 266-268). Only people who have paid the participation fee to the AUCTION can participate in the viewings.
2. The submission of the qualification documents will be made according to the conditions and within the deadline provided in the Specifications, in a sealed envelope, with a letter of advance, at the headquarters of ELECTROMAGNETICA S.A. or in electronic format by email to juridic@electromagnetica.ro [address](#), in this case the documents being sent with a qualified electronic signature (according to the legal provisions) within the deadline described in Chapter III.
3. If no tender fulfilling the conditions for award is registered, a new round will be organised as detailed in Chapter III.
4. The documents that will be submitted by the bidders at the headquarters of ELECTROMAGNETICA S.A. or in electronic format by email to the juridic@electromagnetica.ro address are those specified in the Tender Specifications.

The absence of any of the requested documents or their presentation in breach of the conditions mentioned in the Tender Specifications, by the deadline for submitting the documents, for individuals or legal entities, entails the automatic disqualification (exclusion) from participation in the tender, as well as the exclusion of their bid.

Only people who accept the starting price of the auction will be able to participate in the auction. The auction will not take place if no potential buyer accepts the starting price.

In order to participate in the auction, bidders shall submit the documents provided by these Regulations and a Participation Guarantee which shall constitute part of the sale price. The Participation Guarantee in the amount of EUR 500,000 (VAT applies according to the legal provisions) (calculated at the NBR exchange rate on the date of payment) will be paid into the IBAN account no. **RO93BTRLRONCRT0317847001** opened at Banca Transilvania S.A., by payment order, the date of the transaction being at least 2 (two) working days before the date of the auction organization.

The return of the Participation Guarantee is made in accordance with the provisions of the Tender Specifications.

5. The auction will be organized at the headquarters in Bucharest, Calea Rahovei no. 266 – 268, sector 5, on 20.05.2026, 10:00 a.m. and 28.05.2026, 10:00 a.m. and is open only to participants declared

qualified. If no bid meets the conditions for awarding is registered on 18.05.2026, a new round will be organized, as detailed in Chapter III.

6. Bidders will comply with the regulations in force (legal or conventional) regarding the mandate of persons, the powers conferred by the internal decision-making bodies, but also any restrictions imposed by legislation or contract.

VI. CONDUCT OF THE AUCTION

On the occasion of the auction, the natural persons who participate in their own name or the natural persons who participate as representatives will legitimize themselves with the identity document of which a copy was submitted according to Chapter III of the Tender Specifications.

1. The auctions will take place at the place, on the date and time announced according to the schedule established in Chapter III, until the designation of a successful bidder (at a price at least equal to the minimum level related to the meeting at which the successful bidder submitted the bid).
2. The auction meeting is opened and led by the President of the auction commission, who announces the manner of the auction, presents the object of the auction (the asset described in the tender specifications) and the minimum starting price of the auction. The auction commission finds the registration/non-registration of the documents required to participate in the auction by the deadline specified for the respective auction.
3. In the event that, by the deadline for submission of bids, no bid that meets the qualification conditions is registered, a report will be drawn up which will include, at least, the place, date and time when the auction was held, the composition of the auction commission and the fact that no purchase bid has been registered, by the deadline, which should include all the necessary documents. Also, in these minutes of the auction meeting, it will be explicitly specified that a new auction round will be organized for the next date and at the minimum price related to it, according to the schedule provided for in Chapter III.
4. In the first round of the tender in which at least one potential bidder participates (the tender meetings being presented in Chapter III), the President shall ensure that each bidder has understood the procedure for carrying out the tender (by signing an express declaration in this regard). Before the start of the auction meeting, the admitted bidders are handed coupons with increasing identification numbers, in the order of submitting the documents for participation in the auction.
5. The Chairman of the Auction Committee will announce that the only guarantee offered by the Seller is that he is the owner of the Asset and has the right to sell it. The successful bidder assumes, by purchasing at the award price, all the responsibilities imposed under the law and the Tender Specifications;
6. Bidders can increase the prices offered by filling out a form, within an auction round of up to 5 minutes. In an auction round, the new prices are higher by at least one auction step (an auction step has a value

of €10,000 to which VAT is applied according to the legal provisions) than the maximum price offered by any of the bidders in the previous round. At the end of each auction round, the participants are notified of the new prices offered, after which a new auction round begins. The auction continues until there is no further change in the offered price during a round. Only the bid that meets all the conditions for participation and has offered the highest price (which is greater than or equal to the amount from which the Auction starts) will be declared as the winner;

7. The award of the tender shall be made in accordance with the criteria set out in Chapter III, point 4.
8. Bidders who no longer wish to continue participating in the bidding procedure, respectively those who withdraw, will explicitly announce this fact and will refrain from any subsequent remarks or observations during the auction, otherwise they will be evicted from the auction room. The waiver will be explicitly recorded in the minutes of the auction.
9. In the room where the auction will actually take place, only natural bidders, persons who have full powers to represent the legal entity or their proxies/intermediaries depending on the situation are admitted. The Commission has the right to stop the tender in case of suspicion of the conduct of the bidders.
10. The president of the auction commission shall notify the successful bidder, declare the auction meeting closed, after which the award report shall be drawn up, signed by the members of the auction commission and by the bidders in accordance with the provisions of the Tender Regulation and the Tender Specifications. The refusal of a bidder to sign the award report will be expressly recorded and does not affect its validity.
11. The conclusion of *the Sale-Purchase Agreement* as well as the transfer of the ownership right over the Asset will be made in compliance with the conditions of the Tender Specifications.
12. All expenses related to the disposal of the Asset, including the fees and fees of the notary public, as well as the fees related to the registration of the property right at OCPI Bucharest – Cadastre and Real Estate Advertising Office Sector 5 and bank commissions, will be borne by the buyer.
13. The provisions of chap. III point 2 above shall be applied accordingly.

VII. INCIDENT. APPEALS

Any incidents and/or appeals will be resolved in accordance with the provisions of the Tender Specifications.

The contract for the sale and purchase of the Asset shall be concluded in authentic form, within no more than 60 working days from the date of signing the award report. Failure of the winning bidder to appear at the headquarters of the notary public indicated in the invitation sent by the seller for the signing of *the Sale-Purchase Contract*, on the date and place mentioned in the invitation sent to the email address indicated by the bidder (date that complies with the deadline of 60 working days from the date of signing the award

report provided for in the regulation) or, although presented, refuses, for any reason, to sign the sale-purchase agreement or does not pay the price as mentioned in the award report, it is considered as a waiver by the latter of the awarded Asset and, implicitly, of the guarantee of participation in the auction and of any other advance paid. In this case of non-attendance of the winning bidder for the signing of the sale-purchase contract, but also for the non-signing of the sale-purchase contract by him for any reason or non-payment of the price as mentioned in the award report/sale-purchase contract, the guarantee for participation in the auction and any other advance paid shall not be returned to the winning bidder, being retained as damages by the Seller.

The rights and duties of the parties are established by the *Sale-Purchase Agreement*.

The provisions of chap. III point 2 above shall be applied accordingly.

VIII. FREEDOM TO TERMINATE/CANCEL THE TENDER

1. The SELLER may terminate/cancel/suspend/terminate, by simple will, the auction, at any time until the date of signing the auction minutes with the successful bidder. In this case, it is not bound by any obligation other than that of returning the guarantee, except when the cancellation of the tender is made after the award, if the winning bidder does not conclude *the Sale-Purchase Agreement* within the agreed term, as provided in the Tender Specifications. Any other effects of the tender procedure shall not apply to it.
2. If the SELLER chooses to terminate the auction, it may restart a new auction procedure on the same Asset at any time.