



12/31/2025

Annual consolidated financial statements for the financial year 2025

Statements prepared in accordance with
International Accounting Standards



AAGES S.A.

AGRICULTORILOR STREET NO. 16, SÂNGEORGIU DE
MUREȘ, MUREȘ COUNTY

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I. CONSOLIDATION STATEMENT OF FINANCIAL POSITION

/ RON /

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	As of 01.01.2025	As of 31.12.2025	Note
A. Long-term assets, total, of which	22.797.863	25.309.026	Note 2
1. Intangible assets	5.070.351	5.064.040	
2. Tangible fixed assets	17.727.512	20.242.685	
3. Financial assets	-	2.301	
B. Current assets, total, of which	34.976.929	32.437.185	Note 3
1. Inventories	15.125.787	17.418.307	3.1
2. Trade receivables and similar	5.157.269	3.501.556	3.2
3. Deposits, treasury certificates and bonds	1.111.268	1.141.917	3.3
4. Cash and cash equivalents	13.582.605	10.375.405	3.4
C. Advance expenses	194.023	142.905	Note 5
TOTAL ASSETS	57.968.815	57.889.116	
D. Short-term Liabilities	7.832.302	7.344.795	Note 4
1. Short-term bank loans	-	-	
2. Trade payables, advances received and payable effects	6.158.806	6.246.020	
3. Amounts due to associated and jointly controlled entities	-	-	
4. Other payables	1.673.496	1.098.775	
E. Long-term Liabilities	1.006.226	1.019.700	Note 4
1. Long-term bank loans	994.820	1.019.700	
2. Trade payables, advances received and payable effects	-	-	
3. Amounts due to associated and jointly controlled entities	-	-	
4. Other payables	11.406	-	
TOTAL LIABILITIES	8.838.528	8.364.495	
F. Provisions	411.461	310.941	Note 6
G. Advance income	475.445	445.983	Note 5
H. Capital and reserves	48.243.381	48.767.697	Note 7
1. Registered capital	2.000.000	2.000.000	
2. Adjustments related to registered capital	706.342	706.342	
3. Rezerve din reevaluare	1.016.124	1.006.984	
4. Reserves	749.253	731.144	
5. Own shares	310.506	205.349	
6. Result related to equity instruments	-	-	
7. Reported result	44.082.168	44.528.576	
8. Minority interests	-	-	
Total capital attributable to Group owners	48.243.381	48.767.697	
Total capital attributable to Minority interests	-	-	
TOTAL EQUITY AND LIABILITIES	57.968.815	57.889.116	
Gross dividends distributed	2.300.000	3.000.000	
Gross dividends per share	0,23	0,30	

II. CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURE

/ RON /

CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURE	01.01.2024	01.01.2025	Note
	31.12.2024	31.12.2025	
Total operational income, of which:	59.445.756	40.757.647	
<i>Net turnover</i>	61.564.781	37.047.378	
<i>Income related to the cost of production in progress</i>	-3.057.104	3.540.394	
<i>Other operating income</i>	938.079	169.875	
Total operational expenses, of which	46.086.181	36.871.698	
<i>Expenditure on raw materials, consumables, commodities</i>	22.223.346	15.152.041	
<i>Staff expenditure</i>	17.226.763	16.265.440	
<i>Value adjustments on tangible and intangible fixed assets</i>	634.724	710.803	
<i>Value adjustments on current assets</i>	-159.743	79.810	
<i>Other operating expenses</i>	6.024.973	4.729.136	
<i>Adjustments to provisions</i>	136.118	-65.532	
Operational result	13.359.575	3.885.949	Note 8
Financial income	109.762	400.667	
Financial expenses	461.665	198.183	
Financial result	-351.903	202.484	
Total income	59.555.518	41.158.314	
Total expenses	46.547.846	37.069.881	
Result before tax	13.007.672	4.088.433	
Current income tax	1.742.512	597.272	Note 11
Deferred income tax	-4.387	77.104	Note 12
Net result attributable to Group owners	11.269.547	3.414.057	
<i>Net result attributable to minority interests</i>	-	-	
Total net result	11.269.547	3.414.057	
Other Comprehensive Result items that will not be reclassified to the Profit and Loss Account			
Revaluation result attributable to owners	-9.140	-9.140	
Deferred tax for other comprehensive result items attributable to owners	-1.461	-1.464	
Other comprehensive result items attributable to owners	-10.601	-10.604	
<i>Other comprehensive result items attributable to minority interests</i>	-	-	
Total other comprehensive result items	-10.601	-10.604	
Comprehensive result attributable to owners	11.258.946	3.403.453	
<i>Comprehensive result attributable to minority interests</i>	-	-	
Total comprehensive result	11.258.946	3.403.453	
No. of shares	10.000.000	10.000.000	
Basic and diluted result per share expressed in RON/share	1,13	0,34	

III. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

/ RON /

SCMCP (RON)	Registered Capital	Legal and other reserves	Revaluation reserves	Reported result	Own shares	Result related to equity instruments	Capital attributable to owners	Minority interests	Total capital and reserves
As of 01.01.2025	2.706.342	749.253	1.016.124	44.082.168	310.506	-	48.243.381	-	48.243.381
Current year profit	-	-	-	3.414.057	-	-	3.414.057	-	3.414.057
Deferred tax	-	-	-	-1.464	-	-	-1.464	-	-1.464
Other comprehensive result items	-	-	-9.141	-	-	-	-9.140	-	-9.140
Total comprehensive result	-	-	-9.141	3.412.593	-	-	3.403.453	-	3.403.453
Dividend distributions	-	-	-	-3.000.000	-	-	-3.000.000	-	-3.000.000
Capital Change	-	-	-	-	-	-	-	-	-
Profit/Loss from ICP	-	-	-	-	-105.157	-	105.157	-	105.157
Revaluation surplus	-	-	-	9.140	-	-	9.140	-	9.140
Other changes	-	-18.109	1	24.675	-	-	6.566	-	6.566
As of 31.12.2025	2.706.342	731.144	1.006.984	44.528.576	205.349	-	48.767.697	-	48.767.697

IV. CONSOLIDATED CASH FLOW STATEMENT

Cash Flow Statement	Consolidation at	
	01.01.25	31.12.25
Current result before interest and tax	13.007.672	4.088.433
Net Current Result	11.269.547	3.414.057
Interest expenses	351.947	2.788
Interest revenues	-3.444	-2.840
Income tax expenses	1.738.125	674.376
Dividend income	-	-
Depreciation expenses	634.724	710.803
Variation in provisions	134.412	-100.520
Variation in inventory adjustments	-	-
Variation in adjustments related to receivables	-232.760	-1.268.687
Variation in reserves	157.582	-27.249
Variation in other non-monetary items	-182.363	32.351
Total value of non-monetary items	13.867.770	3.435.079
Inventories	5.796.227	-2.292.520
Trade receivables	3.048.264	2.924.400
Advance expenditures	-85.490	51.118
Operational liabilities	-3.103.598	-184.025
Distributed dividends	-2.300.000	-3.000.000
Income tax paid	-1.490.218	-944.638
Advance incomes	-35.150	-29.462
Cash flow from operating activities	1.830.035	-3.475.127
Intangible and tangible assets	-7.238.011	-3.219.665
Financial assets	-	-2.301
Short term investments	943.655	-30.649
Interest revenues	3.444	2.840
Dividend receipts	-	-
Cash flow from investing activities	-6.290.912	-3.249.775
Financial debts	-12.039.633	-19.746
Equity and adjustments related to equity	-	-
Interest expenses	-351.947	-2.788
Capital premiums	-	-
Own shares and ICP-related result	-113.624	105.157
Cash flow from financing activities	-12.505.204	82.623
Cash variation	-3.098.311	-3.207.200
Initial balance	16.680.916	13.582.605
Final balance	13.582.605	10.375.405

V. EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MAIN ACCOUNTING POLICIES

1.1 Declaration of Conformity

The financial statements presented have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

Standards which are not yet adopted by the European Union and which have been adopted but have not yet come into force do not have a significant impact on the Group's reported financial statements.

1.2 General Information

a) The Reporting Entity

The Company Aages SA was established in 1991 as a limited liability company and was registered with the Trade Register under number J26/577/1991, with the TIN/VAT code 1196550. Its registered office is in Sângeorgiu de Mureș, 16 Agricultorilor Street.

The Company's main object of activity is the manufacture of electric motors, generators and transformers - CAEN code 2711.

As of the balance sheet date the subscribed registered capital is RON 2,000,000, consisting of 10,000,000 shares with a nominal value of RON 0.2 each. The share structure is presented in Note 6.1.

At the end of the completed 2023 financial year, AAGES SA directly owned the subsidiary Electroterm SRL, thus forming the AAGES Group. The participation share in this subsidiary starting with 20.05.2024 has changed from 50% to 100%.

Electroterm SRL was founded in 1991 as a limited liability company and was registered with the Trade Register under number J26/2168/1991, with the TIN/VAT code 1196615. Its registered office is in Sângeorgiu de Mureș, 16E Agricultorilor Street.

The Company's main object of activity is the manufacture of electric motors, generators and transformers - CAEN code 2711.

In In 2016, on the basis of the AGM Resolution no. 005-2016/07.10.2016, the company Aages SRL was transformed into a joint-stock company and increased its share capital from RON 460,000 to RON 2,000,000.

On 19.06.2017, the company Aages SA was listed on the Bucharest Stock Exchange. On this date the Company's shares were admitted to trading on the spot regulated market administered by the Bucharest Stock Exchange (BVB), Standard category, with the trading symbol “AAG”. The listing of the Company was performed through a public offer initiated by SSIF GOLDRING SA, a member of the National Securities Commission, by selling 1,500,000 shares held by the selling shareholders.

b) Bases for the preparation of the financial statements

The financial statements have been prepared in accordance with Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards.

The financial statements comprise:

1. Statement of financial position
2. Statement of income and expenditure
3. Statement of changes in equity
4. Cash flow statement
5. Significant accounting policies and explanatory notes to the quarterly financial statements.

These financial statements are intended to present the financial position, the results of operations and a complete set of notes to the financial statements in accordance with the accounting rules and principles set out in IFRS.

The Company is required to prepare individual and consolidated half-yearly financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) for the current financial year, which will be published in accordance with the provisions of the legislation in force.

The financial statements have been prepared based on the going concern principle. The financial statements are prepared on the basis of statutory accounting records kept in accordance with the Romanian accounting principles, adjusted for the transition to IFRS as adopted by the European Union.

Bases for consolidation:

During 2024, AAGES SA acquired full control over Electroterm SRL, increasing its holding from 50% to 100% of its share capital. The consolidated financial statements incorporate the financial statements of the companies Aages SA and Electroterm SRL. All transactions within the Group, balances, income and expenditure are completely removed from the consolidation.

Minority interests in the net assets of the subsidiary are identified separately from the Group's equity.

c) Reporting Currency

The financial statements have been prepared and expressed in RON.

d) Functional Currency

The functional currency is the local currency of the entity, namely RON.

e) Determinarea valorii juste

In determining the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised within the different levels of the fair value hierarchy based on the input data used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: input data, other than quoted prices included in Level 1, that are observable for an asset or liability, either flow (e.g. prices) or indirectly (derived from prices);
- Level 3: input data for an asset or liability that is not based on observable market data (unobservable input data).

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period in which a change has occurred.

If the carrying amount is a reasonable approximation of fair value, then financial assets and financial liabilities are not measured at fair value.

f) Foreign currency transactions

The Group's foreign currency transactions are recorded in accordance with IAS 21. The exchange rates used are those communicated by the National Bank of Romania ("NBR") for the transaction date, included in Note 13. Foreign currency balances are converted into RON at the exchange rates communicated by the NBR for the balance sheet date. Earnings and losses arising from the settlement of foreign currency transactions and from the conversion of monetary assets and liabilities denominated in foreign currency are recognised in the profit and loss account, within the financial result.

1.3 Significant Accounting Policies and Methods

In the process of applying the Company's accounting policies, the Management has not made significant assumptions other than those involving estimates of adjustments for receivables that have a significant effect on the amounts in the financial statements. The accounting policies are consistently applied to all periods presented in the financial statements prepared in accordance with IFRS.

(a) Tangible Fixed Assets

(i) Own Assets

Fixed assets are stated in compliance with IAS 16 at cost less accumulated depreciation and impairment losses. The exception is land and buildings for which the revaluation method is used. In this latter case, whenever a significant difference in value between the carrying amount of fixed assets and their fair value is identified, they are revalued.

(ii) Leased Assets

Financial Leases

Leases in which the Company assumes all the risks and rewards of ownership are classified as financial leasing. Fixed assets acquired under financial leasing are stated at the lower of market value and present value of future payments, less accumulated depreciation and impairment losses. Leasing payments are recorded in accordance with IFRS 16, Leases.

(iii) Subsequent maintenance and repair expenditure

Expenditures on the repair or maintenance of fixed assets incurred to restore or maintain the value of such assets is recognised in the profit and loss account on the date they are incurred, while expenditure incurred for the purpose of improving technical performance is capitalised and depreciated over the remaining depreciation period of the said fixed asset.

(iv) Depreciation

Tangible fixed assets are depreciated in accordance with IAS 16 using two methods: the revaluation method for land and buildings and the cost method for other fixed assets. Depreciation starts with the month following the date of acquisition or the date of commissioning, as appropriate, using the expected service life. Fixed assets under construction and land are not depreciated.

The depreciation periods used are as follows:

- Buildings and constructions 15-50 years
- Equipment and machinery 3-5 years
- Means of transport 4-6 years
- Furniture and office equipment 5-9 years

Depreciation is recognised in the profit and loss account based on the linear method over the expected service life.

(v) Sale/disposal of tangible fixed assets

Tangible fixed assets that are scrapped or sold are removed from the balance sheet together with the related accumulated depreciation. Any gain or loss arising from such an operation is included in the current profit and loss account.

(vi) Assets sold and leased

The transaction of selling and leasing the same asset under a financial lease is treated as a financing transaction and the asset is maintained in the patrimony.

(b) Intangible Assets

Intangible assets acquired by the Group are stated in the financial statements in accordance with IAS 38 Intangible Assets using the cost method less impairment losses (see accounting policy, "Impairment of Assets").

Depreciation is recognised in the profit and loss account based on the linear method over the expected service lives of the intangible assets.

The majority of the intangible assets recorded by the Company are dedicated software. They are depreciated on a straight-line basis over 1 year, except for the management software which is depreciated over 3 years.

(c) Investment Property

Under IAS 40, investment property is immovable property held for the purpose of earning rental income or for the increase of the capital value and not for use in the production or supply of goods or services, or for administrative purposes, or to be sold in the ordinary course of business. Investment property is measured at fair value and is not depreciated! Fair value is determined at the end of each financial year and any valuation differences are charged directly to the income or expenses of the financial year.

(d) Inventories

Inventories are stated in accordance with IAS 2 Inventories. They are recognised at the lower of cost and net realisable value.

Net realisable value is the selling price expected to be obtained in the ordinary course of business less sales-related costs.

The cost of inventories is based on the First In First Out (FIFO) principle. Cost of finished goods and work in progress includes materials, workforce and related indirect production costs. Where necessary, adjustments are made for slow-moving, physically or morally worn inventories. Net realisable value is estimated on the basis of the selling price less completion costs and selling expenses.

(e) Trade receivables and other receivables

Trade receivables are recorded at their nominal value less adjustment for impairment of such receivables. An adjustment for impairment of trade receivables is provided where there is objective evidence that the Company will not be able to collect all amounts when originally due. The provisions of IAS 36 Impairment of Assets apply. For all receivables from customers that are considered doubtful, 100% adjustments on the value of such receivables are calculated and recorded in the accounting records.

(f) Cash and cash equivalents

Cash and cash equivalents are shown in the balance sheet as cost. For the cash flow statement, cash and cash equivalents comprise cash on hand, bank accounts, short-term financial investments with a maturity of less than 3 months, other amounts and net of overdrafts in the balance sheet. The overdraft is shown under liabilities due within one year - amounts due to credit institutions.

(g) Impairment of assets

Tangible fixed assets and other long-term assets are reviewed in accordance with IAS 36 Impairment of Assets to identify impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment loss is the difference between the carrying amount and the recoverable amount. Assets are carried at less than or equal to their recoverable amount.

(h) Dividends

Dividends are recognised as liability in the period in which their distribution is approved.

(i) Loans

Short-term and long-term loans are initially recorded at the amount received, net of transaction costs. The short-term portion of long-term loans is classified under "Liabilities: amounts due within one year" and included with accrued interest on the balance sheet date under "Amounts due to credit institutions" within current liabilities.

(j) Suppliers and Other Payables

Trade payables are recorded at the value of the amounts to be paid for goods or services received.

(k) Lease Liabilities

Financial Leases

According to IFRS 16 Leases are an arrangement whereby the lessor assigns to the lessee, in return for a payment or series of payments, the right to use an asset for a fixed period of time. Leasing transactions whereby the Company assumes substantially all the risks and rewards of ownership of an asset are classified as financial leases. Financial leases are capitalised at the estimated present value of payments. Each payment is split between the principal and interest element to achieve a constant interest rate over the repayment period. Amounts due are included in short-term or long-term liabilities. The interest element is stated in the profit and loss account for the duration of the contract. Assets defined under financial leases are capitalised and depreciated over their expected service life.

(l) Revenue Recognition

IFRS 15 Revenue from Contracts with Customers applies. Revenue relates to goods sold and services provided. Revenue from the sale of goods is recognised when the Company has transferred to the buyer the principal risks and rewards of ownership of the goods, which is usually the time of delivery. Revenue from services provided is recognised on a stage of completion basis, as a percentage of the total revenue relating to the service contract, the percentage being determined by reference to the ratio of the total services to be provided to the services provided until the balance sheet date. Royalty income is recognised based on the principles of accrual accounting in accordance with the economic substance of the related contracts. Interest income is recognised periodically on a pro rata basis, as the income is generated, based on the principles of accrual accounting.

(m) Financial Result

The financial result includes expenses/income on exchange rate differences, interest payable on credits or other loans and interest receivable on bank current accounts. The principle of separation of financial years is followed for the recognition of these types of expenses and income.

(n) Income Tax

The Group records current income tax based on the taxable profit from tax reporting, according to the relevant Romanian legislation. Deferred tax is calculated in accordance with IAS 12 Income Taxes.

(o) Estimates

The preparation of financial statements in conformity with IFRS requires the Group's Management to make estimates and assumptions that affect the reported values of assets, payables and equity, the disclosure of contingent assets and liabilities on the date of the financial statements and the reported income and expenses for that period. Although such estimates are made by the Company's Management on the basis of the best information available on the date of the financial statements, actual results may differ from those estimates.

(p) Pensions and Other Post-Retirement Benefits

In normal course of business, the Group pays taxes to the State for its employees. All employees of the Company are members of the Romanian Pension Fund. The Group's policy includes another retirement scheme, employed people over 45 years of age (25 persons) benefit from a supplementary private pensioantag. At the same time, according to Article 109 of the Collective Labor Agreement, the company offers other benefits to its employees on the date of retirement.

Turnover

Cifra de afaceri reprezintă sumele facturate și de facturat, nete de TVA și rabaturi comerciale, pentru bunuri livrate sau servicii prestate terților.

(q) Operating expenses

Operating expenses are recognised during the period to which they relate.

NOTE 2. LONG TERM ASSETS

Consolidated Values	Gross Values			Final balance
	Initial balance	Input	Output	
I. Intangible assets¹	5.472.099	2.316	84.956	5.389.459
1. Development expenditure	-	-	-	-
2. Concessions, licences and other intangible assets	412.891	2.316	84.956	330.251
3. Goodwill	5.059.208	-	-	5.059.208
4. Advances	-	-	-	-
II. Tangible fixed assets	23.788.068	3.843.516	709.777	26.921.807
1. Land and land development ²	2.801.939	-	-	2.801.939
2. Constructions ³	9.383.020	-	-	9.383.020
3. Technical installations and machinery ⁴	9.615.373	52.096	55.798	9.611.671
4. Other installations, machinery, furniture ⁵	142.934	2.768	6.465	139.237
5. Investment property ⁶	600.109	-	-	600.109
6. Tangible fixed assets under construction ⁷	597.179	3.788.652	-	4.385.831
7. Investment property under construction	-	-	-	-
8. Advances for tangible fixed assets	647.514	-	647.514	-
III. Productive biological assets	-	-	-	-
IV. Financial fixed assets	-	2.301	-	2.301
1. Other fixed assets	-	-	-	-
2. Other fixed receivables	-	2.301	-	2.301
A. LONG-TERM ASSETS	29.260.167	3.848.133	794.733	32.313.567

Consolidated Values	Depreciation			Final balance
	Initial balance	Input	Output	
I. Intangible assets¹	401.748	8.626	84.955	325.419
1. Development expenditure	-	-	-	-
2. Concessions, licences and other intangible assets	401.748	8.626	84.955	325.419
3. Goodwill	-	-	-	-
4. Advances	-	-	-	-
II. Tangible fixed assets	6.060.556	680.429	61.863	6.679.122
1. Land and land development ²	22.120	3.040	-	25.160
2. Constructions ³	476.669	77.588	-	554.257
3. Technical installations and machinery ⁴	5.466.176	584.134	55.598	5.994.712
4. Other installations, machinery, furniture ⁵	95.591	15.667	6.265	104.993
5. Investment property ⁶	-	-	-	-
6. Tangible fixed assets under construction ⁷	-	-	-	-
7. Investment property under construction	-	-	-	-
8. Advances for tangible fixed assets	-	-	-	-
III. Productive biological assets	-	-	-	-
IV. Financial fixed assets	-	-	-	-
1. Other fixed assets	-	-	-	-
2. Other fixed receivables	-	-	-	-
A. LONG-TERM ASSETS	6.462.304	689.055	146.818	7.004.541

Consolidated Values	Adjustments			Final balance
	Initial balance	Input	Output	
I. Intangible assets¹	-	-	-	-
1. Development expenditure	-	-	-	-
2. Concessions, licences and other intangible assets	-	-	-	-
3. Goodwill	-	-	-	-
4. Advances	-	-	-	-
II. Tangible fixed assets	-	-	-	-
1. Land and land development ²	-	-	-	-
2. Constructions ³	-	-	-	-
3. Technical installations and machinery ⁴	-	-	-	-
4. Other installations, machinery, furniture ⁵	-	-	-	-
5. Investment property ⁶	-	-	-	-
6. Tangible fixed assets under construction ⁷	-	-	-	-
7. Investment property under construction	-	-	-	-
8. Advances for tangible fixed assets	-	-	-	-
III. Productive biological assets	-	-	-	-
IV. Financial fixed assets	-	-	-	-
1. Other fixed assets	-	-	-	-
2. Other fixed receivables	-	-	-	-
A. LONG-TERM ASSETS	-	-	-	-

Consolidated Values	Net Value	
	Initial balance	Final balance
I. Intangible assets¹	5.070.351	5.064.040
1. Development expenditure	-	-
2. Concessions, licences and other intangible assets	11.143	4.832
3. Goodwill	5.059.208	5.059.208
4. Advances	-	-
II. Tangible fixed assets	17.727.512	20.242.685
1. Land and land development ²	2.779.819	2.776.779
2. Constructions ³	8.906.351	8.828.763
3. Technical installations and machinery ⁴	4.149.197	3.616.959
4. Other installations, machinery, furniture ⁵	47.343	34.244
5. Investment property ⁶	600.109	600.109
6. Tangible fixed assets under construction ⁷	597.179	4.385.831
7. Investment property under construction	-	-
8. Advances for tangible fixed assets	647.514	-
III. Productive biological assets	-	-
IV. Financial fixed assets	-	2.301
1. Other fixed assets	-	-
2. Other loans	-	2.301
A. LONG-TERM ASSETS	22.797.863	25.309.026

⁽¹⁾ The Group owns intangible assets consisting of software needed in production, such as for mechanical and electrical design, etc. Goodwill - resulting from consolidation procedures - represents the difference between the value of the shareholdings registered with the parent company Aages in the subsidiary Electroterm and the value of the shares of the parent company Aages shown in the registered capital of the daughter company Electroterm. According to the Board Decision no. 3 dated May 16, 2024, Aages SA acquires the shares of Electroterm SRL held by Aages Headinvest SRL in the proportion of 44.99%, respectively the 5.01% held by Molnár Gábor József. On 20.05.2024, the action was finalized, thus following the transfer AAGES SA holds all 8750 shares, representing 100% of the share capital.

- (2) Lands and land development: gross value RON 2.801.939 RON, of which:
- a. Built-up area land with a total surface of 5,077 sqm, located in Sângeorgiu de Mureş, 16 Agricultorilor Street, Land Registry no. 51411, old Land Registry no. 4665/N, cadastral no. 51411;
 - b. Build-up area land with a total surface of 2,707 sqm, located in Sângeorgiu de Mureş, 16E Agricultorilor Street, Land Registry no. 5442/N, cadastral no. 51592, owned by the company Electroterm SRL;
 - c. A 4,278 sqm share of built-up area land with a total surface of 5,134 sqm, located in Sângeorgiu de Mureş, Agricultorilor Street, old Land Registry no. 5647/N, cadastral no. 1174, owned by the companies Aages SRL and Electroterm SRL;
 - d. A 750 sqm share of built-up area land with a total surface of 900 sqm, located in Sângeorgiu de Mureş, old Land Registry no. 5648/N, cadastral no. 1175, owned by the companies Aages SRL and Electroterm SRL;
 - e. A 532 sqm share of built-up area land with a total surface of 798 sqm, located in Sângeorgiu de Mureş, 16E Agricultorilor Street, old Land Registry no. 2950/N, cadastral no. 84/4;
 - f. Land development – parking RON 62,654;
 - g. Land development – outdoor platform RON 26,178;
 - h. Build-up area arable land of 6,166 sqm, cadastral no. 53020, located in Sângeorgiu de Mureş, 16 Agricultorilor Street;
 - i. An inner-city arable land of 788 sqm, cadastral no. 56156, located in Sângeorgiu de Mureş, worth RON 175.437;
 - j. An inner-city arable land of 788 sqm, cadastral no. 56158, located in Sângeorgiu de Mureş, worth RON 222.557.
- (3) Constructions: gross value RON 9.383.021 RON, of which:
- a. Production hall no. I located in Sângeorgiu de Mureş, 16 Agricultorilor Street, amounting to RON 1,514,446;
 - b. Production hall no. II located in Sângeorgiu de Mureş, 16 Agricultorilor Street, amounting to RON 3,412,648;
 - c. Industrial hall located in Sângeorgiu de Mureş, 16E Agricultorilor Street amounting to RON 984,670;
 - d. Production hall located in Sângeorgiu de Mureş, 16E Agricultorilor Street, amounting to RON 400,366;
 - e. Production hall no. III located in Sângeorgiu de Mureş, Agricultorilor Street, amounting in total to RON 3,036,353, commissioned during 2020;
 - f. Light construction, ATEs storage space, located in Sângeorgiu de Mureş, Agricultorilor Street, amounting in total to RON 22,104;
 - g. Light construction, storage space metal shack worth RON 12.434.

The following tangible fixed assets have been mortgaged in favour of **BRD – Groupe Societe Generale SA** in order to guarantee a framework credit agreement in the form of a global multicompany, multioption and multicurrency funding ceiling (see Note 4. Liabilities):

- a) Land with a total surface of 5,077 sqm, on which a Gatekeeper's Cabin and an Industrial Production Hall were built, located in Sângeorgiu de Mureş, 16 Agricultorilor Street, registered with Land Registry no. 51411/Sg. de Mureş, owned by AAGES SA.
 - b) Acces road with a surface of 798 sqm, located in Sângeorgiu de Mureş, Agricultorilor Street, Land Registry no. 2950/N/Sg. de Mureş, under cadastral no. 84/4, owned by Aages SA, Aages HTC SRL, Electroterm SRL, each for a 1/3 share of the land.
 - c) Land with a total surface of 5,223 sqm and future construction, registered with Land Registry no. 50847/Sângeorgiu de Mureş, owned by AAGES SA.
 - d) Land with a surface of 900 sqm and future construction, registered with Land Registry no. 50899/Sângeorgiu de Mureş (access road for future construction), owned by AAGES SA.
- (4) During 2024 financial year, technical installations and machinery were purchased, among which the most significant are: digital multimeters and office equipment; no disposals of fixed assets were recorded.
- (5) Other installations, equipment, furniture recorded an increase due to purchases of mobile phones needed by technical staff.

- (6) Investment property amounting to RON 600,109 are those fixed assets which are not used by the Company in its production or administrative activity, but are used to obtain rental income and to increase the capital value. The Company has chosen the fair value model. The values were determined following a valuation carried out as of 31 December 2016. This category includes::
- Built-up area land with a total surface of 250 sqm, located in Tg. Mureş, 27 Borsos Tamás Street, Land Registry no. 129391, Tg. Mureş, cadastral no. 29391: RON 140,355;
 - a building located in Tg. Mureş, 27 Borsos Tamás Street, amounting to RON 163,899;
 - land with a total surface of 2,958 sqm, located in Câmpul Cetății, old Land Registry no. 1962, cadastral no. 50085, topographic no. 2980 1/6 1/7, 2980/1/8: RON 65,846;
 - 2 holiday houses located in Câmpul Cetății, amounting to RON 230,009.

Of the above investment property, the investments in Câmpul Cetății are not rented and those located on Borsos Street in Tg. Mureş were the ones generating rental income, the value of such income being as follows:

- in 2024: RON 17.313
- in 2025: RON 17.541

- (7) Tangible assets in progress - the management has decided to build a site intended for service housing for the company's employees. The land with a surface area of approx. 1500 sq m that will be used for construction is owned by AAGES S.A., being located in the town of Sângeorgiu de Mureş. The realization of this investment completes the loyalty policy of the company's highly specialized personnel, being opportune and necessary for the good functioning of the company in the medium and long term. The term for completion of the investment works will be a maximum of 12 months from the start of the works.

If the land and land development, constructions and investment property had been recorded according to the cost-based model, the net carrying amount that would have been recognised would be as follows:

Historical cost values	Remaining net value 2024	Remaining net value 2025
Land and land development	571.504	567.588
Constructions	6.031.732	5.635.993
Investment property	274.427	274.427
Total:	6.877.662	6.478.008

Depreciation of tangible fixed assets is calculated using the straight-line method. The depreciable amount is obtained by applying the following valuation models after recognition:

- IAS 16 revaluation model: for buildings and land
- IAS 40 fair value model: for investment property
- IAS 16 cost-based model: for the remaining tangible fixed assets.

Fair Value Measurement

The following table presents the valuation methods used in determining fair values (**Level 3**) for the revaluation of land and buildings, as well as the significant unobservable input data used. The last revaluation was carried out as of 31.12.2016.

Category	Valuation method	Significant unobservable input data	Correlation between unobservable key input data and fair value measurement
Lands	Direct comparison approach Fair value is estimated based on price per square metre for land with similar characteristics	Location, Surface	fair value would increase/decrease based on significant unobservable input data

	Direct comparison approach and income approach with discounted cash flow (DCF) technique.		
Buildings	It is based on the selling price per square metre for buildings with similar characteristics. The valuation model based on the DCF method estimates the present value of the net cash flows that will be generated by a building from rent, taking into account the occupancy rate and landlord expenses.	occupancy rate, location, surface, building expenses, rent	fair value would increase/ decrease based on significant unobservable input data

NOTE 3. CURRENT ASSETS

3.1 Inventories

At the end of the period under review, the Company's inventories are composed of (RON):

Inventory category	As of 01.01.2025	As of 31.12.2025
1. Raw materials	8.844.563	8.465.093
2. Consumables	186.879	156.498
3. Inventory items and other consumables	1.199	806
4. Fixed assets held for sale	-	-
5. Production in progress	5.519.524	7.965.224
6. Semi-finished products	529.933	724.915
7. Finished products	-	-
8. Residual products	-	-
9. Commodities, packaging, animals	1.843	829
10. Advances for inventories	41.846	104.942
Total inventories	15.125.787	17.418.307

Under consumables, the fuel in the car tanks is reported and various products such as screws, nuts, bolts of various sizes.

Inventory items were purchased, consisting of measuring devices, milling cutters, protective equipment, drills, pliers, etc.

Production in progress represents production not completed at the end of the quarter, such as: power supply, hardening plant, converter, hardening plant and induction melting plant, etc.

Semi-finished products represent various parts obtained in the production process, such as: electronic boards, coil, test stand, contactor, sensor.

Commodities, packaging, animals represent guard dogs and various packaging.

Advances for inventories represent amounts paid to debtor suppliers related to inventories.

An unconditional movable property mortgage in favour of **BRD – Groupe Societe Generale SA** has been established on the raw materials, auxiliary materials, products in progress, semi-finished products and present and future commodities inventories that are and will be at any time during the term of the mortgage owned by Ages, in order to guarantee a framework credit agreement in the form of a global multicompany, multioption and multicurrency funding ceiling (see Note 4. Liabilities).

At the end of the completed financial year, there is a value adjustment for slow-moving stocks in the amount of RON 254,286 RON.

3.2 Trade Receivables and Similar

Receivables category	As of 31.12.2025	Liquidation Period	
		Less than 1 year	More than 1 an
1. Trade receivables	2.804.881	2.804.881	-
~ Customers Customers and uncertain customers, effects, invoices to be drawn up ¹	2.881.760	2.881.760	-
~ Impairment adjustments for uncertain customers ²	76.879	76.879	-
2. Advances paid ³	22.196	22.196	-
3. Amounts receivable from associated and jointly controlled entities	-	-	-
4. Other receivables, of which	674.479	674.479	-
~ Sundry debtors ⁴	-	-	-
~ Deferred tax receivables ⁵	350.033	350.033	-
~ Other receivables from State and State institutions ⁶	321.199	321.199	-
~ Other receivables ⁷	3.247	3.247	-
Total receivables	3.501.556	3.501.556	-

¹The total amount of receivables from customers can be split by type and origin, as follows:

Type of customer receivables (RON)	Consolidated		
	Internal	Extern	Internal
Customers and invoices to be drawn up	331.312	2.473.569	2.804.881
Uncertain customers	-	76.879	76.879
Total	331.312	2.550.448	2.881.760

²Impairment for customer receivables have been created in accordance with the company's accounting policy.

The situation of the outstanding receivables by age and adjustments can be presented as follows:

Customer receivables age (RON)	Consolidated		
	Gross values	Ajustare	Gross values
Less than 30 days	1.713.114	-	1.713.114
31 – 120 days	1.030.015	-	1.030.015
121 – 365 days	5.543	-	5.543
More than 365 days	133.088	76.879	56.209
Total	2.881.760	76.879	2.804.881

Trade receivables values shown above include amounts that are uncollected at the end of the reporting period, including those for which the Group has not recognised a value adjustment because these receivables relate to customers for whom there is no recent history of non-recoverability. The Group has established impairment adjustments for receivables for which there is evidence of impairment based on historical experience. Thus, the Group's and the Company's Management believe that no impairment adjustments are required for doubtful receivables other than those that have been recorded in the financial statements.

³Advances paid represent advances paid for services provided that will be settled in future periods.

⁵Deferred income tax information is presented within Note 11.

⁶Receivables from the State represent all receivables to be collected on account of State social security, non-recoverable VAT, subsidies and sick leave to be recovered from FNUASS.

⁷Other receivables represent amounts to be clarified on the date of preparation of the financial statements..

A movable property mortgage in favour of **BRD – Groupe Societe Generale SA** has been established on trade receivables arising from commercial contracts, in order to guarantee the framework credit agreement amounting to RON 21,000,000 (see Note 4. Liabilities).

3.3. Deposits, Treasury Certificates and Bonds

The Group does not hold treasury certificates or bonds, the amounts shown in this category represent collateral bank deposits intended to guarantee bank credit agreements, which are treated as deposits held until credit repayment is due.

Bank deposits (RON)	As of 01.01.2025	As of 31.12.2025
Collateral deposit	1.111.268	1.141.917
Total	1.111.268	1.141.917

The composition of the amount at the end of the period under review is as follows:

Bank	Type	Currency value	Currency type	Exchange rate	RON Value
BRD	Credit line guarantee ¹	166.812	EUR	5,0985	850.492
BRD	Credit line guarantee ²	57.159	EUR	5,0985	291.425
BRD	Term Deposit ³	-	RON	1,0000	-
Total					1.141.917

¹Guarantee for the credit line contracted with Tg. Mureş BRD Bank, amounting to EUR 164,000 plus interest is related to the credit agreement no. 23/28.01.2013, extended by Addendum no. 12 of 13.09.2023 until credit due date. A 30-day term deposit with automatic renewal was contracted.

²Guarantee for the credit line contracted with Tg. Mureş BRD Bank, amounting to EUR 54,000 plus interest is related to the credit agreement no. 23/28.01.2013, extended by Addendum no. 10 of 14.09.2023 until credit due date. A 90-day term deposit with automatic renewal was contracted.

3.4. Cash and Cash Equivalents

Cash and cash equivalents referred to in cash flows comprise: cash on hand, bank current accounts, overnight deposits and short-term deposits (between 1-3 months) and other amounts, as follows (in RON):

Cash category	As of 01.01.2025	As of 31.12.2025
Bank accounts in RON	2.887.098	1.117.561
Bank accounts in foreign currency	10.637.418	9.195.161
Cash on hand in RON	58.089	62.677
Cash on hand in foreign currency	-	6
Other amounts	-	-
Total:	13.582.605	10.375.405

The Aages Group has accounts opened with BRD, Tg. Mureş Treasury, Banca Transilvania and BCRTg Mureş branches.

On all bank accounts opened with BRD, according to the Movable Property Mortgage Contract no. 11686 of 28.01.2013, extended by Addendum no. 13 of 14.09.2023 a movable property mortgage was established, required to guarantee the bank credit amounting to RON 21,000,000 contracted with BRD Bank (see Note 4. Liabilities).

NOTE 4. LIABILITIES

Liability category	As of 31.12.2025	Due Date		
		Less than 1 year	1 to 5 years	More than 5 years
1. Amounts due to credit institutions ¹	1.019.700	-	1.019.700	-
2. Advances received on account of orders ²	4.731.935	4.731.935	-	-
3. Trade payables ³	628.329	628.329	-	-
- Trade payables to suppliers	533.462	533.462	-	-
- Supplier invoices not received	94.867	94.867	-	-
4. Trade payable effects ⁴	885.756	885.756	-	-
5. Amounts due to associated and jointly controlled entities	-	-	-	-
6. Other short-term liabilities	1.098.775	1.098.775	-	-
- Other loans and similar liabilities ⁵	11.692	11.692	-	-
- Staff-related liabilities ⁶	556.873	556.873	-	-
- Liabilities related to State Social Security Budget and State Budget ⁷	501.831	501.831	-	-
- Current/deferred income tax ⁸	28.379	28.379	-	-
- Sundry creditors and other liabilities	-	-	-	-
Total liabilities	8.364.495	7.344.795	1.019.700	-

(1) Amounts due to credit institutions consist of bank loans and interest due, not paid by the end of the period under review. Loans outstanding on this date are composed as follows:

Amounts due to credit institutions	As of 01.01.2025	As of 31.12.2025
Short term loan	-	-
· BRD Bank Multioption, Multicompany Ceiling ^(1.1) ,	-	-
· BRD Bank Investment credit ^(1.2)	-	-
· BCR Bank credit line ^(1.4)	-	-
Long term loan	994.820	1.019.700
· BRD Bank Investment credit ^(1.2)	994.820	1.019.700
· BCR Long-term credit line ^(1.3)	-	-
Total amounts due to credit institutions	994.820	1.019.700

(1.1) The company has concluded with BRD - Groupe Societe Generale SA a framework credit agreement amounting to RON 21,000,000 in the form of a global multicompany, multicurrency (RON, EUR) funding ceiling no. 23 of 28.01.2013 for 12 months. The credit was extended by Addendum no. 27 from 13.02.2025 until 14.02.2026.

The total ceiling amount was granted with the following sub-limits, as below:

- Credit line
- Ceiling for issuing bank guarantee letters (BGL). BGLs with unlimited validity cannot be issued, the maximum duration may not exceed 24 months. The types of bank guarantee letters are: tender participation, good performance, advance refund, good payment.
- Ceiling for the opening of letters of credit.

The purposes of the credit granted are:

- Financing of current activity
- Guarantee/payment of contractual obligations

The credit duration is one year.

- The credit granted was secured by the following:
 - a) Immovable property mortgage established on the following immovable property: Access Road with a surface of 798 sqm, located in Sângeorgiu de Mureș, Agricultorilor Street, Land Registry no. 51559/Sângeorgiu de Mureș, owned by Aages SA, Electroterm SRL, Aages HTC SRL, each for a 1/3 share of the land;
 - b) Immovable property mortgage established on the following immovable property: Land with a total surface of 5,077 sqm, on which a Gatekeeper's Cabin and an Industrial Production Hall were built, located in Sângeorgiu de Mureș, 16 Agricultorilor Street, Mureș County, registered with Land Registry no. 51411/Sg. de Mureș, owner Aages SA.;
 - c) Immovable property mortgage established on the following immovable property: Land with a total surface of 5,223 sqm, located in Sângeorgiu de Mureș, 16 Agricultorilor Street, Mureș County, under cadastral no. 50847, registered with Land Registry no. 50847/Sg. de Mureș, owner AAGES SA;
 - d) Immovable property mortgage established on the following immovable property: Land with a total surface of 900 sqm, located in Sângeorgiu de Mureș, 16 Agricultorilor Street, Mureș County, under cadastral no. 50899, registered with Land Registry no. 50899/Sg.de Mureș, owner AAGES SA.
 - e) Movable property on all rights, titles, interests and benefits regarding the bank accounts of Aages SA, according to addendum no. 13 of 14.09.2023 to the mortgage contract no. 11686 of 28.01.2013 and addendum no. 4262/9022 of 14.03.2023 to the mortgage contract no. 4263/9022 of 28.08.2018;
 - f) Movable property mortgage on the deposit account amounting to EUR 165,000, according to Addendum no. 13 of 14.09.2023 to Mortgage Contract no. 11710 of 28.01.2013;
 - g) Movable property mortgage on the deposit account amounting to EUR 54,000, according to Addendum no. 10 of 14.09.2023 to Mortgage Contract no. 65880 of 15.05.2013;
 - h) Movable property mortgage on stocks of commodities and products according to Addendum no. 11 of 14.09.2023 to Mortgage Contract no. 65882 of 15.05.2013 on stocks of commodities.

^(1.2) On 15.09.2021 a credit agreement was concluded under no. 20210914757 with Banca Comerciala Romana SA providing the Company with a credit-line-type ceiling, which will not exceed RON 3,000,000, for the purpose of financing expenses for current activity such as: supply/processing/retail expenses; expenses for work execution and/or service provision; expenses for stock establishment/processing/valorisation; expenses for maintenance, current repairs of work premises/headquarters; other types of expenses necessary for current activity; expenses for salaries and similar; expenses for rent/utilities; payment of taxes/charges/contributions/other amounts due to the general consolidated budget; other operating costs. The Company benefits from state aid through the National Credit Guarantee Fund for Small and Medium-Sized Enterprises -SA-IFN, pursuant to Government Emergency Ordinance no. 110/2017, approved by Government Decision no. 282/2020, the state aid scheme to support the activity of SMEs in the context of the economic crisis generated by the COVID-19 pandemic, approved by Government Emergency Ordinance no. 42/2020, and Order no. 1886/2020..

The credit duration is 3 years (36 months), the repayment deadline is 02.03.2025. The loan was fully repaid at maturity.

On 12.04.2024, a credit agreement no. 20240410240 was concluded with Banca Comercială Română SA, under which a multiproduct credit facility in the form of a revolving credit line was made available to the company, not exceeding EUR 600,000. The availability period of the facility is 12 months from the signing date. Any unutilized amount of the facility within this availability period will be cancelled. The credit facility was extended by Addendum no. 2 dated 12.04.2024 until 10.04.2027.

^(1.3) The loans contracted by Electroterm, amounting to a total of RON 995,420, consist of a revolving credit facility concluded with BRD Groupe Société Générale, with an outstanding balance of RON 1,015,540 (EUR 200,000), and a credit facility under the IMM INVEST PLUS programme, with a ceiling not exceeding RON 2,000,000, contracted with Banca Comercială Română SA, intended to finance expenses related to current operations. As at the reporting date, the credit facility contracted with BCR is no longer active, having been repaid at maturity.

^(1.4) On 13.02.2025, a credit agreement no. 2025021067 was concluded with Banca Comercială Română SA, under which an overdraft facility with a limit not exceeding RON 2,000,000 was made available to the company for the purpose of financing its current operations. The term of the facility is 12 months from the signing date.

Loan interest:

- Margin for the credit line 1.3% per annum, for uses in RON.
- The interest rate is calculated by adding the base rate to the margin. For the credit line ROBOR 3 months + margin for uses in RON.

The loan is secured by:

- A movable mortgage over the balances of all accounts opened with Banca Comercială Română SA;
- A suretyship agreement concluded between Banca Comercială Română SA and Molnar Gabor Jozsef.

As at the reporting date, this facility is active.

(2) Advances received on account of orders represent amounts received from the beneficiaries of the Company, according to firm orders or contracts concluded.

(3) Trade payables consist of trade payables to suppliers, i.e. amounts invoiced but not paid to the balance sheet date and suppliers – invoices not received containing services and expenses relating to the financial year under review, but which will be invoiced in the following financial year.

(4) Trade payable effects are promissory notes and cheques to be paid during the following year.

(5) Other loans and similar liabilities represent the finance lease financing of two Dacia Duster Journey Blue dCi 115 vehicles.

(6) Staff-related liabilities represent the remuneration and material support due relating to the balance sheet date.

(7) Liabilities related to State Social Security Budget and State Budget represent taxes and contributions relating to the remuneration of own employees, as well as other taxes.

(8) Current and deferred income tax is dealt with in Note 10 and Note 11.

NOTE 5. PREPAID EXPENSES AND DEFERRED REVENUES

Prepaid expenses and deferred revenues consist on:

Category	As of 01.01.2025	As of 31.12.2025
Prepaid expenses	194.023	142.905
Deferred revenues	475.445	445.983

- I. Prepaid expenses consist on insurance and taxes recorded until the end of the period under review, but which will be included in the following month's expenditure.
- II. Deferred income represents the amount of investment subsidies not transferred to basic income. Their recognition as income is recognised monthly, corresponding to the depreciation of tangible fixed assets acquired for the whole service life, and is composed as follows:

Non-reimbursable subsidies (RON)	As of 01.01.2025	As of 31.12.2025
POS CCE 348/3m/2011	132.298	120.794
POS CCE 283/3m/21.07.2011	165.201	145.818
Electric Up ctr. 328/18.05.2022	157.744	141.994
Other amounts received as investment subsidies	20.202	37.377
Total subsidies, of which:	475.445	445.983
short-term	48.950	48.716
long-term	426.495	397.267

NOTE 6. PROVISIONS

Provisions are intended to cover liabilities whose nature is clearly defined and which as of the balance sheet date are likely to exist or are certain to exist, but which are uncertain as to their amount or the date on which they will arise.

As of the balance sheet date, the amount of a provision is the best estimate of probable expenditure or, in the case of an obligation, of the amount required to settle it. As a result, provisions may not exceed in value the amounts that are required to settle the current obligation as of the balance sheet date.

Provisions for risks and expenditure are a guarantee of the Managers' responsibility for consolidating the patrimony and at the same time ensuring the smooth running of the firm they manage. At the same time, they are one of the safeguards that economic operators put in place in order to ensure that there is real information in the financial statements.

No matter how much experience a manager has, without a systematic basis for economic progress and constant rigorous control, there can be no guarantee of confidence in the flow of information from outside or inside the company. For this reason, managers consider potential risks that would affect the company's business continuity.

During the current financial year, the Group provisions consist on:

Provision Type	Initial balance	Increases	Decreases	Final balance
Provision for unused vacation leaves	310.056	209.536	310.056	209.536
Provision for audit services	101.405	-	-	101.405
Total	411.461	209.536	310.056	310.941

NOTE 7. CAPITAL AND RESERVES

Capital accounts

Equity Items	As of 01.01.2025	As of 31.12.2025
I. Shared capital	2.706.342	2.706.342
- Subscribed registered capital	2.000.000	2.000.000
- Inflation adjustments to registered capital	706.342	706.342
II. Revaluation reserves	1.016.124	1.006.984
- Revaluation reserve on investment property	-	-
- Revaluation reserve on other fixed assets	1.016.124	1.006.984
III. Reserves	749.253	731.144
1. Legal reserves	417.500	417.500
2. Other reserves	331.753	313.644
IV. Own shares	310.506	205.349
Earnings related to equity instruments	-	-
Losses related to equity instruments	-	-
V. Reported result	32.812.621	41.114.519
VI. Current result	11.269.547	3.414.057
VII. Equity minority interests	-	-
Total Equity	48.243.381	48.767.697

7.1 Subscribed Shared capital

Shared capital (RON)	As of 01.01.2025	Change during 2025	As of 31.12.2025
Subscribed and paid-up shared capital	2.000.000	-	2.000.000
Adjustments to shared capital	706.342	-	706.342
Balance at the end of the year	2.706.342	-	2.706.342

Shareholders

The shareholders structure at the end of the period (31.12.2025) is shown below:

Shareholders name/type	No. of shares	Percentage
Ages Head Invest	5.202.432	52,02%
Natural persons	4.220.622	42,21%
Legal entities	576.946	5,77%
Total:	10.000.000	100,00%

7.2 Revaluation Reserves

Revaluation reserves (RON)	As of 01.01.2025	As of 31.12.2025
Balance at beginning of year	903.564	1.016.124
Increases	-	-
Minority interests	121.700	-
Transfer of reported result	-9.140	-9.140
Balance at the end of period	1.016.124	1.006.984

7.3 Reserves

Legal reserve (RON)	As of 01.01.2025	As of 31.12.2025
Balance at beginning of year	408.750	417.500
Increase in legal reserve	-	-
Transfer of minority interests	8.750	-
Balance at the end of period	417.500	417.500

The transfer from current (reported) result to the legal reserve was made from 5% of annual profits before tax.

Other reserves (RON)	As of 01.01.2025	As of 31.12.2025
Balance at beginning of year	295.481	331.753
Transfer to minority interests	5.807	-
Other transfers	30.465	-18.109
Balance at the end of period	331.753	313.644

Other reserves represent the transfer of losses incurred from the sale of treasury shares.

7.4 Own Shares

At the meeting held on 8 October 2024, the Board of Directors approved a new share buyback programme for 100,000 shares, aimed at allocating shares to the company's employees in order to incentivize and retain them. The buyback programme is to be carried out during the period from 14 October 2024 to 17 December 2025. As at 31 March 2025, 71,000 shares had been repurchased for a total amount of RON 478,198.

7.5 Reported and current result

The following changes were recorded in reported result:

Consolidated amounts of change in reported result	As of 01.01.2025	As of 31.12.2025
Initial balance	32.238.119	44.082.168
Current result	11.269.547	3.414.057
Dividend distributions	(2.300.000)	(3.000.000)
Registered capital distributions	-	-
Legal reserve distributions	-	-
Revaluation surplus	(112.560)	9.140
Result from equity instruments	-	-
Other changes	2.987.062	23.211
Final balance	44.082.168	44.528.576

The Group's objectives in capital management are to ensure the protection and ability to reward shareholders and maintain an optimal debt/equity balance structure.

The Group's Management regularly reviews the capital structure in order to maintain the balance between debt and equity. To this end, the Group may change the amount of dividends paid to shareholders, the return on capital to shareholders, issue new shares or sell assets in order to reduce debts.

The Group monitors the amount of capital attracted based on the overall debt ratio. This ratio is calculated as the ratio of total debt to total equity.

Item / Indicator (RON)	As of 01.01.2025	As of 31.12.2025
Total debts	8.838.528	8.364.495
Total assets	57.968.815	57.889.116
Debt ratio	15,25%	14,45%

7.6 Minority interests

Status of minority interest changes	As of 01.01.2025	As of 31.12.2025
Balance at beginning of year	3.056.865	-
Change in share capital	-43.750	-
Change in legal reserves	-8.750	-
Change in revaluation reserves	-121.699	-
Change in other reserves	-5.807	-
Change in current result	-645.378	-
Change in reported result	-2.231.481	-
Balance at end of year	-	-

7.7 Dividends

By the end of the period under review dividends were distributed as follows:

Dividends (RON)	As of 31.12.2024	As of 31.12.2025
Dividend distribution	2.300.000	3.000.000
Gross dividend/share	0,23	0,30

NOTE 8. OPERATING RESULT

Details of the turnover are as follows:

Composition of consolidated turnover	As of 31.12.2024	As of 31.12.2025
- Income from sales of finished products	56.414.469	29.549.024
- Income from sales of semi-finished products	492.473	667.240
- Income from sales of residual products	12.386	18.910
- Income from works executed and services provided	3.795.004	5.741.790
- Income from rents	17.313	17.541
- Income from sales of commodities	913.936	918.274
- Income from miscellaneous activities	167.694	134.599
- Trade discounts granted	248.494	-
Total turnover	61.564.781	37.047.378

The Company's turnover can be split by geographical areas as follows:

Amounts in RON	As of 31.12.2024	As of 31.12.2025
Income from Romania	19.793.204	7.632.367
Income from outside Romania	41.771.577	29.415.011
TOTAL	61.564.781	37.047.378

Through its contracting policy the Company has avoided significant dependence on a single beneficiary. The Company's customers are world-renowned companies, and the Company's policy is to develop commercial relationships with strong companies that provide the basis for secure and forward-looking collaboration. The main countries of origin of such customers are Germany, Turkey, China, Hungary.

NOTE 9. INFORMATION ON EMPLOYEES, MANAGERS AND DIRECTORS

9.1 Employees

The effective number of employees during the year was as follows:

Category	31.12.2024			31.12.2025		
	Ages	Electroterm	Total	Ages	Electroterm	Total
Administrative (TESA) staff	24	12	36	24	12	36
Directly productive staff	99	25	123	87	22	109
Total	123	37	159	111	34	145

Staff expenditures (RON)	As of 31.12.2024	As of 31.12.2025
Expenditures on staff salaries and allowances	16.653.444	15.767.611
Unit's social security contribution	237.543	181.074
Labour insurance contribution	335.776	316.755
Total staff expenditures	17.226.763	16.265.440

9.2 Administration and Management

Management of the Company Aages SA during the financial year ended:

The Company is managed by a Board of Directors, consisting of:

- Molnár Gábor József Chairman, Chief Executive Officer
- Törzsök Sándor-László Member
- Kolozsvári Zoltán Member
- Doki János Tibor Member
- Savu Lucian-Dorel Member

The Economic-Financial Department is managed by Mrs. Péntek Mária, member of the Body of Expert and Licensed Accountants of Romania (CECCAR). Remuneration of the Chief Executive Officer is determined by the AGM.

Remuneration of directors and other senior management members during the year (RON)	As of 31.12.2025			As of 31.12.2025		
	Aages	Electroterm	Total	Aages	Electroterm	Total
Management	585.380	319.863	905.243	577.339	305.800	883.139
Board of Directors	128.200	-	128.200	102.560	-	102.560
Total	713.580	319.863	1.033.443	679.899	305.800	985.699

NOTE 10. TRANSACTIONS WITH AFFILIATED PARTIES

Legal entities and natural persons in special relations with the Aages Company are as follows:

- Aages HTC SRL whose shareholders are 49% Aages Headinvest SRL and 2% Mr. Molnár Gábor József, with Mr. Molnár Gábor József as Manager,
- Multimas SRL whose 52.85% shareholder is Mr Molnár Gábor József, with Mr. Molnár Gábor József as Manager.

Transactions with the parties listed above, i.e. the shareholders Aages Headinvest SRL and Mr Molnár Gábor József, are set out below:

Transactions with parties in specifically identified relations (RON)	As of 31.12.2024	As of 31.12.2025
Sales of goods and services	46.646	50.872
-Multimas SRL	-	-
-Aages HTC SRL	39.542	43.623
-Aages Headinvest SRL	7.104	7.249
Purchases of goods and services	1.178.378	1.077.890
-Multimas SRL	1.164.336	1.051.738
-Aages HTC SRL	14.042	26.152
-Aages Headinvest SRL	-	-
Loans	-	-
-Aages HTC SRL	-	-
Dividends	1.571.946	1.812.052
-Aages Headinvest SRL	1.339.240	1.560.730
-Molnár Gábor József	232.706	251.322
Financial Assets	-	-

- Ages HTC SRL	-	-
Remunerations	113.856	113.856
-Molnár Gábor József	113.856	113.856
Liabilities	2.759	-
-Multimas SRL	-	-
-Ages HTC SRL	2.759	-
-Ages Headinvest SRL	-	-
- Molnár Gábor József	-	-
Receivables	-	307
-Multimas SRL	-	-
-Ages HTC SRL	-	307
-Ages Headinvest SRL	-	-
- Molnár Gábor József	-	-

NOTE 11. INCOME TAX

The total income tax expenditure for the year can be reconciled to the accounting profit as follows:

Gross accounting profit reconciliation	As of 31.12.2024	As of 31.12.2025
Net accounting result	11.269.547	3.414.057
Items similar to income	(112.560)	9.140
Deductions	916.694	995.120
Non-taxable income	1.506.866	1.289.941
Non-deductible expenses	4.349.942	3.805.764
Tax base	13.083.369	4.943.900
Income tax reductions	350.827	193.752
Current income tax, expense of which	1.738.125	674.376
Current income tax, recognised in the profit and loss account	1.742.512	597.272
Deferred income tax	(4.387)	77.104

NOTE 12. DEFFERED INCOME TAX

The components of deferred income tax at the end of the period under review:

Change in consolidated deferred tax (RON)	Initial balance	Change in current result	Change in comprehensive result	Final balance
Value of tangible and intangible fixed assets	(528.940)	(48.905)		(577.845)
Inventories adjustment	(41.245)	-		(41.245)
Customer receivables adjustment	(150.704)	142.094		(8.610)
Provisions/Other provisions	65.834	(16.083)		49.751
Legal reserve	66.800		-	66.800
Revaluation reserve on investment property	-	-		-
Revaluation reserve on other tangible assets	162.581		(1.464)	161.117
Total	(425.674)	77.106	(1.464)	(350.032)

NOTE 13. COMMITMENTS

The situation of commitments in RON:

Commitments	As of 01.01.2025	As of 31.12.2025
Issued by BRD	4.226.800	1.724.343

At the end of the period under review, the Group has the following types of letters of guarantee issued for the BRD loan agreement:

Type	Value	Value (RON)
Letter of guarantee of good performance	42.300 EUR	215.667
Letter of guarantee of good performance	295.906 EUR	1.508.677
Total:		1.724.343

NOTE 14. RISK MANAGEMENT

Credit Risk

Credit risk is the risk that the Group will incur a financial loss as a result of failure of a customer to meet contractual obligations, arising mainly from trade receivables or from a possible non-fulfilment of obligations under financial instruments. The Group is not exposed to concentrated credit risk, it has a high credit risk particularly with external customers, where contract values are more significant.

Cash, deposits are placed with financial institutions that are considered to be of high creditworthiness.

The Group records an impairment adjustment which is a good estimate of the losses incurred on trade receivables.

The trade receivables age situation is shown in [Note 3.2](#).

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or by the transfer of another financial asset.

A prudent liquidity risk management policy involves maintaining a sufficient level of cash, cash equivalents cash equivalents and the availability of funding through appropriately contracted credit facilities. The Company monitors the level of expected cash inflows from the collection of trade receivables as well as the level of expected cash outflows for the payment of trade and other payables.

The following table shows the maturity of the Group's financial liabilities depending on the remaining period starting with the reporting date until the contractual maturity date.

Payable category	Carrying amount	Total	Less than one year
Bank loans	1.019.700	1.019.700	-
Trade payables	628.329	628.329	628.329
Other payables	6.716.466	6.716.466	6.716.466
Total	8.364.495	8.364.495	7.344.795

Market Risk

Market risk is the risk that changes in market prices, such as exchange rates and interest rates, will affect the Group's income or the value of financial instruments held.

Currency Risk

The Group's functional currency is RON. The Group is exposed to foreign exchange rate fluctuations through deliveries and purchases respectively bank loans granted in currencies other than RON. The currencies exposing the Group to this risk

are EUR, GBP, USD and HUF. The Group does not use derivatives or hedging instruments. The resulting exchange differences are included in the profit and loss account.

The Group's exposure to currency risk as of the balance sheet date was:

Net exposure în RON	As of 01.01.2025	As of 31.12.2025
Cash and cash equivalents	10.637.418	9.195.167
Trade receivables and similar	4.512.198	2.550.448
Deposits, treasury certificates and bonds	1.111.268	-
Trade payables	-	-
Short-term loans	-	-
Total net exposure in RON	16.260.884	11.745.615

Net exposure în EUR	As of 01.01.2025	As of 31.12.2025
RON/EUR BNR exchange rate at end of period	4,9741	5,0985
Cash and cash equivalents	2.138.561	1.803.504
Trade receivables and similar	907.139	500.235
Deposits, treasury certificates and bonds	223.411	-
Trade payables	-	-
Short-term loans	-	-
Total net exposure in EUR	3.269.111	2.303.739

The following significant currency rates were applied at the end of the financial years:

Currency	Exchange rate	
	31.12.2024	31.12.2025
EUR	4,9741	5,0985
USD	4,7768	4,3417

Sensitivity Analysis

A reasonably possible appreciation (depreciation) of the EUR against RON at the end of the periods would affect the valuation of financial instruments in foreign currency and profit before tax and, respectively, equity by the amounts shown below. The analysis assumes that all other variables, particularly interest rates, remain constant, and ignores the impact of sales and purchases.

Gross profit sensitivity analysis	01.01.2024 – 31.12.2024	01.01.2025 - 31.12.2025
Profit before tax in RON	13.007.672	4.088.433
RON/EUR BNR exchange rate on 31.12	4,9741	5,0985
Profit before tax in EUR	2.615.081	801.889
Net exposure in EUR	3.269.111	2.303.739
Profit adjusted with EUR 5% appreciation	2.778.536	917.076
Profit adjusted with EUR 5% depreciation	2.451.625	686.702

Interest rate risk

The Group's operational cash flows are mainly affected by changes in interest rates due to bank loans, which vary between Euribor 3M 4.5%-6% and Robor 3M + 3.25%. The Company has significant loans with variable interest rates, which may expose the Group to significant cash risk, and all bank deposits irrespective of maturity carry a fixed interest rate. The Group does not use derivative financial instruments to hedge against interest rate fluctuations. As of the reporting date, the interest rate risk exposure profile related to the interest-bearing financial instruments held by the Group was as follows:

Gross profit sensitivity analysis in RON	la 31.12.2025
<i>Fixed interest financial instruments/Financial assets</i>	<i>1.141.917</i>
Bank deposits less than 3 months	-
Bank deposits between 3-12 months	1.141.917
Bank deposits more than 12 months	-
<i>Variable interest financial instruments/Bank loans</i>	<i>1.019.700</i>
Short-term bank loans	-
Medium-term bank loans	1.019.700
Intesest costs -AAGES	2.788
Interest costs -ELECTROTERM	-
Interests eliminations (reciprocal or otherwise)	-
Profit change effect if the interest rate changes by 50%	1.394
Appreciation Profit before tax change interest by 50%	4.089.827
Depreciation Profit before tax change interest by 50%	4.087.039

Sensitivity analysis

A reasonably possible change in interest rates of 50 basis points as of the reporting date would have increased (decreased) profit before tax by the amounts shown below. This analysis assumes that all other variables, especially exchange rates, remain constant.

Cybersecurity Risks

Preventing cyber-attacks and protecting valuable data and assets involves increasing costs with the passage of time and the development of IT technologies. Cyber threats are evolving and becoming more complex, sophisticated threats that no business can afford to ignore.

In order to meet these challenges, the company's IT department:

- has developed a cyber strategy - a cyber risk program,
- has established internal procedures and carries out controls to ensure cyber security,
- pays great attention to both cyber vigilance by investing in security equipment and cyber resilience by combining various proactive and reactive incident management processes and technologies in order to be able to adapt and respond promptly to cyber disruptions.

NOTE 15. SUBSEQUENT EVENTS

We believe that the state of war in Ukraine and the restrictive measures imposed on Russia and Belarus by the EU are not events that significantly influence the annual financial statements presented above.

Sângeorgiu de Mureș, la 13.03.2026

Chief Executive Officer

Molnár Gábor József

Chief Accountant

Péntek Mária



12/31/2025

Annual financial statements for the financial year 2025 for **AAGES SA**

Statements prepared in accordance
with International Accounting
Standards



AAGES S.A.

AGRICULTORILOR STREET NO. 16, SINGEORGIU DE
MUREȘ, MUREȘ COUNTY

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I. STATEMENT OF FINANCIAL POSITION

(amounts in RON)

STATEMENT OF FINANCIAL POSITION	As of 01.01.2025	As of 31.12.2025
A. Long-term assets, total, of which	20.944.146	23.511.776
1. Intangible assets	11.143	4.832
2. Tangible fixed assets	15.786.295	18.357.935
3. Financial assets	5.146.708	5.149.009
B. Current assets, total, of which	27.255.795	23.928.905
1. Inventories	12.779.833	14.800.639
2. Trade receivables and similar	4.029.323	3.073.539
3. Deposits, treasury certificates and bonds	1.111.268	1.141.917
4. Cash and cash equivalents	9.335.371	4.912.810
C. Advance expenses	166.140	110.070
TOTAL ASSETS	48.366.081	47.550.751
D. Short-term Liabilities	7.374.193	6.854.051
1. Short-term bank loans	-	-
2. Trade payables, advances received and payable effects	6.062.566	5.992.596
3. Amounts due to associated and jointly controlled entities	-	-
4. Other payables	1.311.627	861.455
E. Long-term Liabilities	11.406	-
1. Short-term bank loans	-	-
2. Trade payables, advances received and payable effects	-	-
3. Amounts due to associated and jointly controlled entities	-	-
4. Other payables	11.406	-
TOTAL LIABILITIES	7.385.599	6.854.051
F. Provisions	360.953	273.184
G. Advance income	310.244	300.165
H. Capital and reserves	40.309.285	40.123.351
1. Registered capital	2.000.000	2.000.000
2. Adjustments related to registered capital	706.342	706.342
3. Revaluation reserves	774.585	767.306
4. Reserves	720.140	702.031
5. Own shares	310.506	205.349
6. Result related to equity instruments	-	-
7. Reported result	36.418.724	36.153.021
8. Minority interests	-	-
Total capital attributable to Group owners	-	-
Total capital attributable to Minority interests	-	-
TOTAL EQUITY AND LIABILITIES	48.366.081	47.550.751
Gross dividends distributed	2.500.000	3.000.000
Gross dividends per share	0,25	0,30

II. STATEMENT OF REVENUE AND EXPENDITURE

(amounts in RON)

STATEMENT OF REVENUE AND EXPENDITURE	As of 31.12.2024	As of 31.12.2025
Total operational income, of which:	52.689.266	33.527.217
<i>Net turnover</i>	54.911.086	29.873.627
<i>Income related to the cost of production in progress</i>	-3.057.104	3.540.394
<i>Other operating income</i>	835.284	113.196
Total operational expenses, of which	41.520.578	30.333.166
<i>Expenditure on raw materials, consumables, commodities</i>	22.025.690	12.502.136
<i>Staff expenditure</i>	13.605.521	12.934.537
<i>Value adjustments on tangible and intangible fixed assets</i>	568.332	622.354
<i>Value adjustments on current assets</i>	-159.743	79.810
<i>Other operating expenses</i>	5.363.364	4.282.098
<i>Adjustments to provisions</i>	117.414	-87.769
Operational result	11.168.688	3.194.051
Financial income	290.330	269.069
Financial expenses	443.467	156.858
Financial result	-153.137	112.211
Total income	52.979.596	33.796.286
Total expenses	41.964.045	30.490.024
Result before tax	11.015.551	3.306.262
Current income tax	1.447.061	493.346
Deferred income tax	-1.401	87.063
Net result attributable to Group owners	9.569.891	2.725.853
<i>Net result attributable to minority interests</i>	-	-
<i>Total net result</i>	9.569.891	2.725.853
Other Comprehensive Result items that will not be reclassified to the Profit and Loss Account		
Revaluation result attributable to owners	-7.279	-7.279
Deferred tax for other comprehensive result items attributable to owners	-1.163	-1.166
Other comprehensive result items attributable to owners	-8.442	-8.445
<i>Other comprehensive result items attributable to minority interests</i>	-	-
<i>Total other comprehensive result items</i>	-8.442	-8.445
Comprehensive result attributable to owners	9.561.449	2.717.408
<i>Comprehensive result attributable to minority interests</i>	-	-
<i>Total comprehensive result</i>	9.561.449	2.717.408
No. of shares	10.000.000	10.000.000
Basic and diluted result per share expressed in RON/share	0,96	0,27

III. STATEMENT OF CHANGES IN EQUITY

(amounts in RON)

Equity elements of Aages SA (RON)	Balance at beginning of financial year	Increases		Reductions		Balance at end of financial year
		Total of which	By transfer	Total of which	By transfer	
Subscribed capital	2.000.000	-	-	-	-	2.000.000
Adjustments to registered capital	706.342	-	-	-	-	706.342
Revaluation reserves	774.585	-	-	7.279	7.279	767.306
Legal reserves	400.000	-	-	-	-	400.000
Other reserves	320.140	4.260	-	22.369	-	302.031
Own shares	310.506	373.032	-	478.189	-	205.349
Operational result related to own shares	-	-	-	-	-	-
Reported result	26.848.833	9.577.170	9.577.170	2.998.835	-	33.427.168
Current result	9.569.891	2.725.853	-	9.569.891	9.569.891	2.725.853
Profit distribution	-	-	-	-	-	-
Total Equity	40.309.285	11.934.251	9.577.170	12.120.185	9.577.170	40.123.351

IV. CASHFLOW STATEMENT

(amunts in RON)

CashFlow Statement	Date:	
	As of 01.01.25	As of 31.12.25
Current result before interest and tax	11.015.551	3.306.262
Net Current Result	9.569.891	2.725.853
Interest expenses	351.947	2.788
Interest revenues	-3.426	-2.833
Income tax expenses	1.445.660	580.409
Dividend income	-200.000	-
Depreciation expenses	568.332	622.354
Variation in provisions	117.413	-87.769
Variation in inventory adjustments	-	-
Variation in adjustments related to receivables	-232.760	-1.268.687
Variation in reserves	23.186	-25.388
Variation in other non-monetary items	8.444	8.444
Total value of non-monetary items	11.648.687	2.555.171
Inventories	6.031.143	-2.020.806

Trade receivables	3.823.574	2.224.471
Advance expenditures	-83.498	56.070
Operational liabilities	-3.012.640	-273.139
Distributed dividends	-2.500.000	-3.000.000
Income tax paid	-1.358.009	-794.192
Advance incomes	-7.052	-10.079
Cash flow from operating activities	2.893.518	-3.817.675
Intangible and tangible assets	-2.186.493	-3.187.683
Financial assets	-4.987.500	-2.301
Short term investments	943.655	-30.649
Interest revenues	3.426	2.833
Dividend receipts	200.000	-
Cash flow from investing activities	-6.026.912	-3.217.800
Financial debts	-9.740.928	-44.626
Equity and adjustments related to equity	-	-
Interest expenses	-351.947	-2.788
Capital premiums	-	-
Own shares and ICP-related result	-113.624	105.157
Cash flow from financing activities	-10.206.499	57.743
Cash variation	-1.691.206	-4.422.561
Initial balance	11.026.577	9.335.371
Final balance	9.335.371	4.912.810

V. EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MAIN ACCOUNTING POLICIES

1.1 Declaration of Conformity

The financial statements presented have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

Standards which are not yet adopted by the European Union and which have been adopted but have not yet come into force do not have a significant impact on the Company's reported financial statements.

1.2 General Information

a) Reporting Entity

The Company Aages SA was established in 1991 as a limited liability company and was registered with the Trade Register under number J26/577/1991, with the TIN/VAT code 1196550. Its registered office is in Sângeorgiu de Mureș, 16 Agricultorilor Street.

The Company's main object of activity is the manufacture of electric motors, generators and transformers - CAEN code 2711.

As of the balance sheet date the subscribed registered capital is RON 2,000,000, consisting of 10,000,000 shares with a nominal value of RON 0.2 each. The share structure is presented in Note 6.1.

As of the balance sheet date, the parent company, S.C. Aages SA directly owned the subsidiary S.C. Electroterm SRL, thus forming the Aages Group. The participation share in this subsidiary starting with 20.05.2024 has changed from 50% to 100%.

In 2016, on the basis of the AGM Resolution no. 005-2016/07.10.2016, the company Aages SRL was transformed into a joint-stock company and increased its share capital from RON 460,000 to RON 2,000,000.

On 19.06.2017, the company Aages SA was listed on the Bucharest Stock Exchange. On this date the Company's shares were admitted to trading on the spot regulated market administered by the Bucharest Stock Exchange (BVB), Standard category, with the trading symbol "AAG". The listing of the Company was performed by a public offer initiated by SSIF GOLDRING SA, a member of the National Securities Commission, by selling 1,500,000 shares held by the selling shareholders.

b) Basis for the preparation of the financial statements

The financial statements have been prepared in accordance with Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards.

The financial statements comprise:

1. Statement of assets, liabilities and equity
2. Statement of income and expenditure
3. Statement of changes in equity
4. Cash flow statement
5. Significant accounting policies and explanatory notes to the annual financial statements.

These financial statements are intended to present the financial position, the results of operations and a complete set of notes to the financial statements in accordance with the accounting rules and principles set out in IFRS.

The Company is required to prepare individual annual financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) as from the financial year ended on 31 December 2018, which will be published in accordance with the provisions of the legislation in force.

The financial statements have been prepared based on the going concern principle on the basis of accounting records kept in accordance with the Romanian accounting principles.

c) Reporting Currency

The financial statements have been prepared and expressed in RON.

d) Functional Currency

The functional currency is the local currency of the entity, namely RON.

e) Determination of fair value

In determining the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised within the different levels of the fair value hierarchy based on the input data used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: input data, other than quoted prices included in Level 1, that are observable for an asset or liability, either flow (e.g. prices) or indirectly (derived from prices);
- Level 3: input data for an asset or liability that is not based on observable market data (unobservable input data).

Detailed information on the determination of fair value is included in Note 2. If the carrying amount is a reasonable approximation of fair value, then financial assets and financial liabilities are not measured at fair value.

f) **Foreign currency transactions**

The Company's foreign currency transactions are recorded in accordance with IAS 21. The exchange rates used are those communicated by the National Bank of Romania ("NBR") for the transaction date. Foreign currency balances are converted into RON at the exchange rates communicated by the NBR for the balance sheet date. Earnings and losses arising from the settlement of foreign currency transactions and from the conversion of monetary assets and liabilities denominated in foreign currency are recognised in the profit and loss account, within the financial result.

1.3 Significant Accounting Policies and Methods

In the process of applying the Company's accounting policies, the Management has not made significant assumptions other than those involving estimates of adjustments for receivables that have a significant effect on the amounts in the financial statements.

The accounting policies are consistently applied to all periods presented in the financial statements prepared in accordance with IFRS.

(a) Tangible Fixed Assets

(i) Own Assets

Fixed assets are stated in compliance with IAS 16 at cost less accumulated depreciation and impairment losses. The exception is land and buildings for which the revaluation method is used. In this latter case, whenever a significant difference in value between the carrying amount of fixed assets and their fair value is identified, they are revalued.

(ii) Leased Assets

Leases in which the Company assumes all the risks and rewards of ownership are classified as financial leasing. Fixed assets acquired under financial leasing are stated at the lower of market value and present value of future payments, less accumulated depreciation and impairment losses. Leasing payments are recorded in accordance with IFRS 16, Leases.

(iii) Subsequent maintenance and repair expenditure

Expenditure on the repair or maintenance of fixed assets incurred to restore or maintain the value of such assets is recognised in the profit and loss account on the date they are incurred, while expenditure incurred for the purpose of improving technical performance is capitalised and depreciated over the remaining depreciation period of the said fixed asset.

(iv) Depreciation

Tangible fixed assets are depreciated in accordance with IAS 16 using two methods: the revaluation method for land and buildings and the cost method for other fixed assets. Depreciation starts with the month following the date of acquisition or the date of commissioning, as appropriate, using the expected service life. Fixed assets under construction and land are not depreciated.

The depreciation periods used are as follows:

- Buildings and constructions 15-50 years
- Equipment and machinery 3-5 years
- Means of transport 4-6 years
- Furniture and office equipment 5-9 years

Depreciation is recognised in the profit and loss account based on the linear method over the expected service life.

(v) Sale/disposal of tangible fixed assets

Tangible fixed assets that are scrapped or sold are removed from the balance sheet together with the related accumulated depreciation. Any gain or loss arising from such an operation is included in the current profit and loss account.

(vi) Assets sold and leased

The transaction of selling and leasing the same asset under a financial lease is treated as a financing transaction and the asset is maintained in the patrimony.

(b) Intangible Assets

Intangible assets acquired by the Company are stated in the financial statements in accordance with IAS 38 Intangible Assets using the cost method less impairment losses (see accounting policy, “Impairment of Assets”).

Depreciation is recognised in the profit and loss account based on the linear method over the expected service lives of the intangible assets.

The majority of the intangible assets recorded by the Company are dedicated software. They are depreciated on a straight-line basis over 1 year, except for the management software which is depreciated over 3 years.

(c) Investment Property

Under IAS 40, investment property is immovable property held for the purpose of earning rental income or for the increase of the capital value and not for use in the production or supply of goods or services, or for administrative purposes, or to be sold in the ordinary course of business. Investment property is measured at fair value and is not depreciated! Fair value is determined at the end of each financial year and any valuation differences are charged directly to the income or expenses of the financial year.

(d) Inventories

Inventories are stated in accordance with IAS 2 Inventories. They are recognised at the lower of cost and net realisable value.

Net realisable value is the selling price expected to be obtained in the ordinary course of business less sales-related costs.

The cost of inventories is based on the First In First Out (FIFO) principle. Cost of finished goods and work in progress includes materials, workforce and related indirect production costs. Where necessary, adjustments are made for slow-moving, physically or morally worn inventories. Net realisable value is estimated on the basis of the selling price less completion costs and selling expenses.

(e) Trade and other receivables

Trade receivables are recorded at their nominal value less adjustment for impairment of such receivables. An adjustment for impairment of trade receivables is provided where there is objective evidence that the Company will not be able to collect all amounts when originally due. The provisions of IAS 36 Impairment of Assets apply. For all receivables that are 365 days overdue or for receivables from customers in a state of reorganisation, insolvency or bankruptcy, 100% adjustments on the value of such receivables are calculated and recorded in the accounting records.

(f) Cash and Cash Equivalents

Cash and cash equivalents are shown in the balance sheet as cost. For the cash flow statement, cash and cash equivalents comprise cash on hand, bank accounts, short-term financial investments with a maturity of less than 3 months,

other amounts and net of overdrafts in the balance sheet. The overdraft is shown under liabilities due within one year - amounts due to credit institutions.

(g) Impairment of Assets

Tangible fixed assets and other long-term assets are reviewed in accordance with IAS 36 Impairment of Assets to identify impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment loss is the difference between the carrying amount and the recoverable amount. Assets are carried at less than or equal to their recoverable amount.

(h) Dividends

Dividends are recognised as liability in the period in which their distribution is approved.

(i) Loans

Short-term and long-term loans are initially recorded at the amount received, net of transaction costs. The short-term portion of long-term loans is classified under “Liabilities: amounts due within one year” and included with accrued interest on the balance sheet date under “Amounts due to credit institutions” within current liabilities.

(j) Suppliers and Other Payables

Trade payables are recorded at the value of the amounts to be paid for goods or services received.

(k) Lease Liabilities

Contracte de leasing financiar

According to IFRS 16 Leases are an arrangement whereby the lessor assigns to the lessee, in return for a payment or series of payments, the right to use an asset for a fixed period of time. Leasing transactions whereby the Company assumes substantially all the risks and rewards of ownership of an asset are classified as financial leases. Financial leases are capitalised at the estimated present value of payments. Each payment is split between the principal and interest element to achieve a constant interest rate over the repayment period. Amounts due are included in short-term or long-term liabilities. The interest element is stated in the profit and loss account for the duration of the contract. Assets defined under financial leases are capitalised and depreciated over their expected service life.

(l) Revenue recognition

IFRS 15 revenue from Contracts with Customers applies.

Revenue relates to goods sold and services provided.

Revenue from the sale of goods is recognised when the Company has transferred to the buyer the principal risks and rewards of ownership of the goods, which is usually the time of delivery.

Revenue from services provided is recognised on a stage of completion basis, as a percentage of the total revenue relating to the service contract, the percentage being determined by reference to the ratio of the total services to be provided to the services provided until the balance sheet date.

Royalty income is recognised based on the principles of accrual accounting in accordance with the economic substance of the related contracts.

Interest income is recognised periodically on a pro rata basis, as the income is generated, based on the principles of accrual accounting.

(m) Financial Result

The financial result includes expenses/income on exchange rate differences, interest payable on credits or other loans and interest receivable on bank current accounts. The principle of separation of financial years is followed for the recognition of these types of expenses and income.

(n) Income Tax

The Company records current income tax based on the taxable profit from tax reporting, according to the relevant Romanian legislation. Deferred tax is calculated in accordance with IAS 12 Income Taxes.

(o) Estimates

The preparation of financial statements in conformity with IFRS requires the Company's Management to make estimates and assumptions that affect the reported values of assets, payables and equity, the disclosure of contingent assets and liabilities on the date of the financial statements and the reported income and expenses for that period. Although such estimates are made by the Company's Management on the basis of the best information available on the date of the financial statements, actual results may differ from those estimates.

(p) Pensions and Other Post-Retirement Benefits

In the normal course of business, the Company pays taxes to the State for its employees. All employees of the Company are members of the Romanian Pension Fund. The Company's policy includes another retirement scheme, employed people over 45 years of age (25 persons) benefit from a supplementary private pension. At the same time, according to Article 109 of the Collective Labor Agreement, the company offers other benefits to its employees on the date of retirement

(q) Turnover

Turnover represents the amounts invoiced and to be invoiced, net of VAT and trade discounts, for goods supplied or services provided to third parties. Operating expenses are recognised in the period to which they relate.

NOTE 2. FIXED ASSETS

Individual values	Gross values			
	Initial balance	Intrat	Initial balance	Sold final
I. Intangible assets¹	386.459	2.316	58.524	330.251
1. Development expenditure	-	-	-	-
2. Concessions, licences and other intangible assets	386.459	2.316	58.524	330.251
3. Goodwill	-	-	-	-
4. Advances	-	-	-	-
II. Tangible fixed assets	21.009.054	3.832.881	647.514	24.194.421
1. Land and land development ²	2.525.268	-	-	2.525.268
2. Constructions ³	7.985.551	-	-	7.985.551
3. Technical installations and machinery ⁴	8.526.035	44.229	-	8.570.264

4. Other installations, machinery, furniture ⁵	127.398	-	-	127.398
5. Investment property ⁶	600.109	-	-	600.109
6. Tangible fixed assets under construction ⁷	597.179	3.788.652	-	4.385.831
7. Investment property under construction	-	-	-	-
8. Advances for tangible fixed assets	647.514	-	647.514	-
III. Productive biological assets	-	-	-	-
IV. Financial fixed assets	5.146.708	2.301	-	5.149.009
1. Other fixed assets	5.146.708	-	-	5.146.708
2. Other fixed receivables	-	2.301	-	2.301
A. LONG-TERM ASSETS	26.542.221	3.837.498	706.038	29.673.681

Individual values	Depreciation			
	Initial balance	Intrat	Initial balance	Sold final
I. Intangible assets¹	375.316	8.626	58.523	325.419
1. Development expenditure	-	-	-	-
2. Concessions, licences and other intangible assets	375.316	8.626	58.523	325.419
3. Goodwill	-	-	-	-
4. Advances	-	-	-	-
II. Tangible fixed assets	5.222.759	613.727	-	5.836.486
1. Land and land development ²	22.120	3.040	-	25.160
2. Constructions ³	465.222	74.878	-	540.100
3. Technical installations and machinery ⁴	4.652.296	521.955	-	5.174.251
4. Other installations, machinery, furniture ⁵	83.121	13.854	-	96.975
5. Investment property ⁶	-	-	-	-
6. Tangible fixed assets under construction ⁷	-	-	-	-
7. Investment property under construction	-	-	-	-
8. Advances for tangible fixed assets	-	-	-	-
III. Productive biological assets	-	-	-	-
IV. Financial fixed assets	-	-	-	-
1. Other fixed assets	-	-	-	-
2. Other fixed receivables	-	-	-	-
A. LONG-TERM ASSETS	5.598.075	622.353	58.523	6.161.905

Individual values	Adjustments			Sold final
	Initial balance	Intrat	Initial balance	
I. Intangible assets¹	-	-	-	-
1. Development expenditure	-	-	-	-
2. Concessions, licences and other intangible assets	-	-	-	-
3. Goodwill	-	-	-	-
4. Advances	-	-	-	-
II. Tangible fixed assets	-	-	-	-
1. Land and land development ²	-	-	-	-
2. Constructions ³	-	-	-	-
3. Technical installations and machinery ⁴	-	-	-	-
4. Other installations, machinery, furniture ⁵	-	-	-	-
5. Investment property ⁶	-	-	-	-
6. Tangible fixed assets under construction ⁷	-	-	-	-
7. Investment property under construction	-	-	-	-
8. Advances for tangible fixed assets	-	-	-	-
III. Productive biological assets	-	-	-	-
IV. Financial fixed assets	-	-	-	-
1. Other fixed assets	-	-	-	-
2. Other fixed receivables	-	-	-	-
A. LONG-TERM ASSETS	-	-	-	-

Individual Values	Net Value	
	Initial Balance	Final Balance
I. Intangible assets¹	11.143	4.832
1. Development expenditure	-	-
2. Concessions, licences and other intangible assets	11.143	4.832
3. Goodwill	-	-
4. Advances	-	-
II. Tangible fixed assets	15.786.295	18.357.935
1. Land and land development ²	2.503.148	2.500.108

2. Constructions ³	7.520.329	7.445.451
3. Technical installations and machinery ⁴	3.873.739	3.396.013
4. Other installations, machinery, furniture ⁵	44.277	30.423
5. Investment property ⁶	600.109	600.109
6. Tangible fixed assets under construction ⁷	597.179	4.385.831
7. Investment property under construction	-	-
8. Advances for tangible fixed assets	647.514	-
III. Productive biological assets	-	-
IV. Financial fixed assets	5.146.708	5.149.009
1. Other fixed assets	5.146.708	5.146.708
2. Other fixed receivables	-	2.301
A. LONG-TERM ASSETS	20.944.146	23.511.776

Intangible Assets

¹ The Company owns intangible assets consisting of software needed in production, such as for mechanical and electrical design, etc.

Tangible Fixed Assets

Terenurile și construcțiile au fost reevaluate la 31.12.2016 de către un evaluator autorizat la valoarea justă. La data bilanțului curent valoarea netă a acestora are următoarea componență:

²Terenuri și amenajări de terenuri: valoare brută 2.525.268 RON, din care:

- a. built-up area land with a total surface of 5.077 sqm located in Sângeorgiu de Mureș, 16 Agricultorilor Street, Land Registry no. 51411, old Land Registry no. 4665/N, cadastral no. 51411.
- b. a 4,278 sqm share of built-up area land with a total surface of 5,134 sqm, located in Sângeorgiu de Mureș, Agricultorilor Street, old Land Registry no. 5647/N, cadastral no. 1174, owned by the companies Aages SRL and Electroterm SRL.
- c. a 750 sqm share of built-up area land with a total surface of 900 sqm, located in Sângeorgiu de Mureș, old Land Registry no. 5648/N, cadastral no. 1175, owned by the companies Aages SRL and Electroterm SRL.
- d. a 532 sqm share of built-up area land with a total surface of 798 sqm, located in Sângeorgiu de Mureș, 16E Agricultorilor Street, old Land Registry no. 2950/N, cadastral no. 84/4.
- e. built-up area arable land of 6,166 sqm, located in Sângeorgiu de Mureș, Agricultorilor Street, without number, Land Registry no. 53020, cadastral no. 53020, purchased on the basis of the Sales and Purchase Agreement concluded with Viessmann Transilvania SRL dated 22.05.2019 amounting to RON 904,860 (EUR 190,000 at the exchange rate of 4.7627 RON/EUR)
- f. land development – parking RON 62,654.
- g. land development – outdoor platform RON 26,178.
- h. an inner-city arable land of 788 sqm, partially fenced with a concrete, wooden and mesh fence, real estate registered in the cadastral plan without definite location due to the lack of a plot plan, located in Sângeorgiu de Mureș registered in CF 56159, cadastral no. 56159 acquired on the basis of the sale-purchase contract concluded with Mr. Oros Lucian and Mrs. Oros Valentina dated 11.04.2022 in the amounting to RON 175,437 (EUR 35,500 at the exchange rate of 4.9419 RON/EUR)

- i. an inner-city arable land of 788 sqm, partially fenced with a concrete, wooden and mesh fence, real estate registered in the cadastral plan without definite location due to the lack of a plot plan, located in Sângeorgiu de Mureș, Matei Corvin Street registered in CF 56158, cadastral no. 56158 purchased on the basis of the sale-purchase agreement concluded with Mr. Lenard Alexandru and his wife Mrs. Lenard Aurița dated 27.04.2022 in the amounting to RON 222,557 (EUR 45,000 at the exchange rate of 4.9457 RON/EUR).

³Constructions: gross value 7.985.551 RON, of which:

- a. Production hall no. I located in Sângeorgiu de Mureș, 16 Agricultorilor Street, amounting to RON 1,514,446;
- b. Production hall no. II located in Sângeorgiu de Mureș, 16 Agricultorilor Street, amounting to RON 3,412,648;
- c. Production hall no. III located in Sângeorgiu de Mureș, Agricultorilor Street, amounting in total to RON 3,036,353, commissioned during 2020
- d. ATES storage space, located in Sângeorgiu de Mureș, Agricultorilor Street, amounting in total to RON 22,104, commissioned during 2021

The following tangible fixed assets have been mortgaged in favour of **BRD – Groupe Societe Generale SA** in order to guarantee a framework credit agreement in the form of a global multicompany, multioption and multicurrency funding ceiling (see Note 4. Liabilities):

- a. Land with a total surface of 5,077 sqm, on which a Gatekeeper's Cabin and an Industrial Production Hall were built, located in Sângeorgiu de Mureș, 16 Agricultorilor Street, registered with Land Registry no. 51411/Sg. de Mureș, owned by AAGES SA.
- b. Acces road with a surface of 798 sqm, located in Sângeorgiu de Mureș, Agricultorilor Street, Land Registry no. 2950/N/Sg. de Mureș, under cadastral no. 84/4, owned by Aages SA, Aages HTC SRL, Electroterm SRL, each for a 1/3 share of the land.
- c. Land with a total surface of 5,223 sqm and future construction, registered with Land Registry no. 50847/Sângeorgiu de Mureș, owned by AAGES SA.
- d. Land with a surface of 900 sqm and future construction, registered with Land Registry no. 50899/Sângeorgiu de Mureș (access road for future construction), owned by AAGES SA.

⁴⁻⁵During the financial year, technical installations and machinery amounting to RON 44.229 RON were purchased among which the most significant are: digital multimeters and office equipment

⁶Investment property amounting to RON 600,109 are those fixed assets which are not used by the Company in its production or administrative activity, but are used to obtain rental income and to increase the capital value. The Company has chosen the fair value model. The values were determined following a valuation carried out as of 31 December 2016. This category includes:

- a. built-up area land with a total surface of 250 sqm, located in Tg. Mureș, 27 Borsos Tamás Street, Land Registry no. 129391, Tg. Mureș, cadastral no. 29391: RON 140,355;
- b. a building located in Tg. Mureș, 27 Borsos Tamás Street, amounting to RON 163,899;
- c. land with a total surface of 2,958 sqm, located in Câmpul Cetății, old Land Registry no. 1962, cadastral no. 50085, topographic no. 2980 1/6 1/7, 2980/1/8: RON 65,846;
- d. 2 holiday houses located in Câmpul Cetății, amounting to RON 230,009;

Of the above investment property, the investments in Câmpul Cetății are not rented and those located on Borsos Street in Tg. Mureș were the ones generating rental income, the value of such income being as follows:

- in 2024: RON 17.313
- in 2025: RON 17.541

Carrying amount with revaluation (RON)	As of 01.01.2025	As of 31.12.2025
Investment property	600.109	600.109
Total	600.109	600.109

Depreciation of tangible fixed assets is calculated using the straight-line method. The depreciable amount is obtained by applying the following valuation models after recognition:

- IAS 16 revaluation model: for buildings and land
- IAS 40 fair value model: for investment property
- IAS 16 cost-based model: for the remaining tangible fixed assets.

Fair Value measurement

The following table presents the valuation methods used in determining fair values (**Level 3**) for the revaluation of land and buildings, as well as the significant unobservable input data used. The last revaluation was carried out as of 31.12.2016.

Category	Valuation method	Significant unobservable input data	Correlation between unobservable key input data and fair value measurement
Land	Direct comparison approach Fair value is estimated based on price per square metre for land with similar characteristics	location, surface	fair value would increase/ decrease based on significant unobservable input data
Buildings	Direct comparison approach and income approach with discounted cash flow (DCF) technique. It is based on the selling price per square metre for buildings with similar characteristics. The valuation model based on the DCF method estimates the present value of the net cash flows that will be generated by a building from rent, taking into account the occupancy rate and landlord expenses.	occupancy rate, location, surface, building expenses, rent	fair value would increase/ decrease based on significant unobservable input data

⁷Tangible fixed assets in progress: the company's management has decided to build a site intended for service housing for the company's employees. The land with a surface area of approx. 1500 sq m that will be used for construction is owned by AAGES S.A., being located in the town of Sângeorgiu de Mureş. The realization of this investment completes the company's policy of loyalty to highly specialized personnel, being opportune and necessary for the good functioning of the company for the medium and long term. The term for completion of the investment will be in 2026.

⁸Financial assets represent the participation of Aages SA in the share capital of Electroterm SRL. According to the Decision of the Board of Directors no. 3 of May 16, 2024, Aages SA acquires the shares of Electroterm SRL held by Aages Headinvest SRL in the proportion of 44.99%, respectively the 5.01% held by Molnár Gábor József. The acquisition price was established based on a valuation report prepared by GBF VALUATION & RESEARCH, a corporate member of ANEVAR, and RON 4,987,500 was paid for this acquisition.

On 20.05.2024, the action was finalized, thus following the transfer, AAGES SA owns all 8750 shares, representing 100% of the share capital.

NOTE 3. CURRENT ASSETS

3.1 Inventories

As of the balance sheet date, the Company's inventories are composed of (RON):

Inventory category	As of 01.01.2025	As of 31.12.2025
1. Raw materials	6.686.153	6.003.163
2. Consumables	2.077	3.090
3. Inventory items and other consumables	-	-
4. Fixed assets held for sale	-	-
5. Production in progress	5.519.524	7.965.224
6. Semi-finished products	529.933	724.915
7. Finished products	-	-
8. Residual products	-	-
9. Commodities, packaging, animals	300	300
10. Advances for inventories	41.846	103.947
Inventories (Totals)	12.779.833	14.800.639

Raw materials are used in the production process and consist of transistor modules, cooling tower, electronic boards, capacitors, copper sheets, fan and others.

Under consumables, the fuel in the car tanks is reported.

Production in progress represents production not completed at the end of the quarter, such as: power supply, hardening plant, converter, hardening plant and induction melting plant, etc.

Semi-finished products represent various parts obtained in the production process, such as: electronic boards, coil, test stand, contactor, sensor, etc.

Finished goods represent a horizontal hardening machine, which during the current financial year were restated as tangible fixed assets.

Commodities, packaging, animals represent guard dogs and various packaging.

Advances for inventories represent amounts paid to debtor suppliers related to inventories.

At the end of the completed financial year there is a value adjustment for slow-moving stocks in the amount of RON 200,500.

An unconditional movable property mortgage in favour of **BRD – Groupe Societe Generale SA** has been established on the raw materials, auxiliary materials, products in progress, semi-finished products and present and future commodities inventories that are and will be at any time during the term of the mortgage owned by Aages, in order to guarantee a framework credit agreement in the form of a global multicurrency, multioption and multicurrency funding ceiling (see Note 4. Liabilities).

3.2 Receivables

Receivables category	As of 31.12.2025	Liquidation period	
		Less than 1 year	More than 1 year
1. Trade receivables	2.551.594	2.551.594	-
~ Customers and uncertain customers, effects, invoices to be drawn up ¹	2.596.481	2.596.481	-
~ Impairment adjustments for uncertain customers ²	44.887	44.887	-
2. Advances paid ³	21.950	21.950	-
3. Amounts receivable from associated and jointly controlled entities	-	-	-
4. Other receivables, of which	499.995	499.995	-
~ Sundry debtors ⁴	-	-	-
~ Deferred tax receivables ⁵	319.030	319.030	-
~ Other receivables from State and State institutions ⁶	180.965	180.965	-
~ Other receivables	-	-	-
Total creanțe	3.073.539	3.073.539	-

¹The total amount of receivables from customers can be broken down by type and origin, as follows:

Type of customer receivables (RON)	Aages SA		
	Internal	Extern	Internal
Customers and invoices to be drawn up	285.802	2.265.792	2.551.594
Uncertain customers	-	44.887	44.887
Total	285.802	2.310.679	2.596.481

²Impairment adjustments for customer receivables have been created in accordance with the company's accounting policy. The situation of the outstanding receivables by age and adjustments can be presented as follows:

Customer receivables age (RON)	Aages		
	Gross values	Ajustare	Gross values
Less than 30 days	1.542.953	-	1.542.953
31 – 120 days	946.889	-	946.889
121 – 365 days	5.543	-	5.543
More than 365 days	101.096	44.887	56.209
Total	2.596.481	44.887	2.551.594

The trade receivables shown above include amounts that are uncollected at the end of the reporting period, including those for which the Company has not recognised a value adjustment because these receivables relate to customers for whom there is no recent history of non-recoverability. The Company has established impairment adjustments for receivables for which there is evidence of impairment based on historical experience. Thus, the Company's Management believe that no impairment adjustments are required for doubtful receivables other than those that have been recorded in the financial statements.

³ Advances paid represent advances paid for services provided that will be settled in future periods.

⁵ Deferred income tax information is dealt with in Note 11.

⁶ Receivables from the State represent all receivables to be collected on account of State social security, income tax, non-recoverable VAT, subsidies and sick leave to be recovered from FNUASS.

A movable property mortgage in favour of **BRD – Groupe Societe Generale SA** has been established on trade receivables arising from commercial contracts, in order to guarantee the framework credit agreement amounting to RON 21,000,000 (see Note 4. Liabilities).

3.3. Short Term investments

The Company does not hold treasury certificates or bonds, the amounts shown in this category represent collateral bank deposits intended to guarantee bank credit agreements, which are treated as deposits held until credit repayment is due.

Bank deposits (RON)	As of 01.01.2025	As of 31.12.2025
Collateral deposit	1.111.268	1.141.917
Total	1.111.268	1.141.917

The composition of the amount at the end of the period under review is as follows:

Bank	Type	Currency value	Currency type	Exchange rate	RON Value
BRD	Credit line guarantee ¹	166.812	EUR	5,0985	850.492
BRD	Credit line guarantee ²	57.159	EUR	5,0985	291.425
Total					1.141.917

¹ Guarantee for the credit line contracted with Tg. Mureş BRD Bank, amounting to EUR 164,000 plus interest is related to the credit agreement no. 23/28.01.2013, extended by Addendum no. 12 of 13.09.2023 until 16.02.2025. An 30-day term deposit with automatic renewal was contracted.

² Guarantee for the credit line contracted with Tg. Mureş BRD Bank, amounting to EUR 54,000 plus interest is related to the credit agreement no. 23/28.01.2013, extended by Addendum no. 10 of 14.09.2023 until 16.02.2025. An 90-day term deposit with automatic renewal was contracted.

3.4. Cash and Bank Accounts

Cash and cash equivalents referred to in cash flows comprise: cash on hand, bank current accounts, overnight deposits and short-term deposits (between 1-3 months), as follows (in RON):

Cash category	As of 01.01.2025	As of 31.12.2025
Bank accounts in RON	1.888.737	792.901
Bank accounts in foreign currency	7.414.322	4.087.607
Cash on hand in RON	32.312	32.302
Cash on hand in foreign currency	-	-
Other amounts	-	-
Total:	9.335.371	4.912.810

AAGES SA has accounts opened with BRD, Tg. Mureş Treasury, Banca Transilvania and BCR from Tg Mureş branches.

On all bank accounts opened with BRD, according to the Movable Property Mortgage Contract no. 11686 of 28.01.2013, extended by Addendum no. 13 of 14.09.2023 a movable property mortgage was established, required to guarantee the bank credit amounting to RON 21,000,000 contracted with BRD Bank (See details on Note 4 Liabilities).

NOTE 4. LIABILITIES

Liability category	As of 31.12.2025	Due date		
		Less than 1 year	1 to 5 years	More than 5 years
1. Amounts due to credit institutions ¹	-	-	-	-
2. Advances received on account of orders ²	4.731.935	4.731.935	-	-
3. Trade payables ³	390.639	390.639	-	-
- Trade payables to suppliers	306.800	306.800	-	-
- Supplier invoices not received	83.839	83.839	-	-
4. Trade payable effects ⁴	870.022	870.022	-	-
5. Amounts due to associated and jointly controlled entities	-	-	-	-
6. Other short-term liabilities	861.455	861.455	-	-
- Other loans and similar liabilities ⁵	11.692	11.692	-	-
- Staff-related liabilities ⁶	434.044	434.044	-	-
- Liabilities related to State Social Security Budget and State Budget ⁷	387.340	387.340	-	-
- Current/deferred income tax ⁸	28.379	28.379	-	-
- Sundry creditors and other liabilities	-	-	-	-
Total liabilities	6.854.051	6.854.051	-	-

⁽¹⁾The company has no outstanding debts to credit institutions.

⁽²⁾ Advances received on orders represent advance payments collected from the customers of the company's manufactured products, based on firm orders or concluded contracts.

⁽³⁾ The value of trade payables consists of supplier trade payables, i.e. amounts invoiced but unpaid as at the balance sheet date, and suppliers – invoices not yet received, which include services and expenses related to the analyzed financial year but to be invoiced in the following financial year..

⁽⁴⁾ Bills payable represent promissory notes and cheques to be settled during the following year..

⁽⁵⁾ Other borrowings and similar liabilities represent financing through finance leases for two new Dacia Duster Journey Blue dCi 115 vehicles.

⁽⁶⁾ Employee-related liabilities represent salaries and material benefits payable as at the balance sheet date.

⁽⁷⁾ Liabilities to the social security and health insurance funds comprise taxes and contributions related to employees' remuneration, as well as other statutory charges.

⁽⁸⁾ Current and deferred income taxes are presented in Note 10 and Note 11.

NOTE 5. PREPAID EXPENSES AND DEFERRED INCOMES

Prepaid expenses and Deferred Incomes	As of 01.01.2025	As of 31.12.2025
Prepaid Expenses	166.140	110.070
Deferred Incomes	310.244	300.165

I. Prepaid expenses represent amounts (insurance, taxes, etc.) recorded until the end of the period under review, but which will be included in the following month's expenditure.

- II. Deferred income represents the amount of investment subsidies not transferred to income. Their recognition as income is recognised monthly, corresponding to the depreciation of tangible fixed assets acquired for the whole service life, and is composed as follows:

Non-reimbursable subsidies (RON)	As of 01.01.2025	As of 31.12.2025
POS CCE 348/3m/2011	132.298	120.794
Electric Up ctr. 328/18.05.2022	157.744	141.994
Other amounts received as investment subsidies	20.202	37.377
Total subsidies, of which:	310.244	300.165
short-term	36.578	36.344
long-term	273.666	263.821

NOTE 6. PROVISIONS

Provisions are intended to cover liabilities whose nature is clearly defined and which as of the balance sheet date are likely to exist or are certain to exist, but which are uncertain as to their amount or the date on which they will arise.

As of the balance sheet date, the amount of a provision is the best estimate of probable expenditure or, in the case of an obligation, of the amount required to settle it. As a result, provisions may not exceed in value the amounts that are required to settle the current obligation as of the balance sheet date.

Provisions for risks and expenditure are a guarantee of the Managers' responsibility for consolidating the patrimony and at the same time ensuring the smooth running of the firm they manage. At the same time, they are one of the safeguards that economic operators put in place in order to ensure that there is real information in the financial statements.

No matter how much experience a manager has, without a systematic basis for economic progress and constant rigorous control, there can be no guarantee of confidence in the flow of information from outside or inside the company. For this reason, managers consider potential risks that would affect the company's business continuity.

During the current financial year, the Group made provisions for:

Provision Type	Initial balance	Increases	Decreases	Final balance
Provision for unused vacation leaves	280.953	193.184	280.953	193.184
Provision for audit services	80.000	-	-	80.000
Total	360.953	193.184	280.953	273.184

NOTE 7. CAPITAL AND RESERVES

Capital accounts

The capital accounts are as follows:

Elements	As of 01.01.25	As of 31.12.25
I. Registered capital	2.706.342	2.706.342
- Subscribed registered capital	2.000.000	2.000.000
- Inflation adjustments to registered capital	706.342	706.342
II. Revaluation reserves	774.585	767.306

- Revaluation reserve on investment property	-	-
- Revaluation reserve on other fixed assets	774.585	767.306
III. Reserves	720.140	702.031
1. Legal reserves	400.000	400.000
2. Other reserves	320.140	302.031
IV. Own shares	310.506	205.349
Earnings related to equity instruments	-	-
Losses related to equity instruments	-	-
V. Reported result	26.848.833	33.427.168
VI. Current result	9.569.891	2.725.853
Total Equity	40.309.285	40.123.351

7.1 Subscribed Registered Capital

The registered capital of the Ages SA was adjusted for the effect of hyperinflation for the period until 31.12.2003.

Registered capital (RON)	As of 01.01.25	Change during 2025	As of 31.12.25
Subscribed and paid-up registered capital	2.000.000	-	2.000.000
Adjustments to registered capital	706.342	-	706.342
Balance at end of year	2.706.342	-	2.706.342

The shareholding structure at the end of the period under review is shown below:

Shareholder's name/type	No. of shares	Percentage
Ages Head Invest	5.202.432	52,02%
Natural persons	4.220.622	42,21%
Legal entities	576.946	5,77%
Total:	10.000.000	100,00%

7.2 Revaluation Reserves

Revaluation reserves (RON)	As of 01.01.2025	As of 31.12.2025
Balance at beginning of year	781.864	774.585
Increases	-	-
Transfer of reported result	-7.279	-7.279
Balance at end of period	774.585	767.306

7.3 Reserves

Legal reserve (RON)	01.01.2025	31.12.2025
Balance at beginning of year	400.000	400.000
Increase	-	-
Balance at end of year	400.000	400.000

The transfer from current (reported) result to the legal reserve was made in accordance with the legal regulations from the annual gross profit earned by the Company. At the end of 2018, the legal reserves reached the legal maximum limit of 20% of the registered capital, and it was no longer necessary to increase such reserves.

Other reserves were created from the net profit made by the company and underwent changes due to the impact of the buyback of own shares and the concession to employees

Other reserves (RON)	As of 01.01.2025	As of 31.12.2025
Balance at beginning of year	289.675	320.140
Changes	30.465	-18.109
Balance at end of year	320.140	302.031

7.4 Own Shares

As a result of the meeting held on October 8, 2024, the Board of Directors approved a new share buyback program of 100,000 shares, aimed at allocating shares to the company's employees to incentivize and retain them. The buyback program was scheduled to take place from October 14, 2024, to December 17, 2025. As of the balance sheet date, this operation was completed: 71,000 shares were purchased for a total of RON 463,989, and the buyback of the remaining 29,000 shares was canceled.

7.5 Reported Result and Current Result

The following changes were recorded in reported result:

Changing on reported result	As of 01.01.2025	As of 31.12.2025
Initial balance	29.340.389	36.418.724
Current result	9.569.891	2.725.853
Dividends	(2.500.000)	(3.000.000)
Distribution of social capital	-	-
Distribution of legal reserves	-	-
Revaluation surplus	7.279	7.278
Result from equity instruments	-	-
Other changes	1.165	1.166
Final balance	36.418.724	36.153.021

The Company's objectives in capital management are to ensure the protection and ability to reward shareholders and maintain an optimal debt/equity balance structure.

The Company's Management regularly reviews the capital structure in order to maintain the balance between debt and equity. To this end, the Company may change the amount of dividends paid to shareholders, the return on capital to shareholders, issue new shares or sell assets in order to reduce debts.

The Company monitors the amount of capital attracted based on the overall debt ratio. This ratio is calculated as the ratio of total debt to total equity.

Item / Indicator (RON)	As of 01.01.2025	As of 31.12.2025
Total debts	7.385.599	6.854.051
Total assets	48.366.081	47.550.751

Debt ratio	15,27%	14,41%
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7.6 Dividends

During the financial year ended, gross dividends were distributed proportionally to the number of shares held by the shareholders.

Dividends (RON)	2024	2025
Dividend distribution	2.500.000	3.000.000
Gross dividend/share	0,25	0,30

NOTE 8. OPERATING RESULT

Details of the turnover are as follows:

Composition of Aages turnover	As of 31.12.2024	As of 31.12.2025
- Income from sales of finished products	50.889.125	23.417.124
- Income from sales of semi-finished products	492.473	667.240
- Income from sales of residual products	7.178	3.521
- Income from works executed and services provided	2.862.343	4.923.401
- Income from rents	17.313	17.541
- Income from sales of commodities	863.295	844.800
- Income from miscellaneous activities	27.853	-
- Trade discounts granted	248.494	-
Total turnover	54.911.086	29.873.627

The company's turnover can be split by geographical regions as follows:

Amounts in RON	As of 31.12.2024	As of 31.12.2025
Income from Romania	18.639.688	3.360.112
Income from outside Romania	36.271.398	26.513.515
TOTAL	54.911.086	29.873.627

Through its contracting policy the Company has avoided significant dependence on a single beneficiary. The Company's customers are world-renowned companies, and the Company's policy is to develop commercial relationships with strong companies that provide the basis for secure and forward-looking collaboration. The main countries of origin of such customers are Germany, Turkey, China, Hungary.

NOTE 9. INFORMATION ON EMPLOYEES, MANAGERS AND DIRECTORS

9.1 Employees

The effective number of employees during the year was as follows:

Category	2024	2025
Administrative (TESA) staff	24	24
Directly productive employees	99	87
Total	123	111

Staff expenditure (RON)	As of 31.12.24	As of 31.12.25
Salaries and employee allowances expenses	13.157.757	12.544.801
Employer's social security contributions	184.075	139.635
Work insurance contribution	263.689	250.101
Total employee-related expenses	13.605.521	12.934.537

9.2 Administrație și conducere

Management of the Company Aages SA during the financial year ended:

The Company is managed by a Board of Directors, consisting of:

- Molnár Gábor József Chairman, Chief Executive Officer
- Törzsök Sándor-László Member
- Kolozsvári Zoltán Member
- Doki János Tibor Member
- Savu Lucian-Dorel Member

Remuneration of the Chief Executive Officer is determined by the AGM.

Remuneration of directors and other senior management members during the year (RON)	As of 31.12.2024	As of 31.12.2025
Management gross salaries	585.380	577.339
Benefits for the Board of Directors	128.200	102.560
Total compensation granted to senior management	713.580	679.899

The Economic-Financial Department is managed by Mrs. Péntek Mária, member of the Body of Expert and Licensed Accountants of Romania (CECCAR).

NOTE 10. AFFILIATE PARTIES TRANSACTIONS

Legal entities and natural persons in special relations with the Aages Company are as follows:

- Aages HTC SRL whose shareholders are 49% Aages Headinvest SRL and 2% Mr. Molnár Gábor József, with Mr. Molnár Gábor József as Manager,
- Multimas SRL whose 52.85% shareholder is Mr Molnár Gábor József, with Mr. Molnár Gábor József as Manager.

Transactions with the parties listed above, i.e. the shareholders Aages Headinvest SRL and Mr Molnár Gábor József, are set out below:

Transactions with parties in specifically identified relations (RON)	As of 31.12.2024	As of 31.12.2025
Sales of goods and services	62.097	89.790
-Multimas SRL	-	-
-Aages HTC SRL	39.542	43.623
-Aages Headinvest SRL	7.104	7.249
-Electroterm SRL	15.451	38.918
Purchases of goods and services	4.415.625	3.947.263
-Multimas SRL	1.164.336	1.051.738
-Aages HTC SRL	14.042	26.152
-Aages Headinvest SRL	-	-
-Electroterm SRL	3.237.247	2.869.373
Loans	-	-
-Aages HTC SRL	-	-
Paid Dividends	1.571.946	1.812.052
-Aages Headinvest SRL	1.339.240	1.560.730
-Molnár Gábor József	232.706	251.322
Received Dividends	-	-
-Electroterm SRL	-	-
Financial Assets	-	-
- Aages HTC SRL	-	-
Remunerations	113.856	113.856
-Molnár Gábor József	113.856	113.856
Trade payables	149.332	54.103
-Multimas SRL	-	-
-Aages HTC SRL	2.759	-
-Aages Headinvest SRL	-	-
- Molnár Gábor József	-	-
-Electroterm SRL	146.573	54.103
Receivables	-	307
-Multimas SRL	-	-
-Aages HTC SRL	-	307
-Aages Headinvest SRL	-	-
- Molnár Gábor József	-	-
-Electroterm SRL	-	-

NOTE 11. INCOME TAX

The total income tax expenditure for the year can be reconciled to the accounting profit as follows:

Amounts in RON	As of 31.12.2024	As of 31.12.2025
Net accounting result	9.569.891	2.725.853
Items similar to income	7.279	7.279
Deductions	813.235	878.522
Non-taxable income	1.694.762	1.281.677
Non-deductible expenses	4.148.877	3.612.432
Tax base	11.218.050	4.185.365
Income tax reductions	347.827	176.312
Current income tax, expense of which	1.445.660	580.409

- current income tax, recognised in the profit and loss account	1.447.061	493.346
- deferred income tax	(1.401)	87.063

NOTE 12. DEFERRED INCOME TAX

Components of deferred tax liabilities/assets:

Change in Aages deferred tax (RON)	Initial balance	Change in current result	Change in comprehensive result	Final balance
Value of tangible and intangible fixed assets	(469.641)	(40.986)		(510.627)
Inventories adjustment	(33.854)	-		(33.854)
Customer receivables adjustment	(147.120)	142.093		(5.027)
Provisions/Other provisions	57.752	(14.043)		43.709
Legal reserve	64.000		-	64.000
Revaluation reserve on investment property	-	-		-
Revaluation reserve on other tangible assets	123.935		(1.166)	122.769
Total	(404.928)	87.064	(1.166)	(319.030)

The tax rate applied for the above reconciliation for the years under review is 16%.

NOTE 13. COMMITMENTS

The situation of commitments in RON for 2 years:

Commitments (RON)	As of 31.12.2024	As of 31.12.2025
Issued by BRD	4.226.800	1.724.343

At the end of the period under review, the Group has the following types of letters of guarantee issued for the BRD credit agreement:

Type	Value	Value (RON)
Letter of guarantee of good performance	42.300 EUR	215.667
Letter of guarantee of good performance	295.906 EUR	1.508.677
Total agreements		1.724.343

NOTE 14. RISK MANAGEMENT

Credit risk

Credit risk is the risk that the Company will incur a financial loss as a result of failure of a customer to meet contractual obligations, arising mainly from trade receivables or from a possible non-fulfilment of obligations under financial

instruments. The Company is not exposed to concentrated credit risk, it has a high credit risk particularly with external customers, where contract values are more significant.

Cash, deposits are placed with financial institutions that are considered to be of high creditworthiness.

The Company records an impairment adjustment which is a good estimate of the losses incurred on trade receivables.

The trade receivables age situation was presented in Note 3.2 above.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or by the transfer of another financial asset.

A prudent liquidity risk management policy involves maintaining a sufficient level of cash, cash equivalents cash equivalents and the availability of funding through appropriately contracted credit facilities. The Company monitors the level of expected cash inflows from the collection of trade receivables as well as the level of expected cash outflows for the payment of trade and other payables.

Indicators in this group show the ability of assets to turn into cash without risk.

Payables category	Carrying amount	Total	Less than one year
Bank loans	-	-	-
Trade payables	390.639	390.639	390.639
Other payables	6.463.412	6.463.412	6.463.412
Total	6.854.051	6.854.051	6.854.051

Market Risk

Market risk is the risk that changes in market prices, such as exchange rates and interest rates, will affect the Company's income or the value of financial instruments held.

Currency Risk

The unit's functional currency is RON. The Group is exposed to foreign exchange rate fluctuations through deliveries and purchases respectively bank loans granted in currencies other than RON. The currencies exposing the Group to this risk are EUR, GBP, USD and HUF. The Group does not use derivatives or hedging instruments. The resulting exchange differences are included in the profit and loss account.

The entity's exposure to currency risk as of the balance sheet date was:

Net exposure in RON	As of 31.12.2024	As of 31.12.2025
Cash and cash equivalents	7.414.322	4.087.607
Trade receivables and similar	4.077.799	2.310.679
Deposits, treasury certificates and bonds	1.111.268	-
Trade payables	-	-
Short-term loans	-	-
Total net exposure in RON	12.603.389	6.398.286

Net exposure in EUR	As of 31.12.2024	As of 31.12.2025
RON/EUR NBR exchange rate at end of period	4,9741	5,0985

Cash and cash equivalents	1.490.586	801.727
Trade receivables and similar	819.806	453.208
Deposits, treasury certificates and bonds	223.411	-
Trade payables	-	-
Short-term loans	-	-
Total net exposure in EUR	2.533.803	1.254.935

The following significant rates were applied at the end of the financial years:

Currency	Exchange rate	
	31.12.2024	31.12.2025
EUR	4,9741	5,0985
USD	4.7768	4.3317

Sensitivity analysis

A reasonably possible appreciation (depreciation) of the EUR against RON at the end of the periods would affect the valuation of financial instruments in foreign currency and profit before tax and, respectively, equity by the amounts shown below. The analysis assumes that all other variables, particularly interest rates, remain constant, and ignores the impact of sales and purchases.

Gross profit sensitivity analysis	As of 31.12.2024	As of 31.12.2025
Profit before tax in RON	11.015.551	3.306.262
RON/EUR NBR exchange rate at end of period	4,9741	5,0985
Profit before tax in EUR	2.214.582	648.477
Net exposure in EUR	2.533.803	1.254.935
Profit adjusted with EUR 5% appreciation	2.341.272	711.224
Profit adjusted with EUR 5% depreciation	2.087.892	585.731

Interest rate risk

The Company's operational cash flows are mainly affected by changes in interest rates due to bank loans, which vary between Euribor 3M 4.5%-6% and Robor 3M + 3.25%. The Company has significant loans with variable interest rates, which may expose the Company to significant cash risk, and all bank deposits irrespective of maturity carry a fixed interest rate. The Group does not use derivative financial instruments to hedge against interest rate fluctuations. As of the reporting date, the interest rate risk exposure profile related to the interest-bearing financial instruments held by the Company was as follows:

Gross profit sensitivity analysis in RON	As of 31.12.2025
<i>Fixed interest financial instruments/Financial assets</i>	<i>1.141.917</i>
Bank deposits less than 3 months	-
Bank deposits between 3-12 months	1.141.917
Bank deposits more than 12 months	-
<i>Variable interest financial instruments/Bank loans</i>	<i>-</i>
Short-term bank loans	-
Medium-term bank loans	-

Intesest costs -AAGES	2.788
Interest costs -ELECTROTERM	
Interests eliminations (reciprocal or otherwise)	
Profit change effect if the interest rate changes by 50%	1.394
Appreciation Profit before tax change interest by 50%	3.307.656
Depreciation Profit before tax change interest by 50%	3.304.868

Sensitivity analysis

A reasonably possible change in interest rates of 50 basis points as of the reporting date would have increased (decreased) profit before tax by the amounts shown below. This analysis assumes that all other variables, especially exchange rates, remain constant.

NOTE 15. SUBSEQUENT EVENTS

We believe that the state of war in Ukraine and the restrictive measures imposed on Russia and Belarus by the EU are not events that significantly influence the annual financial statements presented above.

Sângeorgiu de Mureş la 04.03.2026

Chief Executive Officer

Molnár Gábor József

Chief Accountant

Péntek Mária

Bucharest, 24 March 2026

AAGES SA

16 Agricultorilor street, Sangeorgiu de Mures village,
Sangeorgiu de Mures, Mures county

AUDIT REPORT

Consolidated financial statements 31.12.2025

Prepared by
MGMT AUDIT & BPO SRL

**Report of independent auditors to shareholders
AAGES SA**

Report on consolidated financial statements

Opinion

We audited the Financial Statements of AAGES SA with headquarters in Mures County, Sangeorgiu de Mures, Sangeorgiu de Mures Village, Farmers Street, no. 16, fiscal code RO 1196550 and of the subsidiary ELECTROTERM SRL with headquarters in Mures County, Sangeorgiu de Mures commune, Sangeorgiu de Mures village, 16/E Agricultorilor street, ro 1196615 tax code, hereinafter referred to as the "Group"), which include the consolidated situation of the financial position from 31 Decembrie 2025 and the consolidated statement of the overall result, the consolidated situation of the changes in the capital of the capital and the consolidated statement of the cash flows for the financial year and closed on this date and a summary of the significant accounting policies and other explanatory notes.

The financial statements consolidated at 31 December 2025 mentioned refer to:

Total assets	57,889,116 RON
Equity	48,767,697 RON
Turnover	37,047,378 RON
Result of the year - profit	3,414,057 RON

In our opinion, the consolidated financial statements present faithfully, in all significant aspects, the consolidated financial position of the Group at 31 December 2025 and its consolidated financial performance, its consolidated cash flows for the year that ended at that time, in accordance with the Order of the Minister of Public Finance of Romania no. 2844/2016 for the approval of accounting regulations in accordance with International Financial Reporting Standards with subsequent amendments and clarifications.

The Basis of Opinion

We conducted our audit in accordance with the International Standards on Auditing ("ISA"), EU Regulation No. 537 of the European Parliament and of the Council (hereinafter referred to as the "Regulation") and Law no.162/2017 ("Law"). Our responsibilities under these standards are described in detail in the section "Auditor's responsibilities in an audit of financial statements" in our report. We are independent from the Company, according to the Code of Ethics of Professional Accountants issued by the Council for International Ethical Standards for Accountants (IESBA code), according to the ethical requirements that are relevant for the audit of financial statements in Romania, including the Regulation and the Law, and we have fulfilled our ethical responsibilities according to these requirements and according to the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphases of matter

We draw attention to Note 3.1 "Stocks", which has a value of RON 17,418,307. Of this amount, Raw materials, materials and merchandise are in the total amount of RON 8,623,226 and includes depreciation adjustments in the amount of RON 254,286 RON.

We mention that the valuation was based on the company's general policies, in the absence of a detailed analytical situation regarding the age of stocks by category at the reporting date. Our opinion is not changed in this regard.

Key audit aspects

The key audit aspects are those aspects that, according to our professional reasoning, had the greatest importance in our audit of financial statements in the current period. These aspects were dealt with in the context of our audit of the financial statements as a whole and in forming our opinion on them and we do not provide a separate opinion on these issues.

Audit aspect

How to approach the audit

Revenue recognition

See Note 8" "Operating result", the income recognition policy presented in note 1.3 "Significant accounting policies and methods".

According to the International Standards on Auditing, there is an implicit risk in the recognition of revenues, due to the pressure that the management may feel in order to obtain the planned results.

The company earns income based on contractual agreements concluded with its customers for the sale of finished products and goods, as well as services.

Revenues from sales of goods are recognized when the Company has transferred to the buyer the main risks and benefits associated with owning the goods, which is usually the time of delivery.

Revenues related to the services provided are recognised on the basis of the completion status.

Our audit procedures included, among other things:

- ✓ Assessment of revenue recognition principles according to IFRS 15 "Revenue from contracts with clients" and in relation to the accounting policies of the company and in relation to the accounting policies of the Group;
- ✓ Testing the existence and effectiveness of internal controls as well as performing detail tests in order to verify the correct registration of transactions;
- ✓ Examination of the accuracy of the adjustments made by the company in order to comply with the principle of the independence of exercises, taking into account the delivery conditions and the contractual provisions regarding the delivery methods;
- ✓ Testing on the basis of a sample of the balances of commercial receivables as at 31 December 2025 by sending confirmation letters.
- ✓ Analytical procedures regarding the gross margin by monthly comparison.

Existence and evaluation of stocks

As of December 31, the stocks are presented in the statement of financial position at the value of RON 17,418,307. According to IAS 2, the company has the obligation to measure inventories at the minimum value between cost and net realizable value.

In the industry of manufacture of electric motors, generators and transformers - NACE code 2711, stock valuation is a complex field for the following reasons:

- ✓ Long manufacturing cycle: the manufacture of electric motors, generators and transformers requires long production times, which implies significant cost accumulations in "Production in progress". There is a risk that these costs will exceed the final contracted sale price.
- ✓ As mentioned in Note 3.1 and in our paragraph "Highlighting an aspect", the depreciation analysis process for the amount of RON 8,623,226 (raw materials and merchandise) was based on the company's general policies, in the context in which the IT systems did not provide a detailed analytical situation regarding the age of stocks by category.

Our audit procedures included, among other things:

- ✓ Assessment of compliance with accounting policies: We have verified that the company's policies regarding the valuation of inventories are applied consistently and that they are in accordance with the provisions of IAS 2 "Inventories".
- ✓ Verification of physical existence: We participated by survey in the annual inventory process organized by the company to confirm the existence of stocks of raw materials and products in progress.
- ✓ Testing of the purchase and production cost: We verified, on a sample basis, the input value of raw materials by comparing it with the purchase invoices from suppliers. We also tested by survey the way of accumulating the costs of materials and labor in the manufacturing sheets for the products in progress.
- ✓ Verification of impairment policies: We analyzed whether the value adjustments were calculated consistently, in compliance with the accounting policies approved by the company's management for the current financial year.
- ✓ Net Realizable Value (NRV) Analysis: We surveyed the sales invoices issued by the company in the period immediately following December 31, to ensure that the selling prices of the finished products cover the production costs recorded, thus confirming that the inventories are not presented above their recoverable value.

Other information – Administrators' report

The Board of Directors is responsible for drawing up and presenting of “Other information” includes the Directors Report and the Remuneration Report that we obtained prior to the date of the auditor's report but does not include the financial statements and the auditor's report on them. Management is responsible for other information.

Our audit opinion on the financial statements does not cover acts of "other information" and, unless explicitly stated in our report, we do not express any assurance conclusions on them.

In connection with the audit of the financial statements for the year ended 31 December 2025, our responsibility is to read that “other information” also in this endeavor, to assess whether that “other information” is significantly inconsistent with the financial statements or with the knowledge that we obtained during the audit or if it appears to be significantly distorted. We have nothing to report on this.

The Board of Directors is responsible for preparing and presenting the report of the Board of Directors in accordance with the requirements of OMFP 2844/2016, as subsequently amended, for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the EU with subsequent amendments, Annex 1, items 15-19.

Regarding the Management Report, we have read and reported whether it has been prepared, in all material aspects, in accordance with OMFP 2844/2016, as amended, for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the EU as subsequently amended, Annex 1, paragraphs 15-19.

If, when reading the Remuneration Report, we conclude that there is a material distortion in it, we are obliged to communicate this to the persons responsible for governance.

Regarding the Management Report, we have read and report whether it has been prepared, in all material aspects, in accordance with OMFP 2844/2016, as subsequently amended, for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the EU with subsequent amendments, Annex 1, paragraphs 15-19.

Based exclusively on the activities to be carried out during the audit of the financial statements, in our opinion:

- a) The information presented in the Management Report for the financial year for which the individual financial statements were prepared is consistent, in all material aspects, with the individual financial statements;
- b) The Administrators' Report was prepared, in all significant aspects, in accordance with OMFP 2844/2016, as subsequently amended, for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the EU with subsequent amendments items 15-19.

In addition, based on our knowledge and understanding of the Company and its environment, acquired during the audit of the financial statements for the financial year ended on 31 December 2025, we are required to report whether we have identified significant distortions in the Management Report and in the Remuneration Report. We have nothing to report on this.

Regarding the Remuneration Report, I have read the Remuneration Report to determine whether it presents, in all material aspects, the information required by Article 107, paragraphs (1) and (2) of Law 24/2017 on issuers of financial instruments and market operations, republished. We have nothing to report on this.

Other aspects

In Romania, the tax legislation is constantly changing and adapting to the international legislation. In this context, there is the possibility of different interpretations of the legal provisions by the Ministry of Finance and by the local tax authorities. The management has registered in the accounts that are presented the different taxes and fees, based on the best interpretation of the tax provisions in force, an interpretation that can be challenged by a fiscal control.

This report is addressed exclusively to the company's shareholders and expressly mentions the recipients agreed by the contract or imposed by the legislation. Our audit was carried out in order to be able to report to the shareholders of the Company those aspects that we must report in a financial audit report, and not for other purposes. To the extent permitted by law, we do not accept and assume responsibility only to the Company and its shareholders, for our audit, for this report or for the opinion formed.

Responsibilities of management and those responsible for governance for consolidated financial statements

The Company's management has the responsibility for the preparation and faithful presentation of the consolidated financial statements in accordance with the Order of the Minister of Public Finance no. 2844/2016, as amended, for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the EU as subsequently amended and for that internal control that the management considers necessary to allow the preparation of consolidated financial statements that are free of significant distortions, caused either by fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the Group's capacity to continue its activity, for presenting, if applicable, the aspects related to the continuity of the activity and for using the accounting based on the continuity of the activity, unless the management either intends to liquidate the Company or to stop operations, or has no other realistic alternative in outside of them. The persons in charge of governance have the responsibility of supervising the financial reporting process of the Group.

Responsibilities of the auditor for the audit of consolidated financial statements

Our objectives are to obtain reasonable assurance on the extent to which the consolidated financial statements, as a whole, are free of significant distortions, caused either by fraud or error, as well as in issuing a report of the auditor that includes our opinion. Reasonable insurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with the ISA will always detect significant distortion, if any. Misrepresentations may be caused either by fraud or error and are considered material if it can reasonably be expected that they, individually or cumulatively, will influence the economic decisions of the users taken on the basis of these consolidated financial statements.

As part of an isa-compliant audit, we exercise professional reasoning and maintain professional skepticism throughout the audit. Also:

- We identify and evaluate the risks of material misrepresentation of the consolidated financial statements, caused by either fraud or error, we design and execute audit procedures in response to those risks and we obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a significant distortion caused by fraud is higher than that of not detecting a significant distortion caused by error, because fraud can involve secret agreements, forgery, intentional omissions, false statements, and avoidance of internal control.
- We understand the internal control relevant for the audit, in order to design audit procedures appropriate to the circumstances, but without having the purpose of expressing an opinion on the effectiveness of the internal control of their Companies.
- We evaluate the adequacy of the accounting policies used and the reasonableness of the accounting estimates and related presentations of information made by the management.
- We draw a conclusion on the adequacy of the management's use of accounting based on business continuity and we determine, based on the audit evidence obtained, whether there is significant uncertainty regarding events or conditions that could generate significant doubts regarding the Group's capacity to continue its activity. If we conclude that there is significant uncertainty, we must draw attention in the auditor's report to the related presentations in the consolidated financial statements or, if these presentations are inappropriate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group to no longer carry out its activity based on the principle of continuity of activity.
- We evaluate the presentation, structure and content of consolidated financial statements, including disclosures, and the extent to which the consolidated financial statements reflect the underlying transactions and events in a manner that results in a fair presentation.
- We obtain sufficient and adequate audit evidence regarding the financial information of the entities or business activities within the Group, in order to express a pintle on the consolidated financial statements. We are responsible for coordinating, supervising and executing the audit of the Rupee. We are solely responsible for our audit opinion.

We communicate to the persons in charge of governance, among other aspects, the planned area and the time scheduling of the audit, as well as the main findings of the audit, including any significant deficiencies in the internal control, which we identify during the audit.

We also provide the governers's responsible persons with a statement regarding our compliance with ethical requirements regarding independence and we communicate to them all relationships and other matters that can reasonably be considered to be likely to affect our independence and, where appropriate, the related safety measures.

Of the aspects that we have communicated to the persons in charge of governance, we establish those aspects that were more important in the audit on the consolidated financial statements of the current period and, therefore, represent key audit aspects. We describe these aspects in our audit report, unless the legislation or regulations prevent the public presentation of the respective aspect or if, in extremely rare circumstances, we consider that an issue should not be communicated in our report because it is reasonably expected that the benefits of the public interest will be outweighed by the negative consequences of this communication.

Report on other legal and regulatory provisions

We were appointed auditors of the company according to the Ordinary General Decision of shareholders no.1 / 27.04.2022 and contracted according to contract no. 310/29/29.09.2023, to audit the financial statements of AAGES SA for the financial year ended December 31, 2025 and the consolidated financial statements of the Group concluded on the same date. The total uninterrupted duration of our commitment is 5 years, covering the financial year ended on December 31, 2025.

We confirm that:

- Our audit opinion is in accordance with the additional report submitted to the Company's Audit Committee, which we issued on the same date as we issued this report. Also, in carrying out our audit, we have maintained our independence from the audited entity.
- We have not provided for the Group the prohibited non-audit services mentioned in Article 5(1) of EU Regulation No. 537/2014.

On behalf of,

MGMT AUDIT & BPO SRL

Jean Louis Calderon, no.70, 2 floor,
District 2, Bucharest, Romania

Registered in the Electronic Public Register with No.
FA1263
CAFR member with no. 1263/07.09.2015

Autoritatea pentru Supravegherea Publică a
Activității de Audit Statutar (ASPAAS)
Firma de Audit: MGMT AUDIT & BPO SRL
Registrul Public Electronic: FA 1263



Auditor: Gabriela Ciacaru

Registered in the Electronic Public Register with No.
AF4044
CAFR member with no. 4044 / 25.08.2011

Autoritatea pentru Supravegherea Publică a
Activității de Audit Statutar (ASPAAS)
Auditor financiar: GABRIELA CIACARU
Registrul Public Electronic: AF 4044

24 March 2026

Bucharest, 24 March 2026

AAGES SA

16 Agricultorilor street, Sangeorgiu de Mures village,
Sangeorgiu de Mures, Mures county

AUDIT REPORT

Individual financial statements 31.12.2025

Prepared by
MGMT AUDIT & BPO SRL

**Report of independent auditors to shareholders
AAGES SA**

Report on the individual financial statements

Opinion

We audited the Financial Statements of AAGES SA, with the headquarter in Mures County, Sangeorgiu de Mures, Sangeorgiu de Mures Village, Farmers street, no. 16, fiscal code RO 1196550 (the "Company"), which includes the statement of the financial position as at 31 December 2025, the statement of the global result, the statement of changes in equity and the statement of cash flows for the financial year and concluded on this date and a summary of significant accounting policies and other explanatory notes.

The mentioned financial statements refer to:

Total assets	47,550,751 RON
Equity	40,123,351 RON
Turnover	29,873,627 RON
Result of the year - profit	2,725,853 RON

In our opinion, the financial statements present faithfully, in all significant aspects, the financial position of AAGES SA, as of December 31, 2025 and its financial performance, its cash flows for the year that ended on that date, in accordance with the Order of the Minister of Public Finance of Romania no. 2844/2016 for the approval of accounting regulations in accordance with International Financial Reporting Standards with subsequent amendments and clarifications.

The Basis of Opinion

We conducted our audit in accordance with International Auditing Standards ("ISA"), EU Regulation no. 537 of the Parliament and of the European Council (hereinafter the "Regulation") and Law no. 162/2017 ("the Law"). Our responsibilities based on these standards are described in detail in the "Auditor's Responsibilities in an Audit of Financial Statements" section of our report. We are independent from the Company, according to the Code of Ethics for Accounting Professionals issued by the Council for International Ethics Standards for Accountants (IESBA code), according to the ethical requirements that are relevant for the audit of financial statements in Romania, including Regulation (EU) no. 537/2014 and Law 162/2017, and we fulfilled our ethical responsibilities according to these requirements and according to the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphases of matter

We draw attention to Note 3.1 "Stocks", which has a value of RON 14,800,639. Of this amount, Raw materials, materials and merchandise are in the total amount of RON 6,006,553 and includes depreciation adjustments in the amount of RON 200,500.

We mention that the valuation was based on the company's general policies, in the absence of a detailed analytical situation regarding the age of stocks by category at the reporting date. Our opinion is not changed in this regard.

Key audit aspects

Key audit aspects are those aspects that, according to our professional reasoning, were of the greatest importance in our audit of the financial statements of the current period. These aspects were dealt with in the context of our audit of the financial statements as a whole and in the formation of our opinion on them and we do not provide a separate opinion on these aspects.

For each aspect below, we presented in that context a description of how our audit approached that aspect.

<i>Audit aspect</i>	<i>How to approach the audit</i>
<p><i>Revenue recognition</i></p> <p>See Note 8 "Operating income", the income recognition policy set out in note 1.3 "Significant accounting policies and methods".</p> <p>According to the International Standards on Auditing, there is an implicit risk in the recognition of revenues, due to the pressure that the management may feel in order to obtain the planned results.</p> <p>The company earns income based on contractual agreements concluded with its customers for the sale of finished products and goods, as well as services.</p> <p>Income from sales of goods is recognized when the Company has transferred to the buyer the main risks and benefits associated with owning the goods, which is usually the time of delivery. Revenues related to the services provided are recognised on the basis of the completion status.</p>	<p><i>Our audit procedures included, among other things:</i></p> <ul style="list-style-type: none"> ✓ Valuation of revenue recognition principles according to IFRS 15 "Revenues from contracts with clients" and in relation to the accounting policies of the company; ✓ Testing the existence and effectiveness of internal controls as well as performing detail tests in order to verify the correct registration of transactions; ✓ Examination of the accuracy of the adjustments made by the company in order to comply with the principle of the independence of exercises, taking into account the delivery conditions and the contractual provisions regarding the delivery methods; ✓ Testing on the basis of a sample of the balances of commercial receivables as at 31 December 2025 by sending confirmation letters. ✓ Analytical procedures regarding the gross margin by monthly comparison.

Existence and evaluation of stocks

As of December 31, the stocks are presented in the statement of financial position at the value of RON 14,800,639. According to IAS 2, the company has the obligation to measure inventories at the minimum value between cost and net realizable value.

In the industry of manufacture of electric motors, generators and transformers - NACE code 2711, stock valuation is a complex field for the following reasons:

- ✓ Long manufacturing cycle: the manufacture of electric motors, generators and transformers requires long production times, which implies significant cost accumulations in "Production in progress". There is a risk that these costs will exceed the final contracted sale price.
- ✓ As mentioned in Note 3.1 and in our paragraph "Highlighting an aspect", the depreciation analysis process for the amount of RON 6,006,553 (raw materials and merchandise) was based on the company's general policies, in the context in which the IT systems did not provide a detailed analytical situation regarding the age of stocks by category.

Our audit procedures included, among other things:

- ✓ Assessment of compliance with accounting policies: We have verified that the company's policies regarding the valuation of inventories are applied consistently and that they are in accordance with the provisions of IAS 2 "Inventories".
- ✓ Verification of physical existence: We participated by survey in the annual inventory process organized by the company to confirm the existence of stocks of raw materials and products in progress.
- ✓ Testing of the purchase and production cost: We verified, on a sample basis, the input value of raw materials by comparing it with the purchase invoices from suppliers. We also tested by survey the way of accumulating the costs of materials and labor in the manufacturing sheets for the products in progress.
- ✓ Verification of impairment policies: We analyzed whether the value adjustments were calculated consistently, in compliance with the accounting policies approved by the company's management for the current financial year.
- ✓ Net Realizable Value (NRV) Analysis: We surveyed the sales invoices issued by the company in the period immediately following December 31, to ensure that the selling prices of the finished products cover the production costs recorded, thus confirming that the inventories are not presented above their recoverable value.

Other information – Administrators' report and Remuneration report

Administrators are responsible for the preparation and presentation of "Other information". Those "Other information" include the Directors' Report and the Remuneration Report, which we obtained before the date of the auditor's report, but do not include the financial statements and the auditor's report on them.

Our audit opinion on the individual financial statements does not cover this "Other information" and, except for the case where it is explicitly mentioned in our report, we do not express any kind of assurance conclusion regarding them.

In connection with the audit of the individual financial statements for the year ended December 31, 2025, our responsibility is to read that "Other information" and, by doing so, to analyze whether it is not in accordance, in a significant way, with the individual financial statements or the knowledge we obtained from the audit or if it appears to include significant errors. If, based on the activity carried out, we come to the conclusion that there are significant errors regarding this other information obtained before the date of the audit report, we must report this. We have nothing to report in this regard.

Regarding the Administrators' Report, we have read and report whether it was drawn up, in all significant aspects, in accordance with OMFP 2844/2016, with subsequent amendments, for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the EU with the amendments later, Annex 1, points 15-19.

Regarding the Remuneration Report, we have read and reported whether it has been drawn up, in all significant aspects, in accordance with the provisions of Law 24/2017, paragraphs no. 109-107.

Based exclusively on the activities to be carried out during the audit of the financial statements, in our opinion:

- a) The information presented in the Management Report for the financial year for which the individual financial statements were prepared is consistent, in all material aspects, with the individual financial statements;
- b) The Administrators' Report was prepared, in all significant aspects, in accordance with OMFP 2844/2016, as subsequently amended, for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the EU with subsequent amendments items 15-19.
- c) The remuneration report was drawn up, in all significant aspects, in accordance with the provisions of Law 24/2017, paragraphs no.106-107.

In addition, based on our knowledge and understanding of the Company and its environment, acquired during the audit of the financial statements for the financial year ended on 31 December 2025, we are required to report whether we have identified significant distortions in the Management Report and in the Remuneration Report. We have nothing to report on this.

Other aspects

In Romania, the tax legislation is constantly changing and adapting to the international legislation. In this context, there is the possibility of different interpretations of the legal provisions by the Ministry of Finance and by the local tax authorities. The management of the company has registered in the accounts that are presented the different taxes and fees, based on the best interpretation of the tax provisions in force, an interpretation that can be challenged by a fiscal control.

This report is addressed exclusively to the company's shareholders and expressly mentions the recipients agreed by the contract or imposed by the legislation. Our audit was carried out in order to be able to report to the shareholders of the Company those aspects that we must report in a financial audit report, and not for other purposes. To the extent permitted by law, we do not accept and assume responsibility only to the Company and its shareholders, for our audit, for this report or for the opinion formed.

Responsibilities of the Management and those responsible for governance for financial statements

The Company's management has the responsibility for the preparation and faithful presentation of the financial statements in accordance with the Order of the Minister of Public Finance no. ANRE President's Order no. 2844/2016, as amended, for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the EU as subsequently amended and for that internal control that the management considers necessary to allow the preparation of financial statements that are free of significant distortions, caused either by fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's capacity to continue its activity, for presenting, if applicable, the aspects related to the continuity of the activity and for using the accounting based on the continuity of the activity, unless the management either intends to liquidate the Company or to stop the operations or has no other realistic alternative besides them. The persons in charge of governing have the responsibility of supervising the company's financial reporting process.

Responsibilities of the auditor for the audit of individual financial statements

Our objectives are to obtain reasonable assurance as to the extent to which the financial statements, as a whole, are free of significant distortions, caused either by fraud or error, as well as in issuing a report of the auditor that includes our opinion. Reasonable insurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with the ISA will always detect significant distortion, if any. Misrepresentations can be caused either by fraud or error and are considered material if it can be reasonably expected that they, individually or cumulatively, will influence the economic decisions of users taken on the basis of these financial statements.

As part of an isa-compliant audit, we exercise professional reasoning and maintain professional skepticism throughout the audit. Also:

- We identify and evaluate the risks of significant distortion of the financial statements, caused by either fraud or error, we design and execute audit procedures in response to those risks and we obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a significant distortion caused by fraud is higher than that of not detecting a significant distortion caused by error, because fraud can involve secret agreements, forgery, intentional omissions, false statements and avoidance of internal control.
- We understand the internal control relevant for the audit, in order to design audit procedures appropriate to the circumstances, but without having the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- We evaluate the adequacy of the accounting policies used and the reasonableness of the accounting estimates and related presentations of information made by the management.
- We draw a conclusion on the adequacy of the management's use of accounting based on the continuity of the activity and we determine, based on the audit evidence obtained, whether there is a significant uncertainty regarding events or conditions that could generate significant doubts regarding the Company's ability to continue its activity. If we conclude that there is significant uncertainty, we must draw attention in the auditor's report to the related presentations in the financial statements or, if these presentations are inappropriate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to no longer carry out its activity based on the principle of continuity of activity.
- We evaluate the presentation, structure and content of financial statements, including disclosures, and the extent to which the financial statements reflect the underlying transactions and events in a manner that results in a fair presentation.

We communicate to the persons in charge of governance, among other aspects, the planned area and the time scheduling of the audit, as well as the main findings of the audit, including any significant deficiencies in the internal control, which we identify during the audit.

We also provide the governess's responsible persons with a statement regarding our compliance with ethical requirements regarding independence and we communicate to them all relationships and other matters that can reasonably be considered to be likely to affect our independence and, where appropriate, the related safety measures.

Of the aspects that we have communicated to the persons in charge of governance, we establish those aspects that were more important in the audit on the financial statements in the current period and, therefore, represent key audit aspects. We describe these aspects in our audit report, unless the legislation or regulations prevent the public presentation of the respective aspect or if, in extremely rare circumstances, we consider that an issue should not be communicated in our report because it is reasonably expected that the benefits of the public interest will be outweighed by the negative consequences of this communication.

Report on other legal and regulatory provisions

We were appointed auditors of the company according to the Ordinary General Decision of shareholders no.1 / 27.04.2022 and contracted according to contract no. 310/29/29.09.2023, to audit the financial statements of AAGES SA for the financial year ended on December 31, 2025. The total uninterrupted duration of our commitment is 5 years, covering the financial year ended on December 31, 2025.

We confirm that:

- Our audit opinion is in accordance with the additional report submitted to the Audit Committee of the Company, which we issued on the same date as we issued this report. Also, in carrying out our audit, we have maintained our independence from the audited entity.
- We have not provided for the Company the prohibited non-audit services referred to in Article 5(1) of EU Regulation No. 537/2014.

On behalf of,

MGMT AUDIT & BPO SRL

Jean Louis Calderon, no.70, 2 floor,
District 2, Bucharest, Romania

Registered in the Electronic Public Register with No.
FA1263
CAFR member with no. 1263/07.09.2015

Autoritatea pentru Supravegherea Publică a
Activității de Audit Statutar (ASPAAS)
Firma de Audit: MGMT AUDIT & BPO SRL
Registrul Public Electronic: FA 1263



Auditor: Gabriela Ciacaru

Registered in the Electronic Public Register with No.
AF4044
CAFR member with no. 4044 / 25.08.2011

Autoritatea pentru Supravegherea Publică a
Activității de Audit Statutar (ASPAAS)
Auditor financiar: GABRIELA CIACARU
Registrul Public Electronic: AF 4044

Bucharest, 24 March 2026

Bucharest, 22st of April, 2026

AAGES SA

Agricultorilor street, no. 16, Sangeorgiu de Mures, Mures county

**Report regarding the compliance with Delegated Regulation (EU) 2018/815 of the Commission ("Regulatory Technical Standard on the Single European Electronic Reporting Format" or "ESEF")
Consolidated financial statements as at 31.12.2025**

Issued by
MGMT AUDIT & BPO SRL

Report regarding the compliance with Delegated Regulation (EU) 2018/815 of the Commission ("Regulatory Technical Standard on the Single European Electronic Reporting Format" or "ESEF")

Purpose of the report

We performed a reasonable assurance mission on the compliance of the consolidated financial statements prepared by the entity AAGES SA, included in the annual financial report presented in the digital file 254900VRQYFOKK90NX88-2025-12-31-en.xhtml ("digital files"), with Delegated Regulation (EU) 2018/815 of Commission, for the financial year ending on 31st of December, 2025.

The purpose of these procedures consists in testing and consistency of the Electronic Format - XHTML of the consolidated financial statements with the audited consolidated financial statements and expressing an opinion on the compliance of the electronic format of the company's financial statements for the financial year ended on 31st of December, 2025 with the requirements of the ESEF Regulation.

The specific purpose

Our report has exclusively the purpose established in the first paragraph of this report and it is prepared for the information of the Company, Bucharest Stock Exchange and Financial Supervisory Authority and will not be used for any other purpose. Our report should not be considered suitable for use by any party seeking to acquire rights against us, other than the Company, for any purpose or in any context.

AAGES SA management responsibility for digital files prepared in accordance with ESEF

The management of the Company is responsible for the preparation of digital files in accordance with ESEF. This responsibility includes:

- designing, implementing and maintaining the internal control relevant for the application of ESEF;
- selection and application of the corresponding iXBRL tags;
- ensuring consistency between the digital files and the consolidated financial statements that will be published in accordance with Order 2844/2016 with subsequent amendments.

The persons responsible for governance are responsible for supervising the preparation of digital files in accordance with ESEF.

Auditor's responsibility regarding the audit of Digital Files

We have the responsibility to express a conclusion regarding the extent to which the consolidated financial statements included in the annual financial report are in accordance with ESEF, in all material aspects, based on the evidence obtained. Our reasonable assurance engagement was performed in accordance with International Standard on Assurance Engagements 3000 (revised), Assurance engagements other than audits or reviews of historical financial information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

These standards require us to comply with ethical standards and to plan and carry out our mission in such a way as to obtain reasonable assurance about the extent to which the electronic format of the consolidated financial statements of the Group is prepared, in all material respects, in accordance with the applicable criteria mentioned above. The nature, timing and extent of the selected procedures depend on the auditor's judgment, including the assessment of the risk of significant deviations from the provisions provided in the ESEF, caused either by fraud or error.

Reasonable assurance represents a high level of assurance, but it is not a guarantee that the assurance engagement conducted in accordance with ISAE 3000 (revised) will always detect a significant misstatement related to the requirements if they exist.

Our independence and quality control

We apply the International Standard on Quality Control 1 "Quality control for firms that perform audits and reviews of financial statements, as well as other assurance missions and related services" and, consequently, maintain a solid quality control system, which includes policies and procedures documented regarding compliance with ethical requirements, professional standards, and legal and regulatory provisions applicable to auditors registered in Romania.

We have maintained our independence and confirm that we have complied with the ethical and independence requirements imposed by the International Code of Ethics for Professional Accountants (including the International Standards of Independence) issued by the International Ethical Standards Board for Accountants (IESBA code).

Summary of the performed procedures

The objective of the procedures we planned and carried out was to obtain a reasonable assurance that the electronic format of the consolidated financial statements is prepared, under all significant aspects, in accordance with ESEF requirements. In carrying out our assessment of the compliance with the ESEF requirements of the electronic reporting format of the Group's consolidated financial statements, we maintained our professionalism and applied professional judgment. Also we:

- ✓ obtained an understanding of the process of preparing digital files in accordance with ESEF, including the relevant internal controls;
- ✓ reconciliation of the digital files that include the marked data, with the audited consolidated financial statements of the Group that will be published in accordance with Order 2844/2016 with subsequent amendments
- ✓ evaluated whether all the financial statements that are included in the annual financial report are drawn up in a valid XHTML format.
- ✓ assessed of whether all iXBrl markings, including voluntary markings, are in accordance with ESEF requirements.
- ✓ checked if the human-readable electronic format of the consolidated financial statements (XHTML) corresponds to the audited consolidated financial statements;

We consider that the evidence we have obtained is sufficient and adequate to form the basis for our opinion.

Opinion on the compliance of the electronic format of the consolidated financial statements with the requirements ESEF Regulation

Based on the procedures we carried out, in our opinion, the electronic format of the financial statements consolidated accounts of the Group for the financial year ended on December 31, 2025, is drawn up, under all the significant aspects, in accordance with the requirements of the ESEF Regulation.

Other aspects

On March 24, 2026, we issued the Audit Report on the consolidated financial statements of AAGES SA, which include the consolidated statement of the financial position as of December 31, 2025 and the consolidated statement of the overall result, the consolidated statement of changes in equity and the consolidated statement of cash flows of the treasury for the financial year ended on this date and a summary of significant accounting policies and other explanatory notes. At the date of issuing the Audit Report on the consolidated financial statements of AAGES SA, the electronic format - XHTML of the consolidated financial statements was not available.

On behalf of,

MGMT AUDIT & BPO SRL

Jean Louis Calderon, no.70, 2 floor,
District 2, Bucharest, Romania

Registered in the Electronic Public Register with No.
FA1263

CAFR member with no. 1263/07.09.2015

Autoritatea pentru Supravegherea Publică a
Activității de Audit Statutar (ASPAAS)
Firma de Audit: MGMT AUDIT & BPO SRL
Registrul Public Electronic: FA 1263



Auditor: Gabriela Ciacaru

Registered in the Electronic Public Register with No.
AF4044

CAFR member with no. 4044 / 25.08.2011

Autoritatea pentru Supravegherea Publică a
Activității de Audit Statutar (ASPAAS)
Auditor financiar: GABRIELA CIACARU
Registrul Public Electronic: AF 4044

Bucharest, 22st of April, 2026