H1 2026
REPORT

ELECTROALFA®

ELECTRO-ALFA INTERNATIONAL S.A.

Registered Office: 15 Calea Nationala, Botosani, Botosani, Romania

Trade Registry Number: J1994001310079 | **Fiscal Code:** 7348194

Listed on the Main Market of the Bucharest Stock Exchange, Premium Segment, stock ticker **EAI**

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The interim condensed consolidated financial statements presented on the following pages are prepared in accordance with International Financial Reporting Standards applicable to interim reporting, as applied in the European Union ("IFRS"). The interim condensed consolidated financial statements as of June 30th, 2026, **have been reviewed by the auditor.**

This report has been prepared in Romanian and English. In the event of any discrepancies between the Romanian version and the English version, the Romanian version shall prevail.

TABLE OF CONTENTS

Financial report as of June 30th, 2026

FINANCIAL RESULTS & OPERATIONAL HIGHLIGHTS

Financial highlights

- Electro-Alfa International recorded consolidated total revenues of RON 364.3 million in H1 2026, up 18.1% compared to H1 2025, supported by continued growth in the Manufacturing segment, higher sales of finished goods and merchandise, as well as strong international project activity, including deliveries of electrical equipment to Ukraine through international tenders.
- EBITDA remained resilient at RON 37.2 million in H1 2026, while net profit increased to RON 27.9 million, reflecting the Group's continued profitability and an improved financial result, driven by higher interest income generated from the Group's strengthened liquidity position.
- The Group's balance sheet strengthened significantly following the successful IPO completed in February 2026, with total assets reaching RON 1.15 billion and total equity increasing by 262.5%, to RON 761.4 million as of 30 June 2026.
- As of 30 June 2026, the Group held RON 538.2 million in immediately available liquidities, including RON 107.7 million in cash and cash equivalents and RON 430.5 million in short-term bank deposits funded from the IPO proceeds. Electro-Alfa International maintained a net cash position of RON 38.0 million, compared to net debt at year-end 2025.
- The Group reduced bank borrowings to RON 54.8 million at 30 June 2026 from RON 96.9 million at year-end 2025, further strengthening its financial position following the IPO.

Operational highlights

- The Manufacturing segment remained the main contributor to the Group's revenues and profitability, generating external revenues of RON 206.8 million and operating profit of RON 17.7 million in H1 2026, supported by sustained demand for low- and medium-voltage electrical equipment, continued export growth and strong domestic investment in energy infrastructure.
- The EPC Services segment generated external revenues of RON 153.6 million and operating profit of RON 13.6 million, maintaining an operating margin of 8.8% while continuing execution of energy, infrastructure and renewable energy projects.
- The IT Services segment, operated through Alfa Factory Software, continued to expand its software development activities, generating external revenues of RON 0.6 million in H1 2026.
- Electro-Alfa International further diversified its business through the addition of the Battery Energy Storage Systems (BESS) and Railway Infrastructure segments following recent acquisitions. While both businesses remain at an early stage of contribution, they broaden the Group's long-term growth platform.
- International markets continued to represent an important growth driver, with exports accounting for approximately 33% of total sales, supported by deliveries to customers in the United States and international projects in Ukraine.

Key Events
for Electro-Alfa International

3 March 2026
... shares began trading on the Regulated Market of the **Bucharest Stock Exchange** following the successful IPO completed in February 2026, through which the Company attracted net proceeds of RON 544.3 million

26 March 2026
... announced the award of a **RON 68.1 million photovoltaic park** contract in Oradea, with the Company acting as leader of the association executing the project

24 April 2026
... completed the acquisition of **Solar Technologies Consulting S.R.L.**, a project company developing a 52 MW Battery Energy Storage System (BESS) in Șelimbăr, Sibiu County

11 June 2026
... completed the acquisitions of **SPIACT Craiova** and **Electro Alfa CM**, strengthening the Group's capabilities in railway infrastructure and manufacturing through transactions with a combined value of more than EUR 9 million

15 June 2026
... established **Alfa New Protocol Engineering S.R.L.**, a 51%-owned engineering joint venture focused on engineering, technical consulting and project management services for complex energy infrastructure projects

1 July 2026
... together with SGB-SMIT Group inaugurated the **SGB-ELECTROALFA manufacturing facility** in Botosani

24 July 2026
... started construction works on the **CET 2 Holboca photovoltaic park** in Iasi under a contract valued at approximately RON 34.6 million, further strengthening the Company's position in the renewable energy sector

ELECTROALFA®

H1 2026 **Results Earnings Call**

25 August 2026

15:00 EEST | 14:00 CET | 13:00 BST

Join Electro-Alfa International's earnings call presenting the interim consolidated financial results for H1 2026.

The call will be hosted by:

Stefan PETREA
Chief Executive Officer

Constantin TODI
Chief Financial Officer

The call will be held in English. A transcript of the call, together with a Romanian translation, will be available on EAI's website in the days following the call.

Investors may submit questions to management in advance by emailing them to:
investitori@electroalfa.ro

To participate in the earnings call, please register HERE.

ABOUT ELECTRO-ALFA

Electro-Alfa International S.A. is an integrated provider of electrical equipment and energy infrastructure solutions, combining advanced manufacturing capabilities with engineering, procurement and construction ("EPC") services. Founded in 1991 in Botoșani, Romania, the Company has developed into a well-established player in the Romanian energy infrastructure market, delivering complex projects for both public and private sector clients in Romania and abroad. Since March 2026, Electro-Alfa International has been listed on the Regulated Market of the Bucharest Stock Exchange under the ticker symbol EAI.

The Company operates a vertically integrated business model spanning the entire energy infrastructure value chain, from product design and manufacturing to project execution, engineering, specialized technical services and maintenance. Electro-Alfa operates five modern production facilities with a total production area exceeding 35,000 sqm and employs more than 660 professionals across its business divisions, with activities structured around five core operating segments: Manufacturing, EPC Services, IT Services, Battery Energy Storage Systems (BESS) and Railway Infrastructure.

Over the years, Electro-Alfa has contributed to the development of major infrastructure projects across Romania, including power plants, substations, transport infrastructure, industrial facilities and renewable energy projects. Through continuous investments in innovation, operational improvement and advanced technologies, the Company aims to strengthen its position as a reliable partner in the modernization of energy and infrastructure systems.

MANUFACTURING

The Manufacturing segment represents the core pillar of Electro-Alfa's business model and focuses on the design, production and lifecycle support of low- and medium-voltage electrical equipment and modular infrastructure solutions. The Company manufactures a wide range of products, including switchgear cells, low-voltage distribution panels, transformer substations, modular shelters and E-Houses used across industrial, utility and infrastructure applications. The segment also benefits from expanded manufacturing capabilities in metal fabrication and distribution transformers, following the strategic investments completed during H1 2026, further strengthening the Group's integrated industrial platform. Electro-Alfa operates modern production facilities equipped with advanced technologies and integrated testing capabilities, supporting strict quality control and customized project execution. The segment also integrates research and development activities, enabling the Company to develop innovative solutions tailored to evolving market requirements, including digitalized systems and SF6-free technologies.

EPC SERVICES

The EPC Services segment delivers turnkey infrastructure projects covering the full project lifecycle, from design and engineering to procurement, construction, installation and commissioning.

Electro-Alfa executes projects across a broad range of sectors, including power transmission and distribution networks, renewable energy, railway infrastructure, industrial infrastructure, telecommunications and public utilities. Following the acquisition of a majority stake in a specialized railway signaling and control systems provider during H1 2026, the Group expanded its execution capabilities into railway infrastructure, broadening its project portfolio and technical expertise. The segment integrates equipment manufactured internally with components sourced from strategic partners, enabling the delivery of comprehensive and customized infrastructure solutions.

The Group also operates a dedicated Green Energy Business Division focused on photovoltaic systems and battery energy storage systems, supporting Electro-Alfa's positioning within the energy transition and renewable infrastructure market. In addition, the Group has strengthened its engineering capabilities through dedicated engineering services for complex energy infrastructure projects.

IT SERVICES

The IT Services segment supports the digitalization of operations and the development of technology-enabled solutions for both internal activities and client-facing projects. Through its software development capabilities, Electro-Alfa provides custom digital solutions designed to improve process efficiency, operational visibility, monitoring and data integration across infrastructure projects. The segment also supports the implementation of automation and AI-enabled technologies aimed at optimizing operational workflows and enhancing project management capabilities.

BATTERY ENERGY STORAGE SYSTEMS (BESS)

The Battery Energy Storage Systems segment focuses on electricity storage solutions and specialized equipment designed to support the integration and efficient management of energy within modern power systems. The segment is developed through Solar Technologies Consulting and expands the Group's capabilities in energy storage, complementing its broader activities in renewable energy and energy infrastructure.

RAILWAY INFRASTRUCTURE

The Railway Infrastructure segment provides specialized products, services and works for railway infrastructure. The segment operates through SPIACT Craiova and its subsidiaries and includes the production of industrial equipment and railway signaling and remote-control systems, as well as specialized services and works supporting railway infrastructure projects. The segment expands the Group's technical expertise and execution capabilities into the Romanian railway sector.

KEY EVENTS IN H1 2026 & AFTER CLOSING OF THE REPORTING PERIOD

Listing on the Bucharest Stock Exchange

On 3 March 2026, Electro-Alfa International shares commenced trading on the Regulated Market of the Bucharest Stock Exchange, following the IPO through which the Company attracted net proceeds amounting to RON 544.3 million, intended to support its medium-term growth strategy. The listing marks an important milestone in Electro-Alfa International's development and strengthens the Company's access to capital markets to support its investment and expansion plans. **More information is available HERE.**

Award of a significant contract

On 26 March 2026, Electro-Alfa International informed the market regarding the award of a significant contract. The contract was awarded by TERMOFICARE ORADEA S.A. to an association formed by three companies, with Electro-Alfa International acting as the leader of the association. The contract, with a total value of RON 68.1 million excluding VAT, covers the design and execution of a photovoltaic park located on Matei Corvin Street in Oradea, Bihor County, with an estimated implementation period of 11 months from the commencement of works. Electro-Alfa International, as leader of the association, will collect the full contract value and subsequently distribute the amounts attributable to the other association members. Approximately 40% of the contract value corresponds to the Company's economic participation in the project. **More information is available HERE.**

Acquisition of a project company for the development of a BESS system

On 24 April 2026, Electro-Alfa International announced the completion of the acquisition process of SOLAR TECHNOLOGIES CONSULTING S.R.L., a project company holding the rights and authorizations required for the development of a Battery Energy Storage System (BESS) facility with an installed capacity of approximately 52 MW, located in Șelimbăr, Sibiu County. The estimated value of the project development amounts to approximately EUR 25 million, while the execution period is estimated at around 12 months following the completion of the design phase. Upon completion of the project, the Company intends to evaluate both the option of operating the facility and the possibility of monetizing the asset through a potential sale to investors active in the energy sector. **More information is available HERE.**

Annual General Meeting of the Shareholders

On 24 April 2026, the Board of Directors of Electro-Alfa International S.A. convened the Ordinary and Extraordinary General Meetings of Shareholders for 29 May 2026, with a second calling scheduled for 2 June 2026, should the quorum requirements not be met at the first convening. During the OGSM, shareholders approved, among others, the annual financial statements for the financial year ended 31 December 2025, together with the annual report of the Board of Directors and the independent auditor's report, as well as several corporate governance and remuneration-related items. During the EGSM, shareholders deliberated and voted on several items related to the Company's corporate and operational framework. **More information is available HERE.**

Appointment of a new Independent Member of the Board of Directors

Following the Ordinary General Meeting of Shareholders held on 29 May 2026, Electro-Alfa International announced the appointment of Valentina Siclovan as an Independent Member of the Board of Directors. The appointment was made following the nomination by the European Bank for Reconstruction and Development (EBRD), a shareholder holding a 5% stake in the Company, in accordance with the commitments undertaken by Electro-Alfa International in its IPO prospectus. Valentina Siclovan's mandate is valid until 3 November 2029, in line with the term of the current Board of Directors. She also assumed the position of Chair of the Audit and Risk Committee, further strengthening the Company's governance framework. **More information is available HERE.**

Completion of two strategic acquisitions

On 11 June 2026, Electro-Alfa International announced the completion of the acquisitions of SPIACT Craiova and Electro Alfa CM (Confecții Metalice), for a combined transaction value of more than EUR 9 million. The acquisitions were included in the Company's IPO prospectus and represent an important step in the implementation of its medium-term growth strategy. Following the completion of the transactions, Electro-Alfa International holds 51% of the shares in SPIACT Craiova and 33% of the share capital of Electro Alfa CM.

SPIACT Craiova strengthens the Group's position in the railway infrastructure sector through its expertise in railway signaling and control systems, while Electro Alfa CM enhances the Group's manufacturing capabilities through the production of metal enclosures and industrial equipment used in electrical infrastructure projects. Together, the two acquisitions expand the Group's technical expertise, execution capabilities and geographic footprint, while supporting further growth in strategic market segments. **More information is available HERE.**

Establishment of a new engineering joint venture

On 15 June 2026, Electro-Alfa International announced the establishment of Alfa New Protocol Engineering S.R.L., a new engineering joint venture created together with New Protocol Group, a Romanian company specialized in the design of renewable energy investments, technology integration and innovative solutions for large-scale energy projects. Electro-Alfa International holds 51% of the share capital of the new entity, while New Protocol Group holds the remaining 49%.

Alfa New Protocol Engineering will operate as a dedicated engineering, technical consulting and project management platform focused on complex energy infrastructure projects. The company will provide engineering services for electricity transmission and distribution infrastructure, renewable energy projects and battery energy storage systems, while also offering technical studies, specialized consulting and implementation support. The establishment of the new entity represents a further step in the implementation of the growth strategy presented to investors during the IPO, strengthening the Group's engineering capabilities and expanding its portfolio of integrated solutions for both domestic and international markets. **More information is available HERE and HERE.**

Appointment of the CEO of Alfa New Protocol Engineering

Following the establishment of Alfa New Protocol Engineering, Electro-Alfa International announced the appointment of George Căpățînă as Chief Executive Officer of the joint venture. George Căpățînă brings more than 20 years of experience in the energy sector and will lead the company's development strategy, with a particular focus on engineering services for complex energy infrastructure, renewable energy projects and industrial applications. **More information is available HERE.**

Inauguration of the SGB-ELECTROALFA manufacturing facility

On 1 July 2026, Electro-Alfa International and SGB-SMIT Group officially inaugurated the SGB-ELECTROALFA manufacturing facility in Botoșani, following an investment of approximately EUR 20 million. The facility manufactures oil-immersed distribution transformers for electricity distribution operators and industrial customers in Romania and across European markets. The inauguration represented an important milestone in the strategic partnership between Electro-Alfa International and SGB-SMIT Group, strengthening the Group's manufacturing capabilities and supporting its long-term growth strategy through an expanded presence in the European market for energy infrastructure equipment. **More information is available HERE.**

Dividend payment

Following the shareholder approval at the Ordinary General Meeting held on 29 May 2026, Electro-Alfa International commenced the payment of dividends for the 2023–2024 financial years on 20 July 2026. Shareholders registered on the record date of 30 June 2026 were entitled to a gross dividend of RON 0.21 per share. **More information is available HERE.**

Construction of the CET 2 Holboca photovoltaic park

On 24 July 2026, Electro-Alfa International announced the commencement of construction works on the CET 2 Holboca photovoltaic park in Iași, a project with a contract value of approximately RON 34.6 million (excluding VAT). The photovoltaic plant will have an installed capacity of 9.8 MWp and is expected to generate approximately 9,849 MWh of renewable electricity annually.

The project is being implemented by Electro-Alfa International, through its Green Energy Business Division, in association with CRC Energy, under a contract signed with Iași City Hall. The investment further strengthens the Company's position in the renewable energy sector and reflects the continued expansion of its EPC activities in energy infrastructure projects. **More information is available HERE.**

ANALYSIS OF THE FINANCIAL RESULTS

Group Structure

SUBSIDIARIES, INVESTMENTS AND JOINT VENTURES (as of 30.06.2026)					
Alfa Factory Software (51%)	Alfa New Protocol Engineering (51%)	SPIACT Craiova (51%)	SGB-Electroalfa (49%)	Electro Alfa CM (33%)	Electro Alfa Servicii Mentenanta (30%)

Alfa Factory Software S.R.L. (51% ownership)

A software development company specializing in custom software solutions for manufacturing, automation and energy management. The company commenced its core business activity in the first half of 2025, marking an important step in the Group's digital transformation. Alfa Factory Software S.R.L. is owned 51% by Electro-Alfa International S.A. and 49% by Keep IT Mobile Development S.R.L., a company specialized in custom software development. The subsidiary supports both the Group's internal digitalization initiatives and the development of technology solutions for external clients.

Alfa New Protocol Engineering (51% ownership)

A joint venture established in June 2026 together with New Protocol Group, a Romanian company specialized in renewable energy, technology integration and innovative solutions for large-scale energy projects. Alfa New Protocol Engineering provides engineering, technical consulting and project management services for complex energy infrastructure projects, with a particular focus on electricity transmission and distribution infrastructure, renewable energy projects and battery energy storage systems (BESS). The company also delivers technical studies, specialized consulting and implementation support, strengthening the Group's engineering capabilities and expanding its portfolio of integrated energy solutions.

SPIACT Craiova S.A. (51% ownership)

A company with over 60 years of experience in the Romanian railway sector, specializing in railway signalling and control systems, railway electrification and related infrastructure works. Its activities include the design, manufacturing, installation and maintenance of railway signaling equipment, level crossing safety systems, separation transformers, remote-control solutions and railway telecommunications infrastructure. Following the completion of Electro-Alfa International's acquisition of a 51% stake in June 2026, SPIACT Craiova strengthens the Group's position in railway infrastructure projects by expanding its technical expertise and execution capabilities in this strategic market segment.

SGB-Electroalfa S.R.L. (49% ownership)

A joint venture established with the German group SGB-SMIT, focused on the production of distribution transformers. The company manufactures oil-immersed distribution transformers serving electricity distribution operators and industrial customers in Romania and across European markets. The partnership combines SGB-SMIT's engineering expertise with Electro-Alfa's manufacturing capabilities and local market knowledge, strengthening the Group's product portfolio and supporting the delivery of integrated substation solutions for energy infrastructure projects.

Electro Alfa CM S.R.L. (33% ownership)

A metal fabrication company specializing in the design and manufacturing of sheet metal components and mechanical parts used in electrical equipment and infrastructure projects. Its production facility, covering approximately 6,000 sqm, is equipped with advanced technologies including laser cutting, CNC punching and bending, robotic welding and powder coating. The company supplies enclosures, cabinets, frames and other components for both internal use and external clients, supporting a wide range of industrial and infrastructure applications. The completion of Electro-Alfa International's acquisition of a 33% stake finalized in June 2026, having Electro Alfa CM contribute to the Group's manufacturing capabilities and vertical integration by expanding its expertise in metal fabrication for electrical infrastructure projects.

Electro Alfa Servicii Mentenanta S.R.L. (30% ownership)

Electro Alfa Maintenance Services (Servicii Mentenanta) S.R.L. provides maintenance services for production equipment and infrastructure used by Electro-Alfa. The company is involved in related-party transactions carried out in the ordinary course of business and supports the operational continuity of production facilities and installed systems. Its activities complement the Group's broader service and maintenance capabilities across the lifecycle of electrical equipment and infrastructure.

Moreover, the Company has entered into a share purchase agreement with Electro Alfa Servicii Inginerie S.R.L. for the acquisition of Elcomex IEA S.A.:

Elcomex IEA S.A. (99.99% targeted ownership)

A company with over 30 years of experience in the design, execution, repair and maintenance of electrical systems for power stations, transmission and distribution networks, and industrial facilities. Its activities cover low-, medium- and high-voltage installations, as well as low-current systems and specialized services for nuclear power plants and renewable energy projects. The company also provides testing, certification and operational support for complex electrical systems. On 5 November 2025, Electro-Alfa International signed an agreement for the acquisition of a 99.99% stake in Elcomex IEA S.A. for a purchase price of EUR 7.0 million. In addition, the Group committed to assume, at a later stage through assignment, a shareholder loan granted by the seller to the target company in the amount of EUR 3.0 million. Upon completion, the transaction is expected to strengthen the Group's capabilities in high- and medium-voltage installations, including nuclear-related services, and expand its access to projects requiring advanced technical expertise and strict regulatory compliance.

Financial Performance

Revenue Evolution

In H1 2026, the Group recorded revenues of RON 363.0 million, representing an increase of 17.9% compared to RON 307.8 million in H1 2025. The evolution was supported primarily by higher sales of finished goods and a significant increase in merchandise sales, reflecting sustained demand for electrical equipment in Romania and abroad, as well as increased deliveries under international tender-based projects.

The Group's revenue structure remained diversified, combining product sales and service delivery activities. Revenues from the sale of finished goods amounted to RON 205.3 million, increasing by 19.4% compared to RON 171.9 million in H1 2025. The increase was supported by continued demand for electrical equipment in Romania, as investments in the modernization of the national energy system continued, alongside the Group's expanding activity in external markets. Revenues generated from deliveries of internally manufactured electrical equipment to private clients in the United States increased to RON 71.1 million from RON 65.2 million in H1 2025, while sales of compact transformer substations reached RON 98.3 million, compared to RON 94.8 million in the corresponding period of the previous year.

Revenues from the sale of merchandise increased significantly to RON 52.0 million in H1 2026, from RON 4.6 million in H1 2025. This evolution was driven primarily by deliveries of electrical equipment to Ukraine under international tender-based projects, which generated revenues of RON 46.9 million during the period, compared to RON 2.7 million in H1 2025. This reflects the higher volume of contracts awarded through international procurement procedures and the resumption of financing flows supporting projects in Ukraine.

Revenues from services rendered amounted to RON 103.6 million, compared to RON 129.5 million in H1 2025. The decrease primarily reflected lower activity in the EPC contracting division and the battery energy storage systems segment, partially offset by the first-time contribution from newly consolidated SPIACT Craiova and continued growth of Alfa Factory Software. The newly consolidated SPIACT Craiova contributed RON 1.2 million to service revenues during H1 2026, while Alfa Factory Software generated revenues of RON 0.4 million, compared to RON 0.2 million in H1 2025. Other revenues amounted to RON 2.2 million in H1 2026, compared to RON 1.8 million in H1 2025.

	H1 2026	H1 2025	YoY %
Revenues from the sale of finished goods	205,288,279	171,938,453	19.4%
Revenues from the sale of merchandise	51,956,687	4,579,574	1,034.5%
Revenues from services rendered	103,629,300	129,525,725	-20.0%
Other revenues	2,151,621	1,751,263	22.9%
Total	**363,025,887**	**307,795,015**	**17.9%**

Overall, revenue growth during H1 2026 was primarily driven by the Manufacturing segment and international project deliveries, which more than offset the lower contribution from service activities during the period. Export activity continued to represent an important growth driver, accounting for approximately 33.2% of total sales, supported by deliveries to private clients in the United States and international tender-based projects.

The Group continued to generate revenues from both equipment deliveries recognized at a point in time and EPC and service contracts recognized over time. Revenues recognized at a point in time amounted to RON 259.4 million in H1 2026, while revenues recognized over time totaled RON 103.6 million, reflecting the complementary nature of the Group's integrated manufacturing, engineering and infrastructure execution capabilities.

Operational Segments Performance

The Group operates across five reportable segments: Manufacturing, EPC Services, IT Services, Battery Energy Storage Systems and Railway Infrastructure. Management evaluates segment performance based on operating indicators including revenue, margins, EBITDA and profit, as these indicators are considered the most relevant for assessing the performance of each segment. The Battery Energy Storage Systems and Railway Infrastructure segments were introduced during H1 2026, reflecting the Group's strategic expansion into new business areas. Despite this diversification, Manufacturing and EPC Services remained the Group's core businesses, together accounting for more than 99% of consolidated external revenues during H1 2026, while the newly established IT, Battery Energy Storage Systems and Railway Infrastructure segments remained at an early stage of development or consolidation.

	Manufacturing	EPC Services	IT Services	BESS	Railway Infrastructure	Intra-group eliminations	Total Consolidated
External revenues	206,794,286	153,634,377	557,500	-	2,039,725	-	363,025,888
Intra-company revenues	14,284,445	-	76,442	-	47,364	(14,408,251)	-
Total segment revenues	**221,078,730**	**153,634,377**	**633,942**	**-**	**2,087,089**	**(14,408,251)**	**363,025,888**
Other revenues	583,332	220,271	-	53,110	463,490	-	1,320,203
Total expenses	(203,990,520)	(140,259,895)	(905,677)	(11,974)	(2,418,569)	14,408,251	(333,178,382)
Operating profit	**17,671,542**	**13,594,755**	**(271,735)**	**41,136**	**132,010**	**-**	**31,167,709**
Operating profit margin	*7.97%*	*8.84%*	*-42.86%*	*n/a*	*5.18%*	*n/a*	*8.55%*

The Manufacturing segment remained the largest contributor to the Group's revenues and profitability in H1 2026. External revenues amounted to RON 206.8 million, compared to RON 174.4 million in H1 2025, representing an increase of 18.5%. Including intra-group revenues of RON 14.3 million, total segment revenues reached RON 221.1 million. The segment generated an operating profit of RON 17.7 million, compared to RON 14.5 million in the corresponding period of the previous year, representing an increase of 21.6%, while the operating profit margin stood at 8.0%. The performance was supported by a continued demand for low- and medium-voltage electrical equipment, investments in the modernization of Romania's energy infrastructure and the Group's continued growth in international markets.

The EPC Services segment remained the Group's second-largest business line, supporting the execution of complex energy and infrastructure projects as part of integrated business model.

External revenues amounted to RON 153.6 million in H1 2026, compared to RON 133.2 million in H1 2025, representing an increase of 15.3%. Operating profit amounted to RON 13.6 million, compared to RON 17.6 million in the prior-year period, while the operating profit margin stood at 8.8%. The revenue evolution reflects the Group's continued execution of EPC projects across its contracting, green energy and international tender activities, while the lower operating profit compared to H1 2025 primarily reflects the revenue mix and cost structure of projects executed during the reporting period.

The IT Services segment, operated through Alfa Factory Software, continued its development during H1 2026. External revenues amounted to RON 0.6 million, while total segment revenues, including intra-group activity, reached RON 0.6 million, compared to RON 0.2 million in H1 2025. The segment recorded an operating loss of RON 0.3 million, compared to an operating loss of RON 0.2 million in the corresponding period of the previous year. The segment continues to develop software solutions supporting the Group's digitalization capabilities.

The Battery Energy Storage Systems segment was introduced during H1 2026 following the Group's expansion into electricity storage activities through Solar Technologies Consulting. The segment did not generate external revenues during the period and recorded other revenues of RON 0.05 million, while operating profit amounted to RON 0.04 million. The underlying BESS project has a planned capacity of 51.44 MW and represents the Group's first step into the fast-growing energy storage market.

The Railway Infrastructure segment was also introduced during H1 2026 following the acquisition of a 51% stake in SPIACT Craiova and includes activities related to the production of railway equipment and specialized services and works for railway infrastructure. During the period, the segment generated external revenues of RON 2.0 million and total segment revenues of RON 2.1 million, including limited intra-group activity. Operating profit amounted to RON 0.1 million, corresponding to an operating profit margin of 5.2%. As the acquisition was completed in June 2026, the contribution of the Railway Infrastructure segment to the Group's H1 2026 financial results was limited.

Operating Expenses and Profitability

The Group's operating expenses increased to RON 333.2 million in H1 2026, compared to RON 276.7 million in H1 2025, representing an increase of 20.4% and reflecting the higher scale of activity, the expansion of the operations and a different revenue and project mix during the period. Expenses with raw materials and merchandise rose by 24.8% to RON 202.9 million, compared to RON 162.5 million in the corresponding period of the previous year. The increase was supported by higher manufacturing and equipment delivery volumes, as well as a higher proportion of materials and merchandise costs within EPC projects during the period.

Employee and collaborator benefit expenses increased significantly to RON 56.7 million from RON 30.6 million in H1 2025, reflecting the expansion of the Group's workforce, with the average number of employees increasing to 669 from 330 in the corresponding period of the previous year. Personnel expenses include salaries and other remuneration, social security contributions and meal vouchers, as well as performance bonuses estimated based on the financial indicators included in the Group's

2026 budget. The increase in the workforce also reflects the broader scale of the Group's operations and organizational development during the period.

Service expenses decreased by 21.8% to RON 52.0 million, compared to RON 66.5 million in H1 2025. This evolution was mainly driven by lower subcontractor expenses related to contracting projects, which decreased to RON 51.9 million from RON 65.9 million in the corresponding period of the previous year. The decrease reflects the specific cost mix of EPC projects executed during the period, with a higher proportion of materials and merchandise expenses. In the EPC segment, raw materials and merchandise expenses increased to RON 76.0 million in H1 2026 from RON 49.7 million in H1 2025. Transportation expenses also decreased by 17.6% to RON 2.8 million, compared to RON 3.4 million in the prior-year period.

Depreciation and amortization expenses increased by 13.8% to RON 6.0 million, compared to RON 5.3 million in H1 2025. Utilities expenses increased by 25.1% to RON 1.3 million, while repair and maintenance expenses rose by 62.7% to RON 2.2 million. Other operating expenses increased to RON 9.5 million from RON 5.9 million in H1 2025, mainly reflecting higher provisions, marketing activities and business development costs.

	H1 2026	H1 2025	YoY %
Total expenses	**(333,178,382)**	**(276,698,861)**	**+20.4%**
Employee and collaborator benefits expenses	(56,670,348)	(30,582,987)	+85.3%
Raw materials and merchandise expenses	(202,914,105)	(162,549,458)	+24.8%
Service expenses	(52,015,008)	(66,544,593)	-21.8%
Utilities expenses	(1,333,724)	(1,066,258)	+25.1%
Transportation expenses	(2,767,217)	(3,356,608)	-17.6%
Repair and maintenance expenses	(2,198,217)	(1,351,065)	+62.7%
Amortization of tangible and intangible assets	(5,995,375)	(5,266,876)	+13.8%
Net impairment (reversal)/ losses on receivables	236,741	(73,101)	-423.9%
Other operating expenses	(9,521,129)	(5,907,915)	+61.2%
Operating profit	**31,167,709**	**31,893,914**	**-2.3%**

The Group recorded a net reversal of receivable impairment of RON 0.2 million in H1 2026, compared to a net impairment loss of RON 0.1 million in H1 2025. Overall, operating profit remained broadly stable at RON 31.2 million, compared to RON 31.9 million in H1 2025, representing a decrease of 2.3%. The operating profit margin stood at approximately 8.6%, compared to 10.4% in the corresponding period of the previous year, as the 17.9% increase in revenues was accompanied by a higher rate of growth in operating expenses, primarily reflecting increased raw materials and merchandise costs and higher employee-related expenses.

	H1 2026	H1 2025	YoY (%)
EBITDA[1]	37,163,084	37,160,790	0.0%

EBITDA Margin[2]	*10.2%*	*12.1%*	*-1.8pp*
Operating profit	31,167,709	31,893,914	-2.3%
Operating Margin[2]	*8.6%*	*10.4%*	*-1.8pp*
Net profit	27,935,205	25,770,278	+8.4%
Net Margin[2]	*7.7%*	*8.4%*	*-0.7pp*

[1] EBITDA is calculated as profit before tax, less the net financial result related to interest, plus depreciation and amortization.
[2] Margins are calculated using revenues from contracts with customers, excluding other income.

Overall, the Group maintained solid profitability despite a changing revenue and project mix and continued investments in organizational expansion. EBITDA remained stable at RON 37.2 million, while net profit increased by 8.4% to RON 27.9 million, supported by an improved financial result. Operating profit remained broadly stable at RON 31.2 million, although profitability margins moderated compared to H1 2025 as operating expenses, especially personnel costs, increased at a faster pace than revenues. The Group also continued to invest in organizational development and the expansion of its activities into new areas, including energy storage, railway infrastructure and engineering services, supporting its medium-term growth strategy.

Balance Sheet Analysis

As of 30 June 2026, the Group's total assets amounted to RON 1,150.3 million, compared to RON 695.5 million at the end of 2025, representing an increase of 65.4%. The evolution of the balance sheet was primarily driven by the successful IPO completed in February 2026, which significantly strengthened the Group's equity and liquidity position, while also reflecting the expansion of the Group's operational perimeter through acquisitions and investments completed during the period.

Non-current assets increased by 37.0% to RON 287.4 million as of 30 June 2026, compared to RON 209.8 million at year-end 2025. Property, plant and equipment increased to RON 103.6 million from RON 78.1 million, while intangible assets rose significantly to RON 17.6 million from RON 5.3 million. The Group also recognized goodwill of RON 11.2 million, while investments in associates increased to RON 21.0 million from RON 0.2 million, due to the acquisition of newly consolidated subsidiaties and investments in associated completed during H1 2026.

At the same time, non-current contract assets increased significantly to RON 17.0 million from RON 2.1 million at the end of 2025, reflecting the progress of the long-term customer contracts. Restricted cash increased by 31.5% to RON 21.0 million, while right-of-use assets increased by 58.2% to RON 12.6 million, reflecting the expansion of the Group's lease portfolio. Deferred tax receivables declined to RON 2.7 million from RON 4.0 million, while long-term loans granted to related parties decreased by 16.3% to RON 80.6 million.

Current assets increased significantly to RON 862.9 million, compared to RON 485.6 million at the end of 2025. The Group held cash and cash equivalents of RON 107.7 million as of 30 June 2026, compared to RON 76.0 million at year-end, together with short-term bank deposits of RON 430.5 million. The strong liquidity position primarily reflects the successful IPO completed in February 2026, with a significant portion of the proceeds remaining invested in short-term bank deposits as of the reporting date.

Inventories increased substantially to RON 95.0 million from RON 46.1 million at year-end 2025, reflecting the inventory buildup required to support the Group's operational activity and project execution. Current contract assets also increased significantly to RON 39.0 million from RON 16.6 million, reflecting a higher level of work performed but not yet invoiced under customer contracts. By contrast, trade receivables decreased materially to RON 160.5 million from RON 305.9 million, consistent with the collection of a significant portion of receivables outstanding at year-end 2025. Prepayments decreased to RON 17.3 million from RON 31.7 million, while other receivables increased to RON 8.3 million from RON 1.3 million.

On the equity side, total equity reached RON 761.4 million as of 30 June 2026, compared to RON 210.2 million at the end of 2025, representing an increase of 262.2%. The evolution was driven primarily by the successful IPO completed in February 2026, which resulted in a capital increase and the recognition of RON 531.6 million in share premium. Equity attributable to owners of the Company reached RON 746.1 million, while non-controlling interests increased to RON 15.2 million, reflecting the change in the Group's consolidation perimeter during the first half of the year.

Total liabilities decreased to RON 388.9 million as of 30 June 2026, compared to RON 485.3 million at the end of 2025. Non-current liabilities increased by 24.1% to RON 103.9 million, mainly reflecting higher long-term lease liabilities, provisions and retention payables. Long-term bank borrowings decreased slightly to RON 44.7 million from RON 47.3 million, while lease liabilities increased to RON 10.5 million from RON 6.5 million. Provisions increased to RON 16.6 million from RON 9.0 million, while retention payables increased to RON 26.7 million from RON 18.4 million. The Group also recognized deferred income tax liabilities of RON 1.7 million and loans from related parties of RON 1.2 million.

Current liabilities decreased significantly by 29.0% to RON 285.0 million, compared to RON 401.5 million at year-end 2025. Trade payables declined by 25.9% to RON 135.9 million, while short-term bank borrowings decreased substantially to RON 10.1 million from RON 49.6 million, reflecting the reduction in short-term financing following the strengthening of the Group's liquidity position. Contract liabilities increased by 6.7% to RON 62.6 million, while employee benefit liabilities decreased by 35.3% to RON 15.8 million. Current income tax liabilities declined to RON 2.4 million from RON 7.0 million, while other liabilities decreased to RON 10.9 million from RON 33.1 million. Dividends payable remained broadly stable at RON 36.3 million.

From a funding perspective, total bank borrowings decreased to RON 54.8 million as of 30 June 2026, compared to RON 96.9 million at year-end 2025, while total lease liabilities increased to RON 14.9 million from RON 10.2 million. As a result, the Group moved from a net debt position of RON 31.1 million at year-end 2025 to a net cash position of RON 38.0 million as of 30 June 2026, with the gearing ratio improving from 0.15x to -0.05x. This significantly strengthened Group's financial flexibility and capacity to fund future investment and growth initiatives.

Cash Flow

In H1 2026, the Group recorded net cash generated from operating activities of RON 30.0 million, compared to a net cash outflow of RON 5.6 million in H1 2025. The significant improvement compared to the prior-year period reflected more favorable working capital movements, primarily driven by the collection of trade receivables outstanding at year-end 2025, while the Group continued to generate solid operating profitability during the period.

Cash flow before working capital movements amounted to RON 36.3 million in H1 2026, compared to RON 35.9 million in H1 2025, supported by profit before tax and non-cash adjustments, including depreciation and net impairment losses on receivables. The strongest positive working capital contribution came from trade receivables, which generated a cash inflow of RON 159.7 million, reflecting the collection of a significant portion of receivables outstanding at the end of 2025. Prepayments also generated a positive working capital contribution of RON 14.7 million.

At the same time, the Group recorded cash outflows related to increases in contract assets and inventories, amounting to RON 37.3 million and RON 33.4 million, respectively. Additional working capital outflows resulted from the reduction in trade payables of RON 80.4 million, employee benefit liabilities of RON 8.6 million and other liabilities of RON 19.1 million. These movements were partially offset by increases in contract liabilities of RON 3.9 million, provisions of RON 2.7 million and performance guarantees retained from suppliers of RON 9.5 million. After interest and income tax payments, net cash generated from operating activities amounted to RON 30.0 million.

Net cash used in investing activities amounted to RON 463.4 million in H1 2026, primarily reflecting the placement of IPO proceeds in short-term bank deposits rather than operating investment requirements. In addition, the Group invested RON 20.8 million in associates and RON 23.4 million in newly acquired subsidiaries (net of cash acquired), supporting the expansion of its business footprint. Capital expenditures for property, plant and equipment and intangible assets amounted to RON 3.2 million during the period.

Net cash generated from financing activities amounted to RON 465.0 million in H1 2026, compared to a net cash outflow of RON 3.3 million in H1 2025. The main driver was the RON 548.1 million cash inflow from the issuance of shares in connection with the IPO. This was partially offset by repayments of bank borrowings amounting to RON 69.0 million and dividend payments of RON 36.0 million, while new bank borrowings generated cash inflows of RON 24.1 million during the period.

Overall, cash and cash equivalents increased by RON 31.7 million during H1 2026, reaching RON 107.7 million as of 30 June 2026, compared to RON 76.0 million at the end of 2025. In addition, the Group held RON 430.0 million in bank deposits with maturities between three and twelve months, primarily reflecting the temporary placement of the funds raised through the IPO. Combined with the reduction in bank borrowings during the period, the strong liquidity position provides the Group with substantial financial flexibility to support future investments, recently completed strategic acquisitions and future growth initiatives.

CONSOLIDATED PROFIT & LOSS STATEMENT

	H1 2026	H1 2025	Δ %
Total revenues	**364,346,090**	**308,592,875**	**18.1%**
Revenues	363,025,887	307,795,015	17.9%
Revenues from sale of finished goods	205,288,279	171,938,453	19.4%
Revenues from sale of merchandise	51,956,687	4,579,574	1,034.5%
Revenues from services rendered	103,629,300	129,525,725	-20.0%
Other revenues	2,151,621	1,751,263	22.9%
Other revenues	1,320,203	797,860	65.5%
Total expenses	**(333,178,382)**	**(276,698,861)**	**20.4%**
Employee and collaborator benefits expenses	(56,670,348)	(30,582,987)	85.3%
Raw materials and merchandise expenses	(202,914,105)	(162,549,458)	24.8%
Service expenses	(52,015,008)	(66,544,593)	-21.8%
Utilities expenses	(1,333,724)	(1,066,258)	25.1%
Transportation expenses	(2,767,217)	(3,356,608)	-17.6%
Repair and maintenance expenses	(2,198,217)	(1,351,065)	62.7%
Depreciation of tangible and intangible assets	(5,995,375)	(5,266,876)	13.8%
Impairment losses on receivables	236,741	(73,101)	-423.9%
Other operating expenses	(9,521,129)	(5,907,915)	61.2%
Operating profit	**31,167,709**	**31,893,914**	**-2.3%**
Financial income	3,486,900	1,122,607	210.6%
Financial expenses	(2,548,392)	(2,973,339)	-14.3%
Net financial result	**938,508**	**(1,850,732)**	**-150.7%**
Profit before tax	**32,106,217**	**30,043,182**	**6.9%**
Income tax expense	(4,171,012)	(4,272,904)	-2.4%
Net profit	**27,935,205**	**25,770,278**	**8.4%**

CONSOLIDATED BALANCE SHEET

	30.06.2026	31.12.2025	Δ %
Non-current assets	**287,389,925**	**209,835,836**	**37.0%**
Property, plant and equipment	103,624,088	78,054,930	32.8%
Intangible assets	17,636,204	5,280,105	234.0%
Goodwill	11,206,542	-	-
Investments in associates	21,036,798	248,000	8,382.6%
Loans granted to related parties	80,575,073	96,273,796	-16.3%
Contract assets	16,952,865	2,060,105	722.9%
Restricted cash	21,046,884	16,006,722	31.5%
Deferred tax receivables	2,719,502	3,954,916	-31.2%
Right-of-use assets	12,591,969	7,957,262	58.2%
Current assets	**862,868,199**	**485,639,518**	**77.7%**
Inventories	95,025,643	46,059,797	106.3%
Contract assets	38,995,473	16,609,169	134.8%
Trade receivables	160,461,928	305,902,249	-47.5%
Prepayments	17,287,902	31,707,942	-45.5%
Loans granted to related parties	4,438,347	5,182,194	-14.4%
Restricted cash	-	2,856,751	-
Short-term bank deposits	430,525,271	-	-
Current income tax receivables	111,896	-	-
Other receivables	8,325,814	1,301,316	539.8%
Cash and cash equivalents	107,695,926	76,020,098	41.7%
Total assets	**1,150,258,125**	**695,475,354**	**65.4%**
Equity	**761,384,739**	**210,194,080**	**262.2%**
Share capital	47,136,077	30,638,450	53.8%
Share premium	531,649,954	-	-
Legal reserves	5,649,855	5,649,855	0.0%
Other reserves	29,827,505	29,427,591	1.4%
Retained earnings	131,878,935	144,097,119	-8.5%
Equity attributable to owners of the Company	746,142,325	209,813,015	255.6%
Non-controlling interests	15,242,413	381,065	3,900.0%
Non-current liabilities	**103,894,984**	**83,731,763**	**24.1%**
Bank borrowings	44,723,513	47,306,425	-5.5%
Lease liabilities	10,547,421	6,516,151	61.9%
Deferred income	2,510,754	2,573,163	-2.4%
Provisions	16,564,248	8,985,860	84.3%
Retention payables	26,660,715	18,350,164	45.3%
Deferred income tax liabilities	1,674,544	-	-
Loans from related parties	1,213,789	-	-
Current liabilities	**284,978,402**	**401,549,511**	**-29.0%**
Bank borrowings	10,052,640	49,641,580	-79.7%
Lease liabilities	4,343,959	3,696,592	17.5%
Trade payables	135,850,454	183,284,739	-25.9%
Contract liabilities	62,608,779	58,662,779	6.7%
Current income tax liabilities	2,408,590	7,017,788	-65.7%
Deferred income	125,379	126,504	-0.9%
Provisions	3,694,676	3,744,458	-1.3%
Employee benefits	15,811,494	24,448,107	-35.3%
Dividends payable	36,265,776	36,032,000	-
Retention payables	2,961,105	1,748,591	69.3%
Other liabilities	10,855,550	33,146,373	-67.2%
Total liabilities	**388,873,386**	**485,281,274**	**-19.9%**
Total equity and liabilities	**1,150,258,125**	**695,475,354**	**65.4%**

KEY FINANCIAL RATIOS

The main financial ratios of Electro-Alfa International S.A., based on the consolidated results as of June 30th, 2026, are presented below.

Financial data in RON		30 June 2026	
Current ratio			
Current assets / Current liabilities		862,868,200 / 284,978,402	= 3.03
Debt to Equity ratio			
Interest-bearing debt / Equity		69,667,533 / 761,384,739	= 9%
Interest-bearing debt / Capital employed*		69,667,533 / 831,052,272	= 8%
Trade receivables turnover (days)			
Average trade receivables / Turnover x2**	x365	233,182,089 / 726,051,774	= 117.23
Fixed asset turnover			
Turnover x2** / Non-current assets		726,051,774 / 287,389,925	= 2.53

**Capital employed = equity + interest-bearing debt, in line with ASF methodology.*

***Annualized value.*

OUTLOOK & RISKS FOR 2026

Following the successful IPO completed in early 2026, Electro-Alfa International enters the second half of the year with a strengthened balance sheet, a solid liquidity position and an expanded business platform following the strategic investments and acquisitions completed during H1 2026. The Group remains focused on executing its existing project portfolio while advancing its medium-term growth strategy across manufacturing, engineering, railway infrastructure and energy transition solutions.

Key priorities for the remainder of 2026 include the successful execution of recently awarded contracts, the integration of newly acquired businesses, the operational development of Alfa New Protocol Engineering, the continued ramp-up of the SGB-ELECTROALFA transformer manufacturing facility and the advancement of the Group's BESS project. Supported by the proceeds raised through the IPO, Electro-Alfa also continues to evaluate selective investment opportunities aligned with its medium-term growth strategy, while maintaining a disciplined approach to capital allocation, operational efficiency and financial flexibility.

2026 Budget

The Company maintains its financial budget for 2026, as initially communicated in the 2025 Annual Report, targeting consolidated revenues of RON 1.014 billion and profit before tax of RON 111.0 million. The outlook is supported by the existing contracted project portfolio and the expected execution schedule for the second half of the year. Revenues generated in H1 2026, together with the contracted backlog scheduled for execution during H2 2026, cover the budgeted amount for 2026.

Key Risk Factors for H2 2026

Project Execution

The successful delivery of the Group's growing portfolio of EPC and infrastructure projects – including contracts secured during the first half of the year, such as the Termoficare Oradea photovoltaic project and the CET 2 Holboca photovoltaic park – will remain a key factor influencing operational and financial performance in the second half of 2026. Execution requires close coordination across engineering, procurement, manufacturing, subcontractors and regulatory authorities, and timelines may be affected by permitting procedures, client requirements or the complexity of individual works. The Group's expanding project mix, including contracts executed in association with other partners, may also lead to a different revenue and margin profile across reporting periods, reflecting the specific commercial structure of each project. Building on its extensive track record in delivering complex infrastructure projects, Electro-Alfa relies on structured project management processes, integrated execution capabilities and continuous monitoring of progress to manage execution risk and maintain a high level of operational discipline.

Working Capital Management

The Group's activities require significant working capital to support large-scale manufacturing and EPC projects, including inventory procurement, project execution and customer payment cycles. Temporary fluctuations in trade receivables, contract assets, inventories and trade payables may therefore influence cash generation across reporting periods. Electro-Alfa continues to manage working capital through disciplined project execution, close monitoring of customer collections and prudent liquidity management, supported by strengthened financial position post-IPO.

Integration and Business Expansion

The strategic acquisitions completed during the first half of 2026 and the establishment of Alfa New Protocol Engineering broaden the Group's technical capabilities and create new opportunities for future growth. These transactions span a range of ownership structures, from majority-controlled subsidiaries to a joint venture and a minority shareholding. Their successful integration depends on close cooperation with Electro-Alfa's partners and the gradual alignment of operating procedures and quality standards across the Group. Electro-Alfa benefits from a phased integration approach supported by centralized governance, experienced management teams and constructive relationships with its partners, allowing newly acquired and jointly held businesses to contribute to the Group's growth while preserving operational continuity and long-term value creation.

Manufacturing and Supply Chain

The continued expansion of the Group's manufacturing platform, including the commissioning of the SGB-ELECTROALFA transformer manufacturing facility, increases the importance of maintaining efficient procurement and production processes. Global supply chains continue to present some uncertainty around delivery times for specialized components, such as transformer parts and electrical equipment. Electro-Alfa's vertically integrated business model, diversified supplier network and long-standing relationships with strategic partners provide a solid foundation for production continuity and the timely execution of customer projects.

Renewable Energy and Project Development

The Company continues to strengthen its presence in renewable energy infrastructure through photovoltaic projects and the development of a battery energy storage system, supporting its medium-term growth strategy in the energy transition sector. Implementation timelines for projects of this nature are typically influenced by permitting procedures, regulatory developments, financing conditions and market dynamics. Electro-Alfa approaches these investments through disciplined project evaluation, phased implementation and continuous monitoring of the regulatory environment, while maintaining strategic flexibility regarding the future operation or potential monetization of certain assets.

Market and Regulatory Environment

Electro-Alfa's activity remains closely connected to investment in energy infrastructure, industrial development and public utility projects, many of which benefit from national or European funding programs. Consequently, the pace of public procurement procedures, the implementation of infrastructure investment programs and broader macroeconomic developments may influence the timing of new project awards and execution schedules. The Group's diversified business model, balanced exposure to both public and private sector clients, and growing international activity provide a degree of diversification, while management continues to monitor market and regulatory developments and adjust project execution and investment decisions accordingly.

DECLARATION OF MANAGEMENT

21 August 2026

The undersigned, based on the best available information, hereby confirm that:

- the interim condensed consolidated financial statements for the six-month period ended June 30th, 2026, provide an accurate and real image regarding the assets, liabilities, financial position, the financial performance, and the cash flows of the company Electro-Alfa International S.A., as well as of the group to which it belongs, as required by the applicable accounting standards; and

- the report attached to this statement, prepared in accordance with art. 69 of the Law no. 24/2017 (R) on issuers of financial instruments and market operations as well as annex no. 14 to FSA Regulation no. 5/2018 on issuers of financial instruments and market operations for the six-month period ended June 30th, 2026, comprises accurate and real information regarding the development and performance of the company Electro-Alfa International S.A., as well as of the group to which it belongs.

Gheorghe CIUBOTARU	**Stefan PETREA**	**Constantin TODI**
Chairman of the Board of Directors	Chief Executive Officer	Chief Financial Officer

ELECTROALFA®

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ELECTRO-ALFA INTERNATIONAL S.A.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the six-month period ended
30 June 2026

Prepared in accordance with IAS 34 Interim Financial Reporting adopted by the European Union

Content

20. Other payables
21. Supplier guarantees
22. Provisions
23. Leasing

Financial instruments

24. Financial instruments - fair values and risk management

Other information

25. Acquisition of subsidiaries
26. Related parties
27. Contingencies
28. Commitments
29. Subsequent events

ELECTRO-ALFA INTERNATIONAL SA
Condensed consolidated interim statement of financial position
on 30 June 2026
(all amounts are expressed in lei, unless otherwise specified)

	Note	30 June 2026	31 December 2025
Assets			
Fixed assets			
Property, plant and equipment	**14**	103.624.088	78.054.930
Intangible fixed assets	**15**	17.636.204	5.280.105
Business Goodwill	**25**	11.206.542	-
Investments in associates	**16**	21.036.798	248.000
Loans granted to related parties	**26c)**	80.575.073	96.273.796
Contract assets	**4**	16.952.865	2.060.105
Restricted cash	**10**	21.046.884	16.006.722
Deferred tax assets	**9**	2.719.502	3.954.916
Right-of-use assets	**24i)**	12.591.969	7.957.262
Total non-current assets		**287.389.925**	**209.835.836**
Current assets			
Inventories	**11**	95.025.643	46.059.797
Contract assets	**4**	38.995.473	16.609.169
Trade receivables	**12**	160.461.928	305.902.249
Prepayments		17.287.902	31.707.942
Loans granted to related parties	**26c)**	4.438.347	5.182.194
Restricted cash	**10**	-	2.856.751
Other investments	**10**	430.525.271	-
Current Income Tax Receivables		111.896	-
Other receivables	**13**	8.325.814	1.301.316
Cash and cash equivalents	**10**	107.695.926	76.020.098
Total current assets		**862.868.200**	**485.639.518**
Total assets		**1.150.258.125**	**695.475.354**
Equity			
Share capital	**17a)**	47.136.077	30.638.450
Share incentives	**17d)**	531.649.954	-
Legal reserves	**17c)**	5.649.855	5.649.855
Other reserves	**17c)**	29.827.505	29.427.591
Retained earnings		131.878.935	144.097.119
Equity attributable to the Company's shareholders		**746.142.326**	**209.813.015**
Non-controlling interests		**15.242.413**	**381.065**
Total equity		**761.384.739**	**210.194.080**
Liabilities			
Non-current liabilities			
Bank borrowings	**18**	44.723.513	47.306.425
Lease liabilities	**23**	10.547.421	6.516.151
Grants		2.510.754	2.573.163
Provisions	**22**	16.564.248	8.985.860
Supplier guarantees	**21**	26.660.715	18.350.164
Deferred Income Tax Liabilities		1.674.544	-

The accompanying notes form an integral part of the financial statements.

Loans from Affiliates		1.213.789	-
Total non-current liabilities		**103.894.984**	**83.731.763**

	Note	30 June 2026	31 December 2025
Current liabilities			
Bank borrowings	**18**	10.052.640	49.641.580
Lease liabilities	**23**	4.343.959	3.696.592
Trade payables	**19**	135.850.454	183.284.739
Contract liabilities	**4**	62.608.779	58.662.779
Current income tax liabilities		2.408.590	7.017.788
Grants		125.379	126.504
Provisions	**22**	3.694.676	3.744.458
Employee benefits	**6**	15.811.494	24.448.107
Dividends payable	**17b)**	36.265.776	36.032.000
Supplier guarantees	**21**	2.961.105	1.748.591
Other payables	**20**	10.855.550	33.146.373
Total current liabilities		**284.978.402**	**401.549.511**
Total liabilities		**388.873.386**	**485.281.274**
Total equity and liabilities		**1.150.258.125**	**695.475.354**

Gheorghe Ciubotaru	**Stefan Petrea**	**Constantin Todi**
Chairman of the Board of Directors	Chief Executive Officer	Chief Financial Officer

		the six-month period ended on	
	Note	**30 June 2026**	**30 June 2025**
Revenue	**4**	363.025.888	307.795.015
Other income		1.320.203	797.860
Employee and collaborators benefit expenses	**6**	(56.670.348)	(30.582.987)
Raw materials and merchandise expenses	**5**	(202.914.105)	(162.549.458)
Third party expenses	**5**	(52.015.008)	(66.544.593)
Utilities expenses		(1.333.724)	(1.066.258)
Transport expenses		(2.767.217)	(3.356.608)
Repairs and maintenance expenses	**5**	(2.198.217)	(1.351.065)
Depreciation charge		(5.995.375)	(5.266.876)
Impairment losses on trade receivables		236.741	(73.101)
Other operating expenses	**5**	(9.521.129)	(5.907.915)
Operating profit		**31.167.709**	**31.893.914**
Finance income	**7**	3.486.900	1.122.607
Finance costs	**7**	(2.548.392)	(2.973.339)
Net financial result		**938.508**	**(1.850.732)**
Profit before tax		**32.106.217**	**30.043.182**
Income tax expense	**9**	(4.171.012)	(4.272.904)
Net profit		**27.935.205**	**25.770.278**
Other elements of comprehensive income		**-**	-
Total Comprehensive income		**27.935.205**	**25.770.278**
Profit attributable to:			
Owners of the Company		28.163.194	25.888.406
Non-controlling interests		(227.989)	(118.128)
Overall result attributable to			
Owners of the Company		28.163.194	25.888.406
Non-controlling interests		(227.989)	(118.128)
Earnings per share			
Earnings per share	**8**	**0,15**	**405,49**

Gheorghe Ciubotaru	**Stefan Petrea**	**Constantin Todi**
Chairman of the Board of Directors	Chief Executive Officer	Chief Financial Officer

ELECTRO-ALFA INTERNATIONAL SA
Simplified Interim Consolidated Statement of Changes in Equity
for the six-month period ended on 30 June 2026
(all amounts are expressed in lei, unless otherwise specified)

	Note	Share capital	Share premium	Legal reserves	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance on 1 January 2025		**638.450**		**127.690**	**57.899.540**	**90.891.794**	**149.557.474**	**-**	**149.557.474**
Total comprehensive income						25.888.406	25.888.406	(118.128)	25.770.278
Net profit									
Total Comprehensive income		**-**		**-**	**-**	**25.888.406**	**25.888.406**	**(118.128)**	**25.770.278**
Transactions with the owners of the Company									
Recognition of subsidiaries with non-controlling interests		-		-	-	-	-	490.000	490.000
Total transactions with the Company's shareholders		**-**		**-**	**-**	**-**	**-**	**490.000**	**490.000**
Other changes in equity									
Set up of other reserves		-		-	297.931	(297.931)	-	-	-
Balance on 30 June 2025		**638.450**		**127.690**	**58.197.471**	**116.482.269**	**175.445.880**	**371.872**	**175.817.752**
Balance on 1 January 2026		**30.638.450**		**5.649.855**	**29.427.591**	**144.097.119**	**209.813.015**	**381.065**	**210.194.080**
Total comprehensive income									
Net profit						28.163.194	28.163.194	(227.989)	27.935.205
Total Overall result		**-**		**-**	**-**	**28.163.194**	**28.163.194**	**(227.989)**	**27.935.205**
Transactions with the company's shareholders									
Dividends						(39.594.304)	(39.594.304)		(39.594.304)
Newly issued ordinary shares	**17d)**	16.497.627	531.649.954	-	-	-	548.147.581	-	548.147.581
Recognition of subsidiaries with non-controlling interests		-		-	-	(387.159)	(387.159)	15.089.337	14.702.178
Total transactions with the Company's shareholders		**16.497.627**	**531.649.954**	**-**	**-**	**(39.981.463)**	**508.166.119**	**15.089.337**	**523.255.456**
Other changes in equity									
Set up of other reserves		-		-	399.914	(399.914)	-	-	-
Balance on 30 June 2026		**47.136.077**	**531.649.954**	**5.649.855**	**29.827.505**	**131.878.935**	**746.142.326**	**15.242.413**	**761.384.739**

Gheorghe Ciubotaru	**Stefan Petrea**	**Constantin Todi**
Chairman of the Board of Directors	Chief Executive Officer	Chief Financial Officer

The accompanying notes form an integral part of the financial statements.

ELECTRO-ALFA INTERNATIONAL SA
Simplified interim consolidated statement of cash flows for the six-month period ended
On 30 June 2026
(all amounts are expressed in lei, unless otherwise specified)

		The six-month period ended on	
	Note	**30 June 2026**	**30 June 2025**
Cash flows from operating activities			
Profit before tax		**32.106.217**	**30.043.182**
Adjustments for:			
Depreciation		5.995.375	5.266.876
Impairment losses on receivables, net		748.505	73.101
Interest income	**7**	(3.486.908)	(584.086)
Interest expenses	**7**	1.512.816	1.129.792
Investment subsidies income		(63.533)	(266.882)
Other financial expenses – unwinding of provisions		6.662	304.019
Gain on sale of property, plant and equipment		(526.695)	(46.210)
		36.292.439	**35.919.792**
Changes in:			
Trade receivables		159.659.620	(35.660.725)
Contract assets		(37.279.064)	(4.701.208)
Inventories		(33.443.474)	(27.428.002)
Restricted cash		(2.183.411)	-
Prepayments		14.741.738	(9.249.958)
Other receivables		(6.425.604)	(1.685.847)
Trade payables		(80.351.207)	32.664.860
Contract liabilities		3.946.000	7.186.259
Grants		(8.048)	105.837
Provisions		2.704.407	891.130
Supplier guarantees		9.523.065	4.356.149
Employee benefits		(8.636.613)	(3.964.327)
Other payables		(19.089.581)	(412.756)
Cash used/generated in operating activities		**39.450.267**	**(1.978.797)**
Interest paid		(1.512.816)	(658.538)
Income tax paid		(7.895.346)	(2.994.806)
Net cash from /used in operating activities		**30.042.105**	**(5.642.141)**
Cash flows from investing activities			
Payments for the acquisition of property, plant and equipment and intangible assets		(3.206.069)	(7.916.420)
Payments for loans granted to related parties		(4.196.814)	(12.289.408)
Proceeds from repayments of loans granted to related parties		17.972.054	56.023
Payments for the establishment of bank deposits with maturities between three and twelve months	**10**	(430.000.000)	-
Payments for contribution to real estate project		-	(2.093.398)
Payments for investments in associates		(20.788.798)	
Payments for share capital in subsidiaries, net of cash acquired		(23.357.981)	(619.981)
Proceeds from the sale of property, plant and equipment		60.817	46.210
Interest collected		159.369	584.086
Net cash used in investing activities		**(463.357.422)**	**(22.232.888)**

The accompanying notes form an integral part of the financial statements.

		The six-month period ended on	
	Note	**30 June 2026**	**30 June 2025**
Cash flows from financing activities			
Proceeds from bank borrowings		24.144.662	10.368.659
Repayments of bank borrowings		(69.027.829)	(9.647.676)
Share premium contribution		548.147.581	-
Lease payments		(2.241.629)	(1.630.633)
Dividends paid		(36.032.000)	(2.360.000)
		-	
Net cash from/ used in financing activities		**464.991.145**	**(3.269.650)**
Net increase/decrease in cash and cash equivalents		**31.675.828**	**(31.144.679)**
Cash and cash equivalents on 1 January		**76.020.098**	**87.884.552**
Cash and cash equivalents on 30 June		**107.695.926**	**56.739.873**

Gheorghe Ciubotaru	**Stefan Petrea**	**Constantin Todi**
Chairman of the Board of Directors	Chief Executive Officer	Chief Financial Officer

1. Reporting entity and general information

Electro-Alfa International S.A. ("The Company") is a limited liability company established in 1995, operating in Romania in accordance with the provisions of Law 31/1990 on commercial companies.

The registered office of the company is in Botosani, 15 Calea Nationala street, Botosani county.

The company manufactures electrical equipment and provides services to customers both on the domestic and international markets (Europe, Africa, North America).

The company operates in the electrical equipment manufacturing and advanced technology solutions integration industry, with expertise in the following areas:

Electrical equipment manufacturing operating segment

- The company manufactures medium and low voltage electrical equipment - The company manufactures a wide range of electrical equipment designed to ensure efficiency and reliability in energy distribution.
- The company designs and manufactures technical shelters (metal containers), ensuring protection and safety for critical equipment in industrial environments.

Operating segment of rendering of service

- Energy efficiency solutions integrator - The company provides integrated solutions that optimize energy consumption and contribute to reducing operating costs.
- EPC Contractor Projects - The company manages complete contractor projects, from concept and design to implementation and maintenance, offering turnkey solutions
- Procurement services and supplier of goods for government sectors and agencies through international tenders - The company supports the emergency aid and intervention sector in post-conflict and/or third world countries by providing essential equipment and services.

Software development operating segment

- Provision of IT services consisting of software development activities carried out by the Group through its subsidiary Alfa Factory Software SRL

EE BESS Storage Business Segment

- Electricity storage services, a business activity carried out by the Group through its subsidiary Solar Technologies Consulting SRL

Railway Infrastructure Operating Segment

- Provision of specialized services and work for railway infrastructure, an activity carried out by the Group through its subsidiary SPIACT Craiova SA and its subsidiaries R&D Eneginery 4.0 SRL and Longreen Prod SRL

These simplified consolidated interim financial statements include the Company and its subsidiary (together referred to as the "Group").

On 30 June 2026, the company is owned in proportion to 52% by Mr. Ciubotaru Gheorghe, 13% by Electro Alfa Management SRL and 35% by other list-type shareholders (individuals and legal entities).

The company is managed by the Board of Directors.

Initial public offering ("IPO")

On 6 February 2026, the company conducted an initial public offering on the Bucharest Stock Exchange ("BVB"), 65.990.507 newly issued shares, as follows:

- The institutional investor tranche: 56.091.932 shares allocated at a price of 8,85 lei per share;
- The retail investor tranche: 9.898.575 shares, of which 9.882.434 shares were allocated at a price of 8.4075 lei per share and 16.141 shares allocated at a price 8,85 lei per share.

On 03.03.2026, trading on the BVB commenced without price variation limits and without the Deal Market, until the reference price is established, in accordance with the provisions of Art. 41 (1) a) and Art. 42 of Title III of the BVB Code – Main Regulated Market.

List of subsidiaries

As at 30 June 2026, Electro-Alfa International SA has the following subsidiary:

Subsidiary	**Activity**	**Registered office**	**% participation on 30 June 2026**	**% participation on 31 December 2025**
Alfa Factory Software SRL	Services in Information Technology	Botoșani Romania	51%	51%
Solar Technologies Consulting SRL	Electricity Storage	Sibiu Romania	100%	-
SPIACT Craiova SA	Rail Vehicle Manufacturing	Craiova Romania	51%	-
R&D Eneginery 4.0 SRL	General Machining Operations	Craiova Romania	50,949%	-
Longreen Prod SRL	Electrical Installation Work	Craiova Romania	51%	-
Alfa New Protocol Engineering SRL	Engineering and Related Technical Consulting Services	Bucuresti Romania	51%	-

The Alfa Factory Software SRL company was established during 2025 by Electro-Alfa International SRL, whose main activity is the development of custom software, with a sole partner the Electro-Alfa International SRL company. Subsequently, Electro-Alfa International SRL it assigned to KEEP IT Mobile Development 49% of the shares.

Solar Technologies Consulting SRL was established in 2022 as SPV type. On 09.04.2026 Electro-Alfa International SA acquired the shares, becoming the sole shareholder. The company has launched an energy storage project (BESS) with a capacity of 51,44MW, a project that will be continued, carried out, and implemented by the parent company.

SPIACT Craiova SA It is an industrial manufacturing company specializing in centralization and remote control equipment for railways, whose products, services, and projects are mainly directed to railway infrastructure. On 09.06.2026 the transfer of shares has been completed, with Company Electro-Alfa International SA now holding a block of 51% shares.

R&D Eneginery 4.0 SRL with headquarter in Craiova, is a company established in 2017, specialized in mechanical processing activities. The company manufactures industrial components and subassemblies, including those for the railway sector. The company's business is oriented toward providing engineering and manufacturing solutions and services to industrial customers, with a specific focus on the railway sector.

Longreen Prod SRL headquartered in Craiova, is a company with over 30 years of experience, whose primary business is electrical installation work. The company designs and installs electrical systems and connections. It operates primarily in the field of electrical infrastructure and related technical work, with a focus on the railway infrastructure sector.

Alfa New Protocol Engineering SRL is an electrical design and engineering company that was established in June 2026 with a 51% stake held by Electro-Alfa International SA. The company was not conducting business as of the date of these interim financial statements, as it was in the process of completing the legal formalities for its incorporation.

2. Basis of accounting

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the years ended 31 December 2025. These condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (IFRS-EU). However, certain explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These condensed interim consolidated financial statements were authorized for issue by the Company's Board of Directors on 17.08.2026.

3. Operating segments

A. Basis of segmentation

The Group has identified five reportable operating segments, determined based on the internal analysis performed by the Group's chief operating decision maker.

The following table describes the activities of each reportable segment:

Reportable segment	Activities
Manufacture of electrical equipment	Manufacture of low and medium voltage electrical equipment, production of metal shelters with various degrees of equipment (mechanical and/or electrical)
Provision of engineering, procurement, and construction (EPC) services	Provision of EPC (design and execution) activities in electrical stations, irrigation infrastructure works, photovoltaic parks. This segment also includes the international tenders business line, which has a similar specific nature
Provision of IT services – software development	Provision of IT services consisting of software development activities carried out by the Group through its subsidiary Alfa Factory Software SRL
Manufacturing of electrical energy storage systems	Manufacture of electrical equipment and specialized systems for electricity storage.
Manufacturing of products and provision of services and specialized work for railway infrastructure	Manufacture of industrial equipment, centralization and remote control systems for railways. Provision of services and construction work primarily for railway infrastructure.

Group management reviews the management reports for each segment. Operating results (C.A.(turnover), margin, EBITDA, and profit) are the indicators used to assess performance by segment, as management believes that this information is the most relevant in evaluating segment results.

Inter-segment revenue comprises equipment manufactured in-house which the Company uses in 'EPC' service projects and which is invoiced to the beneficiaries of these projects. Total assets and liabilities by segment are not included in the management reports reviewed by the management.

B. Information about operating segments

The six month period ended on 30 June 2026	**Manufacture of electrical equipment**	**Provision of EPC services**	**Provision of IT services**	**EE BESS Storage Segment**	**Railway Infrastructure Segment**	**Total reportable segments**	**Eliminations between segments**	**Total consolidated**
External revenue	206.794.286	153.634.377	557.500	-	2.039.725	363.025.888		363.025.888
Inter-segment revenue	14.284.445	-	76.442	-	47.364	14.408.251	(14.408.251)	-
Segment revenue	**221.078.730**	**153.634.377**	**633.942**	**-**	**2.087.089**	**377.434.139**	**(14.408.251)**	**363.025.888**
Other income	583.332	220.271	-	53.110	463.490	1.320.204		1.320.203
Employee benefit expenses	(44.347.336)	(10.860.015)	(643.499)	-	(895.941)	(56.746.790)	76.442	(56.670.348)
Raw materials and goods expenses	(140.539.959)	(76.049.260)	-	-	(609.331)	(217.198.550)	14.284.445	(202.914.105)
Third-party service expenses	(5.315.494)	(46.308.906)	(121.277)	(1.216)	(315.480)	(52.062.372)	47.364	(52.015.008)
Energy and water expenses	(1.014.264)	(275.390)	(4.265)	-	(39.805)	(1.333.724)		(1.333.724)
Transportation expenses	(2.454.503)	(288.162)	(27)	-	(24.524)	(2.767.217)		(2.767.217)
Repairs, maintenance, and materials	(1.592.015)	(299.336)	(4.418)	-	(302.448)	(2.198.217)		(2.198.217)
Depreciation of fixed assets	(4.622.619)	(1.266.319)	(3.502)	(1.147)	(101.788)	(5.995.375)		(5.995.375)
Losses from impairment of receivables	51.453	185.287	-	-	-	236.741		236.741
Other operating expenses	(4.155.783)	(5.097.794)	(128.689)	(9.611)	(129.252)	(9.521.129)		(9.521.129)
Segment operating profit	**17.671.542**	**13.594.755**	**(271.735)**	**41.136**	**132.010**	**31.167.709**	**-**	**31.167.709**

The six month period ended on 30 June 2025	**Manufacture of electrical equipment**	**Provision of EPC services**	**Provision of IT services**	**Total reportable segments**	**Eliminations between segments**	**Total consolidated**
External revenue	174.436.049	133.200.226	158.740	307.795.015		307.795.015
Inter-segment revenue	3.775.445	-		3.775.445	(3.775.445)	-
Segment revenue	**178.211.494**	**133.200.226**	**158.740**	**311.570.460**	**(3.775.445)**	**307.795.015**
Other income	201.853	596.007	-	797.860		797.860
Employee benefit expenses	(24.225.504)	(6.216.896)	(140.587)	(30.582.987)		(30.582.987)
Raw materials and goods expenses	(116.672.141)	(49.652.762)	-	(166.324.903)	3.775.445	(162.549.458)
Third-party service expenses	(4.198.445)	(62.139.915)	(206.233)	(66.544.593)		(66.544.593)
Energy and water expenses	(821.514)	(244.156)	(688)	(1.066.358)		(1.066.358)
Transportation expenses	(2.512.848)	(843.760)	-	(3.356.608)		(3.356.608)
Repairs, maintenance, and materials	(1.157.322)	(187.446)	(6.297)	(1.351.065)		(1.351.065)
Depreciation of fixed assets	(4.768.523)	(498.353)	-	(5.266.876)		(5.266.876)
Losses from impairment of receivables	(73.101)	-	-	(73.101)		(73.101)
Other operating expenses	(9.456.303)	3.594.401	(46.013)	(5.907.915)		(5.907.915)
Segment operating profit	**14.527.646**	**17.607.346**	**(241.078)**	**31.893.914**	**-**	**31.893.914**

4. Revenue

A. Revenue from contracts with customers

The Group generates revenue from:

	The six-month period ended on	
	30 June 2026	**30 June 2025**
Revenue from the sale of finished products	205.288.279	171.938.453
Revenue from the sale of goods	51.956.687	4.579.574
Revenue from services rendered	103.629.300	129.525.725
Other revenue	2.151.621	1.751.263
Total	**363.025.887**	**307.795.015**

The group generates revenue from the sale of medium and low voltage electrical equipment and related equipment such as technical shelters for this equipment, as well as from services provided within contracted projects.

Sale of goods

During the period of January – June 2025 the Group contracted through dedicated auction platforms financed by non-reimbursable aid funds financed by the European Energy Community and the United States of America through accredited entities, the sale of electrical equipment delivered to Ukraine in the amount of 2.676.420 lei. During the same period in 2026 these sales amounted to 46.920.044 lei. The increase is due to the significant volume of contracts awarded through procurement procedures and the resumption of funding flows to Ukraine.

Sales of finished products

Sales of finished products increased as a result of market demand for electrical equipment in Romania, with the Romanian energy system undergoing a process of modernization that has attracted significant investment in this area.

At the same time, the Group expanded its collaboration with its customers to foreign markets, starting in 2023, by beginning deliveries of electrical equipment from its own production to private customers in the United States, recording revenue from these contracts in the amount of 65.154.120 lei in the first six months of 2025 and, respectively, in the amount of 71.101.942 lei in the first six months of 2026.

At the same time, sales of finished products (compact transformer stations) increased to 98.322.061 lei in the first six months of 2026 compared to 94.816.855 lei in the same period of the previous year, as a result of the accentuated increase in the number of contracts concluded due to growing customer demand.

Sales of goods

During the first six months of 2026, the Group generated service revenues in the amount of 103.629.300 lei (first six months of 2025: 128.581.984 lei). In the services segment, the revenue recorded by the contracting division in the first quarter of 2025 was 76.099.659 lei compared to 53.268.810 lei during the similar period in 2026, this decline was partially offset by the growth recorded by the green energy division 19.885.401 lei for the period ended on 30 June 2026 compared to 45.641.659 lei for the period ended on 30 June 2025). The subsidiary Spiact Craiova SA contributed 1.211.045 lei, a contribution that is not reflected in the corresponding period of the year 2025.

During the year 2026 the group continued to provide software development services through its subsidiary Alfa Factory Software recording revenues during the six-month period ending 30 June 2026 in amount of 418.016 lei (6 months in 2025: 158.740 lei).

The Company's customers are generally companies in Romania, with exports accounting for approximately 33,23% of the total sales. No customer is significant in terms of its share of the Company's total sales.

Revenue recognition timing

	The six-month period ended on	
	30 June 2026	**30 June 2025**
Revenue recognized over time	103.629.300	129.525.725
Revenue recognized at a point in time	259.396.587	176.602.793
Total	**363.025.887**	**307.795.015**

B. Balances related to customer contracts

The table below presents information on the balances of contracts concluded at the end of each reporting period.

	30 June 2026	**31 December 2025**
Trade receivables	160.461.928	305.902.251
Contractual assets	55.948.338	18.669.274
Contractual liabilities	(62.608.779)	(58.662.779)
Total	**153.801.487**	**265.908.746**

Contractual assets

Contractual assets represent assets related to service contracts for the portion of the work covered by the contract that has been performed but not invoiced, for which the Group has an unconditional right to collect payment in accordance with the contractual terms and legal provisions in force.

Contractual liabilities

Contractual liabilities represent amounts received in advance from customers in accordance with contractual terms. As of 30 June 2026 , these increased due to the receipt of advance payments related to renewable energy projects and advance payments for shipments of goods to external customers in Ukraine. These will be settled upon completion of the two contracts. During the period ended as of 30 June 2026 it recognized income from the opening balances of contractual liabilities in the amount of 48.829.569 lei (period ended on 30 June 2025: 10.685.186 lei). Contracts for the supply of electrical equipment were finalized, with advance payments received in 2025 and actual delivery taking place in 2026; the largest customer was in the context of the relationship with Ukraine.

5. Operating expenses

Expenses with raw materials and goods

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Raw materials expenses	157.440.489	159.591.531
Merchandise expenses	45.473.617	3.066.887
Total	**202.914.106**	**162.658.418**

Expenses for services

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Subcontractors for construction projects	51.966.944	65.939.305
Other expenses	48.063	605.289
Total	**52.015.007**	**66.544.594**

Expenses for services provided by third parties include expenses for subcontractors in projects involving the execution of development, rehabilitation, and modernization works for electrical networks and irrigation systems.

Expenses related to subcontractors for turnkey projects, included under service expenses, decreased during the six-month period ended as at 30 June 2026 compared to the same period of the previous year, from the value of 65.939.305 RON to 34.160.491 RON. This decrease is due to the increase in the proportion of expenses for materials and goods in EPC projects; it is a cyclical increase, depending on the projects carried out during the period. Thus, as noted in Note 3B, in the case of construction contracts, expenses for materials increased during the six-month period ended as at 30 June 2026 to 76.049.260 lei compared to 49.652.762 lei during the same period of the last year.

Other operating expenses

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Commission expenses	140.630	100.459
Rental expenses	412.706	251.864
Banking and similar services expenses	597.456	406.032
Insurance premiums expenses	579.241	231.217
Other taxes and fees expenses	750.898	612.649
Donations expenses	876.446	923.095
Travel, secondments and transfers expenses	1.218.542	776.347
Postal and telecommunications fees	344.811	209.299
Protocol, advertising, and publicity expenses	1.305.790	740.268
Compensation, fines, and penalties expenses	32.629	566.361
Movements in provisions, net	2.732.152	394.212
Other operating expenses	529.831	696.112
Total	**9.521.132**	**5.907.915**

6. Benefits for employees and collaborators

Liabilities related to employee benefits were as follows:

	30 June 2026	**31 December 2025**
Salaries payable	4.582.040	3.172.803
Performance bonuses benefits	7.789.096	19.387.586
Untaken holiday	3.329.399	1.828.744
Other	110.959	58.974
Total	**15.811.494**	**24.448.107**

Employee benefits are fully current liabilities.

During the first six months concluded on 30 June 2026 the average number of employees within the Group was 669 (30 June 2025: 330). Employee benefit expenses include base salaries, mandatory health insurance contributions, mandatory social security contributions, performance bonuses, and unused vacation time.

The performance bonuses were estimated based on the indicators set forth in the 2026 Income and Expenditure Budget, specifically the total bonuses divided by annual turnover, applied to the actual net turnover generated during the first quarter.

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Salaries and other remuneration	50.561.613	27.628.794
Social security contributions	2.196.038	1.095.580
Meal tickets	3.912.697	1.858.614
	56.670.348	**30.582.987**

7. Finance result

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Interest income	3.486.896	584.087
Other finance income	3	538.520
Total income	**3.486.899**	**1.122.607**
Interest expenses	1.533.901	1.314.023
Expenses from foreign exchange differences, net	980.110	1.317.468
Expenses relating to the updating of provisions, net	(21.083)	304.019
Other finance expenses	55.466	37.829
Total expenses	**2.548.394**	**2.973.339**

For the six-month period ended on 30 June 2026, the interest expenses increased by 2.902.809 lei. The increase is driven by both the placement of funds raised through the Company's initial public offering (IPO) in the first half of 2026 into short-term bank deposits, and the interest earned on loans granted to affiliates.

8. Earnings per share

Earnings per basic share were calculated based on the profit attributable to shareholders:

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Profit attributable to owners of the Company	27.935.205	25.888.406
Weighted average number of ordinary shares	188.544.307	63.845
Basic and diluted earnings per share	**0,15**	**405,49**

9. Income tax

Amounts recognized in profit or loss

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Current tax expense	2.935.598	3.697.975
Deferred tax benefit	1.235.414	574.929
Total	**4.171.012**	**4.272.904**

In the first half of 2026, as in the corresponding period last year, the Company paid corporation tax in accordance with the applicable tax regulations.

(a) Effective Tax Rate Reconciliation

	The 6-month period ended on			
	30 June 2026		**30 June 2025**	
Profit before tax		**32.106.217**		**30.043.182**
Tax at the applicable tax rate	**16%**	**5.136.995**	**16%**	**4.806.909**
The tax effect of				
Non-deductible expenses	3,85%	1.235.414	2,14%	642.197
Non-taxable income	(0,02%)	(500.837)	(2,58%)	(780.035)
Sponsorship relief	(2,73%)	(876.446)	(3,05%)	(923.427)
Tax credit	(2,37%)	(760.128)	0,00%	-
Retained earnings	(0,20%)	(63.986)	(0,16%)	(47.669)
Corporation tax	**13,0%**	**4.171.012**	**14,7%**	**3.697.975**

(b) Movement of deferred tax balances

	Net balance on 1 January 2025	Recognized in profit or loss	Net balance on 30 June 2025	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	120.928	(20.955)	99.973	-	99.973
Inventories	(891.297)	-	(891.297)	(891.297)	-
Trade receivables	(269.389)	(11.696)	(281.085)	(281.085)	-
Other receivables	(25.267)	(17.455)	(42.722)	(42.722)	-
Provisions	482.920	36.705	519.625	-	519.625
Trade payables	-				
Employee benefits	(1.583.091)	588.330	(994.761)	(994.761)	-
Total deferred tax liabilities (assets) before offsetting	**(2.165.196)**	**574.929**	**(1.590.267)**	**(2.209.865)**	**619.598**
Offset tax				619.598	(619.598)
Net deferred tax liabilities (assets)				**(1.590.267)**	**-**

	Net balance on 1 January 2026	Recognized in profit or loss	Net balance on 30 June 2026	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	94.752	(2.978)	91.774	-	91.774
Inventories	(866.444)	-	(866.444)	-	-
Trade receivables	(502.770)	69.565	(433.205)	(433.205)	-
Other receivables	(71.627)	-	(71.627)	(71.627)	-
Provisions	462.813	(123.853)	338.959	-	338.959
Trade payables	-				
Employee benefits	(3.071.639)	1.292.681	(1.778.958)	(1.778.958)	-
Total deferred tax liabilities (assets) before offsetting	**(3.954.915)**	**1.235.414**	**(2.719.502)**	**(3.150.235)**	**430.733**
Offset tax				430.733	(430.733)
Net deferred tax liabilities (assets)				**(2.719.502)**	

Deferred tax arising from subsidiaries (IFRS 3) – SPIACT CRAIOVA SA

SPIACT CRAIOVA S.A.	**Fair value**	**Carrying amount**	**Differences**	**Deferred tax asset**	**Deferred tax liability**
Land and buildings	4.509.073	4.759.547	(250.474)	40.076	
Equipment	7.590.075	4.233.534	3.356.541		537.047
Financial assets – guarantees	5.904.236	5.904.236	0		
Financial assets – R&D investment	548.409	5.990	542.419		86.787
Financial assets – Longreen investment	723.592	1.175.422	(451.830)	72.293	
Financial assets – fund units	2.260.940	1.910.081	350.859		56.137
Receivables	14.724.702	17.000.675	(2.275.972)	364.156	
Stock	16.270.876	18.665.447	(2.394.571)	383.131	
Patent	176.249	0	176.249		28.200
Customer relations	12.009.643	0	12.009.643		1.921.543
Short-term investments – BRD fund units	1.530.271	1.005.000	525.271		84.043
GBE risk provision	1.122.233	0	1.122.233	179.557	
				1.039.213	**2.713.757**
Net deferred tax liabilities/(assets)					**1.674.544**

Deferred income tax is primarily generated by impairment adjustments for inventory, accounts receivable, and employee benefits in the form of bonuses and unused vacation days treated as non-deductible.

10. Cash and cash equivalents, restricted cash, and deposits

	30 June 2026	31 December 2025
Bank checking accounts and other assets	81.507.736	45.597.958
Deposits with a maturity of less than 3 months	26.164.887	30.408.063
Petty cash	23.303	14.077
Total cash and cash equivalents	**107.695.926**	**76.020.098**

On 30 June 2026, the restricted cash in amount of 21.141.923 lei (31 December 2025: 18.863.473 lei) is mainly related to performance bonds for a project aimed at investing in the irrigation network administered by the National Agency for Land Improvement (ANIF) in the Răzmirești area. The Company has a special performance bond account open at the Botoșani Treasury; the Company may access the funds only upon project completion and after the contracting authority has signed the acceptance report. The restricted cash is classified as long-term in accordance with the estimated project completion date.

On 30 June 2026, the company has bank deposits with Banca Transilvania and Unicredit Bank, with terms ranging from three to 12 months, totalling 430.000.000 lei. These were established for investment purposes using funds raised from the IPO.

11. Inventories

	30 June 2026	31 December 2025
Raw materials and consumables	50.448.734	25.589.597
Finished goods and merchandise	27.612.226	8.784.753
Works in progress	16.964.683	11.685.447
Total	**95.025.643**	**46.059.797**

Amount of inventories recognized in the profit and loss account for the first six months of 2026 is of 226.711.958 lei (6 months in 2025: 77.539.089 lei).

In the first half of 2026, the Company purchased stocks of goods and products required to fulfil the contracts it had won at international tenders.

12. Trade receivables

	30 June 2026	31 December 2025
Trade receivables from third parties. gross	125.151.856	262.341.938
Trade receivables from related parties. gross	1.949.339	2.289.201
Effects to be received	38.239.493	51.322.554
Allowance for expected credit losses	(4.878.760)	(5.183.034)
Total	**160.461.928**	**310.770.659**

The effects to be received represent bank CEC slip and promissory notes issued by customers in favour of the Company.

An analysis of trade receivables by age is presented in Note 23. Trade receivables due from related parties are presented in Note 25.

The movement in impairment losses on trade receivables is as follows:

	2026	2025
Balance on 1 January	**5.183.034**	**3.580.137**
New adjustments during the period	748.505	73.101
Transfers from the acquisition of subsidiaries	1.862.710	-
Reversal of adjustments during the period	(1.183.284)	-
Balance on 30 June	**6.610.965**	**3.653.238**

13. Other receivables

	30 June 2026	31 December 2025
Other receivables	4.687.628	907.187
Receivables related to the state budget	2.966.924	100.039
Other receivables	1.118.931	741.759
Allowances for impairment of other receivables	(447.669)	(447.669)
Total	**8.325.814**	**1.301.316**

Under various debtors as at 30 June 2026, the amounts relating to the performance of EPC contracts are recorded.

14. Property, plant and equipment

As at 30 June 2026, the Group's tangible fixed assets amounted to 103.624.088 lei, compared to 78.054.930 lei on the same date last year, showing an increase of 25.569.158 lei. This development is determined mainly by the acquisition of new subsidiaries included in the scope of consolidation, whose tangible fixed assets have been recognised in the Group's consolidated financial statements; see note 23.

Land and Buildings

Land and buildings include properties owned by the Company for use in the production of goods and for administrative purposes. During the six-month period ended on 30 June 2026 no increases or decreases were recorded in these asset categories at the parent company.

Equipment and other fixed assets

This category primarily includes equipment used by the Company in the production of goods.
During the period January -June 2026 no acquisitions or movements were recorded in these asset categories at the parent company.

Property, plant, and equipment under construction

On 30 June 2026, the Company recognized assets under construction, investments that primarily relate to construction and fit-out work on the property acquired in 2024, with completion of these works expected by the end of the current year.

15. Intangible assets

On 30 June2026, the intangible assets in value of 17.636.204 lei, compared 5.280.105 lei in the comparative period, recorded a significant increase, mainly as a result of the inclusion of certain newly acquired companies within the scope of consolidation.

This increase mainly reflects intangible assets recognised as part of the consolidation process and the purchase price allocation for those companies; see note 25.

16. Investments in associates

In 2026, the company contributed 1000 lei toward the establishment of the non-profit association "Patronat pentru Infrastructura Energetica" alongside other founding members. It does not exercise control over this association.

In 2026, the company acquired a stake of 33% of the share capital of Electro Alfa CM S.R.L. The value of the transaction was 3.960.000 EUR, the equivalent of 20.785.248 lei.

17. Share capital and reserves

a) Share capital

Shareholder structure of the company

30 June 2026	**Number of shares**	**Amount (lei)**	**(%)**
Ciubotaru Gheorghe	98.043.040	24.510.760	52%
Electro Alfa Management SRL	24.510.760	6.127.690	13%
Other shareholders	65.990.507	16.497.627	35%
Total	**188.544.307**	**47.136.077**	**100%**
31 December 2025	**Number of shares**	**Amount (lei)**	**(%)**
Ciubotaru Gheorghe	98.043.040	24.510.760	80%
Electro Alfa Management SRL	24.510.760	6.127.690	20%
Total	**122.553.800**	**30.638.450**	**100%**

b) Dividends

Companies in Romania may distribute dividends only from profits reported in the statutory financial statements prepared in accordance with Romanian accounting regulations. The distribution of dividends is subject to approval by the General Meeting of Shareholders.

Pursuant to the resolution of the General Meeting of Shareholders dated 29 May 2026, the Company approved the distribution to shareholders of dividends totalling 39.594.304 lei, relating to the net profit realised and retained for the financial years 2023 and 2024, representing a gross dividend per share of 0,21 lei.

The approved dividends were distributed to shareholders listed in the Register of Shareholders maintained by the Central Depository on the record date of 30 June 2026, in proportion to their shareholding in the Company’s share capital, and were paid in full in July 2026.

The relevant tax liabilities for the dividends distributed were calculated and recorded in accordance with the tax legislation in force.

c) Reserves

	30 June 2026	31 December 2025
Legal reserves	5.649.855	5.649.855
Other reserves	29.827.505	29.427.591
Share premium	531.649.954	-
Total reserves	**567.127.314**	**35.077.446**

Legal reserves

According to legal requirements, the Group establishes legal reserves amounting to 5% of the profit recorded up to 20% of the share capital. The value of the legal reserve as of 30 June 2026 is 5.649.855 lei. Legal reserves cannot be distributed to shareholders.

Other reserves

On 30 June 2026 other reserves include:

a) 17.834.529 lei represents amounts distributed from previous years' net profits for the purpose of capitalizing the company in accordance with the shareholders' decision.
b) 11.992.975 lei which will be taxed upon use or change of purpose, since their use can only be decided by the shareholders, no deferred tax has been calculated for these reserves. During the first half of 2026, the Company did not benefit from an income tax exemption on reinvested profits in accordance with the provisions of the Tax Code (art. 22).

Share premium

As part of the initial public offering completed on 6 February 2026, Electro-Alfa International S.A. issued 65.990.507 new shares, generating gross revenue of 579.643.020 RON as described in Note 1. From the share premium, representing the excess of the issue price over the nominal value of 0,25 RON/ per share, expenses directly attributable to the issue amounting to 31.495.439 RON were deducted. Thus, the net share premium recognised in the Company's equity is 531.649.954 lei.

d) Capital management

The Group manages its capital in such a way as to ensure business continuity and maximize shareholder value by optimizing equity and debt balances.

The Group's capital structure comprises liabilities, which include bank loans and lease liabilities, cash and cash equivalents, and equity attributable to shareholders. Equity comprises share capital, reserves, and retained earnings.

The Group monitors capital based on the debt ratio. The ratio is calculated as net debt divided by total equity. Net debt is calculated as debt, which includes bank loans and lease liabilities, minus cash and cash equivalents. The company's goal is to maintain a balance between equity and borrowed funds.

	30 June 2026	31 December 2025
Bank borrowings	54.776.153	96.948.005
Lease liabilities	14.891.380	10.212.743
Cash and cash equivalents	(107.695.926)	(76.020.098)
Net debt	**(38.028.393)**	**31.140.650**
Total equity attributable to shareholders	**761.384.738**	**210.194.080**
Debt ratio	**(0,05)**	**0,15**

18. Bank borrowings

The terms and conditions of bank loans are detailed below:

30 June 2026

Bank	Description	Total value of the credit facility	Value used - bank guarantee letters -lei-	Cash value used -lei-	Maturity	Interest rate
Unicredit	Credit line letters of guarantee	12.000.000 RON	11.038.818	-	07.08.2035	ROBOR 3M + 2%
Unicredit	Linie de credit	10.000.000 EUR	-	-	06.08.2026	EURIBOR 3M + 1.2% ROBOR 3M + 1.2%
Unicredit	Investment credit	4.380.000 EUR	-	12.497.309	18.11.2029	EURIBOR 1M+ 2.08%
Unicredit	Credit - Treasury line	1.300.000 EUR	-	-	01.02.2034	EURIBOR 1M+10%
Unicredit	Investment credit	2.980.000 EUR	-	9.573.119	04.07.2030	EURIBOR 1M+2.1%
Unicredit	Investment credit	180.000 EUR	-	5.477	19.07.2026	EURIBOR 1M + 1.85%
Unicredit	Multi-product facility letter of guarantee	40.000.000 RON	31.523.851	-	07.08.2035	ROBOR 3M +1.2%
Unicredit	Investment credit	5.850.000 EUR	-	23.928.045	07.04.2035	EURIBOR 6M + 1.5%
Unicredit	Investment credit	2.528.011 EUR		7.450.278	02.05.2030	EURIBOR 6M + 1.4%
Unicredit	Facilitate factoring	6.000.000 RON	-	-	07.12.2026	ROBOR 1M + 2%
BCR	Multi-product facility	1.200.000 RON	-	-	18.09.2026	ROBOR 3M + 1,8%
BCR	Multi-product facility	9.000.000 RON	-	-	20.08.2027	ROBOR 3M + 1,8%
BCR	Multi-product facility letter of guarantee	5.000.000 EUR	10.778.202	-	23.11.2035	ROBOR 3M + 3% EURIBOR 3M + 3%
BCR	Multi-product facility	1.250.000 EUR	-	-	18.09.2026	EURIBOR 3M + 1,8%
BCR	Facilitate credit letter of guarantee	25.000.000 RON	11.226.497	-	09.09.2035	ROBOR 3M +3%
BRD	Multi-product facility letter of guarantee	7.082.000 EUR	44.553.466	-	03.10.2026	ROBOR 3M + 1.9% EURIBOR 3M + 1.5%
BT	Multi-currency credit line	3.000.000 EUR	-	-	01.10.2026	ROBOR 3M + 1.25% EURIBOR 3M + 1.25%
BT	Investment loan limit	2.700.000 EUR	-	-	01.10.2032	EURIBOR 3M + 1.45%
BRD	Investment loan	688.528 RON	-	304.920	21.12.2028	ROBOR 3M + 1%
BT	Investment loan	705.920 EUR	-	1.017.005	19.10.2028	3%
	Total borrowing		**109.120.834**	**54.776.153**		
	Current portion			10.052.640		
	Non-current portion			44.723.513		

The interest rate for loans in RON is determined as ROBOR plus a margin, with the final interest rate ranging from 7% to 10%. The interest rate for loans in EUR is determined as EURIBOR plus a margin, with the final interest rate ranging from 4% to 6%.

To secure the loans, the Group has provided the banks with collateral in the form of movable property: inventory of raw materials, finished and semi-finished products, balances in bank accounts, receivables arising from current and future contracts, and rights arising from insurance policies covering the assets provided as security. In addition, property, plant, and equipment in the land and buildings category are mortgaged in favor of banks.

31 December 2025

Bank	Description	Total value of the credit facility	Value used - bank guarantee letters -lei-	Cash value used -lei-	Maturity	Interest rate
Unicredit	Credit line letters of guarantee	12.000.000 RON	9.306.271	-	07.08.2035	ROBOR 3M + 2%
Unicredit	Linie de credit	10.000.000 EUR	-	40.501.551	06.08.2026	EURIBOR 3M + 1.2% ROBOR 3M + 1.2%
Unicredit	Investment credit	4.380.000 EUR	-	13.602.447	18.11.2029	EURIBOR 1M+ 2.08%
Unicredit	Credit - Treasury line	1.300.000 EUR	-	-	01.02.2034	EURIBOR 1M+10%
Unicredit	Investment credit	2.980.000 EUR	-	10.048.538	04.07.2030	EURIBOR 1M+2.1%
Unicredit	Investment credit	180.000 EUR	-	37.261	19.07.2026	EURIBOR 1M + 1.85%
Unicredit	Multi-product facility letter of guarantee	40.000.000 RON	29.636.981	-	07.08.2035	ROBOR 3M +1.2%
Unicredit	Investment credit	5.850.000 EUR	-	24.332.621	07.04.2035	EURIBOR 6M + 1.5%
Unicredit	Investment credit	2.528.011 EUR		8.168.638	02.05.2030	EURIBOR 6M + 1.4%
Unicredit	Facilitate factoring	6.000.000 RON	-	-	07.12.2026	ROBOR 1M + 2%
BCR	Multi-product facility	1.200.000 RON	-	-	18.09.2026	ROBOR 3M + 1,8%
BCR	Multi-product facility	9.000.000 RON	-	-	20.08.2027	ROBOR 3M + 1,8%
BCR	Multi-product facility letter of guarantee	5.000.000 EUR	10.840.883	-	23.11.2035	ROBOR 3M + 3% EURIBOR 3M + 3%
BCR	Multi-product facility	1.250.000 EUR	-	-	18.09.2026	EURIBOR 3M + 1,8%
BCR	Facilitate credit letter of guarantee	25.000.000 RON	11.220.773	-	09.09.2035	ROBOR 3M +3%
BRD	Multi-product facility letter of guarantee	7.082.000 EUR	1.616.086	-	03.10.2026	ROBOR 3M + 1.9% EURIBOR 3M + 1.5%
BT	Multi-currency credit line	3.000.000 EUR	-	-	01.10.2026	ROBOR 3M + 1.25% EURIBOR 3M + 1.25%
BT	Investment loan limit	2.700.000 EUR	-	-	01.10.2032	EURIBOR 3M + 1.45%
	Total borrowing		**62.620.994**	**96.948.005**		
	Current portion			49.384.577		
	Non-current portion			47.306.480		

Reconciliation of debt movements with cash flows from financing activities

	The 6-month period ended on	
Bank borrowings	**30 June 2026**	**30 June 2025**
Opening balance on 1 January	**96.948.004**	**56.791.212**
Withdrawal	24.144.662	10.368.659
Subsidiary acquisitions	1.321.925	-
Repayments	(69.027.829)	(9.647.676)
Interest in period	1.196.870	877.229
Interest payments	(1.313.433)	(945.053)
Net exchange rate differences	1.505.954	529.078
Closing balance	**54.776.153**	**57.973.447**

19. Trade payables

	30 June 2026	31 December 2025
Trade payables to third parties	129.587.406	163.741.229
Trade payables to related parties	6.263.048	19.543.510
Total	**135.850.454**	**183.284.739**

Trade payables related to related parties are disclosed in Note 25.

Other balances related to contracts with suppliers consist of prepayments, which mainly include advances for the purchase of services from subcontractors under service contracts.

20. Other payables

	30 June 2026	31 December 2025
Liabilities to the state budget	10.240.990	32.732.691
Other payables	614.560	413.684
Other payables pe current	**10.855.550**	**33.146.375**

Debts to the state budget mainly include VAT payable in the amount of 4.843.785 lei as at 30 June 2026 (31 December 2025: 3.168.000 lei), social security contributions in the amount of 3.317.021 lei as at 30 June 2026 (31 December 2025: 2.741.849 lei) and corporation tax amounting to 2.408.590 lei compared to 7.017.788 lei on 31 December 2025.

21. Supplier guarantees

	30 June 2026	31 December 2025
Performance guarantees retained from suppliers	29.621.820	20.098.755
	29.621.820	**20.098.755**
Current portion	2.961.105	1.748.591
Non-current portion	26.660.715	18.350.164

Guarantees are retained from service and works contractors in projects carried out on a turnkey basis, in accordance with the contractual terms. The distinction between long-term and short-term guarantees depends on the duration of the guarantee period.

22. Provisions

	30 June 2026		31 December 2025	
	Current	Non-current	Current	Non-current
Litigation	-	2.373.125	-	358.193
Warranty	3.694.676	9.373.586	3.744.458	8.627.667
Subsidiary acquisitions	-	4.817.537	-	-
Total	**3.694.676**	**16.564.248**	**3.744.458**	**8.985.860**

Movements in provisions are presented below:

			-
Balance on 1 January 2025	**207.500**	**10.427.059**	**10.634.559**
Provisions recognized in profit or loss	-	1.044.351	1.044.351
Provisions used/reversed	-	(153.221)	(153.221)
Unwinding of provisions	-	304.019	304.019
Balance on 30 June 2025	**207.500**	**11.622.208**	**11.829.708**
Balance on 1 January 2026	**358.193**	**12.372.125**	**12.730.318**
Provisions recognized in profit or loss	2.014.932	783.852	2.798.784
Subsidiary acquisitions	-	4.817.537	4.817.537
Provisions used/reversed	-	(1.292.224)	(1.292.224)
Unwinding of provisions	-	1.203.509	1.203.509
Sold as at 30 June 2026	**2.373.125**	**17.885.799**	**20.258.924**

Provisions for litigation

The company is involved in a lawsuit with the company Modern Calor, according to the file case 2099/40/2024, for which the Company has set aside a provision on 30 June 2025 and 30 June 2026.

During the first half of the year, the company has recognised a provision for a dispute with the National Land Improvement Agency in the amount of 2.373.125 lei. The dispute concerns the method of calculating, invoicing and paying the amounts representing price adjustments for EPC-type works contracts.

Provisions for disputes are estimated on the basis of the most likely outcome.

Provisions for guarantees granted to customers

The Group grants warranty periods for its goods and services in its contracts with customers. depending on the characteristics of the goods and services, this period may vary from 24 to 60 months in the case of equipment sales from the date of delivery, and from 36 to 120 months from the date of signing the acceptance report upon completion of the works in the case of services. In the case of warranties granted to customers for product deliveries, the company does not set aside provisions, given the usual warranty period and the fact that the warranties are covered by the warranty of the subassemblies supplied by suppliers. In the case of services, the provision is estimated based on historical data regarding warranty repairs performed for similar projects and in accordance with contractual provisions.

The presentation of provisions for warranties was made according to the expiration date of the warranty period.

23. Leasing

	30 June 2026	31 December 2025
Non-current lease liabilities	10.547.421	6.516.151
Current lease liabilities	4.343.959	3.696.592

i) Assets arising from usage rights

The reconciliation of the right-of-use assets recognized as a result of the application of IFRS 16 is presented in the following tables:

Right-of-use assets	**Buildings**	**Equipment and other fixed assets**	**Total**
On 1 January 2025	**4.538.509**	**3.444.835**	**7.983.344**
Additions	1.131.850	2.115.659	3.247.509
Outflows, net value	-	(579.503)	(579.503)

Depreciation	(1.190.173)	(1.503.915)	(2.694.088)
Net values as of 31 December 2025	**4.480.186**	**3.477.076**	**7.957.262**
As of 1 January 2026	**4.480.186**	**3.477.076**	**7.957.262**
Additions	5.425.671	536.645	5.962.316
Subsidiary acquisitions	569.432	-	569.432
Outputs	(45.491)	-	(45.491)
Depreciation	(976.745)	(874.805)	(1.851.550)
Net values on 30 June 2026	**9.453.053**	**3.138.916**	**12.591.969**

During the six-month period ended as at 30 June 2026, the Company entered into lease agreements for the Group's offices and adjacent spaces in Bucharest and Cluj, which were recognized as additions to right-of-use assets. The lease agreement for office space in Bucharest resulted in the recognition of an asset in the amount of 3.003.891 RON.

The reconciliation of lease liabilities recognized as a result of the application of IFRS 16 is presented in the following tables:

Lease liabilities	**Buildings**	**Equipment and other fixed assets**	**Total**
On 1 January 2025	**4.691.039**	**3.598.304**	**8.289.343**
Recognition of liability for annuity contracts	1.131.850	2.115.659	3.247.509
Contract amendments	-	(552.554)	(552.554)
Interest and exchange rate differences	364.366	300.201	664.567
Lease payments	(1.342.703)	(1.684.334)	(3.027.036)
On 31 December 2025, of which:	**4.844.552**	**3.777.277**	**8.621.829**
Non-current lease liabilities	3.566.279	1.890.644	5.456.923
Current lease liabilities	1.278.273	1.886.633	3.164.906

	Buildings	**Equipment and other fixed assets**	**Total**
On 1 January 2026	**4.844.552**	**3.777.277**	**8.621.829**
Accrual of rent liabilities	5.425.671	536.645	5.962.316
Subsidiary acquisitions	569.432	-	569.432
Outflows	(48.047)		(48.047)
Interest and exchange rate differences	484.053	185.632	669.685
Lease payments	(1.272.919)	(968.351)	(2.241.270)
On 30 June 2026, of which:	**10.002.742**	**3.531.203**	**13.533.945**
Non-current lease liabilities	7.797.428	1.935.607	9.733.035
Current lease liabilities	2.205.314	1.595.596	3.800.910

24. Financial Instruments – Fair Value and Risk Management

a) Accounting classifications and fair values

In accordance with IFRS 9, the Company's financial assets and liabilities are measured at amortized cost. In accordance with the Company's business model, financial assets and liabilities are held to collect contractual cash flows, and these cash flows consist exclusively of principal and interest payments. The Company has not included fair value information for financial assets and liabilities that are not measured at fair value if the carrying amount is a reasonable approximation of fair value.

b) Financial risk management

The company is exposed to the following risks from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency risk

These notes provide information on the Group's exposure to each of the risks mentioned above, the Group's objectives, policies, and processes for assessing and managing risk, and the procedures used for capital management. Other quantitative information is also included in these financial statements.

The Group's risk management policies are designed to ensure that the risks faced by the Company are identified and assessed, appropriate limits and controls are established, and risks and compliance with established limits are monitored. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Through its training and management standards and procedures, the Company aims to develop an orderly and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk that the Group will incur a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and this risk arises mainly from trade receivables, cash, and cash equivalents.

Cash and cash equivalents are placed with financial institutions that are considered to have high credit ratings.

Exposure to credit risk

The book value of financial assets represents the maximum exposure to credit risk. The maximum exposure to credit risk was:

Book value	**30 June 2026**	**31 December 2025**
Trade receivables	160.461.928	305.902.251
Other receivables	8.325.814	1.301.316
Loans to related parties	85.013.420	101.455.990
Short-term bank deposits	430.525.271	-
Restricted cash	21.046.884	18.863.473
Cash and cash equivalents	107.695.926	76.020.098
Total	**813.069.243**	**503.543.128**

Trade receivables

The Group's exposure to credit risk is mainly influenced by the individual characteristics of each partner.

Management has established a credit policy whereby each new customer is individually assessed for creditworthiness before being offered the Group's standard payment and delivery terms. Purchase limits are set for each customer. Customers who do not meet the Group's requirements may only conduct transactions with the Group on a prepayment basis.

The Company does not require collateral for trade and other receivables.

In estimating impairment adjustments to receivables, the Group uses an impairment model whose operating principle reflects the requirements of the impairment model introduced by IFRS 9. The estimation principle is based on the average historical rates of probability of non-collection over the last three financial years.

Adjustments for impairment losses on trade receivables reflect expected credit losses calculated based on loss rates.

Credit risk exposure and expected credit losses (ECL) for trade receivables are presented below:

30 June 2026	**Weighted average loss rate**	**Gross book value**	**Adjustments for impairment losses**	**Net trade receivables**
Not past due	0,2%	125.074.875	208.987	124.865.888
Past due between 1 and 30 days	0,4%	9.017.564	36.084	8.981.481
Past due between 31 and 60 days	1,3%	15.109.104	193.233	14.915.871
Past due between 61 and 90 days	3,1%	6.633.856	208.814	6.425.042
Past due between 91 and 120 days	4,9%	4.489.285	220.327	4.268.958
Past due between 121 and 180 days	12,8%	361.242	46.160	315.082
Past due between 181 and 365 days	71,3%	2.402.620	1.713.014	689.606
Past due more than 365 days	100,0%	3.984.346	3.984.346	-
Total		**167.072.893**	**6.610.965**	**160.461.928**

31 December 2025	**Weighted average loss rate**	**Gross book value**	**Adjustments for impairment losses**	**Net trade receivables**
Not past due	0,1%	286.211.725	240.250	285.971.474
Past due between 1 and 30 days	0,5%	8.795.073	44.638	8.750.435
Past due between 31 and 60 days	1,3%	7.763.845	100.733	7.663.111
Past due between 61 and 90 days	7,5%	225.936	16.961	208.975
Past due between 91 and 120 days	5,1%	2.772.302	142.014	2.630.288
Past due between 121 and 180 days	31,9%	418.094	133.279	284.815
Past due between 181 and 365 days	79,3%	1.895.187	1.502.035	393.153
Past due more than 365 days	100,0%	3.003.123	3.003.123	-
Total		**311.085.284**	**5.183.033**	**305.902.251**

(b) 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 transferring another financial asset.

The Group's approach to liquidity management is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations as they fall due, both under normal and stressed conditions, without incurring unacceptable losses or jeopardising the Company's reputation.

The Group has cash and cash equivalents; therefore, it does not face a significant liquidity risk.

Exposure to liquidity risk

The table below presents the remaining contractual maturities of financial liabilities at the reporting date. The amounts are presented at gross, undiscounted value, include contractual interest payments, and exclude the impact of netting agreements.

30 June 2026	**Book value**	**Contractual cash flows**	**Less than 1 year**	**1 - 5 years**	**More than 5 years**
Bank borrowings	55.989.942	63.521.522	12.362.126	42.205.729	8.953.667
Lease liabilities	14.891.380	15.812.853	4.789.139	11.023.715	-
Trade payables	135.850.454	135.850.454	135.850.454	-	-
Total	**206.731.776**	**215.184.829**	**153.001.718**	**53.229.443**	**8.953.667**

31 December 2025	Book value	Contractual cash flows	Less than 1 year	1 - 5 years	More than 5 years
Bank borrowings	96.948.005	105.338.804	52.598.572	43.560.813	9.179.418
Lease liabilities	10.212.743	10.718.214	3.989.348	6.728.866	-
Trade payables	183.284.739	183.284.739	183.284.739	-	-
Total	**290.445.487**	**299.341.757**	**239.872.659**	**50.289.679**	**9.179.418**

(c) Market risk

Market risk is the risk that changes in market prices – exchange rates and interest rates – will affect the Group's profit or the value of the financial instruments it holds. The objective of market risk management is to control market risk exposures within acceptable limits, while optimizing results.

Interest rate risk

The group is exposed to interest rate risk, particularly with regard to variable-rate loans.

Interest rate risk exposure

For financing purposes, the Group uses both medium- and long-term loans and short-term loans in the form of overdraft facilities.

The Group has no financial assets or financial liabilities with fixed interest rates recognized at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not result in a gain or loss in profit or loss.

At the reporting date, the interest rate risk exposure profile of the interest-bearing financial instruments held by the Company was, as following:

Variable rate instruments	30 June 2026	31 December 2025
Bank borrowings	54.776.153	96.948.004
Lease liabilities	14.891.380	10.212.743
Total	**69.667.533**	**107.160.747**

Sensitivity analysis of cash flows for variable interest rate instruments

A reasonable change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit before tax and total equity by the amounts shown below. This analysis assumes that all other variables, particularly foreign exchange rates, remain constant.

	Profit before tax	
	increase by 100 pp	increase by 100 pp
30 June 2026		
Variable rate instruments	(278.670)	278.670
31 December 2025		
Variable rate instruments	(501.253)	501.253

(d) Currency risk

The Group is exposed to foreign exchange risk to the extent that there is an imbalance between the currencies in which sales, purchases, receivables, and loans are denominated and the functional currency. The Company's functional currency is the Romanian leu (RON).

The currency in which these transactions are denominated is mainly RON. Certain liabilities are denominated in currencies such as EUR and USD. The Group's risk management policy is to use mainly the local currency. The Company does not use derivatives or hedging instruments.

The Group's exposure to currency risk is presented in the following tables:

30 June 2026	TOTAL	RON	EUR	USD	Other currencies
Trade receivables	160.461.928	142.694.479	17.767.449	-	-
Prepayment	17.287.902	17.287.902	-	-	-
Short-term bank deposits	430.525.271	430.525.271	-	-	-
Loans to related parties	85.013.420	50.518.146	34.495.274	-	-
Restricted cash	21.046.884	21.046.884	-	-	-
Cash and cash equivalents	107.695.926	87.408.065	20.198.772	89.089	-
Financial assets	**822.031.331**	**749.480.748**	**72.461.494**	**89.089**	**-**
Bank borrowings	54.776.153	1.462.365	53.313.788	-	-
Lease liabilities	14.891.380	1.153.151	13.738.229	-	-
Trade payables	135.850.454	117.241.726	17.591.494	206.622	810.612
Contract liabilities	62.608.779	62.608.779	-	-	-
Financial liabilities	**268.126.766**	**182.466.022**	**84.643.510**	**206.622**	**810.612**
Total net financial assets/(liabilities)	**553.904.565**	**567.014.726**	**(12.182.016)**	**(117.533)**	**(810.612)**

31 December 2025	TOTAL	RON	EUR	USD	Other currencies
Trade receivables	305.902.251	296.343.736	9.558.514	-	-
Loans granted to related parties	101.455.990	53.328.971	48.127.019	-	-
Restricted cash	18.863.473	18.863.473	-	-	-
Cash and cash equivalents	76.020.097	72.777.930	3.000.890	241.277	-
Financial assets	**502.241.811**	**441.314.110**	**60.686.423**	**241.277**	**-**
Bank borrowings	96.948.005	257.003	96.691.002	-	-
Lease liabilities	10.212.743	471.532	9.741.211	-	-
Trade payables	183.284.739	167.374.988	12.902.937	988.228	2.018.586
Contract liabilities	58.662.779	19.481.651	39.146.024	35.104	-
Financial liabilities	**349.108.266**	**187.585.174**	**158.481.174**	**1.023.332**	**2.018.586**
Total net financial assets/(liabilities)	**153.133.545**	**253.728.936**	**(97.794.751)**	**(782.055)**	**(2.018.586)**

The following exchange rates were applied:

	30 June 2026	31 December 2025
RON / EUR	5,2438	5,0985
RON / USD	4,6010	4,3417

Sensitivity analysis

A reasonable appreciation (depreciation) of the RON against the EUR and USD would have affected the valuation of financial instruments denominated in a foreign currency and would have affected the profit or loss before tax and total equity with the values presented below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss before tax	
	appreciation	depreciation
30 June 2026		
EUR (2%)	1.218.202	(1.218.202)
USD (3%)	(11.753)	11.753
31 December 2025		

EUR (2%)	9.558.536	(9.558.536)
USD (3%)	(2.145.264)	2.145.264

25. Subsidiary acquisitions

A. Acquisition of Solar Technologies Consulting SRL

On 22 April 2026, ELECTRO-ALFA INTERNATIONAL S.A. ("the Company") acquired 100 per cent of the shares in SOLAR TECHNOLOGIES CONSULTING S.R.L., thereby becoming its sole shareholder.

The transaction was carried out pursuant to the share purchase agreement No. 446 / 9 April 2026 and the relevant annexes. The total purchase price for 100 per cent of the share capital of SOLAR TECHNOLOGIES CONSULTING S.R.L. was 1.850.000 EUR, the equivalent of 9.428.155 lei.

The project has a maximum power output/absorption into the grid of 51,44 MW. The value resulting from the assessment is equivalent to approximately 38.368 EUR/MW. The valuer verified the reasonableness of this figure by comparing it with recent transactions involving ready-to-build BESS projects in Europe.

The date of purchase, or the date of transfer of ownership, is 22 April 2026.

Nature of the transaction and accounting treatment

SOLAR TECHNOLOGIES CONSULTING S.R.L. is a special purpose vehicle (SPV) that is implementing a battery energy storage system (BESS), a transformer station, access roads, a connection to the National Electricity Grid and fencing in the town of Șelimbăr, Sibiu County.

At the date of acquisition, the project was at the 'ready-to-build' stage, and the company was not carrying out any operational or commercial activities. According to the analysis carried out in the purchase price allocation report, the company consisted primarily of authorisations, approvals, technical documentation, licences and other elements relating to the BESS project. Consequently, the transaction was treated as an acquisition of assets rather than a business combination within the meaning of IFRS 3. As a result, no business goodwill was recognised.

The cost of the transaction was allocated to the identifiable assets acquired and liabilities assumed, based on the fair values determined during the PPA process.

Consideration transferred

Element	Value
Paid amount for the acquisition of 100 per cent of the shares	9.428.155

Allocation of the purchase price paid for the assets acquired and liabilities assumed

Element	Fair Value
Technical installations, machinery, other installations, equipment and furniture	112.043
BESS project / fixed assets under construction at adjusted value	10.056.745
Financial assets	282.591
Rights to use leased assets	354.611
Other receivables	46.128
Cash and bank balances	1.717
Prepaid expenses	938
Total assets	10.854.774
Trade payables and advances from customers	(2.904)

Other liabilities, including tax liabilities and liabilities to shareholders/affiliated entities	(1.069.104)
Liabilities arising from lease agreements	(354.611)
Total liabilities	(1.426.619)
Net assets acquired	9.428.155

Cash flow relating to the acquisition

Element	Value (lei)
Consideration for the acquisition of shares	9.428.155
Cash and cash equivalents acquired	(1.717)
Net cash outflow relating to the acquisition, before other components of the transaction	9.426.438

SOLAR TECHNOLOGIES CONSULTING S.R.L. has been consolidated by the Group with effect from 22 April 2026. As the transaction was treated as an acquisition of assets rather than a business combination, the specific presentation requirements of IFRS 3 regarding the revenue and profit of the acquired entity from the acquisition date, as well as the pro forma information assuming the acquisition took place at the beginning of the period, do not apply in the same way as they would in the case of a business combination.

B. SPIACT CRAIOVA S.A. and its subsidiaries acquisition

On 9 June 2026, ELECTRO-ALFA INTERNATIONAL S.A. aquired control over SPIACT CRAIOVA S.A. by acquisition of 1.291 shares, representing 51% of its share capital. As a result of the transaction, the Group acquired control over SPIACT CRAIOVA S.A. with effect from this date. The transaction was carried out pursuant to the share purchase agreement No. 1033 / 5 November 2025.

The consideration for the acquired stake was 5.100.000 EUR, the equivalent of 26.768.880 lei, amount paid in full prior to the date on which control was acquired.

SPIACT CRAIOVA S.A. is a Romanian company whose main business is the manufacture of rolling stock, and it carries out the production of railway equipment and construction and installation works for railway infrastructure.

As part of the transaction, operational assets, production processes, contractual relationships with customers, intellectual property rights and specialist staff were acquired. The Group concluded that the set of assets and activities acquired constitutes a business within the meaning of IFRS 3 ‘Business Combinations’, and the transaction was accounted for using the acquisition method.

The acquisition is in line with the Group’s strategy to develop its activities in the railway infrastructure and equipment sector and is expected to generate future economic benefits by expanding the Group’s technical capabilities, strengthening commercial relationships and realising operational and commercial synergies resulting from the integration of SPIACT CRAIOVA S.A. ’s activities within the Group.

Consideration transferred

The table below shows the value of the consideration transferred at the acquisition date:

Element	**Lei**
Cash consideration	26.768.880
Total consideration transferred	26.768.880

The consideration transferred does not include any contingent components, and no pre-existing relationships have been identified that would require separate accounting treatment in accordance with IFRS 3.

Acquisition-related costs

Costs directly attributable to the acquisition are not part of the consideration transferred and have been recognised in the profit or loss account in the period in which they were incurred, in accordance with the provisions of IFRS 3.

Identifiable assets acquired and liabilities assumed

The following table sets out the recognised amounts of the identifiable assets acquired and liabilities assumed at the acquisition date:

Element	**Lei**
Property, plant and equipment	12.099.148
Intangible assets	12.215.775
Financial assets	9.437.177
Rights to use leased assets	569.432
Current assets	31.315.560
Short-term investments	1.530.271
Cash and bank balances	11.832.337
Total liabilities and provisions	(48.489.803)
Net identifiable assets at fair value	**30.509.897**

As part of the purchase price allocation (PPA) process, the identifiable assets acquired and liabilities assumed were measured at their estimated fair values at the acquisition date.

The main adjustments resulting from the PPA process consisted of the revaluation of property, plant and equipment, the recognition of certain identifiable intangible assets, the revaluation of certain financial assets and short-term investments, the adjustment of the recoverable amount of inventories and trade receivables, as well as the recognition of provisions and assets and liabilities associated with lease contracts, in accordance with IFRS 16.

Identifiable intangible assets

Following the PPA process, the Group identified and recognised the following intangible assets separately from goodwill:

Element	**Lei**
Contractual relationships with customers	12.009.643
Patent	176.249
Other intangible assets	29.883
Total	**12.215.775**

Contractual relationships with customers represent the future economic benefits expected to be generated by the commercial relationships existing at the acquisition date. Patent No. 130761 relating to the system for the automation and monitoring of level crossings was assessed and recognised separately as part of the PPA process.

Determining fair values

The fair value of property, plant and equipment was determined on the basis of an individual valuation of the assets existing at the date of acquisition. The valuation resulted in a positive adjustment of 3.106.067 lei to the carrying amounts existing prior to the acquisition.

For inventories, impairment adjustments were recognised amounting to 2.394.571 lei, and for trade receivables, adjustments of 2.275.972 lei, following an analysis of their recoverability. The estimated fair value of trade receivables was 10.857.035 lei.

Under the PPA process, usage rights amounting to 569.432 lei and corresponding lease liabilities of the same amount.

Supplementary provisions were recognised totalling 4.817.537 lei, relating mainly to risks concerning rights to land and buildings, performance guarantees and other obligations identified at the acquisition date. Furthermore, a net deferred tax liability was recognised in the final PPA of 1.674.544 lei, determined for temporary differences arising from fair value adjustments.

Business Goodwill

The goodwill arising from the acquisition was determined as follows:

Element	**Lei**
Consideration transferred	26.768.880
The Group's share of identifiable net assets at fair value	(15.562.338)
Business Goodwill	**11.206.542**

For this transaction, the Group elected to measure non-controlling interests at their proportionate share of the acquiree's recognised identifiable net assets; therefore, the goodwill recognised does not include a component attributable to non-controlling interests.

Goodwill reflects the future economic benefits associated with assets that do not meet the criteria for separate recognition in accordance with IFRS 3, including the value of the specialised workforce, the benefits associated with the portfolio of ongoing orders, and the economic synergies expected to result from the integration of SPIACT CRAIOVA S.A. into the Group.

The skilled workforce identified during the valuation process has not been recognised separately as an intangible asset and is included in the value of goodwill.

Goodwill is not amortised and is tested for impairment at least annually and whenever there are indications of impairment, in accordance with IAS 36.

Non-controlling interests

La As at the acquisition date, non-controlling interests represent an interest of approximately 49% of the share capital of SPIACT CRAIOVA S.A. that is not held by the Group.

Non-controlling interests have been measured at their proportionate share of the acquiree's identifiable net assets. Based on the fair values resulting from the final PPA process, the value of the non-controlling interests is 14.947.559 lei.

Cash flow relating to the acquisition

Element	**Lei**
Consideration paid in cash	26.768.880
Cash and cash equivalents acquired	(11.832.337)
Net cash outflow relating to the acquisition	**14.936.543**

Further information

The results of SPIACT CRAIOVA S.A. are included in the Group's consolidated financial statements from the date control was acquired.

Acquisition-related costs that do not form part of the consideration transferred have been recognised in the profit or loss account in the period in which they were incurred.

The purchase price allocation has been updated based on the consolidated interim financial statements on 30 June 2026. The amounts recognised reflect the fair values determined for the identifiable assets acquired and liabilities assumed, including the effect of deferred tax relating to the PPA adjustments.

For the period between the acquisition date and 30 June 2026, SPIACT CRAIOVA S.A. contributed to the Group's results with revenue of 2.039.725 lei and profit of 132.010 lei.

If the acquisition had taken place on 1 January 2026, management estimates that consolidated revenue for the six-month period ending 30 June 2026 would have been 365.455.139 lei, and the consolidated profit would have been 28.196.978 lei. In determining these figures, management assumed that the fair value adjustments provisionally recognised at the acquisition date would have been identical to those that would have arisen had the acquisition taken place on 1 January 2026.

26. Related parties

a) Shareholders

On 30 June 2026, the shareholders are Ciubotaru Gheorghe as a percentage of 52%, Electro- Alfa Management SRL of 13% and other shareholders on the 35 per cent list. As at 31 December 2025, the shareholders are Ciubotaru Gheorghe of 80% and Electro- Alfa Management SRL of 20%.

Balances related to shareholders are related to dividends payable, as follows:

	30 June 2026	31 December 2025
Ciubotaru Gheorghe	17.294.792	28.112.000
Electro-Alfa Management SRL	5.147.259	7.920.000
List-type shareholders	12.308.468	-
Shareholders of SPIACT CRAIOVA SA	1.515.257	-
Total	**36.265.776**	**36.032.000**

Transactions with shareholders consist of dividend payments, as follows:

	The 6-month period ended on	
	30 June 2026	30 June 2025
Ciubotaru Gheorghe	28.112.000	1.680.000
Electro-Alfa Management SRL	7.920.000	680.000
Total	**36.032.000**	**2.360.000**

b) Management remuneration

Affiliated parties are defined as members of the Board of Directors and the Executive Board, along with the other companies controlled by them.

List of persons who were members on the Board of Directors on 30 June 2026:

Name	Quality
Ciubotaru Gheorghe	Chairman of the Board of Directors – executive member
Ciubotaru George	Vice Chairman – executive member
Gosav Manuel	Vice Chairman – executive member
Șiclovan Valentina-Elena	Member – independent non-executive member
Florea Adrian Razvan	Member – independent non-executive member
Persinaru Marius	Member – independent non-executive member
Constantinescu Simona	Member – independent non-executive member

List of persons who were members on the Board of Directors on 31 December 2025:

Name	Quality
Ciubotaru Gheorghe	Chairman of the Board of Directors – executive member
Ciubotaru George	Vice Chairman – executive member
Gosav Manuel	Vice Chairman – executive member
Arhip Mihai Alexandru	Member – executive member

Florea Adrian Razvan	Member – independent non-executive member
Persinaru Marius	Member – independent non-executive member
Constantinescu Simona	Member – independent non-executive member

Transactions with key management personnel:

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Remuneration of Management Board members	10.764.095	4.014.619

The amounts listed include total compensation (fixed and variable) on a gross basis for the first half of year of 2025 and the first half of year of 2026, for all members of the Board of Directors, as well as the total compensation of the executive management, which consists of the three executive members of the Board of Directors, together with the Chief Executive Officer.

c) Related parties' balances

The table below presents the nature of the relationship and transactions with related parties:

Affiliated party	**Relationship**	**Nature of operation**
SGB-Electroalfa SRL	associate	granting loans and providing services
Electro Alfa Servicii Mentenanta SRL	associate	sale and purchase of services
Electro Alfa CM SRL	Entity under common control	granting loans, sale of goods and services, purchase of goods and services
Electro Alfa Servicii Inginerie SRL	Entity under common control	sale of goods and services, purchase of goods and services
EAG Cantina Service SRL	Entity under common control	granting loans, sale of services, and purchase of services
Alfa Land Rezidential Park SRL	Entity under common control	granting loans, sale of services, and purchase of services
Servicii Administrare Rezidentiala SRL	Entity under common control	granting loans
Electro Alfa Engineering SRL	Entity under common control	granting loans and purchasing services
Alpha AID LTD	Entity under common control, the entity left the scope of joint control in December 2025	granting loans
Alpha Power Fotoenergy SRL	Entity under common control	-
Product & Distribution Energy SRL	Entity under common control	-
Regenerabil Energy Prod SRL	Entity under common control	-
Servicii Inginerie Alfa Proiect SRL	Entity under common control	-
Elcomex IEA SA	Entity under common control	-

Trade receivables

	30 June 2026	**31 December 2025**
Associates		
SGB-Electroalfa SRL	1.772.142	403.213
Electro Alfa Servicii Mentenanta SRL	61	301
Entity under common control		
Electro Alfa CM SRL	42.747	276.977
Electro Alfa Servicii Inginerie SRL	-	1.534.472
EAG Cantina Service SRL	133.406	69.826
Alfa Land Rezidential Park SRL	584	4.013
Servicii Administrare Rezidentiala	400	400

Total	**1.949.339**	**2.289.201**

Trade payables

	30 June 2026	31 December 2025
Associates		
SGB-Electroalfa SRL		
Electro Alfa Servicii Mentenanta SRL	243.241	429.071
Entity under common control		
Electro Alfa CM SRL	5.714.126	3.691.408
Electro Alfa Servicii Inginerie SRL	290.395	15.401.872
EAG Cantina Service SRL	7.183	12.019
Alfa Land Rezidential Park SRL	7.613	7.400
Servicii Administrare Rezidentiala SRL	490	1.740
ALPHA AID LTD	-	-
Total	**6.263.048**	**19.543.240**

Loans granted to related parties on 30 June 2026

Description	Type	Date	Maturity	Interest rate	Currency	Principal	Interest	Total balance
Associate								
SGB-Electroalfa SRL	Non-current	25.02.2025	24.01.2029	8%	EUR	11.699.668	-	11.699.668
SGB-Electroalfa SRL	Non-current	01.07.2024	31.12.2028	8%	EUR	16.185.252	-	16.185.252
Entities under common control								
ALFA LAND REZIDENTIAL PARK SRL	Non-current	30.11.2025	29.11.2028	8%	RON	25.847.234	-	25.847.234
ALFA LAND REZIDENTIAL PARK SRL	Current	06.07.2020	31.12.2026	ROBOR 3M +2.0%	RON	485.000	528.306	1.013.306
ELECTRO ALFA SERVICII INGINERIE	Non-current	10.07.2025	10.07.2035	EURIBOR 3M+ 2.0%	EUR	-	105.376	105.376
ELECTRO ALFA SERVICII INGINERIE	Non-current	02.06.2025	30.05.2035	8%	RON	20.835.814	421.346	21.257.160
ALPHA POWER FOTOENERGY SRL	Current	01.08.2021	31.12.2026	ROBOR 3M +2.5%	RON	24.000	31.777	55.777
EAG CANTINA SERVICE	Current	21.12.2022	31.12.2026	0%	RON	1.444.182	-	1.444.182
Electro Alfa CM	Current	10.08.2023	31.12.2026	ROBOR 3M +2.0%	RON	1.583.333	32.031	1.615.364
Electro Alfa CM	Non-current	25.06.2024	25.08.2029	EURIBOR 3M+ 2.0%	EUR	5.243.800	54.015	5.297.815
ELECTRO ALFA ENGINEERING S.R.L.	Current	03.04.2024	30.06.2027	6.5%	EUR	144.256	22.066	166.322
PRODUCT & DISTRIBUTION ENERGY SRL	Current	01.08.2021	31.12.2026	ROBOR 3M +2.5%	RON	13.000	7.025	20.025
REGENERABIL ENERGY PROD SRL	Current	01.08.2021	31.12.2026	ROBOR 3M +2.5%	RON	18.352	8.540	26.892
SERVICII ADMINISTRARE REZIDENTIALA SRL	Non-current	06.09.2022	05.09.2027	ROBOR 3M +2.0%	RON	235.000	44.047	279.047
Total						**83.758.891**	**1.254.528**	**85.013.420**
					Current	3.712.124	726.222	4.438.3460
					Non-current	80.046.767	528.306	80.575.073

Loans granted to related parties on 31 December 2025

Description	Type	Date	Maturity	Interest rate	Currency	Principal	Interest	Total balance
Associate								
SGB-Electroalfa SRL	Non-current	25.02.2025	24.01.2029	8%	EUR	10.928.484	-	10.928.484
SGB-Electroalfa SRL	Non-current	01.07.2024	31.12.2028	8%	EUR	15.118.400	-	15.118.400
Entities under common control								-
ALFA LAND REZIDENTIAL PARK SRL	Non-current	30.11.2025	29.11.2028	8%	RON	25.847.234	-	25.847.234
ALFA LAND REZIDENTIAL PARK SRL	Current	06.07.2020	31.12.2026	ROBOR 3M +2.0%	RON	485.000	508.775	993.775
ELECTRO ALFA SERVICII INGINERIE	Non-current	10.07.2025	10.07.2035	EURIBOR 3M+ 2.0%	EUR	16.456.913	228.420	16.685.333
ELECTRO ALFA SERVICII INGINERIE	Non-current	02.06.2025	30.05.2035	8%	RON	21.960.813	842.794	22.803.607
ALPHA POWER FOTOENERGY SRL	Current	01.08.2021	31.12.2026	ROBOR 3M +2.5%	RON	24.000	27.311	51.311
EAG CANTINA SERVICE	Current	21.12.2022	31.12.2026	0%	RON	1.444.182	-	1.444.182
Electro Alfa CM	Current	10.08.2023	31.12.2026	ROBOR 3M +2.0%	RON	1.833.333	40.828	1.874.161
Electro Alfa CM	Non-current	25.06.2024	25.08.2029	EURIBOR 3M+ 2.0%	EUR	5.077.700	159.504	5.237.204
ELECTRO ALFA ENGINEERING S.R.L.	Non-current	03.04.2024	30.06.2027	6.5%	EUR	140.478	17.121	157.599
PRODUCT & DISTRIBUTION ENERGY SRL	Current	01.08.2021	31.12.2026	ROBOR 3M +2.5%	RON	13.000	6.235	19.235
REGENERABIL ENERGY PROD SRL	Current	01.08.2021	31.12.2026	ROBOR 3M +2.5%	RON	18.352	7.530	25.882
SERVICII ADMINISTRARE REZIDENTIALA SRL	Non-current	06.09.2022	05.09.2027	ROBOR 3M +2.0%	RON	235.000	34.584	269.584
Total						**99.582.889**	**1.873.102**	**101.455.991**
					Current	3.817.867	1.364.327	5.182.194
					Non-current	95.765.022	508.775	96.273.797

Reconciliation of debt movements with cash flows from investing activities

	The 6-month period ended on	
Loans to Affiliates	**30 June 2026**	**30 June 2025**
Opening Balance	101.455.990	11.822.601
Payments for Loans Granted	2.148.054	12.289.408
Proceeds from Loan Repayments	(17.972.054)	56.023
Interest for the Period	2.468.802	47.2040
Interest Received	(3.087.374)	(584.086)
Closing Balance	**85.013.419**	**24.055.986**

d) Transactions with related parties

Sales (without VAT)

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Associate		
SGB-Electroalfa SRL	3.001.920	2.066.878
Electro Alfa Servicii Mentenanta SRL	1.704	597
Entities under common control		
Electro Alfa CM SRL	162.772	287.457
Electro Alfa Servicii Inginerie SRL	79.645	691.883
EAG Cantina Service SRL	54.634	62.031
ALFA LAND REZIDENTIAL PARK SRL	483	60.464
Servicii Administrare Rezidentiala SRL	992	1.200
Total	**3.302.150**	**3.170.510**

Interest income

	The 6-month period ended on	
	30 June 2026	**30 June 2025**
Associate		
SGB-Electroalfa SRL	1.080.748	184.512
Entities under common control		
Electro Alfa CM SRL	182.549	194.969
Electro Alfa Servicii Inginerie SRL	1.132.084	
ALFA LAND REZIDENTIAL PARK SRL	19.531	19.288
Servicii Administrare Rezidentiala SRL	9.463	10.729
Electro Alfa Engineering SRL	4.396	4.483
ALPHA AID LTD	-	4.864
ALPHA POWER FOTOENERGY SRL	4.466	4.415
PRODUCT & DISTRIBUTION ENERGY SRL	790	780
REGENERABIL ENERGY PROD SRL	1.010	999
ALFA GREEN ENERGY SRL	-	-
FOTOVOLTAIC PROD & DISTRIBUTION SRL	-	-
GREEN SOLAR POWER SRL	-	-
POWER REGENERABIL ENERGY SRL	-	-
VIABLE ENERGY SRL	-	-
Total	**2.435.037**	**425.039**

Purchases (without VAT)

	30 June 2026	30 June 2025
Associates		
Electro Alfa Servicii Mentenanta SRL	437.770	178.500
Alfa Factory Software SRL	86.345	131.459
Entities under common control		
Electro Alfa CM SRL	15.381.030	14.044.585
Electro Alfa Servicii Inginerie SRL	13.105.535	33.711.103
EAG Cantina Service SRL	26.486	28.887
Alfa Land Rezidential Park SRL	41.330	-
Servicii Administrare Rezidentiala SRL	2.430	-
Alpha AID LTD	-	175.215
Total	**29.080.926**	**48.269.749**

27. Contingencies

Tax environment

The Romanian tax system is undergoing consolidation and continuous change, and there may be different interpretations of tax legislation by the authorities, which may give rise to additional taxes, fees, and penalties. If the state authorities discover violations of Romanian law, they may, as appropriate, confiscate the amounts in question, impose additional tax obligations, apply fines, or apply late payment penalties (applied to the amounts remaining to be paid). Therefore, tax penalties resulting from violations of legal provisions can amount to significant sums payable to the State.

The Romanian government has a large number of agencies authorized to inspect companies operating in Romania. These audits are similar to tax audits in other countries and may cover not only tax issues, but also other legal and regulatory issues of interest to these agencies. The Company may be subject to tax audits as new tax regulations are issued.

The amounts declared to the State for taxes and duties remain open to tax audit for five years. The Romanian tax authorities carried out checks on the calculation of taxes and duties up to 31 December 2013, with the period up to 31 December 2013 being covered by the substantive tax audit carried out by the tax authorities. All amounts due to the State for taxes and duties were paid or recorded at the balance sheet date. The Company considers that it has paid all taxes, duties, penalties, and penalty interest in full and on time, to the extent applicable.

Transfer price

In accordance with relevant tax legislation, the tax assessment of a transaction carried out with related parties is based on the market price concept for that transaction. Based on this concept, transfer prices must be adjusted to reflect the market prices that would have been established between entities that are not affiliated and that act independently, based on "normal market conditions."

It is likely that transfer pricing audits will be carried out in the future by the tax authorities to determine whether the prices comply with the principle of "normal market conditions" and that the Romanian taxpayer's tax base is not distorted.

28. Commitments

(i) Contractual commitments

There are no significant situations to report.

(i) Guarantees and warranties issued to third parties

The Group issued performance bonds in the form of bank guarantee letters in the amount of 109.120.834 lei as at 30 June 2026 (31 December 2025: 62.620.994 lei) mainly granted to beneficiaries under service contracts, which are subject to public procurement laws. See also Note 17- Bank borrowings.

29. Subsequent events

On 05.08.2026 Payment has been made in respect of the acquisition of 99,99% stake of the share capital of Elcomex IEA SA Cernavoda in accordance with the share transfer agreement No. 1034. The documents relating to the registration of the transaction with the ONRC have been submitted, and we are currently awaiting the completion of the registration of the transaction.

Between 20 and 28 July the dividends allocated in accordance with the resolution of the General Meeting of Shareholders held on 29 May 2026 have been paid to the shareholders. The amounts paid to the shareholders a total of 34.730.519 lei.

Gheorghe Ciubotaru	**Stefan Petrea**	**Constantin Todi**
Chairman of the Board of Directors	Chief Executive Officer	Chief Financial Officer