



**MECANICA CEHLĂU**

**Activity  
report of the  
Board of  
Directors,  
Q1 2026**

Date of the report: 15/5/2026

Name of the company: MECANICA CEAHLĂU S.A. PIATRA NEAMȚ

Registered Office: Piatra Neamț, Dumbravei street, no.6, postal code 610202

Phone number/fax: 0233-211104/ 0233-216069

Tax Identification Number: RO 2045262

Trade Register Registration Number: J1991000008271

Subscribed and paid-in share capital RON 23,990,846

Regulated market in which the issued securities are traded: Bucharest Stock Exchange

Trading symbol: MECF.

## 1. Synthesis of the financial-economic indicators on March 31, 2026

Information in the financial-economic situation of the Mecanica Ceahlau SA on the 1st quarter of 2026 are presented in the Financial Statements, concluded on March 31, 2026, drafted according to the order 2844 from 2016 on the approval of the accounting regulations according to the international standards of financial reporting.

The currency of the reporting is RON.

The Individual Financial Statements concluded on March 31, 2026 were not audited.

The structure and the evolution of the asset, debt and equity elements of the company, compared to the same period of the previous year, is presented as:

### 1.a. Individual situation of the financial position

Indicator - ron	March 31, 2026	December 31, 2025
	17,342,750	17,580,931
Tangible fix assets		
Intangible assets	47,080	53,946
Real Estate Investments	1,266,371	1,266,371
Assets representing rights of use of support assets in leasing contracts	739,531	814,291
<b>Total fixed assets</b>	<b>19,395,732</b>	<b>19,715,539</b>
Stocks	28,116,552	27,981,480
Trade receivables	2,280,693	2,664,974
Other receivables	1,226,360	985,846
Expenses registered in advance	158,809	63,051
Financial assets at fair value	-	-
Cash, current accounts and deposits with banks	4,139,944	4,682,173
Assets classified as held for sale	-	-
<b>Total Current assets</b>	<b>35,922,358</b>	<b>36,377,525</b>
<b>TOTAL ASSETS</b>	<b>55,318,090</b>	<b>56,093,064</b>



*Trade receivables* in the amount of 2,280,693 RON are with 14.42% decreased compared to December 31, 2025 and are entirely considered performant. As of March 31, 2026, the company holds from clients guarantee instruments consisting of promissory notes and security checks in blank, valued in accordance with contractual clauses.

*Other receivables* in amount of 1,226,360 RON are with 24.40% increased compared to December 31, 2025.

*Cash and current accounts* are in amount of 4,139,944 RON, with 11.58% decreased compared to December 31, 2025.

No dividends were distributed or paid.

*Assets classified as held for sale* - On March 31, 2026, the company doesn't hold for sale assets.

*The provisions* in the amount of 62,672 RON are maintained at the same value compared to December 31, 2025, and consist of:

- Provisions for guarantees granted to customers 62,672

*The long-term loans* have increased with 26.28% compared to December 31, 2025.

*The current liabilities* are in the amount of 4,701,855 RON (as of December 31, 2025: 4,564,251 RON) increased by 3.01% compared to December 31, 2025, the largest share of the debts being held by commercial debts.

### 1.b. Individual situation of the global result

Mecanica Ceahlau SA ended the first quarter of 2026 with a net turnover of 2,760,276 RON.

Indicator – RON	March 31, 2026	March 31, 2025
Sales	2,760,276	7,208,477
Costs of materials and consumables	(1,488,959)	(5,153,074)
	<b>1,271,317</b>	<b>2,055,403</b>
Other operational revenues	175,166	127,165
Gain/loss from the sale of the assets held for sale	-	-
Expenses with utilities	(305,533)	(245,084)
Expenses with salaries and other personnel expenses	(1,736,334)	(1,703,473)
Other administrative expenses	(649,791)	(651,174)
Other operational expenses	(86,876)	(39,796)
Expenses with amortization and impairment of assets and leasing assets	(390,887)	(460,312)
Adjustment of the value of current assets	(145,316)	246,980
Gain/Loss from disposal of assets	-	51,842
<b>Total operational expenses</b>	<b>(3,314,737)</b>	<b>(2,801,017)</b>

<b>Result of the operational activities</b>	<b>(1,868,254)</b>	<b>(618,449)</b>
Interest incomes	70,653	5
Gains from revaluation of financial assets at fair value through profit or loss	-	4,553
Interest expense and discounts granted	(116,033)	(198,548)
Losses from exchange rate differences	(1,846)	(3,388)
<b>Financial net result</b>	<b>(47,226)</b>	<b>(197,377)</b>
<b>Result before tax</b>	<b>(1,915,480)</b>	<b>(815,825)</b>
Expense with current profit tax	-	(54,363)
Net expense with deferred tax	(6,111)	-
<b>Net profit of period</b>	<b>(1,921,591)</b>	<b>(870,189)</b>
<b>Other Elements of the Global Result</b>		
Deferred capital tax	7,109	7,459
Revaluation reserves	-	-
<b>Other elements of the overall result after tax</b>	<b>7,109</b>	<b>7,459</b>
<b>Total overall result for the period</b>	<b>(1,914,482)</b>	<b>(862,730)</b>
<b>Attributable profit / loss</b>	<b>(1,921,591)</b>	<b>(870,189)</b>
Basic earnings per share	(0.0080)	(0.0036)

The turnover recorded at March 31, 2026, is 61.71% lower compared to the same period of the previous year.

<b>Indicator - RON</b>	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Gross sales of goods	2,740,132	7,230,393
Commissions granted to dealers	(38,523)	(70,389)
<b>Net turnover from sales of goods</b>	<b>2,701,609</b>	<b>7,159,704</b>
Sales of residual goods	29,667	18,139
Services rendered	29,000	30,634
<b>Total net turnover</b>	<b>2,760,276</b>	<b>7,208,477</b>

The gross turnover of the Company registered at March 31, 2026 is 2,740,132 RON (at March 31, 2025: 7,230,393 RON), of which 39,578 RON for export (at March 31, 2025: 17,689 RON) and 2,700,554 RON internal (March 31, 2025: 7,212,704 RON).

In order to achieve this volume of sales, trade discounts were granted in the form of bonuses according to the contracts in force in amount of 38,523 RON at March 31, 2026 respectively 70,689 RON at March 31, 2025 resulting in a net turnover in amount of 2,701,609 RON at March 31, 2026 and 7,159,704 RON at March 31, 2025. The commercial bonus granted to distributors according to the contracts in force represents a variable consideration that the Company has estimated and recognized in the transaction price at March 31, 2026, respectively March 31, 2025.

Compared to the same period of the previous year, the company's net turnover registered an decrease of 61.71%. The products marketed by the Company are intended for both the domestic and international markets.

In 2026, the domestic market was the main sales market, with sales volume from this market representing 98.56% of turnover. On the external market, the sales volume was achieved at 1.44% of the turnover. On this market, the connection is maintained with traditional clients who know and promote the company's products.

### Operational expenses

Operational expenses include:

1. The cost related to the goods sold decreased by 71.10% compared to the same period of the previous year
2. Administrative expenses decreasing by 0.21% compared to the same period of the previous year as a result of the renegotiation of contracts;
3. Other operating expenses increasing by 118.30% compared to the same period of the previous year;
4. Expenditures on salaries, social contributions and other benefits are with 1.96% higher compared to the same period of the previous year;

Indicator - RON	March 31, 2026	March 31, 2025	%
Salaries expenses	1,381,515	1,231,125	112%
Expenses with salary contributions	57,254	59,821	96%
Expenses with granted vouchers	92,705	69,560	133%
Expenses for unused vacation leave	(7,429)	(5,030)	148%
Expenses with indemnity of Board of Directors members	51,504	127,604	40%
Expenses with the executive management allowance	160,785	220,393	73%
<b>Total</b>	<b>1,736,334</b>	<b>1,703,473</b>	<b>102%</b>
<b>Average number of employees</b>	<b>67</b>	<b>64</b>	<b>105%</b>

The **financial revenues** include most of the revenues pertaining to the evaluation of the fund units held by the company on March 31, 2026, at a fair value and the revenues from the revaluation of receivables and debts in foreign currency at the end of the period.

The **financial costs** include the discounts granted, the interests and the exchange differences on March 31, 2026.

### Profit / (loss)

On March 31, 2026, the company registered a negative gross result of 1,915,479 RON and a net negative result of 1,921,591 RON.

## 2. Achievement level BVC 2026

Thousands of lei	Budgeted 2026	Made 3 months 2026	Degree of achievement %
<b>Total income</b>	<b>34,621</b>	<b>3,008</b>	<b>9</b>
<b>Operating income, including:</b>	<b>34,576</b>	<b>2,926</b>	<b>8</b>
* Sales of finished products	20,800	1,806	9
* Sales of goods	12,846	925	7
* Sales from service provision	250	29	12
* Income from rents and related activities	570	140	24
* Net income from the recovery of provisions for risks and expenses	-	-	n/a
* Other operating income	110	26	24
<b>Financial revenues</b>	<b>45</b>	<b>82</b>	<b>183</b>
<b>Revenues/expenses related to finished goods inventories</b>	<b>(2,788)</b>	<b>(98)</b>	<b>4</b>
<b>Total expenses</b>	<b>(31,782)</b>	<b>(4,825)</b>	<b>15</b>
<b>Operational expenses, including:</b>	<b>(31,018)</b>	<b>(4,706)</b>	<b>15</b>
Expenses for raw materials and supplies	(6,607)	(951)	14
Cost of goods sold	(10,498)	(744)	7
Expenses with salaries, allowances, and similar	(8,310)	(1,736)	21
Expenses regarding external services	(2,919)	(637)	22
Expenses with taxes, fees and similar contributions	(185)	(71)	38

Net expenses with the adjustments for the depreciation of assets	(380)	(142)	37
Other operating expenses	(2,119)	(425)	20
<b>Financial expenses</b>	<b>(764)</b>	<b>(119)</b>	<b>16</b>
<b>Gross result</b>	<b>51</b>	<b>(1,915)</b>	<b>n/a</b>
Corporate tax	(150)	(6)	4
<b>Net profit / (Net loss)</b>	<b>(99)</b>	<b>(1,921)</b>	<b>1,946</b>

**3. The economic-financial indicators mentioned in Annex 13 letter A/Reg. ASF no. 5/2018.**

Indicator name	Calculation method	March 31, 2026	March 31, 2025
1. Current liquidity indicator	Current assets/ Current debts	7.64	4.42
2. Rate of debt indicator	Borrowed equity/ Own equity x 100	4.20%	9.72%
3. Turnover speed of fixed assets	Turnover/ Fixed assets	0.14	0.32
4. Turnover speed of days sales outstanding (no. days)	Medium balance of net trade receivables /Turnover x 90	81 days	39 days

Quarterly report at March 31, 2026 - the full version is available on its own website [www.mecanicaceahlau.ro](http://www.mecanicaceahlau.ro) and in the link below (PDF document attached).

**Chief Executive Officer,**  
*Molesag Sorin Ion*

**Chief Financial Officer,**  
*Gliga Irina*

**Chairman of the Board of Directors,**  
*Trifa Aurelian Mircea Radu*