



CONSOLIDATED ANNUAL REPORT 2025

**Board of Administrators of
Farmaceutica REMEDIA S.A.**

Farmaceutica REMEDIA S.A.

Registered office: Deva 330040, Nicolae Balcescu Bld. no 2 (former No. 43 Dorobantilor Street), Hunedoara County,
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Trade Register J20/700/1991, TIN: RO2115198; Share capital: RON 9.548.082

IBAN: RO61 BTRL RONC RT00 G713 3302, Transilvania Bank, Bucharest

IBAN: RO33 RZBR 0000 0600 0266 5747, Raiffeisen Unirii, Bucharest

CONSOLIDATED ANNUAL REPORT 2025

Board of Administrator of Farmaceutica REMEDIA S.A.

A. Name of the commercial company: **Farmaceutica REMEDIA S.A.**
The total market value as of March 23, 2026, is 83,068,313 lei, based on a price of 0.87 lei per RMAH share, as of the date of approval of this Report by the Board of Directors (March 23, 2023)



Organized market on which securities are traded: **Bucharest Stock Exchange - Standard category**

Subscribed share capital: **9.548.082Lei**
Paid-up share capital: **9.548.082Lei**
Registered office: **DEVA, Nicolae Balcescu Bld. no 2,**
Tel. / Fax: **0254 223 260 / 0254 226 197**
No. and date of registration with the T.R.O.: **J1991000700203/25.07.1991**
Tax Identification Number: **RO2115198**

Securities: **RMAH shares (Reg. certificate No. AC-1470-7/17.06.2021)**

Type: **Dematerialized Nominative Common**

Date of registration: **17.03.1997**

Nominal value/share: **0.10 Lei**

Position in the R.N.S.C. Register: **1636**

Total number of shares: **95.480.820**

R.N.S.C. code of shares: **16368**

Date	Number of shares	Issue value (Lei)	Explanations
10.11.1999	3.370.107	337.010	Initial capital of the state, including land contributed in kind
06.09.2001	1.500.000	150.000	Cash contribution of V.TARUS RoAgencies
23.07.2003	42.402	4.240	Merger - capital of Ditafarm Trading – acquired company
05.01.2006	5.696.471	569.647	Merger - capital of V.TARUS RoAgencies – acquired company
21.12.2007	87.905.969	8.790.596	Capital increase – shareholders with pre-emption right
04.05.2009	7.574.851	757.485	Capital increase – AHG Simcor Industry S.R.L.
09.06.2021	- 10.608.980	- 1.060.898	Reduction of share capital - repurchase of shares followed by their cancellation
TOTAL	95.480.820	9.548.082	

1. Activity analysis

1.1. Overview

The consolidated financial statements of 2025 comprise the results of the companies:

- **Farmaceutica REMEDIA S.A. and,**
- **Farmaceutica REMEDIA Distribution & Logistics S.R.L., a company owned 100% by Farmaceutica REMEDIA S.A.**
- **PHARMA EXPERTSPEDITION S.R.L., a company in which Farmaceutica REMEDIA S.A. holds 50% of the share capital under the equity method**

On **July 25th 1991**, it was established as a commercial company with fully state-owned capital by reorganization of Oficiul Farmaceutic Deva.

On **October 13th 2000**, V.TARUS RoAgencies S.R.L. acquired from FPS the majority of shares (55,802 %) for 9.053.102.492 Lei (ROL) (equivalent to 369.665 USD, exchange rate BNR LEU / USD: 2,4490). At that time Farmaceutica REMEDIA SA was operating through 12 pharmacies.

On **January 1st 2006**, Farmaceutica REMEDIA S.A. merged by absorption with V.TARUS RoAgencies S.R.L. resulting in a share capital of 10.608.980.000 lei (ROL), the activity being carried out through 25 pharmacies.

According to Law 95/2006, republished in August 2015, companies were prohibited from carrying out, at the same time, wholesale and retail distribution of medicines. (Art. 800 paragraph 2). Therefore,

On **January 1st 2016** Farmaceutica REMEDIA S.A. completed the transfer to Farmaceutica REMEDIA Distribution & Logistics S.R.L., a new company, 100% owned, of the wholesale distribution activities of medicines together with related activities (logistic services, registration of pharmaceutical products, promotion and marketing of medicines, etc.),

Farmaceutica REMEDIA S.A. kept the operation of the chain of 100 pharmacies and local officines.

Following the change of the main activity object imposed by the above-mentioned legislation, the company had to redeem from the market (in 2015) a number of 300.100 shares at a price established by an authorized evaluator.

In **April 2022**, Farmaceutica REMEDIA SA purchased a 50% participation in the share capital of the Romanian legal entity PHARMA EXPERTSPEDITION S.R.L., with registered office in Bucharest, Bd. Metalurgiei, nr. 130E, Sector 4, registered at the Commercial Register of Bucharest with nr. J2005020206405, with TIN 18178346, in order to develop and strengthen the distribution and logistics activity.

In **November 2024**, following the Extraordinary General Meeting of Shareholders' Decision no. 87/06.03.2024, Farmaceutica REMEDIA SA (FR) finalized the transfer of the activities related to a number of 20 work points - pharmacies, local distribution offices and drugstore - to Farmaceutica REMEDIA Distribution & Logistics SRL (FRDL).

In **January 2025**, Farmaceutica REMEDIA acquired a 24% share in Novoengrama SRL, a company specialized in medical rehabilitation based in Cluj-Napoca.

In **April 2025**, Farmaceutica REMEDIA Distribution & Logistics SRL (FRDL) closed its logistics warehouse in Pitești as a measure to streamline its operating costs.

In **September 2025**, Farmaceutica REMEDIA completed a share buyback transaction carried out with the aim of implementing a Stock Option Plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954,808 shares, representing 1% of the share capital. The total amount paid by Farmaceutica REMEDIA was 811,586.80 Lei, at a repurchase price of 0.85 Lei per share.

In **November 2025**, to streamline operating costs in the pharmacy business line, which was transferred in 2024 to REMEDIA Distribution & Logistics SRL, the rural pharmacies in Mohu (Sibiu County) and Toplița (Hunedoara County) and the Horea Drugstore in Deva were closed.

1.2. Elements of general evaluation

759.757.573 Lei net turnover.

17.533.719 Lei EBIDTA

16.211.974 Lei Gross Profit

8.173.850 Lei Corporate income tax (IMCA)

8.038.123 Lei net profit.

Other operating income was also recorded (3,791,724 lei), consisting of income from real estate investments amounting to 982,187 lei, income from the sale of assets, and other operating income amounting to 2,809,537 lei.

Financial income of 2,078,220 lei was also recorded (primarily bank interest—1,252,018 lei, exchange rate differences—217,575 lei, discounts for advance payments—280,981 lei, and dividends—74,370 lei). Financial income also includes Other Financial Income—the share of profit from investments accounted for using the equity method—a 50% share of Pharmexpert Spedition's profit amounting to 253,276 lei.

749.415.543 Lei - total costs (excluding corporate tax), of which:

- **748.813.467 Lei** - Operating expenses, of which:
 - 696.632.919 Lei - is the net cost of sold merchandise (including received commercial discounts)
 - 2.596.180 Lei – represents expenses for consumables, inventory items, energy, and water
 - 24.746.020 Lei – represents personnel expenses
 - 2.797.889 Lei – represents depreciation and provisions
 - 22.040.459 Lei – represents other operating expenses – including external services, taxes and fees, and other expenses
- **602.076 Lei** - Financial expenses, of which:
 - 48.117 Lei – operational leasing interests expenses (IFRS 16)
 - 553.959 Lei – exchange rate differences

As of **December 31, 2025**, the companies' cash and cash equivalents (available in bank accounts and on hand) totaled 57,938,876 lei. On the same date, Farmaceutica REMEDIA SA and Farmaceutica REMEDIA Distribution & Logistics SRL had access to a multi-

currency credit line totalling **125 million lei**, specifically **100 million lei at Banca Transilvania** and **25 million lei at BCR**, used as of December 31, 2025 exclusively for bank letters of guarantee for participation in tenders and for the proper performance of contracts, as well as for payment guarantees for suppliers of goods

1.3. Evaluation of company's income

752.452.265 Lei - The **net income** from the sale of merchandise (99 % from the net turnover) with the following allocation on distribution channels:

- 500.232.364 Lei - Distribution
- 234.904.016 Lei - Hospitals
- 10.270.578 Lei - Remedia Pharmacies
- 6.802.827 Lei - BD Rowa

- **7.305.308 Lei** - From the activities with added value, of which:
 - 4.463.232 Lei - logistics and warehousing services
 - 2.164.055 Lei - invoiced rents
 - 678.021 Lei - BD Rowa services and other services

1.4. Evaluation of the sales and marketing activity

REMEDIA is specialized in the sale and distribution of pharmaceuticals, healthcare promotion and marketing, regulatory affairs and logistics services. Since 2021, the company has also been implementing automation and digitization solutions for processes in pharmacies, warehouses, and hospitals, in partnership with international manufacturers BD Rowa and TouchPoint Medical.

The company's primary business focus is the distribution of medicines, with nationwide coverage.

Our mission is to continuously contribute to the development of Romania's healthcare system by providing high-quality distribution services in the pharmaceutical market.

To this end, we consistently meet the needs of both our customers and our suppliers, while respecting and supporting their legitimate interests and providing equitable access to goods. We demonstrate flexibility and a rapid response to requests received from our business partners.

Over the past two years, Remedia has focused on diversifying its product portfolio and ensuring the continuity of stock for products in short supply, for the benefit of Romanian patients.

All of REMEDIA's actions have been based on customer needs and requirements, and our actions have been as follows:

- Developing an interoperable database that enables the classification of products on the market to optimize the portfolio, identify/select opportunities, and establish monitoring systems.

- For REMEDIA, product portfolio development is an ongoing priority; we aim to establish clear portfolio development strategies, with active involvement in the product registration and promotion process. (In this regard, discussions have been initiated with international manufacturers to register their products in Romania and to take over the portfolio for promotion, such as SERB Pharmaceuticals, ADAMED, DIFA COOPER, VANTIVE, SECOM, PHARCO, and BOIRON)

- We focused on building personalized relationships with customers; customer segmentation based on potential was implemented in the ERP system in September 2025, enabling the delivery of personalized offers, the optimization of interactions between customers and the sales team, and the allocation of resources to the customer portfolio.

- Continuous monitoring of developments in the specific domestic and international environment, which allowed us to adapt in real time to market demands.

National distribution was optimized by reducing the number of local warehouses and ensuring nationwide coverage through two central warehouses: Bucharest and Deva

According to the results of the Pharma & Hospital Report study by Cegedim Customer Information, in 2025 the volume of medications dispensed to patients in Romania was 699.5 million boxes, a 1.51% decrease compared to the previous year's consumption.

In 2025, the value of medicines dispensed to patients in Romania was 37.5 billion lei (7.44 billion euros) at distribution price, 10.4% higher than in 2024. Excluding the impact of the cost-volume-result (CVR) and cost-volume (CV) programs, the value of Rx medicines dispensed from public pharmacies increased by 11.4%, totaling 19.64 billion lei (3.89 billion euros).

Comparative CEGEDIM market data for the last 2 years.

Product category/Segment	Numar unitati 2025	Number of units 2024	Values 2024 RON	Values 2025 RON
OTC drugs	264,925,489	253,823,644	8,016,701,609	8,340,432,686
Hospital pharmacies	1,972,355	1,949,274	52,501,595	53,159,483
Retail pharmacies	262,953,134	251,874,370	7,964,200,014	8,287,273,203
Prescriptions drugs	445,096,065	445,667,050	26,087,448,921	29,173,519,873
Hospital pharmacies	29,417,709	28,314,590	5,293,593,219	5,925,622,489
Retail pharmacies	415,678,356	417,352,460	20,793,855,702	23,247,897,384
Grand Total	710,021,554	699,490,694	34,104,150,530	37,513,952,559

The pharmaceutical industry is moving toward a future in which data, artificial intelligence, and digitized technology are driving new levels of scientific innovation, improved healthcare efficiency, and a personalized approach to patient care.

Two trends stand out:

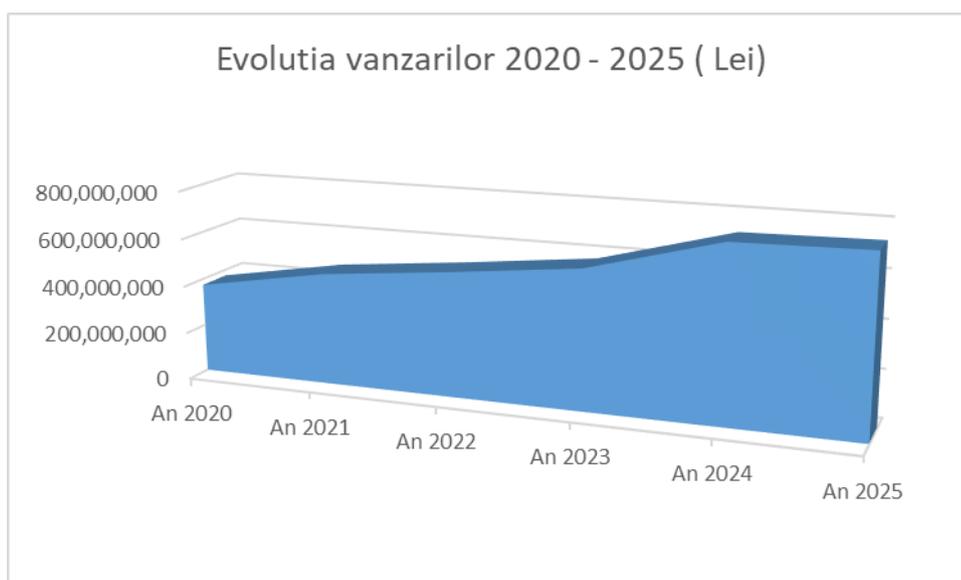
1. Scientific advances. The industry is undergoing an unprecedented era of data-driven scientific discoveries, such as advanced genomic sequencing and artificial intelligence, which enable the identification of previously undiagnosed conditions and provide a deeper understanding of how diseases develop and progress.
2. Accelerating results through technology. Longitudinal, multimodal data, generative artificial intelligence, and machine learning contribute to increasing the efficiency of care, delivering personalized medicine, and discovering and developing new drugs.

FRDL reported an increase in sales compared to the previous year, broken down by division as follows:

Lei, without VAT

Lei	2020	2021	2022	2023	2024	2025	Growth 2025
Total	375.019.671	466.852.707	520.578.793	580.617.963	727.191.173	735.136.380	1,1%
Distribution	256.870.867	296.568.656	316.730.390	365.349.051	456.395.855	500.232.364	9.6%
Hospitals	118.148.804	170.284.051	203.848.403	211.054.300	270.795.318	234.904.016	-13.2%

In 2025, revenue growth for the Pharmacy Distribution Division was 10%, in line with market growth, while for the Hospital Division, the strategy was to reduce revenue for products priced above 1,400 lei with low margins and to shift focus toward generic products. This commercial approach was adopted, in the context of the 1% IMCA tax applied to turnover, to optimize the results of this business division. Revenue growth was slowed by political gridlock, restrictive regulations, tax increases, and the VAT hike for the dietary supplements category from 9% to 21%.



Remedia remains committed to continuously improving its distribution standards and the services it offers to customers. We aim to go beyond traditional metrics, such as pricing and logistical efficiency. We provide our customers with equitable access to a wide range

of hard-to-find products that are in short supply in Romania. In this way, we facilitate access to medication for as many patients as possible.

REMEDIA's success is based on:

- Optimizing results through technology—implementing the GTC-HORIZON (stock management) application, implementing a new WMS, and installing a BD ROWA VMAX robot in the Bucharest warehouse.
- We focus on ensuring stock continuity for products in short supply and on expanding the portfolio of non-Rx products, for which we can offer competitive prices to independent pharmacies.
- Prioritizing small and medium-sized pharmacies in urban and large rural areas with limited access to the full range of medications;
- The flexibility and responsiveness that a mid-sized distributor can offer in meeting requests from its partners.
- Reliable information sources and thorough market analyses. (CEGEDIM, ANMDDMR, EMEA, FDA, WHO, IMS).

REMEDIA has refined its inventory management system for hard-to-find products, expanding access to them for as many customers as possible in a fair manner, while limiting the quantity to a maximum number of units per product, with a focus on ensuring access to the most diverse range of products for as many customers as possible.

Sales figures generated by the Retail Division (pharmacy distribution) have shown steady growth, with a doubling of sales figures recorded from 2020 to 2025.



Marketing strategies in the pharmaceutical distribution sector are evolving rapidly, driven by technological advancements and shifts in consumer behavior.

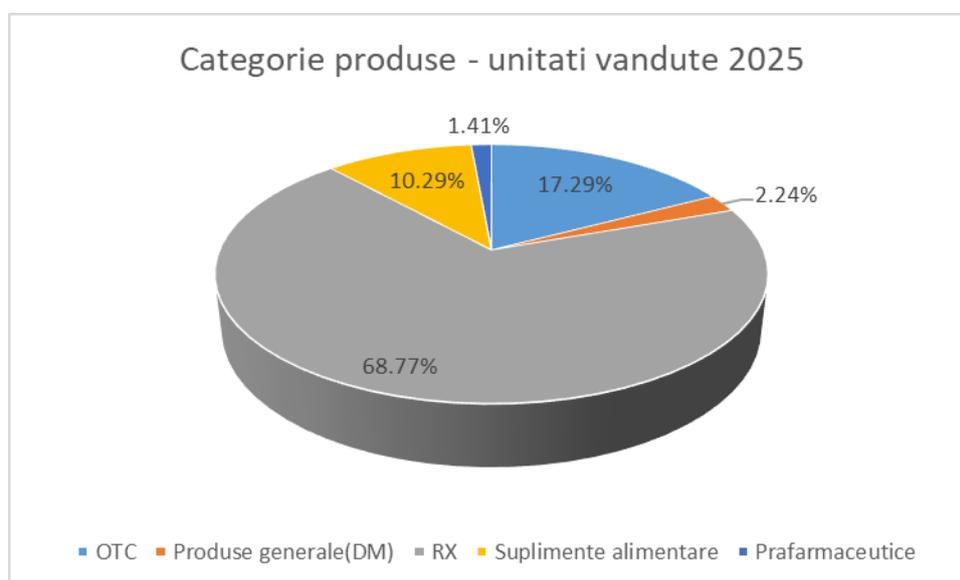
REMEDIA has adopted a multifaceted approach, combining traditional methods with innovative digital strategies to effectively address our clients' needs. By leveraging the

power of artificial intelligence and customer-centric marketing, we have enhanced our interaction with suppliers and customers.

We add value to our distribution activities through the respect we show our partners, suppliers, and customers alike. Our recipe for success involves combining professionalism, modern technology, and respect for the customer, as well as the flexibility and responsiveness that a mid-sized distributor can offer.

Sales by product category in 2025, by distribution channel, were as follows:

Product Category	Units sold 2025	Percentage of units sold 2025
OTC	1.818.563	17,29%
General Products (DM)	235.367	2,24%
RX	7.232.749	68,77%
Dietary supplements	1.082.432	10,29%
Parapharmaceuticals	148.518	1,41%

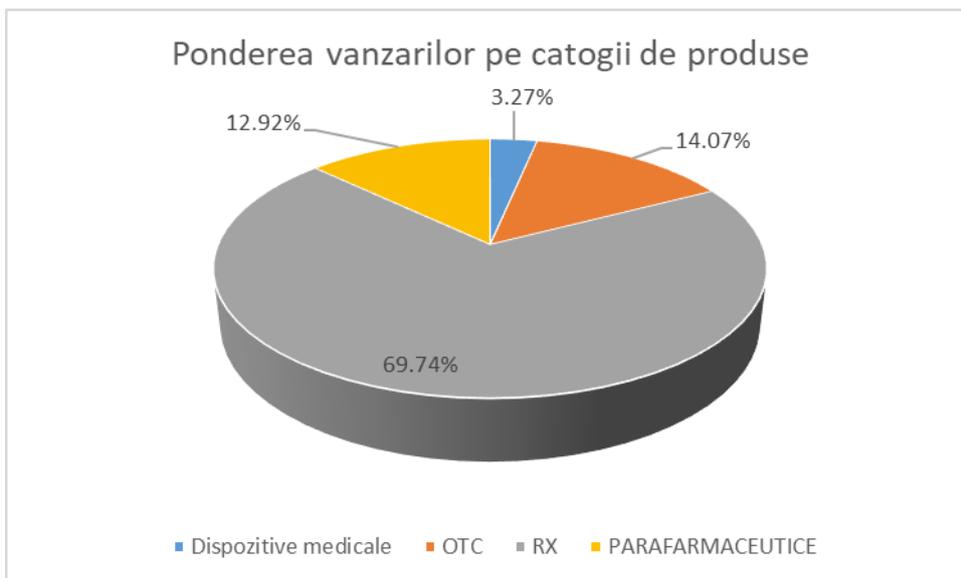


Receivables from the entire portfolio of customers in the pharmacy distribution segment are insured through Euler Hermes, thereby eliminating the risk of uncollected receivables.

Sales of **10.270.578** lei were generated in 2025 through the 19 REMEDIA pharmacies.

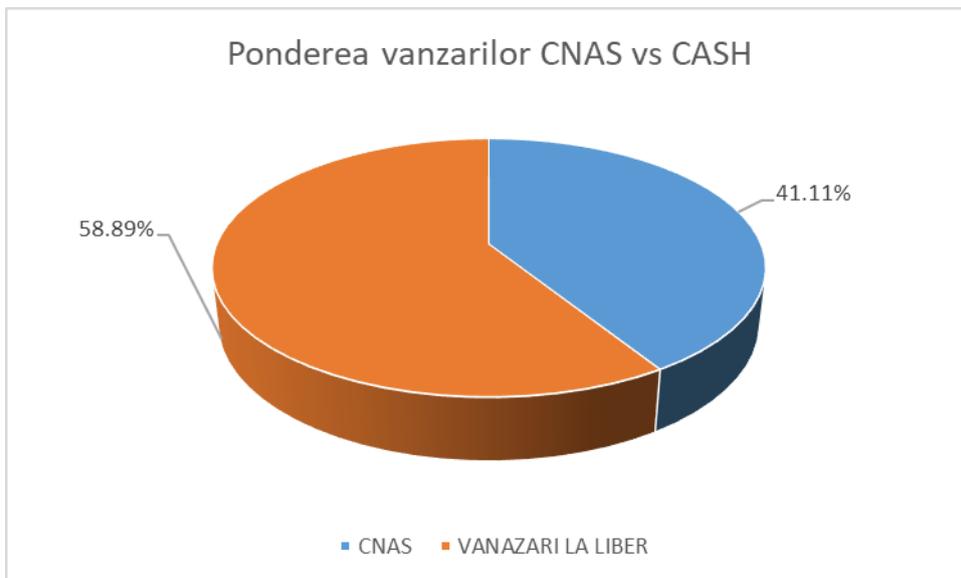
At the same time, REMEDIA pharmacies facilitated direct and continuous access to necessary medications, ensuring accurate information and health counseling for patients.

Sales by product category in 2025, across REMEDIA pharmacies, were as follows



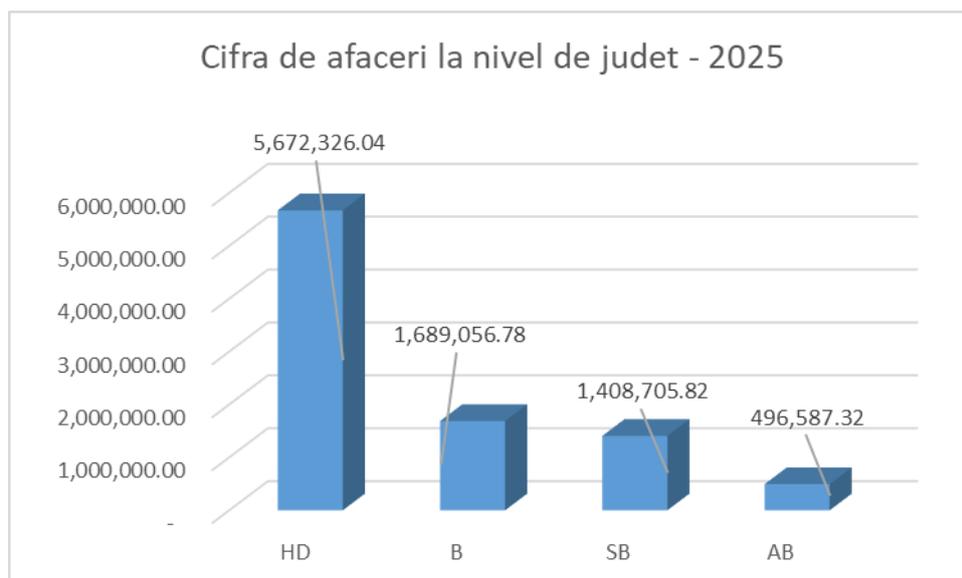
At the same time, REMEDIA pharmacies have facilitated direct and continuous access to necessary medications, ensuring that patients receive accurate information and health counseling.

The breakdown of sales through the National Health Insurance House (CNAS) versus over-the-counter sales was as follows:



Special attention is also given to improving process quality, monitoring GDPR procedures, and securing information exchange to ensure compliance with EU Regulation 2016/679 on the protection of individuals with regard to the processing of personal data.

The distribution of sales by county is as follows (expressed in Lei):



6.802.827 Lei – was the revenue generated by the BD Rowa robotics division in 2025.

1.5 Evaluation of merchandise acquisition

As a strategic partner to a number of manufacturers active in the Romanian pharmaceutical market, REMEDIA currently collaborates with global leaders in manufacturing, research, and innovation, as well as with national leaders in pharmaceutical production. As a result, REMEDIA offers its customers a portfolio of over 4,500 items from approximately 250 foreign and domestic manufacturers.

Traditional demand forecasting in the pharmaceutical industry relied heavily on historical sales data and manual adjustments made by buyers. This approach worked quite well in the past, but failed spectacularly when conditions changed rapidly (the COVID-19 pandemic).

Supply chains have not traditionally been viewed as a significant strategic concern for the pharmaceutical industry, but perspectives have shifted as the industry faces shrinking profit margins and evolving geopolitical threats.

AI-powered forecasting represents a fundamental improvement. These systems integrate hundreds of data points beyond sales history, and machine learning algorithms identify patterns that human analysts would miss.

In 2025, by implementing the GTC-HORIZON application—designed for inventory management—we combined algorithmic power with human judgment to achieve better results in trend analysis, forecasting, and inventory balancing between the two warehouses.

The results are measurable; through the implementation of the system and advanced forecasting, we achieved a reduction of approximately 20% in forecasting errors. This directly translates to lower inventory costs and fewer stockouts.

The procurement planning strategy takes the following requirements into account:

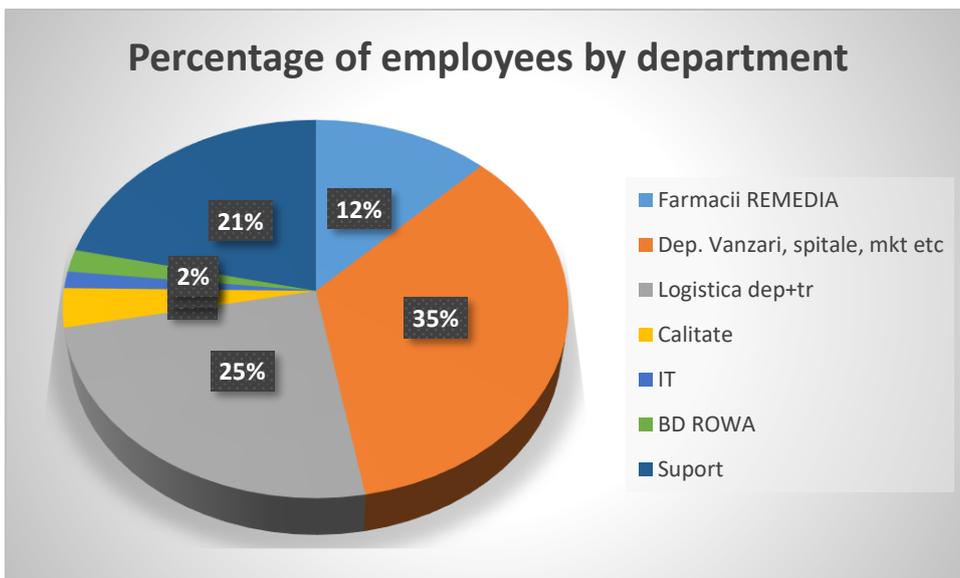
- Rigorous order planning, based on a new automated forecasting module
- Payment shortfalls and delays by the Ministry of Health to pharmacies and hospitals threatened the stability of the system in the second half of the year and led us to carefully adjust inventory levels in line with payment schedules.
 - Improved product retention in inventory over a longer period, coupled with enhanced nationwide availability through analysis of order fulfilment rates and equitable allocation of inventory resources among sales teams and served customers.
 - Assessment of storage times and inventory levels for products in the portfolio;
 - Monthly reduction of old inventory, with the aim of optimizing working capital in relation to suppliers.
 - Traceability throughout the entire workflow.
- Performance indicators established for the procurement department are:
 - Out-of-stock products: This indicator measures the loss of sales caused by stock shortages;
 - Old stock: This indicator measures the procurement department's performance in relation to working capital.
 - Excess inventory: This metric measures the volume of inventory exceeding the forecast.
 - Slow-moving products: This metric measures the value of products in stock that have not been sold in the last 30 days.
 - Expired products: This metric measures the value of expired, uncompensated products borne by the company.

As of December 31, 2025, the two companies' inventory of goods—99% of which consisted of merchandise—totaled 62,883,162 lei, while robots, parts, and components for BD Rowa robots totaled 490,405 lei.

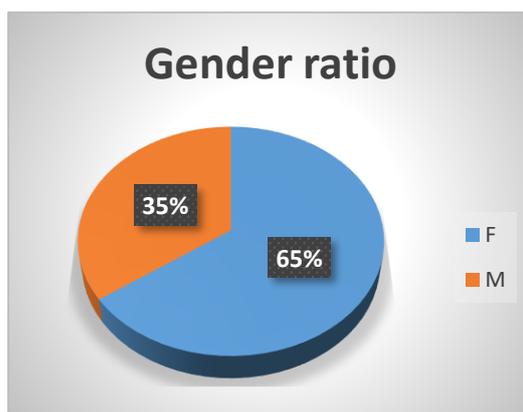
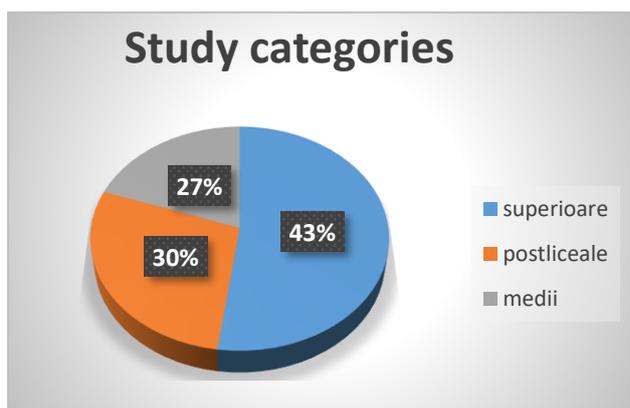
1.6. Evaluation of aspects related to the company's personnel

As of December 31, 2025, Farmaceutica REMEDIA S.A. and Farmaceutica REMEDIA Distribution & Logistics S.R.L. had a combined total of 210 employees, of whom 15 were employed by Farmaceutica REMEDIA S.A. and 195 by Farmaceutica REMEDIA Distribution & Logistics S.R.L. Their distribution by department was as follows:

- REMEDIA Pharmacies – 26 people
- Sales, Hospitals, Marketing, and Procurement Departments – 73 people
- FRDL Logistics Departments (warehouses and transportation) – 52 people
- Quality Department – 7 people
- IT – 3 people, plus 4 external contractors
- BD Rowa – 4 people
- Support and management departments (Accounting, HR, Administration, Management, IT, etc.) – 45 people

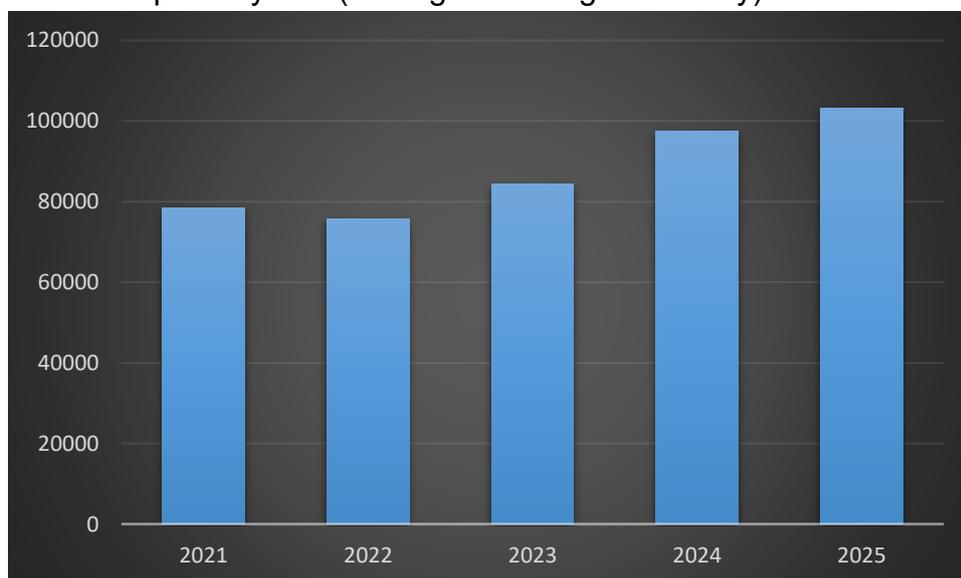


Of the 210 employees, 43% have a college degree, 30% have completed post-secondary education, and 27% have a high school diploma.



REMEDIA promotes a fair policy of advancement for all categories of employees, regardless of gender, religious or other beliefs, or whether they are from disadvantaged backgrounds.

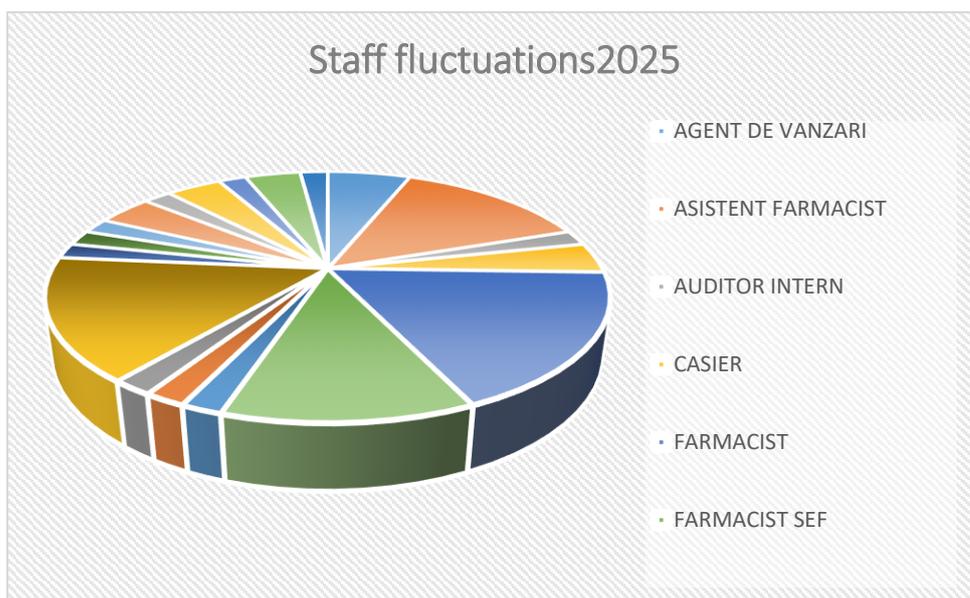
Salary trends over the past 5 years (average annual gross salary):



In 2025, the voluntary turnover rate at the consolidated level of the Farmaceutica REMEDIA Group was 20.45% (the number of employees who voluntarily left during the year, relative to the average number of employees of approximately 220 in 2025).

The involuntary turnover rate was 3.64%, driven by specific operational optimizations, including the closure of the logistics warehouse in Pitești, one drugstore, and two branch offices.

Consequently, the total consolidated employee turnover rate in 2025 was 24.09%, reflecting a substantial improvement compared to the previous year (which was influenced by major business transfers in 2024), as a result of the stabilization of the organizational structure, the reduction of logistics costs, and an increased focus on employee retention in the context of the group's improved financial performance.



To strengthen the company's workforce, the Human Resources Department has taken the following steps:

- **Recruitment and selection**

- Talent acquisition: Identifying and attracting suitable candidates who align with the company's values and objectives.
- Rigorous selection processes: Using structured interviews and practical tests to select the best candidates.
- Employer branding: Building a positive company image to attract top professionals.

- **Promoting high-performing** employees to management positions - REMEDIA encourages employees to develop both personally and professionally. Promotion is based on participation in assessment centres that evaluate their skills and competencies, as well as their fit with the job profile;

- **Annual evaluation** - assessing individual performance by analysing the results of annual evaluation forms.

1.7. Evaluation of the aspects related to the impact of the basic activity of the company on the environment

Farmaceutica REMEDIA S.A. and Farmaceutica REMEDIA Distribution & Logistics S.R.L. comply with applicable environmental protection laws.

There are no ongoing legal disputes regarding violations of environmental protection laws. In 2025, REMEDIA continued to monitor energy and water consumption, with the goal of using resources efficiently and responsibly.

The company contributes to environmental protection by sorting the waste generated by its own operations for recycling. In 2025, approximately 11 tons of cardboard and paper packaging waste and approximately 1.5 tons of plastic packaging waste were handed over to authorized companies for recycling in accordance with applicable legal regulations. All REMEDIA pharmacies collect waste separately.

Nationwide waste tracking and management services are outsourced to a specialized provider, which prepares the necessary documents and reports them centrally and on time to the National Agency for Environmental Protection (via DJM) on the SIM Online Waste Statistics Digital Platform (PRODDDES).

Farmaceutica REMEDIA collects expired or non-compliant medications, handing them over centrally (approximately 10.6 tons in 2025) to authorized companies for their destruction, in accordance with legal regulations.

In accordance with EU Directives adopted as early as April 2019, Farmaceutica REMEDIA has ceased purchasing plastic carrier bags and has introduced biodegradable or recyclable bags, thereby implementing measures to reduce waste and comply with relevant legislation. Starting in December 2020, REMEDIA launched a new project with a certified company for the selective collection of batteries and small electronic devices for recycling, by placing special containers designated for this purpose at REMEDIA locations.

Starting in September 2022, REMEDIA launched a new project with a company authorized to collect and recycle WEEE-classified equipment.

Farmaceutica REMEDIA Distribution & Logistics SRL has implemented an environmental management system in accordance with SR EN ISO 14001:2015, certified by RINA - SIMTEX OC, and has allocated funds for maintaining the certification and improving the EMS.

To adapt to and comply with sustainability regulations, in accordance with European standards, a Sustainability Director has been appointed, who is responsible for coordinating and implementing sustainability initiatives across all operational aspects of the business.

1.8. Evaluation of logistics activity

Throughout 2025, the two companies continued the process of modernizing and improvement operations at their logistics centres and optimizing IT and logistics workflows, as follows:

- a. Optimizing material flow by completing the major repair of over 120 meters of the conveyor belt installed at the Bucharest warehouse;
- b. An upgrade was performed on the Zebra scanning equipment used in conjunction with the WMS system, Calamari for KPI tracking (serialization, storage, replenishment, inventory), which helped increase the number of serialized units from 1,300,000 in 2024 to over 1,600,000 in 2025;

- c. The order consolidation feature was implemented in the TMS to reduce the number of packages delivered per customer and lower costs;
- d. In 2025, ISO certification was maintained in accordance with SR EN ISO 9001:2015. With regard to compliance with the requirements of the SR EN ISO 14001:2015 environmental standard, the remaining company-owned fleet was predominantly converted to gasoline;
- e. Streamlining logistics costs by identifying the most efficient delivery options, along with the implementation of a new WMS (Warehouse Management System) and the enhancement of the TMS (Transport Management System), remained the primary logistics objectives for 2025;
- f. Updating the product catalog with new logistics data regarding box dimensions.
- g. Construction of a dedicated area for specialty products within the Bucharest warehouse.
- h. Multiple serialization was implemented using the Calamari application to handle larger volumes of serialized products;
- i. Full consolidation of the logistics operations of the Iasi and Brasov warehouses into the Bucharest warehouse, increasing the number of orders and reducing transportation, logistics, and energy costs;
- j. Increasing the number of reusable plastic crates used for delivering orders to customers, thereby reducing delivery costs and minimizing environmental impact by decreasing the amount of cardboard packaging used;
- k. Purchasing and configuring two new servers for ERP, WMS, and TMS operations;
- l. Performing an update (23.16) for the Senior ERP management and accounting system;
- m. Signing the contract for the implementation of the Axes WMS system;
- n. Completion of the implementation of the NETFarm pharmacy software from Softech for Remedia pharmacies;
- o. Implementation of the E-invoice and E-Transport systems;
- p. Continued optimization of workflows through updating the conveyor PLC software and interfacing with the WMS;
- q. Design of new storage areas at the Bucharest warehouse, with a view to equipping them with a robot to streamline the supply, storage, and picking processes;
- r. Reorganization of goods flows at the Bucharest and Deva warehouses.

Transport and delivery operations were outsourced to Pharma Expertspedition SRL, which has developed its own network of 11 transport hubs.

To maximize transport capacity and reduce the carbon footprint, transport operations were expanded to include the contract partner Ahead Translog Solutions SRL for the counties serving the Bucharest and Buzău hubs.

The vehicle fleet was expanded with three additional Renault vans: one for inter-warehouse routes and two for urgent deliveries.

Inclusion of an additional carrier in the distribution authorization annex, specializing in large volumes of freight (Trans Activ Tur SRL).

The main objectives for the development of logistics and IT activities for 2026 are:

- Completion of the expansion of the Bucharest warehouse (this project is in an advanced stage, specifically in the final phase of obtaining the building permit);
- Replacement of the conveyor system for floors 1 and 2 of the Bucharest warehouse;
- Completion of the implementation of the Axes WMS system for both warehouses;
- Market research for the implementation of a B2B system to replace the current GOPHARMA system;
- Expansion of storage space at the Bucharest warehouse for 2–8°C goods by constructing a new cold storage room with a capacity of over 50 pallets.
- Providing logistics and IT support in relation to potential BD Rowa customers
- Development of an IT system that provides Remedia customers with invoices in PDF format as soon as they are issued.
- Purchase of new Zebra equipment (tablets, PDAs, and mobile printers) to facilitate the implementation of the WMS;
- Implementation of a plastic crate tracking system (reverse logistics);
- Procurement and implementation of the necessary procurement software used by the procurement department of Farmaceutica Remedia Distribution & Logistics;
- Implementation of a geolocation system for the warehouse area through the implementation of Axes WMS;

1.9. Activity evaluation regarding the quality aspects

Quality assurance activities were carried out by a professional team that receives ongoing training and professional development, with staff undergoing annual training in GMP. The team consists of two Responsible Pharmacists, three Alternate Responsible Pharmacists, and a quality auditor. The two Responsible Pharmacists fully coordinate the quality assurance activities, holding responsibilities corresponding to the roles of Quality Director and Quality Manager, for which they have been appropriately trained.

A quality management system is implemented and maintained at Farmaceutica REMEDIA's warehouses; it is continuously updated and improved to ensure the application of best practices in order to meet the requirements and expectations of contractual partners, with the patient as the ultimate beneficiary. The system complies with current pharmaceutical regulations and is certified according to the ISO 9001:2015 standard by RINA-SIMTEX OC.

On October 1, 2025, the entire quality management system (Quality Manual, Standard Procedures, and Standard Operating Procedures) was reviewed and updated in accordance with applicable legal requirements and changes in work processes. Staff involved in distribution activities were trained on the new set of procedures in September 2025 to ensure consistent implementation across the organization.

Within the wholesale distribution activities carried out by Farmaceutica REMEDIA D&L, specific procedures are implemented and followed to ensure that operations are conducted to high quality standards, in accordance with SR EN ISO 9001:2015 and the provisions of the Good Distribution Practice Guidelines for Medicinal Products for Human Use.

In 2025, the quality management system certification in accordance with SR EN ISO 9001:2015 was maintained. Regarding compliance with the requirements of the SR EN ISO 14001:2015 environmental standard, the company's own fleet was predominantly converted to gasoline, factors that contribute to lowering total CO2 emissions.

Additionally, in 2025, the necessary documents for scheduling the recertification inspection for both facilities were submitted to ANMDMR, with the inspection scheduled to take place in 2026. The submission of the documentation followed the implementation of a revised quality assurance system. In this context, the quality team aligned the quality assurance system documentation with applicable legal requirements, contributing to the strengthening of the compliance framework and the reduction of the risk of deficiencies.

Farmaceutica REMEDIA D&L underwent an external audit by its partner, SC BAYER SRL, to verify compliance with the requirements of the Good Wholesale Distribution Practice Guidelines. The audit was completed in October 2025, and the partner concluded that all applicable legal requirements had been met.

In 2025, no critical or major deficiencies were recorded regarding the operation of the quality management system.

Through our Regulatory Affairs (RA) practice, we provide a wide range of services for the registration of medicines, medical devices, dietary supplements, and dermatocosmetic products in Romania for international partners in Germany, Austria, Finland, the Czech Republic, and other countries.

Throughout 2025, regarding the registration of pharmaceutical products (RA), we witnessed an increase in the complexity of legislative requirements in this field, a trend reflected in the RA department's activities

1.10. Evaluating the activity on risk management

The main categories of risks identified in 2025 were:

- Receivables default risk
- Cashflow risk
- Cyber-attacks risk
- Operational risk
- Compliance risk
- Strategic risk

41% of REMEDIA pharmacies' sales to individual customers are reimbursed by the County Health Insurance Funds, CASMB, and OPSNAJ. Thus, given that the Health Insurance Funds meet their payment deadlines, we can say that the risk of non-payment is low in 2025.

Farmaceutica REMEDIA Distribution & Logistics' receivables are insured by Euler Hermes, which helps reduce the risk of non-payment.

Measures to mitigate cash flow risk: The two companies have access to a multi-currency credit line totalling 125 million lei, with 100 million lei at Banca Transilvania and 25 million lei at BCR. This is used primarily for:

- Issuance of bid bonds and performance bonds.
- Payments to suppliers of goods.
- Covering working capital needs when necessary.
- Diversifying funding sources by collaborating with multiple financial institutions

Measures to mitigate the risk of bad debt and cash flow issues: The management of Farmaceutica REMEDIA S.A. and Farmaceutica REMEDIA Distribution & Logistics S.R.L. has implemented the following measures:

- Periodic review (every 6 months) of credit limits for all customers (for 2026, the review will be conducted quarterly), along with securing receivables against the risk of non-collection through a reputable firm in the industry.
- Increased frequency of analysis of customer accounts receivable and financial statements.
- Strict cost control, with a positive impact on cash flow.
- Optimization of billing and collection processes to reduce the average time to collect receivables.
- Diversification of the client portfolio to minimize dependence on specific partners

Measures to mitigate the risk of cyberattacks:

- Implementing and regularly updating cybersecurity solutions
- Training employees on IT security best practices and how to recognize phishing attempts.
- Regularly backing up data and implementing a recovery plan in the event of a cyberattack.
- Regularly testing IT systems to identify vulnerabilities

Measures to mitigate operational risk:

- Improving internal processes and implementing digital solutions to optimize workflows.
- Continuously monitoring the supply chain and inventory levels to avoid delivery delays.
- Implementing a business continuity plan for unforeseen circumstances

Measures to mitigate compliance risks:

- Regularly reviewing and updating internal policies to ensure alignment with national and European regulations.
- Establishing an internal audit mechanism and providing regular reports to management to monitor compliance with applicable regulations.
- Close collaboration with regulatory authorities to prevent risks related to non-compliance.

- Review of internal policies and update of the implementation plan to align them with the provisions of the BVB Corporate Governance Code effective as of January 1, 2025, and with legislative changes

Measures to mitigate strategic risk:

- Diversifying the portfolio of products and services, as well as launching new business lines
- Continuously monitoring industry trends and adapting business strategies in line with market developments.
- Strengthening relationships with strategic partners to ensure long-term stability.

By implementing these measures, Farmaceutica REMEDIA S.A. and Farmaceutica REMEDIA Distribution & Logistics S.R.L. aim to maintain an optimal level of financial security and efficiency, thereby ensuring the continuity and sustainable development of their business

1.11. Elements of perspective on the company's activity

The company's main objectives are to develop and improve its distribution operations, establish partnerships with new manufacturers, supply products experiencing market shortages to patients in Romania, expand pharmacy coverage, strengthen the sales team, and integrate B2B digital solutions with as many pharmacies as possible. In this way, we intend to remain a supplier with the broadest possible product portfolio and to optimize access to medications for Romanian patients.

We will pay special attention to streamlining our logistics operations, including the implementation of technical solutions to improve the quality of services provided to our partners.

Given that the pharmaceutical retail sector is currently undergoing a consolidation process nationwide, REMEDIA will continue to develop commercial relationships with independent pharmacies.

At the same time, we are continuing to optimize our logistics operations by reducing operating costs and rent, and by identifying optimal delivery solutions.

Special attention will be given to improving process quality. We aim to consolidate the company's digital transformation and optimize services by developing new platforms—BI, machine learning, B2B, e-shop—and integrating IT&C platforms—WMS, TMS, ERP. To this end, we will implement a new sales platform, built to optimize workflow, and a new WMS.

As a digital solution aimed at automating and optimizing pharmaceutical processes, **REMEDIA, in partnership with BD Rowa™**, has, since the 2021 launch of the first **Smart Robot** installed at the REMEDIA pharmacy on Bd. Metalurgiei No. 78, Bucharest, has

installed 25 (twenty-five) robotic systems in pharmacies and a hospital in Romania, plus a hospital in Burgas, Bulgaria.

REMEDIA will expand its focus on the automation and optimization of pharmaceutical processes and will continue to implement **BD Rowa™** automation solutions in pharmacies, warehouses, and hospitals by expanding, in partnership with **TouchPoint Medical (TPM)**, its portfolio of hospital workflow automation solutions to ensure digitalized medication management.

BD Rowa™, with over 16,000 robots installed in more than 60 countries, from Japan to Argentina, and a global market share of approximately 65%, is currently **the world leader in automation solutions for pharmacies, warehouses, and hospitals.**

TPM automation solutions ensure medication traceability and enhance the safety and efficiency of medication management from the pharmacy to the patient's bedside in hospitals across Romania and Bulgaria.

REMEDIA provides installation, commissioning, and training for clients, as well as service and maintenance of robotic equipment using its own teams, specialized by the manufacturer **BD Rowa**. The professionalism of its technical team has qualified **REMEDIA** to install 12 (twelve) automated systems in pharmacies across Slovakia, Austria, Germany, Italy, and Israel.

REMEDIA is developing the platform www.pharma-automation.ro both to facilitate communication with pharmacists and customers and to answer questions regarding the benefits offered by robotic pharmacies, as well as to provide information on solutions tailored to specific needs and options for digital transformation

REMEDIA develops **online sales** on the <https://pharmastore.ro> platform dedicated to dermo-cosmetic products and dietary supplements—such as the Pharmacore, THS, Pernaton, and Power Fish ranges—focused on customer satisfaction, ensuring easy purchasing and fast navigation, diversifying the product portfolio, and securing online transactions.

Through its Regulatory Affairs (RA) activities, the company provides a wide range of services for the registration of medicines, medical devices, dietary supplements, and cosmetic products in Romania for international partners in Germany, Austria, Finland, the Czech Republic, and other countries.

Throughout 2025, regarding the registration of pharmaceutical products (RA), we witnessed an increase in the complexity of legislative requirements in this field, a trend reflected in the RA department's activities.

Starting in 2025, Farmaceutica REMEDIA has been the official distributor in Romania of the **DRILL-X equipment**, manufactured by Synex Tech GmbH (Austria), used for firefighting—the world's first device to combine drilling and extinguishing in a single unit..

2. Fixed assets of companies

51.617.337 Lei represent **Fixed assets** (at the remaining value) having the following structure:

49.669.630 Lei - Tangible fixed assets (land, buildings, equipment, means of transport, commercial furniture, etc.)

1.452.799 Lei - Intangible fixed assets (pharmacy licenses and software licenses)

494.908 Lei - Financial fixed assets (deposits made, guarantees paid, *shareholdings outside the group*).

Within tangible fixed assets, buildings and land account for 98%. These are valued at market value each year by a certified appraiser. The valuation at the end of 2025 showed a total value of 3,561,167 lei for these assets. (land + 634,724 lei, buildings + 2,926,443 lei).

3. Shares and shareholding

The securities issued by Farmaceutica REMEDIA S.A. were traded in 2025 on the regulated market of the Bucharest Stock Exchange, in the Standard category.

The shares of Farmaceutica REMEDIA S.A. are registered shares, with a par value of 0.1 lei per share, totaling 95,480,820 shares, with the following summary ownership structure as of December 31, 2025 (according to data provided by the Central Depository):

Shareholders	No. of shares	Share from the share capital (%)
Valentin-Norbert TARUS	76.914.408	80,55
Farmaceutica REMEDIA SA	1.777.433	1,86
Natural persons	16.020.939	16,78
Legal entities	768.040	0,81
Total	95.480.820	100

As of December 31, 2025, Farmaceutica REMEDIA SA had a total of 3,981 shareholders, of whom:

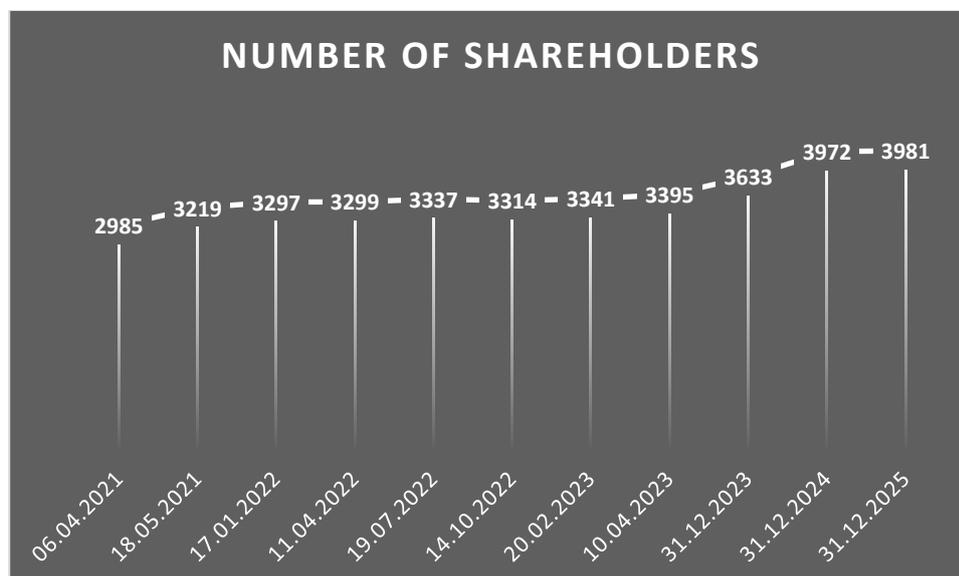
- individuals hold a total of 97.33% of the share capital (of which 80.55% is held by Mr. Valentin-Norbert TARUS)
- legal entities held a total of 2.67% of the share capital, of which 1.86% was held by Farmaceutica REMEDIA SA. By region, the top 5 counties of origin for REMEDIA shareholders are as follows:

- Hunedoara: 1.843 shareholders
- Bucuresti: 584 shareholders
- Alba: 256 shareholders
- Cluj: 153 shareholders
- Timis: 83 shareholders

Over the past three years, the number of REMEDIA shareholders has grown steadily; thus, while there were 2,985 registered shareholders as of the reference date for the AGM on

April 15, 2021, by the end of 2025, a total of 3,981 shareholders were registered with the Central Securities Depository.

The evolution of the number of shareholders over the past 3 years is presented in the following chart:



In **September 2025**, Farmaceutica REMEDIA completed a share buyback transaction carried out for the purpose of implementing a Stock Option Plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954,808 shares, representing 1% of the share capital. The total amount paid by Farmaceutica REMEDIA was 811,586.80 Lei, at a repurchase price of 0.85 Lei per share.

The company has no subsidiaries and has not issued bonds or other debt.

4. Dividends

In 2025, the Board of Directors proposed allocating 4,694,314 lei to dividends, with a view to paying a gross dividend of 0.05 lei per share.

Thus, the Board of Directors proposed allocating the net profit earned in 2025 in the amount of **7.067.745** as follows:

- **4.694.314** Lei to dividends,
- 2.373.431 Lei to other reserves.

In the medium term, the company intends to maintain a policy of distributing up to 50% of net profit as dividends. The amount of dividends due (distributed from profit), paid, and accrued (remaining unpaid) is as follows:

	2020	2021	2022	2023	2024	2025	2026
Initial balance	209.353	117.155	327.582	379.265	436.551	500.463	557.676
Brotto dividends distribution	2.121.796	14.277.108	4.759.036	4.615.814	4.733.076	3.786.328	4.694.314
Tax on the paid dividends	104.900	711.866	237.353	368.491	379.164	379.122	

Paid dividends	2.109.093	13.354.815	4.470.000	4.190.037	4.290.000	3.350.000	
Dividends to be paid	117.155	327.582	379.265	436.551	500.463	557.676	

In the case of Farmaceutica REMEDIA Distribution & Logistics S.R.L., the Board of Administrators proposes the distribution of the net profit (5.556.047 Lei) on the following destinations:

- 3.500.000 Lei – dividends to be paid to Farmaceutica REMEDIA S.A.
- 2.056.047 Lei – undistributed profit

5. Management of Farmaceutica REMEDIA S.A.

During the financial year 2025, Farmaceutica REMEDIA S.A. was led by a Board of Administrators with the following composition:

01.01.2025 – 30.04.2025	01.05.2025 – 31.12.2025
"TARUS" - Valentin Norbert TARUS e.U., Represented by Mr. Valentin-Norbert TARUS - Chairman	"TARUS" - Valentin Norbert TARUS e.U., Represented by Mr. Valentin-Norbert TARUS - Chairman
Cristian PLOCON	Cristian PLOCON
Lucian-Valentin CODREANU	Lucian-Valentin CODREANU

1. **"TARUS" - Valentin Norbert TARUS e.U.**, Chairman of the Board of Administrators represented by Valentin Norbert TARUS, executive director, non-independent, member of the Audit Committee and Chairman of the Remuneration and Nomination Committee for the period 15.04.2021-30.04.2026

In the 1990s he laid the foundation for the first companies in Romania specialized in distribution, import, export, consulting and marketing of pharmaceutical products. In 2000 he acquired from FPS the majority of shares of Farmaceutica REMEDIA S.A., developing a successful business with national coverage and integrated services: marketing and distribution of medicines, as well as retail through the REMEDIA chain of pharmacies (taken over in 2020 by Phoenix Group).

He studied Chemical Engineering - Technologies for Organic and Pharmaceutical Substances at the Polytechnic Institute of Bucharest and completed postgraduate studies in Foreign Trade, with a dissertation on world trade in medicines.

In the last 5 years he has served as a director in the trading company:
"TARUS" - Valentin Norbert TARUS e.U., Leopold Moses G. 4/2/46.

He has not been associated with bankruptcy, receivership or liquidation proceedings in the capacity of member of an administrative, management or supervisory body or general partner. Has not been convicted of fraud within the last 5 years and has not had an official public sanction pronounced against him. Has never been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from interfering in the management or conduct of the affairs of an issuer during the last 5 years.

As of 31.12.2025 he owned 76.914.408 shares, 80,55 % of the shares of Farmaceutica REMEDIA S.A

- 2. Cristian PLOCON**, member of the Board of Administrators, executive director, non-independent, member of the Audit Committee, member of the Remuneration and Nomination Committee for the period 01.05.2023-30.04.2026.

Graduate of the Academy of Economic Sciences, with a Bachelor's and Master's degree in Financial Analysis from the same faculty. He is an economist with over 25 years of experience in the field.

He has not been associated with bankruptcy, receivership, or liquidation proceedings in the capacity of member of an administrative, management or supervisory body or general partner. Has not been convicted of fraud within the last 5 years and has not had an official public sanction pronounced against him. Has never been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from interfering in the management or conduct of the affairs of an issuer during the last 5 years.

On 31.12.2025 he held 46.270 shares in Farmaceutica REMEDIA S.A.

- 3. Lucian-Valentin CODREANU**, member of the Board of Administrators, non-independent executive administrator, Chairman of the Audit Committee, Remuneration and Nomination during 01.05.2024-30.04.2026.

Economist and a highly experienced senior executive with 25 years of leadership expertise in private equity fund-owned organizations as well as multinational companies, serving in various executive and non-executive roles on boards and advisory committees across all pharmaceutical channels (manufacturers, distributors and retailers).

Previously, Lucian was an Operating Partner at Highlander Partners Romania, an American private equity fund, was a shareholder of Labormed Pharma and Ecofarmacia Network pharmacy chain. He also has extensive experience as former Commercial Director of Terapia and Labormed Pharma, as well as former Managing Director of Pharmafarm.

Lucian has provided consultancy services for numerous projects in human and veterinary pharmaceutical companies and has served on the Boards of Administrators of several companies.

He has not been associated with bankruptcy, receivership or liquidation proceedings in the capacity of member of an administrative, management or supervisory body or general partner. Has not been convicted of fraud within the last 5 years and has not had an official public sanction pronounced against him. Has never been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from interfering in the management or conduct of the affairs of an issuer during the last 5 years.

As of 31.12.2025, he did not hold any shares in Farmaceutica REMEDIA S.A.

As of December 31, 2025, the Company's Board of Directors consists of 3 members, of whom 0 are women (0%) and 3 are men (100%), and the gender composition of the Board reflects a 0% representation of the underrepresented gender; although the minimum gender balance targets set forth in Law No. 24/2017 have not yet been fully achieved, the Company has integrated this objective into its policy for selecting Board members and executive management, applies transparent and gender-neutral selection criteria, and periodically monitors progress.

The executive management was ensured by a general manager that has in its subordination departmental directors and managers. In the fiscal year 2025, the executive management was provided by Mr. **Valentin - Norbert TARUS**.

The management of Farmaceutica REMEDIA Distribution & Logistics S.R.L.

According to Article 8 (Decisions, management, representation and control) of the articles of association of Farmaceutica REMEDIA Distribution & Logistics S.R.L, the management of the company was ensured in 2025 by the Sole Shareholder (Farmaceutica REMEDIA S.A.) legally represented by the General Director, Valentin-Norbert TARUS, in his own name or through the administrator, Cristian PLOCON.

The Board of Directors, having reviewed the Audit Committee's analysis of the contractual relationship, the fee structure, the nature of the services provided, and the formal declarations regarding the absence of any conflicts of interest, confirms that the external financial auditor is independent of the company and that the objectivity and impartiality of the audit engagement were not compromised during the reporting period.

6. Affiliated persons of the commercial company Farmaceutica REMEDIA S.A.

On the date of the report, the list of persons affiliated to the company Farmaceutica REMEDIA S.A. is composed of:

- Valentin-Norbert TARUS - Austrian citizen
- "TARUS" - Valentin Norbert TARUS e.U. – Austrian individual enterprise
- Farmaceutica REMEDIA Distribution & Logistics S.R.L.
- TARUS MEDIA S.R.L.
- IMOBILIARA MAGHERU S.R.L.
- PHARMA EXPERTSPEDITION SRL
- NOVOENGRAMA SRL

7. Corporate governance

During the 2025 fiscal year, Farmaceutica REMEDIA's corporate governance structures operated in accordance with the provisions of the Articles of Incorporation, internal regulations, and the requirements applicable to issuers listed on the regulated market administered by the Bucharest Stock Exchange (BVB), with the administration and representation of the Company being exercised by the Board of Directors and the Chief Executive Officer.

The Board of Directors is responsible for ensuring strategic leadership, overseeing executive management, managing significant risks, and monitoring internal control systems, with a view to supporting the Company's long-term success and sustainability, in the interest of the Company and its shareholders.

Farmaceutica REMEDIA respects the rights of all shareholders, ensuring their fair treatment and submitting any changes to the rights attached to the issued securities to the approval of the General Meetings, in accordance with the applicable legislative and regulatory framework.

The company's website, www.remedia.ro, provides access in Romanian and English to the documents of the General Shareholders' Meetings, annual and semi-annual financial statements, current and periodic reports published on the Bucharest Stock Exchange (BVB), information regarding dividends, as well as to the relevant policies and procedures implemented in accordance with the BVB Corporate Governance Code.

In 2025, Farmaceutica REMEDIA achieved, for the fifth consecutive year, the maximum score of 10 in the VEKTOR assessment conducted by the Association for Investor Relations at the Romanian Stock Exchange (ARIR), an indicator that measures the level of alignment with standards of transparency, corporate governance, and investor communication.

This result confirms the maintenance of a robust investor relations framework, based on the provision of comprehensive, relevant, and accessible information, adherence to the "comply or explain" principle, and the use of multiple channels of communication with the market.

The "Investor Relations" section available at www.remedia.ro/investitori/ is regularly updated, including throughout 2025, in accordance with the VEKTOR communication indicators established by ARIR, to meet the information needs of shareholders and potential investors.

In the context of integrating sustainability aspects into the strategy and business model, within the "Corporate Governance" section, the ESG subsection includes information on the company's activities and performance in the Environmental, Social, and Governance (ESG) areas, as well as non-financial/sustainability reports.

Farmaceutica REMEDIA SA has an ESG risk rating of 14.9, which ranks it second in the pharmaceutical sector, placing it in the "low risk" category (range 10–19.99 points), indicating a low level of uncontrolled ESG risk in terms of potential significant financial impact.

The sustainability report is prepared as a separate document from the annual financial report, in accordance with international standards for sustainability reporting, and aims to provide a structured presentation of the company's non-financial performance, including

aspects related to the environment, social responsibility, corporate governance (ESG), community impact, and measures to manage risks associated with climate change.

During the 2025 fiscal year, the Chairman of the Board of Directors convened 19 (nineteen) meetings of the Board of Directors, held in accordance with the Articles of Association, during which the main topics related to the company's strategy, operational and financial performance, risk management, and compliance with applicable regulations were discussed.

Members of the Board of Directors attended meetings in person, via remote communication (telephone, teleconference), or via email, in compliance with the provisions of the Articles of Incorporation and the Internal Regulations of the Board of Directors regarding quorum, voting, and the documentation of deliberations. Following the Board of Directors' meetings, 24 (twenty-four) decisions were adopted and communicated to the relevant departments for implementation and monitoring of their fulfilment throughout 2025.

8. Accounting financial statement (consolidated statements)

Farmaceutica Remedia		
Income Statement	dec.-25	dec.-24
(RON)	consolidat	consolidat
Sales of goods	755.209,787	740,088,891
Discounts given	-2,757,522	-2,479,766
Net Sales	752,452,265	737,609,125
COGS	717,809,423	702,578,840
Discounts Received	-21,176,504	-19,355,150
Net COGS	696,632,919	683,223,690
Gross Margin	55,819,346	54,385,435
Gross Margin (%)	7.42%	7.37%
Other Operating Revenues	11,097,032	9,407,028
Personnel	-24,746,020	-25,363,854
Other Operating Expenses	-24,636,639	-22,047,832
Total Operating Expenses	-49,382,659	-47,411,687
EBITDA	17,533,719	16,380,776
EBITDA Margin	2.33%	2.22%
Depreciation	-2,409,930	-2,627,606
Provisions - net	-25,777	-447,736
Bad debts lost	-362,182	-207,520

EBIT	14,735,830	13,097,914
EBIT Margin	1.96%	1.78%
Financial Revenues	2,078,220	1,402,921
Financial Expenses	-602,076	-406,565
Financial income	1,476,144	996,356
EBT	16,211,974	14,094,270
EBT Margin	2.15%	1.91%
Tax on Profit	-8,173,850	-7,132,084
Net Profit	8,038,123	6,962,186
Net Profit Margin	1.07%	0.94%

Farmaceutica Remedia		
Balance Sheet (RON)	dec.-25	dec.-24
	consolidat	consolidat
Total Assets	383,185,540	376,123,145
Cash	57,938,876	47,655,701
A/R (clients)	205,038,726	216,946,218
Inventory	63,373,567	57,207,398
Expenses in advance	269,736	348,541
Other Current Assets	4,947,298	5,644,031
Total Current Assets	331,568,203	327,801,889
Tangible Assets	49,669,630	46,047,209
Intangible Assets	1,452,799	2,191,441
Financial Investments	494,908	82,607
Total Long-Term Assets	51,617,337	48,321,257
A/P (suppliers)	291,624,623	290,910,220
Other ST payables	5,283,924	3,920,410
Payables to shareholders	557,676	500,464
ST Loans*	333,866	347,431
Current Liabilities	297,800,089	295,678,526
LT Loans*	416,662	534,563
Other LT liabilities	4,796,476	4,663,474
LT Liabilities	5,213,138	5,198,036
Provisions	562,278	217,307
Share capital	8,772,804	8,948,682
Reserves & others	62,799,106	59,118,409
Profit	8,038,123	6,962,186
Equity	79,610,034	75,029,276

Total Liabilities & Equity	383,185,540	376,123,145
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The consolidated financial statements were audited by the independent financial auditor.

9. Economic-financial indicators 2025

LIQUIDITY AND WORKING CAPITAL	FR		FRDL	
	2025	2024	2025	2024
Current liquidity (Current assets/Current liabilities)	6,7	5,22	1,05	1,06
Current assets	20.533.682	12.956.220	311.926.055	314.770.854
Current liabilities	3.066.858	2.481.990	296.129.035	298.352.826
Degree of indebtedness (Borrowed capital / Equity x 100)	0,00%	0,00%	0%	26,65%
Borrowed capital (including leasing)	0	0	0	0
Equity	59.539.707	56.087.178	21.632.780	19.576.732
Turnover speed for client debit items (average customer balance/turnover *365)	88 days	54 days	97 days	100 days
Average customer balance	3.570.517	2.066.319	199.860.554	202.147.954
Net turnover	14.843.465	14.077.445	749.889.588	737.020.970
Turnover speed of liabilities (average suppliers balance/cogs*365)	140 days	89 days	30 days	25 days
Average suppliers balance	2.276.494	1.859.340	56.676.624	46.745.975
Cost of merchandise sold	7.283.491	7.637.782	691.245.167	682.048.818
Turnover speed of stocks (average stock balance/cogs * 365)	18 days	280 days	145 days	140 days
Average stocks balance	352.468	5.867.241	274.468.152	262.237.382
Cost of merchandise sold	7.283.491	7.637.782	691.245.167	682.048.818
Turnover speed of fixed assets (turnover/fixed assets)	0,31	0,28	132	245
Net turnover	14.843.465	14.077.445	749.889.588	737.020.970
Fixed assets	46.778.298	50.111.863	5.681.444	3.005.200
Gross profit margin (%) (gross profit/net sales)	56%	42%	1.70%	1.88%
Gross profit	8.300.557	5.876.151	12.718.843	13.834.731
Net turnover	14.843.465	14.077.445	749.889.588	737.020.970

Note:

1) **Current liquidity** – the indicator level reflects a good payment capacity, therefore a reduced risk for creditors, certifying that the companies are capable of covering their short-term liabilities based on receivables and cash availabilities.

2) **Degree of indebtedness** expresses the effectiveness of credit risk management, indicating potential financing, liquidity problems, with influences in honouring the assumed commitments. In the calculation of this indicator, the borrowed capital comprises both bank loans and finance lease liabilities.

3) **Turnover speed for client debit items** expresses company effectiveness in collecting its receivables, respectively the number of days until the date on which debtors pay their liabilities to the company. Considering the dynamics of sales and the specificity of the collection of receivables in the distribution of drugs, we consider that the value of the indicator is normal for the companies of the group, under the given conditions.

4) **Turnover speed of liabilities** represents the average period in which suppliers are paid.

5) The value of the **No. of days on hand** indicator can be considered that it falls within the specifics of the activity.

6) **Turnover speed of fixed assets** expresses the effectiveness of the management of fixed assets, by examining the turnover generated by a certain quantity of fixed assets.

Bucharest, March 23, 2026

Board of Administrators,

Chairman

“TARUS” - Valentin Norbert TARUS e.U
1020 Viena, Leopold-Moses Gasse, 4/42/6, Austria
FN 349134h/23.07.2010

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Farmaceutica REMEDIA SA – Consolidated financial statements concluded as of
31.12.2025

Farmaceutica REMEDIA SA
STATEMENT OF COMPREHENSIVE INCOME –
Consolidated (Lei)

		31.12.2025	31.12.2024
Net turnover	NOTE 4	759.757.573	743.790.879
Income from the sale of goods		755.209.787	740.088.891
Commercial discounts granted		-2.757.522	-2.479.766
Income from services provided and rents		7.305.308	6.181.754
Income from real estate investments		982.187	1.320.831
Other operating income		2.809.537	1.904.443
OPERATING INCOME - TOTAL		763.549.297	747.016.152
Expenses with materials	NOTE 5	699.229.099	685.783.592
Expenses regarding goods		717.809.423	702.578.840
Commercial discounts received		-21.176.504	-19.355.150
Expenses with raw materials and consumables		1.536.832	1.649.227
Other expenses with materials (inventory objects)		129.860	135.962
Energy and water expenses		929.488	774.712
Expenses with personnel	NOTE 6	24.746.020	25.363.854
Salaries and allowances		21.626.025	20.574.326
Expenses with insurance and social protection		924.307	1.142.746
Other personnel expenses		2.195.688	3.646.782
Amortisations and provisions		2.797.889	3.282.862
Amortisations		2.409.930	2.627.606
Net provisions		25.777	447.736
Losses from receivables		362.182	207.520
Other operating expenses	NOTE 7	22.040.459	19.487.931
Expenses on external services		18.548.364	16.831.594
Expenses with other taxes, charges and assimilated payments		2.319.385	1.840.782
Other expenses		1.172.710	815.555
OPERATING EXPENSES - TOTAL		748.813.467	733.918.239
OPERATING RESULT		14,735,830	13,097,914
Financial income	NOTE 8	2,078,220	1,402,921
Interest income		1,252,018	1,190,017
Income from exchange rate differences		217,575	37,121
Income from dividends		74,370	63,745
Advance payment discounts		280,981	112,038
Other financial income			
Other financial revenues share of the loss from investments accounted for using the equity method		253,276	0
Financial expenses	NOTE 8	602,076	406,565
Expenses regarding interests leasing		0	0
Operational leasing interests		48,117	104,295
Expenses due to exchange rate differences		553,959	192,439
Discounts received in advance		0	0
Other financial expenses		0	0

Farmaceutica REMEDIA SA – Consolidated financial statements concluded as of
31.12.2025

Other financial expenses - share of the loss from investments accounted for using the equity method		0	109,831
FINANCIAL RESULT		1,476,144	996,356
TOTAL INCOME		765.627.517	748.419.073
TOTAL EXPENSES		749.415.543	734.324.803
GROSS RESULT	NOTE 9	16.211.974	14.094.270
Profit tax		8.173.850	7.132.084
TOTAL NET PROFIT of which distributable		8.038.123	6.962.186
Shareholders of the company		8.038.123	6.962.186
Minority interest			
Other elements of comprehensive income			
Revaluation of tangible assets		2.267.901	1.262.278
Tax related to other elements of comprehensive income			
Minority interest			
COMPREHENSIVE INCOME AFFERENT TO THE PERIOD - TOTAL of which attributable:		10,306,024	6,962,186
Shareholders of the company		10,306,024	6,962,186
Minority interest			
Earnings per share (in Lei)			
- basic		0.0842	0.0729
- diluted		0.0842	0.0729

President of the Board of Administrators
"TARUS" - Valentin Norbert TARUS e.U.

by representative
Valentin – Norbert TARUS

Farmaceutica REMEDIA SA – Consolidated financial statements concluded as of
31.12.2025

Farmaceutica REMEDIA S.A.
STATEMENT OF FINANCIAL POSITION –
Consolidated (Lei)

		31.12.2025	31.12.2024
ASSETS			
Fixed assets		51,617,337	47,234,402
Tangible assets	NOTE 10	31,180,789	27,403,592
Real estate investments		17,778,668	17,795,204
Assets related to the rights of use of leased assets		710,173	848,414
Software licences	NOTE 11	1,028,279	680,066
Pharmacy licences	NOTE 11	424,520	424,520
Participations held in group companies	NOTE 12	0	0
Participations held in companies outside the group	NOTE 12	130,286	5,916
Investments in jointly controlled entities accounted for using the equity method		164,955	0
Deposits and guarantees paid	NOTE 12	199,668	76,692
Current assets		331,298,467	327,453,347
Stocks	NOTE 13	63,371,504	57,207,397
Advances granted for the purchase of stocks		2,063	
Trade receivables	NOTE 14	205,038,726	216,946,218
Other receivables		4,947,298	5,644,031
Cash and cash equivalents	NOTE 15	57,938,876	47,655,701
Accrued expenses		269,736	348,541
TOTAL ASSETS		383,185,541	375,036,290
EQUITIES AND DEBTS			
Equities		79,610,034	73,942,421
Share capital	NOTE 16	9,548,082	9,860,311
Share premiums		757,485	757,485
Reserves	NOTE 17	17,726,280	15,636,459
Revaluation reserves		30,526,555	25,404,128
Current result		8,038,123	6,962,186
Retained earnings	NOTE 19	18,881,235	16,845,780
Retained earnings - retreatment		-775,278	-911,629
Profit distribution		0	0
Own shares	NOTE 21	-1,316,108	-480,532
Losses related to the issuance, redemption, sale, free transfer or cancellation of equity instruments		-107,727	-131,766
Employee benefits in the form of equity instruments		68,708	
Other equity items		-3,737,321	
Long-term debts		5,213,138	5,198,036
Debts from long term leasing	NOTE 22	416,662	534,563
Provisions	NOTE 23		
Debts with deferred income tax		4,796,476	4,663,474

Farmaceutica REMEDIA SA – Consolidated financial statements concluded as of
31.12.2025

Current debts		298,362,368	295,895,833
Bank loans	NOTE 24		
Debts from financial leasing			
Debts from operational leasing		333,866	347,431
Suppliers and other similar debts		291,624,623	290,910,220
Provisions		562,278	217,307
Current tax debts		2,369,475	1,893,262
Other short-term debts	NOTE 25	3,216,538	2,527,612
Deferred income tax liabilities		255,588	
Total debts		303,575,506	301,093,869
TOTAL EQUITIES AND DEBTS		383,185,540	375,036,290

President of the Board of Administrators
"TARUS" - Valentin Norbert TARUS e.U.

by representative
Valentin – Norbert TARUS

STATEMENT OF CHANGES IN EQUITY

NOTE 6 CAPITAL CHANGES									
	Share	Legal	Revaluation	Other	Issuance	Result	Current	Own	TOTAL
	capital	reserves	reserves	reserves	premiums	carried forward	result	shares	
Balance as at 01.01.2024	9.860.311	2.122.356	24.141.850	14.695.850	757.485	14.341.047	7.201.649	-2.260.996	70.859.551
Repositioning of retreatments for profit account 2023						-5.798.981	5.798.981		0
Profit transfer 2023 (FR) to result carried forward						4.374.862	-4.374.862		0
Profit distribution 2023(FR) to dividends				-358.214		-4.374.862			-4.733.076
Profit distribution 2023(FR) to other reserves									0
Closure of account 129									0
Profit distribution 2023(FRDL) to result carried forward						8.625.767	-8.625.767		0
Profit distribution 2023 (FRDL) to dividends						-6.000.000			-6.000.000
Profit distribution 2023 (FRDL) to other reserves				0					0
Accounting result 2024 FR + FRDL							12.578.798		12.578.798
Retreatment of profit account						5.616.612	-5.616.612		0
Outputs buildings + lands									0
Revaluation of buildings and lands			1.262.278						1.262.278
Transfer reserves from funds				-823.533					-823.533
Result carried forward - retreatment						268.995			268.995
Purchase of own shares								1.780.464	1.780.464
Deferred tax									0
Operational leasing retreatment (IFRS 16)						-32.434			-32.434
Investments in jointly controlled entities									0
Losses on free transfer of own shares								-131.766	-131.766
IFRS restatement						-1,086,855			-1,086,855
Balance as at 31.12.2024	9,860,311	2,122,356	25,404,128	13,514,103	757,485	15,934,151	6,962,186	-612,298	73,942,421

STATEMENT OF CHANGES IN EQUITY - continuation

NOTE 6											
CAPITAL CHANGES											
	Share	Legal	Revaluation	Other	Benefits granted to employees	Other elements of	Issuance	Result carried	Current	Own	TOTAL
	capital	reserves	reserves	reserves	in the form of equity instruments	equity	premiums	forward	result	shares	2025
Balance as at 01.01.2025	9,860,311	2,122,356	25,404,128	13,514,103	0	0	757,485	15,934.151	6,962.186	-612.298	73.942.421
Restoration of profit account retreatments 2024								-5,616,612	5,616,612		0
Profit transfer 2024 (FR) to retained earnings								5,876,151	-5,876,151		0
Profit distribution 2024(FR) to dividends				0				-3,786,328			-3,786,328
Profit distribution 2024(FR) to other reserves				2,089,823				-2,089,823			0
Account closure 129											0
Profit transfer 2024(FRDL) to retained earnings								6,702,647	-6,702,647		0
Profit distribution 2024(FRDL) to dividends								-3,500,000			-3,500,000
Profit distribution 2024(FRDL) to other reserves				0							0
Accounting result 2025FR + FRDL									12,623,793		12,623,793
Profit account retreatment								4,585,670	-4,585,670		0
Buildings + lands outputs			-189,731								-189,731
Revaluation of buildings and lands			2,267,901								2,267,901

Farmaceutica REMEDIA SA – Consolidated financial statements concluded as of 31.12.2025

Transfer reserves from funds				0							0
Reported results - retreating								32,433			32,433
Buy own shares										-811,537	-811,537
Deferred tax											0
Retreatment of operational leasing (IFRS 16)										-38,353	-38,353
Investments in jointly controlled entities											0
Losses from the free transfer of own shares										0	0
Deferred tax transfer from revaluation reserves			3,737,321			-3,737,321					0
Reserves – employee share plan (IFRS 2)					68,708						68,708
IFRS restatement	-312,229		-693,064								-1,005,293
Balance on 31.12.2025	9,548,082	2,122,356	30,526,555	15,603,926	68,708	-3,737,321	757,485	18,105,957	8,038,123	-1,423,835	79,610,034

STATEMENT OF TREASURY FLOWS (RON)		
consolidated		
	31.12.2025	31.12.2024
Cash flows from operating activities		
Collections from the sale of goods and from the provision of services	847,466,642	776.985.175
Other cash inflows	23,898,394	17.389.655
Payments to suppliers of goods and services	-791,808,619	-725.515.412
Payments to and on behalf of employees (including taxes on salaries)	-23,237,522	-21.510.827
Corporate tax payments	-7,297,880	-5.307.920
Payments of other taxes and fees	-33,662,135	-22.176.012
Paid interests	0	0
Collected interests (current account)	1,198,892	1.190.017
Other cash outflows	-1,015,035	-2.090.861
Total operating cash flow	15,542,737	18.963.816
Cash flow from investment activities	-	-
Collections from the sale of long-term assets and financial investments	111,727	348.180
Collected interests (from deposits)	47,917	0
Collected dividends	74,370	2.063.745
Payments for the acquisition of long-term assets	-1,326,447	-1.790.019
Total cash flow from investments	-1,092,433	621.906
Cash flow from financing activities		
Short-term loan withdrawals	0	0
Repayment of short-term loans	0	0
Net foreign exchange differences	-249,542	-138.056
Financing received from shareholders	0	0
Repayments of long-term loans, including interest	0	0
Payments to shareholders (dividends)	-3,350,000	-6.290.000
Payments of own shares	-567,587	0
Total cash flow from financing	-4,167,129	-6.428.056
Total cash flow	10,283,175	13.157.666
Cash at the beginning of the period	47,655,701	34.498.036
Cash at the beginning of the associated period		
Cash at the end of the period	57,938,876	47.655.701

President of the Board of Administrators
 "TARUS" Valentin Norbert TARUS e.U.

by representative
 Valentin - Norbert TARUS

NOTE 1 INFORMATION ON CONSOLIDATED COMPANIES

1.1. Reporting entity

Farmaceutica REMEDIA S.A. (FR)

Farmaceutica REMEDIA S.A. ("the Company") is a commercial company with registered office in Deva, Bld. Nicolae Balcescu nr. 2 (formerly Str. Dorobantilor 43), Hunedoara County, Romania.

On **25 July 1991**, Farmaceutica REMEDIA S.A. was established as a commercial company with full state capital, through the reorganization of the Deva Pharmaceutical Office - established in 1957.

On **13 October 2000**, V.TARUS RoAgencies S.R.L. acquired from FPS the majority of shares (55,802 %).

On **01 January 2006**, Farmaceutica REMEDIA S.A. merged by absorption with V.TARUS RoAgencies S.R.L.

According to Law 95/2006, republished in August 2015, companies are prohibited from carrying out, at the same time, wholesale and retail distribution of medicines (Art. 800 paragraph 2).

On **January 1, 2016**, Farmaceutica REMEDIA S.A. completed the transfer of distribution activities to Farmaceutica REMEDIA Distribution & Logistics S.R.L., a new company, 100% owned, of the wholesale distribution of medicines, together with related activities (logistics services, registration of pharmaceutical products, promotion and marketing of medicines, etc.), Farmaceutica REMEDIA S.A. kept the operation of the chain of pharmacies and local offices.

As a result of the change in the main object of activity imposed by the above-mentioned legislation, the company had to buy back from the market (in 2015) a number of 300,100 shares at a price set by an authorized appraiser.

In **April 2022**, Farmaceutica REMEDIA SA purchased a 50% participation in the share capital of the Romanian legal entity PHARMA EXPERTSPEDITION S.R.L., with registered office in Bucharest, Bd. Metalurgiei, nr. 130E, Sector 4, registered at the Commercial Register of Bucharest with nr. J40/20206/2005, with TIN 18178346, in order to develop and strengthen the distribution and logistics activity.

In **January 2025**, Farmaceutica REMEDIA acquired a 24% share in Novoengrama SRL, a company specialized in medical rehabilitation based in Cluj-Napoca.

In **April 2025**, Farmaceutica REMEDIA Distribution & Logistics SRL (FRDL) closed its logistics warehouse in Pitești as part of an effort to improve the efficiency of its operational costs.

In **September 2025**, Farmaceutica REMEDIA completed a share buyback transaction carried out for the purpose of implementing a stock option plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision

841/August 28, 2025, and Amendment 888/September 11, 2025, is 954, 808 shares, representing 1% of the share capital. The total amount paid by Farmaceutica REMEDIA was 811,586.80 Lei, at a repurchase price of 0.85 Lei per share.

In **November 2025**, to optimize operating costs in the pharmacy business line—which had been transferred in 2024 to the pharmaceutical company REMEDIA Distribution & Logistics SRL—the rural pharmacies in Mohu (Sibiu County) and Toplița (Hunedoara County) were closed, as was the Horea drugstore in Deva.

1.2. Other entities participating in the consolidation

Farmaceutica REMEDIA Distribution & Logistics S.R.L. (FRDL)

Farmaceutica REMEDIA Distribution & Logistics S.R.L., formerly Sibmedica S.R.L. had its activity suspended from 16.12.2013 until 19.01.2015, when it was reactivated under the new name. The company is 100% owned by Farmaceutica REMEDIA S.A.

The main activity carried out by Farmaceutica REMEDIA Distribution & Logistics S.R.L. is the wholesale distribution of medicines, and related activities are logistics services and registration of medicines.

Farmaceutica REMEDIA Distribution & Logistics S.R.L. is a national distributor with a network of 5 warehouses located in Bucharest, Deva, Brasov, Pitesti, Iasi.

During 2025, Farmaceutica REMEDIA S.A., Farmaceutica REMEDIA Distribution & Logistics S.R.L did not participate in mergers.

NOTA 2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Declaration of conformity

The consolidated financial statements of the reporting company have been prepared in accordance with the provisions of Order No. 2844/2016 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, applicable to companies whose securities are admitted to trading on a regulated market, with all subsequent amendments and clarifications.

The financial statements as at 31.12.2025 of the reporting entity were approved by the Board of Directors of the Company on 23.03.2026.

There are no significant differences between the value of economic and financial indicators determined according to the accounting directives and those resulting from the application of IFRS provisions.

The consolidated financial statements are audited, as well as the financial statements of each entity included in the scope of consolidation.

Basics of evaluation

The financial statements have been prepared on the historical cost basis except for buildings and land which are valued at fair value (market value determined by valuation by an expert

valuer). Historical cost is generally based on the fair value of the consideration given for the assets.

Consolidated companies present in the financial statements at fair value all assets and liabilities for which fair value measurement is required, the methods used to determine fair value being inventory and revaluation (IFRS 13).

The buildings (included in the class Tangible fixed assets and investment property) and land owned by the Company are valued annually by an independent certified appraiser, member of ANEVAR, with recent and relevant experience in terms of location and category of the investment subject to valuation.

Since 2015, the revaluation method used has been the gross income multiplier method (quantifying the present value of the anticipated future benefits produced to the owner from the rental of the property). The values were estimated on the basis of public market studies and the correlation was made based on several criteria, the most important being the number of inhabitants of the locality where the property is located.

Property, plant, and equipment valuations have been classified as Level 2 because their values are comparable to similar values in the active market, are adjusted and are directly observable - IFRS 13.93 (b).

The companies do not hold financial instruments that would require the use of other fair value estimation methods.

During 2025 there were no events and circumstances that led to the recognition of a significant impairment loss on property, plant and equipment.

Balances and transactions within the Group and any other unrealised income or expenses arising from transactions within the Group are eliminated in the preparation of the consolidated financial statements. Unrealised gains or losses on transactions with associates accounted for using the equity method are eliminated against the investment in the associate to the extent of the percentage held.

Functional and presentation currency

The financial statements are presented in LEI (RON), which is the Company's functional currency. All financial information is presented in LEI.

Principle of continuity of activity

The financial statements have been prepared on a going concern basis, which means that the company will, for the foreseeable future, continue in business as usual without going bankrupt, going into liquidation or significantly reducing its activities.

Professional estimates and reasoning

The preparation of financial statements in conformity with IFRS or National Reporting Standards requires management to use professional judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets,

liabilities, income and expenses. Under these conditions, actual results may differ from estimated amounts. The underlying estimates and assumptions are reviewed periodically. Revisions to accounting estimates are recognised in the period in which the estimate was revised and in future periods affected. The following are critical professional judgements/reasons that the Company's management has made that have a significant impact on the amounts recognised in the financial statements:

- Useful lives of non-current assets
- Deferred taxes
- Provisions
- Segment reporting
- Cost of goods sold by the reporting company (FR) and sourced from FRDL

Changes in accounting policies

The Company's financial statements have been prepared in accordance with:

- Accountancy Law No.82/1991, republished and updated;
- the provisions of the Order of the Minister of Public Finance No. 2844/2016, approving the Accounting Regulations in accordance with International Financial Reporting Standards, applicable to companies whose securities are admitted to trading on a regulated market, as amended and clarified.

These financial statements have been prepared in accordance with recognition, measurement and measurement criteria in conformity with International Financial Reporting Standards, Interpretations and International Accounting Standards (collectively referred to as "IFRSs") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("adopted IFRSs").

The financial statements for the year ended 31.12.2025 comprise the statement of financial position, statement of comprehensive income, statement of cash flows, statement of changes in equity and explanatory notes.

The principal accounting policies applied in the preparation of the financial statements have been applied consistently.

The preparation of financial statements in accordance with adopted IFRS requires the use of certain critical accounting estimates. It also requires management to use judgement in the process of applying the Company's accounting policies.

Areas involving a higher degree of complexity and application of such judgements or where assumptions and estimates have a significant impact on the financial statements.

These provisions correspond to the requirements of International Financial Reporting Standards (IFRS), as adopted by the European Union (EU). Effects of exchange rate changes on the functional currency. For the purposes of preparing these financial statements in accordance with Romanian legislative requirements, the Company's functional currency is considered to be RON ("Romanian Leu").

The Company's management considers as functional currency, as defined by IAS 21 - The Effects of Changes in Foreign Exchange Rates

New accounting regulations

The following amendments to existing standards and new interpretations issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current period:

<p>IFRS 17 Insurance Contracts (including amendments to IFRS 17 in June 2020 and December 2021)</p>	<p>IFRS 17 establishes principles for the recognition, measurement and presentation of insurance contracts and replaces IFRS 4 Insurance Contracts. IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions for estimating the value, timing and uncertainty of future cash flows and explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholder options and guarantees. The Group has no contracts that meet the definition of an insurance contract under IFRS 17.</p>
<p>Amendments to IAS 1, Presentation of Financial Statements</p>	<p>The amendments modify the requirements in IAS 1 regarding the presentation of accounting policies. The amendments replace the term 'significant accounting policies' with 'significant accounting policy disclosures'. Accounting policy information is material when, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence the decisions that the primary users of the financial statements make on the basis of that information. IAS 1 also amended paragraphs to clarify that accounting policy information about immaterial transactions or events is not material and shall not be disclosed. Accounting policy information may be material because of the nature of the related transactions or events, even if the amounts are immaterial. However, not all accounting policy disclosures about significant transactions or events are themselves material.</p>
<p>Amendments to IAS 12 Deferred tax assets and liabilities arising from a single transaction</p>	<p>The amendments introduce a new exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax rules, equal taxable and deductible temporary differences may arise in a transaction that is not a combination and affects neither accounting profit nor taxable profit. Under the amendments to IAS 12, an entity is required to recognise the deferred tax asset and liability and the asset is recognised based on the recoverability criteria set out in IAS 12.</p>
<p>Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors</p>	<p>The Group adopted IAS 8 amendments for the first time in 2023. The amendments replace the definition of a change in accounting estimates with the definition of an accounting estimate. Under the new definition, accounting estimates are "monetary amounts in the financial statements that are subject to measurement uncertainty". The definition of a change in an accounting estimate has been deleted.</p>

Amendments to IAS 1 Presentation of Financial Statements - Classification of current and non-current liabilities.

The amendments to IAS 1 published in January 2020 only affect the presentation of liabilities as short-term or long-term in the statement of financial position and not the amount or timing of recognition of any assets, liabilities, income or expenses nor the disclosures about these items.

The amendments clarify that this short or long-term classification is based on the rights that exist at the end of the reporting period and is not affected by the expectation that the company can exercise the right to defer payment of a debt and explain that rights exist certain contractual conditions are met at the end of the reporting period. It clarifies the term 'discharge', i.e. the transfer of money, equity instruments, or other assets or services.

Basics of consolidation

The reporting company has a 100% interest in the consolidated company, in which it has control over the financial and operating policies.

The consolidated financial statements incorporate the financial statements of the parent company and its controlled entities (subsidiaries) as at 31 December each year. Control is exercised when the parent company:

- Has decision-making power over the investee
- Has rights to profits from its involvement in the investee
- Has the ability to use its power to influence profits

The parent company reassesses whether or not it has control of an investee if there are circumstances indicating that there are changes in one or more of the three elements of control listed above.

When the parent owns less than a majority of the voting power of an investee, it considers that it has control of the investee when the voting power is sufficient to give it the practical ability to govern the relevant activities of the investee unilaterally. The parent company shall consider all relevant circumstances in assessing whether or not the voting rights of the parent company in an investee are sufficient to give it power, including:

- The voting rights that the parent holds in relation to other shareholders that have voting rights;
- Potential voting rights held by the parent company and other third parties;
- Rights arising from other contractual arrangements;
- Any additional facts and circumstances indicating that the parent company has or currently has the ability to control the relevant activities at the time decisions are to be made, including the nature of voting at past shareholder meetings.

Consolidation of a subsidiary begins when the parent obtains control of the subsidiary and ceases when the parent loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the parent acquires control until the date the parent ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the accounting policies of the group.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between group members are eliminated on consolidation.

As at 31.12.2025, Farmaceutica REMEDIA S.A. did not hold controlling interests or significant influence in other companies except for consolidated companies.

A list of shareholdings is presented in NOTE 12.

NOTE 3 SIGNIFICANT ACCOUNTING POLICY DISCLOSURES

Business Combinations – IFRS 3

Business combinations are accounted for using the purchase method. The acquirer recognises the identifiable assets, liabilities and contingent liabilities of the acquiree at fair values at the acquisition date and also recognises goodwill which is subsequently tested for impairment rather than amortised. Direct acquisition costs are recognised directly in the income statement.

Investments in jointly controlled entities – IAS 28

An associate is an entity over which the Company has significant influence but is neither a subsidiary nor a joint venture. Significant influence is the power to participate in financial and operating policy decisions, but is not control over those decisions.

Using the equity method, an investment in a jointly controlled entity is initially recognised in the Consolidated Statement of Financial Position at cost and is then adjusted to reflect the group's share of the profit or loss of the associate. If the group's share of losses in the associate exceeds the value of the investment, the group stops recognising future losses.

On acquisition of an associate, any excess of the cost of the investment over the group's share of the entity's identifiable assets and liabilities will be recognised as goodwill, which will be included in the value of the investment.

If there is objective evidence that the group's net investment in the associate is impaired, the requirements of IAS 36 apply to determine whether an impairment loss should be recognised.

The equity method is no longer used when the entity is no longer jointly controlled. When the group retains an interest that is classified as a financial asset, the group shall present the asset at fair value and this shall be determined on initial recognition in accordance with IFRS 9.

Revenue recognition

Revenue is the gross inflow of economic benefits during the period arising in the normal course of an entity's activities in the form of asset inflows, asset write-downs, or debt decreases, resulting in increases in equity, other than those arising from contributions from equity holders.

INCOME RECOGNITION ACCORDING TO IFRS 15

Revenue is recognised when the significant risks and rewards of ownership of assets are transferred to the customer. Revenue amounts do not include sales taxes (VAT), but include trade discounts granted. Financial discounts granted to customers (discounts) reduce the amount of the Company's revenue.

The Company recognises revenue when its amount can be measured reliably, when it is probable that it will produce future economic benefits to the entity, and when specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered reliably measurable until all contingencies relating to sales have been resolved. The Company bases its estimates on historical results, taking into account the type of customer, the type of transaction and the specific elements of each contract.

Revenue from services rendered is recognised in the period in which they are rendered and in line with the stage of completion.

Interest income is recognised periodically, on a pro rata basis, as the income is earned, on an accrual basis.

Revenue from rental income and/or rights to use assets is recognised on an accrual basis, as per the contract.

Dividends distributed to shareholders, proposed or declared after the date of the financial statements, are recognised as dividend income when the shareholder's right to receive them is established.

Revenue represents the gross inflow of economic benefits during the period arising in the course of an entity's normal activities in the form of inflows of assets or increases in the value of assets, or decreases in liabilities, that result in increases in equity, other than those arising from contributions from equity holders.

Revenue is an increase in economic benefits recorded during the accounting period in the form of inflows or increases in assets or reductions in liabilities, which results in increases in equity other than those arising from shareholders' contributions.

Fair value is the amount at which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

IFRS 15 focuses instead on the identification of obligations and makes a clear distinction between obligations that are satisfied "at a point in time" and those that are satisfied "over a period of time", this being determined by the manner in which control of the goods or services is transferred to the customer.

Revenue is measured in accordance with IFRS 15 - Revenue from Contracts with Customers.

IFRS 15 establishes a five-step model for recording revenue from contracts with customers:

- **Step 1: Identify the contract with a customer**
- **Step 2: Identifying the payment obligations in the contract**

- **Step 3: Determining the transaction price**
- **Step 4: Allocate the transaction price for the performance obligations in the contract**
- **Step 5: Recognising revenue as the company meets a performance obligation**

The company has contracts with customers for the delivery of goods (pharmaceutical and parapharmaceutical products, and robots) and contracts for the provision of services (logistics services, rents, and robot assembly and maintenance work).

The client is analysed within the control department by accessing data from platforms offering this service, e.g. "Company list" and by requesting credit reports from specialised companies.

For all private clients related to the goods distribution activity, the company uses as credit limit the amount granted by the insurance company with which the company has a contract.

The company identifies the terms of payment and the rights of each party in terms of regarding the goods and services, it is established that it has commercial content, and the parties have approved the contract and undertake to fulfil their obligations according to the payment terms for the goods and services transferred.

The Company evaluates the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer a distinct good or service to the customer.

Performance obligations are explicitly stated in the contract.

The company considers the terms of the contract and its usual business practices in determining the transaction price.

The transaction price is the amount of consideration to which the company expects to be entitled in exchange for the transfer of the promised goods or services to the customer, not including VAT or other taxes.

For the purposes of determining the transaction price, the company assumes that the goods or services will be transferred to the customer as promised under the existing contract and that this contract will not be cancelled, renewed or amended.

The individual (specific) selling price of a good or service is the price at which the good or service would be sold separately. When it is not directly observable, it can be determined:

- by reference to the market price (adjusted market valuation approach);
- through electronic auctions organised on the SEAP platform for public hospital customers the reference price is established
- by adding a margin to the cost that the entity expects to incur for the performance of that obligation

Under IFRS 15, revenue is recognised in an amount that reflects the consideration to which an entity expects to be entitled in exchange for the transfer of goods or services to a customer.

Under IFRS 15, revenue will be recognised when a customer obtains control of the goods.

In the case of contracts with customers, the sale of goods and other assets (pharmaceutical robots) is generally expected to be the only performance obligation, revenue recognition occurs at a point in time when control of the asset is transferred to the customer, i.e. when the goods are delivered/put into service in accordance with the terms of the contract.

In the case of sales of goods, in the case of retail sales directly to the customer but physical person, it is estimated that the adoption of IFRS 15 will have no impact on the Company's revenue and profit or loss. These are recorded at the time of the sale to the customer - natural person, based on the invoice and monthly cash register Z report.

Income related to goods - RX drugs only, for which co-payment of the good is provided by contracts with CNAS is recognized in the month in which the patient has taken possession of the goods, on the basis of the invoices issued to the Health Houses.

Interest income is recognised monthly using the effective interest method and is included in the profit and loss account under financial income.

Dividend income is recognised when the shareholder's right to receive payment has been established.

Expenditure recognition

Expenses represent the decrease in economic benefits recorded during the accounting period in the form of decreases or decreases in the value of assets, or increases in liabilities leading to reductions in equity, other than those resulting from their distribution to shareholders.

Currency conversions

In the financial statements, transactions in currencies other than the entity's functional currency (RON) are recognised at the current exchange rate at the date of the transactions. At the end of each reporting period, monetary items denominated in a foreign currency are translated at the current rates (BNR) at that date.

Monetary assets and liabilities denominated in foreign currencies at 31 December 2025 are valued in RON using the exchange rate (BNR) prevailing at the year-end date, i.e. 1 EUR = 5,0985 RON; 1 USD = 4,3417 RON.

Exchange rate differences related to monetary elements are recognized in the profit and loss account at the time of occurrence.

The non-monetary elements accounted for at fair value in a foreign currency are converted at the current rates from the date on which the fair value was established. Non-monetary items valued at historical cost in a foreign currency are not converted.

Government subsidies

Government subsidies are recognized when there is reasonable certainty that the subsidy will be received and all related conditions will be met.

Capital subsidies, including non-monetary subsidies valued at fair value, are recognized as investment subsidies and are recognized in the balance sheet as income in advance, it is

taken back to income as expenses are recorded with the amortization of the asset or at the time of the sale of the asset

The company did not benefit from government subsidies.

Tax

Current profit tax

The profit tax for the current period is presented at the amount to be paid to the tax authorities and is reported in the tax returns according to the legislation in force, the percentage applied to the taxable profit being 16%.

Deferred profit tax - IAS 12

The elements regarding deferred tax are recognized in correlation with the transaction supporting other elements of the global result or in the case of FR, directly in equity (IAS 12 – Recognition of liabilities and receivables regarding deferred tax).

Deferred tax receivables and liabilities are offset if there is a legal right to offset current tax receivables with current tax liabilities and deferred taxes refer to the same taxable entity and the same fiscal authority.

Deferred tax liabilities are represented by the amounts of profit tax payable in future periods regarding taxable temporary differences (point 5 of IAS12). These deferred tax liabilities are established when:

- the accounting value of an asset exceeds its tax value;
- the accounting value of an obligation is lower than its tax value.

When calculating the deferred tax, the company takes into account the provisions of IAS 12.

Deferred tax assets and liabilities **are recognized when the accounting value of an asset or liability in the statement of financial position differs from the tax base.**

Value added tax

The company applies two rates for calculating the value added tax, respectively 11% and 21% corresponding to the nature of the taxable base (eg for medicines the applicable rate is 9%).

Starting with **August 1, 2025**, the standard VAT rate was increased from **19% to 21%, and from 9% to 11%, respectively.**

The applicable VAT rate on rental income is 21%, the Company duly notifying the tax authority in this regard.

The net value of recoverable or payable VAT is included as part of receivables and payables in the statement of financial position.

Tangible assets

For initial recognition, tangible assets are valued at cost, net of accumulated depreciation and/or accumulated impairment losses, if applicable.

For the subsequent valuation, land and buildings are valued at fair value, from which the accumulated depreciation of the buildings, as well as the recognized value losses at the valuation date, are deducted. Valuations are performed with sufficient regularity to ensure that the fair value of the revalued assets does not differ materially from the net book value.

A surplus from the revaluation is recorded in other elements of the global result and thus credited to the reserve from the revaluation of the buildings, within the equity. However, to the extent that it recovers a deficit from the revaluation of the same asset previously recognized in the profit and loss account, the increase is recognized in the profit and loss account. A revaluation deficit is recognized in the profit and loss account, if an existing surplus recorded previously for the same asset, recognized in the asset revaluation reserve (according to IAS 16), is not compensated. In addition, the accumulated depreciation on the valuation date is eliminated from the accounting value of the asset and the net amount is restated at the revalued value of the asset. Upon disposal, any revaluation reserve that refers to the respective asset to be sold is transferred to retained earnings.

For other tangible assets, the cost-based model is used.

In the case of tangible assets to which the cost-based model was applied, the linear depreciation method was used to calculate depreciation.

Assets under leasing (vans and cars) were restated according to IFRS 16.

The tangible assets held are subject to impairment tests to detect the case where their accounting value cannot be fully recovered. When the accounting value of an asset is greater than the recoverable amount, the asset is adjusted accordingly (IAS 36 – Depreciation of assets) by setting up a provision.

For new immobilized assets, such as installations, machines and measuring and control devices, the useful lives were established taking into account the estimated level of use based on the use of the asset's capacity.

The lifetimes used are the following:

Buildings and constructions	32 - 48 years
Equipment and installations	6 - 12 years
Means of transport	4 - 6 years
Computing technique	2 - 4 years
Furniture and office equipment	9 - 15 years

Current investments are amortized starting with the month following the moment of commissioning.

The expenses for the maintenance and repairs of tangible assets are recognized in the profit and loss account at the time they are made, and the improvements that lead to the optimization of their exploitation and fall within the legal norms are capitalized.

Leasing contracts

(a) The company is the lessee

The company evaluates whether a contract is a leasing one, at the start date of the contract. The company recognizes an asset from rights of use and a corresponding leasing liability, referring to all leasing contracts in which it is a tenant, except for short-term or low-value contracts (this is not the case).

The lease liability is initially valued at the present value of the lease installments that are unpaid at the inception date, using the default discount rate in the contract. If this rate cannot be determined easily, the company uses the marginal lending rate.

The marginal lending rate depends on the term, currency and start date of the contract and is determined based on information such as the government bond rate, specific adjustments for country risk and credit risk.

The lease debt is subsequently measured by adding the interest amount and is reduced by the payments made.

The company reassesses the lease liability (and makes a corresponding adjustment for the right-of-use asset) when:

- The duration of the lease changes
- Lease payments change due to changes in an index or estimated payments, in which case the lease liability is revalued by updating these changed payments with the same discount rate.
- A leasing contract is modified and I do not consider it a separate lease, in which case the lease debt is reassessed based on the new term, and the modified payments are updated using the rate from the date of the modification

In 2023, IFRS 16 was applied for the first time for lease contracts.

Right-of-use assets comprise the initial value of the corresponding leasing liability, minus any initial direct costs. They are subsequently valued at cost less accumulated depreciation and impairment losses.

The company applies IAS 36 to determine whether a right-of-use asset is impaired and reflects any impairment loss as described in the property, plant and equipment policy.

The costs of indebtedness

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of that asset. All other costs of indebtedness are expensed in the period in which they occur.

Borrowing costs represent interest and other costs borne by Entities for borrowing funds.

The entities did not go into debt for the acquisition, construction or production of an asset.

Real estate investments (IAS 40)

Real estate properties used to obtain rental income or for which it is expected that in the future they will be rented, or their value will appreciate, have been classified as "real estate investments". In the case of properties partially used by the companies for carrying out the activity and partially rented, the value of the real estate investment was determined proportionally to the area allocated for renting to third parties as presented in NOTE 10. Real estate investments are presented in the financial statements at fair value, reflecting the conditions of the market at the end of the reporting period and do not include transaction costs that may be incurred in case of sale (IAS 40).

Thus, the buildings classified as real estate investments are evaluated annually by an independent authorized appraiser, member of ANEVAR, having recent and relevant experience regarding the location and category of the real estate investment subject to evaluation.

During the year 2025, there were no events and circumstances that would lead to the recognition of a significant impairment loss of real estate investments.

Intangible assets

Intangible assets are initially valued at cost (IAS 38 – Intangible assets and IAS 36 – Depreciation of assets). The useful lives of intangible assets are evaluated as being determined or indefinite.

Intangible assets with a determined useful life are amortized over their economic life and are depreciated whenever there are indications of impairment of the intangible asset.

The amortization expense of this type of intangible assets is recognized in the profit and loss account.

Intangible assets such as purchased software programs are amortized linearly over a period of 1-3 years.

Operating authorizations for pharmacy activity (pharmacy licenses) are included in the category of indefinite-lived intangible assets. According to the legislation in force, the number of these authorizations is limited according to several criteria, the most important of which is the demographic criterion. Operating authorizations are valued at purchase cost, have an infinite useful life, are transferable (have a price) and do not depreciate. In some cases, the costs generated by the purchase of pharmacy licenses were capitalized.

During the year 2025, there were no events and circumstances that would lead to the recognition of a significant impairment loss of intangible assets.

Financial instruments

Financial assets

Financial assets are classified, upon initial recognition, for the purpose of subsequent evaluation at amortized cost, fair value through Other comprehensive income and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the financial assets and the business model of the Companies regarding their management.

The business model of the Companies regarding the management of financial assets is established by groups of assets and not for each individual asset or at the level of the entire entity and refers to the way in which they manage their financial assets to generate cash flows. The business model determines whether cash flows will result from the collection of contractual cash flows, from the sale of financial assets, or from both activities.

According to the economic model, companies measure financial assets at amortized cost if the following conditions are simultaneously met:

- The financial asset is held within a business model with the objective of holding financial assets to collect contractual cash flows and;
- The contractual terms of the financial asset give rise to cash flows on the specified dates that represent exclusively payments of the principal and the interest related to the principal payment amount

Financial assets are represented by loans, trade receivables and other receivables, cash and cash equivalents.

The entities do not own a portfolio of tradable financial assets.

The reporting company holds majority shares in one company and minority shares in two other companies. These financial assets are not listed on a regulated market and are presented at purchase value without being revalued.

Cash and cash equivalents are liquid in the short term and can be found in cashiers, current bank accounts and deposits with a maturity of less than one year.

For more information on receivables, see Note 14 - Trade receivables and other receivables.

Financial debts

Financial liabilities are classified into two categories:

- valued at amortized cost and
- valued at fair value through profit or loss for the period

All financial liabilities are valued at amortized cost (such as trade debts, loans from the issue of bonds, bank loans with a standard interest rate, etc.), with the exception of financial liabilities valued at fair value through the profit or loss of the period, the category of which includes:

- those held for the purpose of being traded issued for the purpose of being redeemed in a short period of time

- those in the form of derivative financial instruments that were not included in the category of hedging operations (interest rate swaps, commodity and foreign exchange forward contracts, commodity and foreign exchange options, etc.
- those for which the entity chose the fair value valuation option because:
 - - an accounting inconsistency of assessment or recognition (accounting mismatch) is eliminated or significantly reduced and thus the relevance of the published information is improved
 - - a group of liabilities or liabilities and assets is managed and valued at fair value in accordance with a documented risk management or investment strategy (and information about the group is provided to key management personnel (KMP Key Management Personnel))

At the time of initial recognition, a financial instrument is valued at fair value to which trading costs are added, except for financial instruments valued at fair value through profit or loss for which trading costs are recognized in the profit or loss of the period and are accounted for as expenses. The amortized cost of a financial liability is determined as follows:

1. the initially accounted amount
2. debt repayments
- 3.+/- cumulative amortization of the difference between the initial amount and the maturity amount calculated based on the effective interest method

The reporting company and the consolidated company have jointly opened a multi-currency credit line worth 100 million lei, mainly used by FRDL for the issuance of participation/good performance guarantee letters issued in favor of clients and for working capital.

There is also a credit line available to the Companies, SME type with guarantees from the state fund, which is currently being used.

The main policies regarding financial instruments and risk management are presented in NOTE 29.

Inventories

The stock of goods (pharmaceutical and parapharmaceutical products) represents over 99% of the total stocks of the entities. In the accounting situations, the stocks of goods are highlighted at the cost of entry, which includes, in addition to the purchase price, import taxes, transport and, when appropriate, discounts received or future discounts. Inventories are valued at the end of the period at the lower of cost and net realizable value (IAS 2 – Inventories). Starting with the year 2011, certain future discounts are included in the cost of stored goods.

The net realizable value is the estimated selling price under the normal operation of the business, less the estimated costs of completion and selling costs.

In the case of retail sales, in the own pharmacies, the stocks of medicines and parapharmaceutical products are shown at the retail price (purchase price + commercial surcharge + VAT).

Stocks being mostly represented by drugs managed strictly on the basis of manufacturing batches (according to the legislation in force), when leaving management, the FEFO method (first expired, first out) is used, and in the case of the existence of two batches with the same term expiration, the FIFO (first in, first out) method is used.

Determining the actual quantities in stock is done using the permanent inventory method. The company periodically inventories stocks to determine if they are damaged, have slow movement or if the net realizable value has decreased, making the necessary adjustments if necessary.

Entities hold stocks of pledged goods in the account of debts.

Information on stocks is presented in NOTE 13 (IAS 2.36 – Stocks – presentation of information).

Provisions

provision is recognized if, following a previous event, an entity has a present obligation, legal or implied, which can be reliably estimated and which will generate an outflow of economic benefits for its settlement (IAS 37 – Provisions, contingent liabilities and contingent assets).

The expense related to any provision is presented in the profit and loss account.

Provisions are reviewed at each balance sheet date and adjusted to reflect management's current best estimate in this regard. If an outflow of resources is no longer likely to settle an obligation, the provision is canceled by resuming income.

Provisions for litigation are recognized when management estimates that cash outflows will be required as a result of unfavorable litigation. The entities had no significant risk of cash outflow as a result of litigation.

The entities established provisions for the depreciation of current assets (goods, debtors and uncertain customers) as well as for risks and expenses.

Provisions for uncertain customers are recognized based on the analysis of balances older than 6 months. Provisions are set up for clients who are insolvent or with a low probability of collection. When the loss becomes certain (decision of the judge of deletion from the Trade Register), the unpaid balances are recognized as costs and, at the same time, the previously established provision is reversed

A situation of established provisions can be found in note 23.

Employee benefits (IAS 19)

a) The pension plan

All the employees of the consolidated companies are included in the Pension Plan of the Romanian state, some of the employees also contributing to the private pension plans (pillar II or III). In this context, the companies make payments to the Romanian state on behalf of its employees.

No other pension plan or post-retirement benefits plan applies, apart from the one mentioned in the previous paragraph.

Contributions to the Romanian State Pension Plan are borne on monthly costs, in the month for which these contributions are due.

Employees who retire due to the age limit will receive an allowance equal to 2 gross salaries, based on the last gross salary of the employee in the month of retirement. The allowance is granted only to employees who, after retirement, cease their activity within the company.

b) Other employee benefits

All employees on the basis of an 8-hour work contract benefit from meal vouchers according to the legislation in force, vacation premium, as well as fixed premiums on the occasion of legal holidays.

Individually fired employees benefit from an allowance equal to the last gross salary, if they have been employed for 2-4 years, 2 gross salaries if they have been employed for 4-6 years and 3 gross salaries if the employee has been employed for more than 6 years. In the case of collective layoffs, the compensation granted is similar to that for individual layoffs.

In September 2025, Farmaceutica REMEDIA completed a share buyback transaction carried out for the purpose of implementing a stock option plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954, 808 shares, representing 1% of the share capital.

A stock option plan for the allocation of free shares was launched in December 2025, providing a valuable opportunity for certain employees and members of the Company's management, as well as certain affiliated legal entities, to be rewarded for their contribution to the Company's success.

c) Annual bonuses of managers and members of the Board of Directors

Directors and members of the Board of Administrators of the reporting and consolidated companies benefit from annual bonuses based on mandate contracts (depending on the achievement of certain performance indicators) or decisions of the Board of Administrators.

Dividends

The distribution of dividends to shareholders is recorded in the financial statements in the year in which they were approved by the General Meeting of Shareholders, so they are not recognized as liabilities at the end of the reporting period.

The calculation and highlighting of dividends are carried out taking into account the provisions of IAS 10 - Events subsequent to the reporting period.

No cumulative preferential dividends are distributed.

The dividend situation is presented in NOTE 18.

Related parties

The parties are considered affiliated when one of them has the ability to control or significantly influence the other party, through ownership, contractual rights, family relationships or by other means. Related parties also include the main shareholders of the company, members of management, members of the Board of Directors and members of their families, parties with which they jointly control other companies, post-employment benefit plans for the company's employees.

Details regarding transactions with related parties are presented separately in NOTE 27.

Equity

Equity represents the rights of the shareholders over the assets after deducting all liabilities. These include: capital contributions, capital premiums, reserves, retained earnings and financial results.

Capital contributions

Farmaceutica REMEDIA S.A. was established in 1991 as a wholly state-owned commercial company. In 2006, the Company merged with V.TARUS RoAgencies SRL. In 2007 the Company increased its capital by subscribing shares. In 2009 the company was listed in category 2 of the BVB, which later became the STANDARD category.

Evolution of share capital:

	Date	Number of shares	Value	Date
1	10.11.1999	3.370.107	337.010,70	Initial state capital, including land contributed in kind
2	06.09.2001	1.500.000	150.000,00	Cash contribution to V.TARUS RoAgencies
3	23.07.2003	42.402	4.240,20	Merger - capital of Ditafarm Trading - absorbed company
4	05.01.2006	5.696.471	569.647,10	Merger - capital of V.TARUS RoAgencies - absorbed company
5	21.12.2007	87.905.969	8.790.596,90	Capital increase - shareholders with pre-emptive rights
6	04.05.2009	7.574.851	757.485,10	Capital increase - AHG Simcor Industry S.R.L.
7	09.06.2021	- 10.608.980	- 1.060.898,00	Reduction of share capital - repurchase of shares followed by their cancellation
	TOTAL	95.480.820	9.548.082,00	

As the valuation made at the date of the merger of the two companies eliminated any revaluation surplus that arose in previous periods and any further increase in share capital was made after 31 December 2003, share capital was not adjusted for inflation in accordance with IAS 29 - Financial Reporting in Hyperinflationary Economies.

Farmaceutica REMEDIA Distribution & Logistics SRL was established in 1993 under the name Sibmedica SRL, a company established in 1993, with activity suspended on 16.12.2013

and reactivated under the new name on 19.01.2015, with a share capital of 120 Lei. In 2008 Farmaceutica REMEDIA S.A. acquired all the shares.

Considering the application of IAS 29 - "Financial reporting in hyperinflationary economies" and the presentation of the results of the restatement of the operations carried out in the period of hyperinflationary economy in the financial statements drawn up according to IFRS, an analysis of the inflationary impact on the share capital was carried out resulting in an adjustment percentage of 2.94%.

Reported result

The accounting profit remaining after the distribution of the 5% share to the legal reserve, up to 20% of the share capital, is taken to retained earnings at the beginning of the financial year following that for which the annual financial statements are drawn up, from where it is distributed to the other legal purposes.

The profit distribution is made in the following financial year, as approved by the AGM.

Reserve

The company shows in the financial statements in the category reserves amounts representing the legal reserve, the reserve from the revaluation of buildings and land owned and the reserve from the net profit of previous years as a fund at the disposal of the company.

Earnings per share

The company presents earnings per share by dividing the profit or loss attributable to shareholders by the number of shares. The statement of earnings per share is presented in the Statement of Comprehensive Income.

Segment reporting (IFRS 8)

The segmentation of the company's activities is done mainly by business lines and detailed by distribution channels as presented in NOTE 28. The calculation takes into account the risks and rewards directly and indirectly attributable to each segment.

Given the specific nature of the goods distributed and services offered by the company, a correlation between geographical regions and customers is not relevant.

Accounting errors

The correction of material errors relating to previous financial years does not result in a change in the financial statements for those years. In the case of errors relating to previous financial years, correcting them does not involve adjusting the comparative information presented in the financial statements. Any impact on the comparative information relating to the financial position and financial performance, i.e. change in financial position, is disclosed in the notes to the financial statements and adjusted in retained earnings during the year.

NOTE 4 SALES AND OTHER OPERATING REVENUES

Operating income is realised from sales of goods through various distribution channels, as well as from services rendered and rentals, as shown below:

Description	2025	2024
NET TURNOVER, of which:	759.757.573	743.790.878
revenue from the sale of goods, of which:	755.209.787	737.609.124
pharmacy sales Remedia	699.822	9.494.501
own pharmacy sales -FR D&L	9.570.756	
robots_Bd Rowa	6.802.827	923.450
hospital distribution	234.904.017	270.795.318
distribution	502.817.704	458.875.621
other distribution channels	414.660	
commercial discounts granted	-2.757.522	-2.479.766
revenue from services provided and rents, of which:	7.305.308	6.181.754
logistic services and rents	2.346.506	4.226.743
BD ROWA service and other services	678.021	822.168
Rents	2.174.462	
Other services	2.106.319	1.132.843

Other operating income

Description	2025	2024
Penalties	64.209	7.554
Sales of tangible fixed assets	901.603	446.968
Other income	1.843.725	2.770.752
Income from the revaluation of tangible assets	982.187	1.320.831
TOTAL	3.791.724	3.225.274

NOTE 5 MATERIAL EXPENDITURE

Description	2025	2024
Cost of goods *	696.632.919	683.223.690
Utilities	929.488	774.712
Fuels	1.109.186	1.140.932
Spare parts	58.509	86.139
Consumable materials	369.137	422.156
Inventory objects	129.860	135.963
TOTAL	699.229.099	685.783.592

* net value obtained by adjusting for discounts received

NOTE 6 STAFF EXPENDITURE

Staff costs have the following component:

Description	2025	2024
Gross salaries and allowances	21.626.025	20.574.326
Insurance and social protection expenditure	924.307	933.034
Insurance contribution for work	487.282	463.428
Other expenditure on insurance and social protection	437.025	469.606
Other staff expenditure	2.195.688	3.856.494
- Meal voucher/coupon	1.766.980	1.425.900
- PFA /PFI	360.000	538.260
- Remuneration expenses on equity instruments	68.708	1.648.698
Disabled fund	0	257.763
TOTAL	24.746.020	25.363.854

The costs (including taxes) for the remuneration in 2025 of the Board of Administrators of the FR, the Director General, totalled 515.000 lei.

NOTE 7 OTHER OPERATING EXPENSES

Description	2025	2024
Repairs	413.555	400.818
Rentals	1.152.719	3.745.927
Insurance	1.083.690	853.459
Postal and telecommunications	236.912	259.760
Travel and transport	367.569	235.575
Advertising	53.605	178.562
Protocol	244.022	191.440
Other taxes and charges	2.319.385	384.707
Donations and sponsorships	522.967	1.840.782
Bank commissions	736.683	601.278
Other services provided by third parties	14.259.609	10.364.774
Other operating expenditure	649.743	430.848
TOTAL	22.040.459	19.487.931

NOTE 8 FINANCIAL RESULTS

Description	2025	2024
Interest income	1.252.018	1.190.017
Interest expenses	-48.117	-104.295
Exchange rate differences Income	217.575	37.121

Exchange rate differences expenses	-553.958	-192.439
Dividend income	74.370	63.746
Discounts on advance receipts	280.981	112.038
Share of loss from equity accounted investments	253.276	-109.831
Financial result	1.476.144	996.356

NOTE 9 INCOME TAX EXPENSE

The influence of non-deductible costs, i.e. non-taxable income (including reversals of provisions) and tax benefits was taken into account in the calculation of corporate income tax.

Description	2025	2024
Total income	23.572.463	24.388.497
Total expenditure (excluding income tax)	16.034.392	18.512.346
Gross accounting result	7.538.070	5.876.151
Deductions	718.600	1.686.312
Non-taxable Income	5.258.800	7.384.576
Non-deductible Expenses	3.016.908	2.165.540
Fiscal result (only FR has taxable profit, FRDL has IMCA - minimum turn over tax)	4.577.579	-1.029.197
Profit tax	732.412	0
Tax breaks	15.197	
Income similar items	854.298	
Tax Related to Similar Income Items	136.687	
Total Current Corporate Income Tax	853.903	0
Deferred Corporate Income Tax	378.907	
Total current income tax/IMCA expenses IMCA Farmaceutica REMEDIA D&L	1.232.810	0

NOTE 9 INCOME TAX EXPENSE (CONTINUED)

Description	2025	2024
Total income	752.136.154	738.480.063
Total expenditure (excluding income tax)	739.417.311	724.645.332
Gross accounting result	12.718.843	13.834.731
Deductions		
Non-taxable income		
Non-deductible expenses		

Fiscal result (only FR has taxable profit, FRDL has IMCA - minimum turn over tax)	12.718.843	13.834.731
Corporation tax/IMCA	7.162.796	7.132.084
Tax reductions	0	0
Total current income tax/IMCA expenses IMCA Farmaceutica REMEDIA D&L	7.162.796	7.132.084

**NOTE 10
TANGIBLE ASSETS AND REAL ESTATE INVESTMENTS**

	Lands	Buildings and other constructions	Real estate investments	Technical installations and cars	Equipment and vehicles	Furniture	assets related to the right of use of leased assets	Operational leasing assets	Advances for fixed assets	Total
<u>as at 31 December 2024</u>	6.030.370	18.973.246	17.795.204	1.876.479	3.331.186	1.688.626	35.970	148.623	911.577	50.791.282
inflows	832.600	2.226.165	-16.536	2.411.592	0	1.350.506	1.035.282	15.221	521.747	8.376.577
transfers	0	0	0	0	0	1.333.798	0	0	0	1.333.798
outflows	0	1.460.961	0	113.643	238.009	0	0	0	206.857	2.019.470
<u>as at 31 December 2025</u>	6.862.970	19.738.450	17.778.668	4.174.428	3.093.177	1.705.334	1.071.252	163.844	1.226.467	55.814.590

NOTE 10 TANGIBLE ASSETS AND REAL ESTATE INVESTMENTS (continuation)

Accumulated amortization	Buildings and other constructions	Technical installations and cars	Assets from use – rents	Equipment and vehicles	Furniture	Real estate investments	Total
<u>as at 31 December 2024</u>	717	3.613.254	3.897	526.105	1.416.443	0	5.560.416
amortization of the year	214	435.271	357.182	0	48.828	0	841.494
cumulative amortization affherent to outflows	0	0	0	0	0	0	0
	0	256.949	0	0	0	0	256.949
<u>as at 31 December 2025</u>	931	3.791.575	361.079	526.105	1.465.271	0	6.144.961

10.2 REAL ESTATE INVESTMENTS (RON)

Location	Adress	Surface area. Rented sqm	Surface area Total sqm	VAT-free rent	revalued value on 31.12.2025 -lei-	% of rented area	Value of real estate investments
		mp		-EUR-			
ABRUD	Str.Piata Eroilor nr 6 ap i	163.71	163.71	837.23	238,447	100%	238,447
ARAD	Str.Voinicilor nr 38 bl 245 ap 25	73	73	1576.8	633,846	100%	633,846
ALBA IULIA	Str. Zorilor nr 1 bl 280 sc C nr 4	164.2	297	1794.06	794,408	100%	794,408
	Str.Nicolae Titulescu bl 280	130.77		1365	794,503	100%	794,503
BLAJ	Str.Piata 1848 nr 21	201.67	201.67	1196.04	425,681	100%	425,681
DEVA	str. Pta Victoriei nr 3	48	336	1147.1	2,891,670	100%	2,891,670
		152		3072.6			
		70					
		66		1652.38			
	SF.STEFAN str. 22 Dec	60	167.4	569	1,241,418	100.00%	1,241,418.00
		88		1674.45			
		19		239.21			
	SF. MARIA, str. Mihai Eminescu nr 13A	109	150	2152.87	1,219,323	100.00%	1,219,323.00
		41		500			
		64		64			
	REMEDIA DEPOZIT, str Dorobantilor nr. 43	1300	3576,2	8582.77	0	0.00%	0.00
		2261					
15		50					
PARTE LOCAL DEVA	42	330	93	776,647	100.00%	776,647.00	
spatiu gol	288						
Str Horea nr 5	154	154	625.9	598,038	100%	598,038.00	
KOGALNICEANU	141	141	300	332,360	100%	332,360.00	
APARTAMENT DRAGAN	33.9	33.9		79,852	100%	79,852.00	
DOBRA	Str 1 DECEMBRIE BL 4	106	166	538.27	227,391	100.00%	227,391.00
	Str.. 1 DECEMBRIE BL 4	60		170.7			
HATEG	SF. TREIME, Ovidiu Densuseanu	51	355	540.55	1,284,424	100.00%	1,284,424.00
		56		625.9			
		125.68		1435.25			
		55		586.07			
		60		LIBER			

Location	Adress	Surface area. Rented sqm	Surface area Total sqm	VAT-free rent	revalued value on 31.12.2025 -lei-	% of rented area	Value of real estate investments
		mp		-EUR-			
HATEG	PIATA UNIRII	35	93	280	125,528	100.00%	125,528.00
HUNEDOARA	STR VIORELE NR 6	115	239	1716,44	1.021.991	100%	1.021.991
		124		600			
	Bdul 1848 nr 7	0	185	SPATIU GOL	389.521		389.521
	Str.Republicii nr 10 bl D8	95.25	95.25	1320,45	597.014	100%	597.014
PETROSANI	STR TIMISOAREI	142	183		470.245	100%	470.245
ILIA	MIHAI VITEAZU	185	185	SPATIU GOL	203.867	100%	203.867
JIDVEI	PERILOR NR 2	40		SPATIU GOL	39.156	100%	39.156
CLUJ	STR FAGULUI NR 1	205	205	1884,53	973.495	100%	973.495
SIMERIA	SF. ANDREI	30	305	264,85	892.654	100%	892.654
		94.37		735,70			
		36		227,02			
		24		190,40			
		5		110			
		16		130			
		33		227,02			
		66	LIBER				
	COSMIFARM	51			131.052	100%	131.052
BUCURESTI	GARSONIERA DR TABEREI				192.613	100%	192.613
PERIS	GARSONIERA DR TABEREI				192.613	100%	192.613
	APARTAMENT DR TABEREI				281.348	100%	281.348
	GARSONIERA DR TABEREI				204.795	100%	204.795
	SPATIU COMERCIAL	122		300	289.727	100%	289.727
TOTAL		7.617	4.123	39.811	17.778.668		17.778.668

Fair value

On 1 January 2025

17.795.204

Entries

Outputs

On 31 December 2025

16.535

17.778.729

NOTE 11 INTANGIBLE ASSETS

SOFTWARE LICENSES			
	Cost	Amortization	Net value
on 31 December 2024	1.691.367	1.011.301	680.067
entries	388.529	257.622	81.270
transfers	217.307	0	217.307
exits	0	0	0
on 31 December 2025	2.297.203	1.268.922	1.028.280

PHARMACY LICENSES	PHARMACY LICENSES		
	Cost	Amortization	Net value
on 31 December 2024	424.520	0	424.520
entries	0	0	0
transfers	0	0	0
exits	0	0	0
on 31 December 2025	424.520	0	424.520

NOTE 12 FINANCIAL ASSETS AT FAIR VALUE

Name	Value at 31.12.2025
Company's shareholdings of the group	164.955
FRDL(SIBMEDICA)	2.800
Pharma Expertspedition	599.400
Company's shareholdings outside the group of which	130.286
Equity PHARMA EXPERT SPEDITION	600
EUROM BANK	2.413
BODY FARM	2.903
Novoengrama	124.370
Deposits and guarantees paid	199.667
Total	494.908

NOTE 13 STOCKS

Description	31-Dec-25	31-Dec-24
Materials	0	0
Inventory items	0	49.360
Goods in robots	490.406	307.281
Goods in pharmacies*	3.706.924	4.097.500
Goods in storage/BD Rowa	60.826.423	55.040.738

Other goods	0	0
Commercial markup	-812.211	-874.552
Adjustments for the depreciation of inventory	-171.320	-1.028.923
Non-deductible VAT	-532.266	-384.007
Advances granted for purchases	2.063	0
Adjustments for the impairment of other inventories	-136.451	0
TOTAL	63.373.567	57.207.397

* at retail price

NOTE 14 TRADE AND OTHER RECEIVABLES

Descriere	31-dec-2025	31-dec-2024
COMMERCIAL RECEIVABLE:	205.038.727	216.946.218
commercial receivable	209.349.537	220.516.325
adjustments for commercial receivables	-4.310.537	-3.570.107
OTHER RECEIVABLE:	4.947.298	5.644.031
Sick leave to recover	88.924	304.072
litigation costs to be recovered relating to pending litigation	41.867	41.567
Profit tax	0	242.606
Other receivable	4.816.507	5.055.786

NOTE 15 CASH AND CASH EQUIVALENTS

	31 Dec 2025	31 Dec 2024
Bank accounts in RON	56.642.712	42.422.867
Foreign currency bank accounts	1.096.115	2.078.483
Cash in RON	195.594	151.196
Cash in currency	2.983	2.514
Other values	1.472	641
Total cash and cash equivalents	57.938.876	47.655.701

NOTE 16 SHARE CAPITAL

31.12.2025

Shareholders	Number of shares	Percentage of share capital (%)
Valentin-Norbert TARUS	76.914.408	80,55
Farmaceutica REMEDIA SA	1.777.433	1,86
Natural persons	16.020.939	16,78
Legal entities	768.040	0,81

Total	95.480.820	100,00
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A restatement of share capital was made in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies", resulting in a total adjustment of RON 312,229.

NOTE 17 RESERVES

	31-Dec-25	31-Dec-24
Legal reserves	2.122.356	2.122.356
Other reserves	15.603.924	13.514.103
Revaluation reserves	30.526.555	25.404.128
TOTAL	48.252.835	41.040.587

Legal reserve: according to Law 31/1990, at the end of each financial year, at least 5% shall be deducted from the accounting profit, before the determination of income tax, from which non-taxable income shall be deducted and expenses related to such non-taxable income shall be added, until it reaches one fifth of the subscribed and paid-up share capital or of the assets, as the case may be, according to the organization and operation laws.

Fixed asset revaluation reserves: when the carrying amount of a tangible asset increases as a result of revaluation, then the increase must be recognised in other comprehensive income and accumulated in equity as a revaluation surplus. Revaluation reserves cannot be distributed and cannot be used to increase share capital. Other reserves include reserves representing tax facilities, as well as reserves set up from profits in previous years.

NOTE 18 DIVIDENDS

Evolution of dividends distributed and paid in the last 6 years:

	2020	2021	2022	2023	2024	2025	2026
Initial sale	209.353	117.155	327.582	379.265	436.551	500.463	557.676
Gross dividends distributed	2.121.796	14.277.108	4.759.036	4.615.814	4.733.076	3.786.328	4.694.314
Dividend tax paid	104.900	711.866	237.353	368.491	379.164	379.122	
Dividends paid	2.109.093	13.354.815	4.470.000	4.190.037	4.290.000	3.350.000	
Dividends payable	117.155	327.582	379.265	436.551	500.463	557.676	

NOTE 19 RESULT CARRIED FORWARD

	2025	2024
Balance at the beginning of the year	17.021.006	14.341.047
Adjustment 2024	-1.086.855	-1.424.119

Profit distribution	6.702.647	4.250.905
FRDL->FR dividend restatement	-3.500.000	-6.000.000
Accounting corrections	0	00
IFRS restatement	-2.117.697	5.853.173
Sold at the end of the year	18.105.956	17.021.006

NOTE 20 PROFIT DISTRIBUTION

As of 31.12.2025, the Remedia SA Pharmaceutical Company recorded a net profit of **7.067.745** Lei, which is proposed for distribution as follows:

- dividends: **4.694.314** Lei
- other reserves: 2.373.431 Lei

As of 31.12.2025 the net profit of Farmaceutica REMEDIA Distribution & Logistics SRL, amounting to 5.556.047 Lei is proposed to be distributed as follows:

- dividends payable to Farmaceutica REMEDIA S.A. - 3.500.000 Lei
- undistributed profit - 2.056.047 Lei

The following table shows the retained earnings from prior years for Farmaceutica REMEDIA Distribution & Logistics S.R.L. and Farmaceutica REMEDIA S.A.:

Lei	Other reserves	Carried-forward balance
Farmaceutica REMEDIA SA	15.019.933	
Farmaceutica REMEDIA Distribution & Logistics S.R.L		15.539.983

NOTE 21 OWN SHARES

In 2015, as a result of the change in the main object of activity required by Law 95/2006, republished in August 2015, (Art. 800 paragraph 2), the Company had to buy back from the market a number of 300,100 shares at a price set by an authorized appraiser.

On 02.03.2023, Farmaceutica REMEDIA SA completed a share buyback operation carried out for the purpose of a Stock Option Plan. The number of repurchased shares as of 02.03.2023, according to ASF Decision 122/08.02.2023 is 2,864,425 shares, representing 3% of the share capital. Total number of shares subscribed in the operation: 2,864,425 shares, representing 100% of the Offer. The total amount paid by Farmaceutica REMEDIA was 2,148,319 Lei. Repurchase price: 0.75 Lei per share.

In April 2024, Farmaceutica REMEDIA SA finalized the Stock Option Plan, started in 2023, which resulted in the allocation and free transfer of 2,341,900 shares to 184 REMEDIA employees. A total of 522,525 shares remained undistributed as a result of failure to comply with the conditions of the Stock Option Plan at the end of the 12-month waiting period.

In September 2025, Farmaceutica REMEDIA completed a share buyback transaction carried out for the purpose of implementing a stock option plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954, 808 shares, representing 1% of the share capital. The total amount paid by Farmaceutica REMEDIA was 811,586.80 Lei, at a repurchase price of 0.85 Lei per share.

As a result, on December 31, 2025, Farmaceutica REMEDIA holds a total of 1.777.433 own shares, representing 1.86% of the share capital.

NOTE 22 LEASING

Assets related to right of use:

	Buildings
	RON
Cost:	
On 31 December 2024	35.970
Entries	1.035.282
Exits 2025	0
On 31 December 2025	1.071.252
Cumulative amortisation:	
On 31 December 2024	3.897
Amortisation 2025	357.182
Amortisation associated to exits 2025	0
Accumulated depreciation as of December 31, 2025	361.079
Net value:	
On 31 december 2025	710.173

The Company has recognised the following categories under "Right-of-use assets":

- Lease contracts for premises where pharmacies operate
- Operating leases for the fleet of cars

NOTE 23 PROVISIONS

Name of provision	Opening balance	Transfers		Balance at the end
	financial year	in cont	din cont	financial year
PROVISIONS FOR RISKS AND CHARGES:	217.307	344.971	0	562.278
Other provisions for risks and charges	217.307	344.971	0	562.278

As of December 31, 2025, the Group had set aside provisions for taxes in the amount of 344,971 lei and other provisions in the amount of 217,307 lei.

NOTE 24 COMMITMENTS

The company has opened a multi-currency credit line with BANCA TRANSILVANIA for working capital. The credit line can also be used by FRDL

Objective	Line of credit - working capital financing
Amount	125.000.000 LEI
Maturity	09 April 2027 BT 29 May 2026 BCR
Guarantees	Real estate collateral on real estate of the company
	Sold on 31 Decembrie 2025
CL drawn on 31.12.2025	0 LEI
CL restricted on 31.12.2025 exclusively for BGL	0 LEI in FR
Balance at 31.12.2025	95.169.149 LEI CL BT in FRDL
	17.500.000 LEI CL BCR in FRDL
CL to be utilised on 31.12.2025	4.830.851 LEI CL BT
	7.500.000 LEI CL BCR

As at 31.12.2025, the amount drawn from the credit line relates to letters of guarantee of participation and performance. The amounts relating to the letters of guarantee are non-interest bearing and are only recorded off-balance sheet and are not a payable.

NOTE 25 TRADE AND OTHER PAYABLES

description	31-Dec-25	31-Dec-24
suppliers, of which :	291.624.623	290.910.220
suppliers of goods	291.383.448	290.771.348
Fixed assets suppliers	241.176	138.872
other current liabilities, of which :	6.175.467	4.768.305
salaries and related taxes	1.001.857	1.202.340
dividend	577.676	500.463
VAT to pay	975.170	168.632
other taxes and duties/profit tax/IMCA	2.625.303	1.893.262
other creditors	661.596	656.177
short-term lease obligations	333.866	347.431

Salaries for December 2025 and related taxes were paid in January 2026.

"Other taxes and duties" are represented by the eco-tax, which was also paid in January 2025.

"Other creditors" represent guarantees paid by tenants and management staff.

NOTE 26: LITIGATION AND OTHER CONTINGENCIES

The Group companies have initiated legal proceedings as plaintiffs, primarily to recover commercial debts from customers whose payments are past due.

For the Company's management activities, under the management contract, it was agreed to pay a fixed remuneration, established by the articles of incorporation or the resolution of the

general meeting of shareholders, and an annual bonus, based on the achievement of the indicators in the income and expense budget. The Company, by resolution of the general meeting of shareholders, determines the level of gross profit that will serve as the basis for calculating the annual bonus for directors, pursuant to the management contract. Only after the profit level is established is the annual bonus due to the directors quantified; this remuneration is approved at the general meeting of shareholders that also approves the annual financial statements. The amount of variable remuneration is calculated based on net profit, and the expense/payment associated with this transaction is recognized in the fiscal year in which approval is granted by the general meeting of shareholders.

NOTE 27 DISCLOSURE OF RELATED PARTY TRANSACTIONS

The transactions consisted of sales and purchases of goods, as well as the provision of services, as follows:

partener	object of the contract	year of contract	REMEDIA sales	REMEDIA acquisitions	Customer balance	Supplier balance
Farmaceutica Remedia D&L SRL	Sale of goods, rental of premises	2022	4.931.275	626.825	1.122.250	39.020

As of December 31, 2025, the sole shareholder, Farmaceutica Remedia SA, has granted a revolving loan to Farmaceutica REMEDIA Distribution&Logistics SRL in the amount of 5,000,000 lei, maturing on December 31, 2026, with a variable interest rate (ROBOR 1M + a fixed margin of 1.5% per annum), necessary to increase transaction volumes and develop new partnerships with suppliers of goods.

For transactions with related parties no collateral is provided for receivables or payables. At the date of the report the list of persons affiliated to Farmaceutica REMEDIA S.A. consists of:

- Valentin-Norbert TARUS - Austrian citizen
- "TARUS" - Valentin Norbert TARUS e.U. – Austrian individual enterprise
- Farmaceutica REMEDIA Distribution&Logistics S.R.L.
- TARUS MEDIA S.R.L.
- IMOBILIARA MAGHERU S.R.L
- PHARMA EXPERTSPEDITION SRL
- NOVOENGRAMA SRL

NOTE 28 Reporting on activity segments

		Hospitals & Clinics	Distribution	REMEDIA Pharmacies E-commerce	Services Provided and rents	BD Rowa Robots	TOTAL * 2025
Net turnover		234.904.016	500.474.842	10.270.578	6.627.287	7.480.848	759.757.571
	Income from the sale of goods	234.904.016	503.232.364	10.270.578	0	6.802.827	755.209.785
	Commercial discounts granted	0	2.757.522	0	0		-2.757.522
	Income from services provided and rents			0	6.627.287	678.021	7.305.308
Other operating income		0	788.328	0	3.003.396		3.791.726
OPERATING INCOME - TOTAL		234.904.016	501.263.170	10.270.578	9.630.683	7.480.848	763.549.297
Expenses with goods		226.343.385	456.788.188	8.372.981	0	5.128.363	696.632.918
	Expenses regarding goods	240.238.446	464.069.632	8.372.981		5.128.363	717.809.422
	Commercial discounts received	-13.895.061	-7.281.444	0	0		-21.176.505
Gross margin from sales of goods		8.560.631	44.474.982	1.897.597	9.630.683	1.674.464	66.916.379
							0
Other operating costs		5.635.807	37.784.220	3.855.400	3.194.012	1.711.109	52.180.548
	Direct costs	4.238.766	26.567.307	3.320.749	1.504.738	1.247.755	36.879.314
	Logistics costs	626.467	5.773.249	0			6.399.716
	Indirect costs	770.575	5.443.663	534.651	1.689.274	463.354	8.901.518
OPERATING EXPENSES - TOTAL		231.979.193	494.572.408	12.228.381	3.194.012	6.839.472	748.813.467
							0
Operating result		2.924.823	6.690.762	-1.957.803	6.436.671	641.376	14.735.830
Financial result							1.476.145
Gross result							16.211.973
	Profit tax						-8.173.850
Net profit							8.038.123

NOTE 29 OBJECTIVES AND POLICIES FOR FINANCIAL RISK MANAGEMENT

Financial risk management

Companies are exposed to a number of financial risks such as:

- Capital risk
- Market risk (which includes currency risk, interest rate risk and price risk)
- Credit risk
- Liquidity risk

The management of the Companies supervises the management of these risks and, through the measures taken, seeks to minimise any adverse effects that could affect the financial results of the Companies.

Capital risk

Management's objectives in managing the Companies' capital include:

- Continuity of the company's activities
- Optimal sizing of capital to reduce its cost.

Capital comprises liabilities, which include borrowings, cash and cash equivalents and equity comprising share capital, reserves, current result and retained earnings. The company may review its capital structure on a regular basis through the means at its disposal. (payment of dividends to shareholders, issue of new shares, sale of assets to reduce debt, etc.).

The main indicator on the basis of which the Company monitors capital is the gearing ratio calculated as the ratio of borrowed capital (from banking and leasing institutions) to equity. The situation of the indicator "debt ratio" as at 31.12.2025 is as follows:

	31.12.2025	31.12.2024
Borrowed capital	0	0
Equity capital	79.610.034	75.029.276
Degree of indebtedness	0,0 %	0,0 %

Market risk

Market risk is the risk that the fair value of an instrument's future cash flows will fluctuate due to changes in market prices. There are four types of market price risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, trade receivables and payables.

Currency risk

The Companies' exposure to currency risk is exclusively given by monetary items such as trade receivables, trade payables and loans. The Companies are mainly exposed to currency risk on payments to leasing companies and on purchases made in foreign currencies.

As the proportion of foreign currency debt is relatively small, reasonable exchange rate fluctuations will not have a significant effect on future financial statements.

Part of the Companies' purchases are made in EURO and USD, while the Companies export goods in EURO.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are presented as follows:

NOTE 29 OBJECTIVES AND POLICIES FOR FINANCIAL RISK MANAGEMENT (CONTINUED)

Description	31.12.2025		31.12.2024	
	EURO	USD	EURO	USD
Commercial receivables	1.236.939		2.587.309	
Commercial debts	1.030.339		604.976	

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The companies do not hold any significant interest-bearing assets and income and cash flows are not materially affected by changes in market interest rates.

As at 31 December 2025, the Reporting Company uses only one credit line for which interest is calculated based on the 3-month ROBOR or EURIBOR rate, depending on the currency used.

Given the Company's low level of indebtedness, it is estimated that reasonable interest rate fluctuations will not have a significant impact on future financial statements.

Price risk

Companies mainly market ethical medicines whose maximum price is set by the Romanian authorities. These prices are updated annually in accordance with the legislation in force.

Lately, there has been pressure from the competition, which is countered by granting discounts and diversifying and improving the quality of the services offered.

The policy adopted by the Companies is to obtain additional discounts from suppliers by carefully selecting them in conjunction with stock optimization.

Credit risk

Credit risk is the risk of financial loss to the Companies that arises if a customer fails to meet its contractual obligations. Companies are mainly exposed to credit risk arising from sales to customers.

In the current market conditions in Romania, the distribution of medicines is based on credit.

The companies have adopted the policy of transacting only with reliable partners and obtaining sufficient guarantees as a means of mitigating the risk of financial losses due to non-fulfilment of obligations by third parties. For its clients, the Company has established credit limits and requires payment guarantee instruments such as promissory notes endorsed by the administrator, cheques and assignment of receivables contracts.

In order to counter the risk of non-collection of receivables and cash flow management of Farmaceutica REMEDIA has taken a number of measures such as:

- Periodic review (every 6 months) of the credit limits of all clients (for 2026 the review will be done quarterly), together with the insurance of the balances for the risk of non-collection with a prestigious firm in the field.
- More frequent analysis of clients' debts and financial situations
- Hiring additional staff in the control departments with increased powers in terms of setting and controlling credit limits, stock management, initiating and pursuing legal action against debtors and recovering debts.
- Strict cost control with positive impact on cash flow

FRDL has chosen to insure its trade receivables against the risk of non-recovery. This provides protection against the risk of customer insolvency or late payment, limiting the negative financial impact of such situations.

Liquidity risk

Liquidity risk arises from the Company's management of its working capital and the financing costs and repayments of its borrowing instruments.

The Companies' policy is to ensure that they always have sufficient cash to meet their payment obligations when due. In order to achieve this objective, cash (or line of credit) is maintained to meet payment needs. The companies have sufficient liquid resources to meet their obligations in all reasonable expected circumstances.

Management invests surplus cash in interest-bearing current accounts and overnight or term deposits, selecting instruments with appropriate maturities or sufficient liquidity.

The Companies' debts (trade and other payables, loans, finance leases) are classified by the companies' management into short-term debts (due in less than 12 months) and medium and long-term debts (due within 13-48 months). The Companies have no debts due more than 48 months after the reporting date.

The breakdown of debts by due date 0-12 months, respectively 13-48 months is presented accordingly in the Statement of Financial Position ("current liabilities", respectively "long-term liabilities").

Bank liquidities

A significant amount of the Companies' cash and cash equivalents is held in banks in the form of deposits or cash on demand. The Companies work mainly with Raiffeisen Bank, Banca Transilvania, and the State Treasury. The commercial and credit conditions offered by the banks with which the Companies have bank accounts are periodically reviewed by the management of the financial accounting department.

Operational risk

Operational risk is the risk of direct or indirect losses arising from a wide range of causes associated with the Company's processes, personnel, infrastructure and external factors, such as those arising from legal and regulatory requirements and generally accepted standards of organizational behavior. Operational risks arise from all of the Companies' operations.

The main responsibility for developing control tools related to operational risk lies with the management of the Companies. The directions for the development of operational risk management standards are:

- development of business continuity plans
- alignment with regulatory and legal requirements
- regular analysis of the operational risk to which the companies are exposed and adaptation of procedures and controls to prevent the identified risks
- identification of operational losses while generating proposals to remedy the causes that led to them
- preventing the risk of litigation
- mitigating risks, including through the use of insurance where appropriate
- professional development and training

NOTE 30 SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying notes and to disclose contingent liabilities at the end of the reporting period.

These estimates and assumptions result in uncertainty that may cause a material future adjustment to the carrying amounts.

Assumptions and other sources of estimation uncertainty disclosed in accordance with IAS 1 relate to estimates that require management to make the most difficult, subjective and complex judgements.

The following are critical professional judgements/reasons that the Company's management has made that have a significant impact on the amounts recognised in the financial statements:

- Useful life of non-current assets (NOTE 3)
- The Companies review the estimated useful lives of tangible and intangible fixed assets at least at each financial year end to determine their adequacy. Deferred taxes (NOTE 3)
- Provisions

The Company recognises provisions for expired goods, uncertain customers or for impairment of receivables.

In determining the carrying amount of provisions, assumptions and estimates are made as to the actual costs to be incurred and the likelihood of these costs being incurred. For further details see Note 23.

- Segment reporting. In allocating revenues and expenses to the various segments, the Companies rely on estimates and assumptions that reflect the size of the operations and their relationship to each business segment (NOTE 28).
- Cost of goods sold by FR and sourced from FRDL, which requires the creation of impairment adjustments.
- Restatement of operating leases in accordance with IFRS 16, mainly in relation to the determination of the interest rate used to discount lease payments..

Considering that the main sources of estimation uncertainty (risk of non-recovery of receivables, inventory impairment, other expenses) have been foreseen by management and appropriate provisions have been recorded we consider that there is no significant risk that the carrying amount of assets and liabilities will change fundamentally in the next financial year.

Evaluation of the entity's objectives, policies and procedures for capital management

It is the policy of the reporting company to include in equity the following:

- share capital : 95,480,820 shares * 0.01 ron/share = 9,548,082 ron
- share premium
- legal and other reserves
- current result
- result carried forward
- own shares

The companies were not subject to externally imposed capital provisions in 2025.

NOTE 31 EVENTS AFTER THE REPORTING PERIOD

As of the date of this report, Farmaceutica REMEDIA has not experienced any events that have had a significant impact on the company's operations.

NOTE 32 – ECONOMIC - FINANCIAL INDICATORS

LIQUIDITY AND WORKING CAPITAL	FR		FRDL	
	2025	2024	2025	2024
Current liquidity (Current assets / Current liabilities)	6,7	5,22	1,05	1,06
Current assets	20.533.682	12.956.220	311.926.055	314.770.854
Current liabilities	3.066.858	2.481.990	296.129.035	298.352.826
Degree of indebtedness (Borrowed capital / Equity x 100)	0,00%	0,00%	0%	26,65%
Borrowed capital*	0	0	0	0
Equity capital	59.539.707	56.087.178	21.632.780	19.576.732
Turnover speed of customer debits (average customer balance/turnover*365)	88 days	54 days	97 days	100 days
Average customer balance	3.570.517	2.066.319	199.860.554	202.147.954
Net turnover	14.843.465	14.077.445	749.889.588	737.020.970
Stock turnover rate (average stock/COGS net)*365	140 days	89 days	30 days	25 days
Medium stock	2.276.494	1.859.340	56.676.624	46.745.975
COGS net	7.283.491	7.637.782	691.245.167	682.048.818
Debt turnover speed (average balance suppliers/cogs*365)	18 days	280 days	145 days	140 days
Average balance suppliers	352.468	5.867.241	274.468.152	262.237.382
Cost of goods sold	7.283.491	7.637.782	691.245.167	682.048.818
Turnover speed of fixed assets (turnover/fixed assets)	0,31	0,28	132	245
Net turnover	14.843.465	14.077.445	749.889.588	737.020.970
Fixed assets	46.778.298	50.111.863	5.681.444	3.005.200
Gross profit margin (%)	56%	42%	1,70%	1.88%

Farmaceutica REMEDIA SA – Consolidated financial statements concluded as of
31.12.2025

(gross profit/net sales)				
Gross profit	8.300.557	5.876.151	12.718.843	13.834.731
Net turnover	14.843.465	14.077.445	749.889.588	737.020.970

Notes:

¹⁾ **Current liquidity** – the indicator level reflects a good payment capacity, therefore a reduced risk for creditors, certifying that the companies are capable of covering their short-term liabilities based on receivables and cash availabilities.

²⁾ **Degree of indebtedness** expresses the effectiveness of credit risk management, indicating potential financing, liquidity problems, with influences in honoring the assumed commitments. In the calculation of this indicator, the borrowed capital comprises both bank loans and finance lease liabilities.

³⁾ **Turnover speed for client debit items** expresses company effectiveness in collecting its receivables, respectively the number of days until the date on which debtors pay their liabilities to the company. Considering the dynamics of sales and the specificity of the collection of receivables in the distribution of drugs, we consider that the value of the indicator is normal for the companies of the group, under the given conditions.

⁴⁾ **Turnover speed of liabilities** represents the average period in which suppliers are paid.

⁵⁾ The value of the **No. of days on hand indicator** can be considered that it falls within the specifics of the activity.

⁶⁾ **Turnover speed of fixed assets** expresses the effectiveness of the management of fixed assets, by examining the turnover generated by a certain quantity of fixed assets.

⁷⁾ **Gross profit margin** indicates the profitability of the company. A high margin suggests a good ability to generate profit from sales.

Bucharest, March 23, 2026

Board of Administrators,
Chairman
"TARUS" - Valentin Norbert TARUS e.U.

A.B.A. AUDIT S.R.L.

A.B.A. Audit S.R.L.
ADRESA: Timisoara, Str. Georg Haendel, Nr. 1
CUI: RO 14907434 • Nr. Inreg. ORC: J35/1537/2002
IBAN: RO39WBAN032502371763R001 • BANCA: Intesa Sanpaolo Bank
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INDEPENDENT AUDITORS' REPORT

(Free translation)*

To the Shareholders of
FARMACEUTICA REMEDIA S.A.

Unmodified auditor's opinion

1. We have audited the accompanying consolidated financial statements of Farmaceutica Remedia S.A. (the "Company"), with headquarters in Deva, 2 Nicolae Bălcescu Boulevard (formerly 43 Dorobanților Street), Hunedoara County, registered under unique tax identification code RO2115198, and its subsidiary (together, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows, and the consolidated statement of changes in equity for the financial year then ended, together with a summary of significant accounting policies and other explanatory information.

2. The consolidated financial statements at December 31, 2025, are identified as follows:

- Revenues:	765.627.517 RON
- Net profit:	8.038.123 RON
- Total assets:	383.185.541 RON

3. In our opinion, the consolidated financial statements present fairly, in all material respects the financial position of the Company as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Accounting Law no. 82/1991, republished, including subsequent amendments and additions, Order of the Minister of Public Finance of Romania no. 881/2012 on application by companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards and the Order of the Minister of Public Finance no. 2844/2016 for approval of the Accounting Regulations in accordance with International Financial Reporting Standards, including subsequent amendments and additions.

Basis for unmodified auditor's opinion

4. We conducted our audit in accordance with International Standards on Auditing ("ISA"), the EU Regulation No 537 of the European Parliament and of the Council of the European Parliament (the "Regulation") and the Law no. 162/2017 ("the law"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We consider that the audit evidences we have obtained are sufficient and appropriate in order to form a basis for our audit opinion.

** The English version is a translation of the original in Romanian for information purposes only. In case of a discrepancy, the Romanian original will prevail.*

Emphasis of matters

5. Without modifying our opinion, we draw attention to the uncertainties arising from the wars in Ukraine and Iran, the international restrictions imposed on the Russian Federation and Belarus, and the energy crisis, which give rise to a risk that unforeseeable developments may affect the level of the economic and financial indicators budgeted by the Group, as well as require a reconsideration of the assumptions underlying the estimation of the inventory values of the Company's assets. The Group's financial position depends on how management addresses future events and socio-economic conditions in the challenging environment in which it operates.

Key audit matters

6. The key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual financial statements for the current period. These matters were addressed in the context of our audit of the individual financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

i) Revenue recognition

At the level of revenue recognition there are risks of material misstatements like the situations where these may not be recognized by the Group's management in accordance with applicable accounting regulations. There may be risks both in terms of the amount of revenue recognized as well as the time of their recognition of possible material misstatements regarding the application of the principle of accrual-based accounting.

Our response to these risks of material misstatement included audit procedures designed to analyse contracts and test revenue recognition in accordance with the relevant contractual terms and supporting documentation. In respect of the risk of material misstatement related to the application of the accrual basis of accounting, we performed procedures to assess whether revenue was recognised at the point when risks were transferred to commercial partners. We evaluated the design and implementation of key internal controls over sales transactions and discounts granted. We also confirmed revenues and discounts granted to selected customers, on a sample basis, as at 31 December 2025, in order to assess the completeness of the transactions carried out by the Group with those customers. In addition, we performed analytical procedures consisting of an analysis of revenues and discounts granted by comparing the current period against the prior period in terms of sales and margin. We further assessed whether the presentation of revenues in the explanatory notes is appropriate.

Other Information – Management Report and the Remuneration Report

7. The Directors are responsible for the preparation and presentation of the other information. The other information comprises the Directors' Report and the Remuneration Report, but does not include the individual financial statements and the auditor's report thereon.

Our opinion on the financial statements does not cover this other information and, except to the extent explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements for the financial year ended 31 December 2025, our responsibility is to read the other information included in the Directors' Report and, in doing so, consider whether such other information is materially inconsistent with the financial statements or with the knowledge we obtained during the audit, or otherwise appears to be materially misstated.

As far as the Directors' Report is concerned, we have read and reported that it has been prepared in all significant aspects in accordance with Order of the Minister of Public Finance no. 2844/2016 for approval of the Accounting Regulations in accordance with International Financial Reporting Standards, chapter III, points 15-20.

On the sole basis of the activities to be carried out during the audit of the financial statements, in our opinion:

- a. The information presented in the Directors' Report for the financial year for which the financial statements have been prepared is consistent, in all significant aspects, with the financial statements;
- b. Directors' Report has been prepared in all significant aspects in accordance with Order of the Minister of Public Finance no. 2844/2016 for approval of the Accounting Regulations in accordance with International Financial Reporting Standards, chapter III, points 15-20;

In addition, based on our knowledge and understanding of the Group and its environment, acquired during the audit of the consolidated financial statements for the year ended December, 31st 2025, we are required to report whether we have identified significant misstatements in the Directors' Report. We have nothing to report on this issue.

8. Regarding the Remuneration Report for the financial year ended at December 31, 2025, we verified whether the information provided by the Group's management is in accordance with art. 107 of Law no. 24/2017 on issuers of financial instruments and market operations as amended and supplemented ("Law No. 24/2017") applicable to entities whose shares are listed on a regulated market and we report that it provides, in all material aspects, the information demands by Law no. 24/2017, art. 107, article (1) and (2).

Other matters

9. This independent auditor's report is addressed solely to the Group's shareholders. Our audit was undertaken so that we might report to the Group's shareholders those matters which we are required to report to them in an audit report, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and its shareholders for our audit, for our report on the consolidated financial statements and the compliance report, or for the opinion we have formed.

10. The annexed consolidated financial statements are not meant to show the financial position, the financial performance and a complete set of notes to the consolidated financial statements in accordance to accounting regulations and principles in other countries and jurisdictions than Romania. Therefore, the annexed consolidated financial statements are not for the use of persons who are not familiar with legal regulations in Romania, including OMFP no. 881/2012 on application by companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards and OMFP no. 2844/2016 for the approval of the accounting regulations in accordance with International Financial Reporting Standards.

Responsibility of management and those responsible for governance for financial statements

12. The Group's management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Accounting Law No. 82/1991, republished, as subsequently amended and supplemented, Order of the Minister of Public Finance No. 881/2012 regarding the application of International Financial Reporting Standards by companies whose securities are admitted to trading on a regulated market, and Order of the Minister of Public Finance No. 2844/2016 approving the Accounting Regulations in compliance with International Financial Reporting Standards, and for such internal control as management considers necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

13. In preparing the financial statements, the group's management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

14. Those charged with governance are responsible for overseeing the Group's financial reporting process

Auditor's Responsibilities for the Audit of the Financial Statements

14. Our objectives are to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when one exists. Misstatements may arise from fraud or error and are considered material if they could reasonably be expected, individually or in aggregate, to influence the economic decisions of users taken on the basis of these financial statements.

15. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

16. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

17. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them about all relationships and other matters that may reasonably be thought to bear with our independence and, where applicable, related safeguards.

18. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Raport cu privire la alte dispoziții legale și de reglementare

Requirements for audits of public interest entities

19. We were appointed by the General Meeting of Shareholders on 24 April 2025, following a public selection process for statutory audit service offers, to audit the consolidated financial statements of Farmaceutica Remedia S.A. and its subsidiary, Farmaceutica Remedia Distribution & Logistics S.R.L., for the financial year ended 31 December 2025.

We confirm that:

- Our audit opinion is in accordance with the additional report presented to the Audit Committee of the Company, which we have issued during the audit mission. Also, in the conduct of our audit, we have kept the independence regarding the audited entity.
- We have not provided the Company with prohibited non-audit services, as referred to Article no. 5 paragraph (1) of the EU Regulation No 537/2014.

Report on compliance with the Commission Delegated Regulation (EU) 2018/815 (“European Single Electronic Format Regulatory Technical Standard” or “ESEF”)

20. We have undertaken a reasonable assurance engagement on the compliance with Commission Delegated Regulation (EU) 2019/815 applicable to the financial statements included in the annual financial report of Company as presented in the Digital Files.

20.1 Responsibilities of Management and Those Charged with Governance for the Digital Files prepared in compliance with ESEF

Group’s management is responsible for preparing Digital File that comply with the ESEF.

This responsibility includes:

- designing, implementing and maintaining internal control relevant to the application of the ESEF requirements;
- selecting and applying the appropriate iXBRL tags, using professional judgment where necessary;
- ensuring that the Digital Files are consistent with the financial statements to be filed in accordance with Order of the Minister of Public Finance No. 2844/2016.

Those charged with governance are responsible for overseeing the preparation of the Digital Files that comply with ESEF.

20.2 Auditor's Responsibilities for the Audit of the Digital Files

Our responsibility is to express a conclusion on whether the individual financial statements included in the annual financial report comply, in all material respects, with the ESEF requirements, based on the evidence obtained. Our reasonable assurance engagement was conducted in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised), "*Assurance engagements other than audits or reviews of historical financial information*" (ISAE 3000).

We apply International Standard on Quality Management 1 ("ISQM 1") and, accordingly, we have designed, implemented and operate a robust system of quality management for audits or reviews of financial statements, and for other assurance and related services engagements, including policies and procedures designed to document compliance with relevant ethical and professional standards and with applicable legal and regulatory requirements.

A reasonable assurance engagement performed in accordance with ISAE 3000 involves carrying out procedures to obtain evidence regarding compliance with the ESEF requirements. The nature, timing and extent of the procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material non-compliance with the ESEF requirements, whether arising from fraud or error. A reasonable assurance engagement includes:

- obtaining an understanding of the process for preparing the Digital File in accordance with the ESEF requirements, including the relevant internal controls;
- reconciling the Digital Files with the Group's audited financial statements to be published in accordance with Order of the Minister of Public Finance No. 2844/2016;
- evaluating whether all of the Group's financial statements included in the annual financial report have been prepared in a valid iXBRL format.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the financial statements for the year ended 31 December 2025 included in the annual financial report presented in the Digital Files comply, in all materials respects, with the requirements of ESEF.

In this section, we do not express an audit opinion, review conclusion or any other assurance conclusion on the financial statements. Our audit opinion relating to the financial statements of the Company for the year ended 31 December 2025 is set out in the "Report on the audit of the financial statements" section above.

Timișoara, March 27, 2026

On behalf of

A.B.A. AUDIT SRL

Str. Georg Haendel nr. 1, Timișoara, Timiș

Registered in the Electronic Public Register with the No. FA305/23 December 2002

Dr. Bunget Ovidiu Constantin

Registered in the Electronic Public Register with the No. AF1739/14 August 2006



UNCONSOLIDATED ANNUAL REPORT 2025

**Board of Administrators of
Farmaceutica REMEDIA S.A.**

Farmaceutica REMEDIA S.A.

Registered office: Deva 330040, Nicolae Balcescu Bld. no 2 (former No. 43 Dorobantilor Street), Hunedoara County,
Telephone: + 40 254 223 260, Fax: +40 254 226 197

Branch office: Bucharest, 041836, sector 4, Bld. Metalurgiei 78, Telephone/fax: + 40 213 211 640
remedia@remedia.ro, www.remedia.ro

Trade Register J20/700/1991, TIN: RO2115198; Share capital: RON 9.548.082

IBAN: RO61 BTRL RONC RT00 G713 3302, Transilvania Bank, Bucharest

IBAN: RO33 RZBR 0000 0600 0266 5747, Raiffeisen Unirii, Bucharest

CONSOLIDATED ANNUAL REPORT 2025

Board of Administrator of Farmaceutica REMEDIA S.A.

A. Name of the commercial company: **Farmaceutica REMEDIA S.A.**
The total market value as of March 23, 2026, is **83,068,313 lei**, based on a price of **0.87 lei per RMAH share**, as of the date of approval of this Report by the Board of Directors (March 23, 2023)



Organized market on which securities are traded: **Bucharest Stock Exchange - Standard category**

Subscribed share capital: **9.548.082Lei**
Paid-up share capital: **9.548.082Lei**
Registered office: **DEVA, Nicolae Balcescu Bld. no 2,**
Tel. / Fax: **0254 223 260 / 0254 226 197**
No. and date of registration with the T.R.O.: **J20/700/25.07.1991**
Tax Identification Number: **RO2115198**

Securities: **RMAH shares (Reg. certificate No. AC-1470-7/17.06.2021)**

Type: **Dematerialized Nominative Common**
Date of registration: **17.03.1997**
Nominal value/share: **0.10 Lei**
Position in the R.N.S.C. Register: **1636**
Total number of shares: **95.480.820**
R.N.S.C. code of shares: **16368**

Date	Number of shares	Issue value (Lei)	Explanations
10.11.1999	3.370.107	337.010	Initial capital of the state, including land contributed in kind
06.09.2001	1.500.000	150.000	Cash contribution of V.TARUS RoAgencies
23.07.2003	42.402	4.240	Merger - capital of Ditafarm Trading – acquired company
05.01.2006	5.696.471	569.647	Merger - capital of V.TARUS RoAgencies – acquired company
21.12.2007	87.905.969	8.790.596	Capital increase – shareholders with pre-emption right
04.05.2009	7.574.851	757.485	Capital increase – AHG Simcor Industry S.R.L.
09.06.2021	- 10.608.980	- 1.060.898	Reduction of share capital - repurchase of shares followed by their cancellation
TOTAL	95.480.820	9.548.082	

1. Activity analysis

1.1. Overview

On **July 25th 1991**, it was established as a commercial company with fully state-owned capital by reorganization of Oficiul Farmaceutic Deva.

On **October 13th 2000**, V.TARUS RoAgencies S.R.L. acquired from FPS the majority of shares (55,802 %) for 9.053.102.492 Lei (ROL) (equivalent to 369.665 USD, exchange rate BNR LEU / USD: 2,4490). At that time Farmaceutica REMEDIA SA was operating through 12 pharmacies.

On **January 1, 2006**, Farmaceutica REMEDIA S.A. merged by absorption with V.TARUS RoAgencies S.R.L., resulting in a share capital of 10,608,980,000 lei (ROL), with operations conducted through 25 pharmacies.

On **January 1st 2006**, Farmaceutica REMEDIA S.A. merged by absorption with V.TARUS RoAgencies S.R.L. resulting in a share capital of 10.608.980.000 lei (ROL), the activity being carried out through 25 pharmacies.

According to Law 95/2006, republished in August 2015, companies were prohibited from carrying out, at the same time, wholesale and retail distribution of medicines. (Art. 800 paragraph 2). Therefore,

On **January 1st 2016** Farmaceutica REMEDIA S.A. completed the transfer to Farmaceutica REMEDIA Distribution & Logistics S.R.L., a new company, 100% owned, of the wholesale distribution activities of medicines together with related activities (logistic services, registration of pharmaceutical products, promotion and marketing of medicines, etc.),

Farmaceutica REMEDIA S.A. kept the operation of the chain of 100 pharmacies and local officines.

Following the change of the main activity object imposed by the above-mentioned legislation, the company had to redeem from the market (in 2015) a number of 300.100 shares at a price established by an authorized evaluator.

In **January 2025**, Farmaceutica REMEDIA acquired a 24% share in Novoengrama SRL, a company specialized in medical rehabilitation based in Cluj-Napoca.

In **September 2025**, Farmaceutica REMEDIA completed a share buyback transaction carried out with the aim of implementing a Stock Option Plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954,808 shares, representing 1% of the share capital. The total amount paid by Farmaceutica REMEDIA was 811,586.80 Lei, at a repurchase price of 0.85 Lei per share.

1.2. Elements of general evaluation

14.843.465 Lei net turnover

6.126.494 Lei EBIDTA

7.067.745 Lei net profit,

Other operating income was also recorded (3.705.639 lei), consisting of income from real estate investments in the amount of 1.684.430 lei, income from the sale of assets, and other operating income of 2.021.209 lei.

Financial income of **4.214.431** Lei was recorded, consisting mainly of dividends from controlled and uncontrolled companies amounting to 3.574.370, bank interest – 627.655, and foreign exchange differences of 12.406.

14.462.978 Lei - **total costs (excluding corporate tax), of which:**

- **14.360.331** Lei - Operating expenses, of which:
 - 7.283.491 Lei - is the net cost of sold merchandise (including received commercial discounts)
 - 415.525 Lei – represents expenses for consumables, inventory items, energy, and water
 - 2.532.816 Lei – represents personnel expenses
 - 1.937.721 Lei – represents depreciation and provisions
 - 2.190.778 Lei – represents other operating expenses – including external services, taxes and fees, and other expenses
- **102.647** Lei - Financial expenses, of which:
 - 2.348 Lei – operational leasing interests (IFRS 16)
 - 10.299 Lei – exchange rate differences

As of **December 31, 2024**, the company's cash and cash equivalents (available in bank accounts and on hand) totalled 15,469,401 lei. On the same date, Farmaceutica REMEDIA SA and Farmaceutica REMEDIA Distribution & Logistics SRL had access to a multi-currency credit line totalling **125 million lei**, specifically **100 million lei at Banca Transilvania** and **25 million lei at BCR**, used as of December 31, 2025 exclusively for bank letters of guarantee for participation in tenders and for the proper performance of contracts, as well as for payment guarantees for suppliers of goods.

1.3. Evaluation of company's income

9.288.883 Lei - **The net income** from the sale of merchandise (63 % from the net turnover) with the following allocation on distribution channels:

- 699.822 Lei - REMEDIA pharmacy
- 8.589.061 Lei – BD Rowa robots sales

5.554.582 Lei – From the activities with added value, of which:

- 4.875.681 Lei invoiced rents
- 678.021 Lei BD Rowa services
- 880 Lei other services

1.4. Evaluation of the sales and marketing activity

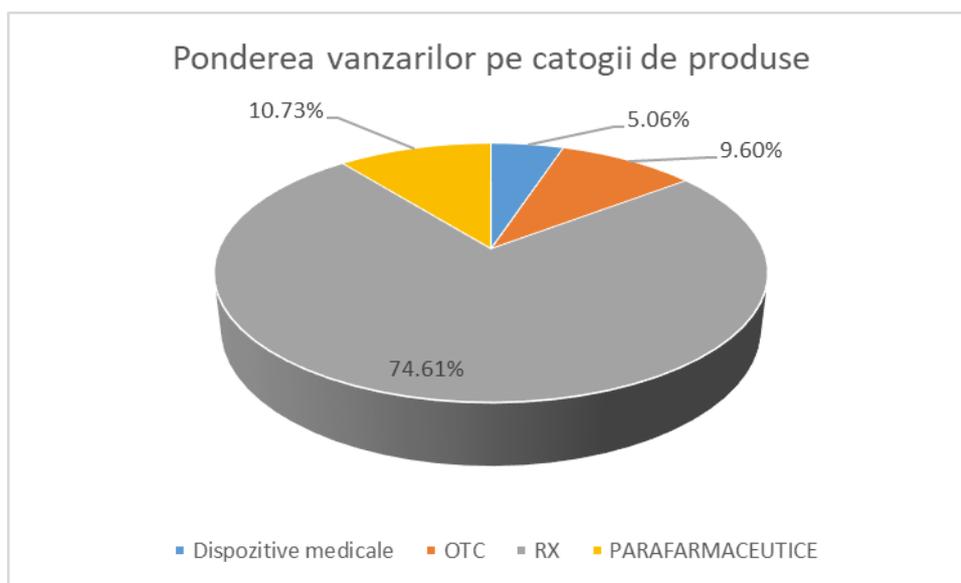
699.822 Lei (value without VAT) were the sales made in 2025 through REMEDIA pharmacy in Hunedoara county.

315.790 Lei (excluding VAT), 63% of total sales, is the amount invoiced to the health insurance houses, the difference of 37% of total sales is represented by the share of cash sales.

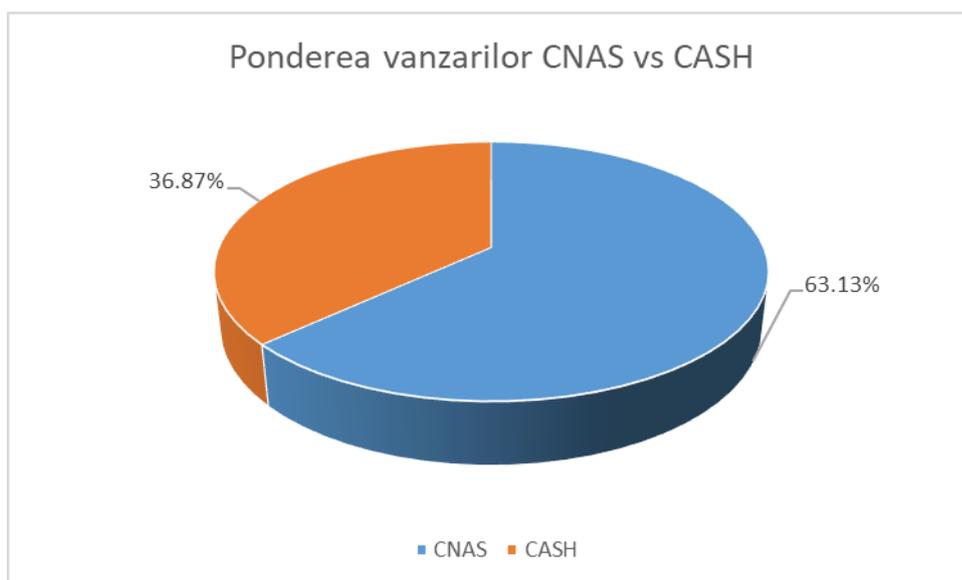
Throughout 2025 they were pursued:

- To optimize inventory, inventory metrics have been introduced to track inventory age, excess inventory, and the volume of perishable products;
- Training and adequate preparation of staff, change in management;
- Promotional campaigns to liquidate stocks with critical expiry date.
- Promotional campaigns for customer loyalty of REMEDIA pharmacies.

The share of sales by product category is shown in the graph below:



The structure of non-prescription versus prescription sales is shown in the chart below:



In 2021 Farmaceutica REMEDIA opened in Bucharest the first robotic pharmacy in Romania, in partnership with BD Rowa. One year later, the pharmacy staff made known at national level how the robot works, the contribution it brings to the pharmacy, plus the value

it brings to pharmacists, presenting the benefits to students of 3 pharmacy faculties, at national level.

The REMEDIA Pharmacy at 78 Metalurgiei Street in Bucharest is the first automated pharmacy in Romania. The implementation of the BD Rowa system revolutionizes medication storage in the pharmacy, ensuring stable and quiet workflows, simple processing of prescriptions and orders, improved medicine release capacity, and automated inventory control, based on continuous stock assessment, guarantees data and process security, and optimizes both warehouse space and pharmacy staff time, all to the benefit of the patient.

In 2025, information campaigns targeting pharmacists were conducted through both traditional marketing channels and participation in conferences, as well as via the social media platforms Facebook and LinkedIn.

Remedia, in partnership with BD Rowa, offers design, installation, and commissioning services for robotic systems for both open-circuit pharmacies and hospital-based pharmacies.

Enhanced medication safety – 100% traceability of medications from stock intake to the patient's bedside, through barcode scanning and automated inventory management, ensuring compliance with current regulatory requirements;

Efficiency and time savings - 33% less time spent by pharmacy staff as robots take over repetitive logistical tasks, time that can be allocated to clinical or counseling activities;

Space optimization - 60% reduction in storage space through automated systems, which ensure compact storage and maximize storage capacity, freeing up valuable space in the pharmacy for other activities necessary for preparing unit doses of treatment.

Inventory management – 100% inventory accuracy, completed in a maximum of 1 hour; efficient inventory management minimizes medication waste and ensures FEFO (First-In, First-Out) product dispensing;

Reduced budget pressure – 16% reduction in dispensing errors, 15% cost reduction.

From an operational standpoint, integrating BD Rowa systems into the hospital pharmacy's workflow significantly optimizes medication management by automating critical stages: receiving, storage, picking, and dispensing.

In practice, this automation reduces handling errors, increases inventory accuracy, and eliminates losses caused by outdated stock or stock that does not match actual consumption. Full traceability of pharmaceutical products, achieved through barcode scanning and data integration into the hospital's IT systems, provides a higher level of control and compliance with European regulations on serialization and supply chain security.

Single-dose medication dispensing solutions based on simple industrial concepts, tailored to the specific needs of hospitals, ensure the rapid implementation of full single-dose traceability, optimized inventory levels, high medication availability on the ward, and a significant reduction in workload for both the pharmacy and the wards.

Overall, these technologies not only optimize logistics flows but also strengthen the pharmacist's role in the therapeutic process, transforming the hospital pharmacy into a digital hub for safety, efficiency, and complete traceability in medication management.

To date, REMEDIA has commissioned 25 robotic systems, with the first systems installed in hospitals last year, both in Romania and Bulgaria. Once again, REMEDIA is a pioneer in its field. In 2025, REMEDIA Pharmaceuticals commissioned 4 robots in independent pharmacies, including in Romania's first university pharmacy – Gaudeamus Pharmacy, an innovative project, the pharmacy brings together education, research, and modern pharmaceutical services in a space equipped with state-of-the-art technology: a pharmacy robot, a classroom, a laboratory, and a consultation area, plus three additional robots in national chain pharmacies.

To provide comprehensive medication traceability solutions for hospitals, REMEDIA has partnered with Touch Point Medical Belgium, the manufacturer of Ethilog systems—solutions for labeling, storage, and traceability of medication at the single-dose level all the way to the patient's bedside.

REMEDIA pharmacies have been actively involved in **flu vaccination programs** by ensuring an optimal supply of flu vaccines relative to the number of patients, and in the **diabetes risk assessment campaign** by informing patients and contributing to the prevention and early detection of this condition, by providing both promotional and informational brochures as well as risk questionnaires for patients

At the same time, the process of streamlining pharmacy operations continues through management changes, reducing operating costs and rent, and even suspending or selling locations that are not performing well.

Particular attention is given to improving process quality, monitoring GDPR procedures, and securing information exchange to comply with EU Regulation 2016/679 on the protection of individuals with regard to the processing of personal data. Sales monitoring prioritizes guiding pharmacy staff toward increasing efficiency and patient retention by offering related recommendations and health advice, in partnership with medical information and guidance centers for patient health.

1.5 Evaluation of the goods acquisition

REMEDIA Pharmacy sourced its supplies primarily through the distributor Farmaceutica REMEDIA Distribution & Logistic, with purchases made through this channel accounting for over 95% of total purchases made in 2025. This approach resulted in improved availability of hard-to-find products at the pharmacy and faster delivery.

Throughout 2025, efficiency indicators and inventory turnover were closely monitored to reduce the volume of perishable products and improve working capital.

The procurement planning strategy took the following requirements into account:

- ensuring product stock continuity;
- assessing storage times and stock levels for products in the portfolio;
- reducing the value of expired products.

Procurement planning was carried out by product category and manufacturer to ensure product stock continuity and to concentrate procurement volume on strategic manufacturers.

As of December 31, 2025, the company's inventory is as follows: 38% consists of goods valued at 306,125 lei, and 62% consists of parts and components for BD Rowa robots, valued at 490,405 lei.

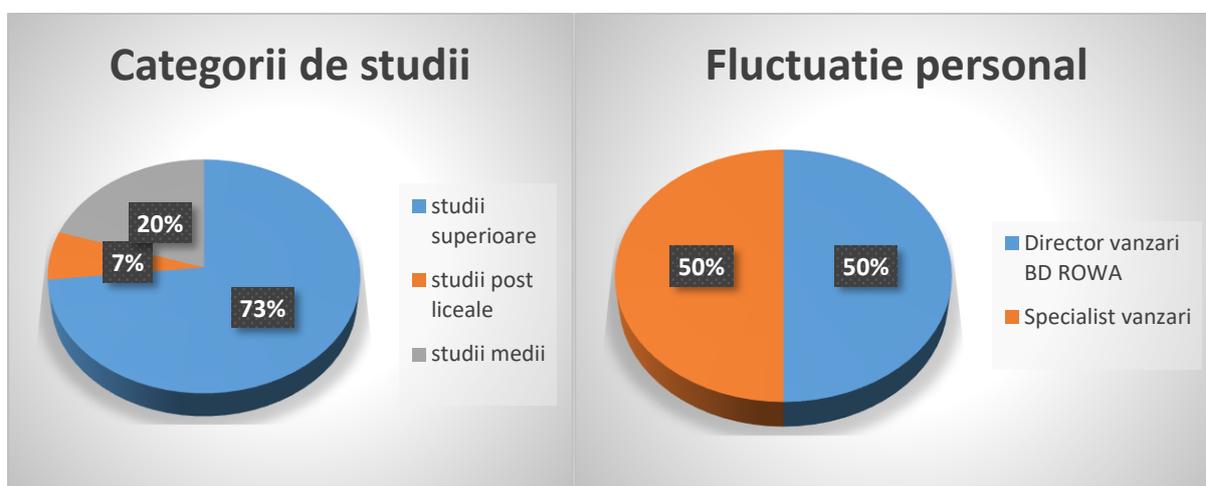
1.6. Activities related to the human resources of the society

At the end of 2025, Farmaceutica REMEDIA S.A. had a total of 15 employees, distributed across the following categories of activity:

- pharmacy staff: 2 employees (13.33%);
- BD ROWA Service staff: 4 employees (26.67%);
- support and management services: 9 employees (60.00%).

In terms of educational level:

- higher education: 11 employees (73.33% of the total);
- post-secondary education: 1 employee (6.67% of the total);
- secondary education: 3 employees (20.00% of the total)."



Of the 11 employees with a college degree, 1 (12%) has a degree in pharmacy, 6 (35%) in economics, 3 (18%) in engineering, and 1 (12%) in other fields.

In 2025, the voluntary turnover rate at Farmaceutica REMEDIA S.A. was **10.00%**. Voluntary departures included a sales manager and a BD ROWA specialist.

The involuntary turnover rate for Farmaceutica REMEDIA S.A. staff was **10.00%**, with no major structural causes similar to those in 2024. The reduction in the number of employees from 26 at the beginning of the year to 15 at the end was mainly due to the internal transfers of 7 people to S.C. Farmaceutica REMEDIA Distribution & Logistics at the beginning of 2025, transfers that have no impact on the turnover rate calculated at the group level.

Thus, the total employee turnover rate for 2025 was **20.00%**, significantly lower than in 2024 (72.71%), reflecting clear operational stabilization, improved employee retention, and more efficient human resources management in the absence of major restructuring.

There is no employee union at Farmaceutica REMEDIA S.A. Employees have an employee representative who participates in the negotiation of the collective bargaining agreement and represents employees in their dealings with the company.

1.7. The impact of society's core business on the environment

Farmaceutica REMEDIA S.A. complies with all applicable environmental protection laws and regulations.

There are no disputes regarding violations of environmental protection laws.

The company contributes to environmental protection through the selective collection of waste generated by its own operations, for recycling in accordance with applicable legal regulations. All REMEDIA pharmacies collect waste selectively.

Nationwide waste tracking and management services are outsourced to a specialized provider, which prepares the necessary documents and reports them centrally and on time to the National Agency for Environmental Protection (via DJM) on the SIM online Waste Statistics digital platform (PRODDDES).

In accordance with the EU Directives adopted in April 2019, Farmaceutica REMEDIA has ceased purchasing plastic carrier bags and has introduced biodegradable or recyclable bags, thereby implementing measures to reduce waste and comply with relevant legislation.

1.8. Quality activity

REMEDIA Pharmacies have implemented a quality management system to document best practices for meeting patients' needs and expectations in compliance with Pharmacy Law No. 266/2008, as amended and supplemented, as well as all applicable legal provisions issued by pharmaceutical regulatory authorities, and is ISO 9001:2015 certified by RINA-SIMTEX OC. The management of Farmaceutica Remedia SA has allocated the necessary funds to maintain certification status and improve the QMS.

For the year 2026, the company has set as its objective the implementation and certification of the environmental management system in accordance with the ISO 14001:2015 standard, with a view to strengthening environmental protection practices and aligning with international standards in the field.

In 2025, operational procedures for the reauthorization of pharmacies by the College of Pharmacists were revised.

The policy regarding pharmaceutical service quality at REMEDIA Pharmacies consists of dispensing medicines and other healthcare products of guaranteed quality, accompanied by appropriate information and counseling for patients, while continuously improving services for customers using BD Rowa automation solutions to ensure the highest level of patient satisfaction.

1.9. Evaluation of the risk management activity

Assessment of Key Risks:

- Risk of non-collection of receivables: This risk is extremely low for sales to individuals, as over 63% of the amounts are settled by the County Health Insurance Funds and OPSNAJ, institutions with regular and predictable payment schedules.

- Sales of BD Rowa robots are straightforward and collected immediately, and for rentals, monthly follow-up on invoice payments is conducted;
- Cash flow risk: This is managed through cost control, but may be influenced by external factors (e.g., unexpected delays in CNAS settlements).
- Existing measures:
- Strict cost control: Keeping expenses within budgeted limits, ensuring a cash flow surplus.
- Diversification of revenue sources:
 - Sales of pharmaceutical robots: Growth opportunity in the technology market
 - Expansion of the pharmaceutical robot segment to private clients and hospitals.
 - Rental income: Stable and recurring sources from leasing spaces, which mitigate cash flow volatility.

Farmaceutica REMEDIA is in a strong position thanks to guaranteed revenues through pharmacy sales and CNAS collections and diversification through robots and rents. For long term sustainability, it is essential to reduce the dependence on the public system and strengthen the identified segments respectively the necessary technological development in pharmacies, warehouses and hospitals.

Existing measures combined with diversification strategies (robots, rents) and conservative expense management reduce vulnerability and will strengthen the company's position in 2026 and beyond.

1.10. Development and perspective activities of the society

After the finalization of the transfer of 21 pharmacies to FRDL, Farmaceutica REMEDIA continues its development strategy by identifying and capitalizing on investment opportunities in private healthcare companies. This strategic direction is aligned with the trends of growth and diversification of private healthcare services, exploring strategic partnerships and development projects aimed at supporting sustainable growth, adaptation to market requirements, innovation and digitalization.

In this context, Farmaceutica REMEDIA has acquired a 24% stake in NOVOENGRAMA SRL, a medical rehabilitation center in Cluj-Napoca that offers consultations, diagnostic tests, and medical rehabilitation and recovery programs following accidents, surgeries, or illnesses, using complex procedures and state-of-the-art technologies.

Remedia is the distributor for Romania, Bulgaria and Moldova of the American company Becton Dickinson. The BD Rowa™ company, with more than 16,000 robots installed in more than 60 countries, from Japan to Argentina, holds a market share of about 65% globally and is currently **the world leader in pharmacy, warehouse and hospital automation solutions**.

As a digital solution aimed at automating and optimizing pharmaceutical processes, **REMEDIA, in partnership with BD Rowa™**, has, since the 2021 launch of the **first Smart Robot** installed at the REMEDIA pharmacy located at 78 Metalurgiei Blvd. Metalurgiei No.

78, Bucharest, has installed 25 (twenty-five) robotic systems in pharmacies and a hospital in Romania, plus a hospital in Burgas, Bulgaria.

REMEDIA will expand its focus on the automation and optimization of pharmaceutical processes and will continue to implement **BD Rowa™** automation solutions in pharmacies, warehouses, and hospitals by expanding, in partnership with **TouchPoint Medical (TPM)**, its portfolio of hospital workflow automation solutions to ensure digitalized medication management.

TPM automation solutions ensure medication traceability and enhance the safety and efficiency of medication management from the pharmacy to the patient's bedside in hospitals in Romania and Bulgaria.

REMEDIA provides installation, commissioning, and training for customers, as well as service and maintenance for robotic equipment using its own teams, which are trained and certified by the manufacturer BD Rowa. The professionalism of its technical team has qualified REMEDIA to install 12 (twelve) automated systems in pharmacies across Slovakia, Austria, Germany, Italy, and Israel.

REMEDIA is developing the platform www.pharma-automation.ro both to facilitate communication with pharmacists and customers and to answer questions regarding the benefits offered by robotic pharmacies, as well as to provide information on solutions tailored to specific needs and options for digital transformation.

REMEDIA is developing **online sales** on the <https://pharmastore.ro> platform dedicated to dermo-cosmetic products and dietary supplements—such as the Pharmacore, THS, Pernaton, and Power Fish ranges—with a focus on customer satisfaction, ensuring easy purchasing and fast navigation, diversifying the product portfolio, and securing online transactions.

At the same time, social media campaigns have been launched to ensure easier access to products, to inform customers about new products, promotions, and campaigns run by the company, as well as the benefits of pharmacy automation processes using robots.

Starting in 2025, Farmaceutica REMEDIA has been the official distributor in Romania of the **DRILL-X** equipment, manufactured by Synex Tech GmbH (Austria), used for firefighting—the world's first device to combine drilling and fire suppression in a single unit.

2. Fixed assets of the company

46.778.298 Lei represents **Fixed Assets** (at net book value) with the following breakdown:

45.868.066 Lei - Tangible Fixed Assets (land, buildings, equipment, vehicles, commercial furniture, etc.)

130.449 Lei - Intangible Fixed Assets (software licenses)

779.782 Lei - Financial assets (equity interests in other companies, established deposits, paid guarantees, long-term receivables).

Within tangible assets, 99,5% consists of buildings and land. These are valued at market value each year by a certified appraiser. The valuation at the end of 2025 showed a value of 2.877.307 lei for these assets. (land + 634.723 lei, buildings + 2.242.583 lei).

3. Shares and shareholding

The shares issued by Farmaceutica REMEDIA SA were traded in 2025 on the regulated market of the Bucharest Stock Exchange, Standard category.

Farmaceutica REMEDIA S.A. shares are registered shares with a value of 0,1 Lei/share, in the number of 95.480.820 shares with the following synthetic ownership structure as of 31.12.2025, (information provided by the Central Depository):

Shareholders	No. of shares	Share from the share capital (%)
Valentin-Norbert TARUS	76.914.408	80,55
Farmaceutica REMEDIA SA	1.777.433	1,86
Natural persons	16.020.939	16,78
Legal entities	768.040	0,81
Total	95.480.820	100

As of 31.12.2025 Farmaceutica REMEDIA SA had a total number of 3981 shareholders, of which:

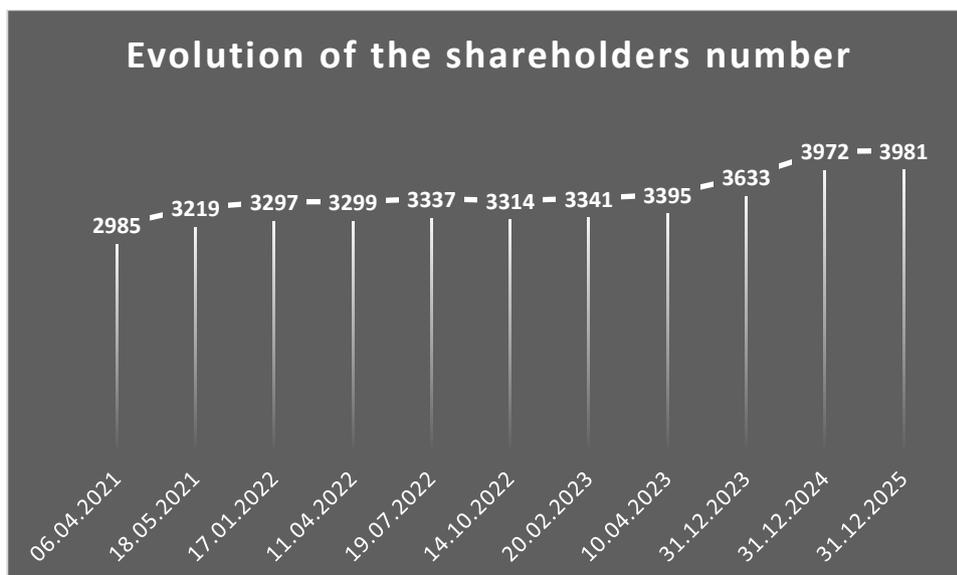
- natural persons hold a total of 97,33% of the share capital (of which 80,55% is held by Mr. Valentin-Norbert TARUS)
- Legal entities hold a total of 2,67% of the share capital, of which 1,86% is held by Farmaceutica REMEDIA SA.

According to the territorial criteria, in the top 5 counties where REMEDIA shareholders come from are the following counties:

- Hunedoara: 1.843 shareholders
- Bucuresti: 584 shareholders
- Alba: 256 shareholders
- Cluj: 153 shareholders
- Timis: 83 shareholders

Over the last 3 years the number of REMEDIA shareholders has steadily increased, so that while in 2021, at the reference date for the AGM on 15.04.2021, 2985 shareholders were registered, at the end of 2025 a total of 3981 shareholders were registered with the Central Depository.

The evolution of the number of shareholders over the last 3 years is shown in the following graph:



In **September 2025**, Farmaceutica REMEDIA completed a share buyback transaction carried out for the purpose of implementing a Stock Option Plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954.808 shares, representing 1% of the share capital. The total amount paid by Farmaceutica REMEDIA was 811.586,80 Lei, at a repurchase price of 0,85 Lei per share.

The company has no subsidiaries and has not issued bonds or other debt securities.

4. Dividends

For 2025, the Board of Administrators has proposed the distribution of **4.694.314** Lei, to dividends, in order to grant a gross dividend of 0,05 lei/share.

Accordingly, the Board of Administrators proposed to distribute the net profit earned in 2025 in the amount of **7.067.745** Lei as follows:

- **4.694.314** Lei to dividends,
- 2.373.431 Lei to other reserves.

In the medium term, the company intends to maintain the policy of distributing up to 50% of net profit to dividends.

The amount of dividends due (distributed from profit), paid and accrued (unpaid) is as follows:

	2020	2021	2022	2023	2024	2025	2026
Initial ballance	209.353	117.155	327.582	379.265	436.551	500.463	557.676
Brotto dividends distribution	2.121.796	14.277.108	4.759.036	4.615.814	4.733.076	3.786.328	4.694.314
Tax on the paid dividends	104.900	711.866	237.353	368.491	379.164	379.122	
Paid dividends	2.109.093	13.354.815	4.470.000	4.190.037	4.290.000	3.350.000	

Dividends to be paid	117.155	327.582	379.265	436.551	500.463	557.676	
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5. Management of Farmaceutica REMEDIA S.A.

During the financial year 2025, Farmaceutica REMEDIA S.A. was led by a Board of Administrators with the following composition:

01.01.2025 – 30.04.2025	01.05.2025 – 31.12.2025
"TARUS" - Valentin Norbert TARUS e.U., represented by dl. Valentin-Norbert TARUS - Chairman	"TARUS" - Valentin Norbert TARUS e.U., represented by dl. Valentin-Norbert TARUS – Chairman
Cristian PLOCON	Cristian PLOCON
Lucian-Valentin CODREANU	Lucian-Valentin CODREANU

1. "TARUS" - Valentin Norbert TARUS e.U.– Chairman of the Board of Administrators represented by Valentin Norbert TARUS, executive director, non-independent, member of the Audit Committee and Chairman of the Remuneration and Nomination Committee for the period 15.04.2021-30.04.2026

In the 1990s he laid the foundation for the first companies in Romania specialized in distribution, import, export, consulting and marketing of pharmaceutical products. In 2000 he acquired from FPS the majority of shares of Farmaceutica REMEDIA S.A., developing a successful business with national coverage and integrated services: marketing and distribution of medicines, as well as retail through the REMEDIA chain of pharmacies (taken over in 2020 by Phoenix Group).

He studied Chemical Engineering - Technologies for Organic and Pharmaceutical Substances at the Polytechnic Institute of Bucharest and completed postgraduate studies in Foreign Trade, with a dissertation on world trade in medicines.

In the last 5 years he has served as a director in the trading company: "TARUS" - Valentin Norbert TARUS e.U., Leopold Moses G. 4/2/46.

He has not been associated with bankruptcy, receivership or liquidation proceedings in the capacity of member of an administrative, management or supervisory body or general partner. Has not been convicted of fraud within the last 5 years and has not had an official public sanction pronounced against him. Has never been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from interfering in the management or conduct of the affairs of an issuer during the last 5 years.

As of 31.12.2025 he owned 76.914.408 shares, 80,55% of the shares of Farmaceutica REMEDIA S.A

2. Cristian PLOCON member of the Board of Administrators, executive director, non-

independent, member of the Audit Committee, member of the Remuneration and Nomination Committee for the period 01.05.2023-30.04.2026.

Graduate of the Academy of Economic Sciences, with a Bachelor's and Master's degree in Financial Analysis from the same faculty. He is an economist with over 25 years of experience in the field.

He has not been associated with bankruptcy, receivership or liquidation proceedings in the capacity of member of an administrative, management or supervisory body or general partner. Has not been convicted of fraud within the last 5 years and has not had an official public sanction pronounced against him. Has never been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from interfering in the management or conduct of the affairs of an issuer during the last 5 years.

As of 31.12.2025, he held 46.270 shares in Farmaceutica REMEDIA S.A.

3. Lucian-Valentin CODREANU member of the Board of Administrators, non-independent executive administrator, Chairman of the Audit Committee, Remuneration and Nomination during 01.05.2024-30.04.2026.

Economist and a highly experienced senior executive with 25 years of leadership expertise in private equity fund-owned organizations as well as multinational companies, serving in various executive and non-executive roles on boards and advisory committees across all pharmaceutical channels (manufacturers, distributors and retailers).

Previously, Lucian was an Operating Partner at Highlander Partners Romania, an American private equity fund, was a shareholder of Labormed Pharma and Ecofarmacia Network pharmacy chain. He also has extensive experience as former Commercial Director of Terapia and Labormed Pharma, as well as former Managing Director of Pharmafarm.

Lucian has provided consultancy services for numerous projects in human and veterinary pharmaceutical companies and has served on the Boards of Administrators of several companies.

He has not been associated with bankruptcy, receivership or liquidation proceedings in the capacity of member of an administrative, management or supervisory body or general partner. Has not been convicted of fraud within the last 5 years and has not had an official public sanction pronounced against him. Has never been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer or from interfering in the management or conduct of the affairs of an issuer during the last 5 years.

As of 31.12.2024, he did not hold any shares in Farmaceutica REMEDIA S.A.

As of December 31, 2025, the Company's Board of Directors consists of 3 members, of whom 0 are women (0%) and 3 are men (100%), and the gender composition of the Board reflects a 0% representation of the underrepresented gender; although the minimum

gender balance targets set forth in Law No. 24/2017 have not yet been fully achieved, the Company has integrated this objective into its policy for selecting Board members and executive management, applies transparent and gender-neutral selection criteria, and periodically monitors progress.

The executive management was ensured by a general manager that has in its subordination departmental directors and managers. In the fiscal year 2025, the executive management was provided by Mr. **Valentin - Norbert TARUS**.

The Board of Administrators, having reviewed the Audit Committee's analysis of the contractual relationship, the fee structure, the nature of the services provided, and the formal declarations regarding the absence of any conflicts of interest, confirms that the external financial auditor is independent of the company and that the objectivity and impartiality of the audit engagement were not compromised during the reporting period.

6. Affiliated persons to the Farmaceutica REMEDIA S.A.

On the date of the report, the list of persons affiliated to the company Farmaceutica REMEDIA S.A. is composed of:

- Valentin-Norbert TARUS - Austrian citizen
- "TARUS" - Valentin Norbert TARUS e.U. – Austrian individual enterprise
- Farmaceutica REMEDIA Distribution & Logistics S.R.L.
- TARUS MEDIA S.R.L.
- IMOBILIARA MAGHERU S.R.L.
- PHARMA EXPERTSPEDITION SRL
- NOVOENGRAMA SRL

7. Corporate governance

During the 2025 fiscal year, Farmaceutica REMEDIA's corporate governance structures operated in accordance with the provisions of the Articles of Incorporation, internal regulations, and the requirements applicable to issuers listed on the regulated market administered by the Bucharest Stock Exchange (BVB), with the administration and representation of the Company being exercised by the Board of Directors and the Chief Executive Officer.

The Board of Directors is responsible for ensuring strategic leadership, overseeing executive management, managing significant risks, and monitoring internal control systems, with a view to supporting the Company's long-term success and sustainability, in the interest of the Company and its shareholders.

Farmaceutica REMEDIA respects the rights of all shareholders, ensuring their fair treatment and submitting any changes to the rights attached to the issued securities to the approval of the General Meetings, in accordance with the applicable legislative and regulatory framework.

Company's website – www.remedia.ro - provides information and access conditions, in Romanian and English languages, at the GMS documents, financial statements, current reports to BSE, dividends, policies implemented in compliance with the provisions of the Corporate Governance Code.

In 2025, Farmaceutica REMEDIA obtained, for the fifth consecutive year, the maximum score, 10, for meeting the VEKTOR criteria, an assessment conducted by ARIR (Association for Investor Relations at the Romanian Stock Exchange), which examines the adoption of good practices in Corporate Governance and investor communication. This result reflects the maintenance of a robust investor relations framework, based on the provision of comprehensive, relevant, and accessible information, adherence to the “comply or explain” principle, and the use of multiple channels of communication with the market.

The “Investor Relations” section available at www.remedia.ro/investitori/ is regularly updated, including throughout 2025, in accordance with the VEKTOR disclosure indicators established by ARIR, in order to meet the information needs of shareholders and potential investors.

In the context of integrating sustainability aspects into the strategy and business model, within the “Corporate Governance” section, the ESG subsection includes information on the company's activities and performance in the Environmental, Social, and Governance (ESG) areas, as well as non-financial/sustainability reports.

Farmaceutica REMEDIA SA has an ESG risk rating of 14.9, which ranks it second in the pharmaceutical sector, placing it in the “low risk” category (range 10–19.99 points), indicating a low level of uncontrolled ESG risk in terms of potential significant financial impact.

The sustainability report is prepared in a separate document from the annual financial report, in line with international sustainability reporting standards, and aims to highlight the company's non-financial performance, including environmental, social responsibility, corporate governance (ESG), community impact and climate change measures. This clear separation between the financial report and the sustainability report ensures a detailed and focused presentation of the key sustainability issues.

During the 2025 fiscal year, the Chairman of the Board of Directors convened 19 (nineteen) meetings of the Board of Directors, held in accordance with the company's bylaws, during which the main issues related to the company's strategy, operational and financial performance, risk management, and compliance with applicable regulations were discussed.

Members of the Board of Directors attended meetings in person, via remote communication (telephone, teleconference), or via email, in compliance with the provisions of the Articles of Incorporation and the Internal Regulations of the Board of Directors regarding quorum, voting, and the documentation of deliberations.

Following the meetings of the Board of Administrators, a total of 24 (twenty-four) decisions were issued and communicated to the relevant departments for implementation and fulfilment during 2024.

8. Accounting financial statement (consolidated statements)

Farmaceutica Remedia		
Income Statement	dec.-25	dec.-24
(RON)	unconsolidated	unneconsolidated
Sales of goods	9,288,883	9,112,606
Discounts given	0	0
Net Sales	9,288,883	9,112,606
COGS	7,283,491	7,641,695
Discounts Received	0	-3,913
Net COGS	7,283,491	7,637,782
Gross Margin	2,005,392	1,474,824
Gross Margin (%)	21.59%	16.18%
Other Operating Revenues	9,260,221	8,888,455
Personnel	-2,532,816	-5,939,976
Other Operating Expenses	-2,606,303	-3,197,677
Total Operating Expenses	-5,139,119	-9,137,653
EBITDA	6,126,494	1,225,626
EBITDA Margin	65.96%	13.45%
Depreciation	-718,600	-1,686,312
Provisions - net	-1,218,850	0
Bad debts lost	-270	-133
EBIT	4,188,773	-460,818
EBIT Margin	45.09%	-5.06%
Financial Revenues	4,214,431	6,387,436
Financial Expenses	-50,467	-50,467
Financial income	4,111,784	6,336,969
EBT	8,300,557	5,876,151
EBT Margin	89.36%	64.48%
Tax on Profit	-1,232,812	0
Net Profit	7,067,745	5,876,151
Net Profit Margin	76.09%	64.48%

Farmaceutica Remedia		
Balance Sheet(RON)	dec.-25	dec.-24
	neconsolidat	neconsolidat
Total Assets	67,427,400	63,263,120
Cash	15,469,401	9,903,422
A/R (clients)	3,772,937	1,636,868
Inventory	796,530	817,278
Expenses in advance	115,420	195,037
Other Current Assets	494,814	598,653
Total Current Assets	20,649,102	13,151,257
Tangible Assets	45,868,066	44,375,638
Intangible Assets	130,449	80,812
Financial Investments	779,782	5,655,412
Total Long-Term Assets	46,778,298	50,111,863
A/P (suppliers)	700,592	1,528,062
Other ST payables	1,457,497	450,723
Payables to shareholders	557,676	500,464
ST Loans*	6,121	2,740
Current Liabilities	2,721,886	2,481,989
LT Loans*	24,358	30,479
Other LT liabilities	4,796,476	4,663,474
LT Liabilities	4,820,834	4,693,953
Provisions	344.971	0
Share capital	9,207,249	9,548,082
Reserves & others	43,264,713	40,662,945
Profit	7,067,746	5,876,151
Equity	59,539,707	56,087,178
Total Liabilities & Equity	67,427,400	63,263,121

The consolidated financial statements were audited by the independent financial auditor.

9. Economic-financial indicators 2025

LIQUIDITY AND WORKING CAPITAL	31.12.2025	31.12.2024
Current liquidity (Current assets/Current liabilities)	6,7	5,22
Current assets	20.533.682	12.956.220
Current liabilities	3.066.858	2.481.990
Degree of indebtedness (Borrowed capital / Equity x 100)	0,00%	0,00%
Borrowed capital (including leasing)	0	0
Equity	59.539.707	56.087.178
Turnover speed of customer debits (average customer balance/turnover *365)	88 days	54 days
Average customer balance	3.570.517	2.066.319
Net turnover	14.843.465	14.077.445
Turnover speed of liabilities (average suppliers balance/cogs*365)	140 days	280 days
Average suppliers balance	2.276.494	5.867.241
Cost of merchandise sold	7.283.491	7.637.782
Turnover speed of stocks (average stock balance/cogs * 365)	18 days	89 days
Average stocks balance	352.468	1.859.340
Cost of merchandise sold	7.283.491	7.637.782
Turnover speed of fixed assets (turnover/fixed assets)	0,31	0,28
Net turnover	14.843.465	14.077.445
Fixed assets	46.778.298	50.111.863
Gross profit margin (%) (gross profit/net sales)	56%	42%
Gross profit	8.300.557	5.876.151
Net turnover	14.843.465	14.077.445

Note:

1) **Current liquidity** - the level of the indicator reflects a good payment capacity and therefore a low risk for creditors, certifying that the company is able to cover its short-term debts from receivables and cash on hand. The indicator has evolved positively compared to the same period last year.

2) **The degree of indebtedness** expresses the effectiveness of credit risk management, indicating potential funding and liquidity problems, with an impact on the honouring of commitments. A value of 0% indicates that the company has no funding or liquidity problems. In the calculation of this indicator, borrowed capital includes both bank loans and finance lease liabilities.

3) **Turnover speed of customer debits** expresses the effectiveness of the company in collecting its receivables, i.e. the number of days until debtors pay their debts to the company. Given the dynamics of sales and the specifics of debt collection in the distribution of medicines, we consider 72 days to be normal under the given conditions.

4) **Turnover speed of liabilities** represents the average period in which suppliers are paid.

5) The value of the **No. of storage** indicator can be considered that it falls within the specifics of the activity.

6) **Turnover speed of fixed assets** expresses the effectiveness of the management of fixed assets, by examining the turnover generated by a certain quantity of fixed assets.

Bucuresti, March 23, 2026

Board of Administrators,

Chairman
"TARUS" - Valentin Norbert TARUS e.U
1020 Viena, Leopold-Moses Gasse, 4/42/6, Austria
FN 349134h/23.07.2010

Farmaceutica REMEDIA S.A. – unconsolidated financial statements
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Farmaceutica REMEDIA S.A. – unconsolidated financial statements
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Farmaceutica REMEDIA SA

**STATEMENT OF COMPREHENSIVE INCOME -
unconsolidated (Lei)**

	31.12.2025	31.12.2024
Net turnover	14.843.465	14.077.445
Income from the sale of goods	9.288.883	9.112.606
Commercial discounts granted	0	0
Income from services provided and rents	5.554.582	4.964.839
Income from real estate investments	1.684.430	1.320.831
Other operating income	2.021.209	2.602.785
OPERATING INCOME - TOTAL	18.549.104	18.001.061
Expenses with materials	7.699.017	8.224.928
Expenses regarding goods	7.283.491	7.641.695
Commercial discounts received	0	-3.913
Expenses with raw materials and consumables	252.723	367.447
Other expenses with materials (inventory objects)	27.245	33.942
Energy and water expenses	135.557	185.757
Expenses with personnel	2.532.816	5.939.976
Salaries and allowances	1.905.267	3.377.704
Expenses with insurance and social protection	80.271	159.170
Other personnel expenses	547.278	2.403.102
Amortisations and provisions	1.937.721	1.686.445
Amortisations	718.600	1.686.312
Net provisions	1.218.850	0
Losses from receivables	270	133
Other operating expenses	2.190.778	2.610.531
Expenses on external services	1.566.267	1.522.130
Expenses with other taxes, charges and assimilated payments	533.543	766.540
Other expenses	90.968	321.861
OPERATING EXPENSES - TOTAL	14.360.331	18.461.880
OPERATING RESULT	4.188.773	-460.818
Financial income	4.214.431	6.387.436
Interest income	627.655	323.308
Income from exchange rate differences	12.406	382
Income from dividends	3.574.370	6.063.745
Advance payment discounts	0	0
Other financial income	0	0
Financial expenses	102.647	50.467
Interest expense	0	0
Operational leasing interest	2.348	42.122
Expenses from exchange rate differences	100.299	8.345

Farmaceutica REMEDIA S.A. – unconsolidated financial statements
concluded as at 31.12.2025

Discounts collected in advance	0	0
Other financial expenses	0	
FINANCIAL RESULT	4.111.784	6.336.969
TOTAL INCOME	22.763.535	24.388.497
TOTAL EXPENSES	14.462.978	18.512.346
GROSS RESULT	8.300.557	5.876.151
Profit tax	1.232.812	0
TOTAL NET PROFIT of which distributable	7.067.745	5.876.151
Shareholders of the company	7.067.745	5.876.151
Minority interest		
Other elements of comprehensive income		
Revaluation of tangible assets	1.103.674	1.262.278
Tax related to other elements of comprehensive income		
Minority interest		
COMPREHENSIVE INCOME AFFERENT TO THE PERIOD - TOTAL of which attributable:	8.171.419	5.876.151
Shareholders of the company	8.171.419	5.876.151
Minority interest		
Earnings per share (in Lei)		
- basic	0,0740	0,0615
- diluted	0,0740	0,0615

Chairman of the Board of Administrators
"TARUS" - Valentin Norbert TARUS e.U.

by representative
Valentin – Norbert TARUS

Farmaceutica REMEDIA S.A. – unconsolidated financial statements
concluded as at 31.12.2025

Farmaceutica REMEDIA SA

**STATEMENT OF FINANCIAL POSITION - unconsolidated
(Lei)**

	31.12.2025	31.12.2024
ASSETS		
Fixed assets	46.778.298	50.111.863
Tangible assets	11.605.109	26.548.361
Real estate investments	34.234.480	17.795.204
Operational leasing assets	28.477	32.073
Software licences	130.449	80.812
Pharmacy licences	0	0
Participations held in group companies	602.200	602.200
Participations held in companies outside the group	130.286	5.916
Investments in jointly controlled entities accounted for using the equity method		
Deposits and guarantees paid	47.297	5.047.297
Current assets	20.533.682	12.956.220
Stocks	794.467	817.278
Advances granted for the purchase of inventories	2.063	
Trade receivables	3.772.937	1.636.868
Other receivables	494.814	598.653
Cash and cash equivalents	15.469.401	9.903.422
Accrued expenses	115.420	195.037
TOTAL ASSETS	67.427.400	63.263.121
EQUITIES AND DEBTS		
Equities	59.539.707	56.087.178
Share capital	9.548.082	9.860.311
Share premiums	757.485	757.485
Reserves	17.192.330	15.795.571
Revaluation reserves	29.140.569	24.711.065
Current result	7.067.746	5.876.151
Retained earnings	1.045.019	11.122
Retained earnings - retreatment	-340.833	-312.229
Profit distribution	0	0
Own shares	-1.316.108	-480.532
Losses related to the issuance, redemption, sale, free transfer or cancellation of equity instruments	-107.727	-131.766
Employee benefits in the form of equity instruments	68.708	
Other equity items	-3.515.563	
Long-term debts	4.820.834	4.693.953
Debts from long term operational leasing	24.358	30.479
Provisions		
Debts with deferred income tax	4.796.476	4.663.474
Current debts	3.066.858	2.481.990
Bank loans	0	

Farmaceutica REMEDIA S.A. – unconsolidated financial statements
concluded as at 31.12.2025

Debts from financial leasing	0	
Debts from operational leasing	6.121	2.740
Suppliers and other similar debts	700.592	1.528.062
Provisions	344.971	
Current tax debts	470.324	
Other short-term debts	1.289.262	951.188
Deferred income tax liabilities	255.588	
Total debts	7.887.692	7.175.943
TOTAL EQUITIES AND DEBTS	67.427.400	63.263.121

Chairman of the Board of Administrators
"TARUS" - Valentin Norbert TARUS e.U.

by representative
Valentin – Norbert TARUS

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded as at 31.12.2025

STATEMENT OF CHANGES IN EQUITY (RON)

CAPITAL CHANGES									
	Share	Legal	Revaluation	Other	Issuance	Result	Current	Own	TOTAL
	capital	reserves	reserves	reserves	premiums	carried	result	shares	
						forward			
Balance at 01.01.2024	9,860,311	2,121,796	24,141,850	14,162,460	757,485	-301,106	4,374,862	-2,260,996	52,856,662
									0
Transfer profit 2023 to retained earnings						4,374,862	-4,374,862		0
Profit distribution 2023 to dividends				-358,214		-4,374,862			-4,733,076
Profit distribution 2023 to other reserves									0
Profit distribution 2023 to legal reserve									0
Result 2024							5,876,151		5,876,151
Legal reserve 2024									0
Closing of account 129 (legal reserve 2023)									0
Disposals buildings + land									0
Revaluation of buildings and land			1,262,278						1,262,278
Deferred tax									0
Transfer reserves from funds				-823,533		0			-823,533
Purchase of own shares								1,780,464	1,780,464
Losses on gratuitous disposal of own shares								-131,766	-131,766
Balance at 31.12.2024	9,860,311	2,121,796	25,404,128	12,980,713	757,485	-301,106	5,876,151	-612,298	56,087,178

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded as at 31.12.2025

STATEMENT OF CHANGES IN EQUITY (RON) - continued

CAPITALS CHANGES	Share	Legal	Revaluation	Other	Benefits granted to employees	Other elements	Share	Retained	Current	Own	TOTAL
	capital	reserves	reserves	reserves	in the form of equity instruments	of equity	premiums	earnings	result	shares	2025
Balance on 01.01.2025	9.860.311	2.121.796	25.404.128	12.980.713			757.485	-301.106	5.876.151	-612.298	56.087.178
											0
Profit transfer 2024 to retained earnings								5.876.151	-5.876.151		0
Profit distribution 2024 to dividends				0				-			-3.786.328
Profit distribution 2024 to other reserves				2.089.823				-			0
Profit distribution 2024 to legal reserves								2.089.823			0
Result 2025									7.067.746		7.067.746
Legal reserve 2024											0
Account closure 129											0
Buildings + lands outputs			-189.731								-189.731
Revaluation of buildings and lands			1.103.674								1.103.674
Deferred tax											0
Transfer reserves from funds				0				0			0
Buy own shares										-811.537	-811.537
Losses from the free transfer of own shares										0	0
Deferred tax transfer from revaluation reserves			3.515.563			-	3.515.563				0
Reserves – employee share plan (IFRS 2)				0	68.708						68.708
IFRS restatement	-312.229		-693.064					1.005.292			-1
Balance on 31.12.2025	9.548.082	2.121.796	29.140.570	15.070.534	68.708	-	757.485	704.186	7.067.746	-	59.539.707
						3.515.563				1.423.835	

Farmaceutica REMEDIA S.A. – unconsolidated financial statements
concluded as at 31.12.2025

STATEMENT OF TREASURY FLOWS (RON)

	12/31/2025
Cash flows from operating activities	
Collections from the sale of goods and from the provision of services	17.108.789
Other cash inflows	379.686
Payments to suppliers of goods and services	-11.628.752
Payments to and on behalf of employees (incl. taxes on salaries)	-2.185.836
Corporate tax payments	-140.973
Payments to other taxes and fees	-3.052.530
Paid interests	
Collected interests (current account)	627.655
Other cash outflows	-167.296
Total operating cash flow	940.743
Cash flow from investment activities	
Proceeds from the sale of long-term assets and financial investments	0
Collected interests (from deposits)	
Collected dividends	3.574.370
Payments for the purchase of long-term assets	
Total cash flow from investments	3.574.370
Cash flow from financing activities	
Short-term loan withdrawals	0
Repayment of short-term loans	5.000.000
Net foreign exchange differences	-31.547
Funding received from shareholders	
Repayments of long-term loans, including interest	
Payments to shareholders (dividends)	-3.350.000
Payments of own shares	-567.587
Total cash flow from financing	1.050.866
Total cash flow	5.565.979
Cash at the beginning of the period	9.903.422
Cash at the end of the period	15.469.401

Farmaceutica REMEDIA S.A.

Chairman of the Board of Administrators
"TARUS" - Valentin Norbert TARUS e.U.

by representative
Valentin-Norbert TARUS

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded as at 31.12.2025

NOTE 1 COMPANY INFORMATION

Farmaceutica REMEDIA S.A. ("the Company") is a commercial company with registered office in Deva, Bld. Nicolae Balcescu nr. 2 (formerly Str. Dorobantilor 43), Hunedoara County, Romania.

On 25 July 1991, Farmaceutica REMEDIA S.A. was established as a commercial company with full state capital, through the reorganization of the Deva Pharmaceutical Office - established in 1957.

On 13 October 2000, V.TARUS RoAgencies S.R.L. acquired from FPS the majority of shares (55,802 %).

On 01 January 2006, Farmaceutica REMEDIA S.A. merged by absorption with V.TARUS RoAgencies S.R.L. Conform Legii 95/2006, republicata in August 2015, societatile comerciale le-a fost interzisa desfășurarea, in acelasi timp, de activitati de distributie en gross si en detail de medicamente. (Art. 800 paragraful 2).

On January 1, 2016, Farmaceutica REMEDIA S.A. completed the transfer of the distribution activities to Farmaceutica REMEDIA Distribution & Logistics S.R.L., a new company, 100% owned, of the wholesale distribution activities of medicines, together with related activities (logistic services, registration of pharmaceutical products, promotion and marketing of medicines, etc.), Farmaceutica REMEDIA S.A. kept the operation of the chain of pharmacies and local offices.

As a result of the change in the main object of activity imposed by the above mentioned legislation, the company had to buy back from the market (in 2015) a number of 300,100 shares at a price set by an authorized appraiser.

During **2025** Farmaceutica REMEDIA S.A. did not participate in mergers.

In **January 2025**, Farmaceutica REMEDIA acquired a 24% share in Novoengrama SRL, a company specialized in medical rehabilitation based in Cluj-Napoca.

In **September 2025**, Farmaceutica REMEDIA completed a share buyback transaction carried out for the purpose of implementing a stock option plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954, 808 shares, representing 1% of the share capital. The total amount paid by Farmaceutica REMEDIA was 811,586.80 Lei, at a repurchase price of 0.85 Lei per share).

NOTE 2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Declaration of conformity

The company's financial statements have been prepared in accordance with the provisions of Order no. 2844/2016 for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, applicable to companies whose securities are admitted to trading on a regulated market, with all subsequent amendments and clarifications.

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded as at 31.12.2025

For all periods up to and including the year ended 31 December 2011, the company has prepared financial statements in accordance with Romanian Accounting Standards (RAS). The financial statements for the year ended 31 December 2012 are the first financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The financial statements as at 31.12.2025 were approved by the Board of Administrators of the Company on 23.03.2026.

Basics of evaluation

The financial statements have been prepared on a historical cost basis except for buildings and land which are valued at fair value (market value determined by an appraiser's valuation). Historical cost is generally based on the fair value of the consideration given for the assets.

The company presents in the financial statements at fair value all assets and liabilities for which fair value measurement is required, the methods used to determine fair value being inventory and revaluation (IFRS 13).

Thus, the buildings (included in the class Property, plant and equipment and investment property) and land owned by the Company are valued annually by an independent chartered appraiser, member of ANEVAR, with recent and relevant experience regarding the location and category of the investment subject to valuation.

Since 2015, the revaluation method used has been the gross income multiplier method (quantification of the present value of the anticipated future benefits produced to the owner by leasing the property). The values were estimated on the basis of public market studies and the correlation was made based on several criteria, the most important being the number of inhabitants of the locality where the property is located.

Property, plant and equipment valuations have been classified at level 2 because their values are comparable to similar values in the active market, are adjusted and are directly observable - IFRS 13.93 (b).

The Company does not hold financial instruments that would require the use of other fair value estimation methods.

During 2025 there were no events and circumstances that would lead to the recognition of a significant impairment loss on property, plant and equipment.

Functional and presentation currency

The financial statements are presented in LEI (RON), which is the Company's functional currency. All financial information is presented in LEI.

Principle of continuity of activity

The financial statements have been prepared on a going concern basis, which means that the company will, for the foreseeable future, continue as a going concern without going into bankruptcy, liquidation or significant curtailment.

Comparative situations

Certain amounts in the statement of financial position, statement of comprehensive income, statement of changes in equity and in the notes to the financial statements, explanatory notes have been reclassified to ensure comparability between prior years and the year current year.

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded as at 31.12.2025

Professional estimates and reasoning

The preparation of IFRS financial statements requires management to use professional judgement, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The underlying estimates and assumptions are reviewed periodically. Revisions to accounting estimates are recognised in the period in which the estimate was revised and in future periods affected. The following are critical professional judgements/reasons that the Company's management has made that have a significant impact on the amounts recognised in the financial statements:

- Useful lives of non-current assets
- Deferred taxes
- Provisions
- Segment reporting

Changes in accounting policies

The Company's financial statements have been prepared in accordance with :

- Accounting Act No. 82/1991, republished and updated;
- the provisions of the Order of the Minister of Public Finance No. 2844/2016, approving the Accounting Regulations in accordance with International Financial Reporting Standards, applicable to companies whose securities are admitted to trading on a regulated market, as subsequently amended and clarified.

These individual financial statements have been prepared in accordance with the recognition, measurement and evaluation criteria in accordance with the International Financial Reporting Standards, Interpretations and International Accounting Standards (collectively referred to as "IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("adopted IFRSs").

The financial statements for the financial year ended on 31.12.2025 include the financial position statement. Statement of comprehensive income, statement of cash flows, statement of changes in equity and explanatory notes.

The main accounting policies applied to the preparation of the financial statements were applied consistently.

The preparation of financial statements in accordance with adopted IFRS requires the use of certain crucial accounting estimates. It also requires management to use judgment in the process of applying the Company's accounting policies.

The areas that involve a higher degree of complexity and the application of these reasonings or those in which assumptions and estimates have a significant impact on the financial statements.

These provisions correspond to the requirements of the International Financial Reporting Standards (IFRS), adopted by the European Union (EU). The effects of changes in exchange rates, regarding the functional currency. For the purpose of preparing these financial statements in accordance with the legislative requirements in Romania, the

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functional currency of the Company is considered to be RON ("Romanian leu").

The management of the company considers it to be the functional currency, as defined by IAS 21 - The effects of changes in foreign exchange rates

The new accounting regulations

Starting with 2023, the Company applied the IFRS 16 standard for all rental and operational leasing contracts.

The following amendments to existing standards and new interpretations issued by the International Accounting Standards Board (IASB) and adopted by the EU are in force for the current period:

IFRS 17 Insurance contracts (including amendments to IFRS 17 from June 2020 and December 2021) The company adopted IFRS 17 with all amendments for the first time in 2023. IFRS 17 establishes the principles for the recognition, measurement and presentation of insurance contracts and replaces IFRS 4 Insurance contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The overall model is simplified if certain criteria are met by measuring liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the value, timing and uncertainty of future cash flows and explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

The company has no contracts that meet the definition of an insurance contract according to IFRS 17.

Amendments to IAS 1, Presentation of financial statements

The company adopted the amendments to IAS 1 for the first time this year. The amendments change the requirements of IAS 1 regarding the presentation of accounting policies. The amendments replace the term "significant accounting policies" with "significant accounting policy information". Accounting policy information is material when considered in conjunction with other information included in an entity's financial statements that can reasonably be expected to influence the decisions that primary users of the financial statements make on the basis of them.

IAS 1 has also modified paragraphs to clarify that information regarding the accounting policy of some insignificant transactions or events is not material and should not be presented.

Accounting policy information may be material because of the nature of the transactions or related events, even if the amounts are immaterial. However, not all accounting policy information relating to significant transactions or events is itself material.

Amendments to IAS 12 Income tax—deferred tax on assets and liabilities arising from a single transaction

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The amendments introduce a new exception to the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax regulations, equal taxable and deductible temporary differences may arise in a transaction that is not a combination and does not affect either accounting profit or taxable profit.

According to the amendments to IAS 12, an entity must recognize the deferred tax asset and liability, and the asset is recognized according to the recoverability criteria established by IAS 12.

Amendments to IAS 8 Accounting policies, changes in accounting estimates and errors

The company adopted the IAS 8 amendments. The amendments replace the definition of a change in accounting estimates with the definition of an accounting estimate. According to the new definition, accounting estimates are "monetary values in financial statements that are subject to measurement uncertainty." The definition of a change in accounting estimates has been removed.

Amendments to IAS 1 Presentation of Financial Statements—classification of short-term or long-term liabilities

The amendments to IAS 1 published in January 2020 only affect the presentation of liabilities as short-term or long-term in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expense, nor the information presented about these items.

The amendments clarify that this short-term or long-term classification is based on the rights that exist at the end of the reporting period and is not affected by the expectation that the company can exercise the right to defer the payment of a debt and clarifies that the rights exist certain contractual conditions are fulfilled at the end of the reporting period. The term "payment" is clarified, namely the transfer of money, capital instruments, or other assets or services.

NOTE 3 SIGNIFICANT INFORMATION REGARDING THE ACCOUNTING POLICY

Business combinations – IFRS 3

Business combinations are accounted for using the acquisition method. The acquirer recognizes the acquired company's identifiable assets, liabilities and contingent liabilities at their acquisition date fair values and also recognizes goodwill that is subsequently tested for impairment rather than amortized. The direct costs of the acquisition are recognized directly in the profit and loss account. Recunoasterea veniturilor

Revenue recognition

Revenues represent the gross inflow of economic benefits during the period generated within the normal activities of an entity, in the form of inflows of assets or increases in the value of assets, or decreases in liabilities, which result in increases in equity, other than those obtained through contributions from the capital holders.

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REVENUE RECOGNITION IN ACCORDANCE WITH IFRS 15

Revenues are recorded when the significant risks and advantages of ownership of the goods are transferred to the customer. The amounts representing the income do not include the sales tax (VAT), but they include the commercial discounts granted. Financial discounts granted to customers (discounts) reduce the value of the Company's revenues.

The Company recognizes revenues when their value can be reliably estimated, when it is likely to produce future economic benefits for the entity, and when specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered reliably assessable until all sales contingencies have been resolved. The company bases its estimates on historical results, taking into account the type of client, the type of transaction and the specific elements of each contract.

Revenues from the provision of services are recognized in the period in which they were provided and in correspondence with the stage of execution.

Interest income is recognized periodically, proportionally, as the respective income is generated, based on accrual accounting.

Revenues from the collection of rents and/or rights to use assets are recognized on the basis of accrual accounting, according to the contract.

Dividends distributed to shareholders, proposed or declared after the date of the financial statements, are recognized as dividend income when the shareholder's right to collect them is established.

Revenues represent the gross inflow of economic benefits during the period generated within the normal activities of an entity, in the form of inflows of assets or increases in the value of assets, or decreases in liabilities, which result in increases in equity, other than those obtained through contributions from the capital holders.

Revenues constitute increases in economic benefits recorded during the accounting period, in the form of incomes or increases in assets or reductions in liabilities, which materialize in increases in equity, other than those resulting from shareholders' contributions.

Fair value is the value at which an asset can be traded or a debt settled, between interested parties and in good faith, in a transaction carried out under objective conditions.

Revenues are assessed according to IFRS 15 – Revenues from contracts with customers. IFRS 15 establishes a five-step model to record revenue from contracts with customers:

- **Step 1: Identifying the contract with a customer**
- **Step 2: Identification of payment obligations from the contract**
- **Step 3: Determining the transaction price**
- **Step 4: Allocation of the transaction price for the performance obligations in the contract**
- **Step 5: Revenue recognition as the company fulfills a performance obligation**

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The company has concluded contracts with clients for the delivery of goods (robots) and contracts for the provision of services (rents, and robot assembly and maintenance works). The client is analyzed within the Control Dept. by accessing the data from the platforms that offered this service, e.g. "List of companies" and by requesting credit reports from specialized companies.

The company identifies the terms of payment and the rights of each party in what concerns the goods and services, it is established that it has commercial content, and the parties have approved the contract and undertake to fulfill the obligations according to the payment terms for the goods and services transferred.

The company evaluates the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer a distinct good or service to the customer.

Performance obligations are explicitly stipulated in the contract.

The Company considers the terms of the contract and its usual business practices to determine the transaction price.

The transaction price represents the amount of consideration to which the company expects to be entitled in exchange for the transfer of the promised goods or services to the customer, excluding VAT or other taxes.

For the purpose of determining the transaction price, the company assumes that the goods or services will be transferred to the customer as promised under the existing contract and that this contract will not be canceled, renewed or modified.

The individual (specific) selling price of a good or service is the price at which the good or service would be sold separately. When it is not directly observable, it can be determined:

- by reference to the market price (adjusted market valuation approach);
- by adding a margin to the cost that the entity estimates to bear for the fulfillment of that obligation.

In accordance with IFRS 15, revenue is recognized in the amount that reflects the consideration to which an entity expects to be entitled in exchange for the transfer of goods or services to a customer.

According to IFRS 15, revenues will be recognized when a customer obtains control over the goods.

In the case of contracts with customers, the sale of goods and other goods (pharmaceutical robots) is generally estimated to be the only performance obligation, revenue recognition takes place at a point in time, when control of the asset is transferred to the customer, namely upon delivery/ putting the goods into operation under the conditions stipulated in the contract.

In the case of sales of goods, in the retail system directly to the physical customer, it is estimated that the adoption of IFRS 15 will not have any impact on the Company's income and profit or loss. They are registered at the time of sale to the client - natural person, based on the tax receipt and the monthly Z report of the cash registers.

The income related to the goods - exclusively RX-type drugs, for which co-payment of the good is provided through the contracts with CNAS, are recognized in the month in which the patient took possession of the goods, based on the invoices drawn up to the Health Centers. Interest income is recognized monthly using the effective interest method and is included in the profit and loss account under financial income.

Dividend income is recognized when the shareholder's right to receive the payment has been established.

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Recognition of expenses

Expenses represent the reduction of economic benefits recorded during the accounting period in the form of outflows or decreases in the value of assets, or increases in liabilities causing reductions in equity, other than those resulting from their distribution to shareholders.

Currency conversions

In the financial statements, transactions in currencies other than the entity's functional currency (RON) are recognized at the current exchange rate on the date of the transactions. At the end of each reporting period, the monetary elements expressed in a foreign currency are converted at the current rates (BNR) of that date.

Monetary assets and liabilities expressed in foreign currency on December 31, 2025 are valued in RON using the exchange rate valid at the end of the financial year, respectively 1 EUR = 5,0985 RON; 1 USD = 4,3417 RON.

Exchange rate differences related to monetary elements are recognized in the profit and loss account at the time of occurrence.

The non-monetary elements accounted for at fair value in a foreign currency are converted at the current rates from the date on which the fair value was established. Non-monetary items valued at historical cost in a foreign currency are not converted.

Government subsidies

Government subsidies are recognized when there is reasonable certainty that the subsidy will be received and all related conditions will be met.

Capital subsidies, including non-monetary subsidies valued at fair value, are recognized as investment subsidies and are recognized in the balance sheet as income in advance, it is taken back to income as the expenses are recorded with the depreciation of the asset or at the time of the sale of the asset.

The company did not benefit from government subsidies.

Taxes

Current profit tax

The profit tax for the current period is presented at the amount to be paid to the tax authorities and is reported in the tax returns according to the legislation in force, the percentage applied to the taxable profit being 16%.

Deferred profit tax – IAS 12

The elements regarding the deferred tax are recognized in correlation with the transaction supporting other elements of the global result or, in the case of Farmaceutica REMEDIA S.A. - directly in equity (IAS 12 – Recognition of deferred tax liabilities and receivables).

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Deferred tax receivables and liabilities are offset if there is a legal right to offset current tax receivables with current tax liabilities and deferred taxes refer to the same taxable entity and the same fiscal authority.

Deferred tax liabilities are represented by the amounts of profit tax payable in future periods regarding taxable temporary differences (point 5 of IAS12). These deferred tax liabilities are established when:

- the accounting value of an asset exceeds its tax value;
- the accounting value of an obligation is lower than its tax value.

When calculating the deferred tax, the company takes into account the provisions of IAS 12.

Deferred tax assets and liabilities are recognized when the accounting value of an asset or liability in the statement of financial position differs from the tax base.

Value added tax

The company applies two rates for calculating the value added tax, respectively 11% and 21% corresponding to the nature of the taxable base (eg for medicines the applicable rate is 11%).

Starting with **August 1, 2025**, the standard VAT rate was increased from **19% to 21%**, and from **9% to 11%**, respectively.

The net value of recoverable or payable VAT is included as part of receivables and payables in the statement of financial position.

Tangible assets

For initial recognition, tangible assets are valued at cost, net of accumulated depreciation and/or accumulated impairment losses, if applicable.

For the subsequent valuation, land and buildings are valued at fair value, from which the accumulated depreciation of the buildings, as well as the recognized value losses at the valuation date, are deducted. Valuations are performed with sufficient regularity to ensure that the fair value of the revalued assets does not differ materially from the net book value.

A surplus from the revaluation is recorded in other elements of the global result and thus credited to the reserve from the revaluation of the buildings, within the equity. However, to the extent that it recovers a deficit from the revaluation of the same asset previously recognized in the profit and loss account, the increase is recognized in the profit and loss account. A revaluation deficit is recognized in the profit and loss account, if an existing surplus recorded previously for the same asset, recognized in the asset revaluation reserve (according to IAS 16), is not compensated. In addition, the accumulated depreciation on the valuation date is eliminated from the accounting value of the asset and the net amount is restated at the revalued value of the asset. Upon disposal, any remaining revaluation reserve that refers to the respective asset to be sold is transferred to retained earnings.

The revaluation model for buildings and land and the cost-based model for the other classes of tangible assets were used as the accounting method for tangible assets (starting with the 2011 financial year).

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In the case of tangible assets to which the cost-based model was applied, the linear depreciation method was used to calculate depreciation.

Assets under financial leasing (vans and cars) were restated according to IFRS 16.

The tangible assets owned by the company are subject to impairment tests to detect the case where their accounting value cannot be fully recovered. When the accounting value of an asset is greater than the recoverable amount, the asset is adjusted accordingly (IAS 36 – Depreciation of assets) by setting up a provision.

For new immobilized assets, such as installations, machines and measuring and control devices, the useful lives were established taking into account the estimated level of use based on the use of the asset's capacity.

The lifetimes used are the following:

Buildings and constructions	32 - 48 years
Equipment and installations	6 - 12 years
Means of transport	4 - 6 years
Computing technique	2 - 4 years
Furniture and office equipment	9 - 15 years

Current investments are amortized starting with the month following the moment of commissioning.

The expenses for the maintenance and repairs of tangible assets are recognized in the profit and loss account at the time they are made, and the improvements that lead to the optimization of their exploitation and fall within the legal norms are capitalized.

Leasing contracts

(a) The company is the lessee

The company evaluates whether a contract is a leasing one, at the start date of the contract. The company recognizes an asset from rights of use and a corresponding leasing liability, referring to all leasing contracts in which it is a tenant, except for short-term or low-value contracts (this is not the case).

The lease liability is initially valued at the present value of the lease installments that are unpaid at the commencement date, using the default discount rate in the contract. If this rate cannot be determined easily, the company uses the marginal lending rate.

The marginal lending rate depends on the term, currency and start date of the contract and is determined based on information such as the government bond rate, specific adjustments for country risk and credit risk.

The lease debt is subsequently measured by adding the interest amount and is reduced by the payments made.

The company reassesses the lease liability (and makes a corresponding adjustment for the right-of-use asset) when:

- The duration of the lease changes

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- Lease payments change due to changes in an index or estimated payments, in which case the lease liability is revalued by updating these changed payments with the same discount rate.
- A leasing contract is modified and I do not consider it a separate lease, in which case the lease debt is reassessed based on the new term, and the modified payments are updated using the rate from the date of the modification

Right-of-use assets comprise the initial value of the corresponding leasing liability, minus any initial direct costs. They are subsequently valued at cost less accumulated depreciation and impairment losses.

The company applies IAS 36 to determine whether a right-of-use asset is impaired and reflects any impairment loss as described in the property, plant and equipment policy.

The costs of indebtedness

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of that asset. All other costs of indebtedness are expensed in the period in which they occur.

Borrowing costs represent interest and other costs borne by the Company for borrowing funds.

The company has not entered into debt for the acquisition, construction or production of an asset.

Real estate investments (IAS 40)

Real estate properties used partially or fully to obtain rental income were classified as "real estate investments". In the case of properties partially used by the Company and partially rented, the value of the real estate investment was determined proportionally to the area allocated for renting to third parties as presented in NOTE 10. Real estate investments are presented in the financial statements at fair value, reflecting the market conditions at the end of the reporting period and do not include transaction costs that may be incurred in case of sale (IAS 40).

Thus, the buildings classified as real estate investments, owned by the Company, are evaluated annually by an authorized independent appraiser, member of ANEVAR, having recent and relevant experience regarding the location and category of the real estate investment subject to evaluation.

In 2025, the Company used the fair value measurement method for the revaluation of assets.

During the year 2025, there were no events and circumstances that would lead to the recognition of a significant impairment loss of real estate investments.

Intangible assets

Intangible assets are initially valued at cost (IAS 38 – Intangible assets and IAS 36 – Depreciation of assets). The useful lives of intangible assets are evaluated as being determined or indefinite.

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Intangible assets with a determined useful life are amortized over their economic life and are depreciated whenever there are indications of impairment of the intangible asset.

The amortization expense of this type of intangible assets is recognized in the profit and loss account.

Intangible assets such as purchased software programs are amortized linearly over a period of 1-3 years.

Operating authorizations for pharmacy activity (pharmacy licenses) are included in the category of indefinite-lived intangible assets. According to the legislation in force, the number of these authorizations is limited according to several criteria, the most important of which is the demographic criterion. Operating authorizations are valued at purchase cost, have an infinite useful life, are transferable (have a price) and do not depreciate. In some cases, the costs generated by the purchase of pharmacy licenses were capitalized.

Financial instruments

Financial assets

Financial assets are classified, upon initial recognition, for the purpose of subsequent evaluation at amortized cost, fair value through Other comprehensive income and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the financial assets and on the Company's business model regarding their management.

The Company's business model regarding the management of financial assets is established by groups of assets and not for each individual asset or at the level of the entire entity and refers to the way in which they manage their financial assets to generate cash flows. The business model determines whether cash flows will result from the collection of contractual cash flows, from the sale of financial assets, or from both activities.

According to the economic model, the Company measures financial assets at amortized cost if the following conditions are simultaneously met:

- The financial asset is held within a business model with the objective of holding financial assets to collect contractual cash flows and;
- The contractual terms of the financial asset give rise to cash flows on the specified dates that represent exclusively payments of the principal and the interest related to the principal payment amount

Financial assets are represented by loans, trade receivables and other receivables, cash and cash equivalents.

The entity does not own a portfolio of tradable financial assets. The company holds majority shares in one company and minority shares in two other companies. These financial assets are not listed on a regulated market and are presented at purchase value without being revalued.

Cash and cash equivalents are liquid in the short term and can be found in cashiers, current bank accounts and deposits with a maturity of less than one year.

For more information on receivables, see Note 14 - Trade receivables and other receivables.

Financial debts

Financial liabilities are classified into two categories:

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- valued at amortized cost and
 - valued at fair value through profit or loss for the period
- All financial liabilities are valued at amortized cost (such as trade debts, loans from the issue of bonds, bank loans with a standard interest rate, etc.), with the exception of financial liabilities valued at fair value through the profit or loss of the period, the category of which includes:
- those held for the purpose of being traded issued for the purpose of being redeemed in a short period of time
 - those in the form of derivative financial instruments that were not included in the category of hedging operations (interest rate swaps, commodity and currency forward contracts, commodity and currency options, etc.)
 - those for which the entity chose the fair value valuation option because:
 - o an accounting inconsistency of assessment or recognition is eliminated or significantly reduced (accounting mismatch) and thus the relevance of the published information is improved

- o a group of liabilities or liabilities and assets is managed and valued at fair value in accordance with a documented risk management or investment strategy (and information about the group is provided to key management personnel (KMP Key Management Personnel))

At the time of initial recognition, a financial instrument is valued at fair value to which trading costs are added, except for financial instruments valued at fair value through profit or loss for which trading costs are recognized in the profit or loss of the period and are accounted for as expenses. The amortized cost of a financial liability is determined as follows:

- 1 the initially accounted amount
- 2 debt repayments
- 3.+/- cumulative amortization of the difference between the initial amount and the maturity amount calculated based on the effective interest method

The company has jointly opened a multi-currency credit line worth 11 million euros, mainly used by FRDL for the issuance of participation/good performance guarantee letters issued in favor of clients and for working capital.

There is also at the Company's disposal a line of credit, SME type with guarantees from the state fund, which is currently being used.

The main policies regarding financial instruments and risk management are presented in NOTE 29.

Inventories

The stock of goods (pharmaceutical and parapharmaceutical products) represents over 99.6% of the total stocks of the Company. In the accounting situations, the stocks of goods are highlighted at the input cost, which includes, in addition to the purchase price, import taxes, transport and, when applicable, the discounts received. Inventories are valued at the end of the period at the lower of cost and net realizable value (IAS 2 – Inventories).

From 2011 certain future discounts are included in the cost of stored goods. The net realizable value is the estimated selling price under the normal operation of the business, less the estimated costs of completion and selling costs.

Within the own pharmacies, stocks of drugs and parapharmaceutical products are shown at retail price (purchase price + commercial surcharge + VAT).

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Stocks being mostly represented by drugs managed strictly on the basis of manufacturing batches (according to the legislation in force), when leaving management, the FEFO method (first expired, first out) is used, and in the case of the existence of two batches with the same term expiration, the FIFO (first in, first out) method is used.

Determining the actual quantities in stock is done using the permanent inventory method. The company periodically inventories stocks to determine if they are damaged, have slow movement or if the net realizable value has decreased, making the necessary adjustments if necessary.

The company does not hold stocks of goods pledged in the account of debts.

Information on stocks is presented in NOTE 13 (IAS 2.36 – Stocks – presentation of information).

Provisions

A provision is recognized if, following a previous event, the Company has a present obligation, legal or implied, which can be reliably estimated and which will generate an outflow of economic benefits for its settlement (IAS 37 – Provisions, contingent liabilities and contingent assets).

The expense related to any provision is presented in the profit and loss account.

Provisions are reviewed at each balance sheet date and adjusted to reflect management's best current estimate in this regard. If an outflow of resources is no longer probable for the settlement of an obligation, the provision is reversed to income.

Provisions for litigation are recognised when management estimates that cash outflows will be required as a result of adverse litigation. The Company did not have significant risk of cash outflows as a result of litigation.

The Company has provisions for impairment of current assets (goods, debtors and uncertain customers) and for risks and charges (cash shortage).

Provisions for doubtful customers are recognised based on the analysis of balances older than 6 months. Provisions are made for customers in insolvency or with a low probability of collection. When the loss becomes certain (decision of the judge to strike off the Commercial Register) the uncollected balances are recognised as costs and, at the same time, the previously established provision is reversed.

A statement of the company's provisions is given in NOTE 23.

The company has not made a provision for the claw back tax as it is not legally obliged to bear the amount of the claw back tax on costs, as it does not produce pharmaceutical products.

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Employee benefits (IAS 19)

a) Pension plan

All employees of the Company are included in the Romanian State Pension Plan, some of the employees also contribute to private pension plans (pillar II or III).

In this context, the Company makes payments to the Romanian State on behalf of its employees.

The Company does not have any other pension plan or post-retirement benefit plan other than those mentioned above.

The Company's contributions to the Pension Plan of the Romanian State are charged on a monthly cost basis, in the month for which these contributions are due.

Employees who retire for the age limit will receive an allowance equal to 2 gross salaries, based on the last gross salary of the employee in the month of retirement. The allowance is granted only to employees who retire from the company.

b) Other employee benefits

All employees on an 8-hour work contract are entitled to meal vouchers according to current legislation.

Also, in accordance with the Collective Labour Agreement, all employees benefit from fixed bonuses at Easter and Christmas, as well as holiday bonuses.

Also in accordance with the Individual Labour Contract, employees who are individually dismissed receive an indemnity equal to the last gross salary if they have a seniority of 1 to 3 years, 2 gross salaries if they have a seniority of 3 to 6 years and 3 gross salaries if the seniority exceeds 6 years. In the case of collective redundancies, the compensation is similar to that for individual redundancies.

Politica Societatii pentru alte beneficii ale angajatilor pe termen lung este sa recunoasca castigurile si pierderile in perioada in care apar in cadrul contului de profit si pierdere.

In September 2025, Farmaceutica REMEDIA completed a share buyback transaction carried out for the purpose of implementing a Stock Option Plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954, 808 shares, representing 1% of the share capital.

The stock option plan for the allocation of free shares was launched in December 2025, providing a valuable opportunity for certain employees and members of the Company's management, as well as those of certain affiliated legal entities, to be rewarded for their contribution to the company's success.

c) Annual bonuses of managers and members of the Board of Administrators

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Directors and members of the Board of Administrators of the Company benefit from annual bonuses based on mandate contracts (depending on the achievement of certain performance indicators) or decisions of the Board of Administrators.

Dividend

Distribution of dividends to the Company's shareholders is recorded in the financial statements in the year in which they were approved by the General Meeting of Shareholders, and are therefore not recognised as a liability at the end of the reporting period. The calculation and recognition of dividends are performed in accordance with IAS 10 - Events after the Reporting Period.

The company does not distribute cumulative preferential dividends.
The dividend situation is presented in NOTE 18.

Affiliated parties

Parties are considered related when one party has the ability to control or significantly influence the other party, through ownership, contractual rights, family relationships or otherwise. Related parties also include major shareholders of the company, members of management, members of the Board of Administrators and their family members, parties with whom they jointly control other companies, post-employment benefit plans for company employees.

Details of related party transactions are disclosed separately in NOTE 27.

Equity capital

Equity capital shows the shareholders' right to the company's assets after deducting all debts. They comprise: capital contributions, capital premiums, reserves, retained earnings and profit or loss for the financial year.

Capital contributions

Farmaceutica REMEDIA S.A. was established in 1991 as a wholly state-owned commercial company. In 2006, the Company merged with V.TARUS RoAgencies SRL. In 2007 the Company increased its capital by subscribing shares. In 2009 the company was listed in category a- II - of the BVB.

Evolution of share capital:

	Date	Number of shares	Value of issue (Lei)	Explanations
1	10.11.1999	3.370.107	337.010,70	Initial state capital, including land contributed in kind

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2	06.09.2001	1.500.000	150.000,00	Cash contribution to V.TARUS RoAgencies
3	23.07.2003	42.402	4.240,20	Merger - capital of Ditafarm Trading - absorbed company
4	05.01.2006	5.696.471	569.647,10	Merger - capital of V.TARUS RoAgencies - absorbed company
5	21.12.2007	87.905.969	8.790.596,90	Capital increase - shareholders with pre-emptive rights
6	04.05.2009	7.574.851	757.485,10	Capital increase - AHG Simcor Industry S.R.L.
7	09.06.2021	- 10.608.980	- 1.060.898,00	Reduction of share capital - repurchase of shares followed by their cancellation
	TOTAL	95.480.820	9.548.082,00	

As the valuation made at the date of the merger of the two companies eliminated any revaluation surplus that arose in previous periods and any further increase in share capital was made after 31 December 2003, share capital was not adjusted for inflation in accordance with IAS 29 - Financial Reporting in Hyperinflationary Economies.

Reported result

The accounting profit remaining after the distribution of the 5% share to the legal reserve, up to 20% of the share capital, is taken to retained earnings at the beginning of the financial year following that for which the annual financial statements are drawn up, from where it is distributed to the other legal purposes.

The distribution of profit is made in the following financial year, as approved by the AGM.

Reserves

The company presents in the financial statements in the category reserves amounts representing legal reserve, reserve from revaluation of owned buildings and land and reserve from net profit of previous years as fund at the disposal of the company.

Earnings per share

The company presents earnings per share by dividing the profit or loss attributable to shareholders by the number of shares. The statement of earnings per share is presented in the Statement of Comprehensive Income.

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Segment reporting (IFRS 8)

The segmentation of the Company's activities is done mainly by business lines and detailed by geographic regions as shown in NOTE 28.

The calculation takes into account the risks and rewards directly and indirectly attributable to each segment.

Given the specific nature of the goods distributed and services offered by the company, a correlation between geographical regions and customers is not relevant.

Accounting errors

The correction of material misstatements relating to prior years does not result in a change to the financial statements for those years. In the case of errors relating to previous financial years, the correction of such errors does not entail any adjustment to the comparative information presented in the financial statements. Any impact on the comparative information relating to the financial position and financial performance, i.e. change in financial position, is disclosed in the notes to the financial statements and adjusted in retained earnings during the year.

NOTE 4 SALES AND OTHER OPERATING REVENUES

Operating income is generated from sales of goods - mainly medicines and parapharmaceutical products, as well as from services rendered and rents, as shown below:

description	2025	2024
NET TURNOVER, of which :	14,843,465.00	14.077.445
Income from sale of goods, of which:	9,288,883.00	9.112.606
- Remedia pharmacy sales	699,822.00	8.189.156
- BD ROWA robot sales	8,589,061.00	923.450
- hospital distribution		
- warehouse distribution		
- other distribution channels		
Trade discounts granted		
Income from services rendered and rents, of which :	5,554,582.00	4.964.839
- logistics and warehousing services		
- rents	4,876,561.00	4.141.280
- BD Rowa services		855.167
- other services	678,021.00	1.392

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Other operating income

description	2025	2024
Compensation	5,720	7.316
Sales of tangible assets	789,876	1.588.918
Reconciliation of accounts payable		
Other income	1,225,613	2.327.382
Income from the revaluation of tangible assets	1,684,430	
TOTAL	2,021,209	5.573.817

NOTE 5 MATERIAL EXPENDITURE

Description	2025	2024
Cost of goods*	7,283,491	7.637.782
Utilities	135,557	185.757
Fuels	136,872	211.736
Spare parts	31,516	73.628
Consumable materials	84,335	82.083
Inventory items	27,245	33.942
TOTAL	7,699,016	8.224.928

* net amount obtained by adjusting for discounts received

NOTE 6 STAFF EXPENDITURE

Staff expenditure has the following component:

Description	2025	2024
Gross salaries and allowances	1,905,267	3.377.704
Insurance and social protection expenditure	0	16.616
Insurance contribution for work	42,863	75.945
Other expenditure on insurance and social security	37,408	66.609
Other staff expenditure	1,985,538	2.403.102
Remuneration expenses on equity instruments	68,708	1.648.698
PFA/PFI	360,000	380.000
Disability Fund	0	33.924
Meal/coupon voucher	118,570	340.480
TOTAL	2,532,816	5.939.976

The costs (including taxes) for the remuneration in 2025 of the Board of Administrators and the Director General amounted to a total of 515.000 lei.

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NOTE 7 OTHER OPERATING EXPENSES

Description	2025	2024
Repairs	105,933	119.010
Rentals	99,885	85.458
Insurance	84,961	78.289
Post and telecommunications	37,754	56.741
Travel and transport	241,777	111.974
Advertising	1,947	16.850
Protocol	91,434	47.069
Donations and sponsorships		
Other taxes and duties	533,543	766.540
Bank fees	115,577	112.616
Other services provided by third parties	786,999	894.123
Other operating expenditure	90,968	321.861
TOTAL	2,190,778	2.610.531

NOTE 8 NET FINANCIAL INCOME

Description	2025	2024
Interest income	627,655	323.308
Interest expenses	-2,348	-42.122
Diff.course income	12,406	382
Course expenses	-100,298	-8345
Discount advance payments		
Discount cash in advance		
Dividends received	3,574,370	6.063.746
Result	4,111,785	6.336.969

NOTE 9 INCOME TAX EXPENSE

The influence of non-deductible costs, non-taxable income (including reversals of provisions) and tax benefits was taken into account in the calculation of corporate income tax.

Description	2025	2024
total income	23,572,463.05	24.388.497
total expenditure (excluding income tax)	16,034,392.69	18.512.346
gross accounting result	7,538,070.36	5.876.151
deductions	718,600.00	1.686.312

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non-taxable income	5,258,800.31	7.384.576
non-deductible expenses	3,016,908.97	2.165.540
Tax result	4,577,579	-1.029.197
corporate tax	732,412.64	-164.672
Tax reductions	15,197.00	
income-like items	854,298.00	
tax on income-like items	136,687.68	0
total current income tax	853,903.32	
Deferred income tax	378.907	
total current income tax	1.232.810	

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NOTE 10 TANGIBLE ASSETS AND REAL ESTATE INVESTMENTS

Note 10										
Tangible assets and real estate Investments										
	Lands	Buildings and other constructions	Real estate investments	Technical installations and cars	Equipment and vehicles	Furniture	Assets related to the right of use of leased assets	Assets in progress	Advances for fixed assets	Total
as at 31 December 2024	6,030,370	18,973,246	17,795,204	587,023	2,842,307	1,425,205	35,970		911,577	48,600,902
										0
inflows	832,600	2,226,165	-16,536	2,595		1,338,759	0		308,386	4,691,969
transfers						1,333,798			0	1,333,798
outflows		1,460,961	0	0					206,857	1,667,818
as at 31 December 2025	6,862,970	19,738,450	17,778,668	589,618	2,842,307	1,430,166	35,970		1,013,106	50,291,255

NOTE 10 TANGIBLE ASSETS AND REAL ESTATE INVESTMENTS (continuation)

	Buildings and other constructions	Technical installations and vehicles	Leasing assets	Furniture	Real estate investments	Total
Accumulated amortisation						
as at 31 December 2024	717	3,029,717	3,897	1,190,935		4,225,266
amortization of the year	214	161,467	3,596	32,645		197,922
cumulative amortisation						0
affluent to outflows			0	0		0
as at 31 December 2025	931	3,191,184	7,493	1,223,580		4,423,188

* excluding real estate investments

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10.2 REAL ESTATE INVESTMENTS (RON)

City	Adress	Surface area Inch.	Surface area Total sqm	VAT-free rent	revalued value on 31.12.2024 - lei-	% of rented area	Value of real estate investments			
		mp		-EUR-						
ABRUD	Str.Piata Eroilor nr 6 ap i	163.71	163.71	837.23	238,447	100%	238,447			
ARAD	Str.Voinicilor nr 38 bl 245 ap 25	73	73	1576.8	633,846	100%	633,846			
ALBA IULIA	Str. Zorilor nr 1 bl 280 sc C nr 4	164.2	297	1794.06	794,408	100%	794,408			
	Str.Nicolae Titulescu bl 280	130.77		1365	794,503	100%	794,503			
BAITA		50	50		69,777	100%	69,777			
BLAJ	Str.Piata 1848 nr 21	201.67	201.67	1196.04	425,681	100%	425,681			
DEVA	str. Pta Victoriei nr 3	48	336	1147.1	2,891,670	100%	2,891,670			
		152		3072.6						
		70								
		66		1652.38						
		60		569						
	SF.STEFAN str. 22 Dec	88	167.4	1674.45	1,241,418	100.00%	1,241,418.00			
		19		239.21						
		109		150				2152.87		
	SF. MARIA, str. Mihai Eminescu nr 13A	41	64	500	1,219,323	100.00%	1,219,323.00			
		64		500				235,102	100.00%	235,102.00
		1300		3576,2				8582.77	0	0.00%
	2261	50								
	REMEDIA DEPOZIT, str Dorobantilor nr. 43	15								
	PARTE LOCAL DEVA	42	330	93	776,647	100.00%	776,647.00			
spatiu gol	288									
Str Horea nr 5	154	154	625.9	598,038	100%	598,038.00				
KOGALNICEANU	141	141	300	332,360	100%	332,360.00				
APARTAMENT DRAGAN	33.9	33.9		79,852	100%	79,852.00				
DOBRA	Str 1 DECEMBRIE BL 4	106	166	538.27	227,391	100.00%	227,391.00			
	Str.. 1 DECEMBRIE BL 4	60		170.7						
HATEG	SF. TREIME, Ovidiu Densuseanu	51	355	540.55	1,284,424	100.00%	1,284,424.00			
		56		625.9						
		125.68		1435.25						
		55		586.07						
		60		LIBER						
HATEG	PIATA UNIRII	35	93	280	125,528	100.00%	125,528.00			
HUNEDOARA	STR VIORELE NR 6	115	239	1716.44	1,021,991	100.00%	1,021,991.00			
		124		600						
	Bdul 1848 nr 7	0	185	SPATIU GOL	389,521		389,521.00			

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	Str.Republicii nr 10 bl D8	95.25	95.25	1320.45	597,014	100.00%	597,014.00
PETROSANI	STR TIMISOAREI	142	183		470,245	100.00%	470,245.00
ILIA	MIHAI VITEAZU	185	185	SPATIU GOL	203,867	100.00%	203,867.00
JIDVEI	PERILOR NR 2	40		SPATIU GOL	39,156	100.00%	39,156.00
CLUJ	STR FAGULUI NR 1	205	205	1884.53	973,495	100,00%	973,495.00
SIMERIA	SF. ANDREI	30	305	264.852	892,654	100.00%	892,654.00
		94.37		735.7			
		36		227.016			
		24		190.4			
		5		110			
		16		130			
		33		227.016			
	66	LIBER					
	COSMIFARM	51			131,052	100.00%	131,052.00
BUCURESTI	GARSONIERA DR TABEREI				192,613	100.00%	192,613.00
	GARSONIERA DR TABEREI				192,613	100.00%	192,613.00
	APARTAMENT DR TABEREI				281,348	100.00%	281,348.00
	GARSONIERA DR TABEREI				204,795	100.00%	204,795.00
	PAVILION	1200			6,137,562	100.00%	6,137,562.22
	HALA	2500			10,248,473	100.00%	10,248,472.66
PERIS	SPATIU COMERCIAL	122		300	289,727	100.00%	289,727.00
TOTAL		11367.55	4172.93	39811.554	34,234,541		34,234,541

NOTE 11 INTANGIBLE ASSETS (RON)

SOFTWARE LICENSES			
	Cost	Amortization	Net value
on 1 January 2024	548,111	472,105	76,006
entries	13,933		
Transfers			
Exits		9,126	
on 31 December 2024	562,044	481,231	80,813
entries	75,000	25,363	
Transfers			
Exits			
on 31 December 2025	637,044	506,594	130,450

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PHARMACY LICENSES			
	Cost	Amortization	Net value
on 01 January 2024	178,255	0	0
Entries			
Transfers			
Exits	178,255		0
on 31 December 2024	0	0	0
Entries			0
Transfers			
Exits			0
on 31 December 2025	0	0	0

NOTE 12 FINANCIAL ASSETS AT FAIR VALUE

Name	Value
Group company shares	602,200
of which:	
FRDL(SIBMEDICA)	2,800
Pharma Expertspedition	599,400
Company's shareholdings outside the group	130,286
of which:	
Share capital Pharma Expertspedition	600
EUROM BANK	2,413
BODY FARM	2,903
NOVOENGRAMA	124,370
Deposits and guarantees paid	47,297

* Companies over which Farmaceutica REMEDIA S.A. has no control and does not influence decisions.

NOTE 13 STOCKS

The stock of goods (pharmaceutical and parapharmaceutical products) represents more than 54% of total stocks Farmaceutica REMEDIA S.A.

Description	31-Dec-25	31-Dec-24
Goods in warehouses/BD ROWA	649.469	466.345
Goods in pharmacies	427.679	522.807
Adjustments	0	0
Other stocks	0	0

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Commercial markup	-89.444	-120.975
Non-deductible VAT goods	-56.787	-40.417
Advances granted for purchases	2.063	0
Adjustments for the depreciation of current assets	-136.451	0
TOTAL	796.530	827.760

NOTE 13 STOCKS (continuation)

Name	Sold on 01.01.2025		entries	exits	Sold on 31.12.2025	
	Debit	Credit			Debit	Credit
Materials						
Inventory objects						
Goods in robots	307,281		6,886,945	6,703,821	490,405	
Goods in pharmacies	522,807		753,470	848,598	427,679	
Goods in storage/BD ROWA	159,064		0		159,064	
Other Goods			0		0	
Commercial markup	120,975		161,227	192,758		89,444
Provisions for impairment of goods		0				
Non-deductible VAT goods		50,900	85,557	79,670		56,787
Advances granted for purchases	0	0	2,063	0	2,063	
Adjustments for impairment of current assets	0	0	136,451		0	136,451
Total	1,110,127	50,900	8,025,713	7,824,847	1,079,212	282,682

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NOTE 14 TRADE AND OTHER RECEIVABLES

Description	31-dec-2025	31-dec-2024	31-dec-2023
COMMERCIAL RECEIVABLE:	3,772,937	1,636,868	4,260,102
commercial receivable	7,805,179	4,940,662	7,563,895
adjustments for commercial receivables	-4,032,242	-3,303,794	-3,303,794
intra-group receivable			
OTHER RECEIVABLE:	494,814	598,653	459,956
Sick leave to recover	37,543	82,043	28,540
Corporate tax	0	242,606	242,606
Litigation costs to be recovered relating to pending litigation	38,972	38,972	38,972
related to pending litigation			
Other receivable	418,299	235,032	149,838

NOTE 15 CASH AND CASH EQUIVALENTS

	31 Dec 2025	31 Dec 2024	31 Dec 2023
Bank accounts in RON	15,404,422	9,811,570	7,784,903
Foreign currency bank accounts	44,511	75,082	108,575
cash in the money register RON	20,468	16,770	88,238
Other values	0	0	1000
Total cash and cash equivalents	15,469,401	9,903,422	7,982,716

NOTE 16 SHARE CAPITAL

31-Dec-2025

Shareholders	No. of shares	Percentage of share capital (%)
Valentin-Norbert TARUS	76.914.408	80,55
Farmaceutica REMEDIA	1.777.433	1,86
Natural persons	16.020.939	16,78
Legal entities	768.040	0,81
Total	95.480.820	100,00

NOTE 17 RESERVES

	31-Dec-25	31-Dec-24
Legal reserves	2,121,796	2,121,796
Other reserves	15,070,534	13,673,776
Revaluation reserves	29,140,569	24,711,065
Corp. immobilizations		
TOTAL	46,332,900	40,506,637

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The nature and purpose of each reserve within equity are described below.

Legal reserves: according to Law 31/1990, at the end of each financial year, at least 5% shall be deducted from the accounting profit, before determining the income tax, from which non-taxable income shall be deducted and expenses related to such non-taxable income shall be added, until it reaches one fifth of the subscribed and paid-up share capital or of the assets, as the case may be, according to the organization and operation laws.

Fixed asset revaluation reserves: when the carrying amount of a tangible asset increases as a result of revaluation, then the increase must be recognised in other comprehensive income and accumulated in equity as a revaluation surplus. Revaluation reserves may not be distributed and may not be used to increase share capital. Other reserves include reserves representing tax relief as well as reserves set up from profits in previous years.

NOTE 18 DIVIDENDS

The evolution of dividends distributed and paid in the last 6 years is presented as follows:

	2020	2021	2022	2023	2024	2025	2026
Initial sale	209.353	117.155	327.582	379.265	436.551	500.463	557.676
Gross dividends distributed	2.121.796	14.277.108	4.759.036	4.615.814	4.733.076	3.786.328	4.694.314
Dividend tax paid	104.900	711.866	237.353	368.491	379.164	379.122	
Dividends paid	2.109.093	13.354.815	4.470.000	4.190.037	4.290.000	3.350.000	
Dividend payment	117.155	327.582	379.265	436.551	500.463	557.676	

The statement of retained earnings from prior years for Farmaceutica REMEDIA SA as of December 31, 2025, is as follows:

Lei	Other reserves	Carried-forward result
Farmaceutica REMEDIA SA	15.019.933	

NOTE 19 RETAINED EARNINGS

	2025	2024	2023
Sold out first year	11.122	11.123	448.687
Transfer profit 2024	5.876.151	0	3,260,692
Profit distribution 2024	-5.876.151	0	-3.550.211
Accounting corrections		-1	-148,045
IFRS Restatement Reserves representing the realized surplus from revaluation reserves	693.064		
Sold end of year	704.186	11.122	11.123

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NOTE 20 PROFIT DISTRIBUTION

As of 31.12.2025, the Company recorded a net profit of **7.067.745** Lei, which is proposed for distribution as follows:

- dividends: **4.694.314** Lei
- other reserves: 2.373.431 Lei

NOTE 21 OWN SHARES

In 2015, as a result of the change in the main object of activity required by Law 95/2006, republished in August 2015 (art. 800 para. 2), the Company had to buy back from the market a number of 300,100 shares at a price set by an authorized appraiser.

On 02.03.2023, Farmaceutica REMEDIA SA completed a share buyback operation carried out for the purpose of a Stock Option Plan. The number of shares repurchased on 02.03.2023, according to ASF Decision 122/08.02.2023 is 2,864,425 shares, representing 3% of the share capital. Total number of shares subscribed in the operation: 2,864,425 shares, representing 100% of the Offer. The total amount paid by Farmaceutica REMEDIA was 2,148,319 Lei. Repurchase price: 0.75 Lei per share.

In April 2024, Farmaceutica REMEDIA SA finalized the Stock Option Plan operation, started in 2023, which resulted in the allocation and free transfer of 2,341,900 shares to 184 REMEDIA employees. A total of 522,525 shares remained undistributed as a result of failure to comply with the conditions of the Stock Option Plan at the end of the 12-month vesting period.

In September 2025, Farmaceutica REMEDIA completed a share buyback transaction carried out for the purpose of implementing a Stock Option Plan. The number of shares repurchased as of September 23, 2025, under the Public Tender Offer approved by the ASF via Decision 841/August 28, 2025, and Amendment 888/September 11, 2025, is 954,808 shares, representing 1% of the share capital. The total amount paid by Farmaceutica REMEDIA was 811,586.80 Lei, at a repurchase price of 0.85 Lei per share

As a result, at December 31, 2025, Farmaceutica REMEDIA holds a total of 1.777.433 own shares, representing 1.86% of the share capital.

NOTA 22 LEASING

Right of use assets:

	Buildings (RON)
Cost:	
On 31 December 2023	816,080
Entries	
Exits 2025	-780,110

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At 31 December 2025	35,970
Accumulated depreciation:	
On 31 December 2023	148,396
Depreciation 2024	67,133
Amortization of 2024 exits	-211,632
Accumulated depreciation as of December 31, 2024	3,897
depreciation 2025	3.596
Net value:	
At 31 December 2025	28.477

The Company has recognised the following categories under "Right-of-use assets":

- Lease agreements for the premises where pharmacies operate

NOTE 23 PROVISIONS

Name of provision	Balance at the beginning of the financial year	Transfers		Balance at the end of the financial year
		in cont		
PROVISIONS FOR RISKS AND CHARGES :	0	344.971		344.971
Other provisions for risks and expenses	0	344.971	0	344.971

NOTE 24 COMMITMENTS

The company has a multi-currency working capital credit line with BANCA TRANSILVANIA. The credit line can also be used by FRDL

Objective	Line of credit - working capital financing
Amount	125.000.000 LEI 100.000.000 LEI BT 25.000.000 LEI BCR
Expired	09 April 2027 BT 29 May 2026 BCR
Guarantees	Real estate collateral on real estate of the company
	Balance at 31 December 2025
LC used 31.12.2025	0 LEI
LC restricted 31.12.2025 for SGB only	0 LEI in FR
	95.169.149 LEI BT, in FRDL

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	17.500.000 LEI BCR, in FRDL
LC to be used 31.12.2025	4.830.851 LEI BT 7.500.000 LEI BCR

As at 31.12.2025, the amount drawn from the credit line relates to letters of guarantee of participation and performance. The amounts relating to the letters of guarantee are non-interest bearing and are only recorded off-balance sheet and are not a payable.

NOTE 25 TRADE AND OTHER PAYABLES

Description	31-Dec-25	31-Dec-24
suppliers, of which :	700,592	1,528,062
suppliers of goods	561,720	1,389,190
real estate suppliers	138,872	138,872
other current liabilities, of which :	2.366.266	951,189
salaries and related taxes	67,645	96,522
dividend	577,676	500,464
VAT payable	253,570	71,144
other taxes and charges	725.912	
other creditors	741.463	283,059

December 2025 salaries and related taxes were settled in January 2026.

"Other creditors" represent guarantees paid by tenants and management staff.

NOTE 26 LITIGATION

The company is involved in litigation as a plaintiff, mainly for the recovery of commercial amounts from customers whose debts are overdue.

NOTE 27 DISCLOSURE OF RELATED PARTY TRANSACTIONS

The transactions consisted of sales and purchases of goods, as well as the provision of services, as follows:

partner	object of the contract	year of contract	sales REMEDIA	REMEDIA purchases	Customer balance	Supplier balance
Farmaceutica Remedia D&L SRL	Sale of goods/auto, rental of premises	2015 2016	4,931,275	626,825	1,122,250	39,020

For transactions with related parties, no guarantees are given on receivables or payables.

NOTE 28 Reporting on activity segments						
		Remedia	BD Rowa	Rents for	Provided	TOTAL *
		farmacies	Robots	spaces/auto	services	2025
Net turnover		699.822	9.267.081	4.875.681	880	14.843.464
	Income from the sale of goods	699.822	8.589.060			9.288.882
	Commercial discounts granted	0		0	0	0
	Income from services provided and rents	0	678.021	4.875.681	880	5.554.582
Other operating revenues		0			3.705.639	3.705.639
OPERATING REVENUES - TOTAL		699.822	9.267.081	4.875.681	3.706.519	18.549.103
						0
Expenses with goods		579.670	6.703.821	0	0	7.283.491
	Expenses regarding goods	579.670	6.703.821	0	0	7.283.491
	Commercial discounts received	0		0	0	0
Gross margin from sales of goods		120.152	1.885.239	0	0	2.005.391
						0
Other operating costs		683.396	1.711.109	4.681.662	672	7.076.840
	Direct costs	148.745	1.247.755	956.730	0	2.353.230
	Logistics costs	0		0	0	0
	Promotion costs	0		0	0	0
	Indirect costs	534.651	463.354	3.724.932	672	4.723.610
OPERATING EXPENSES - TOTAL		1.263.066	8.414.930	4.681.662	672	14.360.331
						0
Operating result		-563.244	852.151	194.019	3.705.847	4.188.772
Financial result						4.111.784
Gross result						8.300.556
	Profit tax					1.232.812
Net profit						7.067.745

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NOTE 29 OBJECTIVES AND POLICIES FOR FINANCIAL RISK MANAGEMENT

Financial risk management

The company is exposed to a number of financial risks such as:

- Capital risk
- Market risk (which includes currency risk, interest rate risk and price risk)
- Credit risk
- Liquidity risk

The Companies' management oversees the management of these risks and, through the measures taken, seeks to minimise any adverse effects that could affect the Companies' financial results.

Capital risk

Management's objectives in managing the Company's capital include:

- Continuity of the Company's business
- Optimal sizing of capital to reduce its cost.

The Company's capital comprises short-term and long-term debts, which include loans, debts to suppliers, etc., and shareholders' equity comprising share capital, reserves, current result and retained earnings. The Company may revise its capital structure on a regular basis through the means at its disposal (payment of dividends to shareholders, issue of new shares, sale of assets to reduce debt, etc.).

The main indicator on the basis of which the Company monitors capital is the gearing ratio calculated as the ratio of borrowed capital (from banking and leasing institutions) to equity. The situation of the indicator "debt ratio" as at 31.12.2025 is as follows:

	31.12.2025	31.12.2024
Borrowed capital	0	0
Equity capital	59.539.707	56.087.178
Degree of indebtedness	0%	0%

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Market risk

Market risk is the risk that the fair value of an instrument's future cash flows will fluctuate due to changes in market prices. There are four types of market price risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, trade receivables and payables.

Foreign exchange risk

The Company's exposure to foreign currency risk is exclusively given by monetary items such as trade receivables, trade payables and foreign currency loans.

The company was mainly exposed to foreign currency risk on payments to leasing companies as well as on purchases made in foreign currencies. In 2024 the company made foreign currency purchases totaling 241,024 eur.

Given that the proportion of foreign currency debt/receivables is very small, reasonable exchange rate fluctuations will not have a significant effect on future financial statements.

With the obligation of major international manufacturers to sell medicines in lei (in spring 2009), the currency risk has decreased significantly.

Monetary assets and liabilities denominated in foreign currency at the reporting date are presented as follows:

Description	31/12/2025		31/12/2024	
	EURO	USD	EURO	USD
Trade receivables	5.710		784	
Trade debts	96.061	0	17.935	190
Bank credits	0	0	0	0
Financial leasing	0	0	0	0

Interest rate risk

The Company does not hold any significant interest-bearing assets and income and cash flows are not materially affected by changes in market interest rates.

The company has only one multi-currency credit line open for which the interest rate is calculated according to the ROBOR or EURIBOR 3-month rate, depending on the currency used. In view of the Company's very low level of indebtedness, it is estimated that reasonable fluctuations in interest rates will not have a significant effect on future financial statements.

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Price risk

The company mainly markets ethical medicines whose maximum price is set by the Romanian authorities. These prices are updated annually in accordance with the legislation in force.

Lately, there is a pressure from the competition, which is countered by price reductions and diversification and improvement of service quality.

In order to compensate for price reductions, the policy adopted by the Company is to obtain additional discounts from suppliers by carefully selecting them in conjunction with stock optimization.

Credit risk

Credit risk is the risk of financial loss to the Company that arises if a customer fails to meet its contractual obligations. The Company is mainly exposed to credit risk arising from sales to customers.

In the current market conditions in Romania, drug distribution is based on credit. Due to the transfer of the engross sales activities to FRDL, the risk of non-collection of receivables has largely disappeared. The settlement term with the health insurance companies was in 2025 about 90 days.

To counter the risk of non-collection of receivables and cash flow management of Farmaceutica REMEDIA S.A. has taken a number of measures such as:

- More frequent analysis of the debits and financial situations of the clients
- Hiring additional staff in the control departments with increased tasks in terms of stock management, initiating and pursuing legal action against debtors and debt recovery.
- Strict cost control with positive impact on cash flow.

Capital expenditures will be incurred strictly on the basis of the Investment Budget and within the limits of available cash, without affecting operational activity.

On the other hand, the difficulties faced especially by independent pharmacies create market opportunities to find new forms of collaboration, acquisitions and mergers.

Liquidity risk

Liquidity risk arises from the Company's management of working capital and funding expenses and repayments on its borrowing instruments.

The Company's policy is to ensure that it will always have sufficient cash to meet its payment obligations when due. In order to achieve this objective, cash (or line of credit) is maintained to meet payment needs. The Company has sufficient liquid resources to meet its obligations in all reasonable expected circumstances.

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded as at 31.12.2025

The Company's debts (trade and other payables, loans, finance leases) are classified by the Company's management into short-term debts (due in less than 12 months) and medium- and long-term debts (due within 13 to 48 months).

The breakdown of debts by maturity 0 - 12 months, respectively 13 - 48 months is presented accordingly in the Statement of Financial Position ("current liabilities", respectively "long-term liabilities").

Bank liquidities

A significant amount of the Company's cash and cash equivalents is held in banks in the form of deposits or cash at sight. The Company works mainly with Raiffeisen Bank, Banca Transilvania and the State Treasury. The commercial and credit conditions offered by the banks with which the Company has open bank accounts are periodically analysed by the management of the financial accounting department.

Operational risk

Operational risk is the risk of direct or indirect losses arising from a wide range of causes associated with the Company's processes, personnel, infrastructure and external factors, such as those arising from legal and regulatory requirements and generally accepted standards of organisational behaviour. Operational risks arise from all of the Company's operations.

The primary responsibility for developing control tools related to operational risk rests with the Company's management. The directions for the development of operational risk management standards are:

- development of business continuity plans
- alignment with regulatory and legal requirements
- periodical analysis of the operational risk to which the Company is exposed and adaptation of procedures and controls to prevent identified risks
- identification of operational losses while generating proposals to remedy the causes that led to them
- preventing the risk of litigation
- mitigating risks, including through the use of insurance where appropriate
- professional development and training

NOTE 30 SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying notes and to disclose contingent liabilities at the end of the reporting period.

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These estimates and assumptions result in uncertainty that may cause a material future adjustment to the carrying amounts.

The assumptions and other sources of estimation uncertainty disclosed in accordance with IAS 1 relate to estimates that require management to make the most difficult, subjective and complex judgements.

The following are critical professional judgments/reasons that the Company's management has made that have a significant impact on the amounts recognized in the financial statements:

- o Useful lives of non-current assets (NOTE 3)
- o Deferred taxes (NOTE 3)
- o Provisions (NOTE 23)
- o Segment reporting. In allocating revenues and expenses to the various segments, the Company relies on estimates and assumptions that reflect the size of the operations and their relationship to each business segment (NOTE 28).
- o Cost of goods sold by FR and sourced from FRDL, which requires the creation of impairment adjustments.

In the case of provisions for the depreciation of goods, as a principle, the value of expired goods existing at the balance sheet date is taken into account, to which is added the value of goods in stock at the balance sheet date and which are expected to expire in the next 6 months, taking into account the average monthly sales of the last quarter of the year for which the balance sheet was closed.

Considering that the main sources of the uncertainty of the estimates (risk of non-collection of receivables, depreciation of stocks, other expenses) were foreseen by the management and appropriate provisions were recorded, we consider that there is no significant risk that the accounting value of the assets and liabilities will change fundamentally in the next financial year.

Evaluation of the objectives, policies and procedures of the capital management entity

The company's policy is to include the following in its own capital:

- share capital: 95,480. 820 shares * 0.01 ron/share = 9,548,082 ron
- emission premiums
- legal reserves and other reserves
- current result
- reported result
- own actions

The company was not subject to externally imposed provisions regarding the capital in 2025.

Farmaceutica REMEDIA S.A. – unconsolidated financial statements
concluded as at 31.12.2025

NOTE 31 EVENTS AFTER THE REPORTING PERIOD

As of the date of this report, Farmaceutica REMEDIA has not experienced any events that have had a significant impact on the company's operations.

NOTE 32 – ECONOMIC - FINANCIAL INDICATORS

LIQUIDITY AND WORKING CAPITAL	31.12.2025	31.12.2024
Current liquidity (Current assets / Current liabilities)	6,7	5,22
Current assets *	20.533.682	12.956.220
Current liabilities *	3.066.858	2.481.990
Degree of indebtedness (Borrowed capital / Equity x 100)	0,00%	0,00%
Borrowed capital * (including leasing)	0	0
Own capital *	59.539.707	56.087.178
Turnover speed of customer debits (average customer balance/turnover*365)	88 days	54 days
Average customer balance *	3.570.517	2.066.319
Net turnover *	14.843.465	14.077.445
Turnover speed of liabilities (average balance suppliers/cogs*365)	140 days	280 days
Average supplier balance *	2.276.494	5.867.241
Cost of goods sold - net	7.283.491	7.637.782
Turnover speed of stocks (average stock balance/cogs * 365)	18 days	89 days
Average stock balance	352.468	1.859.340
Cost of goods sold - net	7.283.491	7.637.782
Turnover speed of fixed assets (turnover/fixed assets)	0,31	0,28
Net turnover *	14.843.465	14.077.445
Fixed assets *	46.778.298	50.111.863
Gross profit margin (%) (gross profit/net sales)	56%	42%
Gross profit *	8.300.557	5.876.151
Net turnover *	14.843.465	14.077.445

Notes:

¹⁾ **Current liquidity** - the level of the indicator reflects a good ability to pay, therefore a reduced risk for creditors, certifying that the company is able to cover its short-term debts on account of receivables and cash availability.

²⁾ **The degree of indebtedness** expresses the effectiveness of credit risk management, indicating potential financing and liquidity problems, with influences in honoring the assumed commitments. In the calculation of this indicator, the borrowed capital includes both bank loans and financial leasing debts.

³⁾ **Turnover speed of customer debits** expresses the effectiveness of the company in collecting its debts, respectively the number of days until the date when the debtors pay their debts to the company. Considering the dynamics of sales and the specifics of the collection of receivables in the distribution of medicines, we consider that the value of the indicator is a normal one, under the given conditions.

⁴⁾ The **Turnover speed of liabilities** represents the average period in which suppliers are paid.

⁵⁾ The value of the indicator **No. of days of storage** can be considered as falling within the specifics of the

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded as at 31.12.2025

activity.

6) **Turnover speed of fixed assets** expresses the effectiveness of fixed asset management, by examining the turnover generated by a certain amount of fixed assets.

7) **Gross profit margin** indicates the profitability of the company. A high margin suggests a good ability to generate profit from sales

Board of Administrators, Chairman
"TARUS" - Valentin Norbert TARUS e.U.
By representative

Valentin-Norbert TARUS

A.B.A. AUDIT S.R.L.

A.B.A. Audit S.R.L.
ADRESA: Timisoara, Str. Georg Haendel, Nr. 1
CUI: RO 14907434 • Nr. Inreg. ORC: J35/1537/2002
IBAN: RO39WBAN032502371763R001 • BANCA: Intesa Sanpaolo Bank
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INDEPENDENT AUDITORS' REPORT

(Free translation)*

To the Shareholders of
FARMACEUTICA REMEDIA S.A.

Unmodified auditor's opinion

1. We have audited the accompanying individual financial statements of Farmaceutica Remedia S.A. (the "Company"), with headquarters in Deva, 2 Nicolae Bălcescu Boulevard (formerly 43 Dorobanților Street), Hunedoara County, registered under unique tax identification code RO2115198, which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of cash flows, and the statement of changes in equity for the financial year then ended, as well as a summary of significant accounting policies and other explanatory information.

2. Separate financial statements at December 31, 2025, are identified as follows:

- Revenues:	22.763.535 RON
- Net profit:	7.067.745 RON
- Total assets:	67.427.400 RON

3. In our opinion, the separate financial statements present fairly, in all material respects the financial position of the Company as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Accounting Law no. 82/1991, republished, including subsequent amendments and additions, Order of the Minister of Public Finance of Romania no. 881/2012 on application by companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards and the Order of the Minister of Public Finance no. 2844/2016 for approval of the Accounting Regulations in accordance with International Financial Reporting Standards, including subsequent amendments and additions.

Basis for unmodified auditor's opinion

4. We conducted our audit in accordance with International Standards on Auditing ("ISA"), the EU Regulation No 537 of the European Parliament and of the Council of the European Parliament (the "Regulation") and the Law no. 162/2017 ("the law"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We consider that the audit evidences we have obtained are sufficient and appropriate in order to form a basis for our audit opinion.

* *The English version is a translation of the original in Romanian for information purposes only. In case of a discrepancy, the Romanian original will prevail.*

Emphasis of matters

5. Without modifying our opinion, we draw attention to the uncertainties arising from the wars in Ukraine and Iran, the international restrictions imposed on the Russian Federation and Belarus, and the energy crisis, which give rise to a risk that unforeseeable developments may affect the level of the economic and financial indicators budgeted by the Company, as well as require a reconsideration of the assumptions underlying the estimation of the inventory values of the Company's assets. The Company's financial position depends on how management addresses future events and socio-economic conditions in the challenging environment in which it operates.

Key audit matters

6. The key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual financial statements for the current period. These matters were addressed in the context of our audit of the individual financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

i) Revenue recognition

At the level of revenue recognition there are risks of material misstatements like the situations where these may not be recognized by the company's management in accordance with applicable accounting regulations. There may be risks both in terms of the amount of revenue recognized as well as the time of their recognition of possible material misstatements regarding the application of the principle of accrual-based accounting.

Our response to these risks of material misstatement included audit procedures designed to analyse contracts and test revenue recognition in accordance with the relevant contractual terms and supporting documentation. In respect of the risk of material misstatement related to the application of the accrual basis of accounting, we performed procedures to assess whether revenue was recognised at the point when risks were transferred to commercial partners. We evaluated the design and implementation of key internal controls over sales transactions and discounts granted. We also confirmed revenues and discounts granted to selected customers, on a sample basis, as at 31 December 2025, in order to assess the completeness of the transactions carried out by the Company with those customers. In addition, we performed analytical procedures consisting of an analysis of revenues and discounts granted by comparing the current period against the prior period in terms of sales and margin. We further assessed whether the presentation of revenues in the explanatory notes is appropriate.

ii) Valuation and presentation of investment property

Management's assertions concerning the valuation of property, plant and equipment classified as investment property may be subject to risks of material misstatement arising from non-application, at the reporting date, of the requirements of the applicable accounting regulations for the measurement of investment property in accordance with IAS 40 "Investment Property".

Our response to these risks of material misstatement in respect of the valuation of investment property included audit procedures to assess the determination and recognition of fair values as at the reporting date, 31 December 2025, as well as the accounting treatment applied to fair value differences. We also considered the risks identified in relation to the classification and recognition of investment property in the Company's individual financial statements.

Other Information – Management Report and the Remuneration Report

7. The Directors are responsible for the preparation and presentation of the other information. The other information comprises the Directors' Report and the Remuneration Report, but does not include the individual financial statements and the auditor's report thereon.

Our opinion on the financial statements does not cover this other information and, except to the extent explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements for the financial year ended 31 December 2025, our responsibility is to read the other information included in the Directors' Report and, in doing so, consider whether such other information is materially inconsistent with the financial statements or with the knowledge we obtained during the audit, or otherwise appears to be materially misstated.

As far as the Directors' Report is concerned, we have read and reported that it has been prepared in all significant aspects in accordance with Order of the Minister of Public Finance no. 2844/2016 for approval of the Accounting Regulations in accordance with International Financial Reporting Standards, chapter III, points 15-20.

On the sole basis of the activities to be carried out during the audit of the financial statements, in our opinion:

- a. The information presented in the Directors' Report for the financial year for which the financial statements have been prepared is consistent, in all significant aspects, with the financial statements;
- b. Directors' Report has been prepared in all significant aspects in accordance with Order of the Minister of Public Finance no. 2844/2016 for approval of the Accounting Regulations in accordance with International Financial Reporting Standards, chapter III, points 15-20;

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

8. Regarding the Remuneration Report for the financial year ended at December 31, 2025, we verified whether the information provided by the Company's management is in accordance with art. 107 of Law no. 24/2017 on issuers of financial instruments and market operations as amended and supplemented ("Law No. 24/2017") applicable to entities whose shares are listed on a regulated market and we report that it provides, in all material aspects, the information demands by Law no. 24/2017, art. 107, article (1) and (2).

Other matters

9. This independent auditor's report is addressed exclusively to the shareholders of the Company. Our audit was conducted in order to be able to report to the shareholders in accordance with the reporting requirements of a financial audit, and not for other purposes. To the extent to which the law allows it, we do not accept and assume any responsibility except for the Company and its Shareholders in respect to our audit, to the report on the separate financial statements and the report on conformity or the opinion.

10. The annexed financial statements are not meant to show the financial position, the financial performance and a complete set of notes to the separate financial statements in accordance to accounting regulations and principles in other countries and jurisdictions than Romania. Therefore, the annexed separate financial statements are not for the use of persons who are not familiar with legal regulations in Romania, including OMFP no. 881/2012 on application by companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards and OMFP no. 2844/2016 for the approval of the accounting regulations in accordance with International Financial Reporting Standards.

Responsibility of management and those responsible for governance for financial statements

11. Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the Accounting Law no. 82/1991, republished, including subsequent amendments and additions, Order of the Minister of Public Finance of Romania no. 881/2012 on application by companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards and the Order of the Minister of Public Finance no. 2844/2016 for approval of the Accounting Regulations in accordance with International Financial Reporting Standards and for internal control that management deems necessary to enable it to prepare financial statements free of material misstatement, whether due to fraud or error.

12. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

13. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

14. Our objectives are to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when one exists. Misstatements may arise from fraud or error and are considered material if they could reasonably be expected, individually or in aggregate, to influence the economic decisions of users taken on the basis of these financial statements.

15. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

16. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

17. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them about all relationships and other matters that may reasonably be thought to bear with our independence and, where applicable, related safeguards.

18. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Requirements for audits of public interest entities

19. We were appointed by the General Meeting of Shareholders on 24 April 2025, following a public selection process for statutory audit service proposals, to audit the financial statements of Farmaceutica Remedia S.A. for the financial year ended 31 December 2025, this being the first year of our audit engagement.

We confirm that:

- Our audit opinion is in accordance with the additional report presented to the Audit Committee of the Company, which we have issued during the audit mission. Also, in the conduct of our audit, we have kept the independence regarding the audited entity.
- We have not provided the Company with prohibited non-audit services, as referred to Article no. 5 paragraph (1) of the EU Regulation No 537/2014.

Report on compliance with the Commission Delegated Regulation (EU) 2018/815 (“European Single Electronic Format Regulatory Technical Standard” or “ESEF”)

20. We have undertaken a reasonable assurance engagement on the compliance with Commission Delegated Regulation (EU) 2019/815 applicable to the financial statements included in the annual financial report of Company as presented in the Digital Files.

20.1 Responsibilities of Management and Those Charged with Governance for the Digital Files prepared in compliance with ESEF

Company’s management is responsible for preparing Digital File that comply with the ESEF.

This responsibility includes:

- the design, implementation and maintenance of internal controls relevant to the application of the ESEF;
- ensuring consistency between the Digital File and the financial statements to be submitted in accordance with the Order of the Minister of Public Finance no. 2844/2016 for approval of the Accounting Regulations in accordance with International Financial Reporting Standards, including subsequent amendments and additions.

Those charged with governance are responsible for overseeing the preparation of the Digital Files that comply with ESEF.

20.2 Auditor’s Responsibilities for the Audit of the Digital Files

Our responsibility is to express a conclusion on whether the individual financial statements included in the annual financial report comply, in all material respects, with the ESEF requirements, based on the evidence obtained. Our reasonable assurance engagement was conducted in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised), “*Assurance engagements other than audits or reviews of historical financial information*” (ISAE 3000).

We apply International Standard on Quality Management 1 (“ISQM 1”) and, accordingly, we have designed, implemented and operate a robust system of quality management for audits or reviews of financial statements, and for other assurance and related services engagements, including policies and procedures designed to document compliance with relevant ethical and professional standards and with applicable legal and regulatory requirements.

A reasonable assurance engagement performed in accordance with ISAE 3000 involves carrying out procedures to obtain evidence regarding compliance with the ESEF requirements. The nature, timing and extent of the procedures selected depend on the auditor’s professional judgment, including the assessment of the risks of material non-compliance with the ESEF requirements, whether arising from fraud or error. A reasonable assurance engagement includes:

- obtaining an understanding of the process for preparing the Digital File in accordance with the ESEF requirements, including the relevant internal controls;
- reconciling the Digital Files with the Company’s audited financial statements to be published in accordance with Order of the Minister of Public Finance No. 2844/2016;
- evaluating whether all financial statements included in the annual financial report have been prepared in a valid XHTML format.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the financial statements for the year ended 31 December 2025 included in the annual financial report presented in the Digital Files comply, in all materials respects, with the requirements of ESEF.

In this section, we do not express an audit opinion, review conclusion or any other assurance conclusion on the financial statements. Our audit opinion relating to the financial statements of the Company for the year ended 31 December 2025 is set out in the “Report on the audit of the financial statements” section above.

Timișoara, March 27, 2026

On behalf of

A.B.A. AUDIT SRL

Str. Georg Haendel nr. 1, Timișoara, Timiș

Registered in the Electronic Public Register with the No. FA305/23 December 2002

Dr. Bunget Ovidiu Constantin

Registered in the Electronic Public Register with the No. AF1739/14 August 2006

Comply-or-Explain Statement (Company Name: Farmaceutica REMEDIA

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES							
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 1	The Board should have an internal regulation that formalises and clearly states its roles and responsibilities. The articles of association, Board's internal regulation and other internal regulations should clearly delineate the roles and competencies among the Board, general meeting of shareholders (GMS) and executive management.	X			The Board of Directors has an Internal Regulation, available on the company's website (in the Corporate Governance section). The roles, responsibilities and competencies of the Board, the AGM and the executive management are clearly specified and delimited in the Articles of Association and the Board of Directors Regulation and in the other Policies and regulations of the company (https://corporate.remedia.ro/guvernanta-corporativa/).
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 2	Board's internal regulation should include, among others, the Board's responsibilities as well as fiduciary duties of directors to act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company, its shareholders and taking into account the interests of other stakeholders in line with legal requirements.	X			The Board of Directors Regulation details the powers and responsibilities of the Board (https://corporate.remedia.ro/guvernanta-corporativa/)

<p>A: GOVERNING BODIES</p>	<p>A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.</p>	<p>A.1., 3</p> <p>To sustain the Company's long-term viability and success, the Board should:</p> <ul style="list-style-type: none"> ·Oversee the development and approve the Company's strategy and ensure that it also integrates sustainability aspects, including environmental and social (E&S) considerations and climate-related risks and opportunities; ·Appoint and dismiss CEO and other executives to whom executive management responsibilities were delegated (called executive management) and ensure their succession planning; ·Oversee the management performance, management role in addressing material sustainability risks and opportunities and align the remuneration of executive management with the long-term interests and sustainability of the Company, according to the provisions of the Company's remuneration policy; ·Ensure there is a sound framework for internal controls and risk management; ·Ensure that the Company has in place procedures to enable effective communication with shareholders and other stakeholders. 	<p>X</p>		<p>The Board of Directors Regulation details the duties and responsibilities of the Board, the Company has a Remuneration Policy and an Investor Relations Policy. The Board of Directors together with the Human Resources Department ensures the recruitment and evaluation of executive management and succession planning (https://corporate.remédia.ro/guvernanta-corporativa/)</p>
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A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 4	Duration of appointment of Board and executive management should be set clearly and should, to the extent possible, foster stability and predictability.	X		The company's Articles of Association provide for a maximum term of office of 4 years; the last terms of office of the administrators at Remedia were 1 year, to ensure flexible and agile management in the current context.
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 1	The Board should have at least five members.		X	The Board of Directors of Farmaceutica REMEDIA is currently composed of 3 (three) members, mandated until 30.04.2026. Considering the current context (increasing operating costs, IMCA taxation, sustainability challenges and the need to consolidate business lines), the Board is considering completing the number of members to 5 (five) in a future mandate, in order to strengthen the strategic oversight and the resilience of the company's governance.
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 2	The Board should have in place a policy on Board and executive management diversity and should ensure that diversity requirements in terms of gender, age, experiences and skills are incorporated in the Nomination Policy.	X		The Diversity and Equity Policy (https://corporate.remedia.ro/guvernanta-corporativa/) is implemented, which aims to achieve diversity objectives.

A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 3	The Board should develop a Board profile which specifies the desired characteristics and traits of its members including factors such as independence, diversity, integrity, specific skills and experience, industry knowledge, ability and willingness to devote adequate time and effort to Board responsibilities in the context of the needs of the Board and its committees and their exercise of the Board's strategic and oversight roles. The Board profile can be part of the Nomination Policy.	X		The company has developed a profile of the Board of Directors and included it in the Selection and Nomination Policy which is published on the website (https://corporate.remédia.ro/guvernanta-corporativa/)
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 4	The majority of the members of the Board should be non-executives. At least a third of the Board members should be independent. Each independent member of the Board should submit a declaration regarding his/her independence at the time of his/her nomination for election or re-election as well as when any change in his/her status arises, as per the criteria of independence defined in law and in Appendix A to the Code.	X		At the time of writing the DAE, only 1 out of 3 Board members is independent and non-executive - due to the small size of the Board. The Declaration of Independence is a document requested by the company upon nomination. The Nomination and Remuneration Committee considers the selection and nomination of candidates with an independent profile for the upcoming elections.

A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 5	The Nomination and Remuneration Committee (or the entire Board if there is no Nomination and Remuneration Committee) should assess whether the directors can be considered independent under the factors taken into account, by examining whether there are any business or other personal relationships that could materially affect the independence and objectivity of the director and his/her ability to act in the best interests of the Company, its shareholders and stakeholders.	X		The Nomination and Remuneration Committee is responsible for the selection procedure of persons nominated for the position of administrator and the assessment of their independence both upon nomination and subsequently.
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 6	The positions of Chairperson and Chief Executive Officer (CEO) are recommended to be held by different individuals.		X	Due to the small size of the Board of Directors, at this moment the positions are held by the same person, namely the Chairman of the Board is Tarus eU (Austrian legal entity) represented by Valentin-Norbert TARUS and the General Manager is Mr. Valentin - Norbert TARUS
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 7	If the Chairperson and CEO functions are performed by the same person, it is recommended that the Board appoints an independent Vice-Chairperson.		X	At the time of completing the DAE, a Vice President is not elected, but after the elections in the OGMS in April 2026, the Board of Directors will elect a Vice President.

A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 1	The Company should develop and disclose a board nomination policy (“Nomination Policy”) that should define the processes and procedures for the nomination, election or replacement of a director. The Nomination Policy, approved by the competent governance body, shall describe how the Company receives and evaluates nominations from shareholders (including minority shareholders) or from members of the Board, including in relation to the board profile, independence and diversity.	X		The Selection and Nomination Policy developed by the company contains a Procedure for nominating candidates for administrator positions (https://corporate.remedia.ro/guvernanta-corporativa/)
A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 2	The Board, through its Nomination and Remuneration Committee, if established, should monitor the nomination process of candidates for the position of Board member.	X		The Nomination and Remuneration Committee is responsible for the selection procedure of persons nominated for the position of administrator.

A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 3	<p>The Company should disclose to shareholders information on the experiences and CV of the director candidates that they require to make an informed decision on the appointment or reappointment of the directors including the following:</p> <ul style="list-style-type: none"> · Candidates' professional commitments and engagements, including executive and non-executive positions in companies, public authorities, not-for-profit bodies or other organisations; · Any existing or potential conflicts of interest including whether they have business, family or other relationships that could affect their performance as directors on the Board; · Which shareholder or member of the Board proposed each candidate for the Board positions. 	X		<p>Candidates for director positions submit a CV containing all relevant information so that shareholders can vote in full knowledge of the facts, according to the Selection and Nomination Procedure (https://corporate.remedia.ro/guvernanta-corporativa/)</p>
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 1	<p>The Board shall establish an Audit Committee to enhance its oversight capability over the financial reporting, internal control framework, internal and external audit processes, and compliance with applicable laws and regulations. Where a separate risk management committee is not required by law or already established, the Audit Committee will also include oversight responsibilities for the efficiency of the risk management framework.</p>	X		<p>The company does not have a dedicated Risk Management Committee, but it does have an Audit Committee that carries out risk-related responsibilities.</p>

A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 2	The Audit Committee is recommended to be composed of non-executive directors. The majority of the Committee members is recommended to be independent, including the Committee chairperson. The Audit Committee, as a whole, should have competencies relevant to the Company's area of operations. The Committee and its members should comply with the applicable national and European legislation.		X	At the time of writing the DAE, the Chairman of the Audit Committee is non-executive and independent, the company will aim to fulfill this recommendation for future selections and nominations.
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 3	The Boards of Premium Tier companies should set up a Nomination and Remuneration Committee formed of non-executive directors. The majority of the Committee members is recommended to be independent, including the Committee chairperson. The Board may also establish a separate Nomination Committee and a separate Remuneration Committee if the Board composition accommodates it and if this is justified given the Company's size and complexity of its business and governance structures.		X	Not applicable The company is not classified as Premium, but has a Nomination and Remuneration Committee (https://corporate.remedia.ro/despre-noi/management-team/)

<p>A: GOVERNING BODIES</p>	<p>A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.</p>	<p>A.4., 4</p> <p>In addition to its specific responsibilities as provided under this Code, the Nomination and Remuneration Committee should:</p> <ul style="list-style-type: none"> i. Review and recommend to the Board the size and composition of the Board and lead the development and ongoing review of the Board profile; ii. Identify individuals qualified to become Board members and members of the executive management, if requested; evaluate the candidates for executive management roles; evaluate the candidates proposed by the shareholders or by Board members for a director role and inform the GMS accordingly; iii. Make recommendations to the Board concerning committee appointments (other than the Nomination and Remuneration Committee); iv. Coordinate an annual evaluation of the Board, directors and committees in line with provisions set out in Principle A.5.; v. Assist the Board in fulfilling its responsibilities related to the Company's remuneration policy; 	<p>X</p>		<p>The regulations of the Nomination and Remuneration Committee and the Audit Committee of the Board of Directors provide for these attributions (https://corporate.remedia.ro/guvernanta-corporativa/)</p>
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A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 5	The role and responsibilities of Board committees should be defined in separate internal regulation (operating regulations) and disclosed on the Company's website. If the Company chooses not to establish any of the Board committees not required by law, the corresponding tasks and responsibilities shall be done by the Board and should be adequately stated in the Board's internal regulation.	X		The Board of Directors has Audit Committees, respectively Nomination and Remuneration, and their Regulations are published on the website (https://corporate.remedia.ro/guvernanta-corporativa/)
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 6	The evaluation of independence for the members of the committees, including when the members of the committees are appointed by the GMS, shall be carried out according to the same procedure applicable to the independent members of the Board.	X		Members of the Nomination and Remuneration Committee and the Audit Committee are nominated from among the Board members, independence is assessed from the moment of nomination
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 7	The chairpersons of the Audit Committee and Nomination and Remuneration Committee should not be the Chairperson of the Board or of any other committee, unless this is justified by the size of the Board.		X	The Chairman of the Nomination and Remuneration Committee is also the Chairman of the Board due to the small size of the Board.

<p>A: GOVERNING BODIES</p>	<p>A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.</p>	<p>A.5., 1</p>	<p>The Board Chairperson is primarily responsible for ensuring that the Board functions properly. The Board's internal regulation should contain the role and responsibilities of the Board Chairperson and the Board Chairperson, at a minimum, should:</p> <ul style="list-style-type: none"> • Determine the agenda of the Board meetings, chair such meetings and ensure that minutes are kept of such meetings; • Ensure the Board receives accurate, timely, useful, succinct information to enable the Board to make sound decisions; • Ensure the Board has sufficient time for consultation and decision-making; • Enable the Committees to function properly and that there is effective communication with Board committees, including actionable, insightful reports of committees back to the full Board; • Ensure the performance of the Board is evaluated and discussed at least once a year and disclosed as per provision D.1.3; • Ensure that the Board has proper working relationship with the executive management. The CEO and the 	<p>X</p>		<p>The Board of Directors Regulation details the duties and responsibilities of the President of the Board (https://corporate.remédia.ro/guvernanta-corporativa/)</p>
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A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 2	The Board should meet as often as necessary but not less than six (6) times a year.	X			The Board of Directors' meeting plan provides for monthly meetings, and the Board of Directors' Regulations provide for a minimum of 6 meetings/year (https://corporate.remedia.ro/guvernanta-corporativa/)
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 3	The Board can request to designate the Corporate Secretary who should assist the Board in complying with its obligations under law, Board internal regulation and other policies. The Corporate Secretary should be a senior officer in the Company tasked with assisting the Board and its committees in organising their activities, in preparing for the meetings, annual Board and committee performance evaluation and director training programs, if the case.	X			The Board of Directors Regulation details the duties and responsibilities of the Board Secretary (https://corporate.remedia.ro/guvernanta-corporativa/)
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 4	The Board should clearly define the rights and responsibilities, scope of authority and other issues related to the Corporate Secretary.	X			The Board of Directors Regulation details the duties and responsibilities of the Board Secretary (https://corporate.remedia.ro/guvernanta-corporativa/)

A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 5	The Board and its committees should develop and approve an annual internal work plan identifying topics to address during the year before the end of the previous year. The plan should take into account decisions that need to be proposed to the GMS, reporting by management and internal control functions, the required frequency of Board and Committee meetings, and should be reviewed by the Chairperson, assisted by the Corporate Secretary.	X		The Board of Directors Regulation provides for the planning of Board meetings and the topics to be addressed (https://corporate.remedia.ro/governanta-corporativa/). There is a Board Meeting Plan developed for the current year.
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 6	The Board should conduct an annual evaluation of the composition, activity and dynamics of the Board and its committees, individually and as a whole, and which should be coordinated by the Nomination and the Remuneration Committee.	X		The evaluation of the Council is provided for in the CA Regulation (https://corporate.remedia.ro/governanta-corporativa/). It is currently carried out by the President of the CNR
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 7	The Nomination and Remuneration Committee should share the results of the Board evaluation with the whole Board and should then set follow up actions, if any, including professional development and training plans for the Board to fill gaps.	X		Provided in the Board of Directors Regulation and the CNR Regulation (https://corporate.remedia.ro/governanta-corporativa/)

<p>A: GOVERNING BODIES</p>	<p>A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.</p>	<p>A.5., 8</p>	<p>The Board's internal regulation should require Company orientation (induction) programmes for newly appointed directors, ensured by internal staff of the Company. The Board's internal regulation can also include references for ongoing director education program, if needed. The implementation of any orientation and ongoing trainings programmes for directors (as per the Board decision) is made under the oversight of the Nomination and Remuneration Committee, with the support of the Corporate Secretary. Based on the results of the annual board evaluation, the Nomination and Remuneration Committee jointly with the Board Chairperson shall develop professional development programmes focusing on the areas where capacity should be built among Board members.</p>	<p>X</p>		<p>Orientation and training programs are organized and carried out under the coordination of the Nomination and Remuneration Committee, together with the Human Resources Department, both for the members of the Board and for the executive management.</p>
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A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 1	Executive management should run the Company and be accountable to the Board. Division of responsibilities between the Board and the executive management and between different members of the executive management should be clearly articulated in the Company's by-laws and the internal regulations of the Company.	X			The clear division of responsibilities is provided for both in the Articles of Association and in the Board of Directors Regulations (https://corporate.remmedia.ro/guvernanta-corporativa/)
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 2	When Board Chairperson and CEO roles are exercised by one individual, the different responsibilities of the Board Chairperson and CEO should be clearly defined and distinguished in the Company by-laws.	X			At the time of drafting the DAE, the positions of Chairman of the Board of Directors and General Manager are exercised by the same person, but the responsibilities are different as provided for both in the articles of association and in the Board of Directors Regulation (https://corporate.remmedia.ro/guvernanta-corporativa/)

A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 3	The Board should ensure that the executive management is comprised of persons with adequate knowledge, skills, diversity and experience to support successful Company performance and that there are measures in place to provide for the orderly succession of executive management.	X			The nomination and selection policy, implemented by the Nomination and Remuneration Committee, ensures that the individuals in the executive management have the necessary skills and adequate experience (https://corporate.remédia.ro/guvernanta-corporativa/)
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 4	The Board, with the support of the Nomination and Remuneration Committee, should annually evaluate executive management's performance, the effectiveness of its cooperation with the Board, including the information provided to the Board.	X			At the company level, an annual performance evaluation is carried out at all levels of activity and responsibility, under the monitoring of the Nomination and Remuneration Committee.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK							

<p>B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</p>	<p>B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.</p>	<p>B.1., 1</p>	<p>The Board determines the nature and extent of the risks the Company is willing to take necessary for the achievement of Company's strategic objectives (i.e., the Company's risk appetite) and should ensure there are clear structures, policies and procedures in place that identify, evaluate, report, manage and monitor significant and emerging risks, including risks related to sustainability, cybersecurity and the use of digital technologies. The Board should explain in the annual report the mechanisms and processes in place to identify and manage risks.</p>	<p>X</p>		<p>The company has a Policy on Forecasts and Risks. At the management level, both the Board of Directors and the Executive Management, a risk assessment is made and there is a risk monitoring plan. There is a section dedicated to risks in the Annual Report.</p>
<p>B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</p>	<p>B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.</p>	<p>B.1., 2</p>	<p>The Board should adopt a formal risk management policy, to ensure accurate, complete and timely identification, measurement and reporting of risks, adequate and feasible risk control measures as well as integration of an E&S risks into the risk management framework in support of the Company's strategy implementation.</p>	<p>X</p>		<p>The company has a Policy on forecasts and risks; risk management is covered by existing internal procedures (audit, quality, IT), and the Board is also considering the development of a Risk Management Procedure</p>

<p>B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</p>	<p>B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.</p>	<p>B.1., 3</p>	<p>The Board and Audit Committee should understand emerging information technology and artificial intelligence-related changes so to mitigate cybersecurity risks. Time should be given to the AI risks and opportunities and cybersecurity on Board agenda to ensure understanding of cyber protection.</p>	<p>X</p>		<p>The Board of Directors and the Audit Committee constantly have on their agenda the risks and opportunities associated with information technology, artificial intelligence and cybersecurity, the company being in the process of aligning with the requirements of the NIS2 Directive and the national transposition framework, the field of drug distribution being classified as a sector of critical importance, subject to specific regulations regarding cyber protection.</p>
<p>B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</p>	<p>B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.</p>	<p>B.1., 4</p>	<p>The Company is recommended to establish a risk management function responsible for ensuring accurate, complete and timely identification of the risks, ensuring that adequate and feasible risk control measures are in place and monitoring the risk management procedures. The risk management function, through the Chief Risk Officer (CRO), where present, should have a direct communication and functional reporting to the Board and Audit Committee (if there is no separate Risk Committee).</p>	<p>X</p>		<p>At this moment, risk monitoring is coordinated by the internal audit structure. A Risk Management Officer position has not been established, it is envisaged, after the completion of the Risk Management Procedure.</p>

<p>B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</p>	<p>B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.</p>	<p>B.1., 5</p>	<p>The Board with the assistance from the Audit Committee should at least annually assess the adequacy and effectiveness of Company's risk management and internal control framework (including operational and compliance controls) and make relevant recommendations. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and compliance, internal control reports, if they are required by applicable legislation, to the Audit Committee, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and submission of relevant reports to the Board.</p>	<p>X</p>		<p>The Company has established an Audit Committee, and the internal audit function is organized at group level and supports the Board in overseeing risks and the internal control framework. In the field of drug distribution, operational and compliance controls are carried out mainly through the Quality Department, based on specific quality regulations and BPD, with periodic reporting to management and informing the Audit Committee/Board, as appropriate.</p>
<p>B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</p>	<p>B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.</p>	<p>B.1., 6</p>	<p>The Company should develop and make available on a free of charge basis on the Company's website a whistleblowing mechanism which would enable employees and stakeholders to make reports about suspected breaches or wrongdoings as per the applicable legislation in place.</p>	<p>X</p>		<p>The company has implemented and provides a whistleblowing mechanism that allows employees and other interested parties to submit reports regarding alleged violations/irregularities, in accordance with applicable law and the provisions of the Code of Conduct and Ethics. There is a dedicated telephone number and email address (https://corporate.remedia.ro/wp-content/uploads/2025/09/REMEDIACod-de-conduita-si-etica_v6_15.09.2025-v6.pdf).</p>

<p>B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK</p>	<p>B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.</p>	<p>B.2., 1</p> <p>In addition to its responsibilities mentioned in legislation and elsewhere in the Code, the Audit Committee should:</p> <ul style="list-style-type: none"> ·Review the Company's internal controls and risk management frameworks; ·Oversee the development and application of the Company's policies on conflicts of interests and related party transactions; ·Ensure independence and review the effectiveness of the Company's internal audit function and make a recommendation to the Board; ·Oversee the internal audit function; ·Oversee the preparation of sustainability-related reports and information included in them, unless this task is assigned to another committee; ·Oversee the framework for ensuring the Company's compliance with applicable legal and regulatory requirements and internal regulations of the Company (like the procedures for reporting breaches of the law or the Company's Code of Conduct), unless this task is assigned to another committee. 	<p>X</p>		<p>The Audit Committee Regulations detail the committee's duties and responsibilities (https://corporate.remedia.ro/governanta-corporativa/)</p>
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B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 2	Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by regular (at least annual) or ad-hoc reports to the Board.	X			The Audit Committee Regulations detail the committee's duties and responsibilities (https://corporate.remedia.ro/guvernanta-corporativa/)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 3	The Audit Committee should monitor the independence and objectivity of the external auditor. The Committee should approve a policy on the provision of permitted non-audit services by the external auditor in line with legal requirements and enforce implementation of that policy. Committee's findings regarding the independence of the external auditor should be disclosed in the annual report.		X		The Audit Committee monitors and evaluates the independence of the external auditor, both upon nomination and during the audit mandate. The Committee evaluates and considers developing a Policy on the provision of non-audit services by the end of 2026
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 4	The Audit Committee should discuss the annual audit work plan with the external auditor covering the scope and materiality of the activities to be audited. The audit committee should meet the external auditor as needed to discuss issues identified and to monitor the quality of the services provided.	X			The Audit Committee Regulations detail the relationship between the committee and the external auditor (https://corporate.remedia.ro/guvernanta-corporativa/)

B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 1	The Board should ensure that the internal audit has the authority, resources and procedures adequate to assist the Board in ensuring effectiveness and efficiency of the Company's risk management and internal control framework.	X		The Audit Committee Regulations detail the relationship between the committee and the internal auditor (https://corporate.remédia.ro/guvernanta-corporativa/)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 2	To ensure fulfillment of the core functions of the internal audit function, the head of the function should be appointed by and report functionally directly to the Board via the Audit Committee, who shall be tasked with approving his/her appointment and dismissal. This is without prejudice to administrative reporting to the CEO and sharing information with the Company's executive management, in line with legal requirements and professional standards.	X		The Audit Committee Regulation details the relationship between the Board, the Audit Committee and the internal auditor (https://corporate.remédia.ro/guvernanta-corporativa/)

B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<p>B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.</p>	B.3., 3	<p>The internal audit function should be established in line with applicable legal requirements and industry standards (e.g., Institute of Internal Auditors). The internal audit authority, composition, remuneration, annual budget, working procedures and other relevant matters shall be regulated in separate internal audit's internal regulation approved by the Board, following the recommendation of the Audit Committee.</p>		X		<p>The internal audit is established and operates in accordance with legal provisions, an internal audit Regulation has not been developed. The Council is evaluating and considering the development of a Regulation by the end of 2026</p>
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	<p>B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.</p>	B.3., 4	<p>The Audit Committee should agree an annual internal audit work plan with the internal auditor, receive internal audit reports, updates on key audit issues, monitor implementation of recommendations of the internal audit and provide necessary guidance.</p>	X			<p>The Audit Committee Regulations detail the relationship between the Board, the Audit Committee and the internal auditor (https://corporate.remedia.ro/guvernanta-corporativa/). Erste has developed and implemented an internal audit plan</p>
C: PERFORMANCE, MOTIVATION AND REWARD							

C: PERFORMANCE, MOTIVATION AND REWARD	C.1. Members of the Board shall receive remuneration corresponding to the volume and weight of powers and their responsibilities, rather than the performance of management or the Company. The structure and amount of director's remuneration should enable the Company to attract, retain and motivate the competent and qualified directors.	C.1., 1	Board members should receive remuneration, as per the Remuneration Policy of the Company. Members who also serve on Board committees should receive additional remuneration for this work. But in no circumstances should the remuneration be linked to the number of board or committee meetings.	X			The company has a Remuneration Policy that establishes the remuneration for the Board of Directors (https://corporate.remmedia.ro/governanta-corporativa/)
C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 1	The Board should determine the annual remuneration of the executive management, based on the recommendations of the Nomination and Remuneration Committee and in accordance with the Company's remuneration policy. The remuneration policy should be prepared in accordance with the relevant legal requirements.	X			The company has a Remuneration Policy that establishes the remuneration for executive management (https://corporate.remmedia.ro/governanta-corporativa/)

C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 2	Levels of remuneration for executive management members and key performance indicators taken into account when determining variable (performance-based) part of the remuneration should be set in advance and be measurable and appropriate in relation to the agreed strategy and risk appetite, the economic environment within which the Company operates, and the pay and conditions of employees within the Company. In particular, they should include indicators related to non-financial performance and appropriate sustainability objectives.	X			A fixed component and a variable component are provided depending on the achievement of the Company's business objectives according to the BVC approved in the AGM and the Remuneration Policy.
C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 3	Company's shares and/or share purchase options should represent a significant part (e.g., not less than 10%) of the executive management member's total variable remuneration.	X			The company has implemented and is running Free Share Allocation Plans, no individual percentage is provided, but the allocation is made based on a mix of criteria related to adherence and performance.
D: DISCLOSURE AND INVESTOR RELATIONS							

D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 1	The Company should make sure to provide accurate, complete and timely financial and operational information, including quarterly, half-yearly and annual reports, as well as current reports. Companies should ensure all relevant information is easily accessible to investors, including through the Company website and other public information sources, as the case may be.	X			All annual and quarterly financial information together with the reports of the Board of Directors are published on the website, including in excel format (https://corporate.remmedia.ro/relatii-cu-investitorii/financial-information/)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 2	The Company is recommended to have an Investor Relations (IR) function and should appoint a dedicated person in charge of IR function. The contact details of the person or persons charged of the IR function shall be available on the Company's website. The IR function will report directly to the CEO/CFO, underscoring its significance within the Company's hierarchy and emphasizing its central role in managing and communicating the Company's capital market engagements and status. The Company should organise induction and regular training/courses, if needed, for the IR function, tailored to its specific needs and responsibilities.	X			The company has appointed an investor relations officer, and contact details are available on the website in the dedicated section (https://corporate.remmedia.ro/relatii-cu-investitorii/)

D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The Company should include on its corporate website a dedicated Investor Relations section, with all relevant information of interest for investors, available both in Romanian and English.	X			The company's website has a section dedicated to Investor Relations that includes all relevant information, both in Romanian and English (https://corporate.remedia.ro/relatii-cu-investitorii/)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: <ul style="list-style-type: none"> • Main corporate regulations: updated articles of association, GMS procedures, board's internal regulation and board committees' internal regulations. 	X			On the company's website, in the Corporate Governance section, you can find all the Policies, Procedures and documents relevant to investors (https://corporate.remedia.ro/guvernanta-corporativa/)

D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: <ul style="list-style-type: none"> List of current members of the Board, Board's Committees and executive management, providing an up-to-date information on independence status , professional CVs (containing at least: name, surname, gender, nationality, age; work experience by year, position and Company; studies, field of study and academic or professional institution granting the diploma), other professional commitments, including executive and non-executive Board positions in companies, not-for-profit institutions and state institutions; relationship with shareholders holding at least 5% of the voting rights/shares issued by the Company; the duration of the appointment of the members of the Board, the Committees and the executive management, specifying the date from which they were appointed. 	X		On the company's website, in the Council and management section, you can find both the list of Council and Committee members as well as the CVs of the Council members and executive management (https://corporate.remedia.ro/despre-noi/management-team/)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: <ul style="list-style-type: none"> Current reports and periodic reports (quarterly, semi-annual and annual reports). 	X		On the company's website there is a special section dedicated to current reports (https://corporate.remedia.ro/relatii-cu-investitorii/rapoarte-curente/)

D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: <ul style="list-style-type: none"> Information related to GMS: the agenda, supporting materials and the decisions taken; procedure for running the GMS; the Nomination Policy; candidates' professional CVs (containing at least: name, surname, gender, nationality, age; work experience by year, position and Company; studies, field of study and academic or professional institution granting the diploma), as well as any other information presented at A.3.3; communication channel(s) for shareholders to address questions; answers to shareholders' questions related to the agenda; declarations of independence for board candidates and evaluations made by Nomination and Remuneration Committee/Board for candidates, including their compliance with independence criteria. 	X		On the company's website, there is a special section dedicated to general meetings, which contains everything from the convening notice, the documents for the AGM meeting, to the Resolutions of the general meetings (https://corporate.remédia.ro/relatii-cu-investitorii/shareholder-information/adunarea-generală-a-actionarilor/)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: <ul style="list-style-type: none"> Information on Board evaluation, made as per Provision A.5.7, including evaluation criteria and process, as well as a summary result of the evaluation and actions that have been or will be undertaken as a result of the evaluation. 	X		Information regarding the Council's evaluation will be published starting with the 2026 evaluation.

D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: <ul style="list-style-type: none"> • Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a timeframe that enables investors to make investment decisions. 	X			On the company's website there is a special section dedicated to dividends and shareholder rights (https://corporate.remedia.ro/relatii-cu-investitorii/shareholder-information/dividende-si-drepturile-actionarilor/)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: <ul style="list-style-type: none"> • Corporate policies, among which code of conduct, dividend policy, remuneration policy, forecast policy, policy for communication with investors, the corporate social responsibility (CSR)/sponsorship policy, policy for related parties' transactions, policy for diversity, equity and inclusion, and whistleblowing policy (if not already part of the Code of Conduct). 	X			On the company's website, all relevant policies, procedures and documents of the company can be found in the Corporate Governance section (https://corporate.remedia.ro/guvernanta-corporativa/)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 4	The Company should organise at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the Company website at the time of the meetings/conference calls.	X			At least 4 meetings with shareholders/investors are scheduled, after the publication of quarterly and annual results, the calendar being published on the website (https://corporate.remedia.ro/relatii-cu-investitorii/shareholder-information/calendar-financiar/)

D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 5	The Company should disclose the material and reportable non-financial and sustainability issues with emphasis on the disclosure of environmental, social and governance (ESG) issues of its business and operations in line with the recognized standard of sustainability reporting. The Company's sustainability statements shall be disclosed on its website.	X			The company prepares a sustainability statement (non-financial reporting), which are published on the website (https://corporate.remédia.ro/guvernanta-corporativa/esg/governance/)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 6	The Company should have a CSR/sponsorship policy to guide the activity in the area of supporting CSR activities and sponsorship.	X			The company has a Policy on supporting various forms of artistic and cultural expression, sports, educational or scientific activities, published on the website (https://corporate.remédia.ro/guvernanta-corporativa/)
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 1	The Company should have a dividend policy as a set of directions the Company intends to follow regarding the distribution of net profit.	X			The company has a Dividend Distribution Policy, published on the website (https://corporate.remédia.ro/guvernanta-corporativa/), and for each public distribution, has a related Procedure (https://corporate.remédia.ro/relatii-cu-investitorii/shareholder-information/dividende-si-drepturile-actionarilor/)

D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 2	The procedure for running the GMS should not restrict the participation of shareholders in GMS and the exercise of their rights. Amendments of the procedure for running the GMS should take effect, at the earliest, as of the next GMS.	X			At each convocation of the general meeting, the procedure for conducting the AGM is also published.
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 3	The external auditors should attend the shareholders' meetings where their reports are presented, in order to respond to shareholders' questions.	X			According to the Articles of Association and the Regulations of the Board of Directors, the auditors participate in the General Meeting where the financial reports are presented.
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 4	The Board should present to the annual GMS a summary of the assessment of the adequacy and effectiveness of the risk management and internal control framework, as per the related information included in the annual report.	X			The external auditor's opinion is attached to the Board of Directors' report, and the Board of Directors participates in the AGM together with the internal auditor and presents this assessment in summary;

D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 5	<p>The Company should stimulate engagement with shareholders and investors by:</p> <ul style="list-style-type: none"> • Encouraging active shareholder participation in GMS, like ensuring conditions for virtual participation. • Holding regular briefings and updates for investors, especially during significant corporate events. • Establishing channels for shareholders to provide feedback and ask questions, ensuring responses are timely and comprehensive. 	X		<p>The Company stimulates shareholder engagement and participation in the AGM through published procedures (which include voting by correspondence and by proxy, the possibility of asking questions and proposals), in accordance with legal requirements. Currently, the Company does not consistently provide conditions for virtual participation (hybrid/online AGM). Investor information is mainly provided through current and periodic reports, including on the occasion of significant corporate events. The Management is analyzing the possibility of introducing virtual participation starting next year.</p>
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 6	<p>Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairperson of the Board. Accredited journalists may also participate in the GMS, unless the Chairperson decides otherwise.</p>	X		<p>Financial analysts, consultants, and journalists from economic publications may also participate in the AGM, at the invitation of the Council.</p>
E: SUSTAINABILITY AND STAKEHOLDERS						

E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 1	The Board should ensure that sustainability, environmental and social considerations are integrated in the Company's strategy and operations, risk management and remuneration practices and shall oversee this integration. A specialised sustainability committee or one of the standing committees of the Board shall assist the Board with these tasks.	X		A Sustainability Task Force is established, which is responsible for developing and coordinating the company's environmental and sustainability strategies and initiatives.
E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 2	The Board should ensure that Company's operations run according to the national and international E&S standards and Company's E&S policies are consistent with its long-term objectives. In particular, the Company shall have internal acts relating to its responsibilities for environmental and social issues and policies and procedures that enable it to identify material factors and assess the impact on the Company's activities.	X		The Company's operations are carried out in compliance with legal regulations and standards in the environmental and social fields. The Company also has an Environmental Policy (https://corporate.remedia.ro/governanta-corporativa/), implemented in the operational activity
E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 3	Whenever a decision to be approved by the Board has potential material and negative E&S impact, the Board should receive from the executive management (i) an analysis on how this decision is aligned with the Company's sustainability objectives and E&S policies or (ii) proposal of the measures to mitigate negative E&S impacts.	X		The Board Regulation details the powers and responsibilities of the Board, including the analysis of potential impacts in the E&S sphere (https://corporate.remedia.ro/governanta-corporativa/)

E: SUSTAINABILITY AND STAKEHOLDERS	E.2. The Company should have in place a process for identifying the stakeholders affected by Company's operations. The Board should take into consideration stakeholders' interests and ensure there is active communication between the Company and its stakeholders.	E.2., 1	The Board should ensure that there is a formal stakeholder identification process for Company's stakeholders including investors, creditors, clients, employees and suppliers, as well as targeted approaches for engaging with its priority stakeholders.	X			As part of the development of sustainability reports, the company carried out a process of identifying stakeholders and carried out a consultation process, by sending questionnaires on sustainability topics.
E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 1	The Board should develop a purpose statement and a vision statement as well as articulate Company's values, so the entire organisation understands the Company's strategic direction.	X			The Company's values are important and integrated into the operational activity, and can be found on the website (https://corporate.remedia.ro/despre-noi/misiune-valori/). The non-financial (sustainability) report contains the message of the company's legal representative, which conveys the Company's vision.
E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 2	The Board should adopt a Code of Conduct for Board members, executive management and Company employees, with clear provisions aimed at preventing and sanctioning fraud and bribery. The Board should not permit any waiver of any ethics requirement by any director, executive manager or employee.	X			The company has both a Code of Conduct and Ethics and a Fraud and Corruption Prevention Policy (https://corporate.remedia.ro/guvernanta-corporativa/)

E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 3	The Board should ensure that the Code of Conduct policies are integrated into Company's practices and incorporated into the onboarding process for new hires. The Board should ensure the efficient implementation and monitoring of compliance with the Code of Conduct and periodically review it.	X		The company has a Code of Conduct and Ethics and a Fraud and Corruption Prevention Policy, these are published on the website (https://corporate.remédia.ro/governanta-corporativa/) and are part of the induction process for new employees. Both documents are reviewed periodically.
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drop down list

No

Not applicable



**Statement of March 23rd, 2026
of responsible persons within the company
Farmaceutica REMEDIA S.A.
for the Annual Report 2025**

In accordance with the legal provisions in force regarding the issuers and the operations with securities, the undersigned, as a responsible person within the trading company Farmaceutica REMEDIA S.A., according to my knowledge, declare the following:

1. Annual unconsolidated and consolidated financial statements of Farmaceutica REMEDIA S.A. ended December 31st, 2025, for the financial year 2025 prepared according to the applicable accounting standards, gives a correct image and in accordance with the reality of the assets, liabilities, financial position and profit and loss account.
2. The reports of the Board of Administrators include a correct analysis of the issuer's development and performances as well as a description of the main risks and uncertainties specific to the activity carried out.

Function	Name	Period of responsibility
Chairman of the Board of Administrators	„TARUS” - Valentin Norbert TARUS e.U”, represented by Valentin-Norbert TARUS	01.01.2025-31.12.2025
General Manager	Valentin-Norbert TARUS	01.01.2025-31.12.2025
Member of the Board of Administrators	Cristian PLOCON	01.01.2025-31.12.2025
Member of the Board of Administrators	Lucian-Valentin CODREANU	01.01.2025-31.12.2025