

QUARTERLY REPORT

30 SEPTEMBER 2025

CONTENTS	PAGE
Financial end Economical indicators	2 – 4
Statement of Financial Position	5 - 6
Statement of Profit or Loss and Other Comprehensive Income	7 - 8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to Separate Financial Statements	11 – 55
Statement	56



ŞANTIERUL NAVAL ORŞOVA S.A.
No. RC J25/150/1991 CIF: RO 1614734
Share capital: - issued 28.557.297,5 lei
- paid up 28.557.297,5 lei
No. 4. Tufări Street, Orşova, 225200, Mehedinţi
Tel.: 0252/362.399; 0252/361.885; Fax: 0252/360.648
E-mail: mircea.sperdea@snorsova.ro; marketing@snorsova.ro
Codul LEI (Legal Entity Identifier): 254900UXAJ8TPIKLXG79
IBAN code: RO96RNCB0181022634120001- B.C.R. Orşova
IBAN code: RO59BRDE260SV03176142600- B.R.D. Orşova



QUARTERLY REPORT CORRESPONDING TO THE IIIrd TRIMESTER OF 2025, IN COMPLIANCE WITH THE LAW NO. 24/2017 AND TO THE ASF REGULATION NO. 5/2018
concerning the issuers of financial instruments and market operations

DATE OF THE REPORT: 12.11.2025

Name of the trading company: ŞANTIERUL NAVAL ORŞOVA S.A.;
Registered office: 4, TUFĂRI Street, ORŞOVA, MEHEDINŢI County;
Telephone/fax: 0252/362399 0252/360648;
Single registration code issued by the Trade Register: RO 1614734;
Registered number with the Trade Register's Office: J25/150/03.04.1991;
Code Lei: 254900UXAJ8TPIKLXG79
Subscribed and paid in share capital: 28,557,297.5 Lei
Number of shares: 11.422.919 common shares, of 2,5 lei each;
Regulated market where the issued securities are traded: Bucharest Stock Exchange-category Standard (symbol: SNO)

A. FINANCIAL AND ECONOMICAL INDICATORS ON THE DATE OF 30th of September 2025 (APPENDIX NO. 13 TO THE ASF REGULATION no. 5/2018)

DESCRIPTION OF THE INDICATOR	CALCULATION MANNER	RESULT
1. Indicator of current cash-deposit ¹⁾	$\frac{\text{Current assets}}{\text{Current debts}}$	3,00
2. Indicator of the degree of indebtness ²⁾	$\frac{\text{Borrowed capital} * 100}{\text{Own capital}}$	0 (zero)
3. Rotation speed of the debts - clients ³⁾	$\frac{\text{Average balance clients} * 270}{\text{Turnover}}$	8 DAYS
4. Rotation speed of the fixed assets ⁴⁾	$\frac{\text{Turnover}}{\text{Fixed assets}}$	1,64

NOTE:

- 1) Offers guarantees for the coverage of the current debts from the current assets. The recommended acceptable value is approximately 2.
- 2) Expresses the effectiveness of the management of credit risk, indicating potential financing issues, of cash-deposit with influences in the fulfillment of the undertaken commitments. Şantierul Naval Orşova has no crediting contract exceeding 1 year, and, subsequently, this indicator is 0 (zero)
- 3) It expresses the effectiveness of the company in collecting their account receivables, namely the number of days until the date when the debtors pay their debts towards the company
- 4) It expresses the effectiveness of the fixed assets management, by examining the turnover generated by a certain amount of fixed assets.

B. OTHER INFORMATION

In the period 01.01-30.09.2025, compared to the provisions of the BVC, the operating revenues were achieved in a proportion of 91.59% and compared to the corresponding period of last year they were higher by 2.12%:

- Provided BIE quarter III.2025	80,779,110 lei
- Realized quarter III.2025	73,988,811 lei
- Realized quarter III.2024	72,455,882 lei

In the 9 months of 2025, at the company's headquarters, a number of 3 ships were completed and delivered to external customers, respectively 1 tank of 135 m in length and 2 passenger ships of 135 m in length (in the corresponding period of the previous year, 5 ships were completed and delivered). We specify that in the second half of the year, the structure of the production carried out/scheduled to be carried out at the main headquarters in Orsova underwent changes, which determined the non-fulfillment of the budgetary provisions on September 30.

Operating expenses, in correlation with operating revenues, registered values lower by 8,27% compared to the budget provisions and higher by 5.94% compared to those recorded in the similar period of 2024.

Of the 4 barges existing at the Agigea branch, three were rented in the first part of the year, and the revenues from the ship repair activity were at a lower level than in the corresponding period of the previous year.

The result of the operational activity, both at the Orsova headquarters and at the Agigea branch, was positive, the profit achieved as of 30.09.2025 being achieved in a proportion of 89.20% compared to the provisions of the BVC.

As far as the company's financial activity is concerned, the profit was made as a result of the company's management's concern to carry out hedging operations - to protect the exchange rate, as a result of the positive influences generated by the evolution of the exchange rate, but also the investments of cash (lei) in term deposits, bearing interest.

The individual financial statements as of 30.09.2025, namely: Statement of financial position, Statement of profit or loss and other elements of comprehensive income, Statement of change in equity, Statement of cash flows and Notes to the financial statements are annexed to this report, with the following clarifications:

Șantierul Naval Orșova S.A.
Quarterly report for the period ended at 30.09.2025

- The figures from the reporting forms are expressed in lei;
- The reporting data as at 30.09.2025 **were not audited** by an independent external financial auditor.
- Compared to the provisions of the BVC, in the analyzed period, the situation of the result is as follows:
 - ◆ Operational result:
 - BIE provided 4,399,250 lei
 - Realized 3,924,167 lei
 - ◆ Financial result:
 - BIE provided 288,750 lei
 - Realized 716,948 lei
 - ◆ Gross result:
 - BIE provided 4,688,000 lei
 - Realized 4,641,115 lei

In the similar period of 2024, the company recorded a gross profit of RON 6,999,668.

As of 30.09.2025, the company had no bank loans contracted, and cash and cash equivalents were in the amount of RON 7,310,372.

The company had no outstanding obligations to suppliers, the state budget, employees and other creditors, all of which were paid within the legal/contractual term.

In the 9 months of 2025, the company made investment expenses in the amount of RON 2,215,301, compared to RON 4,195,350 provided for in the BVC. In the corresponding period of last year, expenses of this nature were recorded in the amount of 5,706,286 lei.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference

STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2025

<i>IAS 1.10(a), 113</i>		Note	30.09.2025	31.12.2024
			RON	RON
	Assets			
	Fixed assets			
<i>IAS 1.54(a)</i>	Tangible assets	14	41,860,750	43,654,446
	Freehold land and land improvements	14	625,753	625,753
	Buildings	14	21,525,176	22,462,920
	Plant and machinery, motor vehicles	14	16,275,460	17,347,009
	Fixtures and fittings [...]	14	221,316	138,469
	Tangible assets in progress	14	3,213,045	3,080,295
<i>IAS 1.54©</i>	Intangible assets	15	16,282	41,677
	Other intangible assets	15	16,282	41,677
<i>IAS 16, IAS 8</i>	Rights to use the leased assets	17	2,808,816	3,335,469
<i>IAS 1.54(h)</i>	Trade receivables and other receivables		222,819	160,624
<i>IAS 1.54(o), 56</i>	Deferred tax assets		15,065	168,856
<i>IAS 1.60</i>	Total fixed assets		44,923,732	47,361,072
<i>IAS 1.54 (g)</i>	Inventories	19	42,590,702	36,479,637
<i>IAS 1.54(h)</i>	Trade receivables and other receivables	21	5,615,170	3,096,984
<i>IAS 1.55</i>	Accrued expenses	21	395,940	179,843
<i>IAS 1.54(d)</i>	Short term investments		15,563,005	13,514,382
<i>IAS 1.54(i)</i>	Cash and cash equivalents	24	7,310,372	10,955,209
<i>IFRS 5.38-40</i>	Assets classified as held for sale		0	1,048,588
<i>IAS 1.60</i>	Total Current Assets	20	71,475,189	65,274,643
	Total Assets		116,398,921	112,635,715
	Equity			
<i>IAS 1.5a(r), 78(e)</i>	Share capital	25	28,557,298	28,557,298
<i>IAS 1.55, 78(e)</i>	Share premium		8,862,843	8,862,843
<i>IAS 1.54(r), 78(e)</i>	Reserves		47,565,089	47,454,438
	Result for the period		3,640,631	5,936,340
<i>IAS 1.55, 78(e)</i>	Retained earnings		1,444,674	1,444,674

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference

STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2025 (continued)

		Note	30.09.2025 RON	31.12.2024 RON
	Other elements of equity		(4,256,003)	(4,513,190)
	Total equity		85,814,532	87,742,403
	Liabilities			
	Long-term liabilities			
<i>IAS 1.54(o), 56</i>	Deferred tax liabilities		4,256,003	4,513,190
<i>IFRS 16, IAS 8</i>	Other debts, including lease liability	22,23	2,491,797	2,904,644
<i>IAS 1.60</i>	Total long-term liabilities		6,747,800	7,417,834
	Current liabilities			
<i>IAS 1.54(k)</i>	Trade payables and other debts, including derivatives	22,23	23,572,644	15,944,198
<i>IAS 1.55, 11.42(b)</i>	Deferred income		11,844	317,980
<i>IAS 1.54(l)</i>	Provisions		252,101	1,213,300
<i>IAS 1.60</i>	Total current liabilities		23,836,589	17,475,478
	Total Liabilities		30,584,389	24,893,312
	Total Equity and Liabilities		116,398,921	112,635,715

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

<i>Reference</i>		STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AT 30 SEPTEMBER 2025		
		Note	30.09.2025	30.09.2024
			RON	RON
	Continuing operations			
<i>IAS 1. 82(a)</i>	Income	5	68,644,522	67,406,951
<i>IAS 1.99,103</i>	Other income	6	5,344,289	5,048,931
	Total Operational Income		73,988,811	72,455,882
	Expenses related to inventories	7	(22,017,187)	(22,516,316)
	Utility expenses	8	(1,586,949)	(1,605,525)
	Employee benefits expenses	9	(27,703,811)	(24,819,331)
	Depreciation and amortization expenses	14,15	(3,837,656)	(4,511,283)
	Depreciation expenses related to rights-of-use for leased assets	17	(526,653)	(540,592)
	Gains/losses on disposal of property		681,976	(469,139)
	Adjusting the value of current assets	10	0	104
	Increase/(Decrease) of provision expenses		961,199	722,894
<i>IAS 1.99, 103</i>	Other expenses	11	(16,035,563)	(12,396,657)
	Total Operational expenses		(70,064,644)	(66,135,845)
	The result of operational activities		3,924,167	6,320,037
	Financial income	12	1,206,572	793,375
<i>IAS 1.82(b)</i>	Financial expenses	12	(489,624)	(113,744)
	Net financial result	12	716,948	679,631
<i>IAS 1.85</i>	Result before taxation		4,641,115	6,999,668
	Current income tax expenses	13.a	(846,693)	(1,531,805)
	Deferred income tax expenses	13.b	(153,791)	(378,393)
	Deferred income tax income		0	531,789
<i>IAS 1.85</i>	Result for continuing operations		3,640,631	5,621,259
<i>IAS 1.82(f)</i>	Result for the period		3,640,631	5,621,259

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
AT 30 SEPTEMBER 2025 (continued)

	Note	<u>30.09.2025</u>	<u>30.09.2024</u>
		RON	RON
	Other comprehensive income		
<i>IAS 1.82(g)</i>	Reevaluation of tangible assets	0	(271,300)
<i>IAS 1.85</i>	Other comprehensive income after taxation	0	(271,300)
<i>IAS 1.82 (i)</i>	Total comprehensive income for the period	3,640,631	5,349,959
	Attributable profit		
<i>IAS 1.83(b)(ii)</i>	Shareholders	3,640,631	5,621,259
	Profit for the period	3,640,631	5,621,259
	Total attributable comprehensive income		
<i>IAS 1.83(b)(ii)</i>	Shareholders	3,640,631	5,349,959
	Earnings per share		
<i>IAS 33.66</i>	Basic earnings per share	0,32	0,49
<i>IAS 33.66</i>	Diluted earnings per share	0,32	0,49
	Continuing operations		
<i>IAS 33.66</i>	Basic earnings per share	0,32	0,49
<i>IAS 33.66</i>	Diluted earnings per share	0,32	0,49

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference

STATEMENT OF CHANGES IN EQUITY

		Attributable to equity holders							Total equity
		Share capital	Share premium account	Revaluation reserve	Other reserves	Retained earnings	Result for the period	Other elements of equity	
<i>IAS</i> <i>1.108,109</i>	Balance at December 31, 2023	<u>28,557,298</u>	<u>8,862,843</u>	<u>28,560,768</u>	<u>18,596,499</u>	<u>(2,848,032)</u>	<u>3,453,687</u>	<u>(3,753,867)</u>	<u>81,429,196</u>
	Loss/ Net profit for the year					<u>3,453,687</u>	<u>2,482,653</u>		<u>5,936,340</u>
	Transfer in reserve	-	-	(1,444,674)	(5,448,492)	6,893,166	-	759,323	(759,323)
	Revaluation reserve	-	-	38,638	-	-	-	-	38,638
	Dividends distributed to shareholders					(6,054,147)			(6,054,147)
	Balance at December 31, 2024	<u>28,557,298</u>	<u>8,862,843</u>	<u>34,306,431</u>	<u>13,148,007</u>	<u>1,444,674</u>	<u>5,936,340</u>	<u>(4,513,190)</u>	<u>87,742,403</u>
	Loss /Net profit for the year	-	-	-	-	5,936,340	(2,295,709)	-	3,640,631
	Transfer in reserve	-	-	-	110,651	(110,651)	-	257,187	257,187
	Dividends distributed to shareholders					(5,825,689)			(5,825,689)
	Balance at September 30, 2025	<u>28,557,298</u>	<u>8,862,843</u>	<u>34,306,431</u>	<u>13,258,658</u>	<u>1,444,674</u>	<u>3,640,631</u>	<u>(4,256,003)</u>	<u>85,814,532</u>
<i>IAS</i> <i>1.106(d)(i)</i>									

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **STATUS OF THE TREASURY CASH FLOW**

<i>IAS 113</i>	<i>1.10(d),</i>	For the financial year ending 30 September	Note	2025	2024
		Treasury Cash Flow for operating activities			
		Profit of the period		3,640,631	5,621,259
		Adjustment for:			
		Depreciation of intangible and tangible assets	<i>14,15,17</i>	3,982,061	5,125,700
		Net expenses / (net income) with provisions		(961,199)	(722,894)
		(Profit)/Loss on receivables and miscellaneous debtors		0	(104)
		Losses on the disposal of fixed assets		(681,976)	469,139
		Expenses on the delayed income tax	<i>13a</i>	846,693	1,531,805
		Expenses from the delayed income tax	<i>13b</i>	153,791	378,393
		Income from deferred corporate income tax		0	(531,789)
		Cash Flow from operating activities before the working capital		6,980,001	11,871,509
		Amendment of the working capital:			
		Stocks modification		(5,062,477)	(2,464,268)
		Modification of the commercial account receivables and of		(2,408,673)	2,592,152
		Modification of the advanced expenses		(216,097)	(255,711)
		Modification of the commercial debts and of other debts		8,059,849	9,804,125
		Cash flow generated from operating activities		7,352,603	21,547,807
		Interest paid (leasing)		(152,985)	(16,165)
<i>IAS 7.35</i>		Profit /specific tax paid		(734,553)	1,165,802
<i>IAS 7.10</i>		Net cash flow from operating activities		6,465,065	22,697,444
		Treasury Cash Flow from investment activities			
<i>IAS 7.31</i>		Cashed interests		474,304	684,123
<i>IAS 7.16(a)</i>		Tangible and intangible assets acquisition	<i>14,15</i>	(2,215,301)	(5,706,286)
		Short term investments		(2,048,623)	(14,000,401)
<i>IAS 7.10</i>		Net cash used in investment activities		(3,789,620)	(19,022,564)
		Treasury cash flow from financing activities			
<i>IAS 7.31</i>		Paid dividends		(5,938,525)	(71,157)
		Increase (repayment) of loans (leasing)		(381,757)	(2,921,025)
<i>IAS 7.10</i>		Net cash from (used in) financing activities		(6,320,282)	2,849,868
		Net increase/decreases of the cash flow and of the cash flow equivalents		(3,644,837)	6,524,748
		Cash Flow and equivalents from 1st of January		10,955,209	6,495,815
		Cash flow and cash flow equivalents at 30th of September		7,310,372	13,020,563

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

<i>Reference</i>	NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS
<i>IAS 1.10(e)</i>	1. Reporting company
<i>IAS 1.138 (a),(b)</i>	Şantierul Naval Orşova S.A. is a company headquartered in Romania. The registered office address of the Company is: Tufari Street, no.4, Orşova, Mehedinţi county.
<i>IAS 1.51(a)-(c)</i>	The individual financial statements in accordance with IFRS have been prepared for the year ended 30 September 2025. The Company's main activity is the construction of ships and floating structures (NACE code: 3011) .
<i>IAS 1.112(a)</i>	2. Basis of preparation
	a. Statement of compliance
<i>IAS 1.16</i>	The company has prepared Individual Financial Statements for the period 01.01-30.09.2025 in accordance with the International Financial Reporting Standards as approved by the European Union, applicable to companies whose securities are admitted to trading on a regulated market, according to the Order of the Minister of Public Finance no. 881/2012 regarding the application by companies whose securities are admitted to trading on a regulated market of the International Financial Reporting Standards and the Order of the Minister of Public Finance no. 2844/2016 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, as subsequently amended and supplemented.
<i>IAS.10.17</i>	The financial statements have been authorized for issue by the Board of Directors on November 12th, 2025.
	The financial statements have been prepared on a historical cost basis except for the following material items in the statement of financial position, for which the revaluation model (fair value) has been chosen:
<i>IAS 1.117(a)</i>	• Real estate investments; • Buildings and grounds; • Means of naval transport.
	b. Functional currency and presentation currency
<i>IAS1.51(d),(e)</i>	These financial statements are presented in RON, which is also the functional currency of the Company. All financial information presented in RON, rounded to 0 decimal places. All financial information presented in RON, without decimals rounded (rounding the RON fractions over 50 money, including the neglect of money fractions to 50). Where amounts are presented in other currency than RON, it will be specified accordingly.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **2. Basis of preparation (continued)**

c. Professional judgements and key assumptions

The preparation of financial statements in accordance with IFRS requires the use of management's professional judgment, estimates and assumptions which affects the application of accounting policies and the reported value of assets, liabilities, income and expenses. Actual results may differ from estimated values.

The estimates and assumptions are reviewed regularly. Revisions of estimates are recognized in the period in which the estimate was revised and in future periods affected by the change.

IAS 1.122,125,129,130 Information regarding professional judgments that are critical in applying accounting policies which can significantly affect the values presented in the financial statements are included in the following notes:

- Note 18 –Investment property classification;
- Note 23 – Loans.

d. New International Financial Standards not applied by the Company

The Company does not apply any IFRS or new IFRS provisions issued and not effective at the date of the financial statements. The Company cannot estimate the impact of the application of these provisions on the financial statements and intends to apply these provisions once they come into force. Of the standards issued, but which are not yet in force, the company will not be in a position to apply any of them prospectively.

These are:

- Publication of IFRS 19 "Non-public exposure subsidiaries" effective January 1, 2027
- Amendments to IFRS 18 "Presentation and Presentation in Financial Statements" effective January 1, 2027.
- Amendments to IFRS 7 and IFRS 9 "Contracts relating to nature-dependent electricity" with effect from 1 January 2026.
- Amendments to IFRS 7 and IFRS 9 "Classification and Measurement of Financial Instruments" with entry into force on January 1, 2026.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **2. Basis of preparation (continued)**

e. Presentation of financial statements

IAS 8.28(f) The Company applies IAS 1 *Presentation of Financial Statements* (2007) revised, which has been enforced on 1 January 2009. As a result, the Company presents in the Statement of Changes in Equity all changes related to shareholders' equity, while changes in equity unrelated to shareholders are presented in the Statement of Comprehensive Income.

Comparative information has been presented so that they are in accordance with the revised standard. As the impact of change in accounting policy is reflected only on presentation aspects, there is no impact on earnings per share.

IAS 1 Presentation of Financial Statements is basis for the financial statements presentation to ensure comparability both with the entity's financial statements for previous periods and with the financial statements of other entities.

The Company has adopted a presentation based on liquidity in the Statement of Financial Position and a presentation of income and expenses according to their nature in the Statement of Comprehensive Income, considering that these methods of presentation provide more relevant information than other methods that have been permitted by IAS 1.

IAS 1.57 The aggregation method is optional depending on the manner in which the Company's management considers relevant information for the presentation of the financial position, respectively financial performance.

Separate financial statements are prepared using the historical cost principle, except for buildings, means of shipping and property investments reclassified in accordance with IAS 40 which are presented at their fair value.

For assets and liabilities that were presented at their fair value the company has applied IFRS 13.

Expenses representing inventories consumption, depreciation of fixed assets, interest expenses, employee expenses etc. and which according to the IFRS stipulations, are included in some assets value, are recognized during the period depending on their nature. Complementarily, the accounting records related to assets in progress, on recognize of the related income accounts. In preparation of the annual accounting reports, as well as those submitted during the year to the territorial units of the Ministry of Public Finance, which are prepared in accordance with the format established by the Ministry of Public Finance, the Company which, according to IAS 1, has chosen to present the analysis of expenses using a classification based on their nature, does not present either the value of these expenses or the value of the corresponding revenues as it is stipulation by OMFP 2844 of December 12, 2016 for approving the Accounting Regulations compliant with International Financial Reporting Standards (paragraph 182).

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **2. Basis of preparation (continued)**

f. Standards and interpretations available in the current period

The following standards, issued by the International Accounting Standards Board (IASB) and adopted by the European Union, are available in the current period:

IAS 1	Presentation of financial statements	Fundamental Accounting Principles, structure and content of financial statements, mandatory posts and the concept of true and fair view, completed with amendments applicable from 1 January 2013.
IAS 2	Inventories	Defining of the accounting process applicable to inventories in the historical cost system: evaluation (first in - first out, weighted average cost and net realisable value) and the perimeter of allowed costs.
IAS 7	Statement of Cash Flows	Analysis of cash variations, classified into three categories: cash-flows from operating activities, cash-flows from investing activities, cash-flows from financing activities.
IAS 8	Accounting policies, Changes in Accounting Estimates and Errors	Defining the classification, the information that need to be disclosed and the accounting treatment of certain items in the income statement.
IAS 10	Events after the reporting period	Requirements for when events after the reporting period should generate an adjustment to the financial statements: definitions, terms and conditions, particular cases (dividends)
IAS 12	Income Taxes	Definition of tax accounting processing on the period result and detailed stipulations on deferred taxes, supplemented by amendments applicable from 1 January 2013.
IAS 16	Property, plant and equipment	Accounting treatments, net book value calculation and relevant principles regarding depreciation for most types of property, plant and equipment.
IAS 19	Employee benefits	Accounting principles regarding employee benefits: short and long term benefits, post-employment benefits, advantages on equity and allowances on termination of employment, with revisions made in 2011, applicable from January 1, 2013.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

<i>Reference</i>	NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS	
<i>IAS 1.112(a)</i>	2. Basis of preparation (continued)	
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Accounting principles for direct or indirect public aid (clear identification, concept of fair value, restraining subsidized connection etc.).
IAS 21	The Effects of changes in Foreign Exchange Rates	Accounting treatments of abroad activities, foreign currency transactions and restating financial statements of a foreign entity.
IAS 23	Borrowing Costs	The definition of borrowing costs and accounting treatments: the notion of qualifying asset, how to capitalize borrowing costs in the amount of qualifying assets.
IAS 24	Related Party Disclosures	Details of related party relationships and transactions (legal and natural persons) who exercises control or significant influence over one of the group's companies or the management.
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Principles and information on the retirement schemes (funds), distinguishing defined contribution schemes and defined-benefit.
IAS 27	Separate Financial Statements	IAS 27 outlines when an entity must consolidate another entity, how to account for a change in ownership, how to prepare separate financial statements, and related disclosures. The financial statements prepared by the company for year ended 31 December, 2014 are separate financial statements, therefore, consolidated financial statements are not applicable in this case. The Transilvanian Financial Investment Company, headquartered in Braşov, Nicolae Iorga Street, No. 2, holds, in present, 49,9998% of the share capital of SC Şantierul Naval Orşova SA, so, they have obligation to prepare the consolidated financial statements.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **2. Basis of preparation (continued)**

IAS 28	Investments in associated entities	Defining the evaluation and information principles regarding investments in associates, except those held by: a) Venture capital organizations b) Mutual funds, unit trusts and similar entities, including insurance funds with an investment component which are considered to be at their fair value through profit or loss or classified as held for trading and accounted in accordance to IAS 39.
IAS 29	Financial Reporting in Hyperinflationary Economies	The financial statements of an entity whose functional currency is the currency of a hyperinflationary economy should be presented in the current unit of measure at the financial statement preparation date, meaning non-monetary elements should be restated using a general price index from the date of purchase or contribution. IAS 29 provides that an economy is considered to be hyperinflationary if, among other factors, the cumulative index of inflation exceeds 100% over a period of three years. Continuous decrease of inflation and other factors related to the characteristics of the economic environment in Romania indicates that the economy whose functional currency was adopted by the Company, ceased to be hyperinflationary, affecting periods beginning 1 January 2004. Thus, amounts expressed in the measuring unit, current at 31 December 2003 are treated as the basis for the carrying amounts in the financial statements of the Company.
IAS 31	Interests in Joint Ventures	Accounting principles and policies to joint venture operations performed assets or holdings in a joint venture.
IAS 32	Financial instruments: presentation	Rules of presentation (classification of debt equity, expenses or income/equity).
IAS 33	Earnings per Share	Principles of determination and representation of earnings per share.
IAS 36	Impairment of Assets	Key definitions (recoverable amount, fair value less costs of disposal, value in use, cash-generating units), the frequency of impairment tests, accounting for the impairments, and for goodwill impairment.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **2. Basis of preparation (continued)**

IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Defining provisions and approach of estimating provisions, individual cases examined (including the problem of restructuring).
IAS 38	Intangible Assets	Definition and accounting treatments for intangible assets, recognition and measurement policies on the processing costs for research and development etc.
IAS 40	Investment Property	Establishing the evaluation method: fair value model or cost model, transfers between different categories of assets etc.
IFRS 1	First-time Adoption of International Financial Reporting Standards	The procedures for financial statements according to IAS / IFRS optional exemptions and mandatory exceptions to retrospective application of IAS / IFRS, supplemented by amendments applicable from 1 January 2013.
IFRS 5	Non-current Assets Held for Sale and Discontinued Operation	Defining an asset held for sale and discontinued operations, and the, evaluation of these elements.
IFRS 7	Financial Information: Disclosures	Financial information related to financial instruments are referring primarily to: (i) information about the significance of financial instruments; and (ii) information about the nature and extent of risks arising from financial instruments, supplemented by amendments applicable from 1 January 2013.
IFRS 9	Financial instruments	The Standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting of financial instruments. The version of IFRS 9 issued in 2014 supersedes all previous versions and is mandatorily effective for periods beginning on or after 1 January 2018 with early adoption permitted.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **2. Basis of preparation (continued)**

IFRS 10	Consolidated Financial Statements	Establishing principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
IFRS 11	Joint Arrangements	Establishing principles for financial reporting for entities that hold interests in jointly controlled commitments..
IFRS 12	Disclosure of Interests in Other Entities	Requires an entity to disclose information that will enable users of its financial statements to evaluate: the nature and risks associated with interests held in other entities; and the effects of those interests on the financial position, financial performance and its cash flows.
IFRS 13	Fair value measurement	The definition of fair value, establishing, in a single IFRS, a framework for measuring fair value, requiring the presentation of information on fair value.
IFRS 15	Revenue from Contracts with Customers	It aims to establish principles that an entity must apply to report information useful to users of financial statements about the nature, amount, timing and uncertainty of income and cash flows arising from a contract with a customer. It applies to an entity's first annual IFRS financial statements for the period beginning on or after 1 January 2018, published in May 2014 and adopted by the European Union in September 2016, effective in the EU on 1 January 2018.
IFRS 16	Leasing contract	Its objective is to standardize the way in which financial and operational leasing contracts are recognized in order to have a better comparability in the financial statements between the entities that use different types of contracts
IFRS 17	Insurance contracts	Aims to ensure that an entity provides relevant information that accurately represents those contracts.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies**
117(a)

The accounting policies presented below have been applied consistently in all periods presented in these financial statements by the Company, except for matters described in note 2 (e) of changes in accounting policies.

IAS 1.41 Certain comparative amounts have been reclassified to conform with current year presentation.

a. Foreign currency

(i) Transactions in foreign currency

The Company's foreign currency transactions are registered at exchange rates communicated by the National Bank of Romania ("NBR") for the transaction date. Foreign currency balances are converted in RON at the exchange rates communicated by NBR for the balance sheet date. Gains and losses resulting from the settlement of transactions in a foreign currency and the conversion of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss in the financial result.

b. Financial instruments

(ii) Share capital

The share capital may be increased or reduced on the basis of decision of the extraordinary General Assembly of shareholders, under the conditions and in accordance with law No. 31/1990, company law, republished. Prior to any capital increase by subscription of new consideration, the company will proceed to update the value of tangible and intangible fixed assets owned. Ordinary shares are classified as equity.

c. Tangible Assets

IAS 16.73 (a) (i) Recognition and evaluation

Tangible assets are initially measured at cost, (those purchased from suppliers) or if the input value received as a contribution in kind to the establishment of share capital or increase of share capital.

For subsequent recognition of plant, naval means of transport and investment properties, the company has opted for the revaluation model (fair value model).

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

Some of the tangible non-current assets were revalued based on government decisions ("GD") no. 945/1990, no. 26/1992, no. 500/1994, no. 983/1998, no. 403/200 and no. 1553/2003 by indexing the historical cost with indices prescribed in the respective government decisions. Increases of the tangible non-current assets' value resulting from these revaluations were initially credited to revaluation reserves and thereafter, except for the reevaluation made under GD. 1553/2003, in equity, in accordance with the respective government decisions. GD 1553/2003 foresaw the need to adjust the index value by comparing the utility value and market value. At 31 December 2006, the Company proceeded to review the value of buildings and special constructions using the opinion of specialists employed in the Company.

On 31 December 2007, the Company has not proceeded to review the value of fixed assets at the Orşova headquarters, instead Agigea Branch conducted a revaluation of fixed assets from the structures and ships category, before the merger, for the old company: SC Servicii Construcţii Maritime SA Agigea. During the years 2007, 2008 and 2009 were recorded entries in the technological equipment category and other intangible assets category which led to a presentation in the financial statements, of the assets from these categories both at historical cost indexed in accordance with government decisions ("GD"), which have been applied to date, as well as historical cost.

At 31 December 2009 the Company revalued the buildings and special constructions using the opinion of an independent external evaluator.

At 31 December 2010 and 31 December 2011 the Company has not made any revaluations of tangible assets held.

On 31 December 2012, the Company proceeded to the revaluation of naval buildings and vehicles, both at headquarters in the town of Orşova, as well as at Agigea branch using the opinion of an independent external evaluator.

On 31 December 2013, the Company revalued naval vehicles, both at headquarters in the town of Orşova, as well as at Agigea branch using the opinion of an independent external evaluator.

On 31 December 2014, the evaluated naval vehicles, using the opinion of an independent external evaluator.

On 31 December 2015, the Company proceeded to the revaluation of naval buildings and vehicles, both at headquarters in the town of Orşova, as well as at Agigea branch using the opinion of an independent external evaluator.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

On 31 December 2016, the Company proceeded to the revaluation of buildings and naval vehicles amounted to the nature of shipping assets located at Agigea branch using the opinion of an independent external evaluator.

On 31 December 2017, the company proceeded to the revaluation of tangible assets such as naval vehicles amounted to the nature of shipping assets located in the branch Agigea using the opinion of an independent external evaluator.

On December 31, 2018, the Company proceeded to reevaluate tangible assets such as shipbuilding buildings and means of transport both at the head office in Orşova and at Agigea branch using the opinion of an independent external evaluator.

On December 31, 2019, the Company proceeded to reevaluate tangible assets such as shipbuilding buildings and means of transport located in the branch Agigea using the opinion of an independent external evaluator.

On December 31, 2020, the Company proceeded to reevaluate tangible assets such as shipbuilding buildings and means of transport located at the branch Agigea using the opinion of an independent external evaluator.

On December 31, 2021, the Company proceeded to reevaluate tangible assets such as shipbuilding buildings and means of transport located at the branch Agigea using the opinion of an independent external evaluator.

On December 31, 2022, the Company proceeded to the revaluation of property, plant and equipment of the nature of the means of naval transport located at the Agigea branch using the opinion of an independent external evaluator.

On December 31, 2023, the Company proceeded to the revaluation of tangible assets of the nature of the means of shipping located at the Agigea branch using the opinion of an independent external valuer.

On December 31, 2024, the Company proceeded to the revaluation of tangible assets of the nature of buildings and means of naval transport, both at the main headquarters in Orşova and at the Agigea branch using the opinion of an independent external valuer.

Regarding the accounting treatment of revaluation differences, these were made in accordance with IAS 16 as follows:

If the carrying amount of an asset is increased as a result of a revaluation, the increase shall be

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

If the carrying amount of an asset is impaired as a result of a revaluation, the decrease shall be recognized in profit or loss. However, the decrease shall be recognized in other comprehensive income to the extent that the revaluation surplus shows a credit balance for the asset. Reduction recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

The Company has used the net value model. The amount of the revaluation surplus was credited to revaluation reserve balance for those non-current assets which fair value was higher than the net book value. For the non-current assets which fair value has been less than the carrying amount, firstly the revaluation surplus has been decreased and after that if necessary it has been reflected as an operating expense in the profit and loss statement.

Maintenance and repairs of tangible assets are recorded as an expense when incurred. Significant improvements of tangible non-current assets that increase the value or useful life or significantly increase the capacity to generate economic benefits are capitalized as asset.

Assets that have the nature of inventory objects, including tools are recorded as an expense when purchased and are not included in the account value of the tangible assets.

(ii) Reclassification to investment property

The transfer to or from investment properties shall be made if, and only if, there is a change in use.

(iii) Depreciation of tangible non-current assets

Depreciation is the equivalent to irreversible impairment of an asset, as a result of normal use, natural factors, technical progress or other causes. Fixed assets' depreciation shall be accounted as an expense (recognized in profit or loss).

The company uses straight-line depreciation method for all tangible assets owned, by dividing the book value equally, over its useful life. The depreciation method is applied consistently to all assets of the same type and with identical conditions of use. If tangible assets are placed in conservation, the company did not account the depreciation expense, instead at the end of the period, the company will record a corresponding expense adjustment for the impairment of the asset. The degree of impairment will be determined as much as possible by a certified evaluator.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

A significant change in the conditions of use of tangible assets or aging may justify a revision of the useful life. Also, if the tangible non-current assets are placed in conservation (their use is discontinued for a long period), the useful life can be revised.

The residual value and service life shall be reviewed at least at each financial year end.

Depreciation is calculated on the fair value, using the straight-line method over the estimated useful life of the assets as follows:

<u>Asset</u>	<u>Years</u>
Constructions	5 - 45
Equipment	3 - 20
Other equipment and furniture	3 - 30

Lands are not a subject of depreciation, as they are deemed to have an indefinite life.

The management continually evaluates the development plan. The effect of lifetime review, based on GD. 2139/2004, was reflected in the depreciation expense in the year 2005 and in future periods in the amount of depreciation expenses without any temporary differences.

(iv) Derecognition

The account value of a fixed asset shall be derecognised:

- when disposed, or
- when no future economic benefits are expected from its use or disposal.

The gain or loss arising from the derecognition of a fixed asset shall be included in profit or loss when the item is derecognised. Gains shall not be classified as revenue.

d. Intangible Assets

(1) Cost

(i) Software

Costs for the development or maintenance of computer software programs are recognized as an expense when they occur. Costs that are directly associated with identifiable and unique products, controlled by the Company and will probably generate economic benefits exceeding

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

costs for a period longer than one year are recognized as intangible assets. Direct costs include the development team staff costs and an appropriate proportion of overhead expenses.

Expenditure which results in extending the useful life and increasing the benefits of software over the initial specifications are added to the original cost. These costs are capitalized as intangible assets if they are not part of tangible assets.

(ii) Other intangible assets

All other intangible assets are recognized at cost.

Intangible assets are not revalued.

(2) Amortization

(i) Software

Software development costs capitalized and they are amortized using the straight-line method over a period between 3 and 5 years.

(ii) Other intangible assets

Patents, trademarks and other intangible assets are amortized using the straight-line method over their useful life. Software licenses are amortized over a period of 3 years.

e. Rights-of-use for leases assets

The company as a lessees

At the beginning of the contract the company assesses whether a contract is or contains a lease clause. The company recognizes a right to use the asset and a lease liability in relation to all leases in which he is a lessee/user, except for short-term contracts (defined as leasing with a lease term of 12 months or less) and rental of low value assets (such as licenses, oxygen tubes, mailbox, etc.). For these leases, the company recognizes the lease payments as operating expenses on a straight-line basis over the term of the lease.

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

Leasing liability

Leasing liability is initially measured at the present value of lease payments that are not paid on the start date, discounted at the default interest rate in the lease. If this rate cannot be easily identified, the company uses BNR's monetary policy interest rate.

The lease liability is initially measured at the present value of the lease payments that are not paid on the date of commencement of the contract, updated using the interest. Leasing liability is presented as a separate line in the financial statement.

Leasing liabilities are subsequently updated by increasing the carrying amount to reflect the amount of the amount of the revalued lease debt and by reducing the carrying amount to reflect the lease payments made. The company revalues the lease debt (and makes an appropriate adjustment to the right to use the asset) when:

- The lease term has changed, in which case the lease debt is revalued by updating the lease payments.
- The lease is amended and the change in the lease is not accounted for as a separate lease, in which case the lease is revalued on the basis of the terms of the amended lease by updating the revised lease payments using an updated interest rate on the effective date of the change.

Rights-of-use assets

Rights-of-use include the initial valuation of the corresponding lease liability, lease payments made on or before the commencement date, minus the lease incentives received, and any initial direct costs. Subsequent they are measured based on cost minus accumulated amortization and impairment losses. Rights-of-use assets are amortized over the lease term of the underlying asset.

f. Investment property

An investment property is a real property (land or a building - or part of a building - or both) owned rather to earn rentals or for capital appreciation or both, rather than:

- (a) used for production or supply of goods or services or for administrative purposes; or
- (b) to be sold in the ordinary course of business.

For the evaluation after recognition, the company uses the fair value model, this accounting treatment has been applied to all investment properties.

A gain or loss arising from a change in fair value of investment property shall be recognized as an income or as an expense in the statement of comprehensive income for the period.

In determining the fair value of investment property, the company uses the services of certified values.

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

g. Inventories

I Stocks are assets:

- which are held for sale in the ordinary course of business,
- in the course of production with a view to sale in the ordinary course of business,
- in the form of raw materials, materials and other consumables to be used in the production process or provision of services.

Measurement of inventories

Inventories are required to be stated at the lower value between cost and net realizable value. Inventories should not be reflected in the statement of financial position an amount greater than the amount that can be obtained through their sale or use. In this case, the inventories value should be decreased to the net realizable value by reflecting a write-down.

Cost of inventories

The primary basis for accounting inventories is the cost .

The cost of inventories should comprise all costs of acquisition and processing and other costs incurred in bringing the inventories to the shape and place in which they are currently.

Price differences over the cost of acquisition or production should be disclosed separately in the accounts and are recognized in cost of the asset.

Regarding the method of valuation, the company used, until December 31, 2010, the weighted average cost method, but starting from January 1, 2011, the company is using the first-in - first out method.

The cost of finished goods and work in progress includes materials, labor and indirect production costs associated. Where necessary, adjustments are made for wasted or obsolete inventories. The net realizable value is calculated as the selling price less costs to complete and costs necessary to make the sale

h. Impairment

(i) Financial assets (including receivables)

A financial asset or group of financial assets is impaired if, and only if, there are any objective evidence of impairment arising as a result of one or more events that occurred after the initial recognition of the asset, and these events have an impact on future cash flows of the financial asset or group of financial assets that can be estimated reliably. On each financial year date, the company examines whether there is any objective evidence that the financial asset or a group of

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

financial assets is impaired. The loss is given by the difference between the asset's book value and the present value of future cash flows using the effective interest rate of the financial asset at initial recognition.

If in a subsequent period, an event occurring after the recognition of the impairment will determine an increase of the asset's value, the impairment will be reversed.

i. Employee benefits

The Company makes payments to pension funds, health funds, unemployment funds, allowances and vacations for all staff. These expenses are recognized in the statement of comprehensive income for the period covered. At retirement, the company granted, as a stimulant, between one and four salaries to every person who ceases contractual relationship with the company.

The Company does not operate any other pension plan or retirement benefits so it has no other obligations in respect of pensions.

During the year, according to the collective labor agreement, depending on the possibilities of the company, employees can receive awards, financial aid for deaths in the family, serious and incurable illness etc.

j. Provisions

Provisions are recognized when the Entity has a present legal or constructive obligation, arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits and when a reliable estimate can be made of its amount.

(1) Provisions for annual vacations and other similar staff rights.

Company debt regarding annual employee vacations is recognized in proportion to the duration of untaken vacation days by the end of the year. At the balance sheet date, a provision for the estimated obligation is recognized, provision which includes both the actual amount of untaken vacation days and related social contributions. Also, for the retirement of employees who are qualified for this matter, the company established a provision according to the collective agreement stipulations through the valid period.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

(2) Provisions for litigation

For those pending lawsuits, in which the company is the defendant and courts have not issued a final and executory judgment, the company made provisions for the amounts estimated. The amounts paid to the company customers, for any damage caused to the ship during transport, and which have failed to be recovered from the insurance company which issued the insurance policy and for whom there is a pending lawsuit, are treated similarly.

(3) Provisions for guarantees

For river vessels produced by the Company, it is stipulated in the export contracts that the seller is obliged to guarantee the proper execution, for a period of 6-9 months from date of sale (ownership transfer), depending on the complexity of the ships. Provisions made for this purpose are based on calculation of the average share of total claims paid customer deliveries during the last period (previous year).

k. Revenue

Revenue refers to goods sold and services rendered.

Sales revenues include sales of ships and services provided (rentals and ship repairs) made in the ordinary course of business (excluding value added tax).

Revenue is recognized upon delivery of goods to the buyer or carrier, delivery against invoice, and for export products, after being charged and all the customs formalities are completed, or delivered to the place specified in the contract (port of destination), with the transfer of risks to the buyer.

Revenue is measured at the fair value of the counter performance received or to receive.

Interest incomes are recognized using the effective interest method in proportion to the relevant period of time, based on the principal and the effective rate until the maturity date or for a shorter period if this period is linked to the transaction costs, when it is established that the company will obtain such income.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

IAS 1.112(a) **3. Significant accounting policies (continued)**
117(a)

IFRS 7.20,24 **1. Financial income and expenses**

Interest income is recognized as the income generates, on an accrual basis using the effective interest method in proportion to the relevant time, based on the principal and the effective rate over the period to maturity or a shorter period if this period is link to transaction costs, when it is established that the company will obtain such income.

Income from financial assets or dividends receivable from entities in which the Company is a shareholder, are recognized in the financial statements of the financial year in which they are approved by the General Meeting of each entity.

m. Income tax

The Company records current income tax using the taxable income from tax reporting, determined by the relevant Romanian legislation.

Income tax obligation for the reporting period and prior periods is recognized to the extent that is not paid.

If the amounts paid on the current and prior periods exceed the amounts due for those periods, the excess is recognized as recoverable amount.

Recognition of deferred tax assets and liabilities

Deferred income tax is, using the balance sheet method, based on temporary differences arising between the tax bases of assets and their carrying amount. Deferred tax assets are recognized to the extent that there is the possibility of achieving future taxable profit from which the temporary differences can be recovered.

4. Determination of fair value

Certain accounting policies of the Company and disclosure requirements demand the determination of fair value for both financial and non-financial assets and liabilities. Fair values were determined for evaluation and / or disclosure purposes based on the methods described below. Where appropriate, additional information about the assumptions used in determining the fair value are presented in the notes that are specific to the asset or the liability.

In the assessment of tangible and intangible assets, fair value measurement is an option. Fair value assessment is made for categories of assets and is treated as a revaluation. The excess resulting from revaluation directly affects equity, unless previously it was recognized as a revaluation loss. Revaluation losses affect the statement of comprehensive income, unless there is an added value previously accounted directly in equity. There are differences between the two asset structures in terms of how to determine the fair value.

Reference **NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**

4. Determination of fair value (continued)

IAS 16 “Property, plant and equipment” asserts that: *“After recognition as an asset, an item of tangible assets whose fair value can be measured reliably shall be carried at a revalued amount, representing its fair value at the revaluation date minus any subsequent accumulated depreciation and any accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ significantly from that which would be determined using fair value at the balance sheet date.”* [9]

IAS 38 “Intangible Assets” indicates: *“The purpose of revaluations under this standard, fair value shall be determined by reference to an active market”*. [10]

If IAS 16 “Property, plant and equipment” allows the determination of fair value through other methods if there isn't an active market, IAS 38 “Intangible Assets” narrow the assets that can be revalued, showing that only the assets for which an active market exists, can be revalued.

A special structure of non-current assets is the investment property. IAS 40 “Investment Property” offers two options for their evaluation: cost model or fair value model. As compared to IAS 16 “Property, plant and equipment”, where, if cost model is applicable, entities are only encouraged to disclose the fair value in the notes, IAS 40 “Investment Property” requires the estimation of fair value, for evaluation (fair value model) or to present in the notes (cost model). For in assets held for continuing use, it can sometimes be difficult to estimate fair value minus costs of disposal. In the absence of a reliable basis for estimating the amount that an entity could obtain, from the sale of these assets in an arm's length transaction between knowledgeable, willing parties, IAS 36 “Impairment of Assets” indicates that the entity may use the asset's value as its recoverable amount (fair value is equal with the value in use).

As of January 1, 2013 requirements are applicable to the valuation of assets and liabilities at fair value under IFRS 13 “Fair Value Measurement”. IFRS 13 applies to assets and liabilities held by an entity for which, in accordance with other standards, it is required or permitted a fair value measurement or disclosure about fair value is required.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.. The price used to assess the asset or liability at fair value is not adjusted by the amount of transaction costs because they are not a feature of the asset or liability, but a feature of the transaction. Fair value assessment of an asset or liability considers the characteristics of the asset or liability which that market participants would consider in determining the price of the asset or liability at the measurement date.

Fair value measurement is performed on the assumption that an asset or liability is traded between market participants according to the normal conditions of sale of an asset or the transfer of a liability that characterizes the market at the measurement date. A normal transaction involves access to the market for a period that precedes evaluation enabling typical marketing activities and usual for those trading the respective assets or liabilities.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

5. Incomes

		<u>30.09.2025</u>	<u>30.09.2024</u>
<i>IAS 18.35(b) (i)</i>	<i>Sales of goods</i>	58,182,053	53,619,065
<i>IAS 18.35(b) (ii)</i>	<i>Rendering of services</i>	8,229,826	10,778,379
<i>IFRS 15.113(a)</i>	<i>Sales of waste products and commodities</i>	2,232,643	2,976,391
<i>IAS 40.75 (f) (i)</i>	<i>Income from rental of real estate investments</i>	0	33,116
	Total	<u>68,644,522</u>	<u>67,406,951</u>

The revenues achieved in the period 01.01-30.09.2025 experienced a slight increase, by 1.84%, compared to those of the corresponding period of last year. Due to the structure of the ships built at the main headquarters in Orsova, although during this period the Company completed a number of 3 ships (5 ships in the corresponding period of 2024), the revenues from this activity were higher by 8.51% compared to those achieved in the similar period of the previous year.

The river/sea ship construction market is still deficient, but the company has its production capacity covered by the end of the year.

The revenues recorded from the ship repair activity were at a lower level than in the corresponding period of 2024 and the revenues obtained from the sale of residual products resulting from the production activity but also from asset scrapping, contributed to these achievements.

These presentations are made by the Company in accordance with IFRS 8.

6. Other incomes

	<u>30.09.2025</u>	<u>30.09.2024</u>
Income from rents (other than rent real estate investments)	5,036,208	4,798,303
Other operational incomes	308,081	250,628
Total	<u>5,344,289</u>	<u>5,048,931</u>

In the period 01.01 - 30.09.2025 these revenues are at a higher level than in the corresponding period of the previous year (increase by 5.85%). The amounts made during this period and entered in the rental income position are mainly related to the lease contracts of three rooms out of the 4 held by the branch, in the first half of 2025, but also from the rental of spaces in the patrimony of the Agigea branch. As regards the Other operating income position, these revenues come in proportion of about 90%, from the resumption to income of the dividends not raised by shareholders within 3 years from the distribution.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

7. Outgoings on stocks

	<u>30.09.2025</u>	<u>30.09.2024</u>
Expenses with raw materials	12,500,010	12,985,286
Expenses of consumable materials, from whom:	8,989,539	9,012,397
Expenses <i>of auxiliar materials</i>	7,518,970	8,106,179
Expenses <i>of fuel</i>	242,197	270,539
Expenses <i>with spare parts</i>	215,297	255,103
Expenses <i>of other consumable materials</i>	1,013,075	380,576
Expenses regarding materials of nature inventory items	334,260	328,878
Expenses of unstocked materials	184,649	176,822
Expenses regarding goods	9,383	13,304
Received discount	(654)	(371)
Total	<u>22,017,187</u>	<u>22,516,316</u>

In the 9 months of 2025, the significant share in total inventory expenses is held by raw materials (marine sheet) and auxiliary materials (profiles, pipes). In the analyzed period, there is a slight decrease in inventory expenses compared to the corresponding period of the previous year, this being due to the volume of production completed and delivered during the reference period, but also to the structure of the hulls built at the Orsova headquarters.

Expenses representing inventory consumption that, according to the provisions of IFRS, are included in the value of certain assets are recognized during the period according to their nature. Correspondingly, the value of the assets in progress is recorded in the accounting, on account of the related income accounts. Please note that the Company, according to IAS 1, has chosen to present the analysis of expenses using a classification based on their nature, and therefore does not present either the value of these expenses or the value of the corresponding revenues.

8. Utilities outgoings

	<u>30.09.2025</u>	<u>30.09.2024</u>
Expenses with energy	4,545,299	1,560,329
Expenses with water	41,650	45,196
Total	<u>1,586,949</u>	<u>1,605,525</u>

In the period 01.01-30.09.2025, utility expenses are at a level close to that recorded in the corresponding period of the previous one - a decrease of 0.97.

We specify that an influencing factor in this increase is also the method of presenting expenses using a classification based on their nature, according to IAS 1.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 1.104 **9. Staff costs**

	<u>30.09.2025</u>	<u>30.09.2024</u>
Personnel expenses	25,655,806	22,886,671
Expenses with contributions to compulsory social insurance	2,048,005	1,932,660
Total	<u>27,703,811</u>	<u>24,819,331</u>

Medium number of employees	346	331
-----------------------------------	------------	------------

In the analyzed period of 2025, salary expenses increased by 11.62% compared to the corresponding period of 2024. The increase in the salaries of the Company's staff, starting with January 2025, with the gross amount of 350 lei/employee, positively influenced the level of salary costs, given that the volume of production achieved (operating income) in this period remained at a level close to that achieved in the 9 months of 2024.

In the same proportion as the increase in salary expenses, the expenses related to the labor insurance contribution, insurance and social protection also increased.

As in the case of the other categories of expenditure, and in the presentation of personnel expenditure, an influencing factor in this increase is the method of presenting expenditure using a classification based on its nature.

10. Value adjustment of current asset

	<u>30.09.2025</u>	<u>30.09.2024</u>
Losses(Profit) on receivables and various debtors	-	(104)
Income from adjustments for impairment of current assets	-	-
Total	=	<u>(104)</u>

The amounts presented above refer to the profit made from the reactivation of some debtors. Between 01.01-30.09.2025, no such operations were performed.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 1.97

11. Other outgoings

	<u>30.09.2025</u>	<u>30.09.2024</u>
Expenses with maintenance and repairs	508,491	767,219
Expenses with royalties, managed locations and rents	91,477	64,972
Expenses with premium insurance	224,764	159,050
Expenses with commissions and fees	-	-
Protocol, advertising and advertising expenses	24,879	21,708
Goods and personnel transport expenses	2,322,955	1,868,658
Travel expenses, secondments and transfers	37,196	34,901
Postage and telecommunications expenses	28,995	32,660
Banking services expenses	59,134	38,779
Other expenses for services performed by third parties	12,050,974	8,826,993
Expenses with other taxes and fees	598,266	528,090
Expenses for environment protection	7,318	11,209
Expenses with fixed assets held for sale	-	-
Other operational expenses	81,114	42,418
Total outgoings	<u>16,035,563</u>	<u>12,396,657</u>

In the period 01.01-30.09.2025, the level of the above expenses increased by 29.35% compared to the similar period of the previous year.

We will explain below some of the positions that hold a significant share in total expenses:

- There is a decrease in maintenance and repair expenses, during the analyzed period the Company carried out fewer maintenance and repair works on machinery, production halls and social spaces.
- The expenses with the transport of goods and people, expenses that are closely related to the volume of sales revenues, refer in particular to the transport of 3 river vessels built at the main headquarters, on the route: Orşova – Rotterdam, their transport costs experiencing a significant increase (by about 200%). We specify that, in accordance with the contractual provisions, the transfer of ownership is carried out with the delivery of the ships at these points, throughout the transport period the ships being provided by the Company's care, according to the contractual clauses.
- The volume of third-party services, in direct correlation with the production volume achieved, increased compared to the 9 months of 2024. During the period under review, the Company, given the shortage of manpower, resorted to subcontractors to a greater extent. As regards the auditors' fees, included in the total amount from this position, it is found that their level is close to that of the previous year. Specifically, they registered the following values: 49,332 lei, including VAT. fees to the statutory auditors (49,257 lei, including VAT, in the corresponding period of the previous year), and for internal audit services the amounts paid in the period 01.01-30.09.2025 were 32,331 lei, including VAT (21,314 lei, including VAT, in the corresponding period of the previous year).

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**
IAS 1.97 **11. Other outgoings (continued)**

- Regarding the Other expenses position, although they have an insignificant share in total expenses, there is an increase of 91.23% in their level compared to those recorded in the similar period of 2024.

IAS 1.86 **12. Financial income and expenses**

Recognized in the profit or loss account:

		<u>30.09.2025</u>	<u>30.09.2024</u>
<i>IFRS 7.20 (b)</i>	Interest income from bank deposits	430,027	605,171
<i>IAS 21.52 (a)</i>	Incomes from exchange rates differences	776,545	188,204
	Total financial incomes	1,206,572	793,375
<i>IFRS 16.</i>	Interest expense on the leasing account	153,836	16,165
<i>IAS 21.52 (a)</i>	Expenses from exchange differences rates	335,788	97,579
	Value adjustments regarding financial fixed assets	-	-
	Other financial charges	-	-
	Total financial expenses	489,624	113,744
	Net financial result	<u>716,948</u>	<u>679,631</u>

In relation to the above amounts, the following clarifications are made:

- interest income is related to bank deposits and current account availabilities;
- Due to the evolution of the exchange rate, the income from exchange rate differences was higher than the expenses from exchange rate differences, but stood at a higher level than those recorded in the similar period of 2024.
- In the analyzed period of 2025, the company did not have bank loans contracted, so it did not register interest on this basis.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

13a. Expenditure on profit tax

		<u>30.09.2025</u>	<u>30.09.2024</u>
	a) Expenditure on current profit tax		
IAS 12.80 (a)	Current period	846,693	1,531,805
IAS 12.80 (b)	Adjustments of previous periods		
	b) Deferred income tax expense		
IAS 12.80 (c)	Initial recognition and reversal of temporary differences	153,791	378,393
IAS 12.80 (g)	Changes in previously unrecognized temporary differences		
IAS 12.80 (f)	Recognition of previously unrecognized tax los		
	Total profit tax expenses (a+b)	1,000,484	1,910,198
IAS 12.81 (c)	Reconciliation of effective tax rate		
	Profit of the period	4,641,115	6,999,668
	Non-deductible expenses	13,441	4,916
	Non-taxable incomes	970,144	722,894
	Elements similar to incomes (amortisation after reevaluation 2003)	1,607,422	1,463,228
	Other taxable amounts (profit recognized for tax quarter. III)	-	1,537,042
	Deduction of legal reserve	-	291,821
	Taxable profit (Tax loss)	5,291,834	9,573,781
	Expense with the current profit tax	846,693	1,531,805
	Sponsorship	-	-
	Bonus OUG 33/2020	-	-
	Profit (Loss) after tax	3,640,631	5,089,470

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 16 **14. Tangible non-current asset**

		Lands and buildings	Machines and equipments	Furniture and fixtures	Work in progress	Total
	Coast or assumed costs					
<i>IAS 16.73 (d)</i>	Balance at 1 January 2024	23,081,953	61,570,014	576,596	1,402,835	86,631,398
<i>IAS 16.73 (e)(i)</i>	Acquisitions	126,226	2,308,621	64,533	2,308,064	4,807,444
<i>IAS 16.73 (e)(ii)</i>	Outgoings of non current asset	-	2,767,058	54,309	1,102,888	3,924,255
<i>IAS 16.73 (d)</i>	Balance at September 30,2024	23,208,179	61,111,577	586,820	2,608,011	87,514,587
	Depreciation and losses from depreciation					
<i>IAS 16.73 (d)</i>	Balance at 1 January 2024	4,173,736	43,119,223	477,868	-	47,770,827
<i>IAS 16.73 (d)(vii)</i>	Depreciation during the year	1,488,817	3,049,047	17,602	-	4,555,466
<i>IAS 16.73 (d)(ii)</i>	Outgoings pf non current asset	-	2,261,961	54,309	-	2,316,270
<i>IAS 16.73 (d)</i>	Balance at September 30,2024	5,662,553	43,906,309	441,161	-	50,010,023
<i>IAS 1.78 (a)</i>	Accounting values					
	Balance at 1 January 2024	<u>18,908,217</u>	<u>18,450,791</u>	<u>98,728</u>	<u>1,402,835</u>	<u>38,860,571</u>
	Balance at September 30, 2024	<u>17,545,626</u>	<u>17,205,268</u>	<u>145,659</u>	<u>2,608,011</u>	<u>37,504,564</u>

		Lands and buildings	Machines and equipments	Furniture and fixtures	Work in progress	Total
	Coast or assumed costs					
<i>IAS 16.73 (d)</i>	Balance at 1 January 2025	23,088,673	57,806,285	586,820	3,080,295	84,562,073
<i>IAS 16.73 (e)(i)</i>	Acquisitions	965,981	1,591,204	105,630	1,919,757	4,582,572
<i>IAS 16.73 (e)(ii)</i>	Outgoings of non current asset	506,748	589,614	102,862	1,787,007	2,986,231
<i>IAS 16.73 (d)</i>	Balance at September 30,2025	23,547,906	58,807,875	589,588	3,213,045	86,158,414
	Depreciation and losses from depreciation					
<i>IAS 16.73 (d)</i>	Balance at 1 January 2025	-	40,459,276	448,351	-	40,907,627
<i>IAS 16.73 (d)(vii)</i>	Depreciation during the year	1,397,033	2,536,851	22,783	-	3,956,667
<i>IAS 16.73 (d)(ii)</i>	Outgoings pf non current asset	56	463,712	102,862	-	566,630
<i>IAS 16.73 (d)</i>	Balance at September 30,2025	1,396,977	42,532,415	368,272	-	44,297,664
<i>IAS 1.78 (a)</i>	Accounting values					
	Balance at 1 January 2025	<u>23,088,673</u>	<u>17,347,009</u>	<u>138,469</u>	<u>3,080,295</u>	<u>43,654,446</u>
	Balance at September 30, 2025	<u>22,150,929</u>	<u>16,275,460</u>	<u>221,316</u>	<u>3,213,045</u>	<u>41,860,750</u>

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 16 **14. Tangible non-current asset (continued)**

The lands, as of September 30, 2025, have a book value of 625,753 lei and represent an area of 85,790 sqm, located at the headquarters in Orsova.

The company has finalized the cadastral situation for the entire area owned at the headquarters in Orşova.

Revaluation of tangible non-current assets

On 31 December 2004, the value of tangible non –current assets is presented at historical cost, indexed in accordance with government decisions ("GD"), which were applied by that date or at historical cost.

On December 31, 2005, the Company proceeded to revise the value of tangible assets using the opinion of specialists employed by the Company. On December 31, 2006, the Company proceeded to revise the value of buildings and special constructions using the opinion of specialists employed by the Company. On December 31, 2007, the Company did not revise the value of the fixed assets at the Orsova headquarters, instead the Agigea Branch carried out a revaluation for the fixed assets in the Construction and Maritime Vessels group, before the merger, under the old name: Servicii Construcţii Maritime SA Agigea.

During the years 2007, 2008 and 2009, entries were recorded in the category of technological equipment and in the category of other fixed assets, which leads to a presentation, in the financial statements, of the fixed assets in the respective groups both at historical cost indexed in accordance with the Government Decisions ("GD"), which were applied, and at historical cost.

On December 31, 2009, the Company proceeded to the revaluation of tangible assets of the nature of buildings and special constructions both at the main headquarters in Orsova and at the Agigea branch using the opinion of independent external appraisers. The method of reflecting the revaluation in the Company's accounting was to eliminate the depreciation from the carrying amount of the assets. The revaluation surplus value was credited to the balance of revaluation reserves for those objectives whose fair value was higher than the net carrying amount and for the other objectives

where the fair value was less than the net carrying amount, the decrease in the previously existing revaluation surplus was reflected, i.e. the allocation of operating expenses in the case of objectives for which a revaluation reserve had not previously been recognised or the recognised revaluation reserve was insufficient to cover the decrease.

On December 31, 2010 and 2012 respectively, the Company did not revalue its tangible assets.

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 16 **14. Tangible non-current asset (continued)**

On December 31, 2012, the Company proceeded to the revaluation of tangible assets of buildings and means of naval transport, both at the main headquarters in Orşova, and at the Agigea branch, using the opinion of independent external appraisers. The method of reflecting the revaluation in the Company's accounting was to eliminate the depreciation from the carrying amount of the assets. The value of the revaluation surplus was credited to the balance of the revaluation reserves for those objectives whose fair value was higher than the net carrying amount, and for the other objectives for which the fair value was less than the net carrying amount, the decrease in the previously existing revaluation surplus was reflected, respectively the allocation of operating expenses in the case of objectives for which a revaluation reserve had not previously been recognised, or The recognised revaluation reserve was insufficient to cover the decline.

For the fixed assets in conservation at the Agigea branch, a depreciation of 6,739 lei was recognized.

On December 31, 2013, the Company proceeded to the revaluation of tangible assets of the nature of means of naval transport, both at the main headquarters in Orşova, and at the Agigea branch, using the opinion of independent external appraisers. The method of reflecting the revaluation in the Company's accounting was to eliminate the depreciation from the carrying amount of the assets. The value of the revaluation surplus was credited to the balance of the revaluation reserves for those objectives whose fair value was higher than the net carrying amount, and for the other objectives for which the fair value was less than the net carrying amount, the decrease in the previously existing revaluation surplus was reflected, respectively the allocation of operating expenses in the case of objectives for which a revaluation reserve had not previously been recognised, or The recognised revaluation reserve was insufficient to cover the decline.

For the fixed assets in conservation at the Agigea branch, an impairment of RON 155,474 was recognized at the end of 2013; As of 31.12.2012 this impairment was 6,739 lei.

On December 31, 2014, the Company revalued the tangible assets of a means of naval transport, using the opinion of independent external evaluators and relying on the on the same rules regarding the recording of the resulting differences.

For the fixed assets in conservation at the Agigea branch, an impairment was recognized at the end of 2014 of 195,218 (on 31.12.2013 this depreciation was 155,474 lei).

On December 31, 2015, the Company proceeded to the revaluation of tangible assets of buildings and means of naval transport, both at the main headquarters in Orşova, and at the Agigea branch using the opinion of independent external appraisers. The method of reflecting the revaluation in the Company's accounting was to eliminate the depreciation from the carrying amount of the assets. The value of the revaluation surplus was credited to the balance of revaluation reserves for those objectives whose fair value was greater than the net carrying amount, and for those objectives whose fair value was greater than the net carrying amount.

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 16 **14. Tangible non-current asset (continued)**

The other objectives for which the fair value was less than the net carrying amount reflected the reduction of the previously existing revaluation surplus, i.e. the allocation of operating expenses in the case of objectives for which a revaluation reserve had not previously been recognised or the recognised revaluation reserve was insufficient to cover the decline. Both in the construction group and in the ships, on the total group, there are increases, in a total amount of 2,181,569 lei. However, analyzed individually, there were positions in which decreases were recorded, their total value being 3,591,056 lei, of which: 3,416,821 lei were borne from the revaluation surplus previously recorded in these positions, and the amount of 174,235 was borne by costs.

We specify that more information in relation to the revaluation operation can be found in the REPORT prepared and presented separately to the general meeting of shareholders.

On December 31, 2016, the Company proceeded to the revaluation of tangible assets of the nature of means of naval transport, using the opinion of the same independent external valuer and relying on the

on the same rules regarding the recording of the resulting differences. At the ordinary general meeting of shareholders, the results of this revaluation will be presented as a separate item on the agenda. For the fixed assets in conservation at the Agigea branch, a total impairment was recognized at the end of 2016 of RON 287,458.76 (as of 31.12.2015 this impairment was RON 252,756.17).

On 31 December 2017, the Company revalued tangible assets of the nature of means of naval transport, using the opinion of the same independent external valuer and relying on the same rules on the recording of the resulting differences. At the ordinary general meeting of shareholders, the results of this revaluation will be presented as a separate item on the agenda.

For the fixed assets in conservation at the Agigea branch, a total impairment was recognized at the end of 2017 of RON 304,490.18 (as of 31.12.2016 this impairment was RON 287,458.76).

On December 31, 2018, the Company proceeded to the revaluation of tangible assets of buildings and means of naval transport, both at the main headquarters in Orşova, and at the Agigea branch, using the opinion of independent external appraisers. Method of reflecting

The revaluation in the Company's accounting was the elimination of depreciation from the carrying value of assets.

The revaluation surplus value was credited to the balance of revaluation reserves for those objectives whose fair value was higher than the net carrying amount, and for the other objectives for which the fair value was lower than the net carrying amount, the decrease in the previously existing revaluation surplus was reflected, respectively the impairment of operating expenses in the case of

objectives for which a revaluation reserve had not previously been recognised or the recognised revaluation reserve was insufficient to cover the decrease. Both in the construction group

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 16 **14. Tangible Non-current Assets (continued)**

As well as for ships, on the total group, there are increases, in a total amount of 5,330,995 lei. However, analyzed individually, there were items in which decreases were recorded, their total value being RON 1,054,765, of which: RON 1,047,790 were borne from the revaluation surplus previously recorded at these items, and the amount of RON 6,975 was borne by costs.

On December 31, 2019, the Company proceeded to the revaluation of tangible assets of the nature of means of naval transport, using the opinion of the same independent external valuer and relying on the same rules regarding the recording of the resulting differences. At the ordinary general meeting of shareholders, the results of this revaluation were presented as a separate item on the agenda.

On December 31, 2020, the Company proceeded to the revaluation of tangible assets of the nature of means of naval transport, using the opinion of the same independent external valuer and relying on the same rules regarding the recording of the resulting differences. At the ordinary general meeting of shareholders, the results of this revaluation were presented as a separate item on the agenda

On December 31, 2021, the Company proceeded to the revaluation of tangible assets of the nature of buildings and means of naval transport, both at the main headquarters in Orşova, and at the Agigea branch, using the opinion of the same independent external valuer and relying on the same rules regarding the recording of the resulting differences. For fixed assets in conservation at the Agigea branch, a total impairment of RON 435,721.16 was recognized at the end of 2021 (as of 31.12.2020 this impairment was RON 406,522.02).

On December 31, 2022, the Company proceeded with the revaluation of tangible assets of the nature of means of naval transport, using the opinion of the same independent external valuer and relying on the same rules regarding the recording of the resulting differences. For fixed assets in conservation at the Agigea branch, a total impairment at the end of 2022 of RON 395,779.82 was recognized (as of 31.12.2021 this impairment was RON 435,721.16).

On December 31, 2023, the Company proceeded with the revaluation of tangible assets of the nature of means of naval transport, using the opinion of the same independent external valuer and relying on the same rules regarding the recording of the resulting differences. For fixed assets in at the Agigea branch, a total impairment at the end of 2023 of RON 419,372.21 was recognized (as of 31.12.2022 this impairment was RON 395,779.82).

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 16 **14. Tangible Non-current Assets (continued)**

On December 31, 2024, the Company proceeded to the revaluation of tangible assets of the nature of construction and means of naval transport, using the opinion of the same independent external valuer and based on the same rules regarding the recording of the resulting differences. For fixed assets in conservation at the Agigea branch, a total impairment was recognized at the end of 2024 of RON 130,548.28 (as of 31.12.2023 this impairment was RON 419,372.21).

In order to carry out these operations, the company resorted to the specialized services of the appraiser DARIAN DRS S.A., based in Timisoara.

The valuation techniques used by the valuer for fixed assets, according to IFRS 13.91, were as follows:

According to IFRS 13, the fair value measurement of tangible assets such as buildings and waterways involved taking into account the characteristics of the assets that market participants would take into account in determining the price of the asset at the valuation date. The determination of fair value has been carried out by an independent external valuer and is assimilated to Level 2 of IFRS 13 for the data taken into account in

- The cost approach for naval means of transport and for fixed assets in conservation
- The income approach for leased buildings (investment properties).

the determination of fair values as of December 31, 2019, the date of financial reporting. At Company level, there was no change in the IFRS 13 level for the fair value data. Also, the maximum utilization value for assets measured at fair value does not differ from the current utilization value.

Depreciation losses and subsequent takeovers

At the end of 2024, for the fixed assets in conservation at the Agigea branch, the depreciation test was also carried out, with a total impairment of RON 130,548.28 being recognized, related to fixed assets other than buildings. This depreciation is found at the same level as on 30.09.2025.

Pledged or mortgaged tangible assets

In order to guarantee the global multi-option and multi-currency ceiling, in the amount of EUR 1,500,000 (at the same level as in 2023), made available by BRD-GSG SA, the company has provided the following guarantees:

- first rank mortgage on the following properties in the patrimony: the Repair Hall, the New Hall, the Thermal Power Plant, the Compressor Station and the PSI Shed, the Exploitation Group, the Canteen, the Merged Building, all together with the related land, buildings valued according to the

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 16 **14. Tangible Non-current Assets (continued)**

Guarantee Monitoring Report at EUR 1,512,800 market value, registered in the Land Book Register under numbers 1133, 1146, 1121, 1145, 1134, 1135 and 1132;

- security interest in movable property with dispossession on a term deposit in the amount of EUR 406,015.
- Assignment of receivables as collateral on receipts in the total amount of EUR 48,128,000, resulting from the commercial contracts concluded by the Company with third parties, contracts not collected as of 30.09.2025.

Tangible assets in progress

As of 30.09.2025, the company has unfinished investment objectives in the amount of 3,213,045 lei (2,608,011 lei as of 30.09.2024).). A significant share of these is represented by the modernization works of the launch path at the Agigea branch, started more than 5 years ago, including the replacement of the tow trolleys, but also the modernization works of the halls located in the branch's patrimony.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 38 **15. Intangible assets**

<i>IFRS 3.61</i> <i>IAS 38.118 (c), (e)</i>		Other assets	Total
	Cost		
<i>IFRS 3.B67</i> <i>(d)(viii),IAS 38.118</i> <i>IAS 38.118(e)</i>	Balance at 1 January 2024	1,120,152	1,120,152
	Aquisitions	-	-
	Outgoings of intangible assets	6,894	6,894
<i>IAS 38.118</i>	Balance at 30 of September 2024	1,113,258	1,113,258
	Depreciation and amortisation losses		
<i>IFRS 3.B67</i> <i>(d)(i),IAS 38.118</i> <i>IAS 38.118(e)(vi)</i>	Balance at 1 January 2024	1,038,988	1,038,988
	Amortisation during the year	29,641	29,641
	Outgoings of fixed assets	-	-
<i>IFRS 3.B67</i> <i>(d)(viii),IAS 38.118</i>	Balance at 30 of September 2024	1,061,735	1,061,735
	Accounting values		
<i>IAS 38.118(c)</i>	Balance at 1 January 2024	<u>81,164</u>	<u>81,164</u>
<i>IAS 38.118(c)</i>	Balance at 30 of September 2024	<u>51,523</u>	<u>51,523</u>

<i>IFRS 3.61</i> <i>IAS 38.118 (c), (e)</i>		Other assets	Total
<i>IFRS 3.B67</i> <i>(d)(viii),IAS 38.118</i> <i>IAS 38.118(e)</i>	Balance at 1 January 2025	1,113,258	1,113,258
	Aquisitions	-	-
	Outgoings of intangible assets	14,282	14,282
<i>IAS 38.118</i>	Balance at 30 of September 2025	1,098,976	1,098,976
	Depreciation and amortisation losses		
<i>IFRS 3.B67</i> <i>(d)(i),IAS 38.118</i> <i>IAS 38.118(e)(vi)</i>	Balance at 1 January 2025	1,071,581	1,071,581
	Amortisation during the year	25,395	25,395
	Outgoings of fixed assets	14,282	14,282
<i>IFRS 3.B67</i> <i>(d)(viii),IAS 38.118</i>	Balance at 30 of September 2025	1,082,694	1,082,694
	Accounting values		
<i>IAS 38.118(c)</i>	Balance at 1 January 2025	<u>41,677</u>	<u>41,677</u>
<i>IAS 38.118(c)</i>	Balance at 30 of September 2025	<u>16,282</u>	<u>16,282</u>

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 39 **16. Other investments, including derivative financial instruments**

The securities are recognized in the financial statements in accordance with IAS 27 (revised in 2010), IAS 36 (revised in 2009), IAS 39 (revised in 2009) and IFRS 7 (issued in 2008). From the corroboration of the provisions of the 4 standards, the company adopted the following policy for the recognition and evaluation of the shares and the securities:

- investments in subsidiaries, jointly controlled entities and associated entities are recognized at cost value;
- short-term investments held for sale not quoted on the stock exchange are recorded at cost, for the impairments being made adjustments (the treatment for the depreciation of these securities is established by IAS 39 paragraph 63);
- Short-term investments held for sale listed on the stock exchange are recorded at fair value (the value of the last trading day of the year), any gains or losses to be recognized in the capital situation. If there is objective evidence of impairment (as presented in paragraph 59 of IAS 39), as well as in the case of foreign exchange losses and gains, the loss of value will be recognized in the profit and loss account.

Other investments	30.09.2025			30.09.2024		
	Accounting value	Impairment adjustments	Net value	Accounting value	Impairment adjustments	Net value
Long term investments						
Shares detained at Kritom	684,495	684,495	0	684,495	684,495	0
Other titles detained on long term	0	0	0	0	0	0
Total investments on long term	684,495	684,495	<u>0</u>	684,495	684,495	<u>0</u>

Şantierul Naval Orşova S.A.

Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IAS 39 **16. Other investments, including derivative financial instruments (continued)**

In 1993, S.C. Servicii Construcţii Maritime S.A. ("SCM"), a company acquired by Şantierul Naval Orşova S.A. during the financial year ended 31 December 2008, made with the Anonymous Society "Domik Kritis", based in Crete, a joint venture named "Kritom Shipping Company", based in the city Iralio, Crete. The share capital owned by SCM at Kritom Shipping Company was 49%:

- the total share capital of this company was 1,230,600 euro, consisting of a total number of 4,200 shares of 293 euro / share,
- SCM, at that time held 2,058 shares, respectively 602,994 euros (49%), and Domiki Kritis held 2,142 shares worth 627,606 euros (51%)

According to the latest information received from the Greek authorities, the Greek partner proceeded, without our consent, by virtue of the provisions of art.3.4 of the Convention establishing the company, to double the share capital of Kritom, reaching 2,461,200 euros (8,400 shares), from which:

- The joint-stock company "Domiki Kritis", which has since become Aristodimos E. Lidakis SA, holds 1,857,620 euros, the equivalent of 6,340 shares, representing 75.48%, and
- Şantierul Naval Orşova holds 2,060 shares worth 603,580 euros, respectively 24.52% of the share capital.

The founding convention of the Kritom Shipping Company provides that the duration of the company is for the period 1993-2012. However, in 2012, the Greek shareholder, without consulting the Company, and using the dominant position in the General Meeting decided to extend the duration of the company by 25 years, until 2037.

At the moment, based on the information we have, the company is active but, it does not generate revenue.

For more information about the current situation of Kritom and to clarify all aspects of administration, Şantierul Naval Orşova contacted a law firm that will represent us in court and support our interests as a shareholder.

In accordance with IFRS 13, fair value evaluation of short term investments assumes taking into consideration the characteristics that market participants would consider in determining the price of the asset at the measurement date. Fair value determination was made according to the available information on the interbank market and is assimilated to the first level required by IFRS 13 for data taken into account in determining the fair values at December 31, the reporting date.

On 30 September, 2025, the Company had fully set up impairments for these securities, amounted to 684,495 RON, so the net value on 30 September 2025 was 0 RON (the same situation was registered at 30 September, 2024).

The factors that contributed to these depreciations are the distrust and lack of transparency shown by the Greek partner, which manages the company, as we have shown.

This financial asset belongs to the category of financial assets measured at amortised cost in accordance with IFRS 7.8.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

IFRS 16 **17. Right-of-use assets**

Starting with 2019, IFRS 16 Leasing Contracts became applicable. Given that the company has certain leases, as a lessee, with a term of 12 months or less and low-value leases, it applied to these contracts the exception for the recognition of short-term leases and low-value leases.

We specify that the company, at the headquarters of the Agigea branch, has the right to use the land that was owned by the National Company for the Administration of Maritime Ports of Constanta.

The lease agreement concluded in this regard with CNAPMC (September 2019) is valid until 2038 but contains clauses regarding the renegotiation of the tariff every 5 years (renegotiated in September 2024) and an indexable rent value annually. Therefore, the company classified the contract with CNAPMC under the IFRS 16 standard and recorded an asset related to the right of use and a leasing debt in correspondence.

The following are the book values of the right to use the recognised asset and the movements for the period:

	Total land-use rights	Total rights of use of assets
Cost		
As of 1 January 2019	0	0
Inputs	2,502,294	2,502,294
As of 31 December 2019	2,502,294	2,502,294
Inputs	398,207	398,207
As of 31 December 2023	2,900,501	2,900,501
Inputs	3,503,589	3,503,589
Outputs	2,900,501	2,900,501
As of 31 December 2024	3,503,589	3,503,589
As of 30 September 2025	3,503,589	3,503,589
Amortization		
As of 1 January 2019	0	0
Depreciation of the year	125,115	125,115
As of 31 December 2019	125,115	125,115
Amortization of the period	2,279,580	2,279,580
As of 31 December 2023	2,404,695	2,404,695
Depreciation of the year	663,926	663,926
Outputs	2,900,501	2,900,501
As of 31 December 2024	168,120	168,120
Amortization of the period	526,653	526,653
As of 30 September 2024	44,787	44,787
As of 30 September 2025	694,773	694,773
Net book value		
As of 31 December 2019	<u>2,377,179</u>	<u>2,377,179</u>
As of 31 December 2023	<u>495,806</u>	<u>495,806</u>
As of 31 December 2024	<u>3,335,469</u>	<u>3,335,469</u>
As of 30 September 2024	<u>3,317,622</u>	<u>3,317,622</u>
As of 30 September 2025	<u>2,808,816</u>	<u>2,808,816</u>

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS

IAS 40 18.Real estate investments

		<u>2025</u>	<u>2024</u>
<i>IAS 40.76(a)</i>	Balance on 1 January	0	606,447
<i>IAS 40.76(f)</i>	Acquisitions	0	0
<i>IAS 40.76(d)</i>	Transfer from property, plant and equipment	0	0
<i>IAS 40.76(d)</i>	Disposals/impairments, transfer to property, plant and equipment	0	0
	Balance at 30 September	<u>0</u>	<u>606,447</u>

Starting with September 2019, the Agigea branch proceeded to lease a building located in Constanta, called "Headquarters", to the companies City Protect and Protect Instal. The lease period, according to the contracts in force, ended on 31.12.2024, but the lease contracts were terminated in June 2024, and the building was sold in December 2024.

The Company measures real estate investments at fair value, with changes in fair value being recognised in the statement of profit or loss and other comprehensive income.

19. Stock

D. Stock		30.09.2025	30.09.2024
IAS 1.78 (c),2.36(b)	Raw materials and materials	16,996,925	7,241,797
IAS 1.78(c), 2.36(b)	Production in progress	26,433,441	18,565,637
IAS 1.78(c), 2.36(b)	Finished products	-	-
IAS 1.78(c),2.36(b)	Third Party Products	-	6,350,659
IAS 1.78(c),2.36(b)	Commodities	-	-
	Imparment adjustments	(839,664)	(725,939)
	Stocks at net value	42,590,702	31,432,154

*IAS 1.104,
2.36(e)(f)*

For the stocks of raw materials and materials older than 2 years (for sheet metal stocks older than 3 years), existing in the balance at the end of 2024, without movement, the company adjusted the book value, constituting a total impairment of RON 839,664, which is maintained as of 30.09.2025. Compared to the corresponding period of the previous year, there is an increase in stocks by 35.50%, mainly an increase in the stocks of raw materials and materials necessary for the completion of the new shipbuilding that are the subject of the contracts concluded by the company, but also an increase in the production in progress - with completion deadlines in the next period.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

20. Fixed assets held for sale

As of 30.09.2025, the company does not hold such assets.

21. Trade and similar receivables, other receivables and advances

		30.09.2025	30.09.2024
<i>IAS 1.78 (b)</i>	Trade receivables in relation to related parties	307,472	509,070
	Loans to executives	-	-
<i>IAS 1.78 (b)</i>	Trade receivables	2,858,529	7,405,923
	Adjustments for the impairment of trade receivables	(157,675)	(166,620)
<i>IFRS 7.8(c)</i>	Net commercial loans and receivables	3,008,326	7,748,373
	Claims - total	3,002,784	2,054,634
	Different debtors	267,632	364,131
	Suppliers - debtors	605,527	515,707
	VAT to be recovered and not exigible	1,327,381	230,200
	Adjustment for other receivables	(253,803)	(263,589)
	Expenses registered in advance	395,940	379,706
	Other receivables	660,107	828,479
	Total	6,011,110	9,803,007

As for commercial receivables, as of 30.09.2025, they are at a lower level than those recorded at the end of the corresponding period of the previous year and are related to current supplies of goods and services, maturing in the immediately following period.

Between 01-30.09.2025, insignificant movements were recorded in the Company's impairment accounts related to the adjustments of trade receivables and adjustments to other receivables.

The receivables analysed in this note do not include receivables presented in the category of fixed assets.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

21. Trade and similar receivables, other receivables and advances(continued)

The Company's depreciation account for adjusting commercial receivables is presented as follows:

	30.09.2025	30.09.2024
As of January 1,	166,620	166,620
Resumption of depreciation	8,945	-
Established depreciations	-	-
Balance at the end of the period	157,675	166,620

22.Trade payables and other liabilities

	30.09.2025	30.09.2024
Trade payables – short term	2,147,510	2,669,608
Social security and other taxes and fees	1,639,244	1,674,996
Suppliers – unsecured invoices	229,477	660,652
Clients- creditors	17,455,048	8,509,136
Other debts	2,101,365	1,199,744
Commercial debts – long term	2,491,797	3,057,452
Total:	<u>26,064,441</u>	<u>17,771,588</u>

Short-term commercial debts refer to payment obligations to suppliers and advances received from customers. There is an increase of 46.66% compared to the same period of 2024. The balance of commercial debts as of 30.09.2025 represents current debts whose payment was made after the analyzed period.

A significant increase is recorded under the "Customers-creditors" position, the company receiving advances from customers in accordance with the contractual clauses provided in the contracts in progress on 30.09.2025.

In September 2024, the lease agreement owned by the National Company for the Administration of Maritime Ports Constanta was renegotiated, so that the company registered the leasing debt in correspondence for a new period of 5 years.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

23. Loans Leasing obligations

Finance leases

As of September 30, 2025, the Company has no financial leasing contracts.

Operating leases

The total commitments contained in the leasing contract concluded with the National Company Constanta Maritime Ports Administration on September 30, 2025, recognized in accordance with IFRS 16, is RON 2,895,848. When updating the leasing payments for 2025, as the company has no other loans contracted, it used the NBR's monetary policy interest rate of 6.5%. The maturity of the leasing debts is presented as follows:

	2025	2024
Year 1	624,067	-
Year 2	665,863	-
Year 3	710,456	-
Year 4	758,037	-
Year 5	601,662	549,970
Total	3,360,085	549,970
Debt balance September 30	2,895,848	3,362,409
Long-term	2,240,690	2,924,827
Short-term	655,158	437,582

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

24. Cash and cash equivalents

	30.09.2025	30.09.2024
Bank accounts in lei	1,722,720	1,748,762
Bank accounts in foreign currency	5,579,298	11,254,396
Petty cash in lei	8,159	16,694
Petty cash in euro	-	-
Other values	195	711
Total	<u>7,310,372</u>	<u>13,020,563</u>

Cash and cash equivalents decreased compared to the previous period (by 43.85%). A main factor influencing this decrease is represented by the purchases of stocks in September, respectively the payment of obligations to suppliers. However, we specify that the company has, at the end of the analyzed period, sufficient liquidity to finance the production and investment programs budgeted for 2025.

25. Capital and reserves

Capital social

IFRS 7.7
IAS

1.79(a)(i),(iii)

The shareholder structure as of September 30, 2025 is as follows:

	Number Of shares	Amount (lei)
Longshield Investment Group S.A.	5,375,969	13,439,923
Sea Container Services S.R.L	5,375,968	13,439,920
Other corporate shareholders/individual shareholders	670,982	1,677,455
	<u>11,422,919</u>	<u>28,557,298</u>

The subscribed and paid-up share capital is RON 28,557,298, divided into a number of 11,422,919 registered and dematerialized shares, each worth RON 2.50.

The company's shares are registered, dematerialized, ordinary and indivisible.

The identification data of each shareholder, the contribution of each to the share capital, the number of shares owned and the shareholder's share in the total share capital are mentioned in the register of shareholders kept by the register company contractually designated for this purpose.

Each share subscribed and paid by the shareholders according to the law, gives them the right to a vote in the General Meeting of Shareholders, the right to elect or to be elected in the management bodies, the right to participate in the distribution of profits or any rights derived from the quality of shareholder.

Holding the share implies the right to adhere to the statute and subsequent amendments.

Between 01.01 and 30.09.2025 there were no changes in the share capital. Changes occurred at the level of other shareholders, individuals and legal entities, in the sense that there was an increase in the holdings of individuals to the detriment of legal entities, according to the structure registered on the reference date of June 30, 2025.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

26. Employees benefits

a) Remuneration of directors and administrators

In order to carry out the management activity, the Company is obliged to pay the directors a fixed monthly remuneration, established by the articles of incorporation or the decision of the general meeting of shareholders, as the case may be.

The fixed monthly remuneration of the directors for the period January 1 - September 30, 2025 was RON 448,497 and for the corresponding period of the previous year it was RON 451,233, in accordance with the provisions of the Articles of Incorporation.

The company did not grant advances or loans to directors or administrators in the 9 months of 2025.

Wage expenses:

	Financial exercise End at 30 September 2025 (lei)	Financial exercises End at 30 September 2024 (lei)
Administrators	448,497	451,233
Directors	1,654,089	1,067,843
	2,102,586	1,519,076

Between 01.01 and 30.09.2025 there were changes in the composition of the Board of Directors

Thus, the composition of the Board of Directors, as it resulted from the shareholder votes, as of 23.04.2024, is as follows:

Mr. Ion Dumitru – president

Mr. Pripa Alexandru – vice-president

Mr. Fainarea Marius – member

Mrs. Patrascu Nadina Elena - member

Mrs. Catalina Dumitrascu – member

The indemnities and other rights granted to the directors are provided for in Article 19 of the Articles of Association and in the management contracts, which were approved at the General Meeting of Shareholders on April 22, 2024, and the salary and other rights due to the General Manager were established by the Board of Directors, within the limits provided for in Article 22 of the Articles of Incorporation and, respectively, from the Mandate Contract concluded between the Board of Directors and the General Manager. The mandate of the current Board of Directors ends on April 23, 2028 and that of the General Manager ends on 09.11.2026.

Şantierul Naval Orşova S.A.
Quarterly report for the period ended at 30.09.2025

Reference **NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS**

26. Employees benefits (continued)

Salaries payable at the end of the period:

	<u>30 September 2025</u>	<u>30 September 2024</u>
	(lei)	(lei)
Administrators	29,154	29,154
Directors	40,006	27,807
	<u>69,160</u>	<u>56,961</u>

b) Employees

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

	Financial exercise Ended at <u>30 September 2025</u>	Financial exercises Ended at <u>30 September 2024</u>
Administrative staff	46	46
Direct productive staff	243	233
Indirect productive staff	57	52
	<u>346</u>	<u>331</u>

27. Other information, implications of the COVID-19 pandemic and the conflict between Russia and Ukraine on the quarterly report

In the current context generated by the armed conflict taking place on the territory of Ukraine and the restrictions imposed internationally on the Russian Federation based on the information at its disposal, the company considers that there are no significant uncertainties, according to paragraph 25 of IAS 1, for the continuation of the activity and there are no indications that would lead to an impairment of the assets held, accordance with IAS 36. However, we are facing uncertainties in the economic and financial field that may lead to unpredictable developments regarding the level of the economic and financial indicators budgeted by the Company.

The company has sufficient own financial resources to ensure financial stability, there is no liquidity risk or negative influences on cash flows.

The company's management has as permanent objectives to analyze the future impact of the factors presented above on financial performance and to take appropriate measures to reduce the related risks.

The individual IFRS-compliant financial statements prepared for the period 01.01-30.09.2025 were approved by the Board of Directors on November 12, 2025 and were signed by:

Administrator
Ec.Ion Dumitru

Issued
Ec. Marilena Visescu

STATEMENT

The undersigned ec. Dumitru Ion – Chairman of the Board of Directors and ec. Marilena Visescu – economic director of the company Şantierul Naval Orşova SA, with administrative headquarters in Orşova Municipality, TUFARI Street, no.4, Mehedinti County, we declare that to our knowledge, the financial and accounting statement for the period 01.01-30.09.2025, which was prepared in accordance with the applicable accounting standards (IFRS), provides a correct and in line with the reality of the assets, obligations, financial position, profit and loss account of the above-mentioned company.

PRESIDENT OF THE MANAGEMENT BOARD:

Ec. Dumitru Ion

ECONOMIC MANAGER:

Ec. Marilena Visescu