



ȘANTIERUL NAVAL ORȘOVA S.A.
Nr. RC J25/150/1991 CIF: RO 1614734
Capital social: - subscris 28.557.297,5 lei
- varsat 28.557.297,5 lei
Str. Tufări, nr. 4, Orșova, 225200, Mehedinți
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): 254900UXXJ8TPIKLXG79
Cod IBAN: RO96RNCB0181022634120001- B.C.R. Orșova
Cod IBAN: RO59BRDE260SV03176142600- B.R.D. Orșova



REPORT
***ON THE RESULT OF THE REVALUATION OF CONSTRUCTIONS AND NAVAL
TRANSPORTATION MEANS AS OF 31.12.2024***

Dear shareholders,

In accordance with the accounting regulations in accordance with the International Financial Reporting Standards (IAS 16), but also with the company's accounting policies from the accounting policy GUIDE approved by the Board of Directors, the company proceeded to:

- Revaluation of group I of fixed assets: Constructions, both for those at the main office in Orșova and those at the Agigea branch;
- Revaluation of the group of ships existing at the main office and at the Agigea branch.
- Performing the depreciation test for fixed assets in conservation at the Agigea branch;
- Determining the fair value for the real estate investment.

The last revaluation of these fixed assets took place in 2021 for the construction group and in 2023 for the ship group, respectively, the impairment test was performed for the fixed assets in conservation and the fair value of the real estate investment was established on 31.12.2023.

The need for a revaluation is imposed - as we have shown - by the accounting regulations in accordance with the International Financial Reporting Standards (IAS 16), which provide that: "Revaluations must be made with sufficient regularity to ensure that the carrying amount does not differ significantly from what would have been determined using the fair value at the end of the reporting period".

At the same time, the elements in a group of tangible fixed assets are revalued simultaneously in order to avoid the selective revaluation and reporting in the annual financial statements of values that are a combination of costs and values calculated at different dates.

To carry out the above works, the company called upon the services of a specialized company - authorized ANEVAR - S.C. Darian DRS SA Cluj Napoca, with which a contract was concluded in this regard.

According to the Evaluation Report, the following differences were recorded:

Total differences from revaluation (increase),	7,182,712.83 lei
of which:	
o Increase	7,510,750.11 lei
o Decrease	328,037.28 lei

Of which,

a) differences from revaluation, headquarters in Orșova- total	+ 5,249,120.25 lei
- constructions	+ 5,242,777.51 lei
- means of naval transport (ships)	+ 6,342.74 lei
b) differences from revaluation, Agigea district- total	+ 1,933,592.58 lei
- constructions	+ 1,347,705.19 lei
- means of naval transport (ships)	+ 585,887.39 lei

In the group of constructions, although overall there is an increase in both Orșova and Agigea, there were also decreases in certain buildings. Thus, out of the total number of 80 construction positions revalued in Orșova, 2 positions recorded decreases, and the rest recorded increases, and out of the 29 building positions revalued in Agigea, 11 recorded decreases and 18 recorded increases.

In the group of ships, overall there is an increase in both Orșova and Agigea, but we specify that two ships in the branch's assets recorded a decrease.

In what the accounting treatment is concerned for the re-assessment differences, the legal norms (IAS 16 point 39 and 40), the following are stipulated:

(39) If the accounting value of an asset is increased as outcome of the re-assessment process, then the increase must be seen in other elements from the global result and cumulated in the own capital, as surplus from the re-assessment. However, the increase must be seen in the profit or loss to the extent to which it compensates for a reduction from the re-assessment of the same asset, previously seen in the profit or loss.

(40) If the accounting value of an asset is decreased as outcome of the re-assessment process, then the decrease must be seen in the profit or loss. However, the decrease must be also seen in other elements from the global result to the extent to which the surplus from the re-assessment shows a credit balance for that asset. The decrease seen in other elements of the global result softens the cumulated amount in the own capital as surplus from the re-assessment.

In accordance with the above, decrease in revaluation was recorded at the expense of capital, namely in the account 105 "Revaluation Reserves".

On the basis of the Valuation Report, the company also recorded operations related to the other categories of fixed assets subject to valuation, as we have shown at the beginning of this report, namely the depreciation of other fixed assets under conservation, with the exception of buildings, in the amount of 419.372,21 lei. Thus, on 31.12.2023, the amount of 23,592.39 lei was recorded on costs, the company having constituted, from previous years, a depreciation of 395,779.82 lei.

General Manager,
Mircea Ion Sperdea

Economic Manager,
Marilena Visescu