QUARTERLY REPORT
31 MARCH 2026

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ŞANTIERUL NAVAL ORŞOVA S.A.
No. RC J1991000150257
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:office@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 Ist TRIMESTER OF 2026, 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: 13.05.2026

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: J1991000150257;
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 31st of March 2026 (APPENDIX NO. 13 TO THE ASF REGULATION no. 5/2018)

DESCRIPTION OF THE INDICATOR	CALCULATION MANNER	RESULT
1. Indicator of current cash-deposit[1)]	Current assets / Current debts	3,30
2.Indicator of the degree of indebtness[2)]	Borrowed capital*100 / Own capital	0 (zero)
3. Rotation speed of the debits - clients[3)]	Average balance clients*90 / Turnover	64 DAYS
4. Rotation speed of the fixed assets[4)]	Turnover / Fixed assets	0,64

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 rosk, indicating potential financing issues, of cash-deposit with influences in the fulfillment of the undertaken committments. S.C. Șantierul Naval Orşova has no crediting contract exceeding 1 year, and, subsequently, this indicator is 0 (zero)
3) It expresses the effectivenes 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 first quarter of 2026, compared to the provisions of the BVC, the operating revenues were achieved in a proportion of 104.64%, but also higher (by 24.51%) compared to the corresponding period of last year:

- Stipulated in the BIE 1st trimester 2026	24,572,500 lei
- Realized in the 1st trimester of 2026	25,713,143 lei
- Realized on the 1st trimester of 2025	20,651,162 lei

During this period, at the company's headquarters, in accordance with the production schedule for 2026, a river vessel was completed.

Operating expenses decreased by 14.24% compared to the budgeted level, so that, as of 31.03.2026, the company records profit from operational activity.

In March 2026, the 4 existing rooms at the Agigea branch were sold, the company making a gain from the sale of these assets in the amount of RON 2,507,619.

The company's revenues from the ship repair activity decreased by 21.85% compared to the same period in 2025.

The individual financial statements as of 31.03.2026, namely: Statement of financial position, Statement of profit or loss and other comprehensive income, Statement of change in equity, Statement of cash flows and Notes to the financial statements are attached to this report, with the following clarifications:

- The figures in the reporting forms are expressed in LEI;
- The reporting data at 31.03.2026 **have not been audited** by an external independent financial auditor.
- In comparison to the provisions under BIE on the 1st trimester of 2026, the situation of the result is the following:
  - Result from operation:
    - Stipulated in the BIE 2,221,222 lei

- Realized 6,547,798 lei

❖ Financial result:
  - Stipulated in the BIE 167,500 lei
  - Realized 284,710 lei

❖ Gross result:
  - Stipulated in the BIE 2,388,722 lei
  - Realized 6,832,508 lei

In the similar period of 2025, the company recorded a gross profit in the amount of RON 960,846.

As of 31.03.2026, the company had no bank loans contracted, and cash and cash equivalents were in the amount of RON 7,101,791.

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 first quarter of 2026, the company made investment expenses in the amount of RON 1,478,625, compared to RON 723,400 provided for in the BVC. In the corresponding period of last year, expenses of this nature were recorded in the amount of 1,253,004 lei.

Reference	**STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2026**			
IAS 1.10(a), 113		**Note**	**31.03.2026** **RON**	**31.12.2025** **RON**
	Assets			
	Fixed assets			
IAS 1.54(a)	Tangible assets	*14*	36,999,461	45,872,328
	Freehold land and land improvements	*14*	625,753	625,753
	Buildings	*14*	20,968,227	21,057,106
	Plant and machinery, motor vehicles	*14*	11,877,056	21.057.652
	Fixtures and fittings […]	*14*	240,834	216,734
	Tangible assets in progress	*14*	3,287,591	2,915,083
IAS 1.54(c)	Intangible assets	*15*	10,228	7,872
	Other intangible assets	*15*	10,228	7,872
IFRS 16,IAS 8	Rights to use the leased assets	*17*	2,715,221	2,909,166
IAS 1.54(b)	Trade receivables and other receivables	*18*	211,803	303,508
IAS 1.54(o), 56	Deferred tax assets		88,533	119,472
IAS 1.60	**Total fixed assets**		**40.025.246**	**49,212,346**
IAS 1.54 (g)	Inventories	*19*	33,547,024	27,756,715
IAS 1.54(h)	Trade receivables and other receivables	*20*	20,313,966	20,373,050
IAS 1.55	Accrued expenses	*20*	473.794	173,057
IAS 1.54(d)	Short term investments		34,330,276	20,111,471
IAS 1.54(i)	Cash and cash equivalents	*23*	7,101,791	9,942,789
IAS 1.60	**Total Current Assets**		**95,766,851**	**78,357,082**
	Total Assets		**135,792,097**	**127,569,428**
	Equity			
IAS 1.54(r), 78(e)	Share capital	*24*	28,557,298	28,557,298
IAS 1.55, 78(e)	Share premium		8,862,843	8,862,843
IAS 1.54(r), 78(e)	Reserves		43,984,843	51,629,443
	Result for the period		4,790,543	8,762,422
IAS 1.55, 78(e)	Retained earnings		18,239,908	1,832,886

Reference	**STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2026 (continued)**	**Note**	**31.03.2026**	**31.12.2025**
			LEI	**LEI**
	Other elements of equity		(4,000,546)	(4,975,636)
	Total equity		**100,434,889**	**94,669,256**
	Liabilities			
	Long-term liabilities			
IAS 1.54(o), 56	Deferred tax liabilities		4,000,546	4,975,636
IFRS 16,IAS 8	Other debts, including leasing debt	*21,22*	2,326,220	2,522,488
IAS 1.60	**Total long-term liabilities**		**6,326,766**	**7,498,124**
	Current liabilities			
IAS 1.54(k)	Trade payables and other debts, including derivatives	*21,22*	28,392,887	24,479,335
IAS 1.55,11.42(b)	Advance registered incomes		16,566	18,063
IAS 1.54(l)	Provisions		620,989	904,650
IAS 1.60	**Total current liabilities**		**29,030,442**	**25,402,048**
	Total Liabilities		**35,357,208**	**32,900,172**
	Total Equity and Liabilities		**135,792,097**	**127,569,428**

Reference

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AT 31 MARCH 2026

Reference		Note	31.03.2026	31.03.2025
			LEI	LEI
	Continuing operations			
IAS 1. 82(a)	Income	*5*	24,851,551	18,897,452
IAS 1.99,103	Other income	*6*	861,592	1,753,710
	Total Operational Income		**25,713,143**	**20,651.162**
	Expenses related to inventories	*7*	(6,742,677)	(6,826,272)
	Utility expenses	*8*	(775,908)	(740,446)
	Employee benefits expenses	*9*	(8,751,618)	(7,493,804)
	Depreciation and amortization expenses	*14,15*	(1,044,432)	(1,146,584)
	Depreciation expenses related to rights-of-use for leased assets	*17*	(193,944)	(175,551)
	Gains/losses on disposal of property		2,507,619	643,558
	Adjusting the value of current assets	*10*	0	0
	Adjustments concerning provisions		283,661	677,926
IAS 1.99, 103	Other expenses	*11*	(4,448,046)	(4,773,164)
	Total Operational expenses		**(19,165,345)**	**(19,834,337)**
	The result of operational activities		**6,547,798**	**816,825**
	Financial income	*12*	361,180	209,034
IAS 1.82(b)	Financial expenses	*12*	(76,470)	(65,013)
	Net financial result	***12***	**284,710**	**144,021**
IAS 1.85	**Result before taxation**		**6,832,508**	**960,846**
	Current income tax expenses	*13*	(2,011,026)	(143,032)
	Deferred income tax expense	*13*	(30,939)	(108,468)
	Deferred income tax income		0	0
IAS 1.85	**Result for continuing operations**		**4,790,543**	**709,346**
IAS 1.82(f)	**Result for the period**		**4,790,543**	**709,346**

Reference **STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AT 31 MARCH 2026 (continued)**

Reference		Note	31.03.2026 LEI	31.03.2025 LEI
	Other comprehensive income			
IAS 1.82(g)	Revaluation of property, plant and equipment		(7,644,600)	0
IAS 1.85	Other comprehensive income after tax		(7,644,600)	0
IAS 1.82 (i)	**Total comprehensive income for the period Attributable profit**		**(2,854,057)**	**709,346**
IAS 1.83(b)(ii)	Shareholders		4,790,543	709,346
	Profit of the period		**4,790,543**	**709,346**
	Total Inclusive Result Attributable			
IAS 1.83(b)(ii)	Shareholders		**(2,854,057)**	**709,346**
	Earnings per share			
IAS 33.66	Basic earnings per share		0,42	0,06
IAS 33.66	Diluted earnings per share		0,42	0,06
	Continuing operations			
IAS 33.66	Basic earnings per share		0,42	0,06
IAS 33.66	Diluted earnings per share		0,42	0,06

Reference **STATEMENT OF CHANGES IN EQUITY**

Reference		Share capital	Share premium account	Revaluation reserve	Other reserves	Retained earnings	Result for the period	Other elements of equity	Profit appropriation	Total equity
IAS 1.108,109		**Attributable to equity holders**								
	Balance at December 31, 2024	**28,557,298**	**8,862,843**	**34,306,431**	**13,148,007**	**1,444,674**	**5,936,340**	**(4,513,190)**	**-**	**87,742,403**
	Loss/ Net profit for the year					5,936,340	2,826,082			8,762,422
	Transfer in reserve	-	-	(388,212)	110,651	277,561	-	(462,446)	-	(462,446)
	Revaluation reserve	-	-	4,452,566	-	-	-	-	-	4,452,566
	Dividends distributed	-	-	-	-	(5,825,689)	-	-	-	(5,825,689)
	Balance at December 31, 2025	**28,557,298**	**8,862,843**	**38,370,785**	**13,258,658**	**1,832,886**	**8,762,422**	**(4,975,636)**	**-**	**94,669,256**
IAS 1.106(d)(i)	Loss/ Net profit for the year					8,762,422	(3,971,879)			4,790,543
	Transfer in reserve	-	-	(7,644,601)	-	7,644,600	-	975,091	-	975,091
	Balance at March 31, 2026	**28,557,298**	**8,862,843**	**30,726,184**	**13,258,658**	**18,239,908**	**4,790,543**	**(4,000,545)**	**-**	**100,434,889**

Reference **STATUS OF THE TREASURY CASH FLOW**

Reference	For the financial year ending 31 March	Note	2026	2025
IAS 1.10(d), 113	**For the financial year ending 31 March**	**Note**	**2026**	**2025**
	Treasury Cash Flow for operating activities			
	Profit of the period		4,790,543	709.346
	Adjustment for:			
	Depreciation of intangible and tangible assets	*14,15,17*	1,350,748	1,534,221
	Net expenses / (net income) with provisions		(283,661)	(677,926)
	Losses on disposal of fixed assets		(2,507,619)	(643,558)
	Current income tax expenses	*13*	2,011,026	143,032
	Deferred income tax expense	*13*	*30*,939	108,468
	Deferred income tax revenue		0	0
	Cash Flow from operating activities before the working capital		**5,391,976**	**1,173,583**
	Amendment of the working capital:			
	Stocks modification		(5,790,309)	(2,711,685)
	Modification of trade and other receivables		40,349	(2,578,096)
	Modification of the advanced expenses		(300,737)	(386,335)
	Modification of the commercial debts and of other debts		1,592,715	5,846,139
	Cash flow generated from operating activities		**933,994**	**1,343,606**
	Interest paid (leasing)		(47,979)	(53,780)
IAS 7.10	**Net cash flow from operating activities**		**886,015**	**1,289,826**
	Treasury Cash Flow from investment activities			
IAS 7.31	Cashed interests		188,110	149,870
IAS 7.16(a)	Proceeds from the sale of tangible assets		11,970,195	0
IAS 7.16(a)	Tangible and intangible assets acquisition	*14,15*	(1,478,625)	(1,253.004)
	Short term investments		(14,218,805)	(3,506,398)
IAS 7.10	**Net cash used in investment activities**		**(3,539,125)**	**(4,609.532)**
	Treasury cash flow from financing activities			
IAS 7.31	Paid dividends		(3,596)	(7,343)
	Increase (repayment) of loans (leasing)		(184,292)	295,466
IAS 7.10	**Net cash from (used in) financing activities**		**(187,888)**	**288,123**
	Net increase/decreases of the cash flow and of the cash flow equivalents		**(2,840,998)**	**(3,031,583)**
	Cash Flow and equivalents from 1st of January		**9,942,789**	**10,955,209**
	Cash flow and cash flow equivalents at 31th of March		**7,101,791**	**7,923,626**

Reference	**NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**
IAS 1.10(e)	**1. Reporting company**
IAS 1.138 (a),(b)	**Şantierul Naval Orşova S.A**. is a company headquartered in Romania. The registered office address of the Company is: Tufari Street, no.4, Orşova, Mehedinți county.
IAS 1.51(a)-(c)	The separate financial statements in accordance with IFRS have been prepared for the year ended 31 March 2026. The Company's main activity is: **construction of ships and floating structures (NACE code: 3011).**
IAS 1.112(a)	**2. Basis of preparation**
	a. Statement of compliance
IAS 1.16	The Company has prepared Quarterly Individual Financial Statements for the financial year ended March 31, 2026 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.
IAS.10.17	The financial statements have been authorized for issue by the Board of Directors on March 13 th, 2026.
	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:
IAS 1.117(a)	
	• Real estate investments; • Buildings and grounds; • Means of naval transport.
	a. Functional currency and presentation currency
IAS1.51(d),(e)	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.

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

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

b. 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 22 – Loans.

c. New International Financial Standards not applied by the Company

The Company does not apply some IFRSs 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 upon their entry into force. Of the standards issued but not yet in force, the company will not be in a position to apply prospectively any of them.

These are:

• Publication of IFRS 19 "Subsidiaries without public exposure" 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" effective January 1, 2026.

• Amendments to IFRS 7 and IFRS 9 "Classification and Measurement of Financial Instruments" effective January 1, 2026.

• Amendments to IFRS 19 "Non-Public Liability Subsidiaries" applicable from January 1, 2027.

• Amendments to IAS 21 "Effects of Exchange Rate Changes": Conversion into a hyperinflationary presentation currency, applicable from January 1, 2027.

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

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

d. 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).

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

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

e. 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.

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

IAS 1.112(a) **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	Principles regarding the presentation of consolidated accounts, definition of the consolidation obligation and the notion of control, convergence of accounting rules within the group, other principles. The financial statements prepared by the Company as of March 31, 2026 are individual financial statements and are not the case for the preparation of consolidated financial statements.

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 valuation and disclosure principles regarding investments in associated entities, except those held by: (a) venture capital organisations; or (b) mutual funds, closed-end investment funds and similar entities, including insurance funds with an investment component, which at initial recognition are considered to be at fair value at profit or loss or are classified as held for trading purposes and accounted for in accordance with IFRS 9 Financial Instruments: Recognition and Measurement. Such investments shall be measured at fair value in accordance with IFRS 9, with changes in fair value recognised in profit or loss during the period of the changes.
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.

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.

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.

Reference	**NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**
IAS 1.112(a) 117(a)	**3. Significant accounting policies**
	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).

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

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

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.

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

IAS 1.112(a) *117(a)*

3. Significant accounting policies (continued)

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 Orșova and at the Agigea branch using the opinion of an independent external valuer.

On December 31, 2025, the Company proceeded to the revaluation of the tangible assets of the nature of the means of naval transport located at the Agigea branch using the opinion of an independent external appraiser.

With regard to the accounting treatment of revaluation differences, it was in accordance with IAS 16, as follows:
- If the carrying amount of an asset is increased as a result of the revaluation, then the increase must be recognised in other comprehensive income and accumulated in equity, as a revaluation surplus. However, the increase must be recognised in profit or
loss to the extent that it offsets a reduction in the revaluation of the same asset, previously recognised in profit or loss.
- If the carrying amount of an asset is reduced as a result of a revaluation, this decrease must be

Reference	**NOTES TO SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**
IAS 1.112(a) 117(a)	**3. Significant accounting policies (continued)**

recognised in profit or loss. However, the reduction must be recognised in other comprehensive income to the extent that the revaluation surplus shows a credit balance for that asset. The reduction recognised in other comprehensive income reduces the cumulative amount in equity as revaluation surplus.
The method of reflecting the revaluation in the Company's accounts was to eliminate 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 the other objectives for which the fair value was less than the
The net carrying amount was reflected in the decrease in 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 a recognised reserve was insufficient to cover the decrease.
The maintenance and repairs of tangible assets are passed on to expenses when they occur, and significant improvements to tangible assets, which increase their value or lifespan, or which significantly increase their capacity to generate economic benefits, are capitalized.
Fixed assets in the nature of inventory items, including tools and tools, are recorded at expense at the time of acquisition and are not included in the carrying amount of tangible assets.

(ii) The transfer to and from the category of real estate properties to the category of real estate investments must 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.
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:

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

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

Asset	Years
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 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.

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

IAS 1.112(a) 117(a)

3. Significant accounting policies (continued)

(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.

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 rate.

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

IAS 1.112(a)
117(a)

3. Significant accounting policies (continued)

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.

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.

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

IAS 1.112(a)
117(a)

3. Significant accounting policies (continued)

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 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.

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

IAS 1.112(a) 117(a)

3. Significant accounting policies (continued)

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.

(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.

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

IAS 1.112(a) 117(a)

3. Significant accounting policies (continued)

(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.

IFRS 7.20,24

l. 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.

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

IAS 1.112(a) 117(a)

3. Significant accounting policies (continued)

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.

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]**

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

4. Determination of fair value (continued)

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.

5. Incomes

		31.03.2026	31.03.2025
IFRS 15.113(a)	*Sales of goods*	22,301,807	14,979,560
IFRS 15.113(a)	Rendering of services	2,406,560	3,144,866
IFRS 15.113(a)	Sales of waste products and commodities	143,184	773,026
	Total	**24,851,551**	**18,897,452**

Revenues for the first 3 months of 2026 are higher by 31.51% compared to those of the corresponding period last year. During this period, a river vessel was completed and handed over to the client, as in the previous year.
The provision of services, mainly ship repairs, decreased by 23.48% compared to the first quarter of 2025, the revenues from this activity being mainly achieved by the Agigea branch.

6. Other incomes

	31.03.2026	31.03.2025
Income from rents (other than rent real estate investments)	843,358	1,735,957
Other operational incomes	18,233	17,753
Total	**861,591**	**1,753,710**

In the period 01.01 - 31.03.2026, these revenues are at a lower level than in the corresponding period of the previous year (decrease by 50.87%). The amounts made during this period and entered in the rental income position are related to the lease contracts of the spaces in the patrimony of the Agigea branch. We specify that the company did not record, during this period, income from renting the halls, which were sold in March 2026.

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

7. Outgoings on stocks

	31.03.2026	**31.03.2025**
Expenses with raw materials	3,861,529	4,084,329
Expenses of consumable materials, from whom:	2,720,809	2,614,740
Expenses *of auxiliar materials*	*2,498,358*	*2,127,693*
Expenses *of fuel*	*87,190*	*93,993*
Expenses *with spare parts*	*90,825*	*51,176*
Expenses *of other consumable materials*	*44,436*	*341,878*
Expenses regarding materials of natureinventory items	107,491	77,109
Expenses of unstocked materials	47,885	46,308
Expenses regarding goods	5,086	3,906
Received discount	(123)	(120)
Total	**6,742,677**	**6,826,272**

In the analyzed period, there is a slight decrease in inventory expenses compared to the corresponding period of the previous year (by 1.22%), this being due to the volume and structure of production completed and delivered in the reference period, but also as an effect of cost reduction measures.
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

	31.03.2026	**31.03.2025**
Expenses with energy	764,234	725,764
Expenses with water	11,674	14,681
Total	**775,908**	**740,446**

In Q. I 2026, utility expenses, in correlation with the production achieved, also experienced a slight increase compared to the quarter. I 2025 (by 4.79%), but we mention that the supply tariffs remained at a level close to that of the previous year.
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.

IAS 1.104 **9. Staff costs**

	31.03.2026	31.03.2025
Personnel expenses	8,156,276	6,986,647
Expenses with contributions to compulsory social insurance	595,342	507,157
Total	8,751,618	7,493,804
Average number of employees	**368**	**349**

Between 01.01 and 31.03.2026, personnel expenses increased compared to the corresponding period of 2025. 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.
Therefore, this increase is due both to the volume of production made and sold in this quarter compared to the corresponding period of last year, and to the increases in the basic salaries of the company's employees. Thus, the company granted salary increases starting with January 2026 (indexation by 5% of basic salaries), but also increased the nominal value of the meal voucher granted to employees, respectively from 40 lei to 45 lei/meal voucher at the end of last year.
In the same proportion as the increase in salary expenses, the expenses related to the labor insurance contribution, insurance and social protection also increased.

10. Value adjustement of current asset

During the analyzed period, there were no operations to adjust the value of current assets

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

IAS 1.97 **11. Other outgoings**

	31.03.2026	31.03.2025
Expenses with maintenance and repairs	73,029	229,655
Expenses with royalties, managed locations and rents	22,670	20,024
Expenses with premium insurance	56,937	48,339
Expenses with commisions and fees	-	210
Protocol, advertising and advertising expenses	15,812	6,421
Goods and personel transport expenses	54,408	464,691
Travel expenses, secondments and transfers	31,679	8,459
Postage and telecommunications expenses	9,533	9,031
Banking services expenses	12,857	20,252
Other expenses for services performed by third parties	4,001,823	3,786,859
Expenses with other taxes and fees	142,640	158,013
Expenses for environment protection	1,969	2,262
Other operational expenses	24,689	18,948
Total outgoings	**4,448,046**	**4,773,164**

In the period 01.01-31.03.2026, on total expenses, there is a decrease (by 6.81%) compared to the corresponding period of 2025. The main influencing factors in this increase are the volume of production sold, but also the method of presenting expenses using a classification based on their nature.

In the structure, we see a decrease in the Maintenance and repair expenses item, the company making fewer expenses of this nature.

As for the expenses with a significant decrease compared to the corresponding period of the previous year, respectively the expenses with the transport of goods and personnel, they refer in particular to the transport of river vessels built at the main headquarters, on the route: Orşova – Rotterdam, delivery points in the Netherlands or Germany, indicated in the commercial contracts. We specify that, in accordance with the contractual provisions, the transfer of the ownership right was carried out in the previous period, with the delivery of the ships to these points, throughout the transport period the ships being provided by the Company's care. Starting with the contract finalized in December 2025, the transport of the ships is the responsibility of the buyer, the company no longer registering such costs.

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

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

Recognized in the profit or loss account:

		31.03.2026	31.03.2025
IFRS 7.20 (b)	Interest income from bank deposits	237,785	113,924
IAS 21.52 (a)	Incomes from exchange rates differences	123,395	95,110
	Total financial incomes	**361,180**	**209,034**
IAS 7.20 (b)	Interests expenses	47,979	53,780
IAS 21.52 (a)	Expenses from exchange diferences rates	28,491	11,233
	Total financial expenses	**76,470**	**65,013**
	Net financial result	**284,710**	**144,021**

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 revenues from exchange rate differences were higher than the expenses from exchange rate differences and were at a lower level than those recorded in the similar period of 2025.

• in the analyzed period of 2026, the company did not have bank loans contracted, so it did not register interest on this basis.

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

13. Expenditure on profit tax

Reference		31.03.2026	31.03.2025
	a) Expenditure on current profit tax		
IAS 12.80 (a)	Current period	2,011,026	143,032
IAS 12.80 (b)	Adjustments of previous periods		
	b) Deferred income tax expense		
IAS 12.80 (c)	Initial recognition and reversal of temporary differences	30,939	108,468
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)	**2,041,965**	**251,500**
IAS 12.81 (c)	**Reconciliation of effective tax rate**		
	Profit of the period	6,832,508	960,846
	Non-deductible expenses	19,498	597
	Non-taxable incomes	283,661	677,926
	Elements similar to incomes (amortisation after reevaluation 2003)	299,169	610,435
	Other taxable amounts (profit recognized for tax trim. I)	5,795,149	-
	Taxable profit	12,662,663	893,952
	Expense with the current profit tax	2,026,026	143,032
	Sponsorship	15,000	-
	Profit (Loss) after tax	4,790,543	817,814

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					
IAS 16.73 (d)	Balance at 1 January 2025	23,088,673	57,806,285	586,820	3,080,295	84,562,073
IAS 16.73 (e)(i)	Acquisitions	553,305	361,473	-	1,443,375	2,358,153
IAS 16.73 (e)(ii)	Outgoings of non current asset	506,305	-	-	649,086	1,155,391
IAS 16.73 (d)	Balance at March 31,2025	23,135,673	58,167,758	586,820	3,874,584	85,764,835
	Depreciation and losses from depreciation					
IAS 16.73 (d)	Balance at 1 January 2025	0	40,459,276	448,351	-	40,907,627
IAS 16.73 (d)(vii)	Depreciation during the year	458,933	884,165	7,108	-	1,350,206
IAS 16.73 (d)(ii)	Outgoings pf non current asset	-	-	-	-	-
IAS 16.73 (d)	Balance at March 31,2025	458,933	41,343,441	455,459	-	42,257,833
IAS 1.78 (a)	**Accounting values**					
	Balance at 1 January 2025	**23,088,673**	**17,347,009**	**138,469**	**3,080,295**	**43,654,446**
	Balance at March 31, 2025	**22,676,740**	**16,824,317**	**131,361**	**3,874,584**	**43,507,002**

		Lands and buildings	Machines and equipments	Furniture and fixtures	Work in progress	Total
	Coast or assumed costs					
IAS 16.73 (d)	Balance at 1 January 2026	23,547,906	63,776,897	596,710	2,915,083	90,836,596
IAS 16.73 (e)(i)	Acquisitions	341,310	725,560	39,249	827,093	1,933,212
IAS 16.73 (e)(ii)	Outgoings of non current asset	-	9,625,248	16,895	454,585	10,096,728
IAS 16.73 (d)	Balance at March 31,2026	23,889,216	54,877,209	619,064	3,287,591	82,673,080
	Depreciation and losses from depreciation					
IAS 16.73 (d)	Balance at 1 January 2026	1,865047	42,719,245	379,976	-	44,964,268
IAS 16.73 (d)(vii)	Depreciation during the year	430,189	710,264	12,257	-	1,152,710
IAS 16.73 (d)(ii)	Outgoings pf non current asset	-	165.561	14,005	-	179,566
IAS 16.73 (d)	Balance at March 31,2026	2,295,236	43,263,948	378,228	-	45,937,412
IAS 1.78 (a)	**Accounting values**					
	Balance at 1 January 2026	**21,682,859**	**21,057,652**	**216,734**	**2,915,083**	**45,872,328**
	Balance at March 31, 2026	**21,593,980**	**11,613,261**	**240,836**	**3,287,591**	**36,735,668**

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

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

The lands, as of March 31, 2026, 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 Orșova.

Revaluation of tangible non-current assets
As of December 31, 2004, the value of tangible assets is presented either at historical cost indexed in accordance with the Government Decisions ("GD") that have applied up to 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, 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.

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 Assets (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 accounts 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 Assets (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.

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.

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. For the fixed assets in conservation at the Agigea branch, a total impairment was recognized at the end of 2019 of RON 382,036.26 (as of 31.12.2018 this impairment was RON 338,058.77).

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

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

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. For the fixed assets in conservation at the Agigea branch, a total impairment was recognized at the end of 2020 of RON 406,522.02 (as of 31.12.2019 this impairment was RON 382,036.26).

On December 31, 2021, the Company proceeded to the revaluation of tangible assets of the nature of constructions and 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 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).

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).

On December 31, 2025, 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 based on the same rules regarding the recording of the resulting differences.

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

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

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:

Valuation techniques used by the evaluator for fixed assets under IFRS 13.91, were as follows:
• The cost approach for naval means of transport and for fixed assets in conservation
• The income approach for leased buildings (investment properties).

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 was carried out by an independent external valuer and is assimilated to level 2 provided for in IFRS 13 for the data taken into account when determining fair values as of December 31, 2024. 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.

Impairment losses and subsequent reversals

During 2025, the impairment constituted for the fixed assets in conservation at the Agigea branch, of RON 130,548.28, was resumed in revenues, following the scrapping of these assets, so that, on March 31, 2026, the company does not record asset impairments.

Pledged or mortgaged non-tangible asset

To guarantee the multi-option and multi-currency global limit, in value of 1,500,000 (as to same level like 2025), made available by BRD-GSG SA, the Company established the following::

- First rank mortgage on the following properties: Repair hall, New Hall, Thermal power station, Compressors Station and PSI Shed, Operating Group, Cafeteria, Merged building, all including land, toate împreună cu terenul aferent, properties assessed according to the Guarantee Monitoring Report at EUR 1.512.800 market value, registered in the Land Book Register under the numbers 1133, 1146, 1121, 1145, 1134, 1135 and 1132;
- Security interest with dispossession on a deposit in value of 414,135.82 EUR.
- Assignment of receivables as collateral on receipts in a total value of 51,798,000 EUR, resulting from the commercial contracts concluded by the Company with third parties, not cashed up at 31.03.2026.

Reference	***NOTES TO INDIVIDUAL FINANCIAL SITUATIONS IN ACCORDANCE WITH IFRS***
IAS 16	**14. Tangible Non-current Assets (continued)**

Non-tangible asset under construction

As of 31.03.2026, the company has unfinished investment objectives (mainly modernization works of the launch path and buildings at the Agigea branch) in the amount of 3,287,591 lei (3,874,584 lei as of 31.03.2025).

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

IAS 38 **15. Intangible assets**

		Other assets	Total
IFRS 3.61 IAS 38.118 (c), (e)			
	Cost		
IFRS 3.B67 (d)(viii),IAS 38.118	Balance at 1 January 2025	1,113,258	1,113,258
IAS 38.118(e)	Aquisitions	-	-
	Outgoings of intangible assets	-	-
IAS 38.118	Balance at 31 of March 2025	1,113,258	1,113,258
	Depreciation and amortisation losses		
IFRS 3.B67 (d)(i),IAS 38.118	Balance at 1 January 2025	1,071,581	1,071,581
IAS 38.118(e)(vi)	Amortisation during the year	8,465	8,465
	Outgoings of fixed assets	-	-
IFRS 3.B67 (d)(viii),IAS 38.118	Balance at 31 of March 2025	1,080,046	1,080,046
	Accounting values		
IAS 38.118(c)	**Balance at 1 January 2025**	**41,677**	**41,677**
IAS 38.118(c)	**Balance at 31 of March 2025**	**33,212**	**33,212**

		Other assets	Total
IFRS 3.61 IAS 38.118 (c), (e)			
IFRS 3.B67 (d)(viii),IAS 38.118	Balance at 1 January 2026	1,098,976	1,098,976
IAS 38.118(e)	Aquisitions	6,450	6,450
	Outgoings of intangible assets	-	-
IAS 38.118	Balance at 31 of March 2026	1,105,426	1,105,426
	Depreciation and amortisation losses		
IFRS 3.B67 (d)(i),IAS 38.118	Balance at 1 January 2026	1,091,104	1,091,104
IAS 38.118(e)(vi)	Amortisation during the year	4,094	4,094
	Outgoings of fixed assets	-	-
IFRS 3.B67 (d)(viii),IAS 38.118	Balance at 31 of March 2026	1,095,198	1,095,198
	Accounting values		
IAS 38.118(c)	**Balance at 1 January 2026**	**7,872**	**7,872**
IAS 38.118(c)	**Balance at 31 of March 2026**	**10,228**	**10,228**

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

IFRS 9

16. Other investments, including derivative financial instruments

Securities are recognised in the financial statements in accordance with IAS 27 (revised in 2010), IAS 36 (revised in 2009), IFRS 7 (issued in 2008) and IFRS 9. From the corroboration of the provisions of the 4 standards, the Company has adopted the following policy for the recognition and valuation of shares and securities:

• investments in subsidiaries, jointly controlled entities and associated entities are recognised at cost value;

• short-term investments held for sale not listed on the stock exchange are recorded at cost, for impairment impairments adjustments are made (the impairment treatment of these securities is established by IFRS 9;

• 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 statement of capital. If there is objective evidence of impairment (as presented in IFRS 9), as well as in the case of foreign exchange gains and losses, the impairment loss will be recognised in the profit statement.

Other investments	**31.03.2026**			**31.03.2025**		
	Accounting value	**Imparment adjustements**	**Net value**	**Accounting value**	**Imparment adjustements**	**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**	**0**	**684,495**	**684,495**	**0**

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

IFRS 9 **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 Iraclio, 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
- Santierul Naval Orsova 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 due to result of the pandemic and the lockdown situation in Greece , it does not generate revenue.
For more information about the current situation of Kritom and to clarify all aspects of administration, Șantierul Naval Orșova contacted a law firm that will represent us in court and support our interests as a shareholder.

According to IFRS 13, the fair value measurement of short-term financial investment assets 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 the fair value was carried out according to the information available on the interbank market and is assimilated to level 1 provided by IFRS 13 .

As of March 31, 2026, the Company had made adjustments for the total impairment of these securities, i.e. at the level of RON 684,495, so that the net value as of March 31, 2026 was RON 0 (as of March 31, 2025, the same situation was recorded).
The factors that contributed to these depreciations are the mistrust and lack of transparency shown by the Greek partner, who manages the company, as we have shown.
This financial asset is part of the category of financial assets measured at amortized cost according to IFRS 7.8.

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 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.

In September 2024, the tariff was renegotiated for a period of 5 years and the Company consequently registered a new 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		
At 31 decembrie 2023	**2,900,501**	**2,900,501**
Entries	3,503,589	3,503,589
Exits	2,900,501	2,900,501
At 31 december 2024	**3,503,589**	**3,503,589**
Entries	**275,901**	**275,901**
As 31 december 2025	**3,779,490**	**3,779,490**
Entries	**0**	**0**
As 31 march 2026	**3,779,490**	**3,779,490**
Amortization		
At 31 december 2023	**2,404,695**	**2,404,695**
Amortization of the period	663,926	663,926
Exits	2,900,501	2,900,501
At 31 december 2024	**168,120**	**168,120**
Annual amortization	702,204	702,204
At 31 december 2025	**870,324**	**870,324**
Amortization of the period	**193,945**	**193,945**
At 31 march 2026	**1,064,269**	**1,064,269**
Net Worth		
At 31 march 2025	**2,909,166**	**2,909,166**
At 31 march 2026	**2,715,221**	**2,715,221**

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

IAS 40 **18.Real estate investments**

As of March 31, 2026, the company does not register real estate investments.

19. Stock

		31.03.2026	31.03.2025
IAS 1.78 (c),2.36(b)	Raw materials and materials	20,448,213	14,544,843
IAS 1.78 (c),2.36(b)	Products from third parties, prod.residue.	-	-
IAS 1.78(c), 2.36(b)	Production in progress	14,155,358	26,534,731
	Imparment adjustments	(1,056,547)	(839,664)
	Stocks at net value	**33,547,024**	**40,239,910**

IAS 1.104, 2.36(e)(f) For stocks older than 2 years (for sheet metal stocks older than 3 years), existing in balance at the end of 2025 and which are maintained on 31.03.2026, the company adjusted the book value, constituting a total impairment of RON 1,056,547.

Compared to the corresponding period of last year, there is a decrease in stocks (by 16.63%). In structure, the stocks of raw materials and materials, in direct correlation with the contracted production, are at a higher level by 40.59% compared to that recorded in the corresponding period of the previous year, but the production in progress decreased by 53.35% compared to the similar period in 2025.

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

20. Trade and similar receivables, other receivables and advances

		31.03.2026	31.03.2025
IAS 1.78 (b)	Trade receivables in relation to related parties	245,204	815,045
	Loans to executives	-	-
IAS 1.78 (b)	Trade receivables	18,759,704	3,658,671
	Adjustments for the impairment of trade receivables	(317,934)	(166,620)
IFRS 7.8(c)	**Net commercial loans and receivables**	**18,686,974**	**4,307,096**
	Claims - total	**2,100,786**	**2,219,769**
	Different debitors	338,142	265,590
	Suppliers - debtors	113,136	307,300
	VAT to be recovered and not exigible	793,761	545,501
	Adjustment for other receivables	(268,050)	(253,803)
	Expenses registered in advance	473,794	566,178
	Other receivables	650,003	789,003
	Total	**20,787,760**	**6,526,865**

The movements of the Company's depreciation accounts, related to the adjustments of the trade receivables are the following:

	31.03.2026	31.03.2025
At 1st January	317,934	166,620
Impairment recovery	-	-
Constituted depreciation	-	-
Balance at the end of period	**317,934**	**166,620**

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

21.Trade payables and other liabilities

	31.03.2026	**31.03.2025**
Trade payables - short term	4,671,423	2,583,866
Social security and other taxes	4,261,901	1,646,728
Suppliers - invoices to be received	348,802	1,009,098
Creditors/clients	17,451,947	14,301,542
Other creditors	1,658,814	2,166,201
Commercial debts – long term	2,326,220	3,189,914
Total	**30,719,107**	**24,897,349**

22. Loans

Leasing obligations

Finance leases

As of March 31, 2026, 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 March 31, 2026, recognized in accordance with IFRS 16, is RON 2,833,097. When updating the lease payments, as the company has no other contracted loans, it used the NBR's monetary policy interest rate of 6.50%.

The maturity of the leasing debts is presented as follows:

	2026	**2025**
Year 1	-	624,067
Year 2	733,008	665,863
Year 3	782,099	710,456
Year 4	834,478	758,037
Year 5	662,334	601,662
Total	3,011,919	3,360,085
Debt balance March 31	2,833,097	3,207,841
Long-term	2,573,577	2,573,577
Short-term	634,264	634,264

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

23.Cash and cash equivalents- Lei

	31.03.2026	31.03.2025
Bank accounts in lei	812,998	802,386
Bank accounts in foreign currency(euro)	6,282,447	7,108,818
Petty cash in lei	6,230	12,091
Other values	116	331
Total	**7,923,626**	**11,494,845**

24. Capital and reserves

Share capital

IFRS 7.7
IAS 1.79(a)(i),(iii)

The share capital structure as at December 31, 2025 was as follows:

	Number Of shares Procentaj	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
	11,422,919	**28,557,298**

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 one 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 registry company contractually designated for this purpose.
Each share subscribed and paid by the shareholders according to the law, gives them the right to one vote in the General Meeting of Shareholders, the right to elect or be elected to the management bodies, the right to participate in the distribution of profit or any rights derived from the quality of shareholder.
The holding of the action implies the right of adhesion to the statute and to subsequent amendments.
In the period 01.01-31.03.2026 there were no changes in the share capital. Changes occurred at the level of other shareholders who are 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 April 10, 2025 (OGMS/ 28.04.2025).

25.Employees benefits

a) Remuneration of directors and administrators

The company did not grant advances or credits to directors or directors during the first 3 months of 2026.

Wage expenses:

	Financial exercise End at 31 March 2026 (lei)	Financial exercises End at 31 March 2025 (lei)
Administrators	149,499	149,499
Directors	460,764	644,833
	610,263	**794,332**

At the end of 2025, changes occurred in the structure of the Board of Directors. Thus, starting with 10.11.2025, Mrs. Patrascu Nadina Elena resigned from the position of member of the Board of Directors and Chairman of the Audit Committee, the Board of Directors of the company provisionally appointing Mrs. Galani Andreea Ioana in these positions.

Thus, the composition of the Board of Directors, starting with 17.11.2025, is as follows:

Mr. Ion Dumitru – President

Mr. Pripa Alexandru – Vicepresident

Mr. Fainarea Marius – member

Mr. Galani Andreea Ioana – member

Mr. Catalina Dumitrascu – member

The indemnities and other rights granted to the directors are provided for in art. 19 of the Articles of Association and in the management contracts, and were approved in the General Meeting of Shareholders on 22.04.2025, and the salary and other rights due to the general manager were established by the Board of Directors, within the limits provided for in art. 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.

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

25. Employees benefits (continued)

Salaries payable at the end of the period:

	31 March 2026	**31 March 2025**
	(lei)	(lei)
Administrators	29,154	29,154
Directors	37,647	34,746
	66,801	**63,900**

b) Employees

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

	Financial exercise Ended at **31 March 2026**	Financial exercises Ended at **31 March 2025**
Administrative staff	51	55
Direct productive staff	256	238
Indirect productive staff	61	56
	368	**349**

26. Events after the date of the quarterly report

The geopolitical developments caused by regional conflicts and political uncertainties, inflation, the energy crisis and fiscal policies, bring uncertainties in the economic and financial plan and implicitly determine the existence of a risk regarding the possibility of unpredictable developments regarding the level of the economic and financial indicators budgeted by the Company, respectively the reconsideration of the aspects that were the basis for the estimation of the inventory values for the Company's assets.

The quarterly report prepared for the period January 1 - March 31, 2026 was approved by the Board of Directors on May 13, 2026 and was 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, 4 TUFARI Street, Mehedinti County, we declare that to our knowledge, the financial and accounting statement for the period 01.01-31.03.2026, which was prepared in accordance with the applicable accounting standards (IFRS), provides a correct and realistic image of the assets, obligations, financial position, profit and loss account of the above-mentioned company.

Chairman of the Board of Directors,	Economic Director,
Ec. Dumitru Ion	Ec. Marilena Visescu