



ȘANTIERUL NAVAL ORȘOVA S.A.  
Nr. RC J25/150/1991 CIF: RO 1614734  
Capital social: - subscris 28.557.297,5 lei  
- varsat 28.557.297,5 lei  
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Codul LEI (Legal Entity Identifier): 254900UXAJ8TPIKLG79  
Cod IBAN: RO96RNCB0181022634120001- B.C.R. Orșova  
Cod IBAN: RO59BRDE260SV03176142600- B.R.D. Orșova



## Financial results at 30.06.2025

The company achieved a turnover of 47,885,781 lei in the first half of 2025, down 12.61% compared to the same period of the previous year and, as shown in the table below, on total activity a gross profit of 3,183,367 lei was recorded (on 30.06.2024 a gross profit of 6,223,310 lei was recorded) and a net profit of 2,471,573 lei (in the corresponding period of 2024 a net profit of 5,014,241 lei was recorded).

During the period 01.01-30.06.2025, operating income, in the amount of 48,167,977 lei, decreased by 12.44% compared to those recorded in the first semester of 2024 ( 55,032,950 lei), mainly due to the production completed and delivered for this first semester. Operating expenses, in the amount of 45,888,258 lei, and in close correlation with operating income, in the 6 months of 2025 also registered a decrease of 6.72%. compared to their level in the similar period of 2024 ( 49,190,259 lei ).

From the financial activity, due to the interest received for the investments made but also influenced by the evolution of the exchange rate, the company achieved a profit in the amount of 884,648 lei during this period, 132.42% higher than that achieved in the same 6 months of 2024 (380,619 lei).

During the period 01.01-30.06.2025, the company Santierul Naval Orșova S.A. recorded the following financial results:

Indicators ( lei)	Cumulative achievements at 30.06.2025	Cumulative achievements at 30.06.2024	Evolution 2025/2024 %
Turnover	47.885.781	54.794.160	87,39
Total incomes	49.308.599	55.505.335	88,84
Total expenses	46.125.232	49.282.025	93,59
Gross profit/( Gross loss)	3.183.367	6.223.310	51,15
Net profit/( net loss)	2.471.573	5.014.241	49,29

The report prepared for the period January-June 2025 can be consulted by accessing the link below:

President of the Board of Directors  
Ec.Dumitru Ion

Economical Manager  
Ec.Marilena Visescu

**INDIVIDUAL SEPARATE FINANCIAL STATEMENTS AT 30.06. 2025**

**OPIS**

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## **BIANNUAL REPORT**

**FOR SEMESTER I 2025, IN COMPLIANCE WITH THE ASF  
REGULATION NO. 5/2018 (appendix no. 14 from the regulation)**

**DATE OF THE REPORT: 11<sup>th</sup> of August 2025**

**NAME OF THE TRADING COMPANY: ŞANTIERUL NAVAL ORŞOVA S.A**

**HEADQUARTERS: NO. 4 TUFĂRI STREET, ORŞOVA TOWN, 225200 MEHEDINŢI  
COUNTY**

**PHONE: 0252/362399; FAX: 0252/360648**

**REGISTRATION CODE FOR VAT PURPOSES: RO1614734**

**NUMBER IN THE TRADE REGISTER: J25/150/1991**

**SHARE CAPITAL ISSUED AND PAID UP: 28.557.297,5 LEI**

**NUMBER OF SHARES: 11.422.919 common shares, each of 2,5 lei;**

**REGULATED MARKET WHERE THE REAL ESTATE VALUES ISSUED ARE  
TRANSACTIONED: STOCK EXCHANGE BUCHAREST (symbol: SNO)**

**MAIN PROPERTIES OF THE REAL ESTATE VALUES ISSUED BY THE ISSUER:  
NEGOTIABLE ON THE STOCK MARKET**



**I. SIGNIFICANT EVENTS THAT OCCURRED IN THE FIRST 6 MONTHS AS WELL AS THE MAIN RISKS AND UNCERTAINTIES FOR THE NEXT 6 MONTHS OF 2025. IMPLICATIONS OF THE CONFLICT BETWEEN RUSSIA AND UKRAINE ON THE HALF-YEAR FINANCIAL RESULTS. TRANSACTIONS WITH RELATED PARTIES.**

The Orsova Shipyard Company carried out its production activity from the main headquarters and the service provision activity from the Agigea branch, during the first semester of 2025, without interruptions and in accordance with the provisions and objectives established by the income and expenditure budget for this period.

During this semester, 2 ships were completed and delivered to the intra-community partners, respectively a 135m tank, and a 135m passenger ship. We mention that a passenger ship scheduled to be completed and delivered in the first half of the year, due to delays in the supply chain, but with an execution rate of about 95% on 30.06.2025, was delivered to the intra-community customer at the end of July 2025.

Thus, as of 30.06.2025, the turnover registers a decrease of 28.50% compared to the provisions of the BVC, and a decrease of 12.61% compared to the corresponding period of last year.

The revenues from the operating activity were mainly achieved on account of the production of ships from Orsova, respectively 75.71%. The provision of services (repairs), whose volume decreased by 27.88% compared to the previous period, holding a share of 11.25%, were mainly performed at the Agigea branch. The saloons in the patrimony of the Agigea branch and which, in previous years, represented the main source of income of the branch, were partially rented in sem. I 2025, on the domestic market.

The value – in absolute figures – of the 2 ships delivered abroad was 7,325,000 Euros (in the corresponding period of 2024, a number of 3 ships worth 8,333,250 Euros were delivered, built at the main headquarters).

Regarding the result of the company's activity, at the end of the reporting period the company registers a profit. Compared to the provisions of the BVC, the gross profit was made above the budgeted level.

By cost centers, the situation is presented as follows:

- at the main office, the gross profit recorded on 30.06.2025 was 133,581 lei, while in the corresponding period of last year a gross profit of 3,057,690 lei was achieved;

## **Şantierul Naval Orşova S.A.**

### **Separate financial statements in accordance with IFRS at 30.06.2025**

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- on 30.06.2025, the Agigea branch recorded a gross profit of RON 3,049,786, while in the corresponding period of last year it recorded a gross profit in the amount of RON 3,165,620;

As regards the existence of factors that have exerted and exert an influence on the activity, we recall:

- Evolution of prices for raw materials, materials, energy and technical gas;
- External factors with geopolitical implications, namely the armed conflict in Ukraine, which also led to the loss of some raw material suppliers;
- Lack of skilled labor; Although the company has succeeded by offering adequate salary packages to attract labor in the shipbuilding field, however, at the level of the production sections, the lack of experienced people is still felt, which has been and is an inconvenience in carrying out the company's activity. This labor shortage is also the result of the fact that through the legislative changes in the field of pensions, retirement conditions have been created for some categories of employees with seniority. At the same time, society is also facing the phenomenon of aging of the workforce. There is still a permanent concern within the company's human resources department to overcome this situation. Even under these conditions, a high quality level of the delivered ships was ensured, at the level of the requirements required by the external partners;
- Carrying out the activity at the main office in open spaces (under the open sky) for most of the year and, therefore, dependence on unfavorable weather conditions have influenced labor productivity to a large extent;

The geopolitical context driven by the existing conflict between Russia and Ukraine did not have a material negative impact on the simplified individual interim financial statements as at 30 June 2025.

In view of the current circumstances related to the armed conflict in Ukraine, on the basis of the information available to it, the Company considers that there are no significant uncertainties, in accordance with paragraph 25 of IAS 1, for the continuation of the business and there are no indications of an impairment of the assets held, in accordance with IAS 36.

Starting with 14.11.2023, SEA CONTAINER SERVICES S.R.L. has become an affiliate of the Orsova Shipyard S.A. It holds, as of 30.06.2025, 47.0630% of the share capital of the Orsova Shipyard S.A. During the analyzed period, transactions were registered with this related party in the amount of RON 1,136,957.67.

to overcome this situation. Even under these conditions, a high quality level of the delivered ships was ensured, at the level of the requirements required by the external partners;

- Carrying out the activity at the main office in open spaces (under the open sky) for most of the year and, therefore, dependence on unfavorable weather conditions have influenced labor productivity to a large extent;

The geopolitical context driven by the existing conflict between Russia and Ukraine did not have a significant negative impact on the simplified individual interim financial statements as at 30 June 2024.

In view of the current circumstances related to the armed conflict in Ukraine, on the basis of the information available to it, the Company considers that there are no significant uncertainties, in accordance with paragraph 25 of IAS 1, for the continuation of the business and there are no indications of an impairment of the assets held, in accordance with IAS 36.

Starting with 14.11.2023, SEA CONTAINER SERVICES S.R.L. has become an affiliate of the Orsova Shipyard S.A. It holds, as of 30.06.2025, 47.0630% of the share capital of the Orsova Shipyard S.A. During the analyzed period, the volume of sales to Sea Container Services S.R.L. was 1,136,957.67 lei, including VAT, and the purchases made from this company were 8,330 lei, including VAT.

## **II. DETAILED INFORMATION CONCERNING:**

### **1. THE ECONOMICAL AND FINANCIAL SITUATION**

#### **a) Balance sheet elements at 30.06.2025**

The assets, capitals and debts at 30.06.2025, in comparison to the same period of the previous year, are thus:

		No.	Sold at		INCREASE/DECREASE VARIATION SEM. I 2025/ SEM. I 2024 (%)
		row	30.06.2025	30.06.2024	
A		B	1	2	3
<b>FIXED ASSETS</b>					
I. TANGIBLE ASSETS		01	42.407.604	38.533.393	10,05
II. INTANGIBLE ASSETS		02	24.747	61.381	(59,68)
III. FINANCIAL ASSETS		03	71.571	136.933	(47,73)

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**Separate financial statements in accordance with IFRS at 30.06.2025**

IV. USE RIGHTS OF LEASING ASSETS		04	2.984.367	135.410	2.103,95
V. REAL-ESTATE INVESTMENTS		05	0	606.447	-
<b>FIXED ASSETS-TOTAL (row.01 to 05)</b>		<b>06</b>	<b>45.488.289</b>	<b>39.473.564</b>	<b>15,23</b>
<b>CURRENT ASSETS</b>					
I. FUNDS		07	38.013.661	25.712.343	47,84
II. DEBTS		08	3.750.838	8.929.518	(57,99)
III. SHORT-TERM FINANCIAL INVESTMENTS		09	10.061.625	19.196.818	(47,59)
IV. CASH AND ACCOUNTS AT BANKS		10	12.048.170	9.745.981	23,62
<b>CURRENT ASSETS - TOTAL (row.07 to 10)</b>		<b>11</b>	<b>63.874.294</b>	<b>63.584.660</b>	<b>0,46</b>
<b>ADVANCED EXPENSES</b>		<b>12</b>	<b>613.342</b>	<b>499.132</b>	<b>22,88</b>
<b>DEBTS WHICH MUST BE PAID WITHIN ONE YEAR</b>		<b>13</b>	<b>18.124.596</b>	<b>13.062.802</b>	<b>38,75</b>
<b>CURRENT NET ASSETS/CURRENT NET DEBTS (row.11 +12-13 - 18)</b>		<b>14</b>	<b>46.353.786</b>	<b>51.020.753</b>	<b>(9,15)</b>
<b>TOTAL ASSETS MINUS CURRENT DEBTS (row.06 +14)</b>		<b>15</b>	<b>91.842.075</b>	<b>90.494.317</b>	<b>1,49</b>
<b>DEBTS WHICH MUST BE PAID IN MORE THAN A YEAR</b>		<b>16</b>	<b>6.890.602</b>	<b>3.735.285</b>	<b>84,47</b>
<b>COMMISSIONS</b>		<b>17</b>	<b>357.013</b>	<b>144.020</b>	<b>147,89</b>
<b>ADVANCE INCOME</b>		18	9.254	237	3.804,64
<b>INVESTMENT GRANTS</b>			3.493	5.468	(36,12)
<b>CAPITAL AND RESERVES</b>					
<b>I CAPITAL (row 20 to 22) out of which:</b>		19	24.246.788	24.969.538	(2,89)
-subscribed and paid capital	Sold	20	28.557.298	28.557.298	-
	Sold C	21			
-other elements of the capital (ct.103)	Sold D	22	4.310.510	3.587.760	20,14
<b>II. CAPITAL PREMIUMS</b>		23	8.862.843	8.862.843	-
<b>III. RESERVES FROM REEVALUATION</b>		24	34.306.431	28.289.468	21,27
<b>IV. RESERVES (ct.1061+1063+1068)</b>		25	13.258.658	19.202.154	(30,95)
<b>V. REPORTED RESULT, EXCEPT FOR THE REPORTED RESULT COMING FROM THE FIRST APPLICATION OF THE IAS 29 (CT.117)</b>	<b>SOLD C</b>	26	1.444.674	271.300	432,50
	<b>SOLD D</b>	27	-	-	-

**Şantierul Naval Orşova S.A.****Separate financial statements in accordance with IFRS at 30.06.2025**

<b>VII. PROFIT OR LOSS AT THE END OF THE REPORTING PERIOD (CT.121)</b>	<b>SOLD C</b>	28	<i>2.471.573</i>	<i>5.014.241</i>	<i>(50,71)</i>
	<b>SOLD D</b>	29	-	-	-
Profit allocation		30	-	-	-
<b>OWN CAPITALS - TOTAL (row. 19+23+24+25+26-27+28- 29-30)</b>		31	<i>84.590.967</i>	<i>86.609.544</i>	<i>(2,33)</i>
Public assets (ct.1026)		32			
<b>CAPITALS – TOTAL (row.30+31)</b>		33	<i>84.590.967</i>	<i>86.609.544</i>	<i>(2,33)</i>

The following conclusions can be drawn from the above data:

- Fixed assets registered a total increase of 15.23%.

In the structure, property, plant and equipment increased by 10.05% due to the investments made but also as a result of the revaluation carried out on 31.12.2024, and intangible assets decreased by 59.68% as a result of depreciation. The rights to use the leased assets (in this case, the lease agreement with CNAPMC) also registered a significant increase (2,103.95%). We specify that at the end of September, a new addendum was concluded with CNPAMC by which the contractual clauses were renegotiated for a period of 5 years, and therefore the company accounted for this contract as a new leasing contract. As regards financial fixed assets, mainly a warehouse for paying customs duties for the import of some materials, there is a decrease of 47.73%;

- Current assets have seen a slight increase, overall, by 0.46%.

In the structure, we note an increase on account of stocks by 47.84% (there was an increase in both the stocks of raw materials and materials necessary for the completion of the new constructions planned for this year, but also the production in progress); The receivables register a decrease of 57.99% compared to the corresponding period of 2024, due to the fact that the company collected until 30.06.2025 the receivables registered in the analyzed period; The company's cash availability increased by 23.88%, these being influenced by the above;

- Advance expenditures increased by 22.34%, mainly influenced by the increase in local taxes and fees;

- Debts with a payment term of up to one year register an increase of 38.75%, in a significant proportion on account of commercial debts. Liabilities to be paid over a period of more than one year also increased by 84.47% and refer to the deferred tax, constituted following the revaluation of tangible fixed assets, respectively to the liabilities related to the rights to use leased assets in accordance with IFRS 16;

- On the company as a whole, shareholders' equity decreased by 2.33% compared to the corresponding period of 2024. In the structure, there is an increase in revaluation reserves by 21.27% (the company carried out the revaluation of assets at the end of last year, with an increase in revaluation being

recorded), but also a decrease in reserves (by 30.95) due to the distribution of dividends decided by the OGMS in the meeting of 21.10.2024;

As a result of the above, the total assets/liabilities at the end of the first half of 2025 register an increase compared to the corresponding period of last year, respectively from RON 103,557,356 on 30.06.2024 to RON 109,975,925, on 30.06.2025.

Further information on assets, liabilities and equity can be found in the Notes to the simplified interim financial statements ended 30.06.2025, attached to this report.

#### **b) Profit and loss account**

Operating revenues for the first 6 months amounted to RON 48,186,977 (as of 30.06.2024 they totaled RON 55,032,950), and had the following structure:

- Sales of goods (constructions and ship bodies)	36.484.520 lei
- Rendering of services	5.752.144 lei
- Income from the sale of waste products and goods	1.279.024 lei
- Income from rentals	4.319.471 lei
- Other operational incomes	351.818 lei

Compared to the previous year, there was a decrease in operating income by 12.44%, while related expenses decreased by 6.71%. Thus, at the end of the reporting period, the company records a profit from the operating activity.

The gross profit as of 30.06.2025, in the total amount of RON 3.183.367, in the structure is presented as follows:

- 2.298.719 lei – Profit from operating activity
- 884.648 lei – Profit from financial activity

Compared to the provisions of the BVC, it can be seen that the operating revenues were achieved in a proportion of 71.94% and the operating expenses, compared to the budgeted level, were achieved in a proportion of 71.57%. Also, the gross profit from the operating activity decreased (by 19.78%) compared to the budgeted one. We note that the revenues from the ship repair activity were at a lower level than that achieved in the first half of 2024 and the income from rents (mainly those obtained from the rental of three lounges in the branch's assets) positively influenced the result of the company's activity. Also, the revenues obtained from the sale of

residual products resulting from the production activity but also from the scrapping of some assets, contributed to these achievements.

As for the company's financial activity, the company made a profit that exceeded both the budgeted level and that achieved in the similar period of 2024. Over 80% of the company's revenues are expressed in euros, and come from ship deliveries in the intra-community area. This fact determined that the company was permanently exposed to currency risk (leu/euro parity). In the first half of 2025, this parity was fluctuating, with the euro exceeding the value of 5 lei in May 2025. In order to protect itself against the depreciation of the exchange rate, the company concluded hedging transactions. The gains from exchange rate differences were recorded both from the revaluation of foreign currency availabilities and as a result of hedging transactions. At the same time, the company made investments of cash (lei) in term deposits, bearing interest. Thus, a profit of 884,648 lei is recorded from the financial activity (in the previous year a profit of 380,619 lei was recorded).

The table below summarizes the achievements as at 30.06.2025, compared to 30.06. 2024 and with the provisions of the income and expenditure budget.

As for the company's financial activity, the company made a profit that exceeded both the budgeted level and the one achieved in the similar period of 2023. Over 80% of the company's revenues are expressed in euros, and come from ship deliveries in the intra-community area. This fact determined that the company was permanently exposed to currency risk (leu/euro parity). In the first half of 2024, this parity was fluctuating, and, in order to protect itself against the depreciation of the exchange rate, the company concluded hedging transactions. The gains from exchange rate differences were recorded both from the revaluation of foreign currency availabilities and as a result of hedging transactions. At the same time, the company made investments of cash (lei) in term deposits, bearing interest. Thus, a profit of 380.619 lei is recorded from the financial activity (in the previous year a profit of 223.957 lei was recorded).

The table below summarizes the achievements as of 30.06.2024, compared to 30.06. 2023 and with the provisions of the income and expenditure budget.

**Şantierul Naval Orşova S.A.****Separate financial statements in accordance with IFRS at 30.06.2025**

DESCRIPTION OF THE INDICATOR	REALIZED		PROVIDED IN THE B.V.C. SEM.I 2025	%	
	30.06.2025	30.06.2024		2025/2024	Realiz./BVC
<b>TURNOVER</b>	<b>47.885.781</b>	<b>54.794.160</b>	<b>66.978.425</b>	<b>87,39</b>	<b>71,49</b>
<b>INCOME FROM OPERATION</b>	<b>48.186.977</b>	<b>55.032.950</b>	<b>66.978.425</b>	<b>87,56</b>	<b>71,94</b>
<b>EXPENSES FROM OPERATION</b>	<b>45.888.258</b>	<b>49.190.259</b>	<b>64.112.800</b>	<b>93,28</b>	<b>71,57</b>
<b>PROFIT/LOSS FROM OPERATION</b>	<b>2.298.719</b>	<b>5.842.691</b>	<b>2.865.625</b>	<b>39,34</b>	<b>80,22</b>
<b>FINANCIAL INCOME</b>	<b>1.121.622</b>	<b>472.385</b>	<b>425.000</b>	<b>237,44</b>	<b>263,91</b>
<b>FINANCIAL EXPENSES</b>	<b>236.974</b>	<b>91.766</b>	<b>232.500</b>	<b>258,24</b>	<b>101,92</b>
<b>PROFIT FROM THE FISCAL ACTIVITY</b>	<b>884.648</b>	<b>380.619</b>	<b>192.500</b>	<b>232,42</b>	<b>459,56</b>
<b>TOTAL GROSS PROFIT/LOSS</b>	<b>3.183.367</b>	<b>6.223.310</b>	<b>3.058.125</b>	<b>51,15</b>	<b>104,10</b>
<b>Tax on profit (delayed tax/income from the tax on delayed profit)</b>	<b>(711.794)</b>	<b>(1.209.069)</b>	<b>(750.000)</b>	<b>58,87</b>	<b>94,91</b>
<b>NET PROFIT/LOSS (A)</b>	<b>2.471.573</b>	<b>5.014.241</b>	<b>2.308.125</b>	<b>49,29</b>	<b>107,08</b>

Other information concerning the incomes and expenses can be found in the Notes to the fiscal situations concluded on 30.06.2025, attached to the present report.

**c) Cash flow**

Throughout the first semester of 2025, the company had sufficient sources of financing such that it was not necessary to take out bank loans. Cash and cash equivalent as of 30.06.2025 totalled RON 12,048,170 (as of 30.06.2024: RON 9,745,981)

In order to guarantee the advances received from customers, openings of letters of credit for suppliers and letters of guarantee of good performance, as of June 30, 2025, the company had contracted through BRD the following approved ceilings, these being at the same level as those of last year:

- EUR 1,500,000 multi-options and multi-currency ceiling at BRD-GSG.
- USD 2,069,000 cap for currency risk coverage.

From the multi-option and multi-currency ceiling, at the end of the first semester of 2025, a letter of guarantee was issued in favor of the National Company for the Administration of Maritime Ports Constanta, in the amount of 245,169.39 lei, a letter of good performance in favor of Black

See Offshore Centre, in the amount of 155,000 euros and a letter of good payment in favor of S.P.E.H Hidroelectrica in the amount of 287,727 lei.

The guarantee of these ceilings was carried out by using the same types of guarantees, as in previous years, namely a common basket of guarantees: real estate mortgage, movable mortgage on receivables, collateral deposit in Euro).

The company had no outstanding obligations at the end of the first half of 2025, all obligations being paid on time or compensated, both to the state budget and the social security budget, as well as to employees, shareholders, third parties and other creditors.

The company did not have any loans for investments during this period.

## **2. ANALYSIS OF THE COMMERCIAL COMPANY'S ACTIVITY**

As we have shown, during the analyzed period, the company completed and delivered, from the activity at the main headquarters in Orsova, to intra-community foreign customers, a number of 2 ships, a tanker type, 135 m long, and a passenger ship of 135 m long.

Out of the 4 hydroclap shallots from the Agigea Branch, three of them were rented during the analyzed period. Solutions are still being sought for their rental in the coming months. We specify that in February, the auction sale procedure of Midia 13 salad was completed. Also, at the Agigea branch, the ship repair activity was continued, at a lower level than in the corresponding period of 2024.

A structural analysis of revenue is presented in the Notes to the simplified individual interim financial statements (Notes 5 and 6), which are an integral part of this report.

In the current particularly difficult conditions when the demand for the river vessel segment on which the company operates is maintained, solutions have been found at the management level to ensure the continuity of the activity in the coming period, the order book ensuring the coverage of the production capacity at the main headquarters in Orsova for the entire year 2025 and the next 2 years. This volume of orders ensures, in a fair manner, the workload currently available to the company but also the subcontracting of some works.

Even if the company has its entire production capacity covered with contracts, there are continuous changes on the river vessel market. These changes concern both the level of demand and the price at which it is contracted. Also, the military conflict in Ukraine may continue to have a significant impact on the European and global economy in the coming period.

From the point of view of the structure of the demand for the construction of river vessels, on the market segment on which the company operates, we cannot speak of major mutations, currently

being demanded especially tankers for the transport of chemical, oil, gas and other liquid goods, but we notice an increase in the demand for passenger ships – we mention that the company, in the next period, has this type of ship in its order book.

The average number of employees on June 30, 2025 was 349 employees, slightly increasing compared to the level recorded on 30.06.2024.

### **2.1. Among the uncertainty factors for the next period, we mention.**

- the volatility and evolution of the exchange rate – LEI/EURO –, the company's results depending very much on a possible unpredictable fluctuation of the parity of the two currencies;
- the recruitment of qualified labor, especially welders, locksmiths, builders and industrial painters, as well as the instability of the workforce;
- the evolution of the price of metal, and especially of the naval sheet, as well as the way in which this evolution is consistent with the evolution of the price of river vessels;
- the credit system practiced by the external financing banks and the specific regulations regarding the conditions that river vessels must meet and the community support policies in this field;
- the consequences of the ongoing military conflict in Ukraine, which can cause disruptions in supply chains but also high price inflation, which could lead to a significant deterioration in economic growth.

### **2.2 Investment expenditure**

In the first half of this year, investments were made in a proportion of 67.90% compared to the provisions of the BVC, and in a proportion of 31.64% compared to the first half of 2024. The total value of expenses of this nature amounted to RON 1,549,667, compared to RON 2,282,300 as budgeted and RON 4,897,241 realized in the first half of 2024.

These expenses were incurred in a proportion of 18.33% at the main headquarters and 81.67% at the Agigea branch, new machinery and work equipment being purchased. As for the project to modernize the launch track from the patrimony of the Agigea branch, a project started over 5 years ago, efforts are being made to complete it by the end of this year.

The company had its own sources to finance these investment expenses.

### **2.3 Events, transactions and economic changes which significantly affect the incomes from the main activity.**

During the analyzed period, the company had no transactions or economic changes that significantly affected the revenues from the basic activity.

#### **2.3.1. Aspects of risks arising from the armed conflict in Ukraine**

Regarding the risk caused by the conflict in Ukraine, we specify that although the company does not have direct exposure, it has lost one of the potential suppliers of raw materials (naval sheet).

The simplified individual interim financial statements as of 30.06.2025 have not been audited.

### **3. CHANGES WHICH AFFECT THE SHARE CAPITAL AND THE MANAGEMENT OF THE COMMERCIAL COMPANY NAVAL SHIPYARD IN ORSOVA**

The share capital of the company Şantierul Naval Orşova SA, registered with the Trade Register Office attached to the Mehedinti Court, had no changes during the first semester of 2025, being equal to that of 31.12.2024, respectively of 28,557,297.5 lei. The share capital is divided into 11,422,919 common shares, registered shares of RON 2.5 each. A share held entitles the respective shareholder to one vote in the general meeting.

The register of shareholders is kept by DEPOZITARUL CENTRAL S.A. Bucharest.

The shareholder structure at the end of the first half of 2025, compared to that recorded on 30.06.2024, did not change in terms of significant shareholders, as follows:

<i>Longshield Investment Group S.A.</i>	<i>5.375.969 shares</i>	<i>47,0630%</i>	<i>13.439.923 lei</i>
<i>Sea Container Services S.R.L</i>	<i>5.375.968 shares</i>	<i>47,0630%</i>	<i>13.439.920 lei</i>
<i>Other shareholders</i>	<i>670.982 shares</i>	<i>5,874%</i>	<i>1.677.455 lei</i>
<b>TOTAL</b>	<b>11.422.919 shares</b>	<b>100,0000 %</b>	<b>28.557.298 lei</b>

The evolution of the company's share price and trading volume, on the Bucharest Stock Exchange, in the last 5 years, between July 2020 and July 2025, is shown in the chart below (top shows the evolution of the trading price, and at the bottom the volume of traded shares):

## Şantierul Naval Orsova S.A.

### Separate financial statements in accordance with IFRS at 30.06.2025



From this chart it can be seen that the price of SNO shares had an increasing evolution, registering a maximum value in July 2025 of over 9 lei/share. Currently, the trading value of a share is 7.7 lei/share, but liquidity remains at a low level.

Santierul Naval Orsova S.A. is managed in a unitary system by the Board of Directors consisting of 5 members, elected by the General Meeting of Shareholders by the cumulative voting method. The composition of the Board of Directors of the company, during the period 01.01-30.06.2025, as resulted from the expression of the shareholders' votes in the OGMS meeting of 23.04.2024, is as follows:

Mr. Ion Dumitru – President

Mr. Pripa Alexandru – vice-president

Mr. Fainarea Marius – member

Mrs. Patrascu Nadina Elena - member

Mrs. Catalina Dumitrascu – member

## **Şantierul Naval Orşova S.A.**

### **Separate financial statements in accordance with IFRS at 30.06.2025**

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- MR. ION DUMITRU, a 75-year-old Romanian citizen, an economist by profession. On 30.06.2025 he did not hold shares in the company;
- MR. PRIPA ALEXANDRU, a 40-year-old Romanian citizen, an economist by profession. On 30.06.2025 he did not hold shares in the company;
- MR. FAINAREA MARIUS, a 55-year-old Romanian citizen, an engineer by profession. On 30.06.2025 he did not hold shares in the company;
- MRS. PATRASCU NADINA ELENA, 29-year-old Romanian citizen, economist by profession. On 30.06.2025 he did not hold shares in the company;
- MRS. DUMITRASCU CATALINA, 35-year-old Romanian citizen, economist by profession. On 30.06.2025 he did not hold shares in the company;

The Company is not aware of any cases of agreements, agreements or family ties between the directors and other persons due to which the directors were appointed to these positions.

Between 01.01-30.06.2025, an ordinary general meeting of shareholders was held, respectively on 28.04.2025, which had the following items on the agenda:

1. Election of the meeting secretariat consisting of two members, respectively Mrs. Maria Cirstoiu and Mr. Horia Ciorecan to provide the secretariat of the meeting of the Ordinary General Meeting of Shareholders, shareholders with the identification data available at the company's headquarters, in charge of verifying the presence of the shareholders, fulfilling the formalities required by law and the articles of association for holding the general meeting, counting the votes cast during the general meeting meeting and drawing up the minutes of the meeting;
2. Presentation of the report on the results of the revaluation of tangible assets in the group of constructions and means of naval transport. Approval of the recording of revaluation differences in the net amount of RON 7,182,712.83 in the accounting records as of 31.12.2024;
3. Presenting, debating and approving the annual financial statements, for the financial year 2024, prepared in accordance with the International Financial Reporting Standards, based on the Management Report of the Board of Directors and the Report of the statutory financial auditor;

4. Approval of the distribution of the net profit made in 2024. The Board of Directors proposes that the net profit in the amount of RON 5,936,339.64 be distributed to the following destinations:

- RON 5,825,688.69 for the distribution of dividends, which means RON 0.51 gross/share;
- 110,650.95 lei as its own source of financing.

5. Approval of the draft Income and Expenditure Budget and the investment program for 2025, according to the proposal of the administrators;

6. Presentation and submission of the advisory vote of the Remuneration Report for the financial year 2024;

7. Discharge of the directors for the financial year 2024;

8. Election of the external auditor of the company and fixing the duration of the external financial audit contract, taking into account the expiration of the contract of the auditor in office. Mandating the Board of Directors to negotiate and conclude the external financial audit contract.

9. Approval of the fixed remuneration due to the directors for the financial year 2025, according to art.19 (2) of the Articles of Association, at the level approved by the shareholders for the financial year 2024.

10. Approval of the realization in the financial year 2025 of the accounting entry under "income" of dividends not collected for more than 3 years from the due date, for which the right to dividend is extinguished by prescription, respectively the dividends related to the financial year 2020 existing in the balance as unpaid on 31.12.2024, in the amount of RON 279,618.25.

11. Approval of the date of June 12 , 2025 as the registration date and of the ex-date of June 11, 2025 for the identification of the shareholders on whom the effects of the decision of the Ordinary General Meeting of Shareholders are reflected.

12. Approval of June 30, 2025 as the date of payment of dividends set out in point 4 above, in accordance with the provisions of Article 187, item 11 of FSA Regulation no. 5/2018 on issuers of financial instruments and market operations, with subsequent amendments and completions. The costs related to the payment of dividends will be borne by the beneficiary shareholders, from the net dividend amount.

13. Empowerment of Mr. Mircea Ion Sperdea, General Manager of the company, to sign the resolution of the Ordinary General Meeting of Shareholders (OGMS) and any other documents necessary for the execution of the OGMS resolution and to carry out the formalities of its publicity and registration.

Decision no. 62/28.04.2025, adopted on this occasion, was made public and was communicated, within the legal term, to the Bucharest FSA and the Bucharest Stock Exchange, according to the legal requirements.

#### **4. SIGNIFICANT TRANSACTIONS**

During the first half of 2025, the company Şantierul Naval Orşova S.A. did not register transactions with persons acting in concert or in which these persons were involved.

**Şantierul Naval Orşova S.A.**  
**Separate financial statements in accordance with IFRS at 30.06.2025**

**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2025**

<i>Reference</i>	Note	<u>30.06.2025</u>	<u>31.12.2024</u>
		RON	RON
<b>Assets</b>			
<b>Fixed assets</b>			
<i>IAS 1.54(a)</i>	Tangible assets	42,407,604	43,654,446
	Freehold land and land improvements	625,753	625,753
	Buildings	21,994,227	22,462,920
	Plant and machinery, motor vehicles	15,947,811	17,347,009
	Fixtures and fittings [...]	168,490	138,469
	Tangible assets in progress	3,671,323	3,080,295
<i>IAS 1.54(c)</i>	Intangible assets	24,747	41,677
	Other intangible assets	24,747	41,677
<i>IFRS 16, IAS 8</i>	Rights to use the leased assets	2,984,367	3,335,469
<i>IAS 1.54(h)</i>	Trade receivables and other receivables	71,571	160,624
<i>IAS 1.54(o), 56</i>	Deferred tax assets	31,851	168,856
<i>IAS 1.60</i>	<b>Total fixed assets</b>	<b>45,520,140</b>	<b>47,361,072</b>
<i>IAS 1.54 (g)</i>	Inventories	38,013,661	36,479,637
<i>IAS 1.54(h)</i>	Trade receivables and other receivables	3,718,987	3,096,984
<i>IAS 1.55</i>	Accrued expenses	613,342	179,843
<i>IAS 1.54(d)</i>	Short term investments	10,061,625	13,514,382
<i>IAS 1.54(i)</i>	Cash and cash equivalents	12,048,170	10,955,209
<i>IFRS 5.38-40</i>	Assets classified as held for sale	0	1,048,588
<i>IAS 1.60</i>	<b>Total Current Assets</b>	<b>64,455,785</b>	<b>65,274,643</b>
	<b>Total Assets</b>	<b>109,975,925</b>	<b>112,635,715</b>
<b>Equity</b>			
<i>IAS 1.54(r), 78(e)</i>	Share capital	28,557,298	28,557,298
<i>IAS 1.54(r), 78(e)</i>	Share premium	8,862,843	8,862,843
<i>IAS 1.55, 78(e)</i>	Reserves	47,565,089	47,454,438
<i>IAS 1.54(r), 78(e)</i>	Result for the period	2,471,573	5,936,340
<i>IAS 1.55, 78(e)</i>	Retained earnings	1,444,674	1,444,674

**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2025 (continued)**

<i>Reference</i>	<b>Row</b>	<b>30.06.2025</b>	<b>31.12.2024</b>
		<b>RON</b>	<b>RON</b>
	Other elements of equity	(4,310,510)	(4,513,190)
	<b>Total equity</b>	<b>84,590,967</b>	<b>87,742,403</b>
	<b>Liabilities</b>		
	<b>Long-term liabilities</b>		
<i>IAS 1.54(o), 56</i>	Deferred tax liabilities	4,310,510	4,513,190
<i>IFRS 16, IAS 8</i>	Other debts, including lease liability	22,23	2,904,644
<i>IAS 1.60</i>	<b>Total long-term liabilities</b>	<b>6,890,602</b>	<b>7,417,834</b>
	<b>Current liabilities</b>		
<i>IAS 1.54(k)</i>	Trade payables and other debts, including derivatives	22	15,944,198
<i>IAS 1.55, 11.42(b)</i>	Deferred income	12,747	317,980
<i>IAS 1.54(l)</i>	Provisions	357,013	1,213,300
<i>IAS 1.60</i>	<b>Total current liabilities</b>	<b>18,494,356</b>	<b>17,475,478</b>
	<b>Total Liabilities</b>	<b>25,384,958</b>	<b>24,893,312</b>
	<b>Total Equity and Liabilities</b>	<b>109,975,925</b>	<b>112,635,715</b>

**Şantierul Naval Orşova S.A.**
**Separate financial statements in accordance with IFRS at 30.06.2025**
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
AT 30 JUNE 2025**

<i>Reference</i>	<i>Note</i>	<b>30.06.2025</b>	<b>30.06.2024</b>
		<b>RON</b>	<b>RON</b>
<b>Continuing operations</b>			
<i>IAS 1.82(a)</i> Income	5	43,566,310	51,845,888
<i>IAS 1.99,103</i> Other income	6	4,620,667	3,187,062
<b>Total Operational Income</b>		<b>48,186,977</b>	<b>55,032,950</b>
Expenses related to inventories	7	(13,959,649)	(17,492,829)
Utility expenses	8	(1,282,044)	(1,406,757)
Employee benefits expenses	9	(18,311,872)	(18,022,451)
Depreciation and amortization expenses	14,15	(2,716,281)	(3,247,454)
Depreciation expenses related to rights-of-use for leased assets		(351,102)	(360,395)
Gains/losses on disposal of property		641,471	(368,074)
Increase/(Decrease) of receivables allowances and inventory write-down	10	0	104
Increase/(Decrease) of provision expenses		856,287	511,178
<i>IAS 1.99, 103</i> Other expenses	11	(10,765,068)	(8,803,581)
<b>Total Operational expenses</b>		<b>(45,888,258)</b>	<b>(49,190,259)</b>
<b>The result of operational activities</b>		<b>2,298,719</b>	<b>5,842,691</b>
Financial income	12	1,121,622	472,385
<i>IAS 1.82(b)</i> Financial expenses	12	(236,974)	(91,766)
<b>Net financial result</b>	12	<b>884,648</b>	<b>380,619</b>
<i>IAS 1.85</i> <b>Result before taxation</b>		<b>3,183,367</b>	<b>6,223,310</b>
<i>IAS 1.82(d),IAS 12.77</i> Current income tax expenses	13	(574,789)	(1,127,281)
Deferred income tax expenses	13	(137,005)	(367,650)
Deferred income tax income		0	285,862
<i>IAS 1.85</i> <b>Result for continuing operations</b>		<b>2,471,573</b>	<b>5,014,241</b>
<i>IAS 1.82(f)</i> <b>Result for the period</b>		<b>2,471,573</b>	<b>5,014,241</b>

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

	Note	<u>30.06.2025</u>	<u>30.06.2024</u>
		RON	RON
<b>Other comprehensive income</b>			
<i>IAS 1.82(g)</i> Revaluation of property, plant and equipment		0	(271,300)
<i>IAS 1.85</i> Other comprehensive income after tax		0	(271,300)
<i>IAS 1.82 (i)</i> <b>Total comprehensive income for the period</b>		<b>2,471,573</b>	<b>4,742,941</b>
<b>Attributable profit</b>			
<i>IAS 1.83(b)(ii)</i> Shareholders		2,471,573	5,014,241
<b>Profit for the period</b>		<b>2,471,573</b>	<b>5,014,241</b>
<b>Total attributable comprehensive income</b>			
<i>IAS 1.83(b)(ii)</i> Shareholders		<b>2,471,573</b>	<b>4,742,941</b>
<b>Earnings per share</b>			
<i>IAS 33.66</i> Basic earnings per share		0,22	0,44
<i>IAS 33.66</i> Diluted earnings per share		0,22	0,44
<b>Continuing operations</b>			
<i>IAS 33.66</i> Basic earnings per share		0,22	0,44
<i>IAS 33.66</i> Diluted earnings per share		0,22	0,44

**Şantierul Naval Orşova S.A.**  
**Separate financial statements in accordance with IFRS at 30.06.2025**

Reference

STATEMENT OF CHANGES IN EQUITY

IAS  
1.108,109

	Attributable to equity holders								Total equity
	Share capital	Share premium account	Revaluation reserve	Other reserves	Retained earnings	Result for the period	Other elements of equity	Profit appropriation	
<b>Balance at December 31,2023</b>	<b><u>28,557,298</u></b>	<b><u>8,862,843</u></b>	<b><u>28,560,768</u></b>	<b><u>18,596,499</u></b>	<b><u>(2,848,032)</u></b>	<b><u>3,453,687</u></b>	<b><u>(3,753,867)</u></b>	≡	<b><u>81,429,196</u></b>
Loss/ Net profit for the year	-	-	-	-	3,453,687	2,482,653	-	-	5,936,340
Transfer in reserve	-	-	(1,444,674)	(5,448,492)	6,893,166	-	759,323	-	(759,323)
Revaluation reserve	-	-	38,638	-	-	-	-	-	38,638
Dividends distributed to shareholders	-	-	-	-	(6,054,147)	-	-	-	(6,054,147)
<b>Balance at December 31, 2024</b>	<b><u>28,557,298</u></b>	<b><u>8,862,843</u></b>	<b><u>34,306,431</u></b>	<b><u>13,148,007</u></b>	<b><u>1,444,674</u></b>	<b><u>5,936,340</u></b>	<b><u>(4,513,190)</u></b>	≡	<b><u>87,742,403</u></b>
Loss/ Net profit for the year	-	-	-	-	5,936,340	(3,464,767)	-	-	2,471,573
Transfer in reserve	-	-	-	110,651	(110,651)	-	(202,680)	-	(202,680)
Dividends distributed to shareholders	-	-	-	-	(5,825,689)	-	-	-	(5,825,689)
<b>Balance at June 30, 2025</b>	<b><u>28,557,298</u></b>	<b><u>8,862,843</u></b>	<b><u>34,306,431</u></b>	<b><u>13,258,658</u></b>	<b><u>1,444,674</u></b>	<b><u>2,471,573</u></b>	<b><u>(4,310,510)</u></b>	≡	<b><u>84,590,967</u></b>

IAS  
1.106(d)(i)

**Şantierul Naval Orşova S.A.**  
**Separate financial statements in accordance with IFRS at 30.06.2025**

**STATUS OF THE TREASURY CASH FLOW**

<i>IAS 1.10(d), 113</i>	<b>For the fiscal year completed</b>	<b>30.06.2025</b>	<b>30.06.2024</b>
	<b>Treasury Cash Flow for operating activities</b>		
	Profit of the period	2,471,573	5,014,241
	<b>Adjustment for:</b>		
	Depreciation of intangible and tangible assets	3,112,209	3,375,239
	Gain/losses from the sale of the tangible assets	(641,471)	368,074
	Net expenses / (net income) with provisions	(856,287)	(511,178)
	Adjustments for impairment of current assets	0	104
	Current income tax expenses	574,789	1,127,281
	Expenses on the delayed income tax	137,005	367,650
	Income from the delayed income tax	0	(285,862)
	<b>Cash Flow from operating activities before the amendment of the working capital</b>	<b>4,797,818</b>	<b>9,455,549</b>
	<b>Amendment of the working capital:</b>		
	Stocks modification	(485,436)	3,255,543
	Modification of the commercial account receivables and of other account	(449,798)	3,334,938
	Modification of the advanced expenses	(433,499)	(345,137)
	Modification of the commercial debts and of other debts	2,215,330	(47,054)
	<b>Cash flow generated from operating activities</b>	<b>5,644,415</b>	<b>15,653,839</b>
<i>IAS 7.31.32</i>	Paid interests	(105,072)	(13,985)
<i>IAS 7.35</i>	Profit /specific tax paid	(302,796)	(509,940)
<i>IAS 7.10</i>	<b>Net cash flow from operating activities</b>	<b>5,236,547</b>	<b>15,129,914</b>
	<b>Treasury Cash Flow from investment activities</b>		
<i>IAS 7.31</i>	Cashed interests	352,299	275,896
<i>IAS 7.16(a)</i>	Tangible and intangible assets acquisition	(1,549,667)	(4,897,241)
	Short term investments	3,452,757	(12,701,003)
<i>IAS 7.10</i>	<b>Net cash used in investment activities</b>	<b>2,255,389</b>	<b>(17,322,348)</b>
	<b>Treasury cash flow from financing activities</b>		
<i>IAS 7.17(d)</i>	Increase (Repayment) of loans	(475,604)	65,415
<i>IAS 7.17(d)</i>	Paid dividends	(5,923,371)	(70,703)
<i>IAS 7.10</i>	<b>Net cash from (used in) financing activities</b>	<b>(6,398,975)</b>	<b>(5,288)</b>
	<b>Net increase/decreases of the cash flow and of the cash flow equivalents</b>	<b>1,092,961</b>	<b>(2,197,722)</b>
	Cash Flow and equivalents from 1st of January	<b>10,955,209</b>	<b>11,943,703</b>
	<b>Cash flow and cash flow equivalents at 30<sup>th</sup> of June</b>	<b>12,048,170</b>	<b>9,745,981</b>

**Şantierul Naval Orşova S.A.**  
**Separate financial statements in accordance with IFRS at 30.06.2025**

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*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, Mehedinţi county.

*IAS 1.51(a)-(c)* The individual financial statements in accordance with IFRS have been prepared for the period 01.01-30.06.2025. The Company's main activity is the **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 Individual Financial Statements for the period 01.01-30.06.2025 in accordance with the International Financial Reporting Standards as approved by the European Union, applicable to companies whose securities are admitted to trading on a regulated market, according to the Order of the Minister of Public Finance no. 881/2012 regarding the application by companies whose securities are admitted to trading on a regulated market of the International Financial Reporting Standards and the Order of the Minister of Public Finance no. 2844/2016 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, as subsequently amended and supplemented.

*IAS.10.17*      The financial statements have been authorized for issue by the Board of Directors on August 11<sup>th</sup>, 2025.

The financial statements have been prepared on a historical cost basis except for the following material items in the statement of financial position, for which the revaluation model (fair value) has been chosen:

*IAS 1.117(a)*

- Real estate investments;
- Buildings;
- 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.

**Şantierul Naval Orşova S.A.**  
**Separate financial statements in accordance with IFRS at 30.06.2025**

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

These are:

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

*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).

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*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.

## Şantierul Naval Orşova S.A.

### Separate financial statements in accordance with IFRS at 30.06.2025

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

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

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

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

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*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.

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*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.

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

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

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

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

**a.    Foreign currency**

(i)    Transactions in foreign currency

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

**b.    Financial instruments**

(ii)    Share capital

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

**c.    Tangible Assets**

*IAS 16.73 (a)*      (i) Recognition and evaluation

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

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

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

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

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

On 31 December 2007, the Company has not proceeded to review the value of fixed assets at the Orşova headquarters, instead Agigea Branch conducted a revaluation of fixed assets from the structures and ships category, before the merger, for the old company: SC Servicii Construcții 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) Reclassification to investment property

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

(iii) Depreciation of tangible non-current assets

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

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

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

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

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

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

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

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

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

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

**(iv) Derecognition**

The account value of a fixed asset shall be derecognised:

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

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

**d. Intangible Assets**

(1) Cost

(i) *Software*

Costs for the development or maintenance of computer software programs are recognized as an expense when they occur. Costs that are directly associated with identifiable and unique

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

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

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.

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

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.

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

*117(a)*

*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)*            **3. Significant accounting policies (continued)**

*117(a)*

**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.

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

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

(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.

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

117(a)

**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]

#### 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.

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#### 5. Incomes

		<u>30.06.2025</u>	<u>30.06.2024</u>
<i>IFRS 15.113(a)</i>	<i>Sales of goods</i>	36,484,520	41,456,717
<i>IFRS 15.113(a)</i>	<i>Rendering of services</i>	5,772,015	7,847,836
<i>IFRS 15.113(a)</i>	<i>Sales of waste products and commodities</i>	1,309,775	2,508,219
<i>IAS 40.75 (f) (i)</i>	<i>Income from rental of real estate investments</i>	-	33,116
	<b>Total</b>	<b><u>43,566,310</u></b>	<b><u>51,845,888</u></b>

The revenues for the first 6 months of 2025 are lower by 15.97% compared to those of the corresponding period of last year. This decrease is mainly due to the fact that during this period the Company completed and handed over to external customers a number of 2 ships (in the corresponding period of 2024 3 ships were delivered), the decrease in the volume of ship repairs but also the reduction in revenues from the sale of residual products resulting from the production activity or from the scrapping of assets.

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

Although they do not represent a significant percentage of the turnover, the provision of services, mainly on account of the ship repair activity carried out at the headquarters of the Agigea branch, registered a decrease of 26.45%.

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

#### 6. Other incomes

	<u>30.06.2025</u>	<u>30.06.2024</u>
Income from rents (other than rent real estate investments)	4,319,471	2,948,272
Other operational incomes	301,196	238,790
<b>Total</b>	<b><u>4,620,667</u></b>	<b><u>3,187,062</u></b>

In the period 01.01 - 30.06.2025 these revenues are at a higher level than in the corresponding period of the previous year (increase by 44.98%). The amounts realized during this period and recorded in the rental income position are related to the lease contracts for spaces in the patrimony of the Agigea branch but also from the rental of three saunas. With regard to the Other operating income position, we note an increase in the amount realized in the first half of 2025 compared to the corresponding period of the previous year, these revenues deriving, in a proportion of about 93%, from the resumption of dividends not collected by shareholders within 3 years of distribution.

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#### 7. Outgoings on stocks

	<u>30.06.2025</u>	<u>30.06.2024</u>
Expenses with raw materials	7,813,554	10,210,674
Expenses of consumable materials, from whom:	5,805,069	6,866,424
Expenses of auxiliary materials	4,929,405	6,027,333
Expenses of fuel	183,697	241,528
Expenses with spare parts	125,729	196,904
Expenses of other consumable materials	566,238	400,659
Expenses regarding materials of nature inventory items	204,201	254,032
Expenses of unstocked materials	129,867	153,858
Expenses regarding goods	7,186	8,072
Received discount	(228)	(231)
<b>Total</b>	<b><u>13,959,649</u></b>	<b><u>17,492,829</u></b>

In sem. I 2025 the significant share in the total inventory expenditure is held by raw materials (shipboard) and auxiliary materials (profiles, pipes). In the analyzed period, there is a decrease in expenses, by 20.20% compared to the previous year, this decrease being mainly due to the decrease in completed production, but also to the structure of the ships built.

Expenses representing inventory consumption that, according to IFRS, are included in the value of assets are recognized during the period depending on their nature. Accordingly, the value of the assets in execution is recorded in the accounting, on account of the related income accounts. It should be noted 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 amount of these expenses or the amount of the corresponding income.

#### 8. Utilities outgoings

	<u>30.06.2025</u>	<u>30.06.2024</u>
Expenses with energy	1,256,618	1,374,317
Expenses with water	25,426	32,440
<b>Total</b>	<b><u>1,282,044</u></b>	<b><u>1,406,757</u></b>

In the first half of 2025, utility expenses, in correlation with the production achieved, also decreased compared to the first half of 2024 (by 8.86%), but we mention that supply tariffs also experienced a slight increase.

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.

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*IAS 1.104*      **9. Staff costs**

	<u><b>30.06.2025</b></u>	<u><b>30.06.2024</b></u>
Personnel expenses	16,877,030	16,567,379
Expenses with contributions to compulsory social insurance	1,434,842	1,455,072
<b>Total</b>	<u><b>18,311,872</b></u>	<u><b>18,022,451</b></u>

<b>Medium number of employees</b>	<b>349</b>	<b>337</b>
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In the analyzed period of 2025, salary expenses are at a level close to that achieved in the corresponding period of 2024. This is due to the volume of production achieved and delivered in the week. I of the year 2025, respectively the completion and delivery of 2 hulls (3 ships in sem. I 2024 ), although the employment salaries of the Company's staff, starting with January 2025, were increased by the gross amount of 350 lei/employee.

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

**10. Value adjustment of current asset**

	<u><b>30.06.2025</b></u>	<u><b>30.06.2024</b></u>
Losses(Profit) on receivables and various debtors	8,945	(104)
Income from adjustments for impairment of current assets	8,945	-
<b>Total</b>	<u><b>0</b></u>	<u><b>(104)</b></u>

The amounts presented above, in the analyzed period, refer to the adjustment of the impairments of some receivables, following the declaration of bankruptcy of a client of the company, respectively to the profit made from the reactivation of some debtors in the first half of 2024.

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IAS 1.97

**11. Other outgoings**

	<b><u>30.06.2025</u></b>	<b><u>30.06.2024</u></b>
Expenses with maintenance and repairs	283,239	743,461
Expenses with royalties, managed locations and rents	54,364	48,903
Expenses with premium insurance	131,228	107,085
Expenses with commisions and fees	210	-
Protocol, advertising and advertising expenses	15,285	15,185
Goods and personel transport expenses	1,277,685	1,163,327
Travel expenses, secondments and transfers	30,210	28,145
Postage and telecommunications expenses	16,958	21,812
Banking services expenses	38,991	25,257
Other expenses for services performed by third parties	8,471,037	6,251,484
Expenses with other taxes and fees	411,025	364,820
Expenses for environment protection	5,163	8,106
Expenses with compensations, fines and penalties	-	4
Other operational expenses	29,673	25,992
<b>Total outgoings</b>	<b><u>10,765,068</u></b>	<b><u>8,803,581</u></b>

In the period 01.01-30.06.2025, the above level of expenses increased by 22.28% compared to the similar period of the previous year, the main influencing factors in this increase being the structure of the production sold, but also the increase in the tariffs of the providers.

Thus, we notice in the structure an increase in expenses with services provided by third parties by 35.50% due to the fact that in the analyzed period the Company resorted to a greater extent to subcontractors both for the shipbuilding activity and for the ship repair activity. As for the maintenance and repair activity, the expenses of this nature incurred in the analyzed period are 61.90% lower than those recorded in the similar period of 2024, but we note an increase in expenses with the transport of goods and expenses with insurance premiums due to the increase in the rates of providers/insurers. As regards the auditors' fees, included in the total amount of these items, it is noted that their level is close to that of the previous year. Specifically, they recorded the following values: 49,332 lei, including VAT. fees to statutory auditors (RON 49,257, including VAT, in the corresponding period of 2024) and for internal audit services, the amounts paid in the period 01.01-30.06.2025 were RON 21,323, including VAT (RON 10,660, including VAT, in the corresponding period of the previous year).

Also in the case of these categories of expenses, an influencing factor in these increases is the method of presenting expenses using a classification based on their nature.

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

Recognized in the profit or loss account:

		<u><b>30.06.2025</b></u>	<u><b>30.06.2024</b></u>
<i>IFRS 7.20 (b)</i>	Interest income from bank deposits	387,499	345,624
<i>IAS 21.52 (a)</i>	Incomes from exchange rates differences	734,123	126,761
	<b>Total financial incomes</b>	<b>1,121,622</b>	<b>472,385</b>
<i>IFRS 16.</i>	Interest expense on the leasing account	105,072	13,985
<i>IAS 21.52 (a)</i>	Expenses from exchange differences rates	131,902	77,781
	Value adjustments regarding financial fixed assets	-	-
	<b>Total financial expenses</b>	<b>236,974</b>	<b>91,766</b>
	<b>Net financial result</b>	<b><u>884,648</u></b>	<b><u>380,619</u></b>

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

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

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**13a. Expenditure on profit tax**

	<u>30.06.2025</u>	<u>30.06.2024</u>
	<b>a) Expenditure on current profit tax</b>	
IAS 12.80 (a) Current period	574,789	1,127,281
IAS 12.80 (b) Adjustments of previous periods		
	<b>b) Deferred income tax expense</b>	
IAS 12.80 (c) Initial recognition and reversal of temporary differences	137,005	367,650
IAS 12.80 (g) Changes in previously unrecognized temporary differences		
IAS 12.80 (f) Recognition of previously unrecognized tax los		
<b>Total profit tax expenses ( a+b)</b>	<b>711,794</b>	<b>1,494,931</b>
IAS 12.81 (c) <b>Reconciliation of effective tax rate</b>		
Profit of the period	3,183,367	6,223,310
Non-deductible expenses	3,195	3,384
Non-taxable incomes	860,874	511,178
Taxable amounts	-	291,821
Elements similar to incomes ( amortisation after reevaluation 2003)	1,266,744	1,038,172
Tax loss year 2022	-	-
Taxable profit(Tax loss)	3,592,432	7,045,509
Expense with the current profit tax	-	-
Sponsorship	-	-
Bonus OUG 33/2020	-	-
Profit after taxation	2,608,578	5,096,029

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

		<b>Lands and buildings</b>	<b>Machines and equipments</b>	<b>Furniture and fixtures</b>	<b>Work in progress</b>	<b>Total</b>
	<b>Coast or assumed costs</b>					
<i>IAS 16.73 (d)</i>	Balance at 1 January 2024	23,081,953	61,570,014	576,596	1.402.835	86,631,398
<i>IAS 16.73 (e)(i)</i>	Acquisitions	126,226	3,837,836	9,318	1.686.154	5,659,534
<i>IAS 16.73 (e)(ii)</i>	Outgoings of non current asset	-	4,361,571	54,309	762.292	5,178,172
<i>IAS 16.73 (d)</i>	Balance at June 30,2024	23,208,179	61,046,279	531,605	2.326.697	87,112,760
	<b>Depreciation and losses from depreciation</b>					
<i>IAS 16.73 (d)</i>	Balance at 1 January 2024	4,173,736	43,119,223	477,868	-	47,770,827
<i>IAS 16.73 (d)(vii)</i>	Depreciation during the year	990,381	1,993,496	11,184	-	2,995,061
<i>IAS 16.73 (d)(ii)</i>	Outgoings pf non current asset	-	2,132,212	54,309	-	2,186,521
<i>IAS 16.73 (d)</i>	Balance at June 30,2024	5,164,117	42,980,507	434,743	-	48,579,367
<i>IAS 1.78 (a)</i>	<b>Accounting values</b>					
	<b>Balance at 1 January 2024</b>	<b><u>18,908,217</u></b>	<b><u>18,450,791</u></b>	<b><u>98,728</u></b>	<b><u>1,402,835</u></b>	<b><u>38,860,571</u></b>
	<b>Balance at June 30, 2024</b>	<b><u>18,044,062</u></b>	<b><u>18,065,772</u></b>	<b><u>96,862</u></b>	<b><u>2,326,697</u></b>	<b><u>38,533,393</u></b>

		<b>Lands and buildings</b>	<b>Machines and equipments</b>	<b>Furniture and fixtures</b>	<b>Work in progress</b>	<b>Total</b>
	<b>Coast or assumed costs</b>					
<i>IAS 16.73 (d)</i>	Balance at 1 January 2025	23,088,673	57,806,285	586,820	3.080.295	84,562,073
<i>IAS 16.73 (e)(i)</i>	Acquisitions	965,981	404,015	44,704	1.652.791	3,067,491
<i>IAS 16.73 (e)(ii)</i>	Outgoings of non current asset	506,748	283,231	102,862	1.061.763	1,954,604
<i>IAS 16.73 (d)</i>	Balance at June 30,2025	23,547,906	57,927,069	528,662	3.671.323	85,674,960
	<b>Depreciation and losses from depreciation</b>					
<i>IAS 16.73 (d)</i>	Balance at 1 January 2025	-	40,459,276	448,351	-	40,907,627
<i>IAS 16.73 (d)(vii)</i>	Depreciation during the year	927,982	1,801,513	14,683	-	2,744,178
<i>IAS 16.73 (d)(ii)</i>	Outgoings pf non current asset	56	281,531	102,862	-	384,449
<i>IAS 16.73 (d)</i>	Balance at June 30,2025	927,926	41,979,258	360,172	-	43,267,356
<i>IAS 1.78 (a)</i>	<b>Accounting values</b>					
	<b>Balance at 1 January 2025</b>	<b><u>23,088,673</u></b>	<b><u>17,347,009</u></b>	<b><u>138,469</u></b>	<b><u>3,080,295</u></b>	<b><u>43,654,446</u></b>
	<b>Balance at June 30, 2025</b>	<b><u>22,619,980</u></b>	<b><u>15,947,811</u></b>	<b><u>168,490</u></b>	<b><u>3,671,323</u></b>	<b><u>42,407,604</u></b>

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

The lands, as of June 30, 2025, have a book value (historical cost) of 625,753 lei and represent an area of 85,790 sqm, at the headquarters in Orsova.

During December 2024, the land with an area of 210 sqm from the patrimony of the Agigea Branch was sold (Decision of the administrators of 16.12.2024). We also specify that the Company sold in 2021, by auction, two plots of land owned in the Gratca area, of 937 sqm and 3,988 sqm, respectively, according to the administrators' decision of 16.02.2017.

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

**Revaluation of tangible non-current assets**

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

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

During 2007, 2008 and 2009 there were entries recorded in the technological equipment category and other intangible category which leads to a presentation in the financial statements, of the assets of these groups, both at historical cost indexed in accordance with government decisions (" GD "), and historical cost.

On December 31, 2009, the Company proceeded to the revaluation of tangible fixed 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 depreciation from the book value of assets. The revaluation surplus amount was credited to the revaluation reserve balance for those objectives whose fair value was greater than the net carrying amount, and for the other objectives where the fair value was lower than the net carrying amount, the decrease in the revaluation surplus previously existed was reflected, i.e. the allocation of operating expenses in the case of objectives for which a revaluation reserve had not previously been recognised or the revaluation reserve recognised was insufficient to cover the decrease.

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

At 31 December 2010 and 2011, the company did not revalued non-current assets.

At 31 December 2012, the company revalued buildings and means of naval transport, both at headquarters in the town of Orşova and Agigea branch using the opinion of an independent external value. The Company has used the net value model. The amount of the revaluation surplus was credited to revaluation reserves for those assets which fair value was higher than the net book value, and for the other assets which fair value has been lower than the book value a reduction of the existing revaluation surplus, was reflected affecting operating expenses for the purposes for which revaluation reserves were not previously recognized or the recognized revaluation reserve was insufficient to cover the decrease. For the fixed assets that are under conservation at Agigea branch, an impairment of 6.739 RON was recognized.

At 31 December 2013, the company proceeded to the revaluation of means of naval transport, both at headquarters in the town of Orşova and Agigea branch using the opinion of some independent external evaluators. The reflection method of the revaluation in the company's bookings was to eliminate the depreciation from the book value of assets. The amount of the revaluation surplus was credited to revaluation reserve balance for those targets whose fair value was higher than the net book value, and for the other purposes for which the fair value has been less than the book value a reduction of the existing revaluation surplus was reflected affecting operating expenses for the purposes for which revaluation reserves were not previously recognized or the recognized revaluation reserve was insufficient to cover the decrease. For the fixed assets that are under conservation at Agigea branch, an impairment of 155.474 RON was recognized, at the end of 2013; at 31.12.2012 the impairment was 6.739 RON.

At 31 December 2014, the company proceeded to the revaluation of means of naval transport using the opinion of some independent external evaluators, applying the same rules and methods regarding the registration of the resulting differences.

For the fixed assets that are under conservation at Agigea branch, an impairment of 195.218 RON was recognized, at the end of 2014; at 31.12.2013 the impairment was 155.474 RON.

At 31 December 2015, the company proceeded to the revaluation of means of naval transport, both at headquarters in the town of Orşova and Agigea branch using the opinion of some independent external evaluators. The reflection method of the revaluation in the company's bookings was to eliminate the depreciation from the book value of assets. The amount of the revaluation surplus

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

was credited to revaluation reserve balance for those targets whose fair value was higher than the net book value, and for the other purposes for which the fair value has been less than the book value a reduction of the existing revaluation surplus was reflected affecting operating expenses for the purposes for which revaluation reserves were not previously recognized or the recognized revaluation reserve was insufficient to cover the decrease.

For constructions and ships, an increase amounted at 2.181.569 RON was recorded. However analyzed individually, there are positions that present decreases, their total value is amounted at 3.591.056 RON, out of which 3.416.821 RON were incurred from revaluation surplus previously recorded for these items and 174.235 RON were supported on costs.

Please note that further information regarding the revaluation can be found in the Administrators' report prepared and presented separately in the general meeting of shareholders.

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).

On December 31, 2016, the company proceeded to the revaluation of fixed assets amounted to the nature of shipping assets, using the same external independent evaluator's opinion and based on the same rules on recording differences in results. In the ordinary general meeting of shareholders, the results of this reassessment will be presented as visually distinct agenda. For fixed assets placed in conservation at Agigea branch was recognized an impairment at the end of the year 2016 total of 287.458.76 RON (to 31.12.2015 this impairment was of 252.756,17 RON).

On December 31, 2017, the company proceeded to the revaluation of fixed assets amounted to the nature of shipping assets, using the same external independent evaluator's opinion and based on the same rules on recording differences in results. In the ordinary general meeting of shareholders, the results of this reassessment will be presented as visually distinct agenda.

For fixed assets placed in conservation at Agigea branch was recognized an impairment at the end of the year 2017 total of 304.490,18 RON (to 31.12.2016 this impairment was of 287.458,76 RON)

On December 31, 2018, the company proceeded to re-evaluate the property, buildings and ships, both at the headquarters of Orşova and at Agigea branch using the opinion of independent external evaluators. The method of reflecting revaluation in the Company's accounts was that of eliminating depreciation from the carrying amount of assets. With the value of the revaluation surplus, the balance of revaluation reserves was credited for those items whose fair value was higher than net book value, and for the other objectives for which the fair value was less than the net book value reflected the decrease of the existing revaluation surplus and / or the impairment of operating expenses in the case of previously unrecognized

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

revaluation reserves or recognized revaluation reserves was insufficient to cover the decrease. In both the construction group and the ship, by total group, there are increases, totaling 5,330,995 RON. However, individually analyzed were positions where there were decreases, their total value being 1.054.765 RON, out of which: 1.047.790 RON were borne from the revaluation surplus previously recorded in these positions and the amount of 6.975 was incurred on costs.

At December 31, 2019, the Company proceeded to reevaluation the tangible assets of the nature of the means of ship transport, using the opinion of the same independent external evaluator and based on the same rules regarding the recording of the resulting differences. In the ordinary general meeting of the shareholders, the results of this reassessment will be presented as a separate item on the agenda.

At December 31, 2020, the Company proceeded to reevaluation the tangible assets of the nature of the means of ship transport, using the opinion of the same independent external evaluator and based 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.

At 31 December 2021, the Company proceeded to re-evaluate property, plant and equipment of the nature of naval transport, using the opinion of the same independent external valuer and based on the same rules on the registration of the resulting differences. For the fixed assets in conservation at the Agigea branch, a total depreciation at the end of 2021 of RON 435.721,16 was recognized (as at 31.12.2020 this depreciation was of 406.522,02 lei).

On 31 December 2022, the Company proceeded to the revaluation of property, plant and equipment of the nature of the means of naval transport, using the opinion of the same independent external valuer and based on the same rules on the registration of the resulting differences. For fixed assets located in conservation at the Agigea branch was recognized a total depreciation at the end of 2022 of 395.779,82 lei (as of 31.12.2021 this depreciation was of 435.721,16 lei).

On 31 December 2023, the Company proceeded to revalue tangible assets of the nature of means of shipping using the opinion of the same independent external valuer and relying on the same rules on recording the resulting differences. For fixed assets located in  
At the Agigea branch, a total depreciation of 419.372,21 lei was recognized at the end of 2023 (on 31.12.2022 this depreciation was 395.779,82 lei).

On December 31, 2024, 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 based on the same rules regarding the recording of the resulting differences. For fixed

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

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

assets under conservation at the Agigea branch, a total impairment of RON 130,548.28 was recognized at the end of 2024 (as of 31.12.2023 this impairment was RON 419,372.21).

In order to carry out these operations, the company turned to the specialized services of the evaluator DARIAN DRS S.A., headquarters in Timisoara.

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, valuation at fair value of buildings and means of naval shipping supposed taking into consideration the characteristics of the assets, which users of financial statements would consider in determining the price of the asset at the balance sheet date. Fair value determination was carried out by an independent external evaluator and shall be treated as level 2 under IFRS 13 for the data taken into account in determining the fair values as at 31 December 2019, the date of financial reporting. At the company level, there has not been any change of the level presented by IFRS 13 for the data taken into account in determining the fair values. Also, the maximum amount for assets valued at fair value does not differ from the current amount of use.

**Impairment losses and subsequent reversals**

At the end of 2024, for the fixed assets in conservation at the Agigea branch, the depreciation test was also performed, with a total depreciation of RON 130,548.28 being recognized, a depreciation that is maintained as of June 30, 2025

**Pledged or mortgaged non-tangible asset**

To guarantee the multi-option and multi-currency global limit, in value of 1.500.000 (at the same level as on 30.06.2024), 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 406.015 EUR.
- Assignment of receivables as collateral on receipts in a total value of 20.351.000 EUR, resulting from the commercial contracts concluded by the Company with third parties, not cashed up at 30.06.2025.

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**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 30.06.2025, the company has unfinished investment objectives in the amount of RON 3,671,323 (RON 2,326,697 as of 30.06.2024). A significant share in them is represented by the modernization works of the launch track at the Agigea branch, started more than 5 years ago, including the replacement of the pen trolleys, but also the modernization works of the halls in the branch's patrimony.

IAS 38 **15. Intangible assets**

<i>IFRS 3.61 IAS 38.118 (c), (e)</i>		<b>Other assets</b>	<b>Total</b>
	<b>Cost</b>		
<i>IFRS 3.B67 (d)(viii),IAS 38.118</i>	Balance at 1 January 2024	1,120,152	1,120,152
<i>IAS 38.118(e)</i>	Aquisitions	-	-
	Outgoings of intangible assets	6,894	6,894
<i>IAS 38.118</i>	Balance at 30 of June 2024	1,113,258	1,113,258
	<b>Depreciation and amortisation losses</b>		
<i>IFRS 3.B67 (d)(i),IAS 38.118</i>	Balance at 1 January 2024	1,038,988	1,038,988
<i>IAS 38.118(e)(vi)</i>	Amortisation during the year	13,783	13,783
	Outgoings of fixed assets	6,894	6,894
<i>IFRS 3.B67 (d)(viii),IAS 38.118</i>	Balance at 30 of June 2024	1,051,877	1,051,877
	<b>Accounting values</b>		
<i>IAS 38.118(c)</i>	<b>Balance at 1 January 2024</b>	<b><u>81,164</u></b>	<b><u>81,164</u></b>
<i>IAS 38.118(c)</i>	<b>Balance at 30 of June 2024</b>	<b><u>61,381</u></b>	<b><u>61,381</u></b>

<i>IFRS 3.61 IAS 38.118 (c), (e)</i>		<b>Other assets</b>	<b>Total</b>
<i>IFRS 3.B67 (d)(viii),IAS 38.118</i>	Balance at 1 January 2025	1,113,258	1,113,258
<i>IAS 38.118(e)</i>	Aquisitions	-	-
	Outgoings of intangible assets	14,282	14,282
<i>IAS 38.118</i>	Balance at 30 of June 2025	1,098,976	1,098,976
	<b>Depreciation and amortisation losses</b>		
<i>IFRS 3.B67 (d)(i),IAS 38.118</i>	Balance at 1 January 2025	1,071,581	1,071,581
<i>IAS 38.118(e)(vi)</i>	Amortisation during the year	16,930	16,930
	Outgoings of fixed assets	14,282	14,282
<i>IFRS 3.B67 (d)(viii),IAS 38.118</i>	Balance at 30 of June 2025	1,074,229	1,074,229
	<b>Accounting values</b>		
<i>IAS 38.118(c)</i>	<b>Balance at 1 January 2025</b>	<b><u>41,677</u></b>	<b><u>41,677</u></b>
<i>IAS 38.118(c)</i>	<b>Balance at 30 of June 2025</b>	<b><u>24,747</u></b>	<b><u>24,747</u></b>

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*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 9 and IFRS 7 (issued in 2008). From the corroboration of the provisions of the 4 standards, the company has adopted the following policy of recognition and evaluation of shares and securities:

- investments in subsidiaries, jointly controlled entities and associated entities are recognised at cost;
- short-term investments held for sale not listed on the stock exchange are recorded at cost, adjustments are made for impairment (the treatment for impairment 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 on 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 income statement.

Other investments	30.06.2025			30.06.2024		
	Accounting value	Imparment adjustments	Net value	Accounting value	Imparment adjustments	Net value
<b>Long term investments</b>						
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
<b>Total investments on long term</b>	<b>684,495</b>	<b>684,495</b>	<b>0</b>	<b>684,495</b>	<b>684,495</b>	<b>0</b>

*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
- Şantierul 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, Şantierul Naval Orşova contacted a law firm that will represent us in court and support our interests as a shareholder.

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

As of June 30, 2025, the Company had made adjustments for the full impairment of these securities, i.e. at the level of RON 684.495, so that the net value as of June 30, 2025 was RON 0 (as of June 30, 2024, the same situation was recorded).

The factors that contributed to the creation of 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 belongs to the category of financial assets measured at amortised cost in accordance with IFRS 7.8.

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

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

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 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 annual indexable rent value. 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 corresponding leasing debt.

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 corresponding leasing debt.

The carrying amounts of the rights of use of the recognised asset and the movements of the period are shown below:

	<b>Total land-use rights</b>	<b>Total rights of use of assets</b>
<b>Cost</b>		
<b>As of 1 January 2019</b>	<b>0</b>	<b>0</b>
Inputs	2,502,294	2,502,294
<b>As of 31 December 2019</b>	<b>2,502,294</b>	<b>2,502,294</b>
Inputs	398,207	398,207
<b>As of 31 December 2023</b>	<b>2,900,501</b>	<b>2,900,501</b>
Inputs	3,503,589	3,503,589
Outputs	2,900,501	2,900,501
<b>As of 31 December 2024</b>	<b>3,503,589</b>	<b>3,503,589</b>
<b>As of 30 June 2025</b>	<b>3,503,589</b>	<b>3,503,589</b>
<b>Amortization</b>		
<b>As of 1 January 2019</b>	<b>0</b>	<b>0</b>
Amortization of the year	125,115	125,115
<b>As of 31 December 2019</b>	<b>125,115</b>	<b>125,115</b>
Amortization of the period	2,279,580	2,279,580
<b>As of 31 December 2023</b>	<b>2,404,695</b>	<b>2,404,695</b>
Amortization of the year	663,926	663,926
Outputs	2,900,501	2,900,501
<b>Amortization of the period</b>	<b>351,102</b>	<b>351,102</b>
<b>As of 30 June 2024</b>	<b>360,395</b>	<b>360,395</b>
<b>As of 30 June 2025</b>	<b>519,223</b>	<b>519,223</b>
<b>As of 31 December 2019</b>	<b><u>2,377,179</u></b>	<b><u>2,377,179</u></b>
<b>As of 31 December 2023</b>	<b><u>495,806</u></b>	<b><u>495,806</u></b>
<b>As of 31 December 2024</b>	<b><u>3,335,469</u></b>	<b><u>3,335,469</u></b>
<b>As of 30 June 2025</b>	<b><u>2,984,367</u></b>	<b><u>2,984,367</u></b>

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*IAS 40*                      **18.Real estate investments**

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

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

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

**19. Stock**

		<b>30.06.2025</b>	<b>30.06.2024</b>
<i>IAS 1.78 (c),2.36(b)</i>	Raw materials and materials	13,355,501	8,645,471
<i>IAS 1.78(c), 2.36(b)</i>	Production in progress	25,497,075	17,792,811
<i>IAS 1.78(c), 2.36(b)</i>	Waste products	749	-
	Impairment adjustments	(839,664)	(725,939)
	<b>Stocks at net value</b>	<b><u>38,013,661</u></b>	<b><u>25,712,343</u></b>

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

For the stocks of raw materials and materials older than 2 years (for sheet metal stocks older than 3 years), existing in the balance at the end of 2024, without movement, the company proceeded to adjust the book value, constituting a total depreciation of RON 839,664, which remains at the same value as of 30.06.2025.

Compared to the corresponding period of last year, there is an increase in stocks (by 47.84%), both on account of stocks of raw materials and materials (by 54.48%), in direct correlation with the contracted production, but also on account of the production in progress (by 43.30%).

**20. Fixed assets held for sale**

		<u>2025</u>	<u>2024</u>
		<b>lei</b>	<b>Lei</b>
<i>IAS 1.104,2.36(e,g)</i>	Balance at the beginning of the period	1,048,588	0
<i>IAS 1.104, 2.36(e,g)</i>	Exits by sale	1,048,588	0
	<b>Balance at the end of the period</b>	<b>0</b>	<b>0</b>

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**20. Fixed assets held for sale(continued)**

At the end of 2024, the Company, following the decision of the directors, transferred an asset from the category of tangible fixed assets to the category "Fixed assets held for sale"; It was measured at the reclassification date at the lesser of the net carrying amount and fair value minus costs arising from the sale.

In February 2025, this asset was sold, and as of 30.06.2025, the Company no longer owns such assets.

**21. Trade and similar receivables, other receivables and advances**

		<b>30.06.2025</b>	<b>30.06.2024</b>
<i>IAS 1.78 (b)</i>	Trade receivables in relation to related parties	718,801	429,926
	Loans to executives	-	-
<i>IAS 1.78 (b)</i>	Trade receivables	1,882,159	7,808,861
	Adjustments for the impairment of trade receivables	(157,675)	(166,620)
<i>IFRS 7.8(c)</i>	<b>Net commercial loans and receivables</b>	<b>2,443,285</b>	<b>8,072,167</b>
	<b>Claims - total</b>	<b>1,920,895</b>	<b>1,333,439</b>
	Different debtors	273,909	257,039
	<b>Suppliers - debtors</b>	<b>58,963</b>	<b>254,421</b>
	VAT to be recovered and not exigible	545,987	276,975
	Adjustment for other receivables	(253,803)	(408,160)
	Expenses registered in advance	613,342	499,132
	Other receivables	682,497	454,032
	<b>Total</b>	<b>4,364,180</b>	<b>9,405,606</b>

As for trade receivables, as of 30.06.2025 they are at a lower level than those recorded at the end of the corresponding period of the previous year, and are related to current supplies of goods and services, due in the next period.

Regarding the amount representing VAT to be recovered, it is higher than that recorded in the corresponding period of 2024, in the analyzed period there was a higher volume of purchases, with no arrears being recorded in terms of VAT refunds.

Compared to the corresponding period of 2024, we see a decrease in the Company's impairment accounts related to trade receivables adjustments.

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

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**22. Trade payables and other liabilities**

	<b>30.06.2025</b>	<b>30.06.2024</b>
Trade payables – short term	2,329,938	2,317,743
Social security and other taxes and fees	1,753,173	1,780,810
Suppliers – unsecured invoices	154,310	915,952
Clients- creditors	12,513,175	6,689,478
Other debts	1,374,000	1,358,819
Commercial debts – long term	2,580,092	125,455
<b>Total</b>	<b><u>20,704,688</u></b>	<b><u>13,188,257</u></b>

Trade payables refer to payment obligations to suppliers, at a level close to that of the similar period of 2024. and advances received from customers, higher than the corresponding period of the previous year. As for the obligations regarding social security and other taxes and fees due to the state budget, their balance as of 30.06.2025 representing current debts whose payment, by compensation or payment was made after June 30, 2025.

**23. Loans Leasing obligations**

**Finance leases**

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

**Operating leases**

The total commitments included in the leasing contract concluded with the National Company Constanta Maritime Ports Administration on June 30, 2025, recognized in accordance with IFRS 16, is RON 3,053,108. When updating the leasing payments, as the company has no other contracted loans, it used the NBR's monetary policy interest rate of 6.5%.

The maturity of the leasing debts is as follows:

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**23. Loans Leasing obligations(continued)**

	<b>2025</b>	<b>2024</b>
Year 1	624,067	-
Year 2	665,863	-
Year 3	710,456	-
Year 4	758,037	-
Year 5	601,662	549,970
<b>Total</b>	<b>3,360,085</b>	<b>549,970</b>
Debt balance June 30	3,053,108	369,836
Long-term	2,408,482	-
Short-term	644,626	369,836

**24.Cash and cash equivalents**

	<b>30.06.2025</b>	<b>30.06.2024</b>
Bank accounts in lei	2,027,049	2,284,803
Bank accounts in foreign currency	10,003,380	7,452,681
Petty cash in lei	17,506	8,329
Other values	235	168
<b>Total</b>	<b><u>12,048,170</u></b>	<b><u>9,745,981</u></b>

The total amounts in cash and cash equivalent increased compared to the previous period (by 23.62%), the company having, at the end of the first semester, sufficient liquidity to finance the production and investment programs budgeted for 2025.

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**25. Capital and reserves**

**Capital social**

*IFRS 7.7*      The shareholder structure as of June 30, 2025 is as follows:

*IAS*

*1.79(a)(i),(iii)*

	<b>Number Of shares</b>	<b><u>Amount</u> (lei)</b>
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
	<b><u>11,422,919</u></b>	<b><u>28,557,298</u></b>

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 01.01-30.06.2025 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 June 12, 2025.

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

**26. Employees benefits**

**a) Remuneration of directors and administrators**

In order to carry out the management activity, the Company is obliged to pay the directors a fixed monthly remuneration, established by the articles of incorporation or the decision of the general meeting of shareholders, as the case may be, and a variable remuneration in relation to the manner in which the objectives and performance indicators are achieved, annexed to the management contract. The fixed monthly remuneration of the directors for the period January 1 - June 30, 2025 was in the amount of RON 298,998 and for the corresponding period of the previous year it was in the amount of RON 301,734, in accordance with the provisions of the Articles of Association. For 2023, the variable remuneration for directors and general manager has not been approved. The company did not grant advances or loans to directors or administrators in the first 6 months of 2024.

*Wage expenses:*

	<b>Financial exercise</b>	<b>Financial exercises</b>
	<b>End at</b>	<b>End at</b>
	<b><u>30 June 2025</u></b>	<b><u>30 June 2024</u></b>
	<b>(lei)</b>	<b>(lei)</b>
Administrators	298,998	301,734
Directors	1,242,898	708,577
	<b><u>1,541,896</u></b>	<b><u>1,010,311</u></b>

During the first half of 2025, there were no changes in the composition of the Board of Directors.

Thus, the composition of the Board of Directors, as it resulted from the expression of the shareholders' votes, starting with 23.04.2024, is as follows:

- Mr. Ion Dumitru – President
- Mr. Pripa Alexandru – vice-president
- Mr. Fainarea Marius – member
- Mrs. Patrascu Nadina Elena - member
- Mrs. Catalina Dumitrascu – member

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

. The mandate of the current Board of Directors ends on April 23, 2028 and that of the General Manager ends on 09.11.2026.

**Şantierul Naval Orşova S.A.**  
**Separate financial statements in accordance with IFRS at 30.06.2025**

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

**26. Employees benefits ( continued)**

**Salaries payable at the end of the period:**

	<b><u>30 June 2025</u></b>	<b><u>30 June 2024</u></b>
	(lei)	(lei)
Administrators	29,154	29,154
Directors	28,783	32,314
	<b><u>57,937</u></b>	<b><u>61,468</u></b>

b)      Employees

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

	Financial exercise Ended at <b><u>30 June 2025</u></b>	Financial exercises Ended at <b><u>30 June 2024</u></b>
Administrative staff	49	49
Direct productive staff	241	233
Indirect productive staff	59	55
	<b><u>349</u></b>	<b><u>337</u></b>

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

**27. Other information, implications of the conflict between Russia and Ukraine on the half-yearly report**

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

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

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

The individual financial statements in accordance with IFRS prepared for the period 01.01-30.06.2025 were approved by the Board of Directors on August 11, 2025 and were signed by:

Administrator  
Ec.Dumitru Ion

Issued  
Ec. Marilena Visescu

**STATEMENT**

The undersigned, Dumitru Ion – Chairman of the Board of Directors and Marilena Visescu – Economic Director of Şantierul Naval Orşova SA, with administrative headquarters in Orşova, 4 TUFARI Street, Mehedinti County, declare that, to the best of our knowledge, the half-yearly financial and accounting situation for the first half of 2025, 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 company indicated above.

We specify that the company does not have subsidiaries.

We also declare that the Report of the Board of Directors of Şantierul Naval Orşova SA, prepared for the first semester of 2025, correctly and completely presents the information provided for this period.

PRESIDENT OF THE MANAGEMENT BOARD:

Ec. Dumitru Ion

ECONOMIC MANAGER:

Ec. Marilena Visescu