NOTE regarding the revision of 2026 Revenue and Expenditure Budget

The revision of the 2026 Revenue and Expenditure Budget is based on the Company's financial and economic results recorded during January–July 2026, developments in the agricultural machinery market, as well as the updated estimates regarding the Company's activity for the period August–December 2026.

1. Economic context and market developments

The agricultural sector continues to face a difficult period, following several years characterised by unfavourable agro-climatic conditions, volatility in grain prices, higher production and financing costs, and a decline in farmers' capacity to make investments. Although agricultural conditions have improved, the financial position of a significant proportion of farmers remains fragile, with available resources being directed primarily towards financing current operations and settling accumulated liabilities, to the detriment of investments in new agricultural machinery.

The deterioration in the sector's financial position is also confirmed by the trend in insolvencies. According to an analysis of the agricultural sector carried out by CITR (Casa de Insolvență Transilvania), based on data from the National Trade Register Office, 226 agricultural companies entered insolvency proceedings in the first half of 2026, an increase of approximately 80% compared with the same period of the previous year. At the same time, the number of companies with non-current assets exceeding EUR 4 million that entered insolvency proceedings increased from one company in the first half of 2025 to 19 companies in the first half of 2026. CITR's analysis of a sample of approximately 3,700 agricultural companies with total assets of at least EUR 1 million also indicates that approximately 40% of them are in the financial risk category.

These developments have a direct impact on the agricultural machinery market by reducing farmers' investment capacity, postponing purchasing decisions and creating difficulties in accessing financing.

2. 2026 Budget execution as at 31 July 2026 and estimates for August–December 2026

The 2026 Revenue and Expenditure Budget was approved by the General Meeting of Shareholders in December 2025. The war in Iran has had a significant indirect negative impact on budget execution. In addition to the factors presented under section 1 above, the war in Iran has led to increases of approximately 30–40% in fertiliser prices and approximately RON 2/litre in diesel prices, further aggravating farmers' financial position and, implicitly, reducing their capacity to finance purchases of new agricultural machinery.

The analysis of budget execution as at 31 July 2026 highlights significant deviations from the assumptions underlying the initial 2026 Revenue and Expenditure Budget.

Total revenue achieved during January–July 2026 amounted to RON 8.44 million, representing 24% of the annual budgeted level of RON 34.62 million. Operating revenue amounted to RON 8.30 million, likewise representing 24% of the amount provided for in the Budget.

For August–December 2026, total revenue of approximately RON 10.88 million is estimated, bringing estimated total revenue for the full 2026 financial year to RON 19.32 million, or approximately 56% of the level provided for in the initial Budget.

The revenue estimate for August–December 2026 was prepared using a prudent approach, starting from the level of sales achieved in the corresponding period of 2025 and adding the estimated sales value expected to be generated by the order related to the cooperation with a major agricultural machinery distributor. Given current market conditions, the estimates were prepared on a prudent basis, without assuming full recovery during the remainder of the year of the shortfall against the budget recorded in the first part of the year.

Total expenses incurred as at 31 July 2026 amounted to RON 13.36 million, representing 42% of the annual budgeted level, while additional expenses of approximately RON 9.41 million are estimated for August–December. Accordingly, total expenses estimated for 2026 amount to approximately RON 22.78 million, or 72% of the level provided for in the initial Budget.

Total expenses estimated for 2026 are below the level provided for in the initial Budget, reflecting the structure of estimated sales as well as the efficiency and cost-reduction measures implemented by the Company. At the same time, a significant part of the cost structure is fixed and cannot be adjusted at the same pace as revenue. During the first seven months of the year, the level of expenses was also influenced by the intensification of production activity required to fulfil the order related to the cooperation with the agricultural machinery distributor. Given the longer manufacturing cycles, part of the costs related to this order were incurred before the related sales revenue is recognised.

For the 2026 financial year, a gross loss of approximately RON 5.02 million is estimated, compared with the gross profit of RON 51 thousand provided for in the initial Budget. After taking deferred income tax into account, the estimated net result for 2026 is a loss of approximately RON 4.92 million, compared with the initially budgeted loss of approximately RON 0.10 million.

3. Measures adopted to adapt the Company's activity to current market conditions

In order to improve commercial performance and adapt its activity to market developments, the Company continued to invest in the development and launch of new ranges of agricultural machinery, with the aim of diversifying its product portfolio and increasing competitiveness. At the same time, during 2026 the Company entered into a partnership with a major agricultural machinery distributor. The cooperation is expected to become operational in the second half of the year and is intended to expand distribution channels and increase market coverage.

In parallel with measures aimed at supporting revenue, the Company initiated a process to optimise its cost structure and commercial network. Three showrooms were closed in the first half of 2026. The effects of these measures on costs will materialise gradually, including in subsequent periods.

4. Rationale for the revision of the 2026 Budget

In view of the results achieved during the first seven months of the year, revenue from core operations performing below the level provided for, the updated outlook for the agricultural machinery market, as well as the commercial and operational efficiency measures currently being implemented, the assumptions underlying the initial 2026 Budget no longer correspond to the current operating environment. Under these circumstances, the 2026 Revenue and Expenditure Budget needs to be revised in order to align the budgeted indicators with the results actually achieved and with the updated estimates for August–December 2026.

The proposed revision is based on the principle of prudence and aims to present a realistic estimate of revenue, expenses and the financial result for the 2026 financial year, while continuing measures for commercial development, cost optimisation and safeguarding the Company's liquidity.

BOARD OF DIRECTORS,

Aurelian Mirea Radu Trifa

CHAIRMAN

MECANICA CEAHLAU S.A.
610202 Piatra Neamț - România; Str. Dumbravei nr. 6;
J1991000008271; CUI: 2045262;
Cont BT: RO20 BTRL 0280 1202 3601 60XX,
Capital social subscris și vărsat: 23.990.846 lei
Tel: +40 745 120 172
E-mail: ceahlau@mecanicaceahlau.ro; web: www.mecanicaceahlau.ro

610202 Piatra Neamț - România; Str. Dumbravei nr. 6;
J1991000008271; CUI: 2045262;
Cont BT: RO20 BTRL 0280 1202 3601 60XX,
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Appendix: Comparative statement – initial 2026 Budget, actual January–July 2026, estimated August–December 2026 and revised 2026 Budget.

Indicator	Initial 2026 Budget (RON million)	Actual Jan–Jul 2026 (RON million)	% of Budget	Estimated Aug–Dec 2026 (RON million)	Revised 2026 Budget (RON million)	% of Budget
Total revenue	**34.62**	**8.44**	**24%**	**10.88**	**19.32**	**56%**
Operating revenue	**34.58**	**8.30**	**24%**	**10.86**	**19.16**	**55%**
Financial income	**0.04**	**0.14**	**315%**	**0.02**	**0.16**	**355%**
Change in inventories of finished goods	**(2.79)**	**0.65**	**-23%**	**(2.20)**	**(1.55)**	**56%**
Total expenses	**(31.78)**	**(13.36)**	**42%**	**(9.41)**	**(22.78)**	**72%**
Operating expenses, of which:	**(31.02)**	**(13.15)**	**42%**	**(9.29)**	**(22.44)**	**72%**
Raw materials and consumables expenses	(6.61)	(2.85)	43%	(2.46)	(5.32)	80%
Cost of goods sold	(10.50)	(2.89)	28%	(1.23)	(4.12)	39%
Salaries, allowances and similar expenses	(8.31)	(4.09)	49%	(3.37)	(7.46)	90%
External services expenses	(2.92)	(1.62)	55%	(1.29)	(2.91)	100%
Taxes, duties and similar charges	(0.18)	(0.16)	85%	(0.14)	(0.30)	161%
Net impairment adjustments on assets	(0.38)	(0.57)	151%	(0.14)	(0.72)	188%
Other operating expenses	(2.12)	(0.97)	46%	(0.65)	(1.62)	76%
Financial expenses	**(0.76)**	**(0.21)**	**27%**	**(0.13)**	**(0.33)**	**43%**
Gross profit / (Loss)	**0.05**	**(4.27)**	**n/m**	**(0.74)**	**(5.02)**	**n/m**
Income tax	**(0.15)**	**(0.04)**	**-29%**	**(0.05)**	**(0.09)**	**-62%**
Net profit / (Loss)	**(0.10)**	**(4.23)**	**n/m**	**(0.69)**	**(4.92)**	**n/m**