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
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**Half-yearly report of the Management Board on June 30, 2025**

Date of the report: 07.08.2025
Name of the company:
„MECANICA CEAHLĂU" S.A. PIATRA NEAMȚ
Registered Office: Piatra Neamț, Dumbravei street, no.6, postal code 610202
Phone number/fax: 0233-21.58.20/ 0233-21.60.69
Tax Identification Number: RO 2045262
Trade Register Registration Number: J.27 / 8 / 08.01.1991
Subscribed and paid-in share capital RON 23,990,846
Regulated market in which the issued securities are traded: Bucharest Stock Exchange
Category Standard
Trading symbol: MECF.

## 1. Synthesis of the financial-economic indicators on June 30, 2025

Information in the financial-economic situation of the Mecanica Ceahlau SA on the 1st semester of 2025 are presented in the Financial Statements, concluded on June 30, 2025, drafted according to the order 2844 from 2016 on the approval of the accounting regulations according to the international standards of financial reporting
The currency of the reporting is RON.
The Financial Statements, concluded on June 30, 2025 have not been audited.
The structure and the evolution of the asset, debt and equity elements of the company, compared to the same period of the previous year, is presented as:

### 1.a. Individual situation of the financial position

| Balance Sheet Elements | Semester I 2025 | Semester I 2024 |
|---|---|---|
| **Non-current assets total, out of which:** | **21,984,869** | **20,773,193** |
| Property, plant and equipment | 19,608,027 | 18,032,021 |
| Intangible assets | 67,678 | 95,202 |
| Investments properties | 1,145,526 | 595,604 |
| Assets representing rights of use of underlying assets in leases | 1,163,637 | 2,050,365 |
| **Current assets total, out of which:** | **34,307,854** | **44,165,298** |
| Inventories | 31,087,491 | 38,903,390 |
| Trade receivables | 1,848,658 | 2,899,664 |
| Other receivables | 1,035,267 | 134,150 |
| Prepaid expenses | 171,230 | 224,024 |
| Financial assets measured at fair value | - | 289,236 |
| Financial assets at amortized cost | - | - |
| Cash, current accounts and deposits with banks | 165,209 | 1,714,834 |
| Assets classified as held for sale | - | - |

| | | |
|---|---|---|
| **TOTAL ASSETS** | **56,292,724** | **64,938,490** |
| **Equity, of which:** | **44,510,659** | **47,972,478** |
| Share capital | 23,990,846 | 23,990,846 |
| Legal reserves | 2,983,701 | 2,983,701 |
| **Balance Sheet Elements (cont.)** | **Semester I 2025** | **Semester I 2024** |
| Revaluation reserve | 11,164,860 | 9,658,639 |
| Retained earnings and other reserve | 6,371,252 | 11,339,291 |
| **Total liabilities:** | **11,782,064** | **16,966,013** |
| **long term liabilities, out of which:** | **7,059,521** | **3,639,143** |
| Long term loans | - | - |
| Provisions for pensions: | 66,906 | 83,970 |
| Deffered tax liabilities | 2,556,634 | 2,006,859 |
| Lease liabilities | 753,791 | 1,548,313 |
| **Current liabilities total, out of which:** | **4,722,543** | **13,326,870** |
| Short-term loans | - | 7,550,285 |
| Trade payables | 2,594,971 | 3,953,819 |
| Other payables | 1,133,094 | 1,090,955 |
| Lease liabilities | 574,314 | 593,386 |
| Provisions for risks and charges | 34,713 | 41,153 |
| **TOTAL EQUITY AND LIABILITIES** | **56,292,723** | **64,938,490** |

***The equity*** decreased to the amount of RON 44,510,659 (June 30, 2024: RON 47,972,478).
In the first semester of 2025, dividends were not distributed to shareholders.

**The Total liabilities** have decreased with 31% compared to the same period of the previous year.

### 1.b. Individual situation of the global result

The company Mecanica Ceahlau SA ended the first semester of 2025 with a net turnover of RON 9,918,981.

The net turnover decreased with 26% compared to the same period of the previous year.

| | **Semester I 2025** | **Semester I 2024** |
|---|---|---|
| Turnover | 9,918,981 | 13,403,112 |
| Expenses with stocks | (6,511,582) | (8,577,538) |
| | **3,407,400** | **4,825,575** |
| Other operational revenues | 313,315 | 282,161 |
| Utility expenses | (315,285) | (374,435) |
| Expenses with salaries and other similar charges | (3,539,425) | (3,901,236) |
| Other administrative expenses | (1,326,191) | (1,391,942) |
| Other operating expenses | (154,870) | (388,557) |
| Amortization/Depreciation and impairment expenses for fixed assets and depreciation expenses for assets related to the rights of use of leased assets | (906,843) | (1,309,734) |
| Gain/ (losses) from disposal of current assets | 149,867 | - |
| Adjustment of the value of current assets | (31,944) | (1,234,900) |
| Adjustments of provisions | 13,555 | 12,992 |
| **Total operating expenses** | **(6,111,137)** | **(8,305,651)** |
| | **(2,390,423)** | **(3,480,076)** |

| **Result of the operating activities** | | |
|---|---|---|
| Interest income | 14 | 44,094 |
| Gains from revaluation of financial assets measured at fair value through profit or loss | 4,553 | 7,798 |
| Expense with interest and discounts granted | (324,787) | (461,075) |
| Foreign excenge losses | (43,919) | (6,272) |
| **Net financial result** | **(364,787)** | **(415,455)** |
| **Pre-tax result** | **(3,895,531)** | **(3,895,531)** |
| Current and deferred income tax expense | (22.831) | 192,484 |
| **Profit/(loss) attributable** | **(2,777,392)** | **(3,703,047)** |

**Financial-economic indicators**

| Indicator name | Calculation method | Semester I 2025 | Semester I 2024 |
|---|---|---|---|
| 1. Current liquidity indicator | Current assets/ Current debts | 7.32 | 3.32 |
| 2. Rate of debt indicator | Borrowed equity/ Own equity x 100 | 15.71 | 7.41 |
| 3. Turnover speed of fixed assets | Turnover/ Fixed assets | 0.17 | 0.21 |
| 4. Turnover speed of total assets | Turnover/ Total assets | 0.45 | 0.65 |
| 5. Turnover speed of days sales outstanding (No. days) | Medium balance of net trade receivables / Turnover x 181 | 40 days | 48 days |

**2.** Half-yearly report on June 30, 2025 – the integral version is available on www.mecanicaceahlau.ro and on the Bucharest Stock Exchange website, at the link below;

**PRESIDENT OF THE BOARD OF DIRECTORS,**
*Trifa Aurelian Mircea Radu*

**Chief Executive Officer,** **Chief Financial Officer,**