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Informative material regarding item 4 on the agenda of the General Meeting of Shareholders on the Income and Expenditure Budget for 2025 and the 2025 Work Programme

A. *Revenue and Expenditure Budget for 2025*

For the preparation and substantiation of the income and expenditure budget for 2025, the following documents and reference data were taken into account:

- Financial statements for 2024, including the statement of assets, liabilities and equity, as well as the statement of income and expenses;
- The structure of the turnover achieved in 2024 and the estimated turnover for 2025, which foresees a decrease in production activity, determined by the operational recalibration at the company level;
- Personnel expenses recorded in 2024, with an estimate of their decrease for 2025, as a result of the consolidation of internal processes and flows in terms of the profitability of the business lines and the optimization of the product portfolio to maximize the profit obtained;
- Average exchange rate of 5.0 RON/EUR estimated for 2025.

Situation of the income and expenditure budget for 2025:

	Budget 2025 (lei)
Net turnover	**37.366.769**
Revenue related to the cost of product inventories and other income	(4.740.000)
TOTAL OPERATING INCOME	**32.626.769**
Expenditure on raw materials and consumables and other materials	1.692.058
Expenses with utilities (water, energy, gas)	4.315.698
Personnel expenses	9.629.342
Other expenses (services, taxes)	8.195.401
OPERATING EXPENSES LESS DEPRECIATION AND AMORTIZATION	**23.832.500**
EBITDA	**8.794.269**
DEPRECIATION AND AMORTIZATION EXPENSES OF FIXED ASSETS	**10.133.000**

FINANCIAL PROFIT	**4.261.000**
PROFIT / (LOSS) BEFORE TAX	**2.922.269**
Corporate income tax	467.563
NET PROFIT/(LOSS) OF THE REPORTING PERIOD	**2.454.706**

In 2025, a positive EBITDA of **RON 8.8 million** and a company-wide net profit of **RON 2.454 million are estimated.**

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B. <u>Work programme for 2025</u>

Evolution of revenues

In 2025, the Company's revenues are expected to be influenced by the strategic adjustments made in 2024, which allowed the alignment of operations to the most profitable market segments. Although a decrease in activity is expected compared to 2024, due to the optimization of the product portfolio and the forecasted recalibration of production, the Company aims to maintain a sustainable level of revenue, by strengthening relationships with business partners and by continuing sales with reduced collection terms (0-90 days).

Sourcing activity

For 2025, the Company will continue to optimize its sourcing activity, focusing on adjusting the production of finished products to align with market requirements and existing inventories. A more efficient management of stocks of lighting fixtures and electric vehicle charging stations is expected, with a focus on reducing financial risks related to excess stocks and reducing collection periods. Supply will also be adjusted according to market requirements and raw material cost dynamics.

Sale of lighting systems and charging stations

For 2025, Electromagnetica S.A. will focus its efforts on selling products in stock, both in the field of lighting systems and charging stations. The company will place great emphasis on capitalizing on existing stocks, thus optimizing the sales process and reducing the costs associated with their storage and management.

Real estate asset management and valuation

Electromagnetica S.A. expects a moderate increase in the occupancy rate of the spaces in 2025, by attracting new tenants, arranging additional spaces for rent and indexing the value of the rent.

CFR Safety Elements

For 2025, Electromagnetica S.A. expects to complete the contracts already signed, with deliveries scheduled in the first two quarters of 2025. These contracts, which are currently in advanced stages of execution, contribute to generating revenue for the company.

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The structure of the investment program for 2025 is presented as follows:

Crt. No.	INVESTMENT	ESTIMATED VALUE (RON)
A	**BODY ACTIVE**	**4.779.250**
1	CONSTRUCTION AND MODERNIZATION WORKS OF BUILDINGS	2.194.250
2	TECHNICAL INSTALLATIONS, EQUIPMENT	1.935.000
4	POWER INCREASE TO 0.75 MW, CONSTRUCTION OF MV LINES, MODERNIZATION FOR	650.000
	GRAND TOTAL	**4.779.250**

The value of investments for 2025 is estimated at about 4,779,250 RON (excluding VAT).

In 2025, investments will be mainly focused on investment activities in the headquarters, at Electromagnetica Business Park, in order to modernize real estate assets, in order to meet tenants' requirements and ensure an increased degree of safety and comfort, as well as in a power increase of 0.75MW and the modernization of some transformer substations.

The investment program will be carried out from its own sources of financing.

Financial measures

In 2025, the Company will continue to adopt a prudent and responsible approach in the management of financial resources. The main financial measures for 2025 include:

- Closely monitor cash flow and take the necessary steps to maintain an appropriate level of liquidity.
- Limiting sales with long collection times. As a result of the experience of previous years, the Company will limit sales that involve long collection terms.
- Optimization of operational costs. In order to support the adaptation to a more efficient activity, the Company will continue to identify and implement measures to optimize operational costs, without affecting the quality of products and services. These measures will include a continuous analysis of production, personnel and supply costs.

These financial measures will help maintain the company's financial stability in 2025 and optimize the use of available resources.