ELECTROMAGNETICA S.A.

QUARTERLY REPORT AS OF 31 MARCH 2025

- SEPARATE STATEMENTS -

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ELECTROMAGNETICA S.A.

**SEPARATE QUARTERLY REPORT FOR
THE FIRST QUARTER OF 2025**

**Separate financial results for the first quarter of 2025 (Q1 2025)
compared to the first quarter of 2024 (Q1 2024)
(unaudited)**

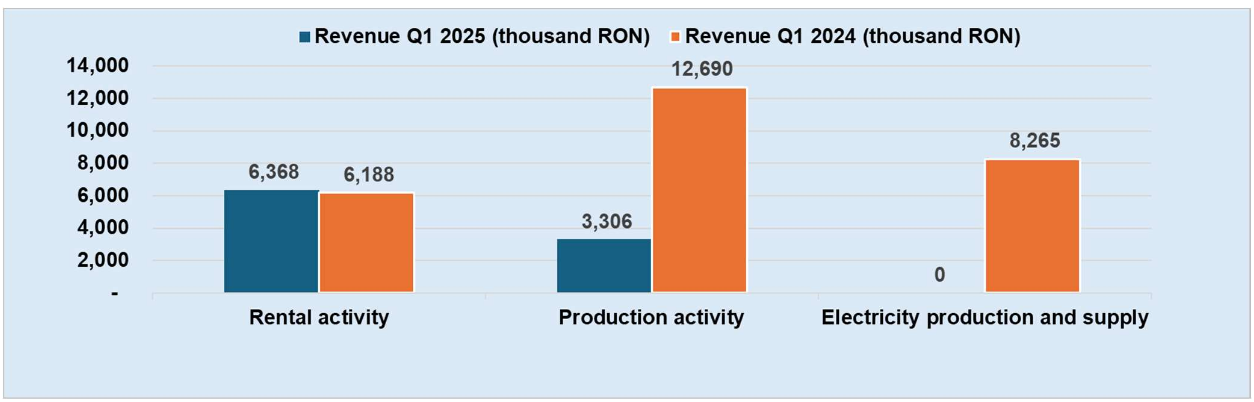
SEPARATE QUARTERLY REPORT FOR THE FIRST QUARTER OF 2025

Main aspects for the 3-month period ended 31 March 2025 (Q1 2025)

- The Company's turnover of RON 9.7 million in Q1 2025 is 64% lower compared to Q1 2024, as a result of measures adopted to streamline the company's operations;
- Revenue from rental activities (including rental income, maintenance fee and other services) increased in Q1 2025 by 3% compared to Q1 2024;
- Revenue related to production activity decreased from RON 21.0 million in Q1 2024 to RON 3.3 million in Q1 2025. The production activity was scaled down as the company significantly reduced its involvement in government projects due to the slow receivables collection;
- In Q1 2025, no revenue was recorded from electricity production from renewable sources and from the supply of electricity, as the electricity production activity was sold during 2024. In Q1 2024, revenue from this segment amounted to RON 8.3 million.

Indicator	Q1 2025	Q1 2024
Turnover (thousand RON)	**9,674**	**27,143**
EBITDA* (thousand RON)	**(290)**	**(717)**
Net result (thousand RON)	**(1,445)**	**(3,139)**

*EBITDA represents profit before income expense, depreciation and amortization expense, expense and financial income.



In the first quarter of 2025, the Company continued its strategy of optimizing the product portfolio and streamlining operational activities, maintaining the focus on profitable business lines and efficient working capital management. Given that the economic context remained volatile, the company continued its efficiency measures implemented during 2024, and which had a positive impact on the Company's financial and operational balance.

Electromagnetica manages approximately 37,500 sqm of rental space in Bucharest and 3,270 sqm in Vârteju, Ilfov County. On March 31, 2025, for the headquarters in Calea Rahovei 266-268, the average rental rate was 79%. For the spaces in the commune of Vârteju (Magurele), the rental rate was 86%.

Given the significant stock of **electric vehicle charging stations** and products of the nature **of LED lighting fixtures, systems and solutions** in the company's warehouses, during the first quarter of 2025, the Company continued to recalibrate its production activity to align with the sale mainly to business partners with whom short collection terms (0-90 days) were negotiated.

The company continued to analyze from a profitability point of view all projects related to the **plastic mass injection and electrical equipment** segment, in order to optimize operations and improve financial results. These steps have led to commercial renegotiations of contracts that are disadvantageous to the company, given that the cost of raw materials and labor has increased significantly lately, leading to the conclusion of commercial contracts. In addition, the company continued the process of selling unused equipment in the plastic injection business.

The orders for the production segment dedicated **to traffic safety elements CFR** are closely linked to the pace of modernization of the railway infrastructure. Given that CFR Infrastructură is the final beneficiary of these services, the progress in the development and modernization of the railway network directly influences the requirements and needs of the market.

In the first quarter of 2024, the Company's **electricity production and supply** segment was represented by the operation of 10 micro-hydropower plants in the Suceava and Brodina river basin, with an installed capacity of 5.5 MW. These assets were sold by the company at the auction held on August 7, 2024.

In the first quarter of 2025, the Company did not make purchases of electricity for the supply activity, which is why it did not generate income from this activity. During the first quarter of 2024, the Company supplied electricity to several external customers in order to cover the difference between the amount produced by its micro-hydropower plants / purchased from Hidroelectrica and the amount required for internal production / tenant consumption.

ELECTROMAGNETICA S.A.
SIMPLIFIED INTERIM SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2025 (UNAUDITED)
(all amounts are in RON, unless otherwise stated)

	Note	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Revenue	**11**	**9,674,473**	**27,143,202**
Investment income		-	-
Other net income and expenses	**11**	177,445	592,406
Change in inventories of finished products and work in progress		(687,668)	(126,305)
Raw materials and consumables used	**12**	(2,594,426)	(15,648,863)
Employees benefits expenses	**12**	(3,570,913)	(8,426,995)
Depreciation and amortization expenses	**12**	(2,664,579)	(2,961,874)
Other expenses	**12**	(3,288,997)	(4,250,477)
Financial income	**13**	1,114,795	333,035
Financial expenses	**13**	(49,346)	(72,746)
Profit / (Loss) before tax		**(1,889,216)**	**(3,418,617)**
Income tax	**14**	443,933	279,598
Profit / (Loss) for the period		**(1,445,283)**	**(3,139,019)**
Other comprehensive income:			
of which:			
- items which will not be reclassified subsequently to profit or loss, of which:			
- surplus from revaluation of property, plant and equipment		-	-
- deferred tax recognized in equity		-	-
Total Other comprehensive income		**(1,445,283)**	**(3,139,019)**
Earnings per share	**15**	**(0.0021)**	**(0.0046)**

The simplified interim separate financial statements were approved by management on **May 14, 2025**:

DANIELA CUCU | **MARIA GÂRZU**

General Director | **Chief Accountant**

ELECTROMAGNETICA S.A.
SIMPLIFIED INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2025 (UNAUDITED)
(all amounts are in RON, unless otherwise specified)

	Note	March 31 2025	December 31 2024
ASSETS			
Non-current assets			
Property, plant and equipment	**4**	294,477,527	296,843,904
Investment property		18,780,265	18,780,265
Intangible assets		310,516	359,541
Investments in affiliated entities		762,008	842,008
Other non-current assets		4,253,913	4,512,037
Rights of use assets	**5**	1,429,870	1,329,540
Total non-current assets		**320,014,099**	**322,667,295**
Current assets			
Inventories	**6**	6,435,715	7,234,948
Trade receivables	**7**	10,122,057	12,924,372
Cash and cash equivalents	**9**	74,713,025	73,532,273
Deposits placed with banks	**9**	10,000,000	10,000,000
Other current assets	**8**	3,710,623	3,284,963
Assets classified as held for sale		-	841,296
Current tax recievables		1,703,829	1,703,829
Total current assets		**106,685,249**	**109,521,681**
Total assets		**426,699,348**	**432,188,976**
EQUITY AND LIABILITIES			
Equity			
Share capital		67,603,870	67,603,870
Reserves and other equity items		221,621,252	223,114,466
Retained earnings		94,052,106	94,004,175
Total equity attributable to shareholders		**383,277,228**	**384,722,511**
Long-term debts			
Trade and other payables	**10**	1,781,520	1,717,399
Deferred tax liabilities		28,459,257	28,903,190
Lease liabilities		831,742	737,735
Total long-term liabilities		**31,072,519**	**31,358,324**
Current liabilities			
Trade and other payables	**10**	8,924,362	12,724,364
Provisions		2,560,002	2,511,532
Lease liabilities		865,237	872,245
Total current liabilities		**12,349,601**	**16,108,141**
Total liabilities		**43,422,120**	**47,466,465**
Total equity and liabilities		**426,699,348**	**432,188,976**

The simplified interim separate financial statements were approved by management on **May 14, 2025**:

DANIELA CUCU	**MARIA GÂRZU**
General Director	**Chief Accountant**

ELECTROMAGNETICA S.A.
SIMPLIFIED INTERIM SEPARATE STATEMENT OF CASH FLOWS
FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2025 (UNAUDITED)
(all amounts are in RON, unless otherwise specified)

	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Profit/(loss) for the period	**(1,445,283)**	**(3,139,019)**
Adjustments :		
Dividend income		
- Net movement of provisions and impairment adjustments for:	-	(94,435)
- receivables	-	-
- inventories	(6,948)	107,295
- employee benefits	55,418	-
Depreciation and amortization of non-current assets, including reversals	2,664,579	2,961,874
Investment subsidies	-	(40,805)
Revaluation of fixed assets and investment property	-	-
Net gains on disposal of non-current assets	(147,440)	334
Interest expense	21,223	25,770
Interest income	(1,113,103)	(288,524)
Deferred tax expense (income)	(443,933)	(279,598)
Income tax expense	-	-
Cash generated by operating activities before changes in working capital	**(415,487)**	**(747,108)**
Payments for deposits over a period of more than 3 months	-	-
(Increase)/decrease in inventories	799,233	981,187
(Increase) / decrease in receivables and other assets	2,634,779	5,987,586
Increase / (decrease) of debts	(3,855,328)	(6,896,531)
Income tax paid	-	-
Net cash from operating activities	**(836,803)**	**(674,866)**
Cash flows from investment activities		
Purchase of tangible fixed assets	(6,940)	(47,842)
Proceeds from sale of fixed assets	1,252,038	-
Interest accrued	1,113,103	327,004
Dividends received	-	-
Net cash used in investment activities	**2,358,201**	**279,162**
Cash flows from financing activities		
Repayment of lease liability	(318,762)	(276,818)
Interest paid	(21,223)	(25,770)
Dividends paid	(661)	(11,992)
Net cash used in financing activities	**(340,646)**	**(314,580)**
Net increase / (decrease) in cash and cash equivalents	**1,180,752**	**(710,284)**
Cash and cash equivalents at the beginning of the period	**73,532,273**	**25,138,900**
Cash and cash equivalents at end of period	**74,713,025**	**24,428,616**

The simplified interim separate financial statements were approved by management on **May 14, 2025**:

DANIELA CUCU	**MARIA GÂRZU**
General Director	**Chief Accountant**

ELECTROMAGNETICA S.A.
SIMPLIFIED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY
AS OF 31 MARCH 2025 (UNAUDITED)
(all amounts are in RON, unless otherwise specified)

	Share capital	Retained earnings	Revaluation reserves tangible assets	Other elements	Legal reserve	Deferred tax recognized in reserves	Total equity
Balance as of January 01, 2025	**67,603,870**	**94,004,175**	**192,672,045**	**48,793,086**	**12,541,942**	**(30,892,607)**	**384,722,511**
Total result related to the period:							
Profit or loss for the financial year	-	(1,445,283)	-	-	-	-	(1,445,283)
Other comprehensive income	**-**	**1,493,214**	**(1,855,112)**	**-**	**-**	**361,898**	**-**
Net surplus from revaluation of fixed assets	-	-	-	-	-	-	-
Deferred tax related to revaluation	-	-	-	-	-	-	-
Legal reserve and other reserves	-	-	-	-	-	-	-
Transfer of reserves to retained earnings	-	1,855,112	(1,855,112)	-	-	-	-
Transfer of related deferred tax from revaluation reserve to retained earnings	-	(361,898)	-	-	-	361,898	-
Transfer of reserves to retained earnings	-	-	-	-	-	-	-
Other elements	-	-	-	-	-	-	
Total result related to the period:	**-**	**47,931**	**(1,855,112)**	**-**	**-**	**361,898**	**(1,445,283)**
Transactions with shareholders, recorded directly in equity:							
Dividends distributed to shareholders	-	-	-	-	-	-	-
Other elements	-	-	-	-	-	-	-
Balance as of March 31, 2025	**67,603,870**	**94,052,106**	**190,816,933**	**48,793,086**	**12,541,942**	**(30,530,709)**	**383,277,228**

The simplified interim separate financial statements were approved by management on **May 14, 2025**:

DANIELA CUCU — **General Director**

MARIA GÂRZU — **Chief Accountant**

ELECTROMAGNETICA S.A.
SIMPLIFIED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY
AS OF 31 MARCH 2025 (UNAUDITED)
(all amounts are in RON, unless otherwise specified)

	Share capital	Retained earnings	Revaluation reserves tangible assets	Other elements	Legal reserve	Deferred tax recognized in reserves	Total equity
Balance as of January 01, 2024	**67,603,870**	**63,035,361**	**146,040,464**	**79,826,174**	**12,541,942**	**(23,300,053)**	**345,747,758**
Total result related to the period:							
Profit or loss for the financial year	-	(3,139,019)	-	-	-	-	(3,139,019)
Other comprehensive income	**-**	**1,308,906**	**(1,558,039)**	**-**	**-**	**249,133**	**-**
Net surplus from revaluation of fixed assets	-	-	-	-	-	-	-
Deferred tax related to revaluation	-	-	-	-	-	-	-
Legal reserve and other reserves	-	-	-	-	-	-	-
Transfer of reserves to retained earnings	-	1,558,039	(1,558,039)	-	-	-	-
Transfer of related deferred tax from revaluation reserve to retained earnings	-	(249,133)	-	-	-	249,133	-
Transfer of reserves to retained earnings	-	-	-	-	-	-	-
Other elements	-	-	-	-	-	-	
Total result related to the period:	**-**	**(1,830,113)**	**(1,558,039)**	**-**	**-**	**249,133**	**(3,139,019)**
Transactions with shareholders, recorded directly in equity:							
Dividends distributed to shareholders	-	-	-	-	-	-	-
Other elements	-	-	-	-	-	-	-
Balance as of March 31, 2024	**67,603,870**	**61,205,248**	**144,482,425**	**79,826,174**	**12,541,942**	**(23,050,920)**	**342,608,739**

The simplified interim separate financial statements were approved by management on **May 14, 2025**:

DANIELA CUCU — **General Director**

MARIA GÂRZU — **Chief Accountant**

1. GENERAL INFORMATION

Electromagnetica S.A. is a joint-stock company, with Romanian legal personality, with an unlimited lifespan, which is organized and operates according to the statute and based on Law no. 31/1991 republished in 2004 and amended by Law no. 441/2006, GEO no. 82/2007 and GEO no. 52/2008 as well as the Capital Market Law no. 24/2017.

The company has its registered office in Bucharest, Calea Rahovei nr. 266-268, sector 5, Bucharest, Romania, postal code 64021, telephone 021.404.21.31, 021.404.21.02, fax 021.404.21.95, website: www.electromagnetica.ro. The unique registration code is RO 414118, and the registration number at the Trade Register is J40/19/1991.

The share capital of the Company is RON 67,603,870.40 divided into 676,038,704 common shares, registered and dematerialized, registered in an electronic account in the shareholders' register kept by Depozitarul Central S.A.

On the agenda of the Ordinary General Meeting of Shareholders of April 28, 2025, the change of the main object of activity of Electromagnetica S.A. was included and approved, the new object being: NACE 6820 - Rental and subletting of own or leased real estate, according to the Classification of Activities in the National Economy, approved by the Order of the President of the National Institute of Statistics no. 377/17.04.2024 (NACE Rev.3).

Previously, according to the Articles of Association, the Company's main object of activity was the manufacture of instruments and devices for measurement, verification, control, navigation (NACE code 2651).

The details of the Company's investments in subsidiaries as of March 31, 2025 and December 31, 2024 are as follows:

March 31, 2025

Branch name	Number of titles	Percentage of ownership and voting rights (%)	Value
Electromagnetica Prestserv S.R.L.	300	100%	30,000
Electromagnetica Fire S.R.L.	-	-	-
Procetel S.A.	42,483	96.548%	732,008
TOTAL			**762,008**

December 31, 2024

Branch name	Number of titles	Percentage of ownership and voting rights (%)	Value
Electromagnetica Prestserv S.R.L.	300	100%	30,000
Electromagnetica Fire S.R.L.	800	100%	80,000
Procetel S.A.	42,483	96.548%	732,008
TOTAL			**842,008**

Taking into account the decision of the sole shareholder of April 30, 2024 and the fulfillment of the necessary legal conditions, the shareholders of Electromagnetica Fire S.R.L. initiated the process of dissolution and liquidation of the company, appointing Business Recovery BD&A S.P.R.L. as liquidator.

On April 14, 2025, by the Conclusion pronounced by the Trade Register Office attached to the Bucharest Court, the deregistration of the company Electromagnetica Fire S.R.L. was ordered, following the completion of the dissolution and voluntary liquidation procedure. The liquidation balance sheet was drawn up on January 31, 2025, and consequently, the company was removed from the accounting records of Electromagnetica S.A.

2. DRAFTING BASICS

The financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union, IAS 34, "Interim Financial Reporting".

The functional and presentation currency is the Romanian leu (RON).
The financial information as at 31 March 2025 has not been audited or reviewed by an external auditor.

3. MAIN ACCOUNTING POLICIES

The same accounting policies and calculation methods were used for the preparation of this quarterly report as those applied to the preparation of the annual financial report as of December 31, 2024, except for the adoption of the new standards in force as of January 1, 2025. Their adoption did not have a material impact on the disclosures or on the amounts reported in these financial statements. The standards, interpretations or amendments issued (but which did not enter into force) were not adopted in the current reporting.

4. PROPERTY, PLANT AND EQUIPMENT

Cost	Land and landscaping	Construction	Technological equipment and vehicles	Other tangible assets	Tangible assets in progress	Advances on property, plant and equipment	Total
As of December 31, 2024	**167,704,856**	**121,054,133**	**11,301,223**	**2,046,494**	**1,301,684**	**-**	**303,408,390**
Inflow	-	-	23,555	11,515	27,365		62,435
- of which: revaluation	-	-	-	-	-	-	-
- of which: transfers	-	-	-	-	-	-	-
Outflow	-	-	(151,025)	-	-	-	(151,025)
- from revaluation	-	-	-	-	-	-	-
- from transfer to classified assets rights held for sale	-	-	-	-	-	-	-
- from transfers	-	-	-	-	-	-	-
As of March 31, 2025	**167,704,856**	**121,054,133**	**11,173,753**	**2,058,009**	**1,329,049**	**-**	**303,319,800**
Accumulated depreciation							
As of December 31, 2024	**-**	**-**	**(4,052,151)**	**(388,540)**	**-**	**-**	**(4,440,691)**
Depreciation of the year	(14,867)	(1,699,643)	(601,255)	(38,851)	-	-	(2,354,616)
Accumulated depreciation on disposals	-	-	76,829	-	-	-	76,829
As of March 31, 2025	**(14,867)**	**(1,699,643)**	**(4,576,577)**	**(427,391)**	**-**	**-**	**(6,718,478)**
Impairment adjustments							
As of December 31, 2024	**-**	**-**	**(2,123,795)**	**-**	**-**	-	**(2,123,795)**
Impairment adjustments recognized in profit or loss	-	-	-	-	-	-	-
Reversals of impairment adjustments recognized in profit or loss	-	-	-	-	-	-	-
As of March 31, 2025	**-**	**-**	**(2,123,795)**	**-**	**-**	-	**(2,123,795)**
Net book value							
As of December 31, 2024	**167,704,856**	**121,054,133**	**5,125,277**	**1,657,954**	**1,301,684**	**-**	**296,843,904**
As of March 31, 2025	**167,689,989**	**119,354,490**	**4,473,381**	**1,630,618**	**1,329,049**	**-**	**294,477,527**

5. RIGHTS OF USE ASSETS

	Buildings	Vehicles	Total
Cost			
As of December 31, 2024	**3,155,047**	**111,983**	**3,267,030**
Additions	408,520	-	408,520
Disposals	(334,939)	-	(334,939)
As of March 31, 2025	**3,228,628**	**111,983**	**3,340,611**
Accumulated depreciation			
As of December 31, 2024	**(1,853,504)**	**(83,986)**	**(1,937,490)**
Depreciation of the year	(253,939)	(6,999)	(260,938)
Cumulative depreciation on outflows	287,687	-	287,687
As of March 31, 2025	**(1,819,756)**	**(90,985)**	**(1,910,741)**
Net book value			
As of December 31, 2024	**1,301,543**	**27,997**	**1,329,540**
As of March 31, 2025	**1,408,872**	**20,998**	**1,429,870**

The following amounts were recognized in the profit and loss account:

	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Depreciation expense related to rights to use leased assets	260,938	268,591
Interest on lease liabilities	21,223	25,771
Expenditure related to low-value leases	32,401	34,487
Total amounts recognized in the profit and loss account	**314,562**	**328,849**

6. INVENTORIES

	March 31 2025	December 31, 2024
Raw materials	6,525,049	6,564,941
Consumables	1,486,593	1,615,365
Finished products	11,369,465	11,924,376
Products in progress	430,888	563,646
Other inventories	953,957	896,857
Minus adjustments for impairment of inventories	(14,330,237)	(14,330,237)
Total	**6,435,715**	**7,234,948**

The company has no inventories pledged on account of debts.

7. TRADE RECEIVABLES

	March 31 2025	December 31 2024
Trade receivables in Romania	19,050,720	21,279,654
Trade receivables in other countries	945,451	1,518,832
Minus impairment adjustments trade receivables	(9,874,114)	(9,874,114)
Total	**10,122,057**	**12,924,372**

The decrease in trade receivables as of March 31, 2025 compared to December 31, 2024 was driven by the reduction in sales volume and the recovery of overdue receivables.

8. OTHER CURRENT ASSETS

	March 31 2025	December 31 2024
Debtors	63,738	2,548
Prepayment expenses	1,704,995	253,763
Advances to suppliers	204,397	89,593
Claim relating to expropriation of land	1,486,948	1,486,948
VAT recoverable	-	696,944
Other current assets	250,545	755,167
Total	**3,710,623**	**3,284,963**

The category *Prepaid expenses* in the amount of RON 1,704,995 mainly represents payments related to taxes for buildings and land, related to the year 2025.

Other current assets mainly include amounts to be recovered from the health insurance fund in the amount of RON 231,567 (December 31, 2024: RON 720,186).

9. CASH AND CASH EQUIVALENTS

	March 31 2025	December 31 2024
Cash in the cashier	13,837	10,922
Cash in banks	74,685,040	73,521,351
Cash equivalents	14,148	-
Total	**74,713,025**	**73,532,273**

Cash in banks contain short-term deposits: March 31, 2025: RON 73,538,619 (December 31, 2024: RON 72,773,912).

In 2024, the company set up a collateral deposit in the amount of RON 10,000,000 for the issuance of bank guarantees. This has been disclosed in the separate Statement of Financial Position under "Deposits placed with banks" as it is a deposit with a placement period of more than 3 months.

10. TRADE AND OTHER PAYABLES

	March 31 2025	December 31 2024
Current trade payables		
Domestic commercial debt	1,289,232	1,171,737
Foreign trade debts	67,553	10,631
Estimated trade liabilities	1,951,952	4,078,630
Current other paybles		
Advances received from customers	1,055,615	2,024,991
Salaries and social insurance	884,613	1,666,245
Advance income	811,532	811,532
Other liabilities	2,863,865	2,960,598
Total	**8,924,362**	**12,724,364**

Long-term trade and other payables amount to RON 1,781,520 (December 31, 2024: RON 1,717,399). These liabilities relate to guarantees received from tenants under long-term leases.

The company has no significant outstanding trade debts.

The company has no outstanding payments to employees and to the state budget, the amounts shown represent debts for the month of March 2025 and paid when due in April 2025.

The Company has no borrowings as of March 31, 2025.

As of March 31, 2025, the Company has a non-cash guarantee agreement in the amount of RON 10,000,000 for the issuance of letters of guarantee. Their situation is presented in Note 9 of these simplified interim financial statements.

Other liabilities consist of guarantees received from short-term tenants, VAT payable, other fees and taxes.

11. REVENUE

REVENUE FROM CUSTOMER CONTRACTS	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Revenue from the production of electricity from renewable sources and from the supply of electricity	-	8,265,168
Revenue from product sales (LED lighting fixtures, electric vehicle charging systems and solutions, plastic mass injection products and molds, low voltage electrical equipment, railway traffic safety elements)	2,601,688	11,308,904
Revenue from services rendered (complex design, delivery and assembly of LED lighting systems and electric vehicle charging stations)	704,801	1,381,015
TOTAL REVENUE FROM CUSTOMER CONTRACTS	**3,306,489**	**20,955,087**
REVENUE FROM RENTAL ACTIVITIES*	**6,367,984**	**6,188,115**
TOTAL REVENUE	**9,674,473**	**27,143,202**

* Revenue from rental activities includes both rental income and income from recharging of utilities and services.

Timing of recognition of revenue from customer contracts

	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Goods and services transferred at a given time	2,601,688	12,689,919
Goods and services transferred over time	7,072,785	14,453,283
Total Revenue	**9,674,473**	**27,143,202**

The disaggregation of revenues at the product level is:

	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Electric vehicle charging stations	828,993	1,584,368
Electrical equipment	-	4,414,770
Traffic safety elements CFR	1,334,404	1,650,589
Plastic mass injections and molds	782,400	2,711,562
LED lighting fixtures and services	264,395	2,222,549
Others	96,297	106,081
TOTAL PRODUCTION	**3,306,489**	**12,689,919**

OTHER NET INCOME AND EXPENSES	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Income from green certificates	-	361,424
Income / (expense) on provisions	(7,268)	162,410
Subsidy income	-	40,805
Net proceeds from the sale of tangible fixed assets	147,440	(334)
Other net income/(expense)	37,273	28,101
TOTAL	**177,445**	**592,406**

12. EXPENSES

	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Raw materials and consumables used		
- Expenditure on raw materials and consumables	277,834	5,362,456
- Expenditure on goods	365,741	7,930,913
- Expenditure on energy, water, gas	1,950,851	2,355,494
Total raw materials and consumables used	**2,594,426**	**15,648,863**
Employee benefits expenses	**3,570,913**	**8,426,995**
Other expenses		
- Postal and telecommunications expenses	80,180	105,112
- Maintenance and repair expenses	218,518	180,864
- Rent expenses	66,152	94,103
- Advertising and protocol expenses	22,319	16,436
- Insurance expenses	98,961	156,871
- Transport and travel expenses	22,029	135,561
- Expenses other taxes and fees	820,247	386,741
- Expenses with consultants and collaborators	232,226	359,304
- Expenditure on green certificates	-	436,281
- Other operating expenses	1,728,365	2,379,204
Total other expenses	**3,288,997**	**4,250,477**
Depreciation and amortization expenses	**2,664,579**	**2,961,874**
Total expenses	**12,118,915**	**31,288,209**

The line "Other operating expenses" highlights the services performed by third parties, banking and similar services, expenses related to bank fees and commissions, etc.

13. FINANCIAL EXPENSES and FINANCIAL INCOME

Financial expenses	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Leasing interest expenses	26,768	25,770
Expenses related to exchange rate differences	20,519	45,282
Other financial expenses	2,059	1,694
Total financial expenses	**49,346**	**72,746**

Financial income	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Interest income	1,113,103	288,524
Income from exchange rate differences	1,692	44,503
Other financial income	-	8
Total financial income	**1,114,795**	**333,035**

14. INCOME TAX

Income tax recognized in profit or loss:

	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Current income tax		
Current income tax expense	-	-
Deferred income tax		
Deferred tax income	(450,525)	(307,641)
Deferred tax expenses	6,592	28,043
Total income tax expense / (income)	**(443,933)**	**(279,598)**

15. EARNINGS PER SHARE

	Period of 3 months ended 31 March 2025	Period of 3 months ended 31 March 2024
Net profit/loss attributable to shareholders	(1,445,283)	(3,139,019)
Weighted average number of ordinary shares	676,038,704	676,038,704
Result per share	(0.0021)	(0.0046)

The basic and diluted results are identical, as the Company does not have securities with dilution potential.

16. RELATED PARTY TRANSACTIONS

	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Sale of goods and services to subsidiaries		
Electromagnetica Fire S.R.L.	-	6,939
Electromagnetica Prestserv S.R.L.	-	6,149
Procetel S.A.	42,953	36,959
Total	**42,953**	**50,047**

	Period of 3 months ended March 31 2025	Period of 3 months ended March 31 2024
Purchases of goods and services from subsidiaries		
Electromagnetica Fire S.R.L.	-	280,453
Electromagnetica Prestserv S.R.L.	18,414	312,936
Procetel S.A.	309,344	329,287
Total	**327,758**	**922,676**

	March 31 2025	December 31, 2024
Trade and other payables to subsidiaries		
Electromagnetica Fire S.R.L.	-	-
Electromagnetica Prestserv S.R.L.	-	-
Procetel S.A.	-	-
Total	**-**	**-**

17. RELATED PARTY TRANSACTIONS (continued)

	March 31 2025	December 31 2024
Trade receivables from subsidiaries		
Electromagnetica Fire S.R.L.	-	-
Electromagnetica Prestserv S.R.L.	608	608
Procetel S.A.	51,114	-
Total	**51,722**	**608**

Transactions between related parties are conducted under normal market conditions.
The related party entities do not carry out operations that have a significant impact on the Group's results.

18. COMMITMENTS AND POTENTIAL LIABILITIES

As of March 31, 2025, the Company has a non-cash guarantee agreement in the amount of RON 10,000,000 for the issuance of letters of guarantee. The unused amount on the same date amounts to RON 3,614,105. In order to secure this non-cash agreement, the company has established a pledge on the collateral deposit, in the amount of RON 10,000,000, a large part of which will be released during the 2nd quarter of 2025.

The commitments received from customers and tenants in the form of letters of guarantee as of March 31, 2025, amount to RON 234,590 as per the contractual terms.

The disputes in which the company is involved are of amounts that are not likely to affect the financial stability of the company. The company manages disputes through its own legal department and through collaborations with external partners specialized in managing specific actions.

19. SUBSEQUENT EVENTS

On the agenda of the Ordinary General Meeting of Shareholders on April 28, 2025, the proposal regarding the coverage of the loss recorded in 2024 from reserves was included and approved.

Also, the following proposals were included and approved on the agenda of the Extraordinary General Meeting of Shareholders on April 28, 2025:

- Approval of the acquisition, alienation, exchange or pledge of assets in the category of fixed assets of the company, whose value, individually or cumulatively, is no more than 50% of the total fixed assets, minus receivables and mandating the Board of Directors to analyze and decide on their acquisition, alienation, exchange or constitution as collateral and to take all legal steps in order to conclude the legal act of acquisition/alienation/exchange/constitution as collateral, within the limit approved above; and
- Approval of the change of the main object of activity of Electromagnetica S.A.

The simplified interim separate financial statements were approved by management on **May 14, 2025**:

DANIELA CUCU	**MARIA GÂRZU**
General Director	**Chief Accountant**

**FINANCIAL INDICATORS IN ACCORDANCE WITH
WITH ANNEX 13° OF ASF REGULATION 5/2018**

Name of the indicator	Calculation formula	Q1 2025	Q1 2024
Current liquidity	Current Assets/Current Liabilities	8.64	3.71
Indebtedness	Long-term borrowed capital/Equity x 100	0.44	0.73
	Long-term borrowed capital/Committed capital x 100	0.44	0.72
Turnover speed of customer flows (days)	Average customer balance / Turnover x 90	107.2	109.4
Turnover speed of fixed assets	(Turnover / 90 x 360)/Fixed assets	0.12	0.35

Note:

1. **Current liquidity** provides the guarantee of covering current liabilities from current assets.
2. **Indebtedness** expresses the effectiveness of credit risk management, indicating potential financing and liquidity problems, with influences in the fulfillment of the assumed commitments.

   Borrowed capital = Loans over one year and other interest-bearing loans
   Capital Employed = Capital Borrowed + Equity

3. **Customer Flow Rate Turnover Speed** expresses the effectiveness of the Company in collecting its receivables, respectively the number of days until the date on which the debtors pay their debts to the Company.

4. **Asset turnover speed** expresses the effectiveness of the management of fixed assets, by examining the turnover generated by a certain amount of fixed assets.

DANIELA CUCU	**MARIA GÂRZU**
General Director	**Chief Accountant**