

SC ARTEGO SA

Explanatory Notes prepared

on December 31, 2024 and December 31, 2025

( *all amounts are expressed in RON, unless otherwise specified* )

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## **Notes to the financial statements**

### ***For the financial year ended December 31, 2025***

#### **1. Reporting entity**

SC ARTEGO SA TG-JIU, (the Company) was established in 1991 and operates in Romania in accordance with the provisions of Law 31/1990 on commercial companies and Law 297/2004 on the capital market.

The company is headquartered at Ciocarlau Street no. 38, Tg-Jiu Municipality, Gorj County.

According to the statute, the main field of activity of the Company has the CAEN code 2212 "Manufacture of other rubber products".

The records of shares and shareholders are kept in accordance with the law by the Central Depository.

#### **2. Basics of preparation**

##### **(a) Declaration of conformity**

The separate financial statements were prepared in accordance with the International Financial Reporting Standards ("IFRS") adopted by the European Union and in accordance with the provisions of OMFP 2844/2016 with subsequent amendments and supplements.

The Company applies the International Financial Reporting Standards as approved by the European Union in preparing the separate financial statements ended on 31 December 2025, in accordance with OMF no. 881/2012. This order specifies that starting with the financial year 2012, the annual financial statements will be prepared in accordance with IFRS, this order being applicable to commercial companies whose securities are admitted to trading on a regulated market.

The Company's accounting records are maintained in lei, in accordance with the Romanian Accounting Regulations ("RCR"). These accounts have been restated to reflect the differences between the accounts under RCR and those under IFRS. Accordingly, the accounts under RCR have been adjusted, where necessary, to bring these separate financial statements into line, in all material respects, with IFRS.

##### **(b) Presentation of financial statements**

The separate financial statements are presented in accordance with the requirements of IAS 1 "Presentation of Financial Statements".

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### **(c) Basis of assessment**

The separate financial statements are prepared at historical cost, except for certain classes of tangible assets which are revalued.

The share capital is adjusted according to International Accounting Standard (“SIC”) 29 (“Financial Reporting in Hyperinflationary Economies”) until December 31, 2003.

The management believes that the Company will continue in business for the foreseeable future and, consequently, the application of the going concern basis of accounting in the preparation of the financial statements is considered appropriate. The separate financial statements are presented in accordance with the requirements of IAS 1 “Presentation of Financial Statements”. The Company has adopted a cash-based presentation in the balance sheet and a presentation of income and expenses by nature in the profit and loss account, considering that these presentation methods provide information that is credible and more relevant than those that would otherwise be presented.

### **(d) Functional and presentation currency**

The Company's management considers that the functional currency, as defined by IAS 21 “The Effects of Changes in Foreign Exchange Rates”, is LEI or RON. The separate financial statements are presented in RON, rounded to the nearest RON, the currency that the Company's management has chosen as the presentation currency.

### **(e) Use of estimates and judgments**

The preparation of financial statements in accordance with IFRS as adopted by the European Union requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and assumptions associated with these estimates are based on historical experience and other factors considered reasonable in the context of these estimates. The results of these estimates form the basis for judgments regarding the carrying amounts of assets and liabilities that cannot be obtained from other sources of information. The results obtained may differ from the values of the estimates.

underlying assumptions are reviewed periodically. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period in which the estimate is revised and future periods if the revision affects both the current period and future periods.

Judgments made by management in applying IFRS have a significant effect on the financial statements, as well as estimates that involve significant risk.

### **3. Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these separate financial statements.

#### **(a) Subsidiaries and associated entities**

Subsidiaries are entities under the control of the Company. Control exists when the Company has the power to govern, directly or indirectly, the financial and operating policies of an entity so as to obtain benefits from its activities. Associates are those entities in which the Company can exercise significant influence, but not control, over the financial and operating policies.

The company does not own any associated companies.

#### **(b) Foreign currency transactions**

Transactions expressed in foreign currency are recorded in lei at the official exchange rate on the date of settlement of the transactions. Monetary assets and liabilities recorded in foreign currencies on the balance sheet date are converted into the functional currency at the exchange rate on that day. Gains or losses from their settlement and from the conversion using the exchange rate at the end of the month or at the end of the financial year of monetary assets and liabilities denominated in foreign currency are recognized in the profit and loss account.

The exchange rates of the main foreign currencies were:

<b>Currency</b>	<b>31.12. 2021</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2025</b>
Euro (EUR)	4.9481	4.9474	4.9746	4.9741	5.0985
US Dollar(USD)	4.3707	4.6346	4.4958	4.9951	4.3417
Pound Sterling (GBP)	5.8994	5.5878	5.7225	4.7768	5.8335

#### **c) Financial Instruments**

##### **Financial risk management**

The Company is exposed to the following risks arising from financial instruments: market risk (interest rate risk and currency risk), credit risk and liquidity risk. The Company's management focuses on the unpredictability of the financial market and seeks to minimize the potential adverse effects on

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the Company's financial performance. Market risk is the risk that changes in market prices, as well as currency exchange and interest rates, will affect the Company's income.

The Company has no formal commitments to combat financial risks. Despite the absence of formal commitments, financial risks are monitored by the Company's management, focusing on the Company's needs to effectively address opportunities and threats.

### **Interest rate risk**

The Company's operational cash flows are affected by interest rate variations, mainly due to foreign currency loans obtained from financing banks. Cash risk determined by the interest rate is the risk that interest, and therefore the expense related to it, will fluctuate.

### **Currency risk**

The Company may be exposed to currency exchange rate fluctuations through cash and cash equivalents, receivables or trade payables denominated in foreign currency.

The currency used on the domestic market is the Romanian leu. The Company is exposed to currency risk on cash and cash equivalents, on purchases and loans made in a currency other than the one used on the domestic market. The currencies that expose the Company to this risk are mainly EUR, USD, and GBP. Foreign currency loans are subsequently expressed in lei, at the exchange rate of the last banking day of each month, communicated by the National Bank of Romania. The resulting differences are included in the profit and loss account.

### **Credit risk**

Credit risk is the risk that the Company will incur a financial loss as a result of a customer or counterparty to a financial instrument failing to meet its contractual obligations, and this risk arises mainly from trade receivables and cash and cash equivalents.

As of December 31, 2025, the company holds cash and cash equivalents in the amount of 7,459,755 lei. Cash and cash equivalents are held with the following banks: Unicredit Tiriac, BRD, ING Bank.

### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or by transferring another financial asset.

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A prudent liquidity risk management policy involves maintaining sufficient cash and cash equivalents, the availability of financing through adequate credit facilities. The Company's liquidity policy is to maintain sufficient liquid resources to be able to honor obligations as they fall due.

### **Fair value of financial instruments**

Fair value is the amount at which a financial instrument can be exchanged in an orderly transaction, other than in a liquidation or forced sale. Fair values are obtained from quoted market prices or cash flow models, as appropriate. As of December 31, 2025, cash and cash equivalents, trade payables and other payables approximate their fair value due to their short maturity. Management believes that the estimated value of these instruments approximates their carrying value.

### **Capital risk management**

The Company's objectives when managing capital are to preserve the Company's ability to continue as a going concern in order to obtain benefits for shareholders and other stakeholders and to maintain an optimal capital structure in order to reduce the cost of capital.

### **Accounting for the effect of hyperinflation**

In accordance with IAS 29 and IAS 21, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy must be presented in the measuring unit current at the balance sheet date (non-monetary items are restated using a general price index from the date of acquisition or contribution).

According to IAS 29, an economy is considered hyperinflationary if, among other factors, the cumulative inflation rate over a three-year period exceeds 100%.

The continuous decrease in the inflation rate and other factors related to the characteristics of the economic environment in Romania indicate that the economy whose functional currency was adopted by the Company has ceased to be hyperinflationary, with effect on the financial periods starting with January 1, 2004. Therefore, the provisions of IAS 29 were adopted in the preparation of the separate financial statements until December 31, 2003.

Thus, the values expressed in the current measuring unit at December 31, 2003 are treated as the basis for the accounting values reported in these separate financial statements and do not represent assessed values, replacement cost, or any other measure of the current value of the assets or the prices at which transactions would take place at this time.

For the purpose of preparing the separate financial statements as of December 31, 2012, the Company adjusted the share capital (non-monetary item) to be expressed in the current measurement unit as of December 31, 2003.

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### **Tangible fixed assets**

Tangible fixed assets represent assets that: are held by an entity for use in the production of goods or the provision of services, for rental to third parties or for administrative purposes, and are used over a period of more than one year.

The acquisition cost includes the purchase price, import duties and other taxes (except for those that the legal entity can recover from the tax authorities), transportation, handling and other expenses that can be directly attributable to the acquisition of the respective goods.

Valuation of fixed assets tangible assets at the balance sheet date are carried at cost, less accumulated depreciation and impairment adjustments, or at revalued amount, which is the fair value at the date of the revaluation, less any subsequent accumulated depreciation and any subsequent accumulated impairment losses.

The amortization periods are as follows:

Buildings and constructions	40-60 years old
Equipment	15-40 years
Means of transport	5-8 years
Office furniture and equipment	3-5 years

### **Intangible assets**

An intangible asset is an identifiable, non-monetary asset without a physical support and held for use in the production or supply of goods or services, for rental to third parties or for administrative purposes.

An intangible asset meets the criterion of being identifiable when:

- is separable, that is, it can be separated or divided from the entity and sold, transferred, licensed, leased or exchanged, either individually or together with a corresponding contract, identifiable asset or identifiable liability; or arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations

Intangible assets acquired by the Company are presented at cost less accumulated amortization and the provision for impairment of intangible assets. Amortization is recognized in the profit and loss account based on the straight-line method over the estimated life of the intangible assets.

### **Receivables**

Trade receivables are initially recorded at the invoiced value and subsequently those in foreign currency are valued at the exchange rate communicated by the National Bank of Romania on the last banking day of the month. A depreciation provision is established when there is clear evidence that the receivables will not be collected on the established deadline.

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## **Stocks**

The stocks are made up of:

- raw materials, materials, spare parts and other consumables to be used in the Company's core business.

These materials are recorded as inventories at the time of acquisition and are expensed at the time of consumption.

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is determined based on the FIFO method and includes the expense incurred in purchasing the inventories.

## **Cash availability**

Cash and cash equivalents include cash, current accounts, bank deposits, meal vouchers, stamps, as well as checks and promissory notes received by the Company.

## **Revaluation reserves**

After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably is carried at a revalued amount, which is its fair value at the date of the revaluation less any subsequent accumulated depreciation and any accumulated impairment losses. Revaluations must be made with sufficient regularity to ensure that the carrying amount does not differ materially from what would have been determined using fair value at the balance sheet date.

If the carrying amount of an asset is increased as a result of a revaluation, this increase should be recorded directly in equity under the item "Revaluation reserves".

However, the increase is recognized in profit or loss to the extent that it offsets a decrease from the revaluation of the same asset previously recognized in profit or loss.

If the carrying amount of an asset is reduced as a result of a revaluation, this reduction is recognised in profit or loss. However, the reduction must be debited directly from equity in the item "Revaluation reserves" to the extent that there is a credit balance in the revaluation surplus for this asset.

The revaluation surplus included in equity related to an item of tangible assets is transferred directly to retained earnings as the revalued tangible asset is depreciated and when the asset is recognized.

Starting with May 1, 2009, statutory reserves from the revaluation of fixed assets, including land, made after January 1, 2004, which are deducted when calculating taxable profit through fiscal depreciation or expenses regarding assets sold and/or scrapped, are taxed simultaneously with the deduction of fiscal depreciation, respectively at the time of the withdrawal from management of these fixed assets.

The statutory reserves from the revaluation of fixed assets, including land, carried out until December 31, 2003 plus the portion of the revaluation carried out after January 1, 2004 relating to the period until April 30, 2009, will not be taxed at the time of transfer to reserves representing the surplus realized from the revaluation reserves.

The reserves made are taxed in the future, in the event of a change in the destination of the reserves in any form, in the event of liquidation, merger, including its use to cover accounting losses, with the exception of the transfer after May 1, 2009, of reserves related to evaluations made after January 1, 2004, which are taxed simultaneously with the deduction of fiscal depreciation.

### **Share capital**

The Company recognizes changes to the share capital under the conditions provided by the legislation in force, only after their approval in the General Meeting of Shareholders and their registration with the Trade Register Office.

### **Dividends**

Dividends are recognized as a liability in the period in which their distribution is approved.

### **Suppliers and similar accounts**

Trade and other payables include the value of invoices issued by suppliers for finished products manufactured, works performed and services provided.

### **Loans**

Borrowings are initially recognized at fair value, net of transaction costs. Subsequent to initial recognition, loans are recorded at amortized cost, with any difference between cost and redemption value being recognized in the profit and loss account over the period of the loan.

### **Income tax**

Income tax expense comprises current tax and deferred tax. Current tax and deferred tax are recognized in the income statement except when they are recognized directly in equity or other comprehensive income.

### **Current tax**

Current tax represents the tax expected to be paid or received on taxable income or deductible loss realized in previous years, using tax rates enacted or substantially enacted at the reporting date, as well as any adjustment regarding income tax obligations relating to previous years.

### **Deferred tax**

Deferred tax is recognized for temporary differences that arise between the carrying amount of assets and liabilities used for financial reporting purposes and the tax base used for tax calculation.

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The valuation of deferred tax reflects the tax consequence that would arise from the manner in which the Company expects, at the end of the reporting period, to recover or settle the value of its assets and liabilities. Deferred tax receivables are reviewed at each reporting date and are reduced to the extent that it is no longer possible to realize the related tax benefit.

### **Employee Benefits**

#### *Short-term employee benefits*

Short-term benefit obligations are measured without discounting and are recognized as expenses as the services are rendered. A provision is recognized at the estimated amount to be paid for short-term benefits in the form of bonuses or employee profit sharing, only if the Company has a present, legal or constructive obligation to pay this amount in return for past service rendered by employees, and this obligation can be estimated at fair value. Short-term employee benefits are mainly represented by salaries.

In the normal course of business, the Company makes payments on behalf of its employees to the pension fund. All employees of the Company are members of the Romanian State pension plan.

### **Financing costs**

The company does not capitalize borrowing costs because it does not have long-term loans.

Interest income and interest expenses are recognized in the profit and loss account at the time of their payment.

### **Grants**

Grants are initially recognized as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grants, and are then recognized in the income statement as other income over the life of the asset to which they relate. Grants are related to assets. Non-reimbursable funds are recognized as assets when there is reasonable assurance that they will be received and that the related conditions will be met.

### **Provisions**

A provision is recognized when, and only when, the following conditions are met: The Company has a present obligation (legal and constructive) as a result of a past event; it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

### **Earnings per share**

In accordance with SIC33 “Earnings per Share”, earnings per share are calculated by dividing the profit or loss attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding during the period.

The weighted average of shares outstanding during the period represents the number of shares at the beginning of the period, adjusted by the number of shares issued, multiplied by the number of months in which the shares were outstanding during the period.

Dilution is a reduction in earnings per share or an increase in losses per share resulting from the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of certain specified conditions. The purpose of diluted earnings per share is consistent with that of basic earnings per share, namely, to assess the interest of each ordinary share in the performance of an entity.

### **Quotas**

Contingent liabilities are not recognized in the accompanying financial statements. They are disclosed when the outflow of resources embodying economic benefits becomes possible and not probable.

A contingent asset is not recognized in the accompanying financial statements, but is presented when an inflow of economic benefits is probable.

### **Segment reporting**

A segment is a distinct component of the Company that provides certain products or services (activity segment) or provides products or services in a certain geographical environment (geographical segment) and that is subject to risks and benefits that are different from those of other segments.

The Company operates in a single location in Romania. The Company's management considers the operations in their entirety as a "single segment".

Operating segments are reviewed consistently by the entity's chief operating decision maker in making decisions about allocating resources to segments and evaluating their performance, and for which separate financial information is available.

An entity shall report revenue from external customers for each product and service or for similar products or services, unless the necessary information is not available and the cost of preparing it would be excessive, in which case this fact shall be disclosed. The amounts of revenue reported shall take into account the financial information used to prepare the entity's financial statements.

Deliveries made by the Company during 2025 domestically amount to 44,911,099 lei, of which the main customers are:

Oltenia Energy Complex	17,993,283 lei
Holcim Romania Bucharest	2,794,944 lei
CET Govora	2,281,016 lei

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Apennin Tg Jiu	1,779,832 lei
CNCFR Bucharest	1,154,514 lei
Cupru Min	762,829 lei
SE Craiova	743,702 lei
Dedeman	542,512 lei
Cerulex Craiova	468,227 lei
Profi Rom	459,684 lei
Kaufland	433,357 lei

During the period January 1, 2025-December 31, 2025, the Company recorded exports as follows:

Total Export Deliveries 18,365,411 **EUR** (92,439,192 RON ) of which:

Outside the European Union 2,918,176 EUR

Within the European Union 15,447,235 EUR

The main products manufactured by the Company are:/

General Purpose Textile Insert Conveyor Belts;

Conveyor Belts with Antistatic and Flame Resistant Textile Insert;

Antistatic and Flame Resistant Textile Insert Conveyor Belts for Underground;

General Purpose Metal Insert Conveyor Belts;

Antistatic and Flame Resistant Metal Insert Conveyor Belts;

Reconditioning Used Drums;

Technical Plates and Carpets;

Car Accessories;

Profiled Gaskets;

Canvas Gaskets;

Elastic Couplings;

O-rings, etc.

### **The implications of the new International Financial Reporting Standards (IFRS EU)**

*New standards and interpretations as approved by the European Union*

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A number of new standards, amendments to standards and interpretations are applicable to annual periods beginning after January 1, 2012 and have not been applied in the preparation of these separate financial statements. None of the new standards are expected to have a significant effect on the Company's financial statements.

*New standards not yet applicable as of December 31, 2025*

International Accounting Standard ( SIC ) 19 (2011 ) Employee Benefits (effective for periods beginning on or after January 1, 2013).

This amendment is not relevant to the company's financial statements, as the Company's current policy is to immediately recognize gains and losses in the profit and loss account.

The Company does not apply IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, nor IFRS 12 Disclosure of Interests in Other Entities.

### Fixed assets 2025

#### NOTE 1

- LEI -

Name of the immobilization element	Gross value				Value adjustments (amortization and adjustments for depreciation or loss of value)			
	Balance at January 1 2025	GROWTH	Assignments, transfers and other reductions	Balance at Dec. 31 2025	Balance at January 1 2025	Adjustments recorded during the year	Discounts or reruns	Balance at Dec. 31 2024
0	1	2	3	4 =1+2-3	5	6	7	8=5+6-7
A. FIXED ASSETS								
I. INTANGIBLE ASSETS	-	-	-	-	-	-	-	-
1. Establishment expenses								
2. Development expenses	4,112,519		-	4,112,519	4,112,519	-	-	4,112,519
3. Concessions, patents, licenses and other fixed assets	29,095,168	200,897	-	29,296,065	23,870,046	1,203,440	-	25,073,486
4. Goodwill								
5. Advances and intangible assets in progress								
<b>TOTAL:</b>	<b>33,207,687</b>	<b>200,897</b>	<b>-</b>	<b>33,408,584</b>	<b>27,982,565</b>	<b>1,203,440</b>	<b>-</b>	<b>29,186,005</b>
II. TANGIBLE ASSETS								
1. Lands	11,824,402	-	25,294	11,799,108	133,421	-	-	133,421
2. Construction	42,427,938	237,009	74,217	42,590,730	33,981,192	934,485	73,471	34,842,206
3. Technological equipment	49,602,490	736,574	417,159	49,921,905	41,196,195	1,001,839	351,453	41,846,581
4. Measuring, control and regulation devices and installations	2,216,574	88,620	53,274	2,251,920	2,017,054	85,264	53,274	2,049,044

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5. Means of transport	6,954,706	119,731	109,730	6,964,707	5,973,813	340,523	109,731	6,204,605
6. Furniture, equipment, office equipment and other assets PLANT	698,752	34,370	24,830	708,292	488,147	56,137	24,830	519,454
7. Advances and tangible assets in progress	461,220	548,697	1,009,917	-	-	-	-	-
<b>TOTAL:</b>	<b>114,186,082</b>	<b>1,765,001</b>	<b>1,714,421</b>	<b>114,236,662</b>	<b>83,789,822</b>	<b>2,418,248</b>	<b>612,759</b>	<b>85,595,311</b>
<b>III. FINANCIAL ASSETS</b>								
1. Shares held in companies within the group	-	-	-	-	-	-	-	-
2. Receivables from companies within the group	-	-	-	-	-	-	-	-
3. Securities in the form of participating interests	-	-	-	-	-	-	-	-
4. Receivables from participation interests	-	-	-	-	-	-	-	-
5. Securities held as fixed assets	-	-	-	-	-	-	-	-
6. Other receivables	-	-	-	-	-	-	-	-
7. Own actions	-	-	-	-	-	-	-	-
<b>TOTAL:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FIXED ASSETS – TOTAL</b>	<b>147,393,769</b>	<b>1,965,898</b>	<b>1,714,421</b>	<b>147,645,246</b>	<b>111,772,387</b>	<b>3,621,688</b>	<b>612,759</b>	<b>114,781,316</b>

The fixed assets in the company's assets are depreciated using the straight-line method. The last revaluation was carried out at the end of 2012 by the authorized appraiser ANEVAR, which modified the gross book value of the asset, after revaluation, using the proportional treatment of accumulated depreciation. On December 31, 2023, the buildings were evaluated to determine the taxable value.

### Provisions for risks and expenses

NOTE 2

- lions -

Name provision	Balance at January 1, 2025	Transfers		Balance at December 31, 2025
		in account	from the account	
0	1	2	3	4=1+2-3
Provisions for impairment of receivables – customers	3,908,775	-	-	3,908,775
Provisions for impairment of receivables – sundry debtors	-	-	-	-

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**NOTE 3**

**Profit sharing  
on 31.12.2025**

**- LEI -**

<b>Destination of profit</b>	<b>Amount</b>
<b>Net profit to be distributed:</b>	<b>76,306</b>
<b>-reinvested profit</b>	
<b>- covering the accounting loss resulting from corrections</b>	
<b>- legal reserve</b>	
<b>- dividends</b>	
<b>- other reserves</b>	
<b>- RETAINED PROFIT</b>	<b>-</b>

**NOTE 4**

**Analysis of operating profit**

**LEI**

<b>Indicator</b>	<b>Previous year – 2024</b>	<b>Current year – 2025</b>
<b>0</b>	<b>1</b>	<b>2</b>
<b>1. Net turnover</b>	<b>144,842,306</b>	<b>131,357,355</b>
<b>2. Cost of goods sold and services rendered (3+4+5+6), of which:</b>	<b>138,408,968</b>	<b>132,245,408</b>
<b>3. Core business expenses</b>	<b>80,174,161</b>	<b>81,160,712</b>
<b>4. Ancillary activities expenses</b>	<b>22,882,072</b>	<b>19,022,670</b>
<b>5. Indirect production costs</b>	<b>32,622,990</b>	<b>30,286,036</b>
<b>6. Expenses related to goods and packaging sold</b>	<b>2,729,745</b>	<b>1,775,990</b>
<b>7. Gross profit related to turnover (1-2)</b>	<b>6,433,338</b>	<b>-888,053</b>

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<b>8. Selling expenses</b>	<b>3,639,745</b>	<b>3,612,877</b>
<b>9. General administrative expenses</b>	<b>2,525,543</b>	<b>1,712,358</b>
<b>10. Other operating income</b>	<b>12,920,378</b>	<b>10,995,495</b>
<b>11. Expenses related to other operating income</b>	<b>11,238,127</b>	<b>5,098,629</b>
<b>12. Total operating income (1+10)</b>	<b>157,762,684</b>	<b>142,352,850</b>
<b>13. Total operating expenses (2+8+9+11)</b>	<b>155,812,383</b>	<b>142,669,272</b>
<b>14. Operating result (12-13)</b>	<b>1,950,301</b>	<b>-316,422</b>

NOTE 5

### Receivables and payables situation

- LEI -

RECEIVABLES	Balance at December 31, 2025 (col. 2+3)	Liquidity term	
		under 1 year	over 1 year
0	1	2	3
<b>Total of which:</b>	<b>19,063,962</b>	<b>19,063,962</b>	<b>-</b>
<b>Suppliers – debtors</b>	<b>1,703</b>	<b>1,703</b>	<b>-</b>
Customers	17,312,370	17,312,370	-
Other receivables	1,749,889	1,749,889	-

- lions -

LIABILITIES	Balance as of December 31, 2025 (col. 2+3+4)	Due date		
		under 1 year	1-5 years	over 5 years
0	1	2	3	4
<b>Total of which:</b>	<b>14,025,185</b>	<b>14,016,351</b>	<b>8,834</b>	
<b>1. State budget</b>	<b>910,764</b>	<b>910,764</b>	<b>-</b>	<b>-</b>
- profit tax	96,337	96,337	-	-
- dividend tax	276,715	276,715	-	-
- tax on income from salaries	237,659	237,659	-	-
- VAT payable	224,072	224,072	-	-
- 2.25% insurance contribution for work	75,981	75,981		

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<b>2. Special Fund Budgets</b>	<b>21,993</b>	<b>21,993</b>	-	--
- medium background	7,190	7,190	-	-
- solidarity fund for people with disabilities	14,803	14,803	-	-
<b>3. Social security budgets</b>	<b>1,217,897</b>	<b>1,217,897</b>	-	-
- CAS	853,739	853,739	-	-
- CASS	364,158	364,158	--	-
<b>4. Other taxes, fees, payments</b>	-	-	-	-
<b>5. Other loans and similar debts – leasing</b>	-	-	-	-
<b>6. Interest on other loans and similar debts – leasing</b>	-	-	-	-
<b>7. Personnel – salaries due</b>	<b>927,225</b>	<b>927,225</b>	-	-
<b>8. Personnel – sick leave</b>	-	-	-	-
<b>9. Unclaimed personnel rights</b>	-	-	-	-
<b>10. Withholdings from salaries due to third parties</b>	<b>52,677</b>	<b>52,677</b>	-	-
<b>11. Management guarantees</b>	<b>8,834</b>		<b>8,834</b>	
<b>12. Unclaimed VAT</b>	<b>13,800</b>	<b>13,800</b>		
<b>13. Sundry creditors</b>	<b>269,058</b>	<b>269,058</b>	-	-
<b>14. Dividends</b>	<b>4,222,987</b>	<b>4,222,987</b>	-	-
<b>15. Credits</b>	-	-	-	-
<b>16 Suppliers</b>	<b>6,353,281</b>	<b>6,353,281</b>	-	-
<b>17. Creditor customers</b>	<b>26,669</b>	<b>26,669</b>	-	-
<b>18. Interest payable</b>	-	-	-	-
<b>19. Long-term loans</b>	-	-	-	-

**Stocks**

On December 31, 2025, compared to December 31, 2024, the inventories are as follows:

Elements	Dec 31, 2024	Dec 31, 2025
<b>1. Raw materials and consumables</b>	29,616,696	22,785,992
<b>2. Fixed assets held for sale</b>	50,289	50,289
<b>3. Production in progress</b>	-	-

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<b>4. Finished products and goods</b>	22,057,442	20,155,198
<b>5. Advances</b>	178,168	18,332
<b>TOTAL</b>	<b>51,902,595</b>	<b>43,009,811</b>

The method of evaluating outputs used by the Company is the FIFO method.

The company has inventories pledged as accounts payable. Inventories are reflected in the company's records at their acquisition cost, which includes the purchase price, import customs duties and other non-recoverable taxes, transportation, handling costs and other directly attributable costs.

### **Customers and similar accounts**

As of December 31, 2025, compared to December 31, 2024, customers and similar accounts are presented as follows:

<b>elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
<b>1. Trade receivables</b>	17,578,910	17,312,370
<b>2. Advances paid</b>	16,974	1,703
<b>3. Other receivables</b>	1,523,590	1,749,889
<b>TOTAL</b>	<b>19,119,474</b>	<b>19,063,962</b>

Deliveries made by the Company during 2025 domestically amount to 44,911,099 lei, of which the main customers are:

Oltenia Energy Complex	17,993,283 lei
Holcim Romania Bucharest	2,794,944 lei
CET Govora	2,281,016 lei
Apennin Tg Jiu	1,779,832 lei
CNCFR Bucharest	1,154,514 lei
CUPRU Min	762,829 lei
SE Craiova	743,702 lei
Dedeman	542,512 lei
Cerulex Craiova	468,227 lei
Profi Rom	459,684 lei
Kaufland	433,357 lei

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During the period January 1, 2025 - December 31, 2025, the Company recorded exports as follows:

Total Export Deliveries 18,365,411 EUR (92,439,192 RON ) of which:

Outside the European Union up to 2,918,176 euros

Within the European Union 15,447,235 euros

#### EURO

ENGLAND	2,354,242.15
AUSTRIA	26,427.50
BELGIUM	215,890.10
BOSNIA & HERZEGOVINA	20,521.48
BULGARIA	37,903.85
CZECH REPUBLIC	9,024.00
EGYPT	35,501.40
ESTONIA	3,780.00
FINLAND	315,407.45
FRANCE	138,321.92
GERMANY	6,199,073.89
GREECE	6,700.00
ITALY	309,062.87
MACEDONIA	1,337.04
NETHERLANDS	1,492,666.90
POLAND	528,719.24
SERBIA	429,447.15
SLOVAKIA	111,839.80
SPAIN	4,660,622.09
SWEDEN	1,298,785.19
UKRAINE	77,126.33
HUNGARY	93,010.44
TOTAL	18,365,410.79

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### **Financial assets of which available for sale**

On December 31, 2025, compared to December 31, 2024, short-term investments are presented as follows:

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
<b>Short-term investments</b>	14,397	14,397
<b>TOTAL</b>	<b>14,397</b>	<b>14,397</b>

The balance as of December 31, 2025 in the amount of 14,397 lei is represented by the equivalent value of shares purchased in previous years from IFB Invest Tg-Jiu.

The share of short-term investments in the company's capital is insignificant.

The Company does not hold interests in other companies. In this regard, the Company has not received dividends from other companies.

### **Advance expenses**

As of December 31, 2025, compared to December 31, 2024, the expenses incurred in advance are presented as follows:

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
<b>Advance expenses</b>	201,916	234,608
<b>TOTAL</b>	<b>201,916</b>	<b>234,608</b>

The balance as of December 31, 2025, in the amount of 234,608 lei, represents expenses made in advance for: insurance in favor of banks for loans granted, car vignettes, professional training courses, rent paid in advance for the rental of various equipment.

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### **Cash and cash equivalents**

As of December 31, 2025, compared to December 31, 2024, cash and cash equivalents are presented as follows:

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
<b>Current bank accounts and deposits</b>	7,244,640	7,253,786
<b>LEI CASH</b>	6,317	26,300
<b>CASH foreign currency</b>		
<b>Other cash equivalents</b>	58,271	179,669
<b>TOTAL</b>	<b>7,309,228</b>	<b>7,459,755</b>

### **Social Capital**

As of December 31, 2025 and December 31, 2024, the share capital includes the effects of restatements recorded in previous years 20in accordance with the application of "SIC" 29 "Financial Reporting in Hyperinflationary Economies". The reconciliation of the share capital is presented as follows:

Share capital (nominal value)	20,286,865
Differences related to restatement according to SIC 29	89,052,449
Balance of share capital (restated )	<b><u>109,339,314</u></b>

At the end of the reporting period, the Company's fully subscribed and paid-up share capital in the amount of 20,286,865 is divided into 8,114,746 ordinary shares with a nominal value of 2.5 lei per share and corresponds to that registered with the Trade Register Office.

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The shareholding structure as of December 31, 2025 is as follows:

<b>Shareholders</b>	<b>Nominal value per share</b>	<b>Number of shares held</b>	<b>Total amount</b>	<b>% of share capital</b>
<i>PAS ARTEGO EMPLOYEES ASSOCIATION</i>	2.50	6,968,820	17,422,050.00	85.8784%
<i>Individuals</i>	2.50	1,110,305	2,775,762.50	13.6827%
<i>Legal entities</i>	2.50	35,619	89.047.50	0.4389%
<i>THE ROMANIAN STATE THROUGH THE AUTHORITY FOR THE ADMINISTRATION OF STATE ASSETS</i>	2.50	2	5.00	0.0000%
<b>TOTAL</b>	<b>2.50</b>	<b>8,114,746</b>	<b>20,286,865.00</b>	<b>100,000%</b>

### Legal reserves

The legal reserves amount to 4,057,373 lei as of December 31, 2025. The company transferred 5% of the annual accounting profit (Law 227/2015) to the legal reserve, the cumulative balance reaching 20% of the paid-up share capital.

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### **Revaluation reserves**

The revaluation reserve amounts to 26,836,923 lei as of December 31, 2025.

### **Other reservations**

As of December 31, 2025, compared to December 31, 2024, other reserves record the following levels:

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
<b>Other Reserves</b>	35,620,669	31,187,122
<b>Total</b>	<b>35,620,669</b>	<b>31,187,122</b>

### **Other equity items**

As of December 31, 2025, the amount of 512,019 lei represents the deferred tax related to the balance revaluations made after January 1, 2004, reduced by the deferred tax related to the amortization of the revaluation recorded on costs in the 12 months of 2025.

### **Investment subsidies**

The income recorded in advance is represented by the subsidies received for investments as non-refundable for a project carried out with the Ministry of Energy and records the following decreasing levels until the full depreciation of the objective put into operation, as follows:

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
<b>1. Investment subsidies</b>	2,191,979	2,052,075
<b>Total</b>	<b>2,191,979</b>	<b>2,052,075</b>

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### **Short-term loans**

The company has credit lines in lei and EUR at ING BANK as follows:

	<b>31.12.2024</b>			<b>31.12.2025</b>	
<b>Bank</b>	<b>Approved</b>	<b>Used</b>	<b>Bank</b>	<b>Approved</b>	<b>Used</b>
ING BANK(SGB) lei	5,000,000	1,059,404	ING BANK(SGB) lei	5,000,000	1,379,900
INTESA EUR	500,000		INTESA EUR	-	-
ING BANK EUR	4,250,000		ING BANK EUR	2,000,000	-

### ***Long-term loans***

The company has no long-term loans contracted with banks or other financial institutions.

### **Earnings per share**

On December 31, 2025 compared to December 31, 2024, the earnings per share are:

	_____	_____
	Dec. 31, 2024	Dec. 31, 2025
	_____	_____
<b>Profit for the period</b>	<b>1,332,223</b>	<b>76,306</b>
The number of ordinary shares at beginning and end of the period	8,114,746	8,114,746
	_____	_____
<b>Basic and diluted earnings per share (lei/share)</b>	<b>0.16</b>	<b>0.0094</b>

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## **Dividends**

According to the AGM Decision no. 1 of 27.03.2025, the amount of 3,155,735 lei was distributed as dividends to shareholders, resulting in a net dividend of 0.35 lei per share. According to the AGM Decision no. 4/22.12.2025, the amount of 2,704,915.80 lei was distributed as dividends to shareholders, resulting in a net dividend of 0.3 lei per share.

## **Other taxes and obligations for the state budget and social insurance**

elements	Dec 31, 2024	Dec. 31, 2025
<b>1. State budget</b>	<b>609,151</b>	<b>910,764</b>
- profit tax	102,958	96,337
- tax on income from salaries	325,600	237,659
-dividend tax	77,848	276,715
- VAT payable	-	224,072
-2.25% CAM	102,745	75,981
<b>2. Special Fund Budgets</b>	<b>25,900</b>	<b>21,993</b>
- medium background	19,777	7,190
- solidarity fund 24for people with disabilities	6,123	14,803
<b>3. Social security budgets</b>	<b>1,636,592</b>	<b>1,217,897</b>
- CAS	1,148,878	853,739
- CASS	487,714	364,158
<b>4. Other taxes, fees, payments</b>	<b>-</b>	<b>-</b>

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### **Income tax**

The Company's current and deferred income tax for 2025 and 2024 is determined at a statutory rate of 16%, being in effect in the financial year 2025 and 2024, respectively.

The profit tax expense for 2025 and 2024 is presented as follows:

	<b>2024</b>	<b>2025</b>
Current income tax	187,436	101,960
Deferred income tax		
<b>Total</b>	187,436	101,960
<i><b>Reconciliation of the effective tax rate</b></i>	<b>2024</b>	<b>2025</b>
<b>Profit before income tax</b>	1,479,291	135,071
Corporate income tax at the statutory rate of 16%.	236,686	21,611
The effect of non-deductible expenses	193,485	109,339
The effect of non-taxable income		-899
Taxable revaluation reserve		
Legal reserve		
Deferred tax reversal		
Other effects	-242,735	-28,091
<b>Total</b>	<b>187,436</b>	<b>101,960</b>

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### **Operating income**

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2024</b>
Production sold	142,941,901	130,350,253
Revenue from the sale of goods	2,445,657	1,548,178
Trade discounts granted	545,252	541,076
Revenue related to product inventory costs	10,982,605	4,885,398
Revenue from fixed asset production	424,279	544,403
Income from fixed assets held for sale	-	-
Revenue from operating subsidies	-	-
Other operating income	1,513,494	5,565,694
<b>Total operating income</b>	<b>157,762,684</b>	<b>142,352,850</b>

In accordance with the provisions of IAS 18 Revenue, revenues must:

- measured at the fair value of the consideration given or receivable;
- take into account the value of any trade discounts and quantity rebates allowed;
- the difference between the fair value and the nominal value of the consideration must be recognized as interest income;
- the exchange of goods and services is not a transaction that generates income, and as such each transaction must be recognized separately;
- in most cases the transfer of risks and benefits coincides with the transfer of ownership or the passing of possession of the goods the buyer;
- if the entity retains the significant risks associated with the property, the transaction does not represent a sale and revenue is not recognized;
- if an entity retains only an insignificant risk arising from ownership, then the respective transaction represents a sale, and revenue is recognized;
- when an uncertainty arises related to the collection of an amount that cannot be collected, it will be recognized as an expense rather than as an adjustment to the value of the income initially recognized;
- income and expenses that refer to the same transaction or other event are recognized simultaneously, this process being commonly called matching income with expenses .

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### **Operating expenses**

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
Expenses on raw materials and consumables	79,855,429	74,991,658
Other material expenses	847,198	543,599
Other external expenses (energy, water, natural gas)	13,193,132	12,066,841
Expenses related to goods	2,130,738	1,333,999
Trade discounts received	9,818	20,975
Personnel expenses of which:	47,148,474	42,643,516
-Salaries and allowances	45,599,565	41,296,315
-Insurance and social protection	1,548,909	1,347,201
Tangible fixed asset adjustments of which:	3,553,929	3,621,689
-Expenses	3,553,929	3,621,689
-Income	-	-
Current asset adjustments of which:	-	-
-Expenses	-	-
-Income	-	-
Other operating expenses of which	9,093,301	7,488,945
Expenses related to external services	6,821,338	5,714,386
Expenses with other taxes and duties	1,468,965	1,346,618
Expenses related to assets fixed assets intended for sale	422	222
Other expenses	802,576	427,719
<b>Total Operating Expenses</b>	<b>155,812,383</b>	<b>142,669,272</b>

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### **Operating profit/loss**

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
Operating result (Profit)	1,950,301	-
Operating result (Loss)	-	316,222

### **Net financial result**

<b>Elements</b>	<b>Dec 31, 2024</b>	<b>Dec 31, 2025</b>
Income from exchange rate differences	96,066	722,093
Interest income	53	170,379
Other financial income	635	209
<b>Total Financial Income</b>	<b>96,754</b>	<b>892,681</b>
Interest expenses	253,767	60,544
Other financial expenses	313,997	380,644
<b>Total Financial Expenses</b>	<b>567,764</b>	<b>441,188</b>
<b>Net financial result</b>	<b>-471,010</b>	<b>451,493</b>

### **Provisions**

In 2025, the Company did not establish provisions for doubtful customers. As of December 31, 2025, the balance of provisions is 3,908,775 lei.

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### **Fiscal legislative framework**

The Romanian tax and legislative framework and its implementation in practice are subject to frequent changes and are subject to different interpretations by various regulatory authorities. Income tax returns are subject to review and correction by the tax authorities, generally for a period of five years from the date of their completion. Management believes that it has adequately recorded the tax obligations in the accompanying financial statements; however, there is a risk that the tax authorities may adopt different positions on the interpretation of these issues. The impact of these could not be determined at this date.

### **GUARANTEES**

The Company, as of December 31, 2025, has the following assets mortgaged in favor of the financing banks to which it has committed credit lines as follows:

#### **ING BANK**

##### **- MORTGAGED PROPERTY SITUATION -**

<b><i>CADASTRAL NUMBER</i></b>	<b><i>MORTGAGED PROPERTY (LAND + BUILDINGS) - DESCRIPTION</i></b>
<b>1315/2/1/1/2 CF 40066</b>	<b>-land area of 20,616 sq m + buildings: 1. conveyor belt hall (C56/1).</b>

### **Affiliated Parties**

The company has no affiliated parties .

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**Status of ongoing litigation**

**ARTEGO SA – plaintiff**

No. of documents.	File No.	Defendant company	Object	Request/ Amount requested	File status/ Observations
1	8207/62/2011	Brasov CHP	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 46,887.93 lei	<b>- in progress;</b> we were admitted to the bankruptcy estate with the amount of 46,887.93 lei; the bankruptcy procedure continues
2	60833/3/2011	Munplast Bucharest	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 19,457.81 lei	<b>- in progress;</b> we were admitted to the bankruptcy estate with the amount of 19,457.81 lei, from which we recovered the amount of 5,000 lei; on 18.12.2025, the court ordered the closure of the bankruptcy procedure (the judgment is subject to appeal within 7 days of notification)
3	4163/95/2012	Gastrom Group Targu-Jiu	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 52,777.37 lion	<b>- in progress;</b> we were admitted to the bankruptcy estate with the amount of 52,777.37 lei; the bankruptcy procedure continues
4	887/90/2013	Oltchim Ramnicu-Valcea	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 19,946.68 lei	<b>- in progress;</b> we were admitted to the bankruptcy estate with the amount of 19,946.68 lei; the bankruptcy procedure continues
5	9089/101/2013	Severin Autonomous Administration for Nuclear Activities	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 1,439,815.78 lei	<b>- in progress;</b> we were admitted to the bankruptcy estate with the amount of 1,439,815.78 lei; the bankruptcy procedure continues

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6	2570/63/2014	Oltenia Energy Services Craiova	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 3,188.77 lei	<b>- in progress;</b> we were admitted to the bankruptcy estate with the amount of 2,486.37 lei; the bankruptcy procedure continues
7	528/95/2015	Succes Nic Com Targu - Jiu	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 34,155.80 lei	<b>- in progress;</b> we were admitted to the bankruptcy court with the amount of 34,155.80 lei; the judicial reorganization procedure continues
8	2575/85/2015	Ambient Sibiu	Insolvency procedure	- admission to the debtor's creditors' meeting with the amount of 1,240.00 lei	<b>- in progress;</b> we were admitted to the bankruptcy estate with the amount of 1,240.00 lei; the bankruptcy procedure continues
9	3520/95/2015	Ignifug Prest Targu-Jiu	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 4,783.92 lei	<b>- in progress;</b> we were admitted to the bankruptcy estate with the amount of 4,783.92 lei; the bankruptcy procedure continues
10	1396/90/2016	CET Govora	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 1,665,256.19 lei	<b>- in progress;</b> we were admitted to the table of credit with the amount of 1,665,256.19 lei; the judicial reorganization procedure continues
11	5114/95/2016	Instalatii Revizii Utilitati Pentru Minerit Targu-Jiu	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 41,307.71 lei	<b>- in progress;</b> we were admitted to the table of credit with the amount of 41,307.71 lei; bankruptcy proceedings continue
12	1248/95/2018	Intreprinderea de Drumuri si Poduri Targu-Jiu	Insolvency procedure	- admission to the debtor's creditors' table with the amount of 2,783.39 lei	<b>- in progress;</b> we were admitted to the table of credit with the amount of 2,783.39 lei of which we recovered the amount of 1,391.39 lei; bankruptcy proceedings continue
13	5075/97/2016	Societatea Complexul Energetic Hunedoara	Insolvency procedure	- admission to the debtor's creditors' meeting with the amount of 580,000.00 lei	<b>- in progress;</b> we were admitted to the credala table with the amount of 580,000.00 lei ; bankruptcy proceedings continue

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14	10007/3/2024	New NCR Reciclare Bucharest	Insolvency procedure	- admission to the debtor's creditors' meeting with the amount of 3,716.00 lei	<b>- in progress;</b> the debtor entered general bankruptcy proceedings
15	8105/318/2022	Cornelie Trasca	Real estate claim	Obliging the defendant to leave us full ownership and quiet possession of a plot of land with an area of 250 square meters.	<b>- in progress ;</b> - trial date: - 09.04.2026
16	5807/318/2025	Wellhydromix Targu-Jiu	low value claim	Obliging the defendant to pay us the amount of 666.40 lei	<b>- in progress ;</b> - trial date: - 03.02.2026
17	8272/318/2025	Institutia Primarului Municipiului Targu-Jiu	Minor offence complaint	Cancellation of the violation report (fine – 5,000 lei)	<b>- in progress ;</b> - trial date: - 19.02.2026
18	21111/318/2025	Spitalul Judetean de Urgenta Targu-Jiu	Payment order	Issuance of an order for the amount of 139,089.61 lei	<b>- in progress ;</b> the debtor has paid part of the requested debt; trial deadline: - 25.03.2026

After the preparation of the reports concluded on December 31, 2025, no events occurred whose effects were significant and influenced the data contained in the current financial statements.

**Information regarding employees and members of management, administration and supervisory bodies**

SC ARTEGO SA operates, is managed and organized according to the provisions of Law 31/1990 republished on commercial companies.

Being a joint stock company, it is managed by the General Meeting of Shareholders and administered by a Board of Directors consisting of 3 members, of which 1 executive member and 2 non-executive members.

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In 2025, the supervision of the company's management was carried out by an audit firm.

The members of the Board of Directors were remunerated in 2025 as follows:

1. Executive member with a gross monthly compensation according to the Management Contract of 35,000 lei.
2. A non-executive member with a gross monthly compensation of 15,000 lei and a non-executive member with a gross monthly compensation according to the Management Contract of 13,000 lei.

SC ARTEGO SA Tg Jiu, at the end of 2025, had no contractual obligations regarding the payment of pensions to former directors and administrators.

During 2025, SC ARTEGO SA did not grant advances and loans to directors and administrators.

The average number of employees for 2025 was 473 employees.

During 2025, SC ARTEGO SA paid salaries in the amount of 37,474,955 lei, and insurance and social protection expenses amounted to 1,347,201 lei.

SC ARTEGO SA Tg Jiu granted meal vouchers for its employees during 2025 in the total amount of 3,821,360 lei.

## ANALYSIS OF THE MAIN ECONOMIC-FINANCIAL INDICATORS IN 2025

### Liquidity indicators

#### 1. Current liquidity indicator

$$\frac{\text{Current assets}}{\text{current liabilities}} = \frac{69,547,925}{14,016,351} = 4.96$$

#### 2. Immediate liquidity

$$\frac{\text{Current assets} - \text{Stocks}}{\text{current liabilities}} = \frac{69,547,925 - 43,009,811}{14,016,351} * 100 = \frac{26,538,114}{14,016,351} * 100 = 189.34\%$$

### Activity indicators

#### 1. Fixed asset turnover rate

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$$\frac{\text{Turnover}}{\text{Fixed assets}} = \frac{131,357,355}{32,863,930} = 4.00$$

2. Total asset turnover rate

$$\frac{\text{Turnover}}{\text{Total assets}} = \frac{131,357,355}{102,646,463} = 1.28$$

### **Risk indicators**

a) Interest coverage ratio

$$\frac{\text{Profit before interest payments and profit tax}}{\text{interest expenses}} = \frac{238,810}{60,544} = 3.94$$

### **Profitability indicators**

Return on capital employed

$$\frac{\text{Profit before interest and profit tax}}{\text{Capital employed}} = \frac{238,810}{86,569,203} = 0.003$$

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**Other information**

SC ARTEGO SA was established according to Law 31/1990, based on Government Decision no. 1224/1990 and was registered at the Trade Register Office under no. J18/1120/1991, with fiscal code R O2157428.

SC ARTEGO SA is a joint-stock company with entirely private capital, the majority shareholder being the Employees' Association "PAS ARTEGO" which on 31.12.2025 holds 85.8784% of the share capital.

When determining the profit tax, the provisions of Law 227/2015 with subsequent amendments and GD 1/2016 for the approval of the Methodological Norms for the application of Law 227/2015 regarding the fiscal code were taken into account, from which:

- late payment penalties due for failure to pay debts on time;
- expenses for the protocol, which exceed the limits provided by the Fiscal Code;
- amounts that exceed the limits of expenses considered deductible;
- sponsorship expenses, according to Law 32/1994;
- amounts used to establish reserves according to Law 31/1990 republished.

Director General,

Eng. Viorel David

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Economic Department,

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