



TTS
TRANSPORT TRADE SERVICES S.A.
BUCUREȘTI – ROMÂNIA

Report of the Board of Directors
of TTS (Transport Trade Services) S.A.
on the activity of the TTS Group in the period
01/01/2023 – 09/30/2023



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Summary

Results

- The 9M_2023 financial results were up across the board compared to 9M_2022 results, and were mainly generated by the increase in the volume of agricultural goods transported and operated and the expansion of the Port Operations Segment.
- TTS (individual) recorded a **turnover of RON 680.1 million** (↑ 46,2% 9M_2023 / 9M_2022) and a **net profit of RON 123.9 million** (↑ 104.5% 9M_2023 / 9M_2022), while **TTS Group** (consolidated) recorded **revenues of RON 872.9 million** (↑ 31,4% 9M_2023 / 9M_2022) and a **net profit of RON 250.5 million** (↑ 83.5% 9M_2023 / 9M_2022).

TTS – Profit and Loss account – 9M_2023

(RON million)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Turnover	680,1	465,3	↑ 46.2%
Operating income	127,5	62,2	↑ 104.9%
Net profit	123,9	60,6	↑ 104.5%
EBITDA	130,2	65,5	↑ 98.7%

TTS Group (consolidated) – Profit and Loss account – 9M_2023

(RON million)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Turnover	872,9	664,3	↑ 31,4%
Operating income	294,6	163,1	↑ 80.7%
Net profit	250,5	136,5	↑ 83.5%
EBITDA	355,5	215,1	↑ 65.2%

- These results led to the consolidation of the financial position at the end of the 3rd quarter, both at TTS level and at the group level.
- The net asset of TTS (individual) on 09/30/2023 was RON 338.7 million, increasing by 36.7% compared to that recorded on 12/31/2022, while the net assets at the level of TTS Group was RON 1,028.9 million (+25.7% 09-30-2023 / 12-31-2022), surpassing the threshold of RON 1 billion for the first time.
- The amount of TTS (individual) debts on 09/30/2023 was RON 168.1 million (+84.1% 09-30-2023 / 12-31-2022) while the debts of TTS Group were RON 265.6 million (+42.3% 09-30-2023 / 12-31-2022).

- Debts increased mainly as a result of TTS contracting loans.
- Thus, the value of the loans contracted by TTS was RON 55.2 million, while other debts (mainly commercial) increased by RON 21.6 million (+23.7% 09-30-2023 / 12-31-2022) . TTS Group's debts had a similar evolution: loans increased by RON 48.8 million (+ 71.7% 09-30-2023 / 12-31-2022) while other debts increased by RON 30.2 million (+25 .5% 09-30-2023 / 12-31-2022).

TTS – Balance Sheet – 09/30/2023

(RON million)	09/30/2023	12/31/2022	Δ 09-30-2023/12-31-2022
Total assets	506,8	339,0	+49.5%
Total debts, of which	168,1	91,3	+84.1%
Loans	55,2	-	N/A
Net assets	338,7	247,8	+36.7%

TTS Group (consolidated) – Balance Sheet – 09/30/2023

(RON million)	09/30/2023	12/31/2022	Δ 09-30-2023/12-31-2022
Total assets	1.294,5	1.005,0	+28.8%
Total debts, of which	265,6	186,6	+42.3%
Loans	116,8	68,0	+71.7%
Net assets	1.028,9	818,4	+25.7%

Operations

- The operational results for 9M_2023 are characterized by the strong increase in the flows of agricultural goods and the increase in the activity of port operation that has surpassed river transport as a share in the activity of TTS Group.
- Both developments were mainly determined by the reconfiguration of logistics chains as an effect of the war in Ukraine, but in terms of agricultural goods an important contribution was also made by the substantial increases in flows from Romania, Serbia and Hungary in Q3_2023 in relation to the levels reached in 2022.
- TTS Group activity increased in the first 9 months of 2023 compared to the same period of 2022, with the **aggregate volume of goods** registering an **increase of 0.84 million tons, respectively 7.9% 9M_2023/9M_2022**, as a result of the increase by 1.83 million tons of port operations (+40.3% 9M_2023 / 9M_2023), which covered the decrease recorded by river transport (-16.4% 9L_2023 / 9L_2023).

- Q3_2023 was the third consecutive quarter of activity volume growth (+4.2% Q3_2023 / Q2_2023, +3.9% Q2_2023/Q1_2023, +4.6% Q1_2023/Q4_2022), in line with the evolution of the port operation activity (+4.9% Q3_2023 / Q2_2023, +19.8% Q2_2023/Q1_2023, +6.8% Q1_2023/Q4_2022).

Volumes by type of operations – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
River transport	5,14	6,14	▼ -16,4%
Port operations	6,38	4,55	▲ +40,3%
Total	11,53	10,69	▲ +7,9%

- The evolution of the relative share of operation/transport signaled at the level of H1_2023 when port operation surpassed river transport by 0.59 million tons (+17.0% Port operation H1_2023 / River transport H1_2023), consolidated in the third quarter, the difference between the volume of goods operated in ports and the volume of goods transported doubling to 9M_2023: 1.24 million tons (+24.1% Port operation 9M_2023 / River transport 9M_2023).
- The flows of agricultural products registered in the first 9 months of 2023 an increase of 2.28 million tons compared to the same period of 2022 (+41.3% 9M_2023 / 9M_2022), increases registering both port operation and river transport.

Agricultural products – volumes by type of operations – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
River transport	2,21	1,56	▲ +41,3%
Port operations	3,79	2,16	▲ +75,5%
Total	6,00	3,72	▲ +61,3%

- By contrast, the flows of mineral products recorded in the first 9 months of 2023 a decrease in volume of 1.33 million tons (-25% 9M_2023 / 9M_2022), the increase of 0.16 million tons (+10.3%) for the port operation not being high enough to compensate for the decrease of 1.49 million tons (- 39.1%) recorded in river transport.

Minerals – volumes by type of operations – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
River transport	2,32	3,81	▼ -39,1%
Port operations	1,68	1,52	▲ +10,3%
Total	4,00	5,33	▼ -25,0%

- The basis of this evolution was the lack of demand for mineral transport services for Romanian metallurgical plants, these flows decreasing by 1.54 million tons compared to 9L_2022.

- In the same line as minerals, chemical products registered in the first 9 months of 2023 a decrease in volume of 0.05 million tons (- 3.7% 9M_2023 / 9M_2022) and an increase of 0.05 million tons per port operation (+5.4% 9M_2023 / 9M_2022).

Chemical products – volumes by type of operations – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
River transport	0,39	0,49	▼ -19,6%
Port operations	0,92	0,87	▲ +5,4%
Total	1,31	1,36	▼ -3,7%

Navigation and port operation conditions

- The navigation conditions in the first 9 months of the year were good, except for the second half of the 3rd quarter, when navigation was difficult in the Zimnicea area, which led to the loading of barges below capacity, especially for raw materials transported to Serbia. Downstream of Cernavodă the navigation conditions were good, the convoys could be loaded to capacity during almost the entire period.
- The port operation in Constanța also suffered from unfavorable weather conditions - especially strong wind, which led to the impossibility of maneuvering to/from maritime vessels, for periods of 5-7 days in each month from Q3_2023.

Investments

- The acquisition of the port terminal DECIROM S.A. was completed in July 2023, by concluding the contract for the purchase of 99.9% of DECIROM's share capital, the takeover being completed in September with the registration of the new board of directors and the new company's articles of incorporation.
 Starting with 08/01/2023, DECIROM was included in the consolidation perimeter of TTS.
 In November, the increase of the share capital of DECIROM was completed through the contribution of TTS in the amount of RON 24,975,000, the operation being registered in the Trade Register.
- In September, the floating cranes purchased in June 2023 arrived in Constanta and were put into operation - cranes that were the subject of informig the shareholders in the E-GSM of June 19, 2023.

1. Synthesis of operational results

1.1. TTS Group Operations

Operations by type of goods¹ – 9M_2023²

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022 ³
Agricultural products	6,00	3,72	▲ +61,3%
Minerals	4,00	5,33	▼ -25,0%
Chemical products	1,31	1,36	▼ -3,7%
Other	0,22	0,28	▼ -21,4%
Total	11,53	10,69	▲ +7,9%

River transport by type of goods – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Agricultural products	2,21	1,56	▲ +41,3%
Minerals	2,32	3,81	▼ -39,1%
Chemical products	0,39	0,49	▼ -19,6%
Other	0,22	0,28	▼ -22,7%
Total	5,14	6,14	▼ -16,4%

Port operations by type of goods – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Agricultural products	3,79	2,16	▲ +75,5%
Minerals	1,68	1,52	▲ +10,3%
Chemical products	0,92	0,87	▲ +5,4%
Total	6,38	4,55	▲ +40,3%

River transport by type of contracts – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Shipping Segment contracts - third parties	0,13	0,30	▼ -56,8%
Direct contracts of the River Transport Segment	0,79	1,79	▼ -55,9%
Intra-group contracts (Shipping Segment - River Transport Segment)	4,22	4,05	▲ +4,2%

Port operation by type of contracts – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Shipment Segment Contracts - third parties	1,44	0,98	▲ +46,9%
Direct contracts of the Port Operations Segment	1,10	1,50	▼ -26,6%
Intra-group contracts (Shipping Segment - Port Operations Segment)	3,84	2,07	▲ +85,1%

¹ Volumes of goods transported and/or port operated by the TTS Group – exclusively TTS (Transport Trade Services) GmbH. Vienna, PLIMSOLL Zrt. Budapest, Fluvius Kft. Budapest, Port of Fajsz Kft. Fajsz, using own means – River Transport and Port Operation Segments, and by contracting services with third-party fleets or port operators.

² The volume and financial data for 9M_2023 contained in the report do not include DECIROM S.A. data. related to July 2023 (the month in which DECIROM was taken over)

³ Throughout the 9M_2023 report, the total values and percentage changes may differ from the values calculated using the values to two decimal places published in the tables due to rounding reasons.

1.2. Shipping segment

Shipping Segment – River transport by type of goods – 9M_2023

(million tons)	9L_2023	9L_2022	Δ 9M_2023 / 9M_2022
Agricultural products	2,19	1,54	▲ +42,4%
Minerals	1,77	2,32	▼ -23,9%
Chemical products	0,39	0,49	▼ -20,1%
Total	4,35	4,35	0,0%

Shipping Segment – Port operation by type of goods – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Agricultural products	3,10	1,21	▲ +156,9%
Minerals	1,44	1,14	▲ +26,3%
Chemical products	0,74	0,71	▲ +4,2%
Total	5,28	3,05	▲ +72,8%

1.3. River Transport Segment

River Transport Segment - River transport by type of goods – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Agricultural products	2,22	1,42	▲ +54,3%
Minerals	2,21	3,65	▼ -39,5%
Chemical products	0,38	0,49	▼ -21,0%
Other	0,22	0,28	▼ -22,7%
Total	5,01	5,84	▼ -14,3%

River Transport Segment – Goods route carried out by type of goods – 9M_2023

(bln. tons * km)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Agricultural products	0,84	0,66	▲ +26,1%
Minerals	1,21	1,59	▼ -24,0%
Chemical products	0,22	0,32	▼ -30,0%
Total	2,27	2,57	▼ -11,8%

1.4. Port Operations Segment

Port Operations Segment – Volumes by type of goods – 9M_2023

(million tons)	9M_2023	9M_2022	Δ 9M_2023 / 9M_2022
Agricultural products	3,70	2,14	▲ +72,7%
Minerals	0,33	0,56	▼ -41,1%
Chemical products	0,92	0,87	▲ +5,4%
Total	4,94	3,57	▲ +38,4%

2. Financial indicators

2.1. TTS (individual)

Current Assets	168,817,800 RON
Current Liabilities	105,410,078 RON
Current ratio	1.60
Interest-bearing debts (long term)	46,992,204 RON
Equity	338,699,848 RON
Indebtedness Ratio1	13.87 %
Interest-bearing debts (long term)	46,992,204 RON
Employed capital	385,692,052 RON
Indebtedness Ratio2	12.18 %
Receivables average balance	53,227,759 RON
Turnover 9 months 2023	680,130,932 RON
No. days	270
Days in receivables	21.13
Turnover (9 months 2023 annualized)	906,841,243 RON
Fixed assets	337,973,451 RON
Fixed assets turnover	2.68

2.2. TTS Group (consolidated)

Current Assets	386,782,117 RON
Current Liabilities	139,828,875 RON
Current ratio	2.77
Interest-bearing debts (long term)	79,861,718 RON
Equity	1,028,941,307 RON
Indebtedness Ratio1	7.76 %
Interest-bearing debts (long term)	79,861,718 RON
Employed capital	1,108,803,025 RON
Indebtedness Ratio2	7.20 %
Receivables average balance	85,656,607 RON
Turnover 9 months 2023	872,916,292 RON
No. days	270
Days in receivables	26.49
Turnover (9 months 2023 annualized)	1,163,888,389 RON
Fixed assets	907,727,145 RON
Fixed assets turnover	1.28

3. Corporate governance

3.1. Corporate events and actions

In Q3_2023 no general meeting of shareholders was held and no corporate action took place.

3.2. TTS Management Transactions

Name	Date	Type	Quantity	Average price [RON/share]
Petru ȘTEFANUT	28.07.2023	Buy	14,400	17.25

3.3. Related Party Transactions

In Q1_2023, intra-group transactions were carried out which were the subject of 34 reports covering transactions totaling RON 498,896,318 registered between October 18, 2022 and September 22, 2023, as follows:

Parties in transaction	Number of reports	Period covered	Total amount
TTS and NAVROM	26	29.12.2022 – 22.09.2023	396.542.716
TTS and TTS Operator	4	21.09.2022 – 04.09.2023	46.679.827
TTS and CANOPUS	1	19.12.2022 – 02.05.2023	9.379.151
NAVROM and NAVROM SHIPYARD	2	18.10.2022 – 17.07.2023	31.140.323
NAVROM and NAVROM PORT SERRVICE	1	12.12.2022 – 13.09.2023	15.154.301



About TTS Group

TTS (Transport Trade Services) S.A.

TTS (TRANSPORT TRADE SERVICES) S.A. ("The Company" or "TTS") was established in January 1997 and is organized according to Law no. 31/1990 as a joint-stock company with full private capital.

The company was admitted to trading on the regulated market administered by the Bucharest Stock Exchange in June 2021 – the first day of trading was June 14, 2021.

On 31.12.2022, the subscribed and paid-up capital was RON 60,000,000, divided into 60,000,000 registered, ordinary, indivisible, freely transferable shares, issued in dematerialized form and recorded in the account with a nominal value of RON 1. The shares are of equal value and give owners equal rights under the law.

The main object of activity falls on the NACE code 5229 – Other activities related to transport

The main activity of the Company is represented by the shipment of dry bulk goods on the Danube, namely agricultural products, mineral raw materials and raw materials and chemical products.

TTS offers integrated logistics services consisting of river transport services, port operation services and any other services specific to logistics chain management.

Transport and port operation services are subcontracted by TTS to its subsidiaries or to third parties.

Considering the specificity of the three types of goods operated, the Company is operationally organized in three departments:

1. Minerals – logistics operations for raw materials and finished products of metallurgical industries as well as for equipment.

2. Agri – logistics operations for agricultural goods, mainly cereals and oilseeds.

3. Chemicals – logistics operations for fertilizers and raw materials for fertilizer production.

Administration and management of TTS

TTS is managed by a Board consisting of five members, of which one member is executive and three members are independent. The composition of the Board was approved by O-GSM Decision no. 1/26/08/2021.

The Board is led by a President appointed by BoD Decision no. 1/30/08/2021.

The board of directors is assisted by three advisory committees:

- **The remuneration and nomination committee** consisting of three non-executive members, two of whom are independent members,
- **The audit committee** consisting of three non-executive members, two of whom are independent members led by an independent non-executive member,

- **The Governance and Sustainability Committee** consisting of three members, two of whom are independent members of the Board of Directors. The third is the Director of Corporate Governance and Investor Relations.

The constitution, organization and functioning of the Committees is regulated by "CHAPTER VI. ADVISORY COMMITTEES. CONSTITUTION, ORGANIZATION AND FUNCTIONING OF ADVISORY COMMITTEES" from the BoD Regulation.

The composition of the Board of Directors is as follows:

Name and Surname	BoD status
Alexandru-Mircea MIHĂILESCU	Non-executive member (Board Chairman, Chairman of the Remuneration and Nomination Committee, member of the Audit Committee)
Ion STANCIU	Executive member
Elena BUTNARIU	Independent member (Chairman of the Audit Committee and member of the Remuneration and Nomination Committee)
Ana-Barbara BOBIRĂ	Independent member (member of the Audit Committee, President of the Corporate Governance and sustainability Comitee)
Dorin-Alexandru BADEA	Independent member (member of the Remuneration and Nomination Committee, member of the Corporate Governance and sustainability Comitee)

The Board of Directors is assisted in its activity by a CA Secretary.

The internal audit function is outsourced. The internal auditor of TTS is the company MBA EXPERT CONSULTING SERVICES S.R.L. Bucharest, independent third party.

The executive management is ensured by the General Director of the Company, the Deputy General Director and the Financial Director.

The management of TTS is delegated by the Board of Directors through the provisions of the Company's Articles of Association.

Composition of the executive management of TTS during is as follows:

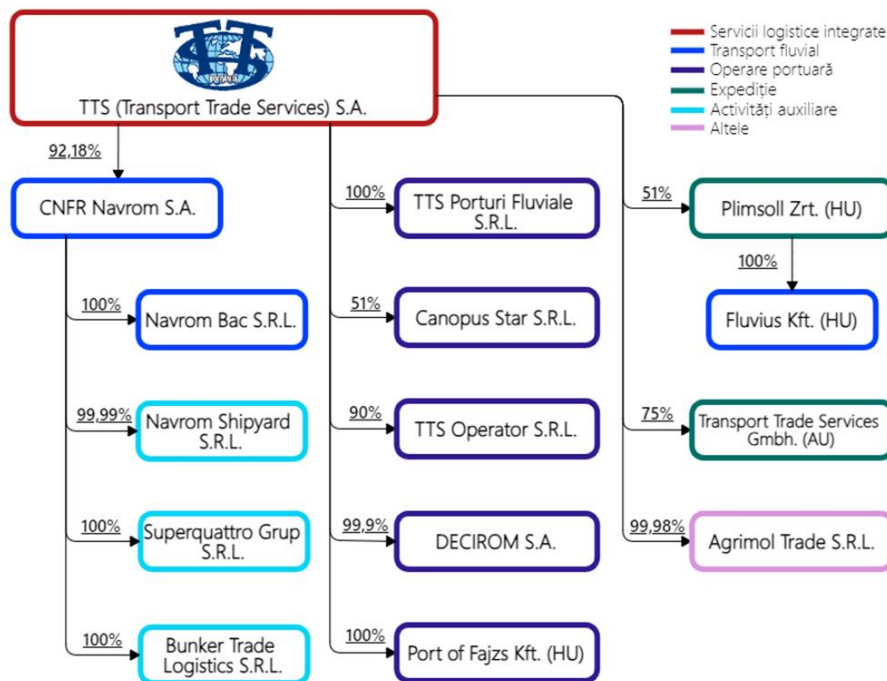
Name and Surname	Status in the executive management	Dates regarding the mandate contracts
Petru ȘTEFĂNUȚ	General Director	Concluded on 26.05.2014, expires on 31.05.2026
Ion STANCIU	Deputy General Director, Operational Director (from	Concluded on 26.05.2014, expires on 03.06.2024
Nicoleta FLORESCU	Financial Director	Concluded on 10.03.2021, expires on 10.03.2025

Holdings of TTS shares of the Company's board and management on 31.12.2022

Name and Surname	Position	No. of shares	Capital participation
Alexandru-Mircea MIHĂILESCU	BoD President	15.184.333	25,307%
Ion STANCIU	Executive BoD member / Deputy General Director	4.287.400	7,146%
Petru ȘTEFĂNUȚ	General Director	953.500	1,589%
Dorin-Alexandru BADEA	Independent board	31.000	0,052%
Nicoleta FLORESCU	Financial Director	2.010	0,003%
Elena BUTNARIU	Independent board	0	0%
Ana-Barbara BOBIRCĂ	Independent board	0	0%

TTS Group

The Transport Trade Services group of companies ("TTS Group" or "Group") is composed of 14 companies, respectively TTS (Transport Trade Services) S.A. ("TTS") and 14 companies in which TTS owns, directly or indirectly, more than 50% of the share capital. Ten companies in the Group operate on the Group's three main business segments – Shipping, River Transport and Port Operations.



The main commodities transported and operated in the ports by TTS group are mineral products (raw materials for the steel industry and rolled products), agricultural products (cereals, oilseeds and feed) and chemical products (phosphate rock and finished products of the chemical fertilizer industry).

TTS Group owns a river fleet with a capacity of 800 thousand tons, 10 floating cranes, as well as port terminals in Constanta and in 7 Danube river ports.

The group offers integrated logistics services, namely transport services (river, rail, road), transshipment (between transport units, from warehouses, silos, etc.), storage (warehouses, silos, warehouse-type river units, etc.) and any other services specific to logistics chain management.



The following companies are part of the TTS group:

Shipping Segment

TTS (Transport Trade Services) S.A. Bucharest

Headquarters: Str. Vaselor, Nr. 27, Sector 2, Bucharest, Romania

Registered business no.: J40/296/1997

Unique registration code: RO9089452

NACE code: 5229 - Other activities related to transport

Main activity: Cargo shipping

Plimsoll Zrt. Budapest

Headquarters: str. Frangepan nr. 1139, Budapest, Hungary

Registered business no.: 01-10-049203

Unique registration code: 25871296

NACE code: 5229 - Other activities related to transport

Main activity: Shipment of goods by rail

Majority shareholder: TTS 51%

TTS (Transport Trade Services) GmbH. Viena

Headquarters: 15b Lerchengasse, Langerzersdorf Austria

Registered business no.: 22 274/2769

Unique registration code: 68895136

NACE code: 5229 - Other activities related to transport

Main activity: Cargo shipping

Majority associate: TTS 75%

River Transport Segment

CNFR NAVROM S.A. Galati

Headquarters: Galati Municipality, Portului street no. 34. Galati county, Romania

Registered business no.: J17/44/1991

Unique registration code: RO1639097

NACE code: 5040 - Freight transport on inland waterways

Main activity: River transport of dry bulk goods (all categories)

Majority shareholder: TTS 92,18%

Navrom Bac S.R.L. Galati

Headquarters: Municipality of Galati, str. Faleza Dunării no. 1. Galati county, Romania

Registered business no.: J17/595/1999

Unique registration code: RO12102950

NACE code: 5030 - Passenger transport on inland waterways

Main activity: Transport by ferry

Unique associate: NAVROM

Fluvius Kft. Budapest

Headquarters: str. Frangepan nr. 1139, Budapest, Hungary

Registered business no.: 01-09-701582

Unique registration code: 12748622

NACE code: 5040 - Freight transport on inland waterways

Main activity: River transport of dry bulk goods (all categories)

Unique associate: PLIMSOLL

Port Operation Segment

Canopus Star S.R.L. Constanta

Headquarters: Constanta Municipality, Port Precinct Str. Digul de Nord Km1+100, administrative headquarters P+2, Constanta county, Romania

Registered business no.: J13/1742/2001

Unique registration code: RO14204639

NACE code: 5224 – Goods handling

Main activity: Port operation of dry bulk cargo (agricultural products)

Majority associate: TTS 51%

TTS Operator S.R.L. Constanta

Headquarters: Port Precinct, Digul de Nord Km1+ 100, Administrative Building, ground floor, Constanta county, Constanta

Registered business no.: J13/5008/1994

Unique registration code: RO6919047

NACE code: 5224 – Goods handling

Main activity: Port operation of dry bulk cargo (agricultural products)

Majority associate: TTS 90%

DECIROM S.A. Constanta

Headquarters: Constanta, Port Precinct, Constanta county

Registered business no.: J13/516/1991

Unique registration code: RO1890411

NACE code: 5224 - Goods handling

Main activity: Port operation of dry bulk cargo (all types)

Majority associate: TTS 99,9%

TTS Porturi Fluviale S.R.L. Galati

Headquarters: str. Regiment 11 Siret, nr. 2-D, jud. Galati, Galati

Registered business no.: J17/1568/1996

Unique registration code: RO9000349

NACE code: 5224 - Goods handling

Main activity: Port operation of dry bulk cargo (agricultural products)

Unique Associate: TTS

Port of Fajsz Kft. Fajsz

Headquarters: lot nr 076/2, Fajsz, Hungary

Registered business no.: 03-09-132896

Unique registration code: 13399434-2-13

NACE code: 5222 - Service activities related to water transport

Main activity: Port operation of liquid and dry bulk cargoes

Unique Associate: TTS

Auxiliary activities

Navrom Shipyard S.R.L. Galati

Headquarters: Galati Municipality, PORTULUI street, No. 54, Galati County, Romania

Registered business no.: J17/507/1999

Unique registration code: RO12028030

NACE code: 3315 - Repair and maintenance of ships and boats

Main activity: Ship repair and maintenance (shipyard)

Majority associate: NAVROM 99,99%

SUPERQUATRO GRUP S.R.L. Galati

Headquarters: Galati Municipality, PORTULUI street, No. 20, section 1, NAVLOMAR building, ground floor, approx. 3, 4, 5, 6, Galati County, Romania

Registered business no.: J17/337/2001

Unique registration code: RO13924879

NACE code: 4291 - Hydrotechnical constructions

Main activity: Constructions for the maintenance of waterways and sea and river ports, dredging and ship displacements

Unique Associate: NAVROM

Bunker Trade Logistics S.R.L.

Headquarters: Constanta Municipality, PORT PRECINCT, Northern Dike km 1+100, Administrative Headquarters, ground floor, room P04, Constanta County, Romania

Registered business no.: J13/1816/2013

Unique registration code: RO32116993

NACE code: 5222 - Service activities related to water transport

Main activity: Services related to the bunkering and fueling services of ships provided by OMV

Unique Associate: NAVROM



Others (non-core business)

AGRIMOL TRADE S.R.L. Bucharest

Headquarters: str. Vaselor nr. 34. Bucharest

Registered business no.: J40/5512/2010

Unique registration code: RO26997260

NACE code: 4619 - Intermediaries in trade with various products

Main activity: Trade in Romanian wooden products, lumber, plywood, barrels, houses.

Majority associate: TTS 99,98%

Corporate governance in the TTS group

The governance structure and rules under which TTS exercises control over the group companies are as follows:

- The companies in the group have the legal form of joint-stock company (S.A, Zrt.) or limited liability company (S.R.L., Kft., GmbH.)
- Each company has its own governing bodies, Board of Directors or Sole Administrator, depending on the provisions of the articles of incorporation, responsible for the proper functioning of the company.
- TTS exercises its control and appoints the persons in the management of the subsidiaries by voting in the general meetings of the shareholders/associates of the companies, or by decision of the sole associate, as the case may be.
- Companies have commercial autonomy, serving their own customer base in addition to orders placed within the group
- Voting mandates and representation of TTS in the general meetings of the shareholders/associates of the subsidiaries are approved by the Board of Directors of TTS, based on the informative materials made available to the shareholders/associates by each subsidiary
- At the request of the subsidiaries, in the case of situations that may affect the TTS group as a whole, the Board of Directors discusses these situations and makes guidance and recommendation decisions that are communicated to the subsidiary that made the request
- Intra-group transactions, both those between TTS and a subsidiary and those between subsidiaries, are subject to reporting obligations based on art. 108 of Law no. 24/2017 on issuers of financial instruments and market operations, reports being made with a rhythm dictated by reaching or exceeding the TTS reporting threshold

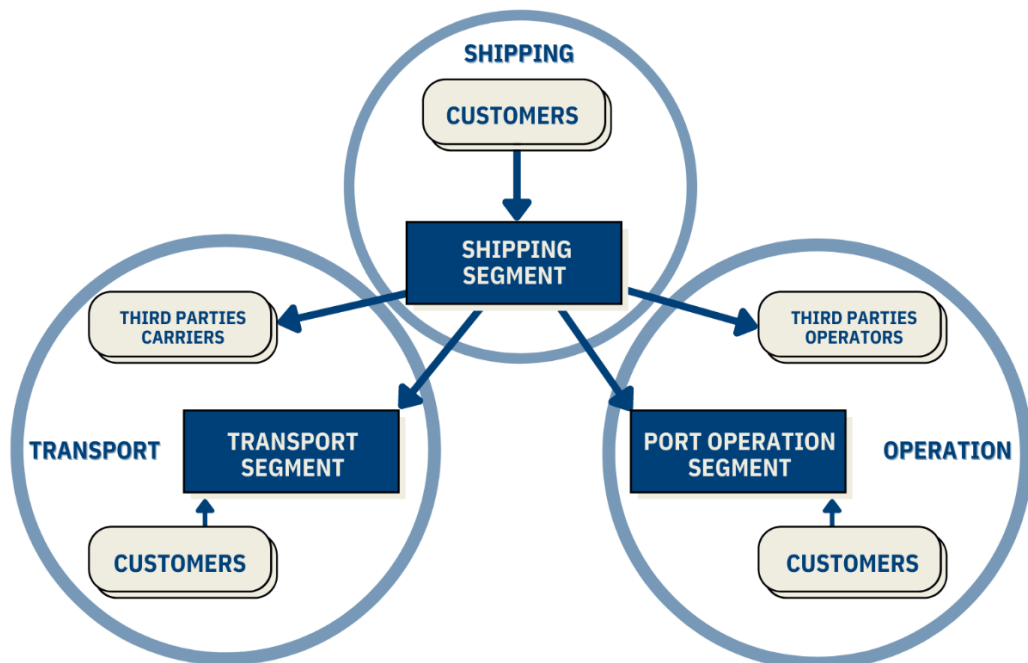
The activity of reporting transactions between related parties is the subject of two reports drawn up by the statutory auditor of TTS.

TTS' business model

The business model of TTS group is based on two principles:

- Commercial autonomy of the companies in the group

All TTS subsidiaries have their own customer base, independent of TTS' customer base. As a result, the companies in the transport and operation segments receive and execute orders both from their own customers and from TTS, their goal being to ensure a maximum degree of load under conditions of maximum efficiency.



- Operational coordination between segments

In order to ensure the smooth execution of contracts at the group level, TTS coordinates the activity of the companies in the shipping, transport and operation segments at the operational level with the aim of ensuring the maximum load for the companies in the transport and operation segments and optimizing the group's activity. Coordination is carried out on a permanent basis, and in situations where the companies in the group do not have the operational capacity to execute intra-group orders, TTS contracts transport and port operation services with third-party suppliers.



Management statement

The report of the Company's Board of Directors for the period 01/01/2023 – 09/30/2023 regarding the economic and financial activity of the company is based on the simplified individual interim financial statements and the simplified consolidated interim financial statements prepared for the period ended on September 30, 2023 (hereinafter "Financial Statements").

The Financial Statements have been prepared in accordance with the recognition and evaluation principles of the International Financial Reporting Standards ("IFRS") adopted by the EU and in accordance with IAS 34 "Interim Financial Reporting".

The Financial Statements do not include all the information and elements presented in the annual financial statements and must be read in conjunction with the [annual financial statements of TTS \(Transport Trade Services\) S.A. drawn up on December 31, 2022.](#)

The Financial Statements are not audited and have not been reviewed by an external auditor.

Alexandru-Mircea MIHĂILESCU
President of the Board of Directors



TTS

TRANSPORT TRADE SERVICES S.A.
BUCUREȘTI – ROMÂNIA

The Corporate Governance and Investor Relations Department of TTS (Transport Trade Services) is at your disposal for any other additional information. Contact person:

Gabriel-Andrei ȚECHERĂ, Corporate Governance and Investor Relations Director;

e-mail: investor.relations@tts-group.ro;

phone: +40 37 224 5185

The simplified consolidated interim financial statements (unaudited) for the period ended 09/30/2023 are available by accessing the links:

<https://www.tts-group.ro/financial-reports.html>;

<https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=TTS>.