



**TTS**  
**TRANSPORT TRADE SERVICES S.A.**  
**BUCUREȘTI – ROMÂNIA**

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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 – 03/31/2023

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## First quarter 2023, summary

### Results

- Q1 financial results were up across the board from Q4 2022.
- TTS (individual) registered in Q1\_2023 a turnover of RON 240.8 million (↑ 26,3% Q1\_2023 / Q4\_2022) and a net profit of RON 38,7 million (↑ 87,9% Q1\_2023 / Q4\_2022), while TTS Group (consolidated) recorded revenues of RON 306.5 million (↑ 13,5% Q1\_2023 / Q4\_2022) and a net profit of RON 89,1 million (↑ 110,1% Q1\_2023 / Q4\_2022).

TTS – Profit and Loss account – Q1\_2023

(RON million)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Turnover	240,8	190,7	↑ 26,3%	108,0	↑ 122,9%
Operating income	45,5	25,1	↑ 81,3%	8,6	↑ 427,2%
Net profit	38,7	20,6	↑ 87,9%	7,5	↑ 415,6%
EBITDA	46,3	26,2	↑ 76,7%	9,7	↑ 375,5%

TTS Group (consolidated) – Profit and Loss account – Q1\_2023

(RON million)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Turnover	306,5	270,1	↑ 13,5%	161,7	↑ 89,5%
Operating income	104,0	47,3	↑ 119,9%	15,6	↑ 565,9%
Net profit	89,1	42,4	↑ 110,1%	12,2	↑ 632,6%
EBITDA	125,0	68,2	↑ 83,3%	31,6	↑ 296,2%

- These results led to a consolidation of the financial position at the end of the quarter, both at the TTS level and at the group level.
- The net asset of TTS (individual) on 03/31/2023 registered an increase of 15.6% compared to that registered on 12/31/2022, while the net asset at the group level registered an increase of 11%.
- The level of debts increased almost exclusively on account of commercial debts which recorded on 03/31/2023 an increase of 23% compared to the end of 2022 at the level of TTS and of 15.6% at the level of the group, both of which were generated by increases in turnover. By contrast, the level of borrowed amounts was reduced at the group level by 8.5%, while TTS

did not resort to loans to finance the activity even in the 1st quarter, the level of loans on 03/31/2023 being nil.

**TTS – Balance Sheet – 03/31/2023**

(RON million)	03/31/2023	12/31/2022	Δ 2023/2022
Total assets	398,6	338,9	↑ 17,6%
Total debts, of which	112,1	91,2	↑ 22,97%
Loans	-	-	N/A
Net assets	286,4	247,8	↑ 15,6%

**TTS Group (consolidated) – Balance Sheet – 03/31/2023**

(RON million)	03/31/2023	12/31/2022	Δ 2023 / 2022
Total assets	1.107,0	1.005,0	↑ 10,2%
Total debts, of which	199,5	186,6	↑ 6,9%
Loans	62,0	67,7	↓ -8,5%
Net assets	907,5	818,4	↑ 11,0%

## Main developments

- **Market conditions in the 1st quarter were still favorable**, both in terms of river transport services on the Danube and in terms of port operation services in Constanta, and continue to show no signs of slowing down in activity.
- The level of the Danube did not raise particular problems, the navigation conditions being significantly better than in Q1 2022.
- Quarter 1 2023 was characterized by the tendency to **consolidate the effects of the reconfiguration of logistics routes on the Danube from 2022**, on the flows of agricultural, mineral and chemical goods operated and transported by the group, and implicitly on the group's activity, which, in relation to Q1 2022 , registered significant changes in terms of the relative share of river transport and port operation activities.
- The activity of the TTS Group was increasing in relation to Q4 2022, **the aggregate volume<sup>1</sup> of goods registering an increase of 4.6% in relation to the level recorded in Q4 2022 (3.69 million tons, compared to 3.53 million tons)** – increases being recorded both in terms of the volumes of goods transported by river (+2.6% Q1\_2023 / Q4\_2022), and **especially in terms of the**

<sup>1</sup>The total volume of goods transported and/or port operated by the TTS Group, using its own means – the River Transport and Port Operation Segments, and by contracting services with third party providers – fleets or port operators.

volumes of goods operated in ports (+6.8% Q1\_2023 / Q4\_2022), and close to the level recorded in Q1 2022 (3.74 million tons, -1.2% Q1\_2023 / Q1\_2022).

- The reconfigurations of the logistics chains led to substantial changes in the structure of activity volumes.
- Thus, while the volume of goods transported by river was in Q1 2022 628,000 tons (+41%) higher than the volume of goods handled by the port, the difference was reduced to 70,000 tons (4%) in Q4 2022, and in Q1 2023 the volume of port-operated goods was practically equal to the volume of river-borne goods (actually 1,000 tons higher).

#### Volumes by type of operations<sup>2</sup> – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
River transport	1,85	1,80	↑ 2,6%	2,18	↓ -15,4%
Port operations	1,85	1,73	↑ 6,8%	1,55	↑ 18,9%
<b>Total</b>	<b>3,69</b>	<b>3,53</b>	<b>↑ 4,6%</b>	<b>3,74</b>	<b>↓ -1,2%</b>

- The effects of logistic rerouting were more pronounced regarding the flows of goods operated and transported by TTS group.
- Thus, the flows of agricultural products registered in the 1st quarter an increase of 224,000 tons (+15.8%) compared to Q4 2022, and much more pronounced increases compared to Q1 2022: +274,000 tons (+64.3%) ) in river transport, +299,000 tons (+46.4%) in port operation, +573,000 tons (+53.5%) in total:

#### Agricultural products – volumes by type of operations – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
River transport	0,70	0,56	↑ 25,0%	0,43	↑ 64,3%
Port operations	0,94	0,86	↑ 9,8%	0,65	↑ 46,4%
<b>Total</b>	<b>1,64</b>	<b>1,42</b>	<b>↑ 15,8%</b>	<b>1,07</b>	<b>↑ 53,5%</b>

- By contrast, the flows of mineral products in the 1st quarter recorded a decrease in volume, at 69,000 tons (-4.2%) compared to Q4 2022, and a much more pronounced decrease, namely 393,000 tons (-19.8%), compared to Q1 2022, caused by the reduction of 514,000 tonnes (-35.9%) in the volumes of transported minerals:

<sup>2</sup> For reasons of internal organization of the group, external subsidiaries TTS (Transport Trade Services) GmbH are not included. Vienna, PLIMSOLL Zrt. Budapest, Fluvius Kft. Budapest, Port of Fajsz Kft. Fajsz

Minerals – volumes by type of operations – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
River transport	0,92	1,04	↓ -11,6%	1,43	↓ -35,9%
Port operations	0,67	0,62	↑ 8,4%	0,55	↑ 22,0%
<b>Total</b>	<b>1,59</b>	<b>1,66</b>	<b>↓ -4,2%</b>	<b>1,98</b>	<b>↓ -19,8%</b>

- In the same line as minerals, the flow of chemical goods evolved, which recorded in the 1st quarter a decrease in volume of 17,000 tons (-4.6%) compared to Q4 2022, and much more pronounced decreases compared to Q1 2022: - 79,000 tons (-39.3%) in river transport, - 127,000 tons (+35.5%) in port operation, +206,000 tons (-36.9%) in total:

Chemical products – volumes by type of operations – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
River transport	0,12	0,12	↑ 1,7%	0,20	↓ -39,3%
Port operations	0,23	0,25	↓ -7,6%	0,36	↓ -35,5%
<b>Total</b>	<b>0,35</b>	<b>0,37</b>	<b>↓ -4,6%</b>	<b>0,56</b>	<b>↓ -36,9%</b>

- TTS started in the 1st quarter the process of acquiring the solid bulk product terminal DECIROM S.A. Constanta, the completion of the transaction being planned for the last decade of June. The investment in DECIROM aims to strengthen the group's operating capacity in the port of Constanta in response to changes in the structure of goods flows - a consequence of the reconfiguration of logistics chains from 2022. In the same direction, TTS is exploring making investments in port operation equipment - mainly floating cranes.
- In parallel, CNFR NAVROM S.A. carried out in the 1st quarter investments worth 4 million euros in fleet modernization and recertification and started a barge construction program by contracting 4 „EUROPA 2” barges with a cumulative capacity of 6,800 tons, investment worth 5 million euros.

## 1. Synthesis of operational results

### 1.1. TTS Group Operations

#### Operations by type of goods<sup>3</sup> – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Agricultural products	1,64	1,42	↑ 15,8%	1,07	↑ 53,5%
Minerals	1,59	1,66	↓ -4,2%	1,98	↓ -19,8%
Chemical products	0,35	0,37	↓ -4,6%	0,56	↓ -36,9%
Other	0,11	0,08	↑ 31,3%	0,12	↓ -13,9%
<b>Total</b>	<b>3,69</b>	<b>3,53</b>	<b>↑ 4,6%</b>	<b>3,74</b>	<b>↓ -1,2%</b>

#### River transport by type of goods – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Agricultural products	0,70	0,56	↑ 25,0%	0,43	↑ 64,3%
Minerals	0,92	1,04	↓ -11,6%	1,43	↓ -35,9%
Chemical products	0,12	0,12	↑ 1,7%	0,20	↓ -39,3%
Other	0,11	0,08	↑ 31,3%	0,12	↓ -13,9%
<b>Total</b>	<b>1,85</b>	<b>1,80</b>	<b>↑ 2,6%</b>	<b>2,18</b>	<b>↓ -15,4%</b>

#### Port operations by type of goods – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Agricultural products	0,94	0,86	↑ 9,8%	0,65	↑ 46,4%
Minerals	0,67	0,62	↑ 8,4%	0,55	↑ 22,0%
Chemical products	0,23	0,25	↓ -7,6%	0,36	↓ -35,5%
<b>Total</b>	<b>1,85</b>	<b>1,73</b>	<b>↑ 6,8%</b>	<b>1,55</b>	<b>↑ 18,9%</b>

#### River transport by type of contracts – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Shipping Segment contracts <sup>4</sup> - third parties	0,05	0,08	↓ -42,5%	0,12	↓ -61,7%
Direct contracts of the River Transport Segment <sup>5</sup>	0,26	0,53	↓ -50,2%	0,56	↓ -52,5%
Intra-group contracts (Shipping Segment - River Transport Segment)	1,54	1,19	↑ 29,1%	1,49	↑ 3,4%

<sup>3</sup> 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 fleets or third-party port operators.

<sup>4</sup> Exclusively TTS (Transport Trade Services) GmbH Vienna- and PLIMSOLL Zrt. Budapest

<sup>5</sup> Exclusively Fluvius Kft. Budapest

Port operation by type of contracts – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Shipment Segment Contracts - third parties	0,63	0,48	↑ 31,5%	0,42	↑ 51,0%
Direct contracts of the Port Operations Segment <sup>6</sup>	0,28	0,47	↓ -40,0%	0,49	↓ -42,7%
Intra-group contracts (Shipping Segment - Port Operations Segment)	0,93	0,78	↑ 19,7%	0,64	↑ 45,0%

1.2. Shipping segment

Shipping Segment – River transport by type of goods – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Agricultural products	0,69	0,54	↑ 28,3%	0,42	↑ 64,2%
Minerals	0,77	0,62	↑ 24,0%	0,99	↓ -21,9%
Chemical products	0,12	0,11	↑ 9,1%	0,20	↓ -39,7%
<b>Total</b>	<b>1,58</b>	<b>1,27</b>	<b>↑ 24,6%</b>	<b>1,61</b>	<b>↓ -1,5%</b>

Shipping Segment – Port operation by type of goods – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Agricultural products	0,76	0,57	↑ 32,8%	0,31	↑ 142,6%
Minerals	0,61	0,48	↑ 27,3%	0,48	↑ 26,5%
Chemical products	0,20	0,21	↓ -5,7%	0,27	↓ -25,8%
<b>Total</b>	<b>1,57</b>	<b>1,26</b>	<b>↑ 24,3%</b>	<b>1,06</b>	<b>↑ 47,5%</b>

<sup>6</sup> Exclusively Port of Fajsz Kft. Fajsz



### 1.3. River Transport Segment

River Transport Segment - River transport by type of goods - Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Agricultural products	0,69	0,52	↑ 32,9%	0,36	↑ 93,0%
Minerals	0,88	1,00	↓ -11,9%	1,39	↓ -36,4%
Chemical products	0,12	0,12	↑ 1,7%	0,20	↓ -38,1%
Other	0,11	0,08	↑ 31,3%	0,10	↑ 2,9%
<b>Total</b>	<b>1,80</b>	<b>1,72</b>	<b>↑ 4,6%</b>	<b>2,04</b>	<b>-11,9%</b>

River Transport Segment – Goods route carried out by type of goods – Q1\_2023

(bln. tons * km)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Agricultural products	0,238	0,165	↑ 44,2%	0,149	↑ 59,7%
Minerals	0,516	0,435	↑ 18,6%	0,683	↓ -24,5%
Chemical products	0,065	0,082	↓ -20,7%	0,127	↓ -48,8%
<b>Total</b>	<b>0,819</b>	<b>0,682</b>	<b>↑ 20,1%</b>	<b>0,959</b>	<b>↓ -14,6%</b>

### 1.4. Port Operations Segment

Port Operations Segment – Volumes by type of goods – Q1\_2023

(million tons)	Q1_2023	Q4_2022	Δ Q1_2023 / Q4_2022	Q1_2022	Δ Q1_2023 / Q1_2022
Agricultural products	0,92	0,84	↑ 9,2%	0,64	↑ 42,4%
Minerals	0,07	0,16	↓ -57,5%	0,13	↓ -48,9%
Chemical products	0,23	0,25	↓ -7,6%	0,36	↓ -35,5%
<b>Total</b>	<b>1,22</b>	<b>1,25</b>	<b>↓ -2,7%</b>	<b>1,14</b>	<b>↑ 7,1%</b>

## 2. Financial indicators

### 2.1. TTS (individual)

Current Assets	230.852.960 RON
Current Liabilities	96.404.914 RON
<b>Current ratio</b>	<b>2,39</b>
Interest-bearing debts (long term)	- RON
Equity	286.413.516 RON
<b>Indebtedness Ratio1</b>	<b>0,00 %</b>
Interest-bearing debts (long term)	- RON
Interest-bearing debts (long term) + Equity	286.413.516 RON
<b>Indebtedness Ratio2</b>	<b>0,00 %</b>
Receivables average balance	56.840.517 RON
Turnover 3 months 2023	240.778.760 RON
No. days	90
<b>Days in receivables</b>	<b>21,25</b>
Turnover (3 months 2023 annualized)	963.115.040 RON
Fixed assets	167.707.884 RON
<b>Fixed assets turnover</b>	<b>5,74</b>

### 2.2. TTS Group (consolidated)

Current Assets	414.173.965 RON
Current Liabilities	133.417.568 RON
<b>Current ratio</b>	<b>3,10</b>
Interest-bearing debts (long term)	37,710,898 RON
Equity	907.485.739 RON
<b>Indebtedness Ratio1</b>	<b>4,16 %</b>
Interest-bearing debts (long term)	37.710.898 RON
Interest-bearing debts (long term) + Equity	945,196,637 RON
<b>Indebtedness Ratio2</b>	<b>3,99 %</b>
Receivables average balance	90,604,642 RON
Turnover 3 months 2023	306,459,518 RON
No. days	90
<b>Days in receivables</b>	<b>26,61</b>
Turnover (3 months 2023 annualized)	1,225,838,072 RON
Fixed assets	692,843,761 RON
<b>Fixed assets turnover</b>	<b>1,77</b>

### 3. Corporate governance

#### 3.1. Corporate events and actions

In Q1\_2023 no general meeting of shareholders was held and no corporate action took place.

#### 3.2. TTS Management Transactions

In Q1\_2023 TTS management did not trade TTS shares.

#### 3.3. Related Party Transactions

In Q1\_2023, intra-group transactions were carried out which were the subject of 17 reports covering transactions totaling 173,185,894 lei registered between September 21, 2022 and March 29, 2023, as follows:

Parties in transaction	Number of reports	Period covered	Total amount
TTS and NAVROM	14	29.12.2022 – 29.03.2023	141.547.518
TTS and TTS Operator	2	21.09.2022 – 22.03.2023	19.493.070
NAVROM and NAVROM SHIPYARD	1	18.10.2022 – 20.02.2023	12.145.306



## 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 BOBIRCĂ	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 2022 was 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

Name and Surname	Status in the executive management	Dates regarding the mandate contracts
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	939.100	1,565%
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 internal regulatory framework

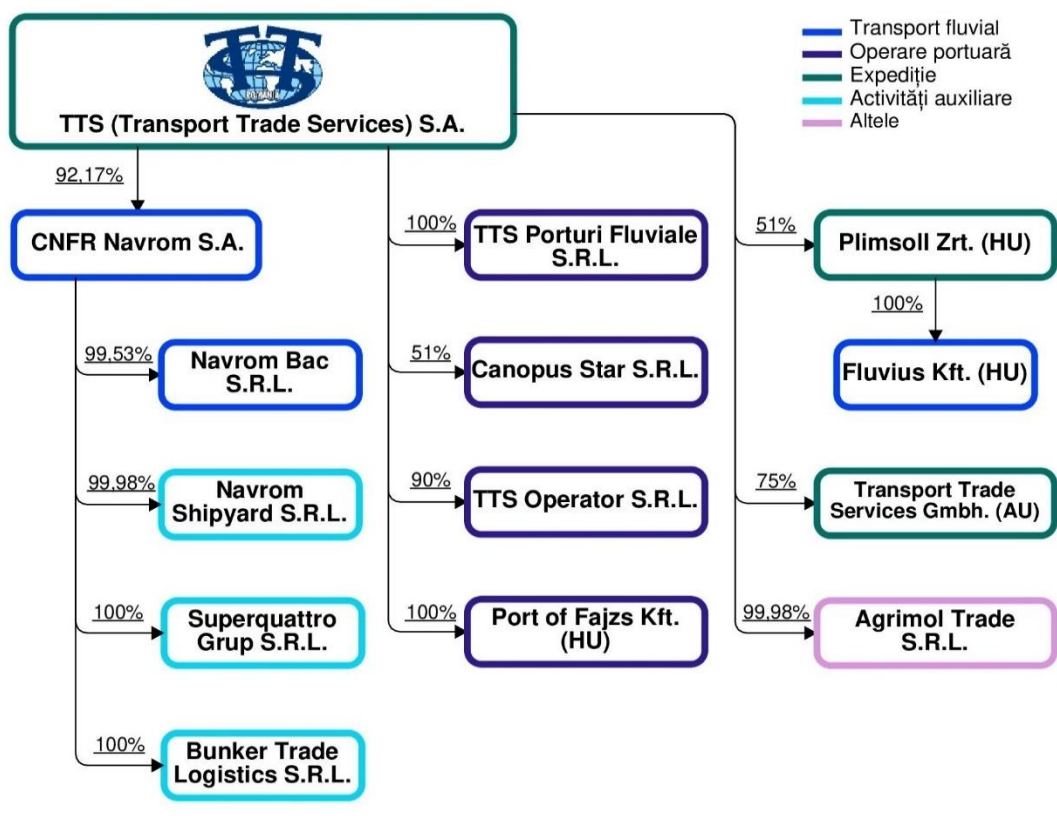
The internal regulatory system of TTS is aligned with the corporate governance standards applicable to companies listed in the Premium category on the main market of BVB and consists of the following policies and regulations:

- Regulation of the Management Board:** approved by Decision of the BoD no. 1/03.08.2021 and amended by Decision no. 2/27.01.2023.  
 The constitutive provisions and operating rules of the advisory committees are included in the BoD Regulation, it is no longer necessary to adopt separate regulations for each committee
- GSM Regulation:** approved by Decision of the BoD no. 1/30.09.2021, published on TTS' website.  
 The regulation mainly contains provisions on how shareholders can exercise their legal rights as well as organizational provisions regarding the conduct of the GSM.
- Internal audit regulations:** approved by Decision of the BoD no. 4/14.03.2022

- **Remuneration policy:** approved by OGSM Decision no. 1/26.08.2021, published on TTS' website.
- **Dividend policy:** approved by BoD decision no. 1/30.09.2021, published on TTS' website.
- **Forecast policy:** approved by BoD decision no. 1/29.10.2021, published on the TTS website.
- **Insider information policy:** approved by BoD decision no. 1/12.11.2021

### 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 13 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, 8 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 92,16%

##### 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  
Majority associate: NAVROM 99,53%

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%

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



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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%

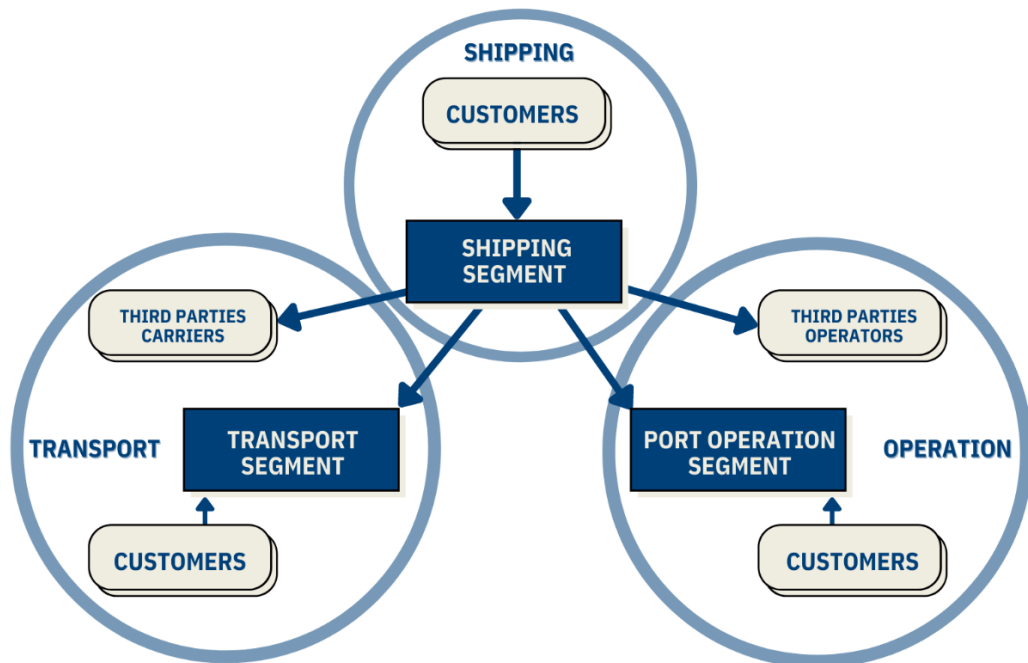
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## Corporate governance in the TTS group

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 – 03/31/2023 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 March 31, 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**

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

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phone: +40 37 224 5185

The simplified consolidated interim financial statements (unaudited) for the period ended 09/30/2022 are available by accessing the links:

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

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