

**TTS (Transport Trade Services) S.A.**

**SEPARATE FINANCIAL STATEMENTS PRELIMINARY UNAUDITED  
FOR THE YEAR ENDED AS AT DECEMBER 31, 2021**

**PREPARED IN ACCORDANCE WITH  
THE INTERNATIONAL FINANCIAL REPORTING STANDARDS  
("IFRS")  
AS ADOPTED BY EU**

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Note: These preliminary separate financial statements have been prepared in accordance with the International Reporting Standards adopted by the European Union ("IFRS").

Basis of the report: According to the FSA Regulation no. 5/2018, regarding the issuers of financial instruments and market operations and a Law 24/2017 on issuers of financial instruments and market operations.

These preliminary separate financial statements are unaudited.

**TTS (Transport Trade Services) S.A.**  
**BALANCE SHEET**  
**DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless specified otherwise)

No.	Row no.	Balance at December 31, 2019	Balance at December 31, 2020	Balance at December 31, 2021
<b>A NON – CURRENT ASSETS</b>				
<b>I INTANGIBLE ASSETS</b>				
	1	-	-	-
	2	53,725	8,334	116,545
	3	-	-	-
	4	-	-	-
	5	-	-	-
	<b>6</b>	<b>53,725</b>	<b>8,334</b>	<b>116,545</b>
<b>II TANGIBLE ASSETS</b>				
	7	18,673,621	19,572,462	22,857,572
	8	13,075,049	11,775,914	11,024,164
	9	50,308	45,118	69,043
	10	-	-	-
	11	1,674,137	2,251,579	1,577,638
	12	-	-	-
	13	-	-	-
	14	-	-	-
	15	-	382,679	63,934
	<b>16</b>	<b>33,473,115</b>	<b>34,027,752</b>	<b>35,592,351</b>
<b>III BEARER BIOLOGICAL ASSETS (acc.241+227-284-294)</b>				
	17	-	-	-
<b>IV RIGHTS OF USE OF LEASED ASSETS (acc. 251* - 285* - 295*)</b>				
	18	-	-	-
<b>V FINANCIAL ASSETS</b>				
	19	122,688,430	128,949,197	128,248,111
	20	-	-	-
	21	147,339	147,339	147,339
	22	-	-	-
	23	-	-	-
	24	1,006,122	382,632	485,816
	<b>25</b>	<b>123,841,891</b>	<b>129,479,168</b>	<b>128,881,266</b>
	<b>26</b>	<b>157,368,731</b>	<b>163,515,254</b>	<b>164,590,162</b>

Notes attached are an integral part of these financial statements.

**TTS (Transport Trade Services) S.A.**  
**BALANCE SHEET**  
**DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless specified otherwise)

No.	Row no.	Balance at December 31, 2019	Balance at December 31, 2020	Balance at December 31, 2021
<b>B CURRENT ASSETS</b>				
<b>I INVENTORIES</b>				
1 Raw materials and consumables (acc. 301 + 302 + 303 +/- 308 +321 + 322 + 323 + 328 + 351 + 358 + 381 +/- 388 - 391 - 392 - 3951 - 3958 - 398)				
	27	986,804	615,093	605,887
2 Non-current assets held for sale (acc. 311)				
	28	-	-	-
3 Work in progress (acc. 331 + 332 +341 +/- 348* - 393 - 3941 - 3952)				
	29	-	-	-
4 Finished goods and merchandise (acc. 326+327 + 345 + 346 + 347 +/- 348* + 354 + 356 + 357 + 361 +/- 368 + 371 +/- 378 - 3945 - 3946 - 3947 - 3953 - 3954 - 3955 - 3956 - 3957 - 396 - 397 - din ct 4428)				
	30	75,762	59,189	-
5 Advances (acc. 4091 -4901)				
	31	-	-	-
<b>TOTAL (rows 27 to 31)</b>				
	32	<b>1,062,566</b>	<b>674,282</b>	<b>605,887</b>
<b>II RECEIVABLES</b> (amounts receivables in more than one year shall be presented separately for each caption)				
1 Trade receivables (acc. 2675* + 2676* + 2678* + 2679* - 2966* - 2968 + 411 + 413 + 418 +4642- 491-494)				
	33	37,113,770	30,674,648	30,032,882
2 Advances paid (acc. 4092 - 4902)				
	34	371,460	341,375	35,761
3 Amounts receivable from affiliates (acc. 451** - 495*)				
	35	319,185	156,279	1,393,713
4 Amounts receivable from associates and jointly controlled entities (acc. 453** - 495*)				
	36	-	-	-
5 Receivables from transactions with derivatives (acc. 4652)				
	37	-	-	-
6 Other receivables (acc. 425 + 4282 + 431** + 437** + 4382 + 441** + 4424 + acc. 4428** + 444** + 445 + 446 ** + 447** + 4482 + 4582 + 4662 + 461 + 473** - 496 + 5187)				
	38	5,468,967	7,535,937	5,113,561
7 Capital subscribed and not paid in (acc. 456 - 495*)				
	39	-	-	-
8 Dividends receivable granted during the year (acc. 463)				
	40	-	-	-
<b>TOTAL (rows 33 to 40)</b>				
	41	<b>43,273,382</b>	<b>38,708,239</b>	<b>36,575,917</b>
<b>III SHORT-TERM INVESTMENTS</b>				
1 SHORT-TERM INVESTMENTS (acc. 505 + 506 + 507 + 508* - 595 - 596 - 598 + 5113 + 5114)				
	42	384,000	249,600	601,600
<b>IV PETTY CASH AND BANK ACCOUNTS</b> (acc. 508 + acc. 5112 + 512 + 531 + 532 + 541 + 542)				
	43	28,247,155	17,745,997	21,130,855
<b>CURRENT ASSETS - TOTAL (rows 32+41+42+43)</b>				
	44	<b>72,967,103</b>	<b>57,378,118</b>	<b>58,914,259</b>
<b>C PREPAID EXPENSES (acc. 471+474) (rows 46 + 47)</b>				
Amounts reversible within one year (acc. 471+474)				
	45	<b>1,260,603</b>	<b>819,455</b>	<b>598,970</b>
Amounts reversible in more than one year (acc. 471+474)				
	46	1,260,603	819,455	598,970
	47	-	-	-
<b>D PAYABLES WITHIN ONE YEAR</b>				
1 Debenture loans, presenting separately the loans from convertible bonds (acc. 161 +1681 - 169)				
	48	-	-	-

Notes attached are an integral part of these financial statements.

## TTS (Transport Trade Services) S.A.

## BALANCE SHEET

DECEMBER 31, 2021

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

No.	Row no.	Balance at December 31, 2019	Balance at December 31, 2020	Balance at December 31, 2021
		2		
		+ 1625 + 1627 + 1682 + 5191 + 5192 + 5198)		
	49	12,187,215	8,521,450	-
		3		
	50	-	-	-
		4		
	51	47,911,693	38,006,342	33,491,021
		5		
	52	-	-	-
		6		
	53	-	-	-
		7		
	54	-	-	-
		8		
	55	-	-	-
		9		
		+ 1626 + 167 + 1687 + 2693 + 2695 + 421 + 422 + 423 + 424 +		
		426 + 427 + 4281 + 431*** + 436*** + 437*** + 4381 + 441***		
		+ 4423 + 4428*** + 444*** + 446*** + 447*** + 4481 + 455 +		
		456*** + 457 + 4581 + 462 + 4661 + 473*** + 4761 + 509 +		
		5186 + 5193 + 5194 + 5195 + 5196 + 5197)		
	56	4,948,219	2,400,493	2,545,936
		<b>TOTAL (rows 48 to 56)</b>	<b>48,928,285</b>	<b>36,036,957</b>
	57	<b>65,047,127</b>	<b>48,928,285</b>	<b>36,036,957</b>
		<b>E NET CURRENT ASSETS/NET CURRENT LIABILITIES (rows 44 +</b>		
		<b>46 - 57 - 74 - 77 - 80)</b>		
	58	<b>4,900,214</b>	<b>5,082,402</b>	<b>20,710,570</b>
		<b>F TOTAL ASSETS LESS CURRENT LIABILITIES (rows 26 + 47 +</b>		
		<b>58)</b>		
	59	<b>162,268,945</b>	<b>168,597,656</b>	<b>185,300,732</b>
		<b>G LONG-TERM PAYABLES</b>		
		1		
		Debenture loans, presenting separately the loans from		
		convertible bonds (acc. 161 + 1681 - 169)		
	60	-	-	-
		2		
		Amounts due to credit institutions (acc. 1621 + 1622 + 1624		
		+ 1625 + 1627 + 1682 + 5191 + 5192 + 5198)		
	61	8,363,775	-	-
		3		
	62	-	-	-
		4		
	63	-	-	-
		5		
	64	-	-	-
		6		
	65	-	-	-
		7		
	66	-	-	-
		8		
	67	-	-	-
		9		
		Other payables, including tax and social security (acc. 1623		
		+ 1626 + 167 + 1687 + 2693 + 2695 + 421 + 422 + 423 + 424 +		
		426 + 427 + 4281 + 431*** + 436*** + 437*** + 4381 + 441***		
		+ 4423 + 4428*** + 444*** + 446*** + 447*** + 4481 + 455 +		
		456*** + 4581 + 462 + 4661 + 4761 + 473*** + 509 + 5186 +		
		5193 + 5194 + 5195 + 5196 + 5197)		
	68	215,696	98,315	261,433
		<b>TOTAL (rows 60 to 68)</b>	<b>98,315</b>	<b>261,433</b>
	69	<b>8,579,471</b>	<b>98,315</b>	<b>261,433</b>
		<b>H PROVISIONS</b>		
		1		
		Provisions for pensions and similar obligations		
		(acc. 1517)		
	70	-	-	-
		2		
		Other provisions (acc. 1511 + 1512 + 1513 + 1514 + 1518)		
	71	308,411	499,648	628,641
		<b>TOTAL (rows 70 to 71)</b>	<b>499,648</b>	<b>628,641</b>
	72	<b>308,411</b>	<b>499,648</b>	<b>628,641</b>

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**TTS (Transport Trade Services) S.A.**  
**BALANCE SHEET**  
**DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless specified otherwise)

No.	Row no.	Balance at December 31, 2019	Balance at December 31, 2020	Balance at December 31, 2021
<b>I DEFERRED INCOME</b>				
1 Subsidies for investments (acc. 475) (rows 74 + 75), of which:	<b>73</b>	-	-	-
Amounts reversible within one year (acc. 475*)	<b>74</b>	-	-	-
Amounts reversible in more than one year (acc. 475*)	<b>75</b>	-	-	-
2 Deferred income (acc. 472) - total (rows 77 + 78), of which:	<b>76</b>	4,280,365	4,186,886	2,765,702
Amounts reversible within one year (acc. 472*)	<b>77</b>	4,280,365	4,186,886	2,765,702
Amounts reversible in more than one year (acc. 472*)	<b>78</b>	-	-	-
3 Deferred income pertaining to the assets received by transfer from clients (acc. 478) (rows 80+ 81), of which:	<b>79</b>	-	-	-
Amounts reversible within one year (acc. 478*)	<b>80</b>	-	-	-
Amounts reversible in more than one year (acc. 478*)	<b>81</b>	-	-	-
<b>TOTAL (rows 73+76+79)</b>	<b>82</b>	<b>4,280,365</b>	<b>4,186,886</b>	<b>2,765,702</b>
<b>J CAPITAL AND RESERVES</b>				
<b>I CAPITAL</b>				
1 Capital subscribed and paid in (acc. 1012)	<b>83</b>	30,000,000	30,000,000	30,000,000
2 Capital subscribed and not paid in (acc. 1011)	<b>84</b>	-	-	-
3 Capital subscribed representing financial liabilities (acc. 1027)	<b>85</b>	-	-	-
4 Company patrimony (acc. 1015)	<b>86</b>	-	-	-
5 Adjustments of share capital/company patrimony (acc. 1028)	<b>87-88</b>	1,739,592	1,739,592	1,739,592
6 Other items of equity (acc. 1031) Cr balance/Dr balance	<b>89-90</b>	-	-	-
<b>TOTAL (rows 83 + 84+85+86+87-88+89-90)</b>	<b>91</b>	<b>31,739,592</b>	<b>31,739,592</b>	<b>31,739,592</b>
<b>II SHARE PREMIUMS (acc. 104)</b>	<b>92</b>	-	-	-
<b>III REVALUATION RESERVES (acc. 105)</b>	<b>93</b>	-	-	-
<b>IV RESERVES</b>				
1 Legal reserves (acc. 10611061)	<b>94</b>	5,968,175	6,000,000	6,000,000
2 Statutory or contractual reserves (acc. 1063)	<b>95</b>	-	-	-
3 Other reserves (acc. 1068)	<b>96</b>	8,870,774	3,777,984	3,823,575
<b>TOTAL (rows 94 to 96)</b>	<b>97</b>	<b>14,838,949</b>	<b>9,777,984</b>	<b>9,823,575</b>
FX differences from conversion of annual standalone financial statements from a presentation currency different from the functional currency	<b>98</b>	-	-	-
FX differences from conversion of annual standalone financial statements into a presentation currency different from the functional currency	<b>99</b>	-	-	-
Own shares (acc. 109)	<b>100</b>	-	-	-
Gains on equity instruments (acc. 141)	<b>101</b>	-	-	-
Losses on equity instruments (acc. 149)	<b>102</b>	27,778,063	-	-

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**BALANCE SHEET**  
**DECEMBER 31, 2021**  
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No.	Row no.	Balance at December 31, 2019	Balance at December 31, 2020	Balance at December 31, 2021
<b>V PROFIT OR LOSS CARRIED FORWARD, EXCEPT FOR PROFIT OR LOSS CARRIED FORWARD OBTAINED FROM FIRST-TIME ADOPTION OF IAS 29</b>				
	103	109,928,115	98,748,664	112,389,883
	104	-	-	-
<b>VI PROFIT OR LOSS CARRIED FORWARD OBTAINED FROM FIRST-TIME ADOPTION OF IAS 29 (acc. 118)</b>				
	105	-	-	-
	106	2,107,766	2,107,766	2,107,766
<b>VII PROFIT OR LOSS FOR THE YEAR (acc. 121)</b>				
	107	28,462,035	29,918,630	32,610,965
	108	-	-	-
	109	1,701,799	77,411	45,591
<b>EQUITY - TOTAL</b> (rows 91 + 92 + 93 + 97 + 98 - 99 - 100 + 101 - 102 + 103 - 104 + 105 - 106 + 107 - 108 - 109)				
	110	<u>153,381,063</u>	<u>167,999,693</u>	<u>184,410,658</u>
	111	-	-	-
	112	-	-	-
<b>CAPITAL - TOTAL (rows 110+111+112)</b>				
	113	<u>153,381,063</u>	<u>167,999,693</u>	<u>184,410,658</u>

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**STEFANUT PETRU,**  
CHIEF EXECUTIVE OFFICER

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**NICOLETA FLORESCU,**  
CHIEF FINANCIAL OFFICER

**TTS (Transport Trade Services) S.A.**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless specified otherwise)

No.	Row no	Financial year ended December 31, 2020	Financial year ended December 31, 2021
<b>1 Net turnover (rows 03 + 04 - 05 + 06)</b>	<b>1</b>	<b>371,639,769</b>	<b>395,578,550</b>
- Of which, net turnover corresponding to the main activity actually carried out	2	371,639,769	395,578,550
2 Goods sold (acc. 701 + 702 + 703 + 704 + 705 + 706 + 708 - 6815*)	3	370,157,457	395,163,159
3 Income from sale of goods (acc. 707 - 6815*)	4	1,482,312	415,391
4 Commercial discounts granted (acc. 709)	5	-	-
5 income from operating subsidies relating to net turnover (acc. 7411)	6	-	-
6 -7 Income corresponding to the cost of work in progress (acc. 711 + 712+713)	7	-	-
- Cr balance	8	-	-
- Dr balance	9	-	-
8 Income from production of non-current assets and investment property (rows 10+11)	10	-	-
9 Income from production of tangible and intangible assets (acc. 721 + 722)	11	357,013	-
10 Income from production of investment property (acc. 725)	12	-	-
11 Income from non-current assets (or disposal groups) held for sale (acc. 753)	13	-	-
12 Income from the revaluation of tangible assets (acc. 755)	14	-	-
13 Income from investment property (acc. 756))	15	-	-
14 Income from biological assets and agricultural produce (acc. 757)	16	-	-
15 Income from operating subsidies (acc. 7412 + 7413 + 7414 + 7415 +7416 + 7417 + 7419)	17	-	-
16 Other operating income (acc. 751 + 758 ), of which:	18	3,474,410	8,768,423
17 – income from investment subsidies (acc. 7584)	19	-	-
- gains on bargain purchases (acc. 7587)	20	-	-
<b>18 TOTAL OPERATING INCOME (rows 01+07-08+09+12+13+14+15+16+17)</b>	<b>20</b>	<b>375,471,192</b>	<b>404,346,973</b>
19 a) Expenses with raw materials and consumables (acc. 601 + 602)	21	501,723	155,097
20 Other material expenses (acc. 603 + 604 + 606 + 608)	22	71,093	33,362
21 b) Other external expenses (power and water supply) (acc. 605)	23	267,282	282,892
*- of which, expenses with power consumption (acc. 6051))	24	-	-
22 c) Marketing expenses (acc. 607)	25	1,441,453	410,058
23 Commercial discounts received (acc. 609)	26	-	-
<b>24 Personnel expenses (rows 28+29)</b>	<b>27</b>	<b>8,011,570</b>	<b>8,363,416</b>
25 a) Salaries and bonuses (acc. 641 + 642 + 643 + 644)	28	7,820,863	8,159,837
26 b) Social security (acc. 645+646)	29	190,707	203,579
<b>27 a) Value adjustments on the tangible and intangible assets (rows 31+32-33)</b>	<b>30</b>	<b>3,672,353</b>	<b>3,982,829</b>
28 a. 1) Expenses (acc. 6811 + 6813+6816+6817+ from acc. 6818)	31	3,672,353	3,982,829
a.2) Expenses with the amortization/depreciation of right-of-use assets leased (acc. 685)	32	-	-
29 a. 3) Income (acc. 7813+7816+ from acc. 7818)	33	-	-

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**TTS (Transport Trade Services) S.A.**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless specified otherwise)

No.	Row no	Financial year ended December 31, 2020	Financial year ended December 31, 2021
<b>30 b) Value adjustments on the current assets (rows 35-36)</b>	<b>34</b>	<b>(207,191)</b>	<b>916,348</b>
31 b. 1) Expenses (acc. 654 + 6814 + from acc. 6818)	35	279,159	1,746,308
32 b. 2) Income (acc. 754 + 7814 + from acc. 7818)	36	486,350	829,960
<b>33 Other operating expenses (rows 38 to 46)</b>	<b>37</b>	<b>333,890,255</b>	<b>362,081,600</b>
34.1. External provisions (acc. 611 + 612 + 613 + 614 + 615 + 621 + 622 + 623 + 624 + 625 + 626 + 627 + 628)	38	330,161,670	355,264,897
35.2. Other taxes, levies and similar payments; transfers and contributions due based on special acts of legislation (acc. 635 + 6586*)	39	130,315	145,354
36.3. Environmental expenses (acc. 652)	40	-	-
37.4. Expenses with non-current assets (or disposal groups) held for sale (acc. 653)	41	-	-
38.5. Revaluation of tangible assets (acc. 655)	42	-	-
39.6. Expenses with investment properties (acc. 656)	43	-	-
40.7. Expenses with biological assets (acc. 657)	44	-	-
41.8. Natural disasters and other similar events (acc.6587)	45	-	-
42.9. Other expenses (acc. 651 + 6581 + 6582 + 6583 + 6588)	46	3,598,270	6,671,349
<b>43. Adjustments on provisions (rows 48-49)</b>	<b>47</b>	<b>191,237</b>	<b>128,993</b>
44 - Expenses (acc. 6812)	48	191,237	128,993
45 - Income (acc. 7812)	49	-	-
<b>46 OPERATING EXPENSES – TOTAL (rows 21 to 23+25-26+27+30+34+37+47)</b>	<b>50</b>	<b>347,839,775</b>	<b>376,354,595</b>
<b>OPERATING PROFIT OR LOSS</b>			
<b>47 - Profit (rows 20 - 50)</b>	<b>51</b>	27,631,417	27,992,378
<b>48 – Loss (rows 50 - 20)</b>	<b>52</b>	-	-
49 Income from shares held in subsidiaries (acc. 7611)	53	206,716	8,789,087
50 Income from shares held in associates (acc. 7612)	54	-	-
51 Income from shares held in associates and jointly controlled entities (acc. 7613)	55	-	-
52 Income from transactions with securities and other financial instruments (acc. 762)	56	-	-
53 Income from transactions with derivatives (acc. 763)	57	-	-
54 Income from FX differences (acc. 765)	58	2,240,885	2,450,941
55 Interest income (acc. 766)	59	83,547	171,391
- of which, income from affiliates	60	23,091	-
57 Income from operating subsidies for interest payable (acc. 7418)	61	-	-
58 Income from short-term financial investments (acc. 7617)	62	-	-
Income from deferred collection beyond normal credit terms (acc. 7681)	63	-	-
59 Other financial income (acc. 7615 + 764 + 767 + 7688)	64	-	352,000
<b>TOTAL FINANCIAL INCOME (rows 53 to 59+61 to 64)</b>	<b>65</b>	<b>2,531,148</b>	<b>11,763,419</b>

Notes attached are an integral part of these financial statements.

**TTS (Transport Trade Services) S.A.**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless specified otherwise)

No.	Row no	Financial year ended December 31, 2020	Financial year ended December 31, 2021
61	66	(6,335,530)	(9,116,698)
62	67	-	-
63	68	6,335,530	9,116,698
64	69	-	-
65	70	-	-
66	71	306,095	114,317
- of which, expenses made with affiliates	72		
67	73	-	-
Expenses with lease interest (acc. 6685)	74	-	-
68	75	2,905,989	12,370,324
<b>69 TOTAL FINANCIAL EXPENSES (rows 66+69+70+71+73+74+75)</b>	<b>76</b>	<b>(3,123,446)</b>	<b>3,367,943</b>
<b>FINANCIAL PROFIT OR LOSS</b>			
70 - Profit (rows 65-76)	77	5,654,594	8,395,476
71 - Loss (rows 76-65)	78	-	-
<b>72 TOTAL INCOME (rows 20+65)</b>	<b>79</b>	<b>378,002,340</b>	<b>416,110,392</b>
<b>73 TOTAL EXPENSES (rows 50+76)</b>	<b>80</b>	<b>344,716,329</b>	<b>379,722,538</b>
<b>GROSS PROFIT OR LOSS</b>			
74 - Profit (rows 79-80)	81	33,286,011	36,387,854
75 - Loss (rows 80-79)	82	-	-
<b>76 INCOME TAX (acc. 691)</b>	<b>83</b>	<b>3,486,204</b>	<b>3,924,319</b>
<b>77 Deferred income tax (acc. 692)</b>	<b>84</b>	<b>-</b>	<b>-</b>
78 Income from deferred income tax (acc. 792)	85	118,823	147,430
Income tax expenses, determined by tax treatment uncertainties (acc. 693)	86	-	-
Tax specific to certain activities (acc. 695)	87	-	-
79 Other taxes not included in the captions above (acc. 698)	88	-	-
<b>NET PROFIT OR LOSS OF THE YEAR</b>			
<b>80 - Profit (rows 81 - 83 - 84 + 85 - 86 - 87 - 88)</b>	<b>89</b>	<b>29,918,630</b>	<b>32,610,965</b>
<b>81 - Loss (rows 82 + 83 + 84 - 85 + 86 + 87 + 88); (rows 83 + 84 + 86 + 87 + 88 - 85 - 81)</b>	<b>90</b>	<b>-</b>	<b>-</b>

STEFANUT PETRU,  
CHIEF EXECUTIVE OFFICER

NICOLETA FLORESCU,  
CHIEF FINANCIAL OFFICER

Notes attached are an integral part of these financial statements.

**TTS (Transport Trade Services) S.A.**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless specified otherwise)

	<u>December 31, 2020</u>	<u>December 31, 2021</u>
<b><i>Cash flows from operating activities</i></b>		
<b>Profit before tax</b>	<b><u>33,286,011</u></b>	<b><u>36,387,854</u></b>
<b><i>Adjustments for:</i></b>		
Amortization of intangible assets	52,552	27,757
Depreciation of tangible assets	3,619,801	3,955,072
Expenses/(Income) related to provisions for financial investments	(6,335,530)	(9,116,698)
Expenses/(Income) related to provisions for receivables and similar accounts	(207,191)	916,348
Expenses/(Income) related to provisions for risks and charges	191,237	128,993
(Net gains)/Net loss on the disposal of tangible assets	69,324	(50,924)
(Net gains)/Net loss on the disposal of financial investments	134,400	10,046,630
Adjustments for FX losses/(gains)	530,704	(127,247)
Income from dividends	(206,716)	(8,789,087)
Interest expenses	306,095	114,317
interest income	(83,547)	(171,391)
<b>Cash flows from operations before changes to working capital</b>	<b><u>31,357,141</u></b>	<b><u>33,321,624</u></b>
(Increase) / Decrease in receivables	4,376,029	991,221
(Increase) / Decrease in prepaid expenses	441,148	220,485
(Increase) / Decrease in inventories	388,285	68,395
Increase / Decrease in liabilities	(14,340,662)	(7,983,650)
Increase / (Decrease) in deferred income	(93,479)	(1,421,184)
Interest paid	(306,095)	(114,317)
Interest received	83,547	171,391
Income tax paid	(1,240,041)	-
<b>Net cash from operating activities</b>	<b><u>20,665,873</u></b>	<b><u>25,253,964</u></b>
<b><i>Cash flows from investing activities:</i></b>		
Purchase of tangible assets	(4,385,738)	(7,095,420)
Purchase of intangible assets	(7,160)	(135,968)
(Purchase)/Sale of non-current financial assets	563,853	(332,030)
Proceeds from sale of non-current assets	141,976	1,626,674
Proceeds from sale of short-term investments	-	-
Dividends received	206,716	8,789,087
<b>Net cash flows from investing activities</b>	<b><u>(3,480,353)</u></b>	<b><u>2,852,343</u></b>

Notes attached are an integral part of these financial statements.

**TTS (Transport Trade Services) S.A.**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless specified otherwise)

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2021</u>
<i><b>Cash flows from financing activities</b></i>		
Increase/(Decrease) in the use of credit line	-	-
Receipt/(Repayment) of long-term loan	(12,386,678)	(8,521,450)
Guarantee payments	-	-
Dividends paid	(15,300,000)	(16,200,000)
Spin-off payment - cash	-	-
(Purchase)/Sale of own shares	-	-
<b>Net cash flows from financing activities</b>	<b><u>(27,686,678)</u></b>	<b><u>(24,721,450)</u></b>
Net (decrease)/increase of cash and cash equivalents	<u>(10,501,158)</u>	<u>3,384,858</u>
<b>Cash and cash equivalents at beginning of the year</b>	<b><u>28,247,155</u></b>	<b><u>17,745,997</u></b>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>17,745,997</u></b>	<b><u>21,130,855</u></b>

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**TTS (Transport Trade Services) S.A.**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless otherwise specified)

	Share capital	Share premiums	Legal reserves	Other reserves	Revaluation reserves	Retained earnings	Total
<b>Balance at January 1, 2020</b>	<b>31,739,592</b>	-	<b>5,968,175</b>	<b>8,870,774</b>	-	<b>106,802,522</b>	<b>153,381,063</b>
Profit/(Loss) for the year	-	-	-	-	-	29,918,630	29,918,630
Loss on write-off of shares	-	-	-	(5,138,376)	-	5,138,376	-
Set-up of legal reserve	-	-	-	45,586	-	(45,586)	-
Set-up of legal reserves	-	-	31,825	-	-	(31,825)	-
Dividends paid	-	-	-	-	-	(15,300,000)	(15,300,000)
Share capital issued	-	-	-	-	-	-	-
Deferred tax from revaluation reserve	-	-	-	-	-	-	-
<b>Balance at December 31, 2020</b>	<b>31,739,592</b>	-	<b>6,000,000</b>	<b>3,777,984</b>	-	<b>126,482,117</b>	<b>167,999,693</b>

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Notes attached are an integral part of these financial statements.

**TTS (Transport Trade Services) S.A.**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
(all amounts are expressed in "RON", unless otherwise specified)

	Share capital	Share premiums	Legal reserves	Other reserves	Revaluation reserves	Retained earnings	Total
<b>Balance at January 1, 2021</b>	<b>31,739,592</b>	-	<b>6,000,000</b>	<b>3,777,984</b>	-	<b>126,482,117</b>	<b>167,999,693</b>
Profit / (Loss) for the year	-	-	-	-	-	32,610,965	32,610,965
Loss on write-off of shares	-	-	-	-	-	-	-
Set-up of legal reserve	-	-	-	45,591	-	(45,591)	-
Set-up of legal reserves	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	(16,200,000)	(16,200,000)
Share capital issued	-	-	-	-	-	-	-
Deferred tax from revaluation reserve	-	-	-	-	-	-	-
<b>Balance at December 31, 2021</b>	<b>31,739,592</b>	-	<b>6,000,000</b>	<b>3,823,575</b>	-	<b>142,847,491</b>	<b>184,410,658</b>

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**TTS (Transport Trade Services) S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(all amounts are expressed in “RON”, unless otherwise specified)**

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**1. GENERAL INFORMATION**

T.T.S. (Transport Trade Services) S.A. (hereinafter referred to as ‘the Company’), is a company incorporated in Romania, in 1997 having its registered office at no. 27, Vaselor Street, Bucharest.

The core business of the Company is represented by activities related to transports. TTS (Transport Trade Services) S.A. operates as sender of goods in domestic and international transport, mainly inland waterway transport and port operation. The company offers integrated services, from taking the goods from river or sea port, to the point of destination.

**2. APPLICATION OF THE NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY EU**

***Initial application of new amendments to the existing standards effective for the current reporting period***

The following amendments to the existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period:

- **Amendments to IFRS 9 “Financial Instruments”, IAS 39 “Financial Instruments: Recognition and Measurement”, IFRS 7 “Financial Instruments: Disclosures”, IFRS 4 “Insurance Contracts” and IFRS 16 “Leases”** - Interest Rate Benchmark Reform — Phase 2 adopted by the EU on 13 January 2021 (effective for annual periods beginning on or after 1 January 2021),
- **Amendments to IFRS 16 “Leases”** - Covid-19-Related Rent Concessions beyond 30 June 2021 adopted by the EU on 30 August 2021 (effective from 1 April 2021 for financial years starting, at the latest, on or after 1 January 2021),
- **Amendments to IFRS 4 Insurance Contracts “Extension of the Temporary Exemption from Applying IFRS 9”** adopted by the EU on 16 December 2020 (the expiry date for the temporary exemption from IFRS 9 was extended from 1 January 2021 to annual periods beginning on or after 1 January 2023).

The adoption of amendments to the existing standards has not led to any material changes in the Company’s financial statements.

***Standards and amendments to the existing standards issued by IASB and adopted by the EU but not yet effective***

At the date of authorisation of these financial statements, the following amendments to the existing standards were issued by IASB and adopted by the EU and which are not yet effective:

- **Amendments to IAS 16 “Property, Plant and Equipment”** - Proceeds before Intended Use adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),
- **Amendments to IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”** - Onerous Contracts - Cost of Fulfilling a Contract adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),
- **Amendments to IFRS 3 “Business Combinations”** - Reference to the Conceptual Framework with amendments to IFRS 3 adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),
- **IFRS 17 “Insurance Contracts”** including amendments to IFRS 17 issued by IASB on 25 June 2020 - adopted by the EU on 19 November 2021 (effective for annual periods beginning on or after 1 January 2023),
- **Amendments to various standards due to “Improvements to IFRSs (cycle 2018 -2020)”** resulting from the annual improvement project of IFRS (IFRS 1, IFRS 9, IFRS 16 and IAS 41) primarily with a view to removing inconsistencies and clarifying wording - adopted by the EU on 28 June 2021 (The amendments to IFRS 1, IFRS 9 and IAS 41 are effective for annual periods beginning on or after 1 January 2022. The amendment to IFRS 16 only regards an illustrative example, so no effective date is stated.)

**TTS (Transport Trade Services) S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
(all amounts are expressed in “RON”, unless otherwise specified)

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**2. APPLICATION OF THE NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY EU (continued)**

***New standards and amendments to the existing standards issued by IASB but not yet adopted by the EU***

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except for the following new standards and amendments to the existing standards, which were not endorsed for use in EU as at [date of publication of financial statements] (the effective dates stated below is for IFRS as issued by IASB):

- **IFRS 14 “Regulatory Deferral Accounts”** (effective for annual periods beginning on or after 1 January 2016) - the European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard,
- **Amendments to IAS 1 “Presentation of Financial Statements”** - Classification of Liabilities as Current or Non-Current (effective for annual periods beginning on or after 1 January 2023),
- **Amendments to IAS 1 “Presentation of Financial Statements”** - Disclosure of Accounting Policies (effective for annual periods beginning on or after 1 January 2023),
- **Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”** - Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023),
- **Amendments to IAS 12 “Income Taxes”** - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023),
- **Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”** - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and further amendments (effective date deferred indefinitely until the research project on the equity method has been concluded),
- **Amendments to IFRS 17 “Insurance contracts”** - Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective for annual periods beginning on or after 1 January 2023).

The Company anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Company in the period of initial application.

Hedge accounting for a portfolio of financial assets and liabilities whose principles have not been adopted by the EU remains unregulated.

According to the Company’s estimates, the application of hedge accounting to a portfolio of financial assets or liabilities pursuant to IAS 39: “Financial Instruments: Recognition and Measurement” would not significantly impact the financial statements, if applied as at the balance sheet date.



**TTS (Transport Trade Services) S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(all amounts are expressed in “RON”, unless otherwise specified)**

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**3. SIGNIFICANT ACCOUNTING POLICIES**

The main accounting policies are presented below:

The main accounting policies applied in preparing these financial statements are presented below. These policies have been applied consistently throughout all the years disclosed, unless otherwise presented.

***Statement of compliance***

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union, according to the Ministry of Public Finance Order no. 2844/2016, as subsequently amended.

***Basis of preparation***

The financial statements have been prepared at historic cost, except for certain financial instruments that are stated at restated value or fair value as described in the accounting policies. The historic cost is generally based on the fair value of the provision supplied in exchange of the assets.

The presented financial statements were prepared by taking into consideration the adjusted statutory financial statements so as to obtain a status in accordance with the recognition and measurement criteria of the International Financial Reporting Standards (IFRS), in compliance with the provisions of IFRS 1 (“First-time adoption of IFRS”) issued by the International Accounting Standards Board (IASB), as adopted by the European Union.

The financial statements have been prepared on a going concern basis, according to the historic cost convention adjusted for the effects of hyperinflation by December 31, 2003 for the share capital and reserves. The financial statements are prepared on the basis of the statutory accounting records in accordance with the Romanian accounting principles, adjusted for compliance with IFRS as adopted by EU.

In this respect, the statement of financial position, an integral part of the annual financial statements, comprises information related to the end of the reporting financial year, the end of the financial year prior to the reporting year and beginning of the financial year prior to the reporting year. Moreover, the statement of comprehensive income comprises two information columns related to the current (reporting) financial year and the financial year prior to the reporting year.

For purposes of compliance with the international standards, the Company restated the amounts reported in the financial statements prepared in accordance with the standards approved by MoPFO 1802/2014 – see note 4.

The going concern principle. The Company operates according to the going concern principle. This principle assumes that the entity will continue its activity normally, without entering liquidation or significantly reducing its activity. The Company analysed the current situation of the orders and of the main industries linked to its activity, for which it operates transportation services and according to it, they expect that the current COVID situation will lead to a reduction in profitability, but by efficiently utilising the resources available considers that the going concern principle will not be affected.

**Functional and presentation currency**

These financial statements are presented in lei, which is the functional currency of the Company. The financial statements are presented in lei, rounded, without decimals. The transactions realised in a foreign currency are stated in RON (lei) by applying the exchange rate at the transaction date. The monetary assets and debts stated in a foreign currency, at the year end, are stated in RON (lei) using the exchange rate at the respective date. Gains and losses from the exchange rate differences, realised or not realised, are stated in the profit and loss account for the respective year.

The exchange rates as at December 31, 2021 and as at December 31, 2020 are:

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
EUR	4.9481	4.8694
USD	4.3707	3.9660

**TTS (Transport Trade Services) S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(all amounts are expressed in "RON", unless otherwise specified)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Foreign currency transactions***

Non-monetary assets and liabilities measured in terms of fair value in a foreign currency are translated in functional currency at closing rate of the date when the fair value has been determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction.

**Current versus non-current classification**

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalent

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Accounting for the effects of hyperinflation**

The Romanian economy was considered hyperinflationary until December 2003, therefore, the requirements of International Accounting Standard 29 (IAS 29) have been applied historically, with the non-monetary equity balance sheet items remeasured in RON at December 31, 2003. In order to prepare the financial statements, the Company adjusted its share capital and other reserves to inflation.

For the non-monetary assets of the Company acquired before December 31, 2003 and held at January 1, 2015, the Company uses the revalued amount as a default cost at the date of transition to IFRS.

**Accounting estimates and professional judgments**

The preparation of financial statements in accordance with International Financial Reporting Standards ("IFRS") requires the Company's management to use estimates, professional judgments and assumptions that affect the application of accounting policies and the reported value of assets, liabilities, income and expenses. The estimates and assumptions associated with these estimates are based on historical experience, as well as other factors considered reasonable in the context of these estimates. The results of these estimates are based on professional judgments regarding the carrying amounts of assets and liabilities when those values cannot be obtained from other sources of information. Actual results may differ from estimated values.

The assumptions underlying the estimates are periodically reviewed by the Company. The effect of these revisions is recognized in the period in which the estimates are revised, if the revisions affect only that period, or in the period in which the estimates are revised and future periods if the revisions affect both the current period and future periods.

**TTS (Transport Trade Services) S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(all amounts are expressed in "RON", unless otherwise specified)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

The main accounting policies are presented below.

***Intangible assets***

Intangible assets acquired by the Company are presented at cost less accumulated amortization and impairment losses on intangible assets.

Intangible assets are recognized when the initial recognition criteria set out in IAS 38 are met, namely:

- whether the expected future economic benefits attributed to the asset are likely to be passed on to the entity,
- the cost of the asset can be measured reliably.

Amortization is calculated on a straight-line basis throughout the useful life. The estimated useful life and the amortization method are revised at the end of each reporting period, effecting changes in the future accounting estimates.

The following useful lives are used in the calculation of amortization:

**Licenses**

**1 - 5 years**

***Property, plant and equipment***

Land and buildings, equipment deemed to be used in the production or supply of goods or services or for administrative purposes are registered in the balance sheet at cost less any accumulated impairment that is deemed implicit acquisition cost at the time of transition to IFRS.

The initial cost of property, plant and equipment is the acquisition cost that includes the price paid to the supplier, including customs duties on import and other irrecoverable taxes, as well as any other costs directly attributable to the commissioning of the asset and bringing it to its location and at the operating conditions.

The initial cost of a property, plant and equipment also includes the costs initially estimated with its dismantling and relocation, as well as with the restoration of the site where the asset is located, when these amounts can be estimated reliably and the Company has an obligation to dismantle, relocate the property and restore the site. Estimated costs of dismantling and moving property, plant and equipment, as well as the cost with the restoration of the site, are recognized in the value of the non-current asset, in correspondence with a provision account.

Costs include professional fees and, for eligible assets, borrowing costs capitalized in accordance with the Company's accounting policies. Such assets are classified in the respective categories of property, plant and equipment when they are completed or ready for use for the purpose for which they were intended. Impairment of these assets, on the same basis as other proprietary assets, begins when the assets are available for use in the manner desired by management.

The Company has applied one of the exemptions included in IFRS 1 which relieves first time adopters from the requirements to recreate cost information for the property, plant and equipment – *"IFRS1 - D8 allows event - driven fair value to be taken as the deemed cost as the date of that measurement"* In more detail the point refers allows a first time adopter to use and event driven fair value as deemed cost at the measurement date, for measurements events that occurred after the date of transition to IFRS and to specify accounting in such circumstances.

Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease previously recognized in the profit and loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed.

The depreciation of the buildings is recorded in the statement of comprehensive income.

Properties in the course of construction for production, rental, and administrative purposes or for purposes not yet determined are recorded at historic cost. The depreciation of these assets, on the same basis as other tangible assets, commences when the assets are ready to be used.

**TTS (Transport Trade Services) S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(all amounts are expressed in "RON", unless otherwise specified)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Depreciation of these assets is recorded such as to diminish cost, other than cost of land and properties under construction, throughout their estimated lifetime, on a straight-line basis.

The estimated useful service lives, residual values and the depreciation method are revised at each year end, resulting in changes to the future accounting estimates.

The assets held under financial leases are depreciated throughout the useful service life, similarly with the assets held with full title.

The loss or earning from the sale or decommissioning of a tangible asset are calculated as difference between the income from sales and the net book value of the asset and are recognized in the income statement.

Buildings and special constructions	8 - 60 years
Technical installations and equipment	3 - 30 years
Vehicles	4 - 6 years

***Impairment of tangible and intangible assets***

At the end of each reporting period, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). When the recoverable amount of an individual asset cannot be estimated, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Where there can be identified a consistent allocation basis, the Group's corporate assets are also allocated to individual cash generating units or to the smallest group of cash generating units for which a consistent allocation basis can be identified.

Intangible assets with a useful life not determined and intangible assets that are not yet available for use are tested for impairment at least once a year and anytime there is indication that the asset may be impaired.

The recoverable value means the highest of fair value minus sale costs and its value in use. When measuring the value in use, estimated future cash flows are discounted at their current value by using a discount rate determined prior to taxation, which reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates related to future cash flows have not been adjusted.

If the recoverable value of an asset (or cash-generating unit) is estimated to be lower than its carrying value, then the carrying value of the asset (or the cash-generating unit) is reduced to the level of the recoverable value. Impairment is recognized immediately in profit or loss, if the relevant asset is not registered at a re-measured value, in which case the impairment is treated as reduction of re-measurement.

When an impairment loss is subsequently reversed, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable value, but so that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the respective asset (cash generating unit) in the prior years. A reversal of the impairment loss is immediately recognized in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**Investments in associates**

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies. The Company used the historical cost method to account for associates.

**TTS (Transport Trade Services) S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(all amounts are expressed in "RON", unless otherwise specified)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Financial assets and liabilities***

Company's financial assets include investments, cash and cash equivalents, trade receivables. Financial liabilities include financial lease obligations, interest bearing bank borrowings and other liabilities. For each element, the accounting policies regarding the recognition and measurement are disclosed in this note. Management considers that the estimated fair values of these instruments approximate their book values.

Borrowings are initially recognized at fair value, less the costs incurred with the respective operation. Subsequently, these are recorded at amortized costs. Any difference between the addition value and the repayment value is recognized in the profit and loss account during the term of the borrowing, using the effective interest rate.

The classification of the investments depends on the nature and purpose of the same and is determined as at the date of the initial recognition.

***Impairment of financial assets***

Financial assets, other than those at fair value through profit and loss account are assessed for indicators of impairment at the end of each reporting period.

Financial assets are considered to be impaired when there is objective evidence that one or several events occurred after the initial recognition have had an impact on the future cash flow pertaining to the investment.

Certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they are assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the past experience of the Group in respect of the collection of payments, an increase of the payments delayed beyond the credit term, as well as visible changes in the national and local economic conditions that are correlated with the payment incidents regarding the receivables.

The carrying amount of the financial asset is reduced by the impairment loss, directly for all the financial assets, except for the trade receivables, a case where the carrying amount is reduced by using a provision account. If a receivable is considered not recoverable, it is written off and deducted from the provision. Subsequent recoveries of the amounts previously written off are credited to the provision account. The changes in the carrying amount of the provision account are recognized in the profit or loss.

***Derecognition of the assets and liabilities***

The Company derecognizes the financial assets only when the contractual rights on the cash flows expire, or transfer the financial asset and, substantially, all the risks and rewards pertaining to the asset to another entity.

The Company derecognizes the financial liabilities if and only if all its obligations have been paid, cancelled or have expired.

***Inventories***

Inventories are stated at the lower of cost and net realizable value. Costs, including a part corresponding to the fixed and variable expenses are allocated to the inventories held through the method that is most adequate to the respective class of inventories, respective weighted average basis. Net realizable value represents the sale price estimated for inventories less all the costs estimated for completion and the costs pertaining to the sale.

***Trade and other receivables***

Trade and other receivables are initially stated at nominal value, which approximates the fair value and are subsequently written down by appropriate adjustments for the estimated non-recoverable amounts.

In the estimation, the Company is based on the age of the debt balances and on the historical experience.

The individual trade receivables are derecognised when the Company considers that they are not recoverable and all legal steps have been taken. Significant financial difficulties of the debtor, the probability that the debtor will go bankrupt or enter the procedure of financial reorganization or payment incapacity or payment delinquency are considered indications for the depreciation of receivables. Impairment loss is recognized in profit or loss.

The value of the receivable is presented in the statement of financial position.

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Petty cash and bank accounts**

Cash and cash equivalents include cash on hand and bank deposits that are immediately convertible into a known amount of cash and are subject to an insignificant risk of change in value. Account overdrafts are recorded at short-term payables in the balance sheet. Cash in foreign currency is revalued at the exchange rate at the end of the period.

**Trade and other payables**

Payables to suppliers and other payables are recorded at amortized cost and include the value of invoices issued by suppliers of products, works performed and services rendered.

The Company registers as accounts payable the operations regarding the purchases of materials and the services performed by third parties. Advances granted to suppliers are recorded in separate accounts.

Accounts payable are kept by categories, as well as by each natural or legal person.

Payables are classified into short-term payables and long-term payables.

**Borrowings**

Borrowings are initially recognized at fair value, net of related transaction costs.

Borrowings are subsequently registered at amortized cost; any difference between the amounts obtained from the sale and the recovery value is recognized in profit or loss over the period of the loans using the effective interest rate method.

Borrowings are classified as short-term payables, unless the Company has the unconditional right to defer debt settlement for at least 12 months after the balance sheet date.

Bank loans (all in the form of overdrafts) have no specific maturity and are classified as short-term payables.

In accordance with IAS 23 Borrowing Costs, the Company capitalizes on the costs of asset-related loans that require a long period of time to commission or sell.

The Company monitors the capital based on the gearing ratio. This rate is calculated as a ratio between net debt and total capital. Net debt is calculated as total loans (including both short-term and long-term loans) less cash and cash equivalents.

**Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and when a reliable estimate can be made of the respective obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the estimated cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Provisions are grouped by categories in the accounting records and are set up for:

- a) legal disputes;
- b) restructuring;
- c) employee benefits
- d) other provisions

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Onerous contracts*

Present obligations generated under onerous contracts are recognized and measured as provisions. A contract is onerous when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received thereunder.

*Warranties*

Provisions for estimated costs of guarantee obligations according to local legislation concerning the sale of goods are recognized on the date when the relevant products are sold, at the best estimate made by the management as regards the expenses required to settle the Company's obligation.

**Revenue recognition**

Income is measured at the fair value of the amounts received or to be received. Revenues is reduced by estimated customers returns, commercial rebates and other similar allowances.

**Revenue from contracts with customers**

IFRS 15 "Revenue from contracts with customers" introduces a comprehensive model for the recognition and measurement of income. The standard replaces the existing income recognition criteria, replacing IAS 18 "Income", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programs". Under the new standard, revenue is recognized when the customer acquires control of the goods or services provided, at the amount that reflects the price that the company expects to receive in exchange for those goods or services.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control of a product or service to a customer.

The revenue is measured at the fair value of the counter value received or receivable. Revenue from sales is reduced for returns, commercial rebates and other similar reductions. The basic rule is that prices/tariffs are calculated based on costs + profit, under market conditions. Port prices are more stable, contracted mostly on yearly basis but usually same over a longer period of time. Tariffs for transport are more stable for minerals and part of chemicals, i.e. contracts valid one year (or more), spot contracts are calculated according to the basic rule. Tariffs for grains are agreed for main volumes, basis on one year long contract, level of tariffs being higher during season (July – December) and lower for off-season (January-June); spot contracts follow the basic rule.

Prices for transport are adjusted with BAF (bunker adjustment fee) and LWS (low water surcharge).

The Company has the following revenue streams:

**Revenue from logistic contracts**

*Revenue from logistic services* (transport, expedition, port operations) are recognised over time according to the contractual conditions, as the transport is confirmed by the beneficiary based on the following documents:

- freight documents (bill of lading, other related transport documents);
- documents attesting to the unloading operation from transport vehicles like barges, maritime ships or loading operation of loading the commodities (tally upon unloading / Out Turn Report – OTR / draft unloading survey).
- For the transportation services in progress at year end- the revenue is recognised as it is executed depending on percentage of execution of the service applying the output method based on:
  - the ships' location at the end of each month in the electronic ship monitoring system in Navrom's Dispatch Office;
  - the virtual route of the convoy (quantity x virtual distance) corroborated with the virtual trade of the order).

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Sale of goods**

Revenue from sales of goods is recognized when the goods are delivered and titles have passed, at which time all the following conditions are met:

- The entity has transferred to the buyer all the significant risks and rewards of ownership over the goods;
- The entity does not hold any managerial involvement associated to ownership or effective control over the goods sold;
- The amount of revenue can be measured in a reliable manner;
- It is probable that the economic benefits will flow directed to the Entity, and
- The costs incurred or to be incurred in respect to the transaction can be measured in a reliable manner.

Specifically, the revenue from sales of goods is recognized when the goods are delivered and the ownership right is transferred.

This is a secondary stream activity. The revenues are recorded based on approved contract between parties and parties being committed to perform their respective obligations. Each party's rights and payment terms can be easily identified. The contracts have commercial substance and it is probable that the entity will collect the consideration to which will be entitled in exchange for the goods or services transferred to the customer.

**Financial income and expenses**

Financial income includes interest income related to invested funds and other financial income. Interest income is recognized in profit or loss on an accrual basis, using the effective interest method.

The interest income is recorded on a time basis, by reference to the principal due and the applicable effective interest rate, which is the exact rate of discount of the future cash inflows estimated throughout the lifetime of the financial asset, up to the net book value of the respective asset.

Financial expenses include interest expense on loans and other financial expenses.

All borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognized in the income statement using the effective interest method.

Foreign exchange gains and losses on financial assets and liabilities are reported on a net basis as either financial income or financial expense, depending on currency fluctuations: net gain or net loss.

**Other income** - includes income from fines, penalties, write-back of the amount representing the compensation granted for the release of the frequency bands, etc.

**Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*The Company as a lessee*

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.



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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Leases (continued)**

i) Right-of-use assets (continued)

The right of use of assets relates to rented cars which are depreciated over 3 years.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 3 Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company's exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of equipment that are considered to be of low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

*The Company as lessor*

The Company enters into lease agreements as a lessor with respect to some of its equipment.

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

When a contract includes both lease and non-lease components, the Company applies IFRS 15 to allocate the consideration under the contract to each component.

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Contingent assets and liabilities***

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- a present obligation that arises from past events that is not recognized because:
  - a. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - b. the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the Company’s financial statements, but disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is not recognized in the Company’s financial statements, but disclosed when an inflow of economic benefits is probable

***FX transactions***

The Company operates in Romania and its functional currency is RON.

Transactions in foreign currencies are translated to the respective currency of entity at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

***Costs related to long-term borrowings***

The costs related to the long-term loans directly attributable to the acquisition, construction or production of assets, which are assets that necessarily take a substantial period of time in order to be used or for sale are added to the cost of those assets, until such time as the respective assets are ready to be used for their purpose or for sale. The income from the temporary investment of specific borrowings until such time as the borrowings are expensed on assets is deducted from the costs pertaining to the long-term borrowings eligible for capitalization.

All the other borrowing costs are recognized in the income statement in the period in which they are incurred.

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Contribution for employees***

The Company, in the normal course of business, makes payments to the Romanian State for social security, unemployment benefit fund and health care fund according to the levels established under the law and in effect during the year, calculated on the gross salaries on behalf of its employees. The value of these contributions is recorded in the income statement as the related salary expenses.

The Company pays its employees retirement benefits, as defined in the collective employment contract.

***Taxation***

The income tax expense represents the sum of the current tax and deferred tax.

**Current tax**

The tax currently payable is based on the taxable profit of the year. Taxable profit differs from the ‘profit before tax’ as reported in the consolidated statement of profit and loss, as it excludes the elements of income and expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s liability for current tax is calculated using tax rates that have enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding taxation bases used in the calculation of the taxable profit. The deferred tax liabilities are generally recognized for all the temporary taxation differences, to the extent where it is probable that taxable profit should exist on which those temporary differences can be used. Such assets and liabilities are not recognized if the temporary difference comes from goodwill or from the initial recognition (other than from a business combination) of other assets and liabilities in a transaction that affect neither the taxable profit, nor the accounting profit.

Deferred tax liabilities are recognized for the temporary taxable differences associated with the investments in subsidiaries and associates and the interests in joint ventures. The deferred tax asset from the temporary deductible differences associated with such investments and interests is recognized only to the extent where it is likely to exist sufficient taxable income on which the benefits pertaining to the temporary differences can be used and it is estimated that they will be reversed in the near future.

The book value of the deferred tax assets is revised as at each balance sheet date and is reduced to the extent where it is no longer likely that taxable income should exist to allow the full or partial recovery of the asset.

Deferred tax assets and liabilities are measured at the taxation rate estimated to be applied in the period when the liability is settled or the asset is realized, based on the taxation rates (and tax laws) in effect or substantially in effect by the balance sheet date. The measurement of the assets and liabilities by the deferred tax reflects the fiscal consequences of the way in which the Company estimates, as at the reporting date, that it will recover or settle the book value of its assets and liabilities.

**Deferred tax**

Deferred tax assets and liabilities are offset when there is an applicable right to offset them in a similar way to the current assets and liabilities which are offset with the current tax and when they regard the income taxes levied by the same tax authority and the Company intends to offset its deferred tax assets with its deferred tax liabilities on a net basis.

**Current tax and deferred tax**

Current and deferred tax are recognized in profit and loss, except when they relate to items that are recognized in other comprehensive income, or directly in equity in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

The income tax for the period ending December 31, 2021 was 16% (December 31, 2020: 16%).

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Use of estimates***

The preparation of the financial statements requires making estimates and assumptions by the management, which affect the reported amounts of the contingent assets and liabilities as at the balance sheet date, as well as the reported amounts of the income and expenses during the reporting period. Actual results may differ from those estimates. The estimates and assumptions on which the financial statements are based are revised on an ongoing basis. The reviews of the accounting estimates are recognized in the period when the estimate is revised, if such review affects only the respective period, or in the future periods, if the review affects both the current and the future periods.

***Comparatives***

Certain amounts in the statement of the financial position, statement of the comprehensive result, cash flow statement and statement of changes in shareholders' equity for the prior year have been reclassified to be put in line with the current year presentation.

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**4. RESTATEMENT OF 2019 FINANCIAL STATEMENTS AS PER IFRS 1 ("FIRST-TIME ADOPTION OF IFRS")**

No.	Row no.	Balance at December 31, 2019 as per MoPFO 2844	Balance at December 31, 2019 as per MoPFO 1802	Differences
<b>A NON – CURRENT ASSETS</b>				
<b>I INTANGIBLE ASSETS</b>				
	1	-	-	-
	2	53,725	53,725	-
	3	-	-	-
	4	-	-	-
	5	-	-	-
	<b>6</b>	<b>53,725</b>	<b>53,725</b>	<b>-</b>
<b>II TANGIBLE ASSETS</b>				
	7	18,673,621	18,673,621	-
	8	13,075,049	13,075,049	-
	9	50,308	50,308	-
	10	-	-	-
	11	1,674,137	1,674,137	-
	12	-	-	-
	13	-	-	-
	14	-	-	-
	15	-	-	-
	<b>16</b>	<b>33,473,115</b>	<b>33,473,115</b>	<b>-</b>
<b>III BEARER BIOLOGICAL ASSETS (acc.241+227-284-294)</b>				
	17	-	-	-
<b>IV RIGHTS OF USE OF LEASED ASSETS (acc. 251* - 285* - 295*)</b>				
	18	-	-	-
<b>V FINANCIAL ASSETS</b>				
	19	122,688,430	122,688,430	-
	20	-	-	-
	21	147,339	147,339	-
	22	-	-	-
	23	-	-	-
	24	1,006,122	1,006,122	-
	<b>25</b>	<b>123,841,891</b>	<b>123,841,891</b>	<b>-</b>
	<b>26</b>	<b>157,368,731</b>	<b>157,368,731</b>	<b>-</b>



**TTS (Transport Trade Services) S.A.**  
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**4. RESTATEMENT OF 2019 FINANCIAL STATEMENTS AS PER IFRS 1 ("FIRST-TIME ADOPTION OF IFRS")**

No.	Row no.	Balance at December 31, 2019 as per MoPFO 2844	Balance at December 31, 2019 as per MoPFO 1802	Differences
<b>D PAYABLES WITHIN ONE YEAR</b>				
				-
	48	-	-	-
	49	12,187,215	12,187,215	-
	50	-	-	-
	51	47,911,693	47,911,693	-
	52	-	-	-
	53	-	-	-
	54	-	-	-
	55	-	-	-
	56	4,948,219	4,948,219	-
	57	<b>65,047,127</b>	<b>65,047,127</b>	-
<b>E NET CURRENT ASSETS/NET CURRENT LIABILITIES (rows 44 + 46 - 57 - 74 - 77 - 80)</b>				
	58	<b>4,900,214</b>	<b>4,900,214</b>	-
<b>F TOTAL ASSETS LESS CURRENT LIABILITIES (rows 26 + 47 + 58)</b>				
	59	<b>162,268,945</b>	<b>162,268,945</b>	-
<b>G LONG-TERM PAYABLES</b>				
	60	-	-	-
	61	8,363,775	8,363,775	-
	62	-	-	-
	63	-	-	-
	64	-	-	-
	65	-	-	-
	66	-	-	-
	67	-	-	-
	68	215,696	77,000	138,626
	69	<b>8,579,471</b>	<b>8,440,845</b>	<b>138,626</b>
<b>H PROVISIONS</b>				
	70	-	-	-

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**4. RESTATEMENT OF 2019 FINANCIAL STATEMENTS AS PER IFRS 1 ("FIRST-TIME ADOPTION OF IFRS")**

No.	Row no.	Balance at December 31, 2019 as per MoPFO 2844	Balance at December 31, 2019 as per MoPFO 1802	Differences
2	71	308,411	308,411	-
<b>TOTAL (rows 70 to 71)</b>		<b>308,411</b>	<b>308,411</b>	<b>-</b>
<b>I DEFERRED INCOME</b>				
1	73	-	-	-
	74	-	-	-
	75	-	-	-
2	76	4,280,365	4,280,365	-
	77	4,280,365	4,280,365	-
	78	-	-	-
3	79	-	-	-
	80	-	-	-
	81	-	-	-
<b>TOTAL (rows 73+76+79)</b>		<b>4,280,365</b>	<b>4,280,365</b>	<b>-</b>
<b>J CAPITAL AND RESERVES</b>				
<b>I CAPITAL</b>				
1	83	30,000,000	30,000,000	-
2	84	-	-	-
3	85	-	-	-
4	86	-	-	-
5	87,88	1,739,592	-	1,739,592
6	89,90	-	-	-
<b>TOTAL (rows 83 + 84+85+86+87-88+89-90)</b>		<b>31,739,592</b>	<b>30,000,000</b>	<b>1,739,592</b>
<b>II SHARE PREMIUMS (acc. 104)</b>		-	-	-
<b>III REVALUATION RESERVES (acc. 105)</b>		-	-	-
<b>IV RESERVES</b>				
1	94	5,968,175	5,968,175	-
2	95	-	-	-
3	96	8,870,774	8,502,600	368,174
<b>TOTAL (rows 94 to 96)</b>		<b>14,838,949</b>	<b>14,838,949</b>	<b>368,174</b>
FX differences from conversion of annual standalone financial statements from a presentation currency different from the functional currency		98	-	-



**TTS (Transport Trade Services) S.A.**  
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**4. RESTATEMENT OF 2019 FINANCIAL STATEMENTS AS PER IFRS 1 ("FIRST-TIME ADOPTION OF IFRS")**

No.	Row no.	Balance at December 31, 2019 as per MoPFO 2844	Balance at December 31, 2019 as per MoPFO 1802	Differences
FX differences from conversion of annual standalone financial statements into a presentation currency different from the functional currency				
	<b>99</b>	-	-	-
Own shares (acc. 109)				
	<b>100</b>	-	-	-
Gains on equity instruments (acc. 141)				
	<b>101</b>	-	-	-
Losses on equity instruments (acc. 149)				
	<b>102</b>	27,778,063	27,778,063	-
<b>V PROFIT OR LOSS CARRIED FORWARD, EXCEPT FOR PROFIT OR LOSS CARRIED FORWARD OBTAINED FROM FIRST-TIME ADOPTION OF IAS 29</b>				
	<b>103</b>	109,928,115	105,902,837	4,025,278
	<b>104</b>	-	-	-
<b>VI PROFIT OR LOSS CARRIED FORWARD OBTAINED FROM FIRST-TIME ADOPTION OF IAS 29 (acc. 118)</b>				
	<b>105</b>	-	-	-
	<b>106</b>	2,107,766	-	2,107,766
<b>VII PROFIT OR LOSS FOR THE YEAR (acc. 121)</b>				
	<b>107</b>	28,462,035	28,399,270	62,765
	<b>108</b>	-	-	-
Allocation of profit (acc. 129)				
	<b>109</b>	1,701,799	1,701,799	-
<b>EQUITY - TOTAL</b> (rows 91 + 92 + 93 + 97 + 98 - 99 - 100 + 101 - 102 + 103 - 104 + 105 - 106 + 107 - 108 - 109)				
	<b>110</b>	<b>153,381,063</b>	<b>153,519,687</b>	<b>(138,625)</b>
Public patrimony (acc. 1023)				
	<b>111</b>	-	-	-
Private patrimony (acc. 1026)				
	<b>112</b>	-	-	-
<b>CAPITAL - TOTAL (rows 110+111+112)</b>				
	<b>113</b>	<b>153,381,063</b>	<b>153,519,687</b>	<b>(138,625)</b>

**TTS (Transport Trade Services) S.A.**  
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**4. RESTATEMENT OF 2019 FINANCIAL STATEMENTS AS PER IFRS 1 ("FIRST-TIME ADOPTION OF IFRS") (continued)**

The differences in amount of RON 138,626 related to the line "Other payables, including tax and social security" within the "Long-term payables" line is represented by the deferred tax resulting from the difference of impairment of receivables, impairment of sundry debtors and revaluation reserve.

The difference of RON 1,739,592 related to the line "Adjustments of the share capital / company patrimony (acc. 1028)", as well as the amount of RON 368,174 within the "Other reserves" line is represented by the hyperinflation adjustment of capital and reserves according to IAS 29. The share capital as well as other reserves were adjusted applying inflation indices for the period August 1998 - December 2003.

The difference of RON 4,025,278 is represented by the adjustment of the revaluation reserve by applying IAS 16 "Property, plant and equipment" and IAS 12 "Deferred income tax" with the deferred income tax generated by revaluations that are not accepted as a deduction of income tax.

The Company has applied one of the exemptions included in IFRS 1 which relieves first time adopters from the requirements to recreate cost information for the property, plant and equipment – *"IFRS1 - D8 allows event - driven fair value to be taken as the deemed cost as the date of that measurement"* In more detail the point refers allows a first time adopter to use and event driven fair value as deemed cost at the measurement date, for measurements events that occurred after the date of transition to IFRS and to specify accounting in such circumstances.

Hence, the Company reclassified the amount of the revaluation reserve.

The difference of RON 2,107,766 related to the Retained earnings line resulting from the first-time adoption of IAS 29 comprises the amounts of the share capital and other reserves restated as per IAS 29.

The difference of RON 62,765 in the "Profit or loss for the year" line relates to the income from deferred income tax.

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**5. PROPERTY, PLANT AND EQUIPMENT**

	Land at cost <i>RON</i>	Buildings at cost <i>RON</i>	Plant and machinery, equipment and motor vehicles at cost <i>RON</i>	Furniture, office equipment, protection equipment of human and material values and other tangible <i>RON</i>	Advances for Fixed Assets and Capital assets in progress <i>RON</i>	TOTAL <i>RON</i>
<b>At January 1, 2019</b>	<b>7,309,824</b>	<b>23,549,929</b>	<b>69,095,478</b>	<b>1,348,429</b>	<b>1,621,622</b>	<b>102,925,281</b>
Additions	-	--	665,439	2,546	682,607	1,350,593
Transfer	-	-	630,092	-	-	630,092
Disposals	(5,320,222)	(2,428,579)	(309,245)	(9,766)	(630,092)	(8,697,904)
Transfer	-	-	-	-	-	-
<b>As at December 31, 2019</b>	<b>1,989,602</b>	<b>21,121,350</b>	<b>69,451,672</b>	<b>1,341,209</b>	<b>1,674,137</b>	<b>95,577,970</b>
<b>At January 1, 2020</b>	<b>1,989,602</b>	<b>21,121,350</b>	<b>69,451,672</b>	<b>1,341,209</b>	<b>1,674,137</b>	<b>95,577,970</b>
Additions	924,466	856,916	1,486,686	19,558	1,608,885	4,896,511
Transfer	-	181,583	329,190	-	-	510,773
Disposals	-	-	(1,347,065)	(203,978)	(648,763)	(2,199,807)
Transfer	-	-	-	-	(510,773)	(510,773)
<b>As at December 31, 2020</b>	<b>2,914,068</b>	<b>21,978,266</b>	<b>69,591,293</b>	<b>1,156,789</b>	<b>2,634,259</b>	<b>98,274,675</b>
<b>At January 1, 2021</b>	<b>2,914,068</b>	<b>21,978,266</b>	<b>69,591,294</b>	<b>1,156,789</b>	<b>2,634,259</b>	<b>98,274,675</b>
Additions	-	4,328,197	2,351,475	35,652	6,652,367	13,367,692
Transfer	-	4,321,132	1,918,116	33,024	-	6,272,272
Disposals	-	(217,715)	(2,033,466)	-	(7,645,054)	(9,896,236)
Transfer	-	-	-	-	(6,272,271)	(6,272,271)
<b>As at December 31, 2021</b>	<b>2,914,068</b>	<b>26,088,748</b>	<b>69,909,303</b>	<b>1,192,441</b>	<b>1,641,571</b>	<b>101,746,131</b>

During 2021 the Company continued the investment to Giurgiu port and finished the investment made from Oltenita port for equipment's and infrastructure in amount of 5,603,831

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**5. PROPERTY, PLANT AND EQUIPMENT (continued)**

	<u>Land at cost</u>	<u>Buildings at cost</u>	<u>Plant and machinery, equipment and motor vehicles at cost</u>	<u>Furniture, office equipment, protection equipment of human and material values and other tangible</u>	<u>Advances for Fixed Assets and Capital assets in progress</u>	<u>TOTAL</u>
	<i>RON</i>	<i>RON</i>	<i>RON</i>	<i>RON</i>	<i>RON</i>	<i>RON</i>
<b>At January 1, 2019</b>	-	<b>4,124,742</b>	<b>54,173,892</b>	<b>1,273,479</b>	-	<b>59,572,113</b>
Depreciation expense	-	952,605	2,507,687	27,187	-	<b>3,487,479</b>
Disposals	-	640,016	304,955	9,766	-	<b>954,737</b>
<b>As at December 31, 2019</b>	-	<b>4,437,331</b>	<b>56,376,624</b>	<b>1,290,901</b>	-	<b>62,104,855</b>
<b>At January 1, 2020</b>	-	<b>4,437,331</b>	<b>56,376,624</b>	<b>1,290,901</b>	-	<b>62,104,855</b>
Depreciation expense	-	882,542	2,718,465	18,794	-	3,619,801
Disposals	-	-	1,279,709	198,024	-	1,477,733
<b>As at December 31, 2020</b>	-	<b>5,319,873</b>	<b>57,815,380</b>	<b>1,111,671</b>	-	<b>64,246,923</b>
<b>At January 1, 2021</b>	-	<b>5,319,873</b>	<b>57,815,380</b>	<b>1,111,671</b>	-	<b>64,246,923</b>
Depreciation expense	-	920,629	3,022,716	11,727	-	3,955,072
Disposals	-	95,258	1,952,958	-	-	2,048,216
<b>As at December 31, 2021</b>	-	<b>6,145,244</b>	<b>58,885,139</b>	<b>1,123,398</b>	-	<b>66,153,780</b>
<b>Carrying amount</b>						
<b>At December 31, 2019</b>	<b>1,989,602</b>	<b>16,684,020</b>	<b>13,075,049</b>	<b>50,308</b>	<b>1,674,137</b>	<b>33,473,115</b>
<b>At December 31, 2020</b>	<b>2,914,068</b>	<b>16,658,394</b>	<b>11,775,914</b>	<b>45,118</b>	<b>2,634,258</b>	<b>34,027,752</b>
<b>At December 31, 2021</b>	<b>2,914,068</b>	<b>19,943,504</b>	<b>11,024,164</b>	<b>69,043</b>	<b>1,641,571</b>	<b>35,592,351</b>

In 2019, the Company ceased through spin off the land from Vaselor street 32, 34, land form from Maiorescu street no. 14B and 16 in amount of RON 5,320,222 and buildings with a gross book value of RON 2,428,579. In 2020 the Company continued the investments made for Giurgiu and Oltenita by acquiring equipment's in amount of 981,477. Moreover, there was made a replacement of the fully depreciated IT equipment's in amount of 188,387 RON and ceased other completed depreciated tangible assets in amount of 893,742 RON.

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**5. PROPERTY, PLANT AND EQUIPMENT (continued)**

**a) Tangible assets pledged**

All loans from Unicredit Bank are guaranteed with mortgage on the building from Bucharest on Vaselor Street no 27, Bucharest lands from Ion Maiorescu Street no 14 and 16 B and on a silo from Giurgiu.

As at December 31, 2021, the net book value of the tangible assets pledged in favour of banks in respect of the bank borrowings contracted by the Company amounts to RON 13,008,190 RON (2020: 13,442,604 RON).

**b) Tangible assets purchased under financial leases**

As at December 31, 2021 and 2020, the Company did not have any financial leases.

**6. INTANGIBLE ASSETS**

	<b>Concessions and patents</b>	<b>Other Intangible assets</b>	<b>Total</b>
<b>COST</b>			
<b>As at December 31, 2018</b>	<b>10,392</b>	<b>1,713,623</b>	<b>1,724,015</b>
Additions	-	6,391	6,391
Disposals	-	-	-
<b>As at December 31, 2019</b>	<b>10,392</b>	<b>1,720,014</b>	<b>1,730,406</b>
Additions	-	7,160	7,160
Disposals	-	-	-
<b>As at December 31, 2020</b>	<b>10,391</b>	<b>1,727,174</b>	<b>1,737,566</b>
Additions	-	135,967	135,967
Disposals	-	-	-
<b>As at December 31, 2021</b>	<b>10,392</b>	<b>1,863,142</b>	<b>1,873,534</b>
<b>ACUMULATED AMORTIZATION</b>			
<b>As at December 31, 2018</b>	<b>7,924</b>	<b>1,351,344</b>	<b>1,359,267</b>
Amortization for the year	1,926	315,487	317,413
Amortization pertaining to disposals	-	-	-
<b>As at December 31, 2019</b>	<b>9,850</b>	<b>1,666,831</b>	<b>1,676,680</b>
Amortization for the year	481	52,071	52,552
Amortization pertaining to disposals	-	-	-
<b>As at December 31, 2020</b>	<b>10,331</b>	<b>1,718,902</b>	<b>1,729,232</b>
Amortization for the year	62	27,695	27,757
Amortization pertaining to disposals	-	-	-
<b>As at December 31, 2021</b>	<b>10,392</b>	<b>1,746,596</b>	<b>1,756,989</b>
<b>NET BOOK VALUE</b>			
<b>December 31, 2019</b>	<b>543</b>	<b>53,183</b>	<b>53,726</b>
<b>December 31, 2020</b>	<b>62</b>	<b>8,273</b>	<b>8,334</b>
<b>December 31, 2021</b>	<b>-</b>	<b>116,545</b>	<b>116,545</b>

Management has analysed the impairment of the net book value of the tangible and intangible assets and decided that it is not necessary to calculate and record supplementary adjustments for their impairment, as the net value at which they are reflected in the financial position as at December 31, 2021 and December 31, 2020 is their value in use.

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**7. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES**

For individual financial statements the Company considers that the cost method would be relevant for the user of its separate financial statements, as presented in the table below:

Name of investment	Set-up year	Core business	Place of operations	Holding percentage 31.12.2021	Holding percentage 31.12.2020	Holding percentage 31.12.2019	Carrying amount of the investment 31.12.2021	Carrying amount of the investment 31.12.2020	Carrying amount of the investment 31.12.2019
CNFR Navrom S.A.	1991	Freight transport by inland waterways	Galati, Romania	92.1353%	92.03%	91.90%	39,798,311	39,569,465	39,308,697
Canopus Star S.R.L.	2001	Loading and unloading of merchandise, storage and port operation	Constanta, Romania	51.00%	51.00%	51.00%	45,755,398	45,755,398	45,755,398
TTS Porturi Fluviale SRL	1996	Loading and unloading of merchandise, and port operation	Galati, Romania	100.00%	100.00%	100.00%	25,206,269	25,206,269	25,206,269
TTS Operator S.R.L.	1994	Loading and unloading of merchandise, and port operation	Constanta, Romania	90.00%	90.00%	90.00%	1,706,207	1,706,207	1,706,207
Portul Fajsz (EZUSTBARKA KFT)	2004	Water transportation related activities	Fajsz, Hungary	100%	100%	100.00%	1,293,580	1,293,580	1,293,580
Agrimol Trade SRL	2010	Wood wholesale transport	Bucharest, Romania	99.98%	99.98%	99.96%	5,305,870	6,235,801	235,802
Plimsoll ZRT	2016	Freight transport by railway and river	Budapest, Hungary	51.00%	51.00%	51.00%	9,066,000	9,066,000	9,066,000
TTS (Transport Trade Services) GmbH	2014	Complementary activities related to river transport	Viena, Austria Chisinau, Republic of	75.0000%	75.0000%	75.0000%	116,477	116,477	116,477
Transterminal-S.R.L.	2006	Freight transport by railway	Moldova	20.00%	20.00%	20.00%	147,339	147,339	147,339
Management NFR S.A.	2003	Consulting for business	Bucharest, Romania	20.00%	20.00%	20.00%	-	-	-
GIF Leasing IFN	2004	Financial leases	Bucharest, Romania	7.70%	7.70%	7.70%	-	-	-
							<b>128,395,451</b>	<b>129,096,536</b>	<b>122,835,769</b>

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**8. OTHER LONG-TERM ASSETS**

	Year end December 31, 2021	Year end December 31, 2020
	<u>                    </u>	<u>                    </u>
Long term securities	-	-
Loans to related parties	-	-
Commercial guarantees	485,816	382,632
<b>Total</b>	<b><u>485,816</u></b>	<b><u>382,632</u></b>

**9. INVENTORIES**

	Year end December 31, 2021	Year end December 31, 2020
	<u>                    </u>	<u>                    </u>
Consumables	585,080	590,350
Stock items	20,807	24,743
Goods	-	59,188
<b>Total</b>	<b><u>605,887</u></b>	<b><u>674,281</u></b>

**10. TRADE AND OTHER RECEIVABLES**

	Year end December 31, 2021	Year end December 31, 2020
	<u>                    </u>	<u>                    </u>
Trade receivables	31,285,346	31,934,104
Value adjustments for doubtful receivables	(1,252,464)	(1,259,456)
Advances paid to suppliers of services	35,761	341,375
VAT recoverable	4,264,654	6,949,071
VAT not payable	4,270	6,199
Settlement between related parties	1,773,162	535,727
Other receivables to the State budget	455,656	181,484
Sundry debtors and other receivables	7,735,244	7,475,657
Value adjustments for sundry debtors	(7,725,711)	(7,455,923)
<b>Total</b>	<b><u>36,575,917</u></b>	<b><u>38,708,239</u></b>

The receivables in foreign currency existing as at December 31,2021 are presented in the balance sheet at the exchange rate of the foreign exchange market communicated by the NBR on the last working day of the year, the favourable or unfavourable exchange rate differences being reflected in expense or income accounts.

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**11. TRADE AND OTHER RECEIVABLES (continued)**

Changes to the provision for doubtful receivables	Year end December 31, 2021	Year end December 31, 2020
<b>Balance at the beginning of the year</b>	<b>1,259,456</b>	<b>1,693,379</b>
(Decrease) / Increase in provision recognized in the income statement	(6,992)	(433,924))
<b>Balance at the end of the year</b>	<b>1,252,464</b>	<b>1,259,456</b>

During 2021, the company made adjustments for clients older than 270 days in the amount of RON 822,968 and removed from the record uncollected receivables in the amount of RON 829,960. The balance of customers older than 1 year at December 31, 2021 is RON 1,252,464 (2020: RON 1,259,456).

Changes to the provision for doubtful receivables	Year end December 31, 2021	Year end December 31, 2020
<b>Balance at the beginning of the year</b>	<b>7,455,923</b>	<b>7,305,923</b>
(Decrease) / Increase in provision recognized in the income statement	269,788	150,000
<b>Balance at the end of the year</b>	<b>7,725,711</b>	<b>7,455,923</b>

Sundry debtors represent amounts paid for goods and services based on commercial contracts, but not honoured at the terms provided in the contract, assigned customer receivables and penalty interest. For the above bad debt amount, the Company makes every effort to recover these amounts

**12. ISSUED CAPITAL**

Issued capital comprises	No. of Shares	Share capital
<b>Balance at December 31, 2019</b>	<b>30,000,000</b>	<b>31,739,592</b>
<b>Balance at December 31, 2020</b>	<b>30,000,000</b>	<b>31,739,592</b>
Increase of capital	-	-
<b>Balance at December 31, 2021</b>	<b>30,000,000</b>	<b>31,739,592</b>

The inflated IFRS amount of the share capital at 31 December 2021 and 31 December 2020 is RON 31,739,592 (2019: RON 31,739,592).

As at 31 December 2021, the Company's shareholding structure is as follows:

Shareholding structure	No. of shares	Ratio
Mihailescu Alexandru Mircea	7,578,150	25,2605%
NN Group NV	3,053,668	10,1800%
Stanciu Ion	2,121,200	7,0700%
Aegon Pensii - Societate de Administrare a Fondurilor de Pensii Private SA	1,937,009	6,4600%
Paval Holding SRL	1,600,000	5,3300%
Utilico Emerging Markets PLC	1,500,000	5,0000%
Other shareholders	12,209,973	40,6995%
<b>Total</b>	<b>30,000,000</b>	<b>100%</b>



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As at 31 December 2020, the Company’s shareholding structure is as follows:

<b>Shareholding structure</b>	<b>No. of shares</b>	<b>Ratio</b>
Mihailescu Alexandru Mircea	15,120,000	50,4000%
Stanciu Ion	4,242,400	14,1413%
Stefan Viorel	3,030,300	10,1010%
Peter Hungerbuhler	2,757,300	9,1910%
Hartan Constantin	1,515,150	5,0505%
Stefanut Petru	909,100	3,0303%
Petrea Silviu Catalin	453,050	1,5102%
Stefan Jancovschi Daniel	453,050	1,5102%
Stoean Antonio Gabriel	453,050	1,5102%
Moldoveanu Aurel Florin	303,050	1,0102%
Simion Daniela Camelia	303,050	1,0102%
Alexandrescu Florin	153,500	0,5117%
Cismeck Aurelia Mihaela	153,500	0,5117%
Miron Mihaela	153,500	0,5117%
<b>TOTAL</b>	<b>30,000,000</b>	<b>100.00%</b>

**13. RESERVES**

	<b>Year end December 31, 2020</b>	<b>Year end December 31, 2020</b>
Legal reserves	6,000,000	6,000,000
Revaluation reserve	-	-
Other reserves	3,823,575	3,777,984
<b>Total</b>	<b>9,823,575</b>	<b>9,777,984</b>

**14. BORROWINGS**

	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
<b>Secured borrowings</b>		
Short-term borrowings	-	-
Current part of long-term borrowings	-	8,521,450
<b>Long-term borrowings</b>		
Long-term borrowings	-	-
<b>Total short- and long-term borrowings</b>	<b>-</b>	<b>8,521,450</b>

**Amounts due to credit institutions**

TTS SA has the following loans contracted from Unicredit Bank SA:

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**13. BORROWINGS (continued)**

Short term:

- overdraft and bank letters of guarantee in amount of EUR 1,500,000, due on January 31, 2022, not drawn at December 31, 2021.
- Treasury line with a total value of 1,000,000 EUR, with a maturity date on 31.01.2022. The line is not used as at 31.12.2021
- a loan in amount of EUR 7,000,000 fully paid at December 31, 2021. The outstanding amount at December 31, 2020 is EUR 1,750,000 equivalent of RON 8,521,450.

All loans from Unicredit Bank are secured by the mortgage on the buildings owned by the Company in Bucharest 34 and Vaselor Street no. 27, the land in Bucharest, Silos in Giurgiu.

The following covenants were mentioned in the contract:

- current ratio must be over 1
- debt service ratio over 1.1
- 70% of the annually turnover is to be routed through its current accounts.

The Company complies with the above covenants as at December 31, 2021.

The Company contracted a credit line in amount of EUR 1,000,000 from Citibank Europe PLC, Dublin-Romania Branch as per contract 8212/CB/2017 with automatic renewal for periods of 1 year, not drawn at December 31, 2021.

The Company it also warranting for the credit agreements concluded by its subsidiaries with Unicredit Bank SA and Citibank, respectively for CNFR Navrom SA, Canopus Star SRL (up to 51% under the share capital), TTS Porturi Fluviale SRL, Agrimol Trade SRL, Navrom Shipyard SRL, Plimsoll zrt and Fluvius kft.

**15. PROVISIONS**

The Company recorded a provision for untaken holidays in amount of RON 628,641 (2020: RON 499,648).

	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
Litigation provisions	-	-
Other provisions	628,641	499,648
<b>Total</b>	<b>628,641</b>	<b>499,648</b>

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**16. TRADE PAYABLES AND OTHER PAYABLES**

	Year end December 31, 2021	Year end December 31, 2020
Loans payable to credit institutions	-	8,521,450
Trade payables	31,933,638	36,127,981
Invoices not received - suppliers	1,557,383	1,878,361
Employees’ salaries	245,614	196,778
Social security	1,033,839	1,231,539
Corporate tax owed	964,940	785,508
Other borrowings and similar payables	261,433	78,512
Other taxes, levies and similar payments	301,543	206,471
<b>Total</b>	<b>36,298,390</b>	<b>49,026,600</b>

**17. FINANCIAL INSTRUMENTS**

**a) Capital risk management**

The Company manages its capital in order to make sure that it can continue as a going concern also ensuring a maximization of the shareholders’ wealth by optimizing the balance of liabilities and equity.

The Company has liabilities, which include the borrowings presented in note 13.

Equity includes share capital, reserves and retained earnings, as disclosed in Notes 11 and 12.

The Company monitors the equity based on gearing. Gearing is calculated as long-term borrowings divided to net worth. Net worth is calculated as “Equity and reserves” as reported in the statement of financial position.

Gearing as at December 31, 2021 and December 31, 2020 was the following:

	Year end December 31, 2021	Year end December 31, 2020
<b>Total borrowings</b>	<b>-</b>	<b>8,521,450</b>
<b>Total equity and reserves</b>	<b>184,410,658</b>	<b>167,999,693</b>
<b>Gearing</b>	<b>-</b>	<b>5,07%</b>

**b) Foreign currency risk**

The Company is exposed to fluctuations in the FX rates in the commercial and financing transactions. Foreign currency risk results from the recognized assets and liabilities, including borrowings, expressed in foreign currencies. Due to the high costs associated, the Company’s policy is not to use derivatives to hedge this risk.

**c) Interest rate risk management**

The interest rate risk at fair value is the risk that the value of a financial instrument should fluctuate due to the variations in the market interest rates. Financial instruments are interest bearing at market rates and, as a result, it is considered that their fair values do not differ significantly from their book values.

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**16. FINANCIAL INSTRUMENTS (continued)**

**d) Credit risk management**

The Company is exposed to a credit risk due to its trade receivables and other receivables. The Company has policies in place meant to ensure that the sales are made to the clients with proper payment history. The due date of the liabilities is carefully monitored and the amounts outstanding after the expiration of the due date are promptly pursued. Trade receivables (clients) are presented net of the adjustments for the impairment of doubtful receivables. The Company develops policies that limit the value of the credit exposure to any financial institution.

**e) Liquidity risk management**

A prudent liquidity risk management involves maintaining sufficient cash and credit lines available, a continuous monitoring of the estimated and actual cash flow and correlation of the due dates of the financial assets and liabilities. Due to the nature of its business, the Company intends to be flexible in respect of the financing options with the support of the majority shareholder.

**f) Fair value of the financial instruments**

The fair values of the financial assets and liabilities are determined as follows:

- the fair value of the financial assets and liabilities under standard terms and conditions and traded active and liquid and active market is determined by reference to the listed market rates;
- the fair value of other financial assets and liabilities (excluding derivatives) is determined in accordance with the generally accepted price models, based on the analysis of the discounted cash flows, using prices from observable current market transactions; and
- the fair value of the derivatives is calculated using the listed prices. Where such prices are not available, the analysis of the discounted cash flows is applied using the yield curve applicable to derivatives that do not include options and option evaluation models for the derivatives based on options.

The financial instruments in the balance sheet include trade receivables and other receivables, cash and cash equivalents, short- and long-term borrowings and other liabilities. The estimated fair values of these instruments approximate their book values. The book values represent the maximum exposure of the Company to the credit risk related to the existent receivables.

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**16. FINANCIAL INSTRUMENTS (continued)**

The book values of the Company’s currencies expressed in monetary assets and liabilities as at the reporting date are the following:

2021	EUR	USD	CHF	GBP	HUF	RON	31-Dec-21
	1 EUR = 4.9481	1 USD = 4.3707	1 CHF = 4.7884	1 GBP = 5.8994	100 HUF = 1.3391	1	Total
	RON	RON	RON	RON	RON	RON	RON
<b>ASSETS</b>							
Cash and cash equivalents	4,135,167	3,086,477	5,121	127	-	14,505,562	21,732,454
Receivables and other current assets	9,982,540	9,827,463	-	-	-	15,372,201	35,182,204
Other long-term receivables	-	-	-	-	-	485,816	485,816
Loans to related parties	1,237,025	-	-	-	156,688	-	1,393,713
<b>LIABILITIES</b>							
Trade payables and other payables	(12,447,338)	(4,667,633)	-	-	-	(18,921,986)	(36,036,957)
Other payables	-	-	-	-	-	(261,433)	(261,433)
Short- and long-term borrowings	-	-	-	-	-	-	-
<b>Net balance sheet exposure</b>	<b>2,907,393</b>	<b>8,246,307</b>	<b>5,121</b>	<b>127</b>	<b>156,688</b>	<b>11,180,160</b>	<b>22,495,798</b>

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**16. FINANCIAL INSTRUMENTS (continued)**

<b>2020</b>	<b>EUR</b>	<b>USD</b>	<b>HUF</b>	<b>GBP</b>	<b>RON</b>	<b>31-Dec-20</b>
	<b>1 EUR = 4.8694</b>	<b>1 USD = 3.9960</b>	<b>100 HUF = 1.3356</b>	<b>1 GBP = 5.4201</b>	<b>1</b>	<b>Total</b>
	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
<b>ASSETS</b>						
Cash and cash equivalents	6,810,696	1,875,393	8,270	117	9,301,121	17,995,597
Receivables and other current assets	13,800,198	6,574,836			18,176,926	38,551,960
Loans to related parties	-	-	-	-	156,279	156,279
Other long-term receivables	-	-	-	-	382,632	382,632
<b>LIABILITIES</b>						
Trade payables and other payables	(21,483,911)	(2,312,627)	-	(4,878)	(16,605,419)	(40,505,150)
Other payables					(98,315)	(98,315)
Short- and long-term borrowings	(8,521,450)	-	-		-	(8,521,450)
<b>Net balance sheet exposure</b>	<b>(9,394,468)</b>	<b>6,137,602</b>	<b>8,270</b>	<b>(4,761)</b>	<b>11,313,224</b>	<b>8,059,868</b>

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**16. FINANCIAL INSTRUMENTS (continued)**

**Sensitivity analysis**

The Company is mainly exposed to the variations in the FX rates of EUR and USD against RON. The table below details the Company's sensitivity to a 10% increase or decrease of EUR / USD against RON. 10% is the sensitivity rate used when the internal reporting of the FX risk is made to the top management and represents the management's estimate regarding the reasonably possible changes in the FX rates. Sensitivity analysis includes only the remaining currency expressed in the monetary elements and adjust the translation at the end of the period for a 10% change in the FX rates. In the following table, a negative value indicates a decrease in profit when RON is impaired by 10% as against EUR / USD. A 10% increase of RON against EUR / USD would have an equal and contrary impact on profit and other equity and the balances below would be positive. The changes will be attributable to the exposures pertaining to the borrowings in EUR and USD at year end.

The exchange rates as at December 31, 2021 and as at December 31, 2020 are:

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
EUR	4.9481	4.8694
USD	4.3707	3.9660
	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
Profit or loss	1,131,564	(325,336)

The impact on the result according to each currency is the following:

<b>Currency</b>	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
EUR	290,739	(939,446)
USD	824,630	613,760
CHF	512	827
HUF	15,669	-
GBP	12	(476)
<b>Total</b>	<b>1,131,564</b>	<b>(325,336)</b>

**Tables regarding the liquidity risk and interest rate risk**

The following tables detail the periods to the due dates of the financial liabilities of the Company.

The tables have been prepared based on the cash flows not updated of the financial liabilities as at the nearest date when the Company can be required to pay. The table includes both the interest and the cash flows pertaining to equity.

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**16. FINANCIAL INSTRUMENTS (continued)**

<b>2021</b>	<b>Less than 1 month</b>	<b>&gt; 1 month – 1 year</b>	<b>1–2 year(s)</b>	<b>2-5 years</b>	<b>Total</b>
<b>Not bearing interest</b>					
Trade payables and other current payables	36,036,957	-	-	-	36,036,957
<b>Interest bearing instruments</b>					
Long- and short-term borrowings	-	-	-	-	-
Long- and short-term leases	-	-	-	-	-
Cash and cash equivalents	21,732,455	-	-	-	21,732,455
Loans to related parties	1,393,713	-	-	-	1,393,713
Receivables and other current assets	35,182,204	-	-	-	35,182,204
Other long-term receivables	-	485,816	-	-	485,816
<b>2020</b>	<b>Less than 1 month</b>	<b>&gt; 1 month – 1 year</b>	<b>1–2 year(s)</b>	<b>2-5 years</b>	<b>Total</b>
<b>Not bearing interest</b>					
Trade payables and other current payables	40,505,150	-	-	-	40,505,150
<b>Interest bearing instruments</b>					
Long- and short-term borrowings	-	(8,521,450)	-	-	(8,521,450)
Other payables	-	-	(77,910)	-	(77,910)
Cash and cash equivalents	17,995,597	-	-	-	17,995,597
Loans to related parties	156,279	-	-	-	156,279
Receivables and other current assets	38,551,960	-	-	-	38,551,960
Other long-term receivables	-	382,632	-	-	382,632



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**18. RELATED PARTY TRANSACTIONS**

Balances and transactions with the related parties are the following:

	<b>Amounts receivable from related parties</b>		<b>Amounts payable to related parties</b>	
	<b>31-Dec-21</b>	<b>31-Dec-20</b>	<b>31-Dec-21</b>	<b>31-Dec-20</b>
CNFR Navrom S.A.	1,505	52,389	14,763,463	22,817,084
TTS Operator S.R.L.	-	410,550	3,491,481	3,757,099
Canopus Star S.R.L.	228,230	-	6,927,671	5,193,329
TTS Porturi Fluviale S.R.L.	-	-	407,928	329,562
Plimsoll ZRT	300,561	113,178	-	-
Agrimol Trade S.R.L.	-	109,702	-	-
TTS (Transport Trade Services) gmbh	655,791	210,613	59,342	-
Fluvius KFT	-	-	-	-
Port of Fajsz	86,592	85,215	-	-
<b>Total</b>	<b>1,272,679</b>	<b>981,647</b>	<b>25,649,885</b>	<b>32,097,074</b>

**Loans granted**

<b>Port of Faisz</b>	1,393,713	156,279
<b>Total</b>	<b>1,393,713</b>	<b>156,279</b>

	<b>Sales of goods and services</b>		<b>Acquisitions of goods and services</b>	
	<b>31-Dec-21</b>	<b>31-Dec-20</b>	<b>31-Dec-21</b>	<b>31-Dec-20</b>
CNFR Navrom SA	376,968	91,327	245,136,781	235,024,351
TTS Operator SRL	4,140,000	4,144,923	22,742,300	24,601,041
Canopus Star SRL	191,790	-	17,296,852	10,338,263
TTS Porturi Fluviale SRL	803,708	-	3,420,729	3,366,065
Agrimol Trade SRL	102,676	96,844	-	-
Port of Fajzs kft	-	84,737	-	-
Fluvius KFT	-	-	291,275	727,801
Plimsoll ZRT	1,639,509	905,211	-	-
TTS (Transport Trade Services) Gmbh	6,790,542	5,745,937	550,105	571,255
Navrom River	-	-	-	12,252
Superquatro Grup SRL	-	16,896	-	-
<b>Total</b>	<b>14,045,193</b>	<b>11,085,875</b>	<b>289,438,042</b>	<b>274,641,028</b>

	<b>Purchase of securities / Capital increase</b>		<b>Sale /Decrease of share capital</b>	
	<b>31-Dec-21</b>	<b>31-Dec-20</b>	<b>31-Dec-21</b>	<b>31-Dec-20</b>
CNFR Navrom SA	228,846	260,768	-	-
Agrimol Trade SRL	-	6,000,000	10,046,630	-

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**19. CASH AND BANK ACCOUNTS**

For the purposes of the cash flow statement, cash and cash equivalents include petty cash and bank accounts. Cash and cash equivalents at the end of the financial year, as presented in the cash flow statement can be reconciled with balance sheet elements as follows:

	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
Cash in banks	21,126,995	17,741,237
Petty cash	3,860	4,760
Cash equivalents	601,600	249,600
<b>Total</b>	<b>21,732,455</b>	<b>17,995,597</b>

**20. INCOME**

An analysis of the Company's income for the financial year is given below:

	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
Income from sales of goods	415,391	1,482,312
Income from services provided	390,947,792	365,975,111
Income from other activities	4,215,366	4,182,346
<b>Total</b>	<b>395,578,550</b>	<b>371,639,769</b>

The income from services provided is represented mainly by fluvial transportation services provided to third party customers together with CNFR Navrom SA, but also handling operations and cargo storage.

This is the core business of the Company and represents around 99% from the total income for the years ended. As at December 31, 2021 and December 31, 2020, the segment information was not presented since the rest of the business generating revenues for the Company is not significant for the financial statements.

	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
Sales to the domestic market (Romania)	183,247,297	156,939,236
Sales to foreign markets	212,331,253	214,700,533
<b>Total</b>	<b>395,578,550</b>	<b>371,639,769</b>

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**21. INFORMATION ON EMPLOYEES AND MEMBERS OF THE ADMINISTRATION, MANAGEMENT AND SUPERVISORY BOARDS**

a) The Company does not register contractual obligations towards former managers or directors.

No advances or loans were granted to officers and directors other than those for business travels. The Company has concluded a professional liability insurance contract for its officers and directors at December 31, 2021.

At December 31, 2021 and December 31, 2020 personnel expenses were as follows:

	Financial year ended December 31, 2021	Financial year ended December 31, 2020
Salaries and allowances	5,717,778	6,439,842
Company's contribution to social security	-	-
Company's contribution to unemployment fund	-	-
Company's contribution to health insurance	-	-
Insurance contribution to labor force	177,927	172,022
Other insurance and social security expenses	25,652	18,685
Meal vouchers granted	174,840	182,395
<b>TOTAL</b>	<b>6,096,197</b>	<b>6,812,944</b>
Allowances for Board of Directors	2,267,219	1,198,626
<b>TOTAL</b>	<b>8,363,416</b>	<b>8,011,570</b>

At December 31, 2021 the average number of personnel and similar staff was 45, and the actual number of employees was 48.

At December 31, 2020 the average number of personnel and similar staff was 45, and the actual number of employees was 46.

**22. THIRD PARTY PROVISIONS**

	Financial year ended December 31, 2021	Financial year ended December 31, 2020
Maintenance and repair expenses	2,331,683	1,660,985
Royalties and rental expenses	4,503,092	4,176,897
Insurance premiums	790,607	812,164
Studies and research	-	-
Staff training	16,963	20,250
Externally contracted manpower	65,493	26,504
Commissions and fees	629,554	894,484
Entertainment, promotion and advertising	640,931	632,461
Transport of goods and personnel	9,430	4,097
Travels	44,816	40,528
Post and telecommunications	197,314	142,972
Bank commissions and similar charges	64,945	51,222
Other third-party services	345,970,068	321,699,106
<b>Total</b>	<b>355,264,897</b>	<b>330,161,670</b>

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**23. ALLOCATION OF PROFIT**

	<b>Balance at December 31, 2021</b>	<b>Balance at December 31, 2020</b>
<b>Net profit to allocate</b>	<b>32,610,965</b>	<b>29,918,630</b>
- legal reserves	-	31,825
- tax facilities	45,591	45,586
- dividends etc.	-	-
<b>Profit not allocated</b>	<b>32,565,374</b>	<b>29,841,219</b>

The legal reserve and the reserve for tax facilities cannot be allocated to shareholders.

**24. EARNINGS PER SHARE**

	<b>Balance at December 31, 2021</b>	<b>Balance at December 31, 2020</b>
<b>Earnings per share</b>		
Net profit or loss for the year	32,610,965	29,918,630
Number of shares	30,000,000	30,000,000
<b>Basic earnings per share</b>	<b>1.09</b>	<b>0.99</b>

**25. INCOME TAX**

	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
<b>Current tax</b>		
Current tax expense	3,924,319	3,486,204
<b>Deferred tax</b>		
Expenses/(Income) with deferred tax recognized in the current year	(147,430)	(118,823)
<b>Total</b>	<b>3,776,889</b>	<b>3,367,381</b>

The taxation rate applied for the reconciliation above for the years 2021 and 2020 is 16%.

	<b>Year end December 31, 2021</b>	<b>Year end December 31, 2020</b>
Total income	416,110,392	378,002,340
Total expenses	(379,722,538)	(344,716,329)
<b>Profit before tax</b>	<b>36,387,854</b>	<b>33,286,012</b>
Income tax calculated at 16%	5,822,057	5,325,762
Effects of the non-taxable expenses	1,346,427	(780,018)
Effects of income that are exempt from taxation	(2,957,881)	(1,132,777)
Effects of other elements of income that are exempt from taxation	-	-
Credit fiscal	-	-
<b>Current tax in respect with the current year before fiscal losses</b>	<b>4,210,603</b>	<b>3,412,968</b>

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**24. INCOME TAX (continued)**

	Year end December 31, 2021	Year end December 31, 2020
Fiscal losses carried forward	45,594	45,586
Discount	388,120	-
<b>Current tax in respect with the current year</b>	<b>3,776,889</b>	<b>3,367,382</b>
Revaluation reserve not taxed	-	-
Present value of the loan received from IFC and concession granted	-	-
<b>Income tax expenses recognized in the profit and loss accounts in the other comprehensive income</b>	<b>3,776,889</b>	<b>3,367,381</b>

**25. COMMITMENTS AND CONTINGENCIES**

**Contingent liabilities**

**Taxation**

Taxation system in Romania is still developing and is subject to various interpretations and constant changes, which may sometimes be retroactive. Although the tax actually due for a transaction can be low, penalties can be significant, as they can be calculated at the value of the transaction plus a ratio. In Romania, the statute of limitation for audits by the tax authorities is of 5 years. Management considers that the tax obligations included in these financial statements are adequate.

In accordance with the provisions issued by the Ministry of Public Finance, which regulate the fiscal regime of the elements of equity that have not been subject to the calculation of the income tax at the date of being entered in the accounts, due to their nature, if the Company changes the destination of the revaluation reserves (to cover losses or to distribute to the shareholders), this will lead to supplementary income tax liabilities.

**Environment**

The regulations regarding the environment are still developing in Romania and the Company did not record any obligations as at December 31, 2021 or December 31, 2020 for any anticipated costs, including legal and consulting fees, surveys of the location, design and implementation of remedial plans regarding the environment.

**26. SUBSEQUENT EVENTS**

The Company did not record any subsequent events that could have a significant effect on the results of operations or the financial position as of December 31, 2021.

\_\_\_\_\_  
**STEFANUT PETRU,**  
CHIEF EXECUTIVE OFFICER

\_\_\_\_\_  
**NICOLETA FLORESCU,**  
CHIEF FINANCIAL OFFICER