

TTS (Transport Trade Services) S.A.

**SIMPLIFIED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
DRAWN UP IN ACCORDANCE WITH THE
INTERNATIONAL ACCOUNTING STANDARD 34 - "INTERIM FINANCIAL REPORTING"
ADOPTED BY THE EUROPEAN UNION**

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TTS (Transport Trade Services) S.A.
INTERIM CONSOLIDATED SITUATION OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	Note	September 30, 2023 <i>(unaudited)</i>	September 30, 2022 <i>(unaudited)</i>
Revenue	3	872,916,292	664,335,905
Raw materials and materials		(79,806,429)	(91,150,474)
Cost of merchandise sold		(31,264,120)	(26,419,309)
Depreciation and amortisation		(60,850,131)	(52,089,405)
Subcontractor's expenses		(246,258,243)	(231,001,650)
Payroll expenses		(146,607,294)	(82,944,409)
Other expenses	4	(33,455,401)	(32,447,504)
Other gains and losses		19,935,843	14,767,970
Total operating result		294,610,517	163,051,124
Net financial investment (Cost)/ Income		1,657,468	820,042
Net finance (Cost)/ Income		912,279	(2,599,104)
Profit for the period from continuous operations		297,180,264	161,272,062
Income tax expense		(46,715,391)	(24,815,227)
Net profit for the attributable period:		250,464,873	136,456,835
Translation adjustments		(111,784)	(277,413)
Total comprehensive income for the period		250,353,089	136,179,422
Profit for the period attributable to:			
Owners of the Company		232,397,251	124,681,363
Non-controlling interests		18,067,622	11,775,472
Total comprehensive income for the period attributable to:			
Owners of the Company		232,285,467	124,403,950
Non-controlling interests		18,067,622	11,775,472

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer

The notes attached are an integral part of these simplified financial statements

TTS (Transport Trade Services) S.A.
INTERIM CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	Note	September 30, 2023	December 31, 2022
ASSETS		<i>(unaudited)</i>	<i>(audited)</i>
Non-current assets			
Property, plant and equipment	6	860,535,793	665,998,798
Goodwill		32,319,054	3,846,603
Intangible assets		1,326,652	1,375,410
Right of use assets		506,206	228,941
Investments in associates	7	9,794,144	8,483,345
Other non-current assets		3,245,295	691,051
Total Non-current assets		907,727,144	680,624,148
Current assets			
Stocks		37,526,209	39,738,689
Trade receivables and other receivables		75,372,211	95,941,002
Other current assets		44,584,745	42,669,432
Cash and cash equivalents		229,298,952	146,032,810
Total current assets		386,782,117	324,381,933
Total assets		1,294,509,261	1,005,006,081
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	8	61,739,602	61,739,602
Reserves		292,429,691	286,956,544
Retained earnings		546,992,764	353,086,676
Equity attributable to the shareholders of the parent company		901,162,057	701,782,822
Non-controlling interests		127,779,250	116,616,621
Long-term debts			
Interest-bearing loans	9	79,861,718	40,879,479
Deferred tax liabilities		17,566,838	9,299,504
Long-term leasing		483,318	263,832
Other long-term debts		27,827,205	15,302,944
Total long-term debts		125,739,079	65,745,759

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TTS (Transport Trade Services) S.A.
INTERIM CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	<u>Note</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
		<i>(unaudited)</i>	<i>(audited)</i>
Short-term liabilities			
Commercial and other debts		37,876,581	45,270,965
The current portion of leases		117,714	57,806
Interest-bearing loans and debts	9	36,364,029	26,829,020
Provisions for liabilities and charges		2,645,113	3,881,069
Other short-term liabilities		<u>62,825,438</u>	<u>44,822,019</u>
Total short-term debts		<u>139,828,875</u>	<u>120,860,879</u>
Total debts		<u>265,567,954</u>	<u>186,606,638</u>
Total equity and liabilities		<u>1,294,509,261</u>	<u>1,005,006,081</u>

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer

TTS (Transport Trade Services) S.A.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	Share capital	Legal reserves	Other Reserves	Revaluation Reserves	Retained earnings	Translation reserve	Attributable to owners of the parent	Non- controlling interests	Total
Balance as of January 1, 2023 (audited)	61,739,602	10,620,132	204,574,914	72,685,797	353,086,676	(924,299)	701,782,822	116,616,621	818,399,443
Profit for the year	-	-	-	-	232,397,251	-	232,397,251	18,067,622	250,464,873
Translation adjustments	-	-	-	-	-	(111,784)	(111,784)	-	(111,784)
Total comprehensive income	-	-	-	-	232,397,251	(111,784)	232,285,467	18,067,622	250,353,089
Transfers between reserves	-	-	7,602,280	-	(7,602,280)	-	-	-	-
Revaluation reserve	-	-	-	(2,017,349)	2,017,349	-	-	-	-
Share capital issued	-	-	-	-	-	-	-	-	-
Dividends distributed	-	-	-	-	(33,000,000)	-	(33,000,000)	-	(33,000,000)
Increase in percentage held in subsidiaries	-	-	-	-	93,767	-	93,767	(271,351)	(177,584)
Dividends distributed to minority interest	-	-	-	-	-	-	-	(6,742,237)	(6,742,237)
Minority interest takeover Decirom	-	-	-	-	-	-	-	108,596	108,596
Balance as of September 30, 2023 (unaudited)	61,739,602	10,620,132	212,177,794	70,668,448	546,992,764	(1,036,083)	901,162,057	127,779,250	1,028,941,307

As of September 30, 2023, the share capital was RON 60,000,000 divided into 60,000,000 shares with a nominal value of RON 1. All issued shares are paid in full.

During April 2023, dividends were distributed in the amount of RON 33,000,000, respectively RON 0.55 per share.

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer

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TTS (Transport Trade Services) S.A.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	Share capital	Legal reserves	Other Reserves	Revaluation Reserves	Retained earnings	Translation reserve	Attributable to owners of the parent	Non- controlling interests	Total
Balance as of January 1, 2022 (audited)	31,739,602	6,000,000	158,117,340	75,977,017	284,562,363	(212,829)	556,183,494	106,345,018	662,528,512
Profit for the year	-	-	-	-	164,061,610	-	164,061,610	14,792,741	178,854,350
Translation adjustments	-	-	-	-	-	(711,470)	(711,470)	-	(711,470)
Total comprehensive income	-	-	-	-	164,061,610	(711,470)	163,350,140	14,792,741	178,142,881
Transfers between reserves	-	4,620,132	46,457,574	-	(51,077,706)	-	-	-	-
Revaluation reserve	-	-	-	(3,291,220)	3,291,220	-	-	-	-
Share capital issued	30,000,000	-	-	-	(30,000,000)	-	-	-	-
Dividends distributed	-	-	-	-	(17,850,000)	-	(17,850,000)	-	(17,850,000)
Increase in percentage held in subsidiaries	-	-	-	-	99,190	-	99,190	(174,915)	(75,725)
Dividends distributed to minority interest	-	-	-	-	-	-	-	(4,346,222)	(4,346,222)
Balance as of December 31, 2022 (audited)	61,739,602	10,620,132	204,574,914	72,685,797	353,086,676	(924,299)	701,782,822	116,616,621	818,399,443

According to the AGM dated April 1, 2022, the increase of the share capital by the amount of RON 30,000,000 was approved by the partial incorporation of the undistributed profit from previous years (reported result), with the issue of new shares in return and their free distribution to shareholders at a rate, allocation of 1 newly issued share for each share held.

During April 2022, dividends, were distributed for RON 17,850,000, respectively RON 0.29 per share.

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer

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TTS (Transport Trade Services) S.A.
INTERIM CONSOLIDATED CASH FLOW SITUATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	September 30, 2023 <i>(unaudited)</i>	September 30, 2022 <i>(unaudited)</i>
Cash flows from activities of exploitation:		
Profit before tax	297,180,264	161,272,062
Adjustments for non-monetary items:		
Depreciation and depreciation	60,850,131	52,089,405
Net increase in provisions for non-current assets	(128,847)	(19,670)
Net interest (gains)/ losses	(1,742,431)	1,809,380
(Gains) / Losses on the sale of non-current assets	(820,167)	(259,756)
Net increase in provisions for current assets	(508,976)	(2,802,471)
Losses on debts	323,939	523,228
Increase/ (Decrease) net with provisions for risks and charges	(1,235,956)	(296,303)
Profit/ loss of sale of investments	(1,310,800)	(431,159)
Exchange rate differences	-	-
Operating profit before working capital changes	352,607,157	211,884,716
Changes in operating assets and liabilities:		
(Increase) / Decrease in trade and other receivables	34,730,125	(56,798,234)
Decrease / (Growth) in inventories	2,094,162	(10,484,348)
Increase / (Decrease) in trade and other payables	(30,527,280)	35,280,599
Cash generated from operations	358,904,164	179,882,733
Interest paid	(2,457,041)	(2,466,894)
Income tax paid	(22,364,818)	(8,628,255)
Net cash from activities exploitation	334,082,305	168,787,584
Investing activities:		
Purchases of tangible and intangible assets	(164,024,105)	(91,224,690)
Payments related to investments	(108,017,946)	(65,448)
Income from the sale of non-current	7,443,826	771,401
Interest cashed in	4,259,379	657,514
Dividend paid to non-controlling interests	(6,742,237)	(4,346,222)
Cash flows used in investing activities	(267,081,083)	(94,207,445)

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TTS (Transport Trade Services) S.A.
INTERIM CONSOLIDATED CASH FLOW SITUATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	September 30, 2023	September 30, 2022
	<i>(unaudited)</i>	<i>(unaudited)</i>
Financing activities:		
Dividends paid	(33,000,000)	(17,850,000)
Loans (paid off) / received	48,405,227	9,534,412
Redeemed shares	-	-
Cash flows from financing activities	15,405,227	(8,315,588)
Net increase in cash and cash equivalents	82,406,449	66,264,551
Cash and cash equivalents at the beginning of the year	146,032,810	58,900,794
Cash and cash equivalents from takeover	859,693	-
Cash and cash equivalents at the end of the year	229,298,952	125,165,345

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer

TTS (Transport Trade Services) S.A.
NOTES TO THE INTERIM CONSOLIDATED SIMPLIFIED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

1. GENERAL INFORMATION

TTS (Transport Trade Services) S.A. (hereinafter referred to as "the Company") is a company established in Romania in 1997, with its registered office in str. Vaselor nr. 27, Bucharest.

The object of activity of the Company and of the group entities includes international freight expedition, transport, mainly inland waterway transport and port operation. The company offers integrated services, from taking over the goods in a river or sea port, to the point of destination.

The company's simplified financial statements at and for the period ending September 30, 2023 comprise the Company and its subsidiaries (collectively referred to as the "Group" and individually as "Group entities").

As at September 30, 2023, the Company held, directly or through other subsidiaries, investments in the following entities:

CNFR NAVROM S.A. is a joint stock company founded in 1991, in which TTS (Transport Trade Services) S.A. holds 92.18136% (2022: 92.1691%) of the share capital, the rest being owned by various individuals. The headquarters of the company is located on str. Portului nr. 34. jud. Galați. The main object of activity of the entity is the transport of goods on inland waterways (CAEN code 5040).

CANOPUS STAR S.R.L. is a limited liability company founded in 2001, in which TTS (Transport Trade Services) S.A. holds 51% of the share capital. The headquarters of the company is located in the North Pier Port Precinct Km1+ 100, The Administrative Building et.1, jud. Constanta. The main object of activity is the handling of cereals in the terminal of 110 thousand tons capacity located in Constanta Port (CAEN code 5224).

TTS PORTURI FLUVIALE S.R.L. (the former TRANS EUROPA PORT S.A. which in 2014 also took over by merger the subsidiary Europort Logistics) is a joint stock company founded in 1996, in which TTS (Transport Trade Services) S.A. holds 100% of the total share capital. The headquarters of the company is located on str. 11th Siret Regiment, jud. Galați. The main object of activity is the handling of goods in the ports located on the Danube (CAEN code 5224).

TTS OPERATOR S.R.L. is a limited liability company established in 1994 in which TTS (Transport Trade Services) S.A. holds 90% of the total share capital. The headquarters of the company is located in The Port Precinct, str. North Breakwater Km1+ 100, Administrative Building et.1, jud. Constanta. The main object of activity is the loading and unloading operations of river and sea vessels in Constanta Port (CAEN code 5224).

DECIROM S.A. is a joint stock company founded in 1991 in which TTS (Transport Trade Services) S.A. has a direct ownership of 99.9% of the total share capital. The headquarters of the company is located in Incinta Port, Poarta 3, 900900, district Constanta. The main object of activity is the loading and unloading operations of river and sea vessels in Constanta Port (CAEN code 5224)

AGRIMOL TRADE S.R.L. is a limited liability company founded in 2010, in which TTS (Transport Trade Services) S.A. owns 99.9772%. The headquarters of the company is located in str. Vaselor nr. 34. Bucharest. The main object of activity is intermediaries in the sale of various products, the company being currently specialized in the export of wood products (CAEN code 4619).

Bunker Trade Logistics S.R.L. is a limited liability company founded in 2013, in which TTS (Transport Trade Services) S.A. indirectly owns 92.18136% through CNFR Navrom S.A. The headquarters of the company is located in Constanta, inside the Port. The main object of activity is activities auxiliary to water transport (CAEN code 5222).

TTS (Transport Trade Services) GMBH is a limited liability entity established in 2014, in which TTS (Transport Trade Services) S.A. holds 75% of the share capital. The company's registered office is located in 15b Lerchengasse, Langerzersdorf Austria. The main object of activity is transport intermediation activities.

NAVROM BAC S.R.L. is a limited liability company founded in 1999, in which TTS (Transport Trade Services) S.A. holds 92.18136% of the indirect share capital, through CNFR Navrom S.A. The headquarters of the company is located in str. Cliff Danube, nr. 1, jud. Galați. The main object of activity is the transport of passengers by inland waterway (CAEN code 5030)

NAVROM SHIPYARD S.R.L. is a limited liability company founded in 1999, in which TTS (Transport Trade Services) S.A. indirectly owns, through CNFR Navrom S.A. 92.17647% of the share capital. The main object of activity is the repair and maintenance of ships and boats (CAEN code 3315).

TTS (Transport Trade Services) S.A.
NOTES TO THE INTERIM CONSOLIDATED SIMPLIFIED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

1. GENERAL INFORMATION (continued)

SUPERQUATRO Grup S.R.L. is a limited liability company based in Galați, str. Portului nr. 20. TTS (Transport Trade Services) S.A. owns 92.18136% of Superquattro Grup S.R.L., indirectly through CNFR Navrom SA. The main object of activity is the performance of hydrotechnical works (CAEN code 4291).

TRANSTERMINAL-S.R.L. is a limited liability company founded in 2006, in which TTS (Transport Trade Services) S.A. owns 20%. The headquarters of the company is located on str. Grădina Botanică, nr. 14/3, Chisinau. The main object of activity is the railway freight transport.

NAVROM PORT SERVICE S.A. is a joint stock company founded in 1999, in which TTS (Transport Trade Services) S.A. holds 46.0697% through CNFR Navrom S.A. The headquarters of the company is located in str. Portului, nr. 39, jud. Galați. The main object of activity is the transport of goods on inland waterways (CAEN code 5040).

PLIMSOLL Zrt is a joint-stock company founded in April 1992, in which TTS (Transport Trade Services) S.A. has a direct ownership of 51%. TTS (Transport Trade Services) S.A. acquired on 20 June 2016 51% of the shares. The headquarters of the company is located in str. Frangepan, nr. 1139, Budapest, Hungary. The main object of activity is rail and river transport, intermediation activities for transport.

FLUVIUS KFT is a limited liability company in which TTS (Transport Trade Services) S.A. indirectly owns 51%, through PLIMSOLL KFT. The headquarters of the company is located in str. Frangepan, nr. 1139, Budapest, Hungary. The main object of activity is river transport.

PORT OF FAJSZ kft is a limited liability company established in 2004, in which the Company has a direct 100% ownership of. TTS (Transport Trade Services) S.A. acquired on 27 June 2019 a 100% stake in the securities. The company's registered office is located in Fajsz, lot No 076/2, Hungary. The main object of activity is the services auxiliary to water transport. At the time of acquisition the company had the name of EZUSTBARKA kft, the change of name to PORT OF FAJSZ kft occurred on 30.08.2019.

MANAGEMENT NFR S.A. is a joint stock company founded in 2003, in which TTS (Transport Trade Services) S.A. owns 20%. The registered office of the company is located in str. Vaselor, nr. 34, Bucharest. The main object of activity is business and management consultancy activities (CAEN code 7022). This company is currently in advanced liquidation proceedings.

GIF LEASING IFN is a limited liability company established in 2004, in which TTS (Transport Trade Services) S.A. holds 7.7014% of the share capital. The headquarters of the company is located in str. Negustori, nr. 24, Bucharest. The main object of activity is financial leasing operations (CAEN code 6491). This company is currently in advanced liquidation proceedings.

TTS (Transport Trade Services) S.A.
NOTES TO THE INTERIM CONSOLIDATED SIMPLIFIED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

1. GENERAL INFORMATION (continued)

<u>Name of investment</u>	<u>Core Business</u>	<u>Place of establishment and operations</u>	<u>Type</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
				%	%
CNFR Navrom SA	Transportation of goods on rivers	Galați, Romania	Subsidiary	92.18136%	92.16913%
Canopus Star SRL	Handling of goods	Constanța, Romania	Subsidiary	51%	51%
TTS Porturi Fluviale SRL	Handling of goods	Galați, Romania	Subsidiary	100%	100%
TTS Operator SRL	Handling of goods	Constanța, Romania	Subsidiary	90%	90%
DECIROM SA	Handling of goods	Constanța, Romania	Subsidiary	99.9%	-
Navrom Bac SRL	transportation on rivers	Galați, Romania	Subsidiary	92.18136%	91.7335%
Navrom Shipyard SRL	Repair and maintenance of ships and boats	Galați, Romania	Subsidiary	92.17647%	92.1642%
Superquattro Group SRL	Hydrotechnical works	Galați, Romania	Subsidiary	92.18136%	92.1691%
TTS (Transport Trade Services) Gmbh	Complementary activities related to transport	Austria	Subsidiary	75%	75%
Plimsoll Zrt	Complementary activities related to transport	Budapesta, Ungaria	Subsidiary	51%	51%
Fluvius Kft	Transportation of goods on rivers	Budapesta, Ungaria	Subsidiary	51%	51%
Port of Fajsz Kft	Handling of goods	Fajsz, Ungaria	Subsidiary	100%	100%
Agrimol Trade SRL	Trading various products	București, Romania	Subsidiary	99.9772%	99.9772%
Bunker Trade Logistics SRL	Complementary activities related to transport	Constanța, Romania	Subsidiary	92.18136%	92.1352%
Transterminal-S SRL	Railway transportation of goods	Chișinău, Rep. Moldova	Associate	20%	20%
Navrom Port Service SA	River transportation of goods	Galați, Romania	Associate	46.0697%	46.0636%
Management NFR SA	Business and consultancy services	București, Romania	Investment	20%	20%
GIF Leasing IFN	Finance lease	Bucuresti, Romania	Investment	7.7014%	7.7014%

CONSOLIDATION PERIMETER

TTS (Transport Trade Services) S.A. prepares simplified financial statements for the period ended September 30, 2023. Simplified financial statements include the financial statements of TTS (Transport Trade Services) S.A. (the "Company") and subsidiaries CNFR Navrom S.A., Canopus Star S.R.L., TTS Porturi Fluviale S.R.L., TTS Operator S.R.L., Decirom S.A , Navrom Bac S.R.L., Navrom Shipyard S.R.L., Agrimol Trade S.R.L., Cernavoda Shipyard S.R.L., Bunker Trade Logistic S.R.L., TTS (Transport Trade Services) GMBH, Superquattro Group S.R.L., Plimsoll Kft, Fluvius Kft and Port of Fajsz Kft named "The Group".

Subsidiaries are consolidated from the date on which the Company prepares for the first time the initial consolidated balance sheet – 1 January 2011 in accordance with the requirements of the international financial reporting standards adopted by the EU.

TTS (Transport Trade Services) S.A.
NOTES TO THE INTERIM CONSOLIDATED SIMPLIFIED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

2. MAIN ACCOUNTING POLICIES

2.1 Declaration of conformity

Simplified consolidated financial statements for the period ending at September 30, 2023 have been developed in accordance with the principles of recognition and assessment of the International Financial Reporting Standards ("IFRS") adopted by the EU and in accordance with IAS 34 "Interim Financial Reporting".

The summary interim consolidated financial statements do not include all the information and items presented in the annual financial statements and must be read in conjunction with the consolidated annual financial statements of TTS (Transport Trade Services) S.A. drawn up on December 31, 2022. The simplified interim consolidated financial statements for 01.01-30.09.2023 are not audited and have not been reviewed by an external auditor.

The accounting methods and policies applied by the Company and the group entities in these simplified interim consolidated financial statements are the same as those applied in the individual and consolidated financial statements as at the date and for the financial year ended December 31, 2022.

2.2 The basics of drawing up

Simplified financial statements have been prepared on the basis of historical cost, with the exception of certain financial instruments that are measured at revalued value or fair value as explained in the Hotel policies Accounting. Historical cost is generally based on the fair value of the consideration made in exchange for the assets.

The simplified financial statements were drawn up on the basis of the business continuity principle, according to the convention of historical cost adjusted to the effects of hyperinflation until 31 December 2003 for capital social, reserves and investments. These financial statements were prepared on the basis of statutory accounting records in accordance with the Accounting Principles of Romania, which were adjusted to comply with the IFRS adopted by the EU.

The ongoing war in Ukraine and the related targeted sanctions against the Russian Federation may have an impact on European economies and globally. However, the impact on the overall economic situation may require a review of certain assumptions and estimates.

At this stage, management cannot reliably estimate the impact, as events unfold day by day. The longer-term impact may affect profitability because of rising prices in general and energy in particular.

The principle of business continuity. The company operates on the basis of the principle of continuity of activity. This principle presupposes that the entity normally continues its operation without going into liquidation or significant reduction in business.

2.3 Accounting estimates

The entity makes certain estimates and assumptions about the future. Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations about future events deemed reasonable in the given circumstances. In the future, actual experience may differ from these estimates and assumptions.

3. REVENUES

We present below an analysis of the Group's revenues for the year, arising from continuous operations:

	September 30, 2023	September 30, 2022
	<i>(unaudited)</i>	<i>(unaudited)</i>
Proceeds from the sale of goods	38,591,155	34,558,054
Revenue from the sale of finished products	54,978	3,342
Revenue from the provision of services	826,769,242	623,244,819
Income from other activities	7,500,917	6,529,690
Total	872,916,292	664,335,905

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FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

4. OTHER EXPENSES

	September 30, 2023	September 30, 2022
	<i>(unaudited)</i>	<i>(unaudited)</i>
Electricity expenses	6,820,189	5,257,110
Repairs expenses	9,724,473	10,961,259
Rent expenses	4,213,691	5,294,464
Insurance expenses	4,924,358	4,798,872
Training expenses	345,156	119,031
Transportation services	1,416,619	1,414,195
Fee and commission expenses	909,284	678,669
Advertising and protocol expenses	1,199,666	775,748
Travel expenses	484,443	334,056
Postal charges and telecommunications expenses	883,422	886,014
Other taxes and duties expenses	2,534,100	1,928,086
Total	33,455,401	32,447,504

5. SEGMENTATION INFORMATION

The main activity of the Group is freight transport on the Danube and other complementary services related to freight transport, such as cargo handling, loading and unloading, storage.

The information reported to the main decision-maker on operations for the allocation of resources and the evaluation of the performance of the segments takes into account the type of activities - intermediation, river transport, exploitation services and other services (repairs of the transport fleet, distribution of various goods - timber, fuel, lubricants, hydrotechnical works, bunkering services).

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5. SEGMENTATION INFORMATION (continued)

Revenue and results by segment

We present below the analysis of the Group's revenues and results from continuous operations on reportable segments:

September 30, 2023 (unaudited)	TOTAL	Forwarding	River Transport	Port Operations	Other	Intersegments
Revenue	872,916,292	727,866,348	460,419,119	111,690,264	54,730,978	(481,790,417)
Merchandise sold	(31,264,120)	-	(155,514)	-	(31,108,606)	-
Raw materials and consumables	(79,798,356)	(185,386)	(67,639,440)	(10,216,249)	(1,757,281)	-
Depreciation and amortisation	(60,850,131)	(1,600,878)	(43,862,953)	(13,604,246)	(1,782,054)	-
Packaging costs	(8,073)	-	(5,724)	(2,349)	-	-
Subcontractors's expenses	(246,258,243)	(587,826,251)	(97,566,085)	(21,877,917)	(7,031,293)	468,043,303
Payroll expenses	(146,607,294)	(10,901,179)	(94,599,902)	(28,702,123)	(12,404,090)	-
Electricity, heating and water	(6,820,189)	(293,916)	(1,423,301)	(4,076,191)	(1,064,684)	37,903
Maintenance and repair expenses	(9,724,473)	(966,984)	(14,501,031)	(2,359,800)	(286,270)	8,389,612
Other administrative expenses	(16,910,739)	(3,181,405)	(8,142,202)	(8,222,753)	(2,090,744)	4,726,365
Other gains	46,882,567	24,034,365	19,844,466	2,729,249	5,355,604	(5,081,117)
Other losses	(26,946,724)	(16,541,417)	(12,722,752)	(1,612,976)	(1,670,890)	5,601,311
Total operating result	294,610,517	130,403,297	139,644,681	23,744,909	890,670	(73,040)
Net of financial investments (Cost)/Income	1,657,468	-	-	-	-	-
Net of finance (Cost)/Income	912,279	-	-	-	-	-
Profit for the period on continued operations	297,180,264					
Income tax expenses	(46,715,391)					
Profit/(loss) of the period	250,464,873					

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5. SEGMENTATION INFORMATION (continued)

Revenue and results by segment (continued)

September 30, 2022 (unaudited)	<u>TOTAL</u>	<u>Forwarding</u>	<u>River Transport</u>	<u>Port Operations</u>	<u>Other</u>	<u>Intersegments</u>
Revenue	664,335,905	507,757,637	340,102,785	78,377,438	50,461,832	(312,363,787)
Merchandise sold	(26,419,309)	-	(675,057)	-	(25,744,252)	-
Raw materials and consumables	(91,146,654)	(160,940)	(78,107,875)	(8,636,549)	(4,273,674)	32,384
Depreciation and amortisation	(52,089,405)	(2,108,324)	(37,133,717)	(11,171,734)	(1,675,630)	-
Packaging costs	(3,821)	-	(2,909)	(912)	-	-
Subcontractors's expenses	(231,001,650)	(429,044,299)	(83,471,143)	(12,120,706)	(7,544,390)	301,178,888
Payroll expenses	(82,944,409)	(8,590,749)	(51,443,976)	(17,771,504)	(5,140,009)	1,829
Electricity, heating and water	(5,257,110)	(262,725)	(1,051,173)	(2,933,912)	(1,050,850)	41,550
Maintenance and repair expenses	(10,961,259)	(1,884,065)	(10,428,296)	(4,453,052)	(296,286)	6,100,440
Other administrative expenses	(16,229,134)	(3,320,557)	(8,485,172)	(6,183,826)	(2,328,776)	4,089,197
Other gains	28,757,324	14,675,515	11,739,488	1,538,025	4,556,059	(3,751,763)
Other losses	(13,989,354)	(8,252,853)	(4,331,158)	(686,413)	(4,148,169)	3,429,239
Total operating result	163,051,124	68,808,640	76,711,797	15,956,855	2,815,855	(1,242,023)
Net of financial investments (Cost)/Income	820,042	-	-	-	-	-
Net of finance (Cost)/Income	(2,599,104)	-	-	-	-	-
Profit for the period on continued operations	161,272,062					
Income tax expenses	(24,815,227)					
Profit/(loss) of the period	136,456,835					

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5. SEGMENTATION INFORMATION (continued)

We present below the analysis of the Group's revenues and results from continuous operations on reportable segments:

The accounting policies relating to reportable segments are the same as the accounting policies of the Group.

September 30, 2023 (unaudited)	TOTAL	Forwarding	River Transport	Port Operations	Others	Intersegments
Total	872,916,292	727,866,348	460,419,119	111,690,264	54,730,978	(481,790,417)
Agricultural products	420,972,142	395,327,096	260,052,291	80,596,979	-	(315,004,224)
Chemicals	54,101,479	44,001,628	23,646,597	19,388,529	-	(32,935,275)
Minerals	254,788,123	230,951,564	131,926,048	6,171,636	-	(114,261,125)
Other products	28,693,994	-	28,693,994	-	-	-
Other services	114,360,554	57,586,060	16,100,189	5,533,120	54,730,978	(19,589,793)
September 30, 2022 (unaudited)	TOTAL	Forwarding	River transport	Port Operations	Others	Intersegments
Total	664,335,905	507,757,637	340,102,785	78,377,438	50,461,832	(312,363,787)
Agricultural products	221,852,493	192,644,514	127,912,321	48,934,608	-	(147,638,950)
Chemicals	47,594,088	42,446,713	27,166,055	13,372,425	-	(35,391,105)
Minerals	229,523,296	187,458,515	147,948,699	9,416,041	-	(115,299,959)
Other products	25,182,145	-	25,182,145	-	-	-
Other services	140,183,883	85,207,895	11,893,565	6,654,364	50,461,832	(14,033,773)

Other services for the Other segment mainly include trade revenue, shipyard revenues, hydrotechnical works, bunkering services.

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5. SEGMENTATION INFORMATION (continued)

Assets and liabilities by segments

Segment assets	September 30, 2023 <i>(unaudited)</i>	December 31, 2022 <i>(audited)</i>
Forwarding	240,113,185	200,739,362
River Transport	640,645,628	555,218,145
Port Operations	346,898,190	194,357,207
Others	57,058,114	46,208,022
Total segment assets	1,284,715,117	996,522,736
Unallocated assets		
Investment in the investee	9,794,144	8,483,345
Total assets	1,294,509,261	1,005,006,081
Segment liabilities	September 30, 2023 <i>(unaudited)</i>	December 31, 2022 <i>(audited)</i>
Forwarding	47,164,827	54,902,591
River Transport	48,956,099	36,455,741
Port Operations	25,412,317	9,115,150
Others	9,641,094	8,803,513
Total segment liabilities	131,174,337	109,276,995
Unallocated liabilities	September 30, 2023 <i>(unaudited)</i>	December 31, 2022 <i>(audited)</i>
Long-term borrowings	79,861,718	40,879,479
Deferred tax liabilities	17,566,838	9,299,504
Leasing	601,032	321,638
Short-term borrowings	36,364,029	26,829,020
Other current liabilities	-	-
Total liabilities	265,567,954	186,606,636

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5. SEGMENTATION INFORMATION (continued)

To monitor segment performance and allocate resources to segments:

- all assets are allocated to reportable segments other than participations in associates, assets classified as held for sale and deferred tax assets;
- all liabilities are allocated to reportable segments other than loans, other financial liabilities, leased liabilities and deferred taxes.

Other segment information

Depreciation and amortization	September 30, 2023	September 30, 2022
	<i>(unaudited)</i>	<i>(unaudited)</i>
Forwarding	1,600,878	2,108,324
River Transport	43,862,953	37,133,717
Port Operations	13,604,246	11,171,734
Others	1,782,054	1,675,630
	60,850,131	52,089,405

Additions to non-current assets net of commissioned assets from WIP	September 30, 2023	December 31, 2022
	<i>(unaudited)</i>	<i>(audited)</i>
Forwarding	56,029,946	3,781,208
River Transport	68,161,965	87,749,184
Port Operations	132,409,280	24,091,313
Others	5,177,750	5,201,679
	261,778,941	120,823,384

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6. PROPERTY, PLANT AND EQUIPMENT

	Land	Construction	Installations and equipment	Ships	Installations and furniture	Tangible assets in progress and advances for fixed assets	Total
	RON	RON	RON	RON	RON	RON	RON
COST							
Balance as of January 1, 2023 (audited)	13,775,004	187,753,789	178,225,834	461,794,156	4,276,726	54,670,316	900,495,825
Increases	-	63,380,202	101,499,102	64,179,809	501,340	112,852,937	342,413,390
Disposals	-	40,864	9,435,130	1,301,394	273,284	80,991,439	92,042,112
Balance as of September 30, 2023 (unaudited)	13,775,004	251,093,127	270,289,806	524,672,571	4,504,782	86,531,813	1,150,867,104
ACCUMULATED DEPRECIATION							
Balance as of January 1, 2023 (audited)	185,263	60,066,122	121,966,476	49,283,518	2,995,648	-	234,497,027
Depreciation and impairment charges	11,554	5,587,412	13,126,161	41,400,042	312,387	-	60,437,556
Disposals	-	2,894	4,278,500	152,084	40,948	-	4,474,426
Impairment	-	-	(128,847)	-	-	-	(128,847)
Balance as of September 30, 2023 (unaudited)	196,817	65,650,640	130,685,290	90,531,476	3,267,087	-	290,331,310
NET BOOK VALUE							
As of December 31, 2022 (audited)	13,589,741	127,687,667	56,259,358	412,510,638	1,281,078	54,670,316	665,998,798
As of September 30, 2023 (unaudited)	13,578,187	185,442,487	139,604,516	434,141,095	1,237,695	86,531,813	860,535,794

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6. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plant and equipment	Ships	Fixtures and furniture	Tangible assets in progress and advances for fixed assets	Total
COST							
Balance as of January 1, 2022 (audited)	10,382,067	188,970,767	171,213,715	379,762,354	4,053,484	40,513,001	794,895,388
Increases	1,688,501	-	-	-	-	118,888,320	120,576,821
Transfers	1,817,311	665,503	15,161,838	86,785,311	301,042	(104,731,005)	-
Disposals	112,875	1,882,481	8,149,719	4,753,509	77,800	-	14,976,384
Balance as of December 31, 2022 (audited)	13,775,004	187,753,789	178,225,834	461,794,156	4,276,726	54,670,316	900,495,825
ACCUMULATED DEPRECIATION							
Balance as of January 1, 2022 (audited)	168,916	54,075,494	105,996,383	-	2,790,257	-	163,031,052
Depreciation and amortization	16,347	6,410,703	16,315,404	49,390,516	258,781	-	72,391,751
Disposals	-	420,075	5,143,779	106,998	51,990	-	5,722,842
Impairment	-	-	4,798,468	-	(1,400)	-	4,797,068
Balance as of December 31, 2022 (audited)	185,263	60,066,122	121,966,476	49,283,518	2,995,648	-	234,497,027
NET BOOK VALUE							
As of December 31, 2021(audited)	10,213,151	134,895,273	65,217,332	379,762,354	1,263,226	40,513,001	631,864,336
As of December 31, 2022(audited)	13,589,741	127,687,667	56,259,358	412,510,638	1,281,078	54,670,316	665,998,798

As of December 31, 2022, impairment adjustments were made, for equipment and installations in the amount of RON 4,798,468. As of December 31, 2021, the plant and equipment class (ships category) was revalued by an ANEVAR member company, Elf Expert. The method used by the evaluator was the cost approach and market value approach. The impact of the revaluation methods used was an increase of RON 14,987,140 and a decrease of RON 1,037,192. Total accumulated depreciation reversed amounts RON 119,885,770.

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7. SHARE OF PROFIT OR LOSS FROM EQUITY-ACCOUNTED INVESTMENTS

<u>Name of investment</u>	<u>Core business</u>	<u>Holding percentage 09/30/2023</u>	<u>Cost of the investment 09/30/2023</u>	<u>Post- acquisition change in the investor's share of net assets of the investee</u>	<u>Carrying amount of the investment 09/30/2023</u>	<u>Cost of the investment 12/31/2022</u>	<u>Post- acquisition change in the investor's share of net assets of the investee</u>	<u>Carrying amount of the investment 12/31/2022</u>
		%	RON	RON	RON	RON	RON	RON
Transterminal-S S.R.L.	Railway transportation of goods	20%	147,339	6,517,754	6,665,093	147,339	5,189,428,	5,336,767
Navrom Port Service S.A.	River transportation of goods	49.97%	878,700	2,170,299	3,048,999	878,700	2,190,054	3,068,754
Other investments		-	80,052	-	80,052	84,427	-	77,825
TOTAL VALUE OF THE INVESTMENT IN THE ASSOCIATES					9,794,144			8,483,345

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
	<i>(unaudited)</i>	<i>(audited)</i>
Share of profit or loss for the period	1,308,572	531,440
Other adjustments	-	-
Total	1,308,572	531,440

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8. ISSUED CAPITAL

	<u>Number of shares</u>	<u>Share capital</u>
Balance as of December 31, 2021	30,000,000	31,739,602
Shares issued	30,000,000	30,000,000
Balance as of December 31, 2022	60,000,000	61,739,602
Shares issued	-	-
Balance as of September 30, 2023	60,000,000	61,739,602

On April 1, 2022, AGOA TTS approved the increase of the Company's share capital by the amount of RON 30,000,000, from RON 30,000,000 to RON 60,000,000, without subscription and contribution, by incorporating in the share capital the amount of RON 30,000,000 from the benefits recorded as a carried forward result and the counterpart issue of several 30,000,000 shares with a nominal value of RON 1 each, as well as their free distribution to all shareholders, registered in the Shareholders' Register on the date of registration of the share capital increase, with the allotment rate of 1 new share for each share held.

As of September 30, 2023, the shareholding structure of the Company is as follows:

Shareholding structure	<u>No. of shares</u>	<u>Share</u>
Mihăilescu Alexandru Mircea	15,184,333	25.3072%
Other shareholders – Legal entities	26,299,377	43.8323%
Other shareholders – Individual entities	18,516,290	30.8605%
Total	60,000,000	100%

As of December 31, 2022 the Company's shareholding structure is as follows:

Shareholding structure	<u>No. of shares</u>	<u>Share</u>
Mihăilescu Alexandru Mircea	15,184,333	25.3072%
Other shareholders – Legal entities	25,268,292	42.1138%
Other shareholders – Individual entities	19,547,375	32.5790%
Total	60,000,000	100 %

The inflationary IFRS value of the share capital as of September 30, 2023 is RON 61,739,602 (December 31, 2022: RON 61,739,602).

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9. INTEREST-BEARING LOANS AND LOANS

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
	<i>(unaudited)</i>	<i>(audited)</i>
Secured loans		
Short-term loans	15,741,403	14,217,538
Short-term portion of long-term loans	20,622,626	12,611,482
Long-term loans		
Long-term loans	<u>79,861,718</u>	<u>40,879,479</u>
Total short- and long-term loans	<u>116,225,747</u>	<u>67,708,499</u>

<u>Subsidiary</u>	<u>Bank name</u>	<u>Loan type</u>	<u>Grant date</u>	<u>Currency</u>	<u>Due date</u>	<u>Balance as of December 31, 2022</u>	<u>Balance as of September 30, 2023</u>	<u>Short term September 30, 2023</u>	<u>Long term September 30, 2023</u>
TTS (Transport Trade Services) SA	Citibank Europe plc	Investment	07.07.2023	EUR	28.06.2030	-	55,164,761	8,172,558	46,992,203
CNFR Navrom SA	Unicredit Bank S.A.	Investment	07.04.2021	EUR	07.04.2026	10,247,465	7,985,448	3,091,141	4,894,307
CNFR Navrom SA	Unicredit Bank S.A.	Operational	14.02.2008	EUR	31.01.2024	-	509,530	509,530	-
CNFR Navrom SA	Citibank Europe plc	Investment	08.03.2022	EUR	25.02.2027	8,410,580	6,964,440	1,989,840	4,974,600
CNFR Navrom SA	Citibank Europe plc	Investment	12.05.2022	EUR	10.05.2027	22,263,300	18,654,750	4,974,600	13,680,150
CNFR Navrom SA	Citibank Europe plc	Operational	14.12.2017	EUR	31.01.2024	148	-	-	-
TTS Porturi Fluviale SRL	Citibank Europe plc	Investment	14.12.2017	EUR	31.05.2026	5,077,591	4,011,470	1,458,715	2,552,755
Agrimol Trade SRL	Citibank Europe plc	Operational	17.06.2016	EUR	16.06.2024	6,452,861	6,744,536	6,744,536	-
Plimsoll zrt	Citibank Europe plc	Refinancing	25.04.2023	EUR	23.04.2030	-	7,059,592	678,363	6,381,589
Plimsoll zrt	Citibank Europe plc	Operational	21.04.2023	EUR	20.04.2026	-	643,523	257,409	386,114
Fluvius kft	Citibank Europe plc	Investment	12.12.2019	EUR	Refinanced	7,492,025	-	-	-
Fluvius kft	Citibank Europe plc	Operational	05.12.2019	EUR	Refinanced	1,050,240	-	-	-
Superquattro Grup SRL	Unicredit Bank S.A.	Investment	01.09.2023	RON	01.09.2024	-	794,187	794,187	-
Navrom Shipyard SRL	Unicredit Bank S.A.	Operational	14.09.2009	EUR	31.01.2024	6,714,289	7,693,150	7,693,150	-
TOTAL						<u>67,708,499</u>	<u>116,225,747</u>	<u>36,364,029</u>	<u>79,861,718</u>

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10. SUBSEQUENT EVENTS

The Board of Directors has called The Extraordinary General Shareholders Meeting of the Company for November 17, 2023, to approve of running a buy-back Program by the Company of its own shares, the shares purchased under the Own Share Buyback Program to be distributed free of charge, within a Rights/Options Allocation Plan - "Stock Option Plan", in compliance with the current legislation.

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer