

TTS (Transport Trade Services) S.A.

**SIMPLIFIED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED June 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 June 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	Note	June 30, 2023 <i>(unaudited)</i>	June 30, 2022 <i>(unaudited)</i>
Revenue	3	571,528,635	402,394,427
Raw materials and materials		(55,168,776)	(60,756,864)
Cost of merchandise sold		(22,520,097)	(19,265,749)
Depreciation and amortisation		(38,999,800)	(33,056,395)
Subcontractor's expenses		(174,138,411)	(150,191,445)
Payroll expenses		(89,313,156)	(51,689,120)
Other expenses	4	(21,875,829)	(21,929,133)
Other gains and losses		11,538,413	8,344,479
Total operating result		181,050,979	73,850,200
Net financial investment (Cost)/ Income		930,709	373,350
Net finance (Cost)/ Income		1,277,637	(1,730,441)
Profit for the period from continuous operations		183,259,325	72,493,109
Income tax expense		(28,342,517)	(11,177,192)
Net profit for the attributable period:		154,916,808	61,315,917
Translation adjustments		152,520	(151,514)
Total comprehensive income for the period		155,069,328	61,164,403
Profit for the period attributable to:			
Owners of the Company		144,234,675	54,743,132
Non-controlling interests		10,682,133	6,572,785
Total comprehensive income for the period attributable to:			
Owners of the Company		144,387,195	54,591,618
Non-controlling interests		10,682,133	6,572,785

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer

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

	Note	June 30, 2023	December 31, 2022
ASSETS		<i>(unaudited)</i>	<i>(Audited)</i>
Non-current assets			
Property, plant and equipment	6	700,561,223	665,998,798
Goodwill		3,846,603	3,846,603
Intangible assets		1,348,798	1,375,410
Right of use assets		204,411	228,941
Investments in associates	7	9,463,971	8,483,345
Other non-current assets		5,659,700	691,051
Total Non-current assets		721,084,706	680,624,148
Current assets			
Stocks		34,737,122	39,738,689
Trade receivables and other receivables		52,982,124	95,941,002
Other current assets		52,323,096	42,669,432
Cash and cash equivalents		256,578,044	146,032,810
Total current assets		396,620,386	324,381,933
Total assets		1,117,705,092	1,005,006,081
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	8	61,739,602	61,739,602
Reserves		291,979,635	286,956,544
Retained earnings		459,532,954	353,086,676
Equity attributable to the shareholders of the parent company		813,252,191	701,782,822
Non-controlling interests		120,916,665	116,616,621
Long-term debts			
Interest-bearing loans	9	35,907,288	40,879,479
Deferred tax liabilities		8,627,219	9,299,504
Long-term leasing		241,394	263,832
Other long-term debts		20,326,149	15,302,944
Total long-term debts		65,102,050	65,745,759

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 June 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

	<u>Note</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
		<i>(unaudited)</i>	<i>(Audited)</i>
Short-term liabilities			
Commercial and other debts		37,081,582	45,270,965
The current portion of leases		52,502	57,806
Interest-bearing loans and debts	9	25,899,665	26,829,020
Provisions for liabilities and charges		2,845,979	3,881,069
Other short-term liabilities		<u>52,554,458</u>	<u>44,822,019</u>
Total short-term debts		<u>118,434,186</u>	<u>120,860,879</u>
Total debts		<u>183,536,236</u>	<u>186,606,638</u>
Total equity and liabilities		<u>1,117,705,092</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 June 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	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	-	-	-	-	144,234,675	-	144,234,675	10,682,133	154,916,808
Translation adjustments	-	-	-	-	-	152,520	152,520	-	152,520
Total comprehensive income	-	-	-	-	144,234,675	152,520	144,387,195	10,682,133	155,069,328
Transfers between reserves	-	-	6,887,921	-	(6,887,921)	-	-	-	-
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	-	-	-	-	82,175	-	82,175	(240,569)	(158,394)
Dividends distributed to minority interest	-	-	-	-	-	-	-	(6,141,520)	(6,141,521)
Balance as of June 30, 2023	61,739,602	10,620,132	211,462,835	70,668,448	459,532,954	(771,779)	813,252,191	120,916,665	934,168,856

As of June 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

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

TTS (Transport Trade Services) S.A.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED June 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	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	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

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

	June 30, 2023	June 30, 2022
<i>Cash flows from activities of exploitation:</i>		
Profit before tax	183,259,325	72,493,109
<i>Adjustments for non-monetary items:</i>		
Depreciation and depreciation	38,999,800	33,056,395
Net increase in provisions for non-current assets	(128,847)	(22,775)
Net interest expense	(1,802,083)	1,182,703
(Gains) / Losses on the sale of non-current assets	(536,946)	(298,765)
Net increase in provisions for current assets	(842,022)	(1,254,658)
Losses on debts	289,757	112,208
Increase/ (Decrease) net with provisions for risks and charges	(1,035,090)	(206,125)
Profit/ loss of sale of investments	(980,626)	37,465
Exchange rate differences	-	-
Operating profit before working capital changes	217,223,268	105,099,557
<i>Changes in operating assets and liabilities:</i>		
(Increase) / Decrease in trade and other receivables	47,249,255	(59,184,369)
Decrease / (Growth) in inventories	5,247,900	(3,377,039)
Increase / (Decrease) in trade and other payables	(27,807,088)	34,200,669
Cash generated from operations	241,913,335	76,738,818
Interest paid	(1,177,001)	(1,474,205)
Income tax paid	(15,095,690)	(2,639,987)
Net cash from activities exploitation	225,640,644	72,624,626
<i>Investing activities:</i>		
Purchases of tangible and intangible assets	(80,245,343)	(68,590,487)
Payments related to investments	(158,394)	(54,002)
Income from the sale of non-current	7,400,050	706,311
Interest cashed in	2,973,780	291,502
Dividend paid to non-controlling interests	(6,141,520)	(4,346,222)
Cash flows used in investing activities	(76,171,427)	(71,992,898)

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

	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
<i>Financing activities:</i>		
Dividends paid	(33,000,000)	(17,850,000)
Loans (paid off) / received	(5,923,983)	21,385,141
Redeemed shares	-	-
Cash flows from financing activities	<u>(38,923,983)</u>	<u>3,535,141</u>
Net increase in cash and cash equivalents	<u>110,545,234</u>	<u>4,166,869</u>
Cash and cash equivalents at the beginning of the year	<u>146,032,810</u>	<u>58,900,794</u>
Cash and cash equivalents at the end of the year	<u>256,578,044</u>	<u>63,067,663</u>

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer

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TTS (Transport Trade Services) S.A.
NOTES TO THE INTERIM CONSOLIDATED SIMPLIFIED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED June 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 June 30, 2023 comprise the Company and its subsidiaries (collectively referred to as the "Group" and individually as "Group entities").

As at June 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 92.1781% (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).

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 92.1781% 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 92.1781% 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. 92.1732% 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 June 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 92.1781% 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 46.0681% 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 June 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

1. GENERAL INFORMATION (continued)

Name of investment	Core Business	Place of establishment and operations	Type	June 30, 2023	December 31, 2022
				%	%
CNFR Navrom S.A.	Transportation of goods on rivers	Galați, Romania	Subsidiary	92.1781%	92.16913%
Canopus Star S.R.L.	Handling of goods	Constanța, Romania	Subsidiary	51%	51%
TTS Porturi Fluviale S.R.L.	Handling of goods	Galați, Romania	Subsidiary	100%	100%
TTS Operator S.R.L.	Handling of goods	Constanța, Romania	Subsidiary	90%	90%
Navrom Bac S.R.L.	transportation on rivers	Galați, Romania	Subsidiary	92.1781%	91.7335%
Navrom Shipyard S.R.L.	Repair and maintenance of ships and boats	Galați, Romania	Subsidiary	92.1732%	92.1642%
Superquattro Group S.R.L.	Hydrotechnical works	Galați, Romania	Subsidiary	92.1781%	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 S.R.L.	Trading various products	București, Romania	Subsidiary	99.9772%	99.9772%
Bunker Trade Logistics S.R.L.	Complementary activities related to transport	Constanța, Romania	Subsidiary	92.1781%	92.1352%
Transterminal-S S.R.L.	Railway transportation of goods	Chișinau, Rep. Moldova	Associate	20%	20%
Navrom Port Service S.A.	River transportation of goods	Galați, Romania	Associate	46.0681%	46.0636%
Management NFR S.A.	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 June 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., 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 June 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 June 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 01.01-30.06.2023 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:

	June 30, 2023	June 30, 2022
	<i>(unaudited)</i>	<i>(unaudited)</i>
Proceeds from the sale of goods	28,289,316	25,019,877
Revenue from the sale of finished products	13,421	1,165
Revenue from the provision of services	538,450,313	373,127,145
Income from other activities	4,775,585	4,246,240
Total	571,528,635	402,394,427

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NOTES TO THE INTERIM CONSOLIDATED SIMPLIFIED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED June 30, 2023
(all amounts are expressed in RON, unless otherwise specified)

4. OTHER EXPENSES

	June 30, 2023	June 30, 2022
	<i>(unaudited)</i>	<i>(unaudited)</i>
Electricity expenses	4,318,773	4,100,907
Repairs expenses	6,526,042	6,842,111
Rent expenses	2,634,455	3,723,594
Insurance expenses	3,243,886	3,194,182
Training expenses	207,501	80,126
Transportation services	896,590	913,954
Fee and commission expenses	713,708	456,224
Advertising and protocol expenses	895,982	497,865
Travel expenses	342,316	238,170
Postal charges and telecommunications expenses	575,577	596,330
Other taxes and duties expenses	1,520,999	1,285,670
Total	21,875,829	21,929,133

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:

June 30, 2023 (unaudited)	TOTAL	Forwarding	River Transport	Port Operations	Other	Intersegments
Revenue	571,528,635	479,829,630	295,549,868	61,133,142	39,351,334	(304,335,339)
Merchandise sold	(22,520,097)	-	(71,445)	-	(22,448,652)	-
Raw materials and consumables	(55,161,921)	(124,751)	(46,723,656)	(6,429,035)	(1,884,479)	-
Depreciation and amortisation	(38,999,800)	(908,848)	(29,514,089)	(7,416,577)	(1,160,286)	-
Packaging costs	(6,855)	-	(4,887)	(1,968)	-	-
Subcontractors's expenses	(174,138,411)	(389,314,136)	(62,589,039)	(11,657,039)	(6,192,397)	295,614,200
Payroll expenses	(89,313,156)	(7,377,289)	(58,694,481)	(16,387,875)	(6,853,511)	-
Electricity, heating and water	(4,318,773)	(195,036)	(843,278)	(2,428,207)	(873,878)	21,626
Maintenance and repair expenses	(6,526,042)	(538,607)	(9,603,283)	(1,417,877)	(169,832)	5,203,557
Other administrative expenses	(11,031,014)	(2,294,337)	(5,506,888)	(4,952,716)	(1,153,395)	2,876,322
Other gains	31,188,810	12,967,844	14,614,520	2,343,499	4,007,984	(2,745,037)
Other losses	(19,650,397)	(10,525,658)	(9,953,101)	(1,474,708)	(968,589)	3,271,659
Total operating result	181,050,979	81,518,812	86,660,241	11,310,639	1,654,299	(93,012)
Net of financial investments (Cost)/Income	930,709					
Net of finance (Cost)/Income	1,277,637					
Profit for the period on continued operations	183,259,325					
Income tax expenses	(28,342,517)					
Profit/(loss) of the period	154,916,808					

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5. SEGMENTATION INFORMATION (continued)

Revenue and results by segment (continued)

June 30, 2022 (unaudited)	<u>TOTAL</u>	<u>Forwarding</u>	<u>River Transport</u>	<u>Port Operations</u>	<u>Other</u>	<u>Intersegments</u>
Revenue	402,394,427	301,271,986	199,780,257	47,649,134	36,401,294	(182,708,244)
Merchandise sold	(19,265,749)	-	(494,678)	67,237	(18,838,308)	-
Raw materials and consumables	(60,754,543)	(97,850)	(52,034,871)	(5,534,628)	(3,118,443)	31,249
Depreciation and amortisation	(33,056,395)	(1,417,047)	(23,115,554)	(7,403,773)	(1,120,021)	-
Packaging costs	(2,321)	-	(1,925)	(396)	-	-
Subcontractors's expenses	(150,191,445)	(260,957,776)	(52,327,309)	(7,625,886)	(5,078,219)	175,797,745
Payroll expenses	(51,689,120)	(5,587,927)	(32,354,553)	(11,325,126)	(2,423,298)	1,784
Electricity, heating and water	(4,100,907)	(195,175)	(812,459)	(2,245,964)	(878,521)	31,212
Maintenance and repair expenses	(6,842,110)	(1,002,689)	(6,914,933)	(2,320,720)	(176,549)	3,572,781
Other administrative expenses	(10,986,116)	(2,511,973)	(5,533,940)	(4,072,893)	(1,634,280)	2,766,970
Other gains	15,937,828	7,217,624	7,984,270	1,179,708	2,210,545	(2,654,319)
Other losses	(7,593,349)	(4,613,779)	(2,354,987)	(474,992)	(2,448,379)	2,298,788
Total operating result	73,850,200	32,105,394	31,819,318	7,891,701	2,895,821	(862,034)
Net of financial investments (Cost)/Income	373,350	-	-	-	-	-
Net of finance (Cost)/Income	(1,730,441)	-	-	-	-	-
Profit for the period on continued operations	72,493,109					
Income tax expenses	(11,177,192)					
Profit/(loss) of the period	61,315,917					

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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.

June 30, 2023 (unaudited)	TOTAL	Forwarding	River Transport	Port Operations	Others	Intersegments
Total	571,528,635	479,829,630	295,549,868	61,133,142	39,351,334	(304,335,339)
Agricultural products	245,574,891	232,471,490	158,283,832	44,964,519	-	(190,144,950)
Chemicals	33,158,624	30,288,772	16,338,994	9,191,831	-	(22,660,973)
Minerals	180,554,305	166,061,945	90,844,841	3,590,548	-	(79,943,029)
Other products	20,122,450	-	20,122,450	-	-	-
Other services	92,118,365	51,007,423	9,959,751	3,386,244	39,351,334	(11,586,387)
June 30, 2022 (unaudited)	TOTAL	Forwarding	River transport	Port Operations	Others	Intersegments
Total	402,394,427	301,271,986	199,780,257	47,649,134	36,401,294	(182,708,244)
Agricultural products	102,023,899	83,890,194	50,650,818	28,212,586	-	(60,729,699)
Chemicals	34,509,516	31,267,314	21,258,376	9,759,923	-	(27,776,097)
Minerals	164,192,472	135,770,058	108,275,329	6,721,443	-	(86,574,358)
Other products	14,049,411	-	14,049,411	-	-	-
Other services	87,619,129	50,344,420	5,546,323	2,955,182	36,401,294	(7,628,090)

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	June 30, 2023	December 31, 2022
Forwarding	269,535,731	200,739,362
River Transport	588,141,738	555,218,145
Port Operations	202,984,844	194,357,207
Others	47,578,807	46,208,022
Total segment assets	1,108,241,120	996,522,736
Unallocated assets		
Investment in the investee	9,463,971	8,483,345
Total assets	1,117,705,091	1,005,006,081
Segment liabilities	June 30, 2023	December 31, 2022
Forwarding	50,312,473	54,902,591
River Transport	41,375,710	36,455,741
Port Operations	11,167,622	9,115,150
Others	9,952,362	8,803,513
Total segment liabilities	112,808,167	109,276,995
Unallocated liabilities	June 30, 2023	December 31, 2022
Long-term borrowings	35,907,288	40,879,479
Deferred tax liabilities	8,627,219	9,299,504
Leasing	293,896	321,638
Other non-current liabilities	-	-
Short-term borrowings	25,899,665	26,829,020
Other current liabilities	-	-
Total liabilities	183,536,235	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	June 30, 2023	June 30, 2022
Forwarding	908,848	1,417,047
River Transport	29,514,089	23,115,554
Port Operations	7,416,577	7,403,773
Others	1,160,286	1,120,021
	38,999,800	33,056,395

Additions to non-current assets net of commissioned assets from WIP	June 30, 2023	December 31, 2022
Forwarding	8,381,867	3,781,208
River Transport	44,304,847	87,749,184
Port Operations	22,984,577	24,091,313
Others	4,574,052	5,201,679
	80,245,343	120,823,384

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6. PROPERTY, PLANT AND EQUIPMENT

	Land	Construction	Installations and equipment	Ships	Installations and furniture	Property, plant and equipment in progress and advances on fixed assets	Total
	<i>RON</i>	<i>RON</i>	<i>RON</i>	<i>RON</i>	<i>RON</i>	<i>RON</i>	<i>RON</i>
COST							
Balance as of January 1, 2023 <i>(audited)</i>	13,775,004	187,753,789	178,225,834	461,794,156	4,276,726	54,670,316	900,495,825
Increases	-	3,658,581	16,882,806	37,939,752	190,628	72,867,863	131,539,630
Disposals	-	40,863	9,687,336	1,301,394	76,857	51,463,703	62,570,153
Balance as of June 30, 2023 <i>(unaudited)</i>	13,775,004	191,371,507	185,421,304	498,432,514	4,390,497	76,074,476	969,465,302
ACCUMULATED DEPRECIATION							
Balance as of January 1, 2023 <i>(audited)</i>	185,263	60,066,122	121,966,476	49,283,518	2,995,648	-	234,497,027
Depreciation and impairment charges	7,703	3,192,309	7,499,489	27,925,395	154,350	-	38,779,246
Disposals	-	2,895	4,093,317	106,998	40,138	-	4,243,348
Impairment	-	-	(128,847)	-	-	-	(128,847)
Balance as of June 30, 2023 <i>(unaudited)</i>	192,966	63,255,536	125,243,801	77,101,915	3,109,860	-	268,904,078
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 June 30, 2023 (unaudited)	13,582,038	128,115,971	60,177,503	421,330,599	1,280,637	76,074,476	700,561,223

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6. PROPERTY, PLANT AND EQUIPMENT

	<u>Land</u>	<u>Buildings</u>	<u>Plant and equipment</u>	<u>Ships</u>	<u>Fixtures and furniture</u>	<u>Tangible assets in progress and advances for fixed assets</u>	<u>Total</u>
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 06/30/2023</u>	<u>Cost of the investment 06/30/2023</u>	<u>Post- acquisition change in the investor's share of net assets of the investee</u>	<u>Carrying amount of the investment 06/30/2023</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	6,237,862	6,385,201	147,339	5,189,428,	5,336,767
Navrom Port Service S.A.	River transportation of goods	49.97%	878,700	2,115,867	2,994,567	878,700	2,190,054	3,068,754
Other investments		-	84,203	-	84,203	84,427	-	77,825
TOTAL VALUE OF THE INVESTMENT IN THE ASSOCIATES					9,463,971			8,483,345

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Share of profit or loss for the period	974,248	531,440
Other adjustments	-	-
Total	974,248	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 June 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 June 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	25.216.878	42,0281%
Other shareholders – Individual entities	19.598.789	32,6646%
Total	60.000.000	100.0000%

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 June 30, 2023 is RON 61,739,602 (December 31, 2022: RON 61,739,602).

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9. INTEREST-BEARING LOANS AND LOANS

	June 30, 2023	December 31, 2022
	<i>(unaudited)</i>	<i>(audited)</i>
Secured loans		
Short-term loans	13,477,627	14,217,538
Short-term portion of long-term loans	12,422,038	12,611,482
Long-term loans		
Long-term loans	<u>35,907,288</u>	<u>40,879,479</u>
Total short- and long-term loans	<u>61,806,953</u>	<u>67,708,499</u>

Amounts due to credit institutions (continued)

Subsidiary	Bank name	Loan type	Grant date	Currency	Due date	Balance as of December 31, 2022	Balance as of June 30, 2023	Short term June 30, 2023	Long term June 30, 2023
CNFR Navrom SA	Unicredit Bank S.A.	Investment	07.04.2021	EUR	07.04.2026	10,247,465	8,738,515	3,084,182	5,654,333
CNFR Navrom SA	Citibank Europe plc	Investment	08.03.2022	EUR	25.02.2027	8,410,580	7,445,100	1,985,360	5,459,740
CNFR Navrom SA	Citibank Europe plc	Investment	12.05.2022	EUR	10.05.2027	22,263,300	19,853,600	4,963,400	14,890,200
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	4,366,296	1,455,430	2,910,866
Agrimol Trade SRL	Citibank Europe plc	Operational	17.06.2016	EUR	16.06.2024	6,452,861	5,857,271	5,857,271	-
Plimsoll zrt	Citibank Europe plc	Refinancing	25.04.2023	EUR	23.04.2030	-	7,219,533	676,836	6,542,697
Plimsoll zrt	Citibank Europe plc	Operational	21.04.2023	EUR	20.04.2026	-	706,282	256,830	449,452
Fluvius kft	Citibank Europe plc	Investment	12.12.2019	EUR	Refinanced	7,492,025	-	-	-
Fluvius kft	Citibank Europe plc	Operational	05.12.2019	EUR	-	1,050,240	-	-	-
Navrom Shipyard SRL	Unicredit Bank S.A.	Operational	14.09.2009	EUR	31.01.2024	6,714,289	7,620,355	7,620,355	-
TOTAL						<u>67,708,499</u>	<u>61,806,953</u>	<u>25,899,665</u>	<u>35,907,288</u>

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10. SUBSEQUENT EVENTS

The Competition Council issued decision no. 75 of 17.05.2023 of no objection regarding the economic concentration operation achieved by the acquisition by TTS (Transport Trade Services) S.A. of sole control over Deciom S.A.

On June 19, 2023, the General Meeting of TTS Shareholders was held, during which it was decided, among other things, to acquire 99.9% of the share capital of Deciom S.A. at the price of 21.8 million euro, as well as contracting a loan of 11.5 million euro to finance this transaction. The transaction was completed in July 2023. The shareholders also approved the addition of investment budget for the current year, up to 42 million euro.

Ștefănuț Petru
Chief Executive Officer

Florescu Nicoleta
Chief Financial Officer