

The logo for CEMCON, featuring the word "CEMCON" in white uppercase letters on a black background. The letter "M" is stylized with an orange triangle pointing upwards.

CEMCON

BSE REPORT

CLUJ-NAPOCA

1ST QUARTER RESULTS

2024

3 Month Performance 2024

- ☑ **4.9 million lei operational profit (EBITDA)**
- ☑ **Net turnover: 35.12 million lei**
- ☑ **78.76 million Cash**

General Manager Statement

The first quarter of 2024 confirms the downward trend of the construction market, and the impact is also felt by our company. We are offsetting the inflation pressure and the increase in personnel expenses through measures to increase operational performance, but also by approaching new markets, both for the basic range of ceramic blocks and for the new range of apparent brick, both in the country and at export.

We rely on a competitive advantage given the flexibility with which we can approach specific projects, as well as on the quality and sustainability of our products, as well as the production process. We will continue to implement investments in renewable energy sources and in retechnology and modernization, the effects of which will also be seen in medium and long-term financial indicators.

We expect that starting next year there will be a stabilization and the market will enter the plateau phase. Until then, we focus on developing innovative masonry solutions that better respond to an educated market that is attentive to the way it is built and the quality of the materials used.

Profit and loss Account – 3 Months Results 2024

In an unstable macroeconomic context, the turnover in the first 3 months of 2024 recorded by Cemacon was 35,120,502 lei, down 26% compared to the similar period of the previous year.

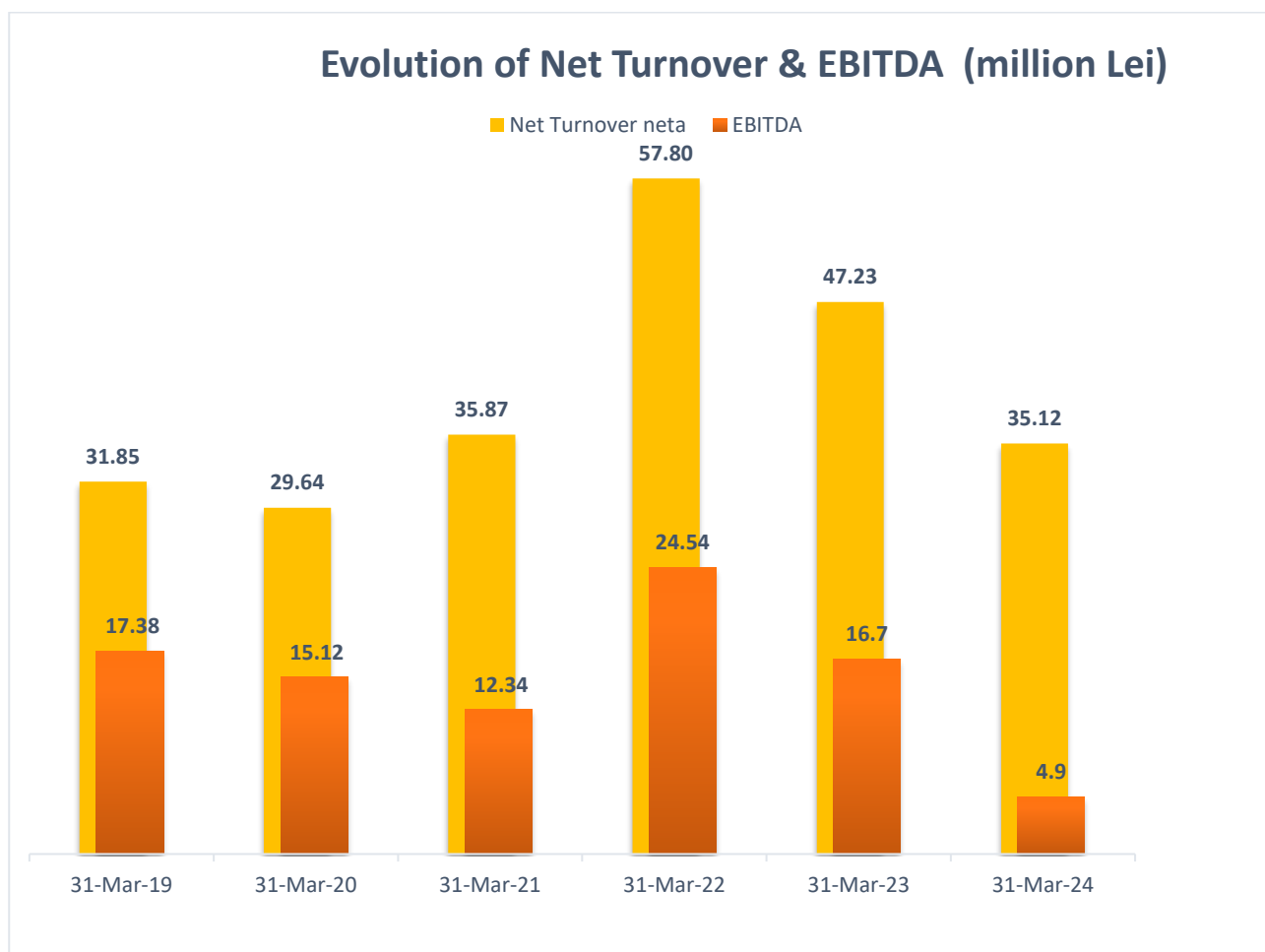
The sums related to other gains and losses highlight the cancellation of provisions established in the previous year and the establishment of provisions in the reporting period.

Personnel expenses have increased due to fiscal changes in the construction sector during 2023.

Depreciation expenses have increased compared to 2023 as a result of the investments made and put into operation.

The expenses with raw materials and materials registered a decrease compared to the same period of 2023, correlated with the production activity of the first quarter of 2024.

Thus, for the period ending on March 31, 2024, the CEMACON company records a net profit of 1,098,546 lei.



Profit and loss Account – 3 Months Results 2024

	31-Mar-24 LEI	31-Mar-23 LEI	2024 vs 2023 LEI	2024 vs 2023 %
Gross Turnover	38,900,002	52,885,638	(13,985,636)	-26%
Net Turnover	35,120,502	47,228,962	(12,108,459)	-26%
Sales revenues	34,886,924	47,223,800	(12,336,876)	-26%
Other operating revenues	2,701,001	74,238	2,626,763	3538%
Other gains and losses	4,745,811	732,988	4,012,823	547%
Change in inventories of FG & WIP	(1,377,256)	4,347,619	(5,724,875)	-132%
Raw materials and consumables	(6,897,762)	(9,052,751)	2,154,989	-24%
Personnel expenses	(14,591,416)	(10,328,012)	(4,263,404)	41%
Other operating expenses	(14,542,303)	(17,061,862)	2,519,559	-15%
EBITDA	4,924,999	16,712,457	(11,787,458)	-71%
Depreciation and amortization expenses	(4,322,330)	(3,823,316)	(499,014)	13%
EBIT	602,669	12,112,705	(11,510,036)	-95%
Financial Income	1,640,211	1,904,787	(264,577)	-14%
Financial Expenses	(1,144,333)	(523,987)	(620,347)	118%
Financial result	495,877	1,380,800	(884,923)	-64%
Profit before tax*	1,098,546	13,493,505	(12,394,959)	-92%
Income tax expenses	-	(710,636)	710,636	-100%
Profit after tax	1,098,546	12,782,869	(11,684,323)	-91%
Total other elements of other Comprehensive income		-	-	0%
Comprehensive income total	1,098,546	12,782,869	(11,684,323)	-91%

* EBITDA = Operating profit + Expenses with depreciation + Financial discounts granted - Income impairment of non-current assets

Statement of financial position- Results 31 March 2024

	31-Mar-24	31-Dec-23	2024 vs 2023	2024 vs 2023
	LEI	LEI	LEI	%
NON-CURRENT ASSETS				
Property, plant and equipment	238,928,151	238,955,811	(27,661)	0%
Investment property	8,885,960	8,885,960	-	0%
Intangible	4,112,187	4,454,414	(342,227)	-8%
Rights of use assets	14,594,514	15,607,366	(1,012,852)	-6%
Investments	127,489,922	127,489,922	-	0%
Other non-current assets	598,520	595,277	3,243	1%
NON-CURRENT ASSETS TOTAL	394,609,253	395,988,750	(1,379,497)	0%
CURRENT ASSETS				
Inventories	26,160,215	28,717,266	(2,557,052)	-9%
Trade and other receivables	40,756,080	48,204,961	(7,448,881)	-15%
Other assets	22,788,645	21,935,009	853,635	4%
Cash and cash equivalents	78,765,989	85,260,298	(6,494,309)	-8%
CURRENT ASSETS TOTAL	168,470,929	184,117,535	(15,646,606)	-8%
TOTAL ASSETS	563,080,182	580,106,285	(17,026,103)	-3%
CURRENT LIABILITIES				
Trade and other payables	34,620,194	43,899,413	(9,279,219)	-21%
Other debts	121,928	45,039	76,889	171%
Loans and borrowings	12,672,225	12,685,230	(13,005)	0%
Lease liabilities	823,774	816,258	7,516	1%
Obligations under finance leases	1,456,045	1,503,553	(47,508)	-3%
Grants received	1,326,825	1,072,629	254,196	24%
Corporate tax liabilities	2,499,091	2,499,091	-	0%
Provisions	7,016,884	11,742,289	(4,725,405)	-40%
CURRENT LIABILITIES TOTAL	60,536,967	74,263,503	(13,726,536)	-18%
NON-CURRENT LIABILITIES				
Other liabilities	6,383,733	6,357,251	26,482	0%
Loans	66,529,181	69,768,765	(3,239,584)	-5%
Obligations under finance leases	4,276,638	4,491,370	(214,732)	-5%
Financial leasing obligations	691,272	1,056,467	(365,195)	-35%
Grants received	15,570,058	16,175,142	(605,084)	-4%
Tax liability	2,437,896	2,437,896	-	0%
Provisions	2,877,336	2,877,336	-	0%
NON-CURRENT LIABILITIES TOTAL	98,766,114	103,164,228	(4,398,114)	-4%
TOTAL LIABILITIES	159,303,081	177,427,730	(18,124,650)	-10%
NET ASSETS	403,777,101	402,678,554	1,098,547	0%
EQUITY				
Issued capital as per IFRS	102,745,391	102,745,391	-	0%
TOTAL EQUITY	403,777,101	402,678,554	1,098,547	0%

At the balance sheet level, the changes in the fixed assets area are not significant for the period of quarter 1 2024.

Inventories decreased as a result of the commercial activity in the period and receivables decreased as a result of the receipts from customers in the period January-March 2024. The decrease in cash balances is mainly generated by the payments made for the investments made in the period at the group level.

Short-term debts were reduced as a result of payments to suppliers and bank debts were reduced as a result of payments of installments and interests according to the due date.

In the first quarter of 2024, there were no changes in capital.

Main Financial Ratios

	31-Mar-24	31-Dec-23
1. Current liquidity indicator	2.27	3.04
2. Leverage indicator	20%	20%
3. Turnover speed for client debit items (days)	104	90
4. Turnover speed for total assets	0.10	0.51

Consolidated Results of CEMACON SA Group

Information on the presentation of CEMACON Group SA.

CEMACON SA is a Romanian legal entity. with registered office in loc.Cluj-Napoca. str.Calea Turzii. nr.178K. Hexagon Offices building. 1st floor. jud.Cluj . ROMANIA. The company's main activity is "Manufacture of bricks, tiles and other construction products. din argila arsa". According to CAEN code 2332.

In 2023. CEMACON SA acquired 100% of the share capital of EURO CARAMIDA S.A., a ceramic blocks factory, having its main activity according to CAEN code 2332, located in Bihor county. Biharia municipality. ROMANIA.

The acquisition was reported to the investing public through the current reports no. 6165/19.06.2023 and no.7416/27.07.2023. published on the website of the Bucharest Stock Exchange and on the website of CEMACON SA.

As a result of the acquisition, EURO CARAMIDA S.A. became an affiliated part of CEMACON SA, and is currently in the process of integrating the Biharia plant into the CEMACON ecosystem.

The individual financial statements of EURO CARAMIDA SA are prepared in accordance with OMFP 1802/2012.

The financial statements of the controlled subsidiary have been prepared for the same reporting period as those of the parent company using the same accounting policies. Even though the financial statements of SC EURO CARAMIDA were prepared after OMFP 1802/2012. for consolidation purposes the necessary adjustments were made to reflect the accounting policies of the parent company.

International Financial Reporting Standards (IFRS) have been applied in the preparation of the consolidated financial statements.

Profit and loss Account - 3 Months Results 2024- consolidate

	31-Mar-24 LEI	31-Mar-23 LEI	2024 vs 2023 LEI	2024 vs 2023 %
Gross Turnover	42,758,768	52,885,638	(10,126,870)	-19%
Net Turnover	38,735,309	47,228,962	(8,493,653)	-18%
Sales revenues	37,898,797	47,223,800	(9,325,003)	-20%
Other operating revenues	2,647,117	74,238	2,572,879	3466%
Other gains and losses	6,588,297	732,988	5,855,309	799%
Change in inventories of FG & WIP	(2,385,973)	4,347,619	(6,733,592)	-155%
Raw materials and consumables	(7,490,200)	(9,052,751)	1,562,551	-17%
Personnel expenses	(16,365,803)	(10,328,012)	(6,037,791)	58%
Other operating expenses	(16,976,722)	(17,061,862)	85,140	0%
EBITDA	3,915,513	16,712,457	(12,796,944)	-77%
Depreciation and amortization expenses	(7,755,797)	(3,823,316)	(3,932,481)	103%
EBIT	(3,840,284)	12,112,705	(15,952,989)	-132%
Financial Income	1,327,132	1,904,787	(577,655)	-30%
Financial Expenses	(1,146,164)	(523,987)	(622,177)	119%
Financial result	180,968	1,380,800	(1,199,832)	-87%
Profit before tax*	(3,659,315)	13,493,505	(17,152,821)	-127%
Income tax expenses	-	(710,636)	710,636	-100%
Profit after tax	(3,659,315)	12,782,869	(16,442,185)	-129%
Total other elements of other Comprehensive income		-	-	-
Comprehensive income total	(3,659,315)	12,782,869	(16,442,185)	-129%

Statement of financial position - Results 31 March 2024 - consolidated

	31-Mar-24	31-Dec-23	2024 vs 2023	2024 vs 2023
	LEI	LEI	LEI	%
NON-CURRENT ASSETS				
Property, plant and equipment	374,967,202	238,955,811	136,011,390	57%
Investment property	8,885,960	8,885,960	-	0%
Intangible	17,485,511	4,454,414	13,031,097	293%
Rights of use assets	14,594,514	15,607,366	(1,012,852)	-6%
Investments	1,000	127,489,922	(127,488,922)	-100%
Other non-current assets	826,905	595,277	231,628	39%
NON-CURRENT ASSETS TOTAL	421,626,650	395,988,750	25,637,900	6%
CURRENT ASSETS				
Inventories	33,788,988	28,717,266	5,071,722	18%
Trade and other receivables	22,426,271	48,204,961	(25,778,690)	-53%
Other assets	28,189,085	21,935,009	6,254,075	29%
Cash and cash equivalents	80,758,105	85,260,298	(4,502,194)	-5%
CURRENT ASSETS TOTAL	165,162,449	184,117,535	(18,955,086)	-10%
TOTAL ASSETS	586,789,098	580,106,285	6,682,813	1%
CURRENT LIABILITIES				
Trade and other payables	43,188,533	43,899,413	(710,880)	-2%
Other debts	121,928	45,039	76,889	171%
Loans and borrowings	12,683,639	12,685,230	(1,591)	0%
Lease liabilities	823,774	816,258	7,516	1%
Obligations under finance leases	1,456,045	1,503,553	(47,508)	-3%
Grants received	3,651,121	1,072,629	2,578,492	240%
Corporate tax liabilities	2,499,091	2,499,091	-	0%
Provisions	7,143,127	11,742,289	(4,599,162)	-39%
CURRENT LIABILITIES TOTAL	71,567,258	74,263,503	(2,696,245)	-4%
NON-CURRENT LIABILITIES				
Other liabilities	6,383,733	6,357,251	26,482	0%
Loans	66,529,181	69,768,765	(3,239,584)	-5%
Obligations under finance leases	4,276,638	4,491,370	(214,732)	-5%
Financial leasing obligations	691,272	1,056,467	(365,195)	-35%
Grants received	15,570,058	16,175,142	(605,084)	-4%
Tax liability	18,807,092	2,437,896	16,369,196	671%
Provisions	2,877,336	2,877,336	-	0%
NON-CURRENT LIABILITIES TOTAL	115,135,310	103,164,228	11,971,082	12%
TOTAL LIABILITIES	186,702,568	177,427,730	9,274,838	5%
NET ASSETS	400,086,530	402,678,554	(2,592,023)	-1%
EQUITY				
Issued capital as per IFRS	102,745,391	102,745,391	-	0%
TOTAL EQUITY	400,086,530	402,678,554	(2,592,024)	-1%

The report, together with the related documents, can be consulted starting with 15 Mai 2024 at 18:00 at the company headquarters on Calea Turzii Street, no. 178K, Hexagon Offices, Cluj-Napoca or electronically on the company's website: www.cemacon.ro and on the Bucharest Stock Exchange website: www.bvb.ro***

The results presented are prepared in accordance with IFRS and have a preliminary nature, and will be subject to financial auditing in accordance with legal provisions.

CEMACON SA ranks second in the top of masonry manufacturers in Romania and is the market leader in Transylvania. The company operates the most modern and largest manufacturing capacity in Romania with innovative, differentiated products that bring added value to users, at very competitive production costs. CEMACON SA is a company listed on the Bucharest Stock Exchange; the company management is professional, independent, having strong sector expertise.