

# SEPARATE REPORT 31.03 2024



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## 1. INTRODUCTION

This Report of the Board of Directors is prepared in accordance with:

- ASF Regulationnr. Regulation (EU) No 5/2018 on issuers of financial instruments and market operations, and
- Law 24/2017 on issuers of financial instruments and market operations, Article 65.

The quarterly report has as major objective to inform investors about the changes in the position and performance of the company, which occurred in the first 3 months of 2024.

COMPAS S.A. prepares individual financial statements in accordance with IFRS International Financial Reporting Standards.

## 2. COMPAS – BRIEF HISTORY

The company COMPAS S.A. – a prestigious brand of the Romanian automotive industry has gained its reputation over time due to the diversity and competitiveness of its products, especially in the automotive field and springs, qualities acquired in over 130 years of existence and performance activity.

**1886** - The first official documentary attestation of the blacksmith workshop Iózsef Datky (1844-1928), recognized as "Datky Joseph & Sons Body Workshop", which produced lamellar springs for carriages, forgings, bards, hatchets, hammers, teslas, etc. The workshop becomes a supplier of carriages for the Royal House of Vienna, and the recognition of the merits and quality of the products made is also attested by the participation in international exhibitions: Budapest (1896) and Paris (1898).

**1920** - The beginning of the manufacture of springs for cars and wagons and the transformation of the blacksmith workshop into "Elastic A Datky" – the first Romanian spring factory and special blacksmith workshop.

**1932** - The company "ELASTIC A.DATKY & Co" - the first factory of springs and piles - starts manufacturing piles and spiral springs. Also, the technology of manufacturing lamellar springs for trucks and cars was developed.

**1948** - Nationalization of the factory and continuation of activity under the name of STATE ELASTIC ENTERPRISE which until 1960 produced piles, springs and forgings.

**1961** - The Elastic Sibiu Plant is profiled on the manufacture of: leaf springs; hot-wrapped coil springs and cold-wrapped coil springs.

**1969 - ESTABLISHMENT OF THE AUTO PARTS COMPANY SIBIU (IPAS)**, by merging two important companies in Sibiu, which had an independent individual path over time:

- Automecanica Sibiu Plant, with an impressive history during its development, from a Sibiu Artillery Arsenal that ensured the repair and manufacture of weapons for the defense of the Sibiu Fortress (before amalgamation) and up to the production of automotive equipment, combining the experience of the forefathers with the new advances in technology and management of those times;
- The Elastic Plant, with deep roots in the craftsmanship tradition of the fortress, was founded in the nineteenth century as a blacksmith workshop, which later develops into a body shop and finally, before merging in 1969, into the spring and forged products factory.

The unification of the two representative factories of Sibiu and the establishment of the SIBIU AUTO PARTS ENTERPRISE (IPAS) represents a crucial moment, laying the foundations for the foundation in Sibiu of a strong automotive company, an enterprise that was to become one of the main suppliers of components for the manufacture of trucks and buses based on the license taken over by the Romanian State from the German company MAN.

The Auto Parts Enterprise has entered into a national development program, with major investments in the construction of halls and the purchase of state-of-the-art machinery and equipment of the respective road.

Within the company were assimilated into manufacturing and produced, as a result of buying licenses from various companies in the European automotive industry:

- Equipment for the braking system of motor vehicles;
- Cardan transmissions;
- Steering systems;
- Telescopic shock absorbers;
- Motor vehicle suspension systems.



**1991** - The transformation of the AUTO PARTS ENTERPRISE SIBIU, following the change of regime in December 1989, into a joint stock company, a company with full state capital, named S.C.COMPA S.A.Sibiu.

**1996** - The company Krupp Bilstein Compa is founded by Compa, together with a company from the German concern KRUPP, for the manufacture of telescopic shock absorbers for car production.

**1997** - The company's shares are traded on the Bucharest Stock Exchange starting with June 12, 1997, under the symbol CMP. The securities issued by the company are traded on the Standard category of BVB.

**1998** - Establishment of the second joint venture - Krupp Compa Arcuri, for the manufacture of leaf springs for trucks, vans and off-road cars

**1999** – Full privatization of COMPA, by taking over the main package of shares by the Association of COMPA Employees (PAS). Privatisation was the most radical form of restructuring. The change of ownership meant a complex and profound change in the performance of all the functions of the company separately and as a whole. The premises for using human, material and financial resources with maximum profitability have been created

**2000** - The first affiliated company is founded - Compa IT SRL, with full capital COMPA.

**2001** - The affiliated company TRANS CAS SRL is established, with mainly COMPA capital, by transforming the existing transport base within the company into a separate domestic and international transport company.

**2004** - The affiliated company RECASERV SRL is established, with a public catering profile, carried out by outsourcing specific activities (canteen and microcanteens in COMPA). Subsequently, it expanded its activity through catering and cleaning services.

**2004-2018** - Establishing collaboration partnerships with some of the most important automotive companies in the world, as well as with non-automotive companies, in order to develop components for the automotive industry worldwide.

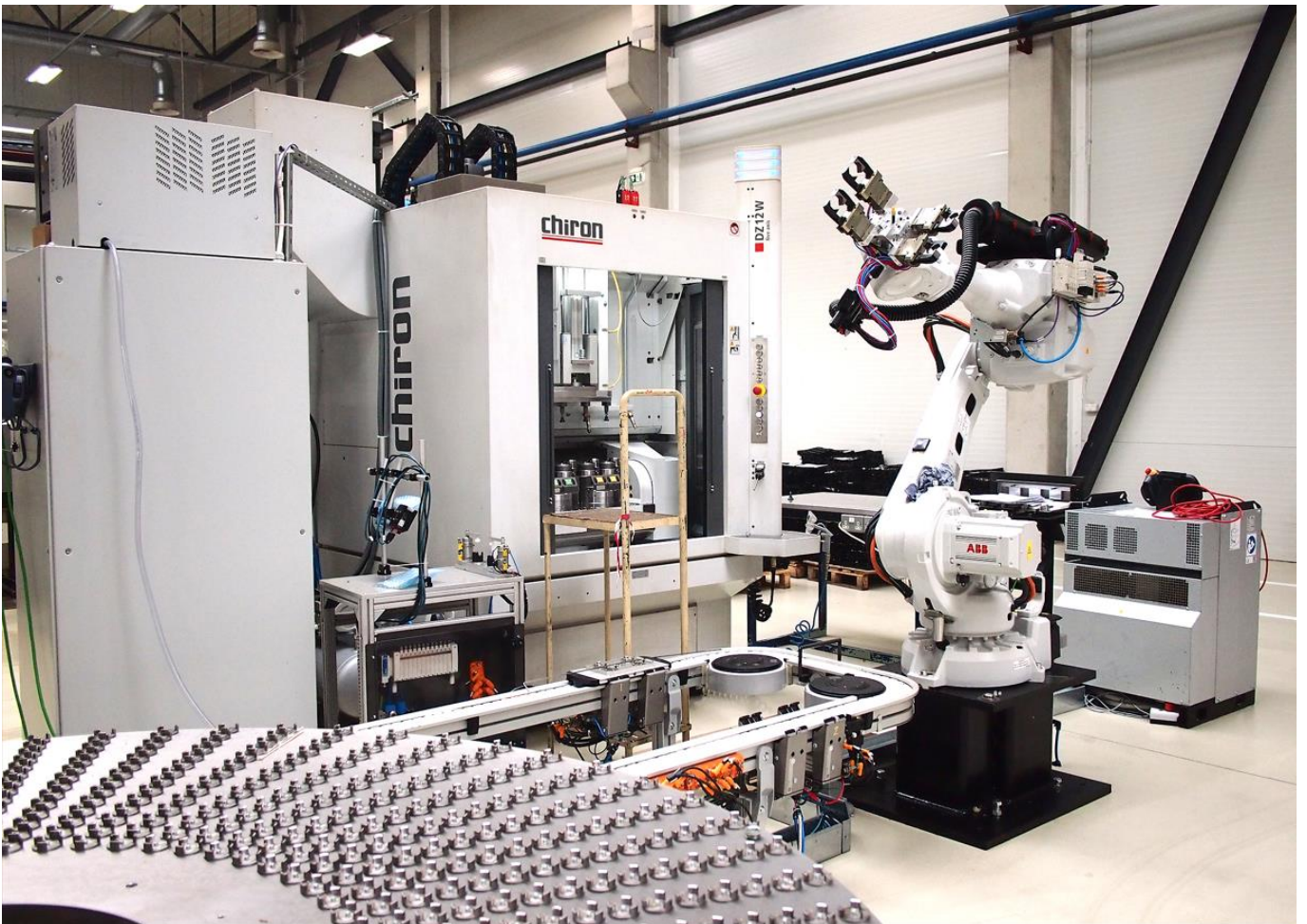
During this period, rehabilitation works were carried out, especially of the halls and storage spaces, requiring their modernization and bringing them to a level of operation under the conditions imposed by our business partners.

During this period, rehabilitation works were carried out, especially of the halls and storage spaces, requiring their modernization and bringing them to a level of operation under the conditions imposed by our business partners. In order to ensure the production spaces at the level of requirements and standards of these periods, significant investment expenses were made. The overwhelming share of investment expenditures made from own sources but also from bank loans was mainly oriented towards financing the purchases of new, state-of-the-art machines and equipment, in order to be able to manufacture automotive components at the level of complexity, technicality and quality required by the **company's partners**:



**2021** – Establishment of the limited liability company named Arini Hospitality SRL.

**2021-present** - Compa continues to develop at a sustained pace, using high-performance technologies and equipment.



### **3. IMPORTANT EVENTS OCCURRED IN THE FIRST 3 MONTHS OF 2024**

As important events recorded in Compa's activity during Q1 – 2024, we can highlight the meetings of the Board of Directors of the company and the general meetings of shareholders, as follows:

**11.01.2024** - The Board of Directors of Compa S.A. has been convened. which approved the interruption of the division process with a view to a reconsideration of aspects of the proposed operation, including in the light of valuation elements. It will then come back with a decision on the appropriateness of the parameters of the division and continuation of this process

**31.01.2024** – The Board of Directors of Compa S.A was convened and approved:

- empowering persons within the Company to sign in letter and electronic format bank documents representing operations performed by Compa S.A. through accounts opened with banking companies, respectively payment operations, in lei and foreign currency, setting up term deposits, currency exchanges, cash withdrawals, signing cheques and promissory notes, requests for issuing letters of bank guarantee.

- scrapping of fixed assets

- scrapping of material stocks / finished products, recording inventory minuses, recording depreciation adjustments of receivables and other unrecovered debts

- Recording depreciation adjustments of some materials

**26.02.2024** – The Board of Directors takes note and approves the preliminary individual and consolidated financial results for the financial year ended December 31, 2023 and the main economic and financial indicators for the financial year ended December 31, 2023.

**07.03.2024** – The Board of Directors of Compa S.A. was convened to approve the proposal to convene the Ordinary General Meeting of Shareholders (OGMS) for 25.04.2024, the first convocation (15:00) and 26.04.2024, the second convocation (15:00), as well as the proposal to convene the Extraordinary General Meeting of Shareholders (AGEA) for 25.04.2024, the first convocation (16:00) and 26.04.2024, Second convocation (4:00 p.m.).

The Board of Directors approved the agenda of the OGMS convened on 25/26.04.2024, in which a number of 13 points were included (according to the convening notice) as well as the 12 points included in the Convening Notice related to the EGM of 25/26.04.2023.

The Board of Directors also approved 11.04.2024 as the reference date for the OGMS and the EGMS of 25/26.04.2024, respectively.

**22.03.2024** – During the meeting held on 22.03.2024, the Board of Directors approved the Individual and Consolidated Annual Report for the financial year 2024 prepared according to Annex 15 of ASF Regulation no. 5/2018. The independent financial auditor's report on the individual and consolidated financial statements is taken note. Also during this meeting, the Income and Expenditure Budget for 2024 and the Investment Program for 2024, as well as the updated remuneration policy of the management were approved.

**12.04.2024** – During the meeting held on 12.04.2024, the Board of Directors approved the submission by Compa SA (within the PNRR financing program) of the project Innovation and Efficiency in the Use of Energy Resources, by implementing an energy monitoring system, procurement of high-performance transformers and compressors in Compa SA (financing application, energy audit, feasibility study and other supporting documents requested in guide.

#### **3.1. EVENTS AFTER THE REPORTING PERIOD**

**25.04.2024** - The Ordinary General Meeting of Shareholders (OGMS) was held, which decided

- election of the meeting secretary from among the shareholders present;
- approves the individual financial statements for the financial year 2023, based on the Annual Report for 2023 submitted by the Board of Directors, accompanied by the Report of the financial auditor QUANTUM EXPERT S.R.L.

- approves the consolidated financial statements for the financial year 2023, based on the Annual Report for 2023 submitted by the Board of Directors, accompanied by the Report of the financial auditor QUANTUM EXPERT S.R.L.
- approves the distribution of the net profit of the financial year for 2023, in the total amount of RON 7,675,390 , as follows:
  - + to own sources of development - value of 6.140.312 lei
  - + for granting dividends to shareholders - the value of 1,535,078 lei with a gross dividend / share of 0.00705 lei.
- approves 14.06.2023 as the date of payment for dividend payments. Payment of dividends will be made in RON. The method of payment of dividends will be notified to shareholders before the date of commencement of payment. The expenses occasioned by the payment of dividends are borne by the shareholders.
- Approves the discharge of administrators for the financial year 2023.
- approves the Income and Expenditure Budget for 2024 and the investment program for 2024.
- approves the election and appointment, for a one-year term starting with 25.04.2024, of Mrs. Mihaela Dumitrescu, domiciled in Sibiu, to fill the position of administrator in the Board of Directors of COMPA S.A., taking into account the vacancy currently provisionally occupied.;
- approves the remuneration of directors for the current year, starting with 01.05.2023 until 30.04.2025, as follows: 25,000 lei gross / month for the President of the Board of Directors, 18,000 lei gross / month for the Vice-President of the Board of Directors and 13,000 lei gross / month for non-executive directors, members of the Board of Directors.
- approves the extension until 30.04.2025 of the mandate of the external financial auditor S.C. QUANTUM EXPERT S.R.L. based in Deva, Marasti Street, Bl. D3, sc. 4, ap. 44, Hunedoara County, having registration code 12600149 registered with the Trade Registry under no. J20/40/2000, company authorized by the Chamber of Financial Auditors of Romania based on authorization no. 118/28.11.2001, in order to carry out the Statutory Audit for 2024.
- approves the remuneration report of the company's management prepared for the financial year 2023.
- approves the Remuneration Policy of the updated management of Compa S.A.
- approves the 24th.05.2024 as registration date for identifying the shareholders affected by the effects of the resolutions of the ordinary general meeting of shareholders, in accordance with the provisions of art. 87 of Law no. 24/2017 on issuers of financial instruments and market operations and gives of 23.05.2024 as *ex date* according to the provisions of Article 176 (1) of ASF Regulation no. 5/2018.
- empowerment of natural persons who will carry out the formalities of publicity and registration of meeting decisions, including their signing

**25.04.2024** – The Extraordinary General Meeting of Shareholders (AGEA) took place, which decided

- election of the secretary of the meeting of the Extraordinary General Meeting of Shareholders from among the shareholders present;
- **approves** the contracting and/or extension for 2024 and 2025 until the annual EGM of investment loans, credit lines, leasing, letters of bank guarantee, and other banking financial products, within a total cumulative ceiling of EUR 40 million and the establishment of related movable and immovable guarantees with assets from the company's patrimony.
- **approves** the delegation of the Board of Directors by the Extraordinary General Meeting of Shareholders to commit and/or extend investment loans, credit lines, leasing, letters of bank guarantee and other banking financial products, within the cumulative total ceiling of EUR 40 million approved in point 2, starting with the date of the EGM resolution until the next Extraordinary General Meeting in April 2025 , as well as to provide security interests in movable and immovable property belonging to the company's patrimony.



- **approves** the empowerment of the General Manager and the Economic Director to represent the Company on the occasion of negotiating and signing credit, guarantee agreements and any other documents necessary to comply with the decision in points 2 and 3.
- **approves** the Delegation of the Board of Directors by the Extraordinary General Meeting of Shareholders for appointing the representative of COMPA S.A. in relation to the Managing Authority / Financing Authorities and for empowering the person / persons to sign in the name and on behalf of the Company the financing contracts that will run from 2024 and further until the next EGM in April 2025.
- **approves** the mandate of the General Manager and the Economic Director to sign in the name and on behalf of the Company, the contract with the financial auditor, appointed according to decision no. 9 of A.G.O.A.
- **approves** the empowerment of the President of the Board of Directors of the Company to sign, in the name and on behalf of the Company, the management contract to be concluded by the Company with the administrator elected according to Decision no. 7 of the OGMS for carrying out his activity as a member of the Board of Directors.
- **approves** the restriction of the object of activity of Compa S.A. by eliminating in part some of the economic activities and adding others, and updating the articles of association and empowering the persons who sign the updated articles of association
- **approves** the 24th.**05.2024 as registration date** for identifying the shareholders affected by the effects of the resolutions of the ordinary general meeting of shareholders, in accordance with the provisions of art. 87 of Law no. 24/2017 on issuers of financial instruments and market operations and gives of **23.05.2024 as ex date** according to the provisions of Article 176 (1) of ASF Regulation no. 5/2018.
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### **3.3. COMPA MANAGEMENT'S VISION REGARDING THE EVOLUTION OF THE BUSINESS IN THE FUTURE**

#### **3.3.1 Compa's position in the Automotive Industry gear**

Compa has an industrial tradition of over 130 years, of which more than 100 years is active in the automotive field. After 1969 and until the privatization in 1999, the production was exclusively destined for the automotive sector. Therefore, this sector of activity has an impressive history within the company, being the field in which the most important and prominent skills and competencies were acquired and developed.

The privatization in 1999 was the decisive moment that triggered the establishment of collaboration and partnership relations with the most prestigious partners of the company such as: Thyssen Group; Honeywell-Garret; Koyo (now Jtekt); Bosch; Delphi (now Borgwagner); Houlotte... etc

As a result of these actions of long-term partnership collaboration, Compa has become a supplier of a significant number of automotive components for various types of cars manufactured in Europe and worldwide.

For the types of products manufactured by Compa, there is no competitor in Romania, therefore competing companies that make such products operate outside Romania.

Due to the industrial tradition of the company, generally producing products of high technicality and with a high degree of precision, most of the production is obtained by machining, made on CNC machine tools. Thus, a significant share of production is destined for diesel injection systems (passenger cars and commercial vehicles), steering systems for passenger cars, windshield wipers, transmission systems, etc...

The actions taken worldwide to reduce CO2 emissions into the atmosphere to mitigate climate change, finds Compa, with a production structure focused in a fairly large proportion, on the manufacture of components for internal combustion engines (gasoline and diesel), whose sharp downward trend is well known, which requires urgent measures at the level of the company's management to reconvert the activity within COMPA.

#### **3.3.2. Trends and actions taken at Compa to change the structure of manufactured production**

Knowing the clear global trends in reducing CO2 emissions into the atmosphere, car manufacturers around the world have initiated concrete programs to restructure the production of cars manufactured today. It is estimated that in the next 10 years, electric vehicles will account for 25% of the total, hybrid vehicles about 35-40%, and internal combustion vehicles around 40%.

It should be noted, however, that electric propulsion is mainly intended for urban mobility and long-distance trips will be made with hybrid cars or combustion engines

In this context, COMPA's strategy is:

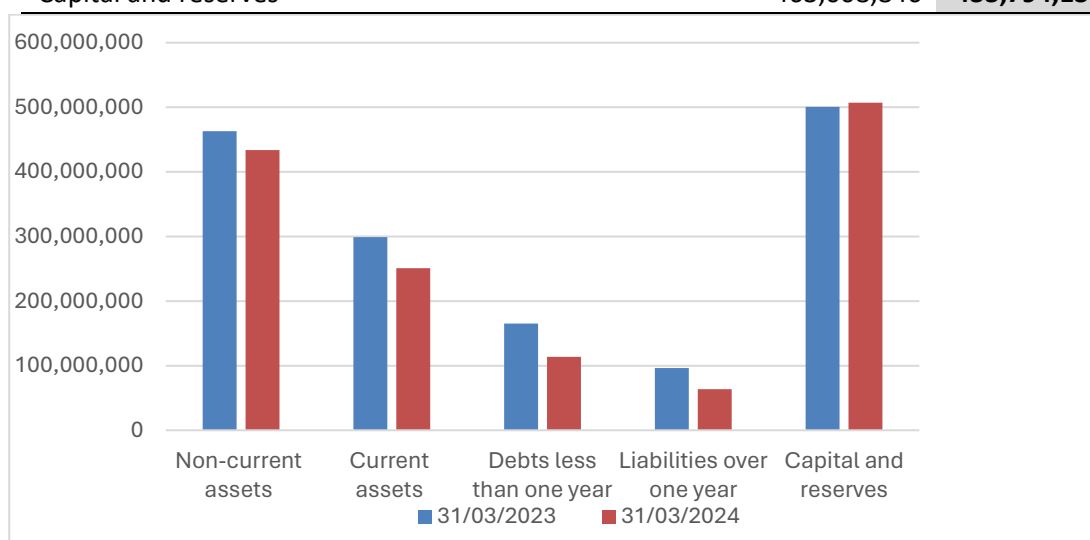
- Cessation of assimilation in the manufacture of new products, for passenger cars with internal combustion (diesel, gasoline)
- Stop investments for capacity increases for the production of new components for diesel engines, except for large goods trucks (TIR).
- Assimilation of new components mainly for non-automotive industries
- Investments are allowed only to ensure the production capacities necessary for the production of non-internal combustion engine automotive components or components for non-automotive fields.

### **3.3.3. New areas of activity to be developed at Compa**

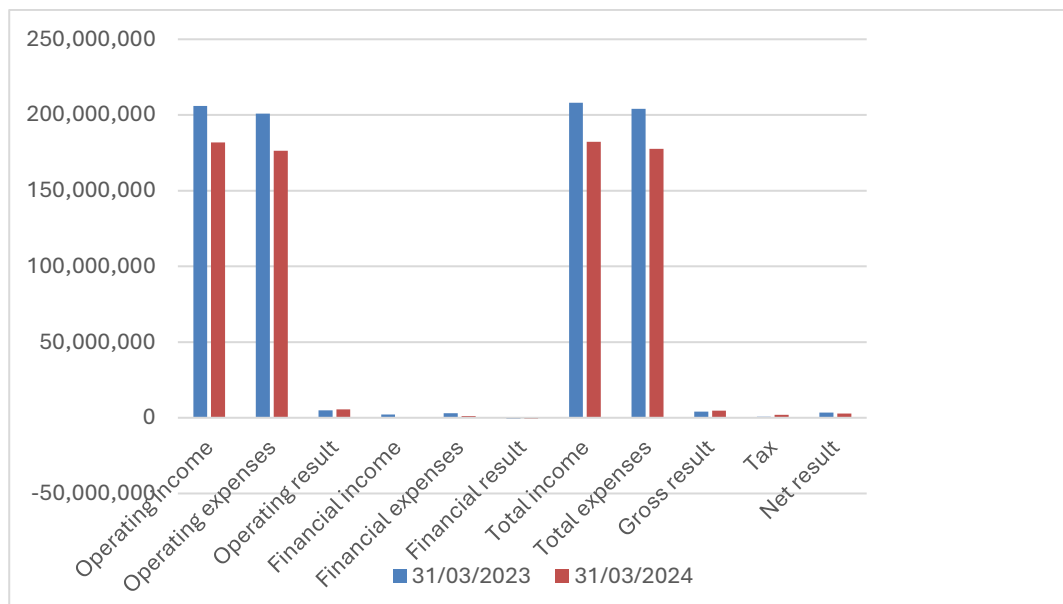
- Development of wiper arms manufacturing together with Bosch Company. Compa continues its collaboration with Bosch to develop wiper arms and grips after a long collaboration of years in the production of wiper blades.
- The project involves approximately 20 series references for BMW, Renault, Fiat and 100 references for the after market
- The project will be developed in the next period in collaboration with the Bosch Plant in Serbia, from where the transfer of a second assembly line will follow.
- Development of the manufacturing of components for Wilo fluid pumps.
- It is an industrial field with potential for future growth, knowing that the production of pumps for fluids (water, liquid fuel, chemicals, oil, etc.) is constantly increasing.
- COMPA has entered into a business partnership with Wilo in recent years and is expected to increase volumes of these products in the future.
- The products are assimilated into COMPA manufacturing, approved, and their manufacture begins.
- Another area approached by the management of COMPA, in the context of the reconversion of manufacturing within the company, is the production of subassemblies for the manufacture of machine tools.
- A partnership has been concluded with one of the largest machine tool manufacturers in the world, DMG MORI, for which COMPA has committed to produce the following product categories with a high share in machine tools:
  - Components machined by large cutting size, made on Machine tools with specialized numerical control, of high precision and complexity
  - Machine tool bodies of different sizes and types equipping a wide range of machine tool models.
  - They are extremely complex products, which have in their composition between 150 - 200 parts and subassemblies, which require a high level of qualification and equipment for their realization at COMPA.

**4. FINANCIAL AND ACCOUNTING SITUATION**
**4.1. Main balance sheet items on 31.03.2024 compared to 31.03.2023;**

INDICATOR	UNCONSOLIDATED REPORT 31.03.2024	31/03/2024
Non-current assets	463,008,846	433,794,134
Current assets	299,070,976	250,946,703
Debts less than one year	165,401,596	113,923,175
Liabilities over one year	96,136,225	63,481,330
Capital and reserves	463,008,846	433,794,134

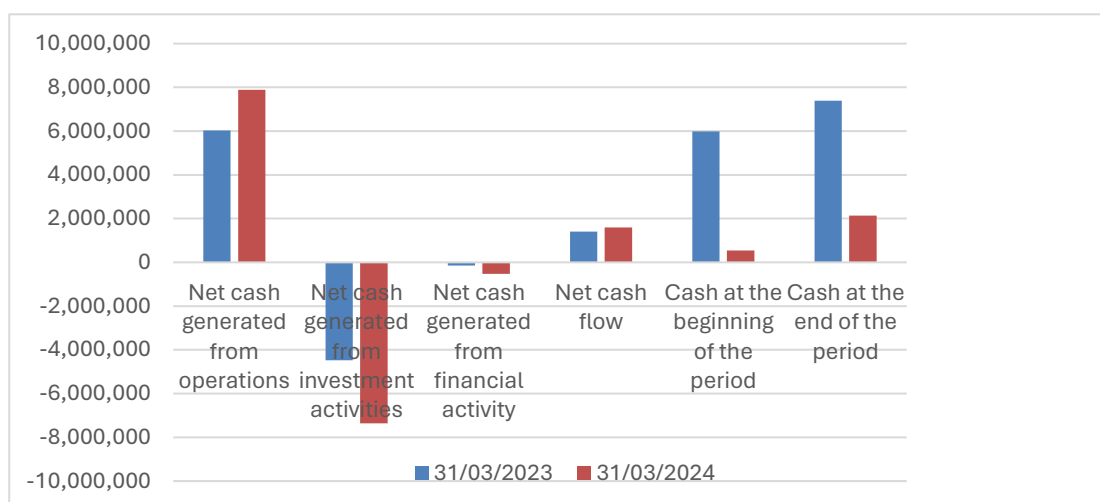

**4.2. Statement of income and expenses in the period 01.01.2024-31.03.2024 compared to the same period of**

INDICATOR	31/03/2023	31/03/2024
Operating income	205,894,084	181,852,801
Operating expenses	200,929,934	176,352,478
Operating result	4,964,150	5,500,323
Financial income	2,214,388	325,288
Financial expenses	3,023,107	1,200,603
Financial result	-808,719	-875,315
Total income	208,108,472	182,178,089
Total expenses	203,953,041	177,553,081
Gross result	4,155,431	4,625,008
Tax	766,189	1,877,896
Net result	3,389,242	2,747,112



**2,137,995 Statement of cash flows as at 31.03.2024 and 31.03.2023**

INDICATOR	31/03/2023	31/03/2024
Net cash generated from operations	6,033,840	7,889,852
Net cash generated from investment activities	-4,483,622	-7,361,226
Net cash generated from financial activity	-143,694	-528,626
Net cash flow	1,406,524	1,595,426
Cash at the beginning of the period	5,986,107	542,569
Cash at the end of the period	7,392,631	2,137,995



**Main economic and financial indicators**

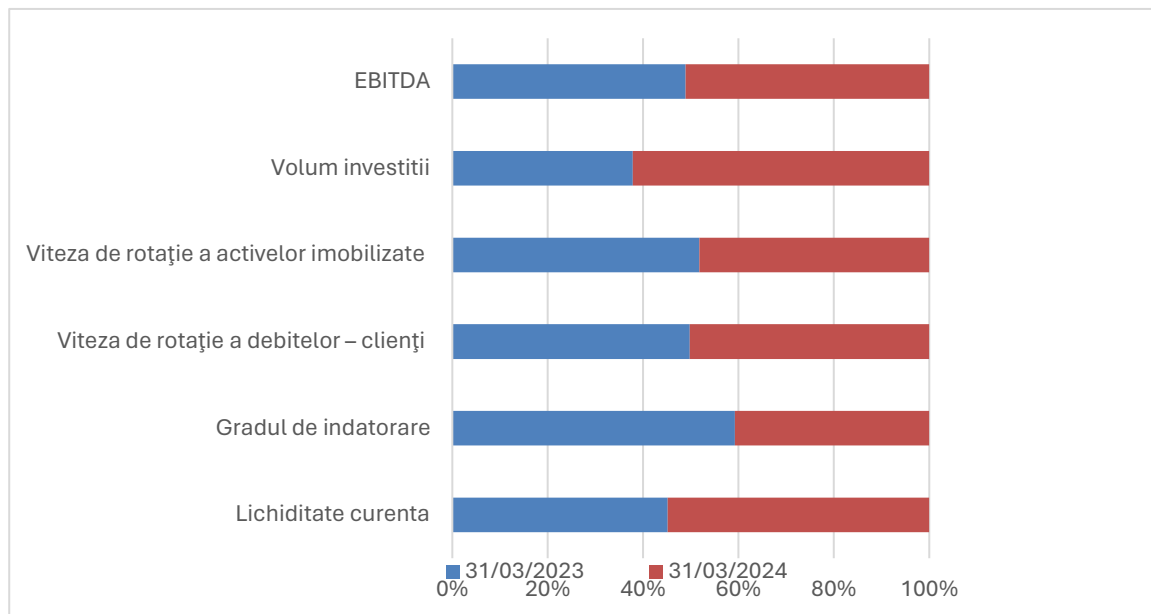
INDICATOR	31/03/2023	31/03/2024
Current liquidity	1.81	2.2
Degree of indebtedness	0.16	0.11
The speed of rotation of debits - customers	70.21	70.92
The speed of rotation of fixed assets	0.44	0.41
New investments	4,483,622	7,361,226
EBITDA	16,755,083	17,501,365

**Current liquidity** = current assets / current debts

**The turnover speed of debts - customers** = Average customer balance / Turnover x 270

**The speed of rotation of fixed assets** = Turnover / Fixed assets

**Degree of indebtedness** = borrowed capital / capital engaged



## 5. ANALYSIS OF THE COMPANY'S ACTIVITY

### 5.1. PRODUCTS, PROCESSES "PROFIT CENTER": organizational structure for managing production activity in COMP A

The production activity of the parent company Compa is organized into Profit Centers. These "*profit centers*" are actually production sections/workshops where families of similar products are made from a constructive and technological point of view, equipped with machines and equipment specific to the production of these products, being decentralized production units. In this case, the manufactured products are addressed to a single customer, or to a limited number of customers. The economic activity is organized in such a way that in each *profit center* the profit and loss account is prepared monthly, a document extremely important for knowing the income and expenses so that by summing up the profit and loss accounts of the profit and loss centers the profit and loss account is obtained at COMP A level.

There are also profit centers specialized in the production of a wide range of products whose production processes are part of the same family: forging processes, cold stamping processes, surface coatings (galvanizing, phosphating), heat treatments, etc. products intended for several customers. In this case, profit centers are structured for the realization of certain types of products, regardless of the customer to whom they are delivered.

By decentralizing the activity, respectively organizing these production sections/workshops, on profit centers, operations managers, who are responsible for managing these production units in profitability conditions, were entrusted with multifunctional teams, dimensioned with personnel, respectively directly productive workers and indirectly productive staff, support services, in areas such as: production, technical, quality, maintenance, logistics, continuous improvement, training-training.

Operations managers together with multifunctional teams have the obligation to achieve each product at the profitability level included in the price negotiated with the business partner. In this direction is oriented the activity of multifunctional teams of profit centers: to comply with the established standard costs, to permanently reduce costs, to obtain the planned profit of each manufactured product.

COMP A manufactures a wide range of products and operates with various processes. Their grouping, in order to quantify the value of manufactured production both in the Annual Reports of the Board of Directors and for various statistical reports, is based on a certain functional similarity of them, branches or industrial sectors, etc.

Thus, the organizational and logistical structure is coherent and can be understood by COMP A shareholders and investors, business partners, etc.

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Thus, the organizational and logistical structure is coherent and can be understood by COMP A shareholders and investors, business partners, etc.

### 5.2. PROCUREMENT – SUPPLIERS

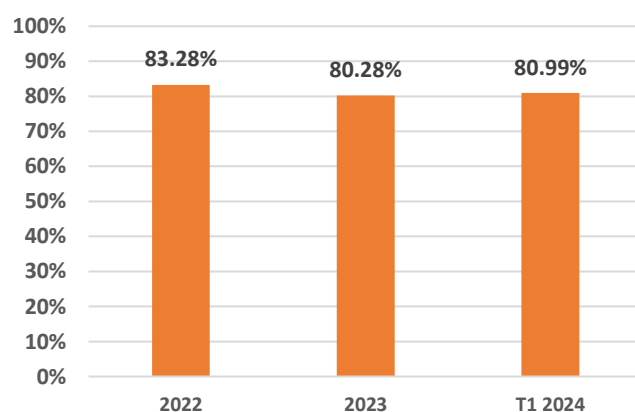
#### 5.2.1. Evaluation of purchasing activity:

##### Evaluation of purchasing activity and indicators by department:

The purchasing activity has continuously developed in recent years with the development of the company. The company's focus on large customers in the automotive industry, but also on those in the non-automotive industry, has led to a considerable expansion of the supplier database as well as to an increase in the share of imported suppliers in total purchases. This is due to the high level of specialization required of suppliers.

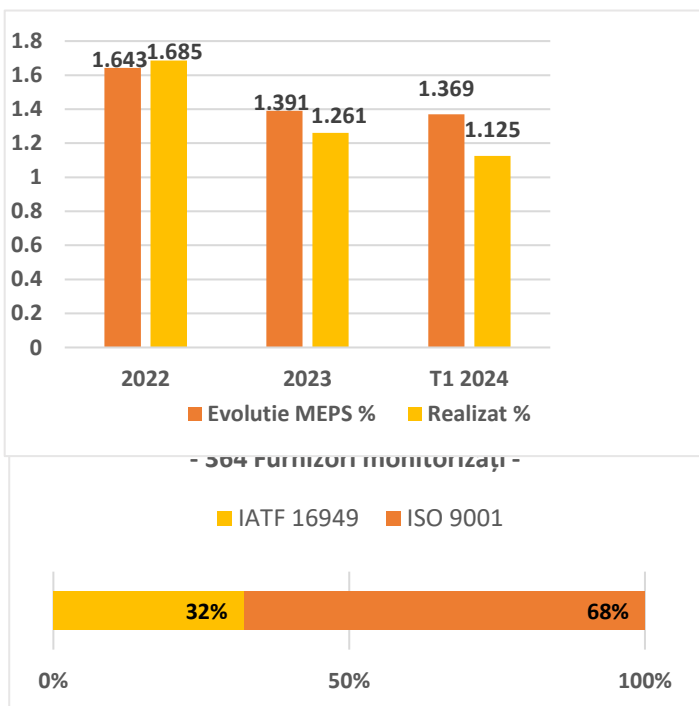
Also, in the next period, it is estimated that the value of semi-finished products in total purchases will decrease, in favor of basic materials, largely due to the development of new processes in COMP A for both the

Valoarea procentuala a achizițiilor din import în total cumpărări 2022-T1 2024



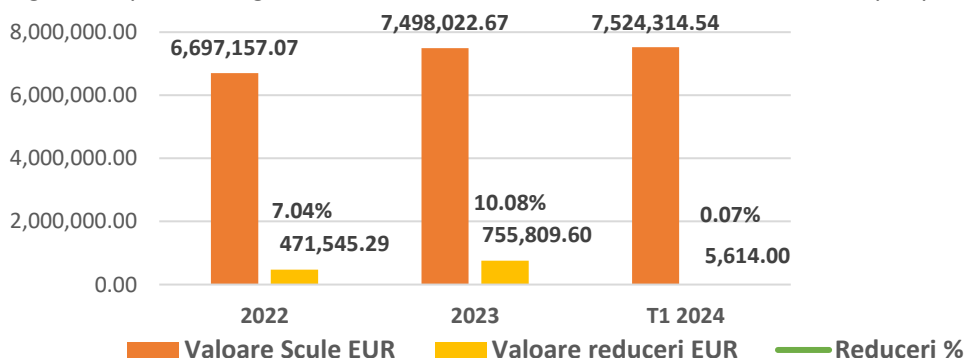
automotive and non-automotive sectors with a high degree of integration for which most operations are executed internally.

**5.2.2. The main objectives of the department are:**



In the context of market globalization – the need to align the market with the stock quotations for most products by obtaining a price index with 100% MEPS (Management Engineering and Production Services – price indicator on the metallurgical market, which provides price estimates). Finding sources of supply that ensure the highest possible competitiveness of prices of raw materials and materials supplied, stability and sustainability of the supply chain. Market prospecting and finding new supply solutions as well as developing suppliers with whom there are collaborations in order to obtain the best price and quality level in the products supplied by collaborating only with certified suppliers. COMPA monitors and evaluates on a monthly basis all suppliers whose products are incorporated or influence COMPA products. This category includes a number of over 360 suppliers who are evaluated according to criteria related to the quality of delivered products and logistical criteria.

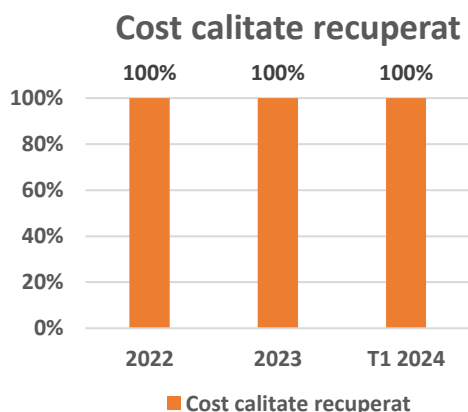
5. Improving the performance of cutting tools (e.g. drills, reamers, milling cutters, inserts, etc.) is achieved by testing and implementing new and innovative solutions that reduce the cost per part.



Recovery of costs generated by non-quality of supplied products. The costs generated by non-compliant products delivered by suppliers are monitored and recovered every year.

Establish a responsible supply chain by collaborating with suppliers who comply with COMPA's principles and vision in the field of quality, environment and occupational health and safety by adhering to and implementing policies and regulations addressing these issues, by adhering, certifying and aligning with regulations/standards addressing these issues.

COMPA maintains and requires its suppliers to take a proactive approach to managing environmental impact, social responsibility and the adoption of progressive labour, health and safety policies. COMPA encourages and supports the local business environment through existing



commercial relationships, existing contracts and new/future projects in which its partners are/will be involved. It prioritizes where possible business development with local partners and encourages its suppliers to do the same.

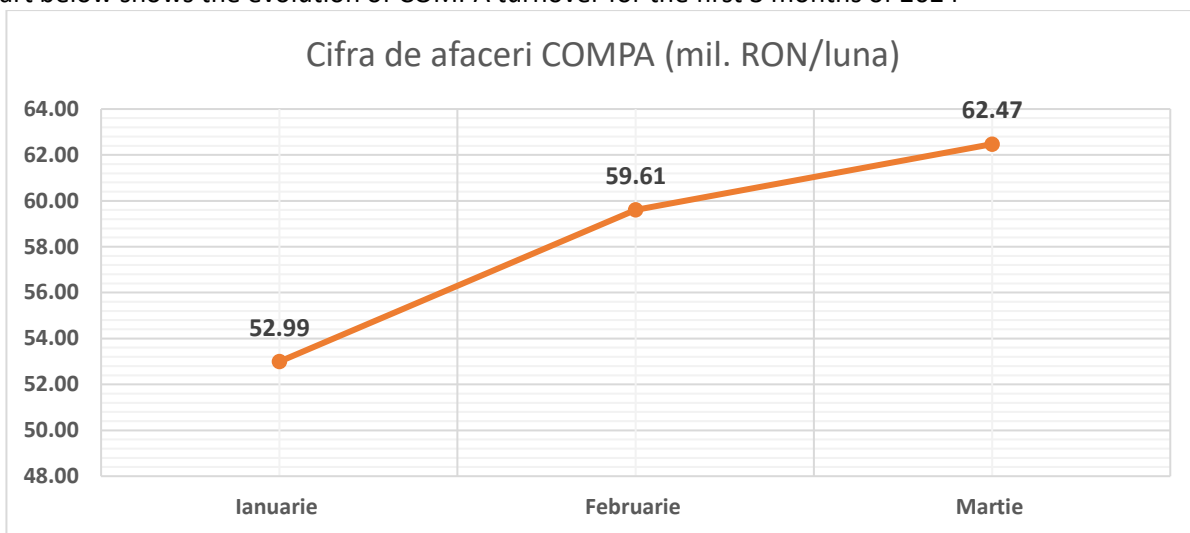
**5.3. SALES**

**5.3.1. Sales activity evaluation:**

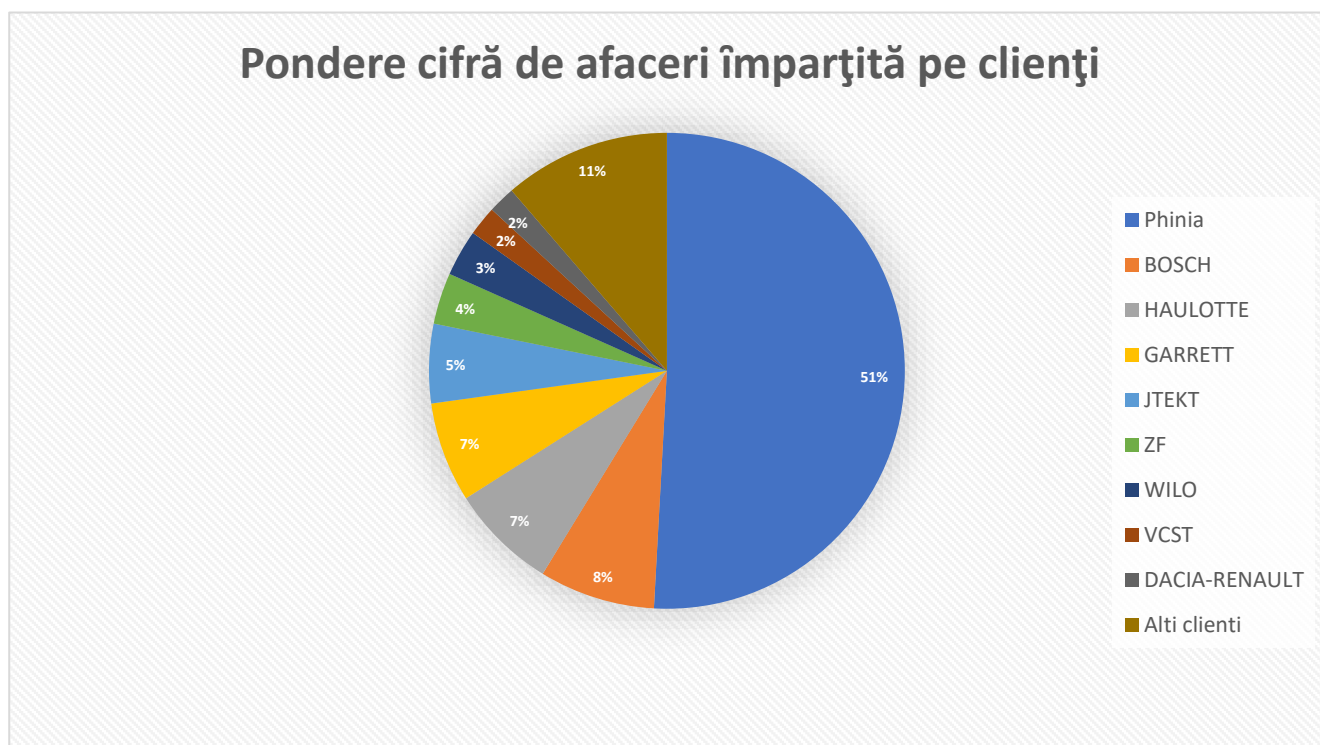
In the first 3 months of 2024, the department's activity was mainly focused on offering new products and identifying potential new customers from various industries.

Various marketing activities were also undertaken in order to promote the company's capabilities and identify new markets.

The chart below shows the evolution of COMPA turnover for the first 3 months of 2024



The share held by the main COMPA clients in the turnover for the first 3 months is highlighted in the following graph:





### **5.3.2. Objectives, trends and strategies on medium-long term:**

- Maintaining profitability by updating sales prices according to market evolution;
- Development of new projects for non-automotive customers;
- Strengthening commercial relations with existing customers;
- Active promotion of all COMPA processes in order to develop the portfolio of clients from various industries;
- Assimilation of products with as much added value as possible;
- Development of Compa as an integrated supplier by using as many existing processes as possible in the portfolio;

## **5.4. OUR EMPLOYEES**

### **5.4.1. Staff, their values and belief**

COMPA takes a strategic and coherent approach to how the organization's most important resources – people – are managed. Thus, human resources management aims at the process of achieving organizational objectives by attracting, retaining, developing and efficiently using human resources in the organization.

COMPA believes that the human factor has a major influence on the company's achievements. The values and beliefs of human resources must be known and promoted for the formation and development of an organizational culture conducive to performance.

The following aspects of human resources management are important and represent development milestones:

- Contribution to achieving the organization's objectives through people;
- Creating an optimal organizational structure;
- Ensuring competent human resources through recruitment and selection;
- Adapting human resources to requirements – development and training;
- Creating and strengthening motivation (material and non-material reward), performance management;
- Creating and maintaining fair relations between employer and employees.

As far as human capital management is concerned, it was assumed that the achievement of strategic objectives depends primarily on the human factor. The development of the company involves elements that create long-term value and can ensure the future performance of the organization.

COMPA aims for the human resources policy to be in line with the general objectives of the company, in line with the values existing in the organizational culture, adapted to the current socio-economic context, focusing mainly on:

- Ensuring the availability and continuity of the workforce by preserving the values in the organization;
- Early recruitment of graduates with higher education;
- Increasing the level of polyvalence by broadening the sphere of competences;
- Reducing the integration period of new employees, graduates of technical vocational education, through internships;
- Focusing training on the individual to increase staff skills and efficiency;
- Strengthening the payroll system after performance;
- Capitalizing on the expertise of experienced employees through mentoring programs;
- Staff awareness of job responsibilities;
- Involvement in the implementation of the Social Responsibility management system;

### **5.4.2. Strategic objectives**

The main strategic axes pursued are:

- Involvement in the development of university technical education, by supporting the integration of theoretical knowledge with practical ones, through internships at a potential job;
- Ensuring human resources through involvement in supporting dual education, apprenticeship programs,

qualification, including through programs financed from European funds;

- Working conditions and climate to ensure a high level of satisfaction;
- Creating a culture of coaching and mentoring;
- Development of soft skills and specific skills;
- Developing the framework in which communication with employees takes place to support performance and trust, as well as in special crisis situations;
- Encouraging teleworking, when appropriate, as an employee-employer advantage;
- Partial transfer of the training activity to the online environment;
- Reassessment of motivation strategies, including for staff involved in on-the-job training;
- Digitization and efficiency of HR processes;
- Re-professionalization and transformation of skills, including for digitalization;
- Projects for the development of human resources financed from European funds;
- Programs for career development.

#### **5.4.3. Wage and social policy**

During the meeting between the representatives of the Employer COMPA S.A. and the representatives of the Independent Free Trade Union Sibiu in September 2023, the parties empowered to negotiate the Collective Labor Agreement for the years 2022-2024 agreed the following:

- Amending, starting with October 2023, the salary grid by including in the basic salary the gross amounts corresponding to salary increases (seniority bonus, bonus for attracting workforce, bonus for systematic overtime work, foreign language bonus, bonus for difficult working conditions, bonus for dangerous conditions, bonus for harmful conditions);

- With regard to the seniority increase, the parties established the following:

- For existing employees on 01.10.2023, the seniority benefit will be kept in the future, hereinafter referred to as fidelity in COMPA, and for new employees fidelity will be applied in COMPA;

- For employees existing in COMPA on 01.10.2023, the gross amount corresponding to the percentage corresponding to the seniority tranche existing at the time of the change has been added to the basic salary. After the amendment, a percentage salary increase of 5% is applied at the fulfillment of the current seniority installments until the last seniority tranche as a period worked, namely 20 years;

- The seniority tranche existing at the time of the change is hereinafter referred to as fidelity in COMPA;

- For employees employed after 01.10.2023, the new fidelity clauses in COMPA apply;

- As regards the provisions relating to bonuses, they shall be amended as follows:

(1) The bonuses granted under the terms of this contract are:

a) bonus for overtime worked on days planned as working days: 75%;

b) increase for overtime hours worked on rest days: 85%;

c) bonus for overtime hours worked on public holidays in which, according to the law and the Collective Labor Agreement, no work is performed: 100%;

d) bonus for hours worked during the night: 25%;

e) bonus for exercising another function; an increase of up to 50% of the basic salary of the replaced position may be granted, starting with the 3rd month of cumulation;

The employee who fully fulfills the duties of a position superior to that on which he is employed, for a period longer than 2 months, will benefit from the salary of this position for the entire period worked under these conditions. During this period, the employee is relieved of the duties of the initial position.

- Also, starting with November 2023, a salary indexation of 7% was applied; With the indexation of the salary grid, the benefits deriving from it (Christmas and Easter bonus, holiday premium, travel allowance, etc.) were indexed with the same percentage.

In 2023, meal vouchers worth 30 lei / day were granted to all employees, and starting with October 2023, the value of the meal voucher changed to 35 lei / day. Occasional gift vouchers were also given.

Between the management of the company and the employees there are employment relations within the limits of the Labor Code and the Collective Labor Agreement.

On a weekly basis, briefings and consultations take place between management and employee representatives. Compared to previous years, relations have improved, understanding and communication have increased, and the two sides have participated in joint meetings. As a result, there were no periods of stagnation of the production process due to the onset of labor disputes.

#### **5.4.4. Social responsibility**

COMPAS consistently applies principles and rules of social responsibility that reflect the requirements of SR ISO 26000:2011, but also of customers:

- Taking responsibility for the impacts we produce on society, economy and environment;
- Transparency of our decisions and activities, which may affect society and the environment;
- Respecting and promoting ethical behavior: honesty, equity and integrity, as values that concern us, in relation to people and the environment;
- Respect for the interests of stakeholders in our decisions and activities;
- Ensuring compliance with all applicable laws and regulations;
- Compliance with international norms of business behavior;
- Respect for and promotion of human rights, which we consider inalienable and universal.

#### **5.4.5. Guidelines The main themes of action are:**

- Ensuring an organizational management as a way of managing and carrying out activities in an ethical and responsible manner;
- Respecting and promoting human rights in the sense of recognizing the rights of all human beings, civil, political, economic, social and cultural rights;
- Applying appropriate labor practices to ensure working conditions and social protection according to applicable legal standards and regulations;
- Protecting the environment as a way to respond to current environmental challenges and as a commitment to apply and promote environmentally responsible practices, including by encouraging the development of green technologies;
- Applying fair practices as a way of ethical conduct in relations with other organizations and individuals, respecting applicable national and international laws and regulations;
- Responsibility towards customers and consumers for ensuring their right regarding the security of use, information, choice, expression, correction, education, in relation to the products and services provided by our organization;
- Involvement in community development as a way of recognizing that we are part of the community, of the rights due to its members, but also of the elements of culture, religion, tradition and history or partnership with it.

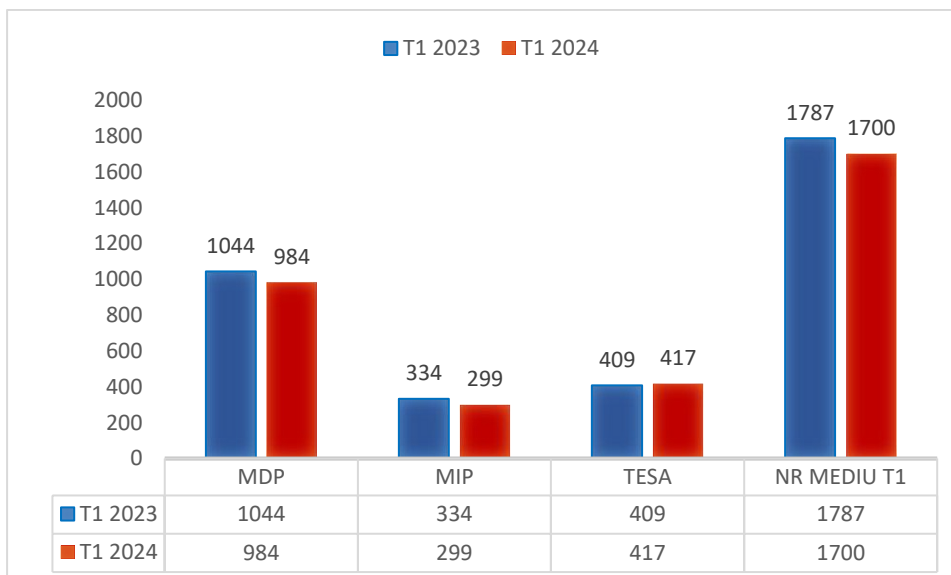
#### **5.4.6. Performance indicators of Human Resources processes**

##### **Average number of staff**

The evolution of the average number of personnel in trimester. I 2024 registered a decrease compared to the same period in 2023, from 1787 employees to 1787 employees. This increase occurred both due to the decrease in orders and due to the increase in labor productivity.

Throughout this period, the aim was to ensure the availability and continuity of the workforce by preserving the values in the organization.

100,00%



	T1 - 2023	%	T1 - 2024	%
MDP (Directly Productive Workers)	1044	58,42%	984	57,88%
MIP (Indirectly Productive Workers)	334	18,69%	299	17,59%
TESA (Technical - economic)	409	22,89%	417	24,53%
<b>TOTAL</b>	<b>1787</b>	<b>100,00%</b>	<b>1700</b>	<b>100,00%</b>

It is found that although the average number of staff registered a slight decrease of 4.87%, the proportions of the three categories of staff have changed, increasing the share of TESA staff.

### Staff turnover

	T1 - 2023	T1 - 2024
<b>Fluctuația personalului (%)</b>	5.22	4.90

Analyzing the evolution of staff turnover, there was a decrease in this indicator, due to the measures established in COMPA to remedy this situation, namely: reporting to the salary and benefits level in the area, qualification / requalification courses offered to employees, concluding apprenticeship contracts, providing transport for commuter employees, reimbursement of the transport value for other employees, improving working conditions ( air conditioning, harm reduction, social spaces, etc.), compensating the labor shortage with qualified personnel from abroad.

### Recruitment and selection

In trim. I 2024, 880 job offers (CVs, applications, letters of intent) were submitted. 80 people participated in interviews (interviews, work tests, psychological tests) in order to fill vacancies.

Of these, 52 were hired, 10 were rejected for professional reasons at interview/work tests, 9 were rejected for other reasons (illiteracy, health problems incompatible with working conditions) and a number of 9 people gave up their position for various reasons (work environment, working hours, salary).

### Staff training

The continuous development of human capital through the formation of skills that support the company's development strategy is a priority for COMPA.

Therefore, the training of all staff in the continuous training process aims to eliminate the gap between the skills required by the job and the existing ones, to provide integrated, validated, certified personnel at the workstation, to acquire / broaden the scope of skills, in order to meet the challenges generated by the new wave in the technological evolution of production (Industrialization 4.0, digitization, use of "green" technologies, etc)

The training programs developed in COMPA meet the needs of each employee and aim at: professional development for career evolution, continuous improvement of employees' activity, acquisition of skills that anticipate the development of new projects.

In order to achieve these objectives, the Vocational Training Center was established in 2005. The programs developed through the center aimed at qualifying/retraining employees and people on the labor market, in trades such as: CNC machine tool operators, welders, mechanical locksmiths, metrology technicians, forklifters, cranes, etc. So far, 3,298 people have gained a qualification.

The Vocational Training Center is the place where new employees are familiarized with operating on MUCN and with the specific requirements of the workplace, a necessary step in the process of integration and validation at the workplace. For students in dual and high school technological education, the Training Center is the place where they discover the secrets of operating on numerical control machines during laboratory and practice hours, prepare and take the skills certification exam.

Next, we aim to diversify, adapt the educational offer by authorizing new programs required by the projects developed within COMPA and by our clients, to conclude partnerships and access funding sources from European funds.

COMPA, as a "*Lifelong Learning Organization*", has set itself the goal in 2024 for each employee to go through a number of 35 hours of training.

### **Apprenticeship**

For new employees who want to acquire a qualification or retrain, COMPA develops apprenticeship programs that enable them to easily integrate into new jobs, obtain a recognized certification, raise their level of knowledge, satisfaction, responsibility. Apprenticeships have a duration of two years for people wishing to obtain a level 3 qualification (MUCN operator) and a duration of one year for people wishing to obtain a level 2 qualification (drill - threader).

Currently, two people are attending the level 3 apprenticeship program - MUCN operator.

In the future, we aim to attract new employees to follow level 3 apprenticeship programs and to obtain qualifications of: CNC machine tool operator or welder.

### **Projects developed with European funds**

In order to become increasingly competitive in terms of productivity, quality, customer satisfaction, resource and environmental conservation, investment in human capital will continue to grow, including by attracting European funds or from other sources.

So far, COMPA has implemented 15 projects financed from European funds aimed at developing the skills of its own employees and projects aimed at facilitating the transition from school to the active life of pupils and students. Further, we aim to conclude partnerships and find new funding sources dedicated both to the development of human capital skills in COMPA and to the preparation of future graduates to integrate as easily as possible into the labor market.

### **Sustainable school-enterprise partnerships**

The company's partnerships with technical and vocational university education institutions in Sibiu date back to the 70s, with the establishment of the Institute of Higher Education, currently the Faculty of Engineering "Hermann Oberth" and of the IPAS High School, currently the Technological High School "Henri Coanda".

Proximity to higher and vocational education institutions is part of COMPA's policy of training future generations of specialists, developing the employability of young people, facilitating the transition from school to active life through internship programs, master, private scholarships and more.

The partnerships concluded mainly aim to involve COMPA in two directions related to improvement:

- Theoretical training through contributions to the adaptation and modernization of the curricula of the Faculty of Engineering and adaptation of the curriculum in local development to the needs of the employer, for vocational and technical education.
- Practical training by ensuring pupils' and students' access to modern work environments, to high-performance technologies and equipment, to knowledge and understanding of the processes developed on manufacturing lines, to familiarization with the rigors of the industrial environment.

**COMP A and dual education**

COMP A, throughout its existence of over 135 years, has permanently relied on vocational education, being one of the companies that anticipated the need to implement the dual education system. The beginnings of dual education in COMP A were in 2005, with the commissioning of the Vocational Training Center, a modern technical platform equipped with numerical control machines and which was made available to the "Henri Coanda" Technological High School, a high school with which we have partnerships since its establishment.



The campaigns to promote the educational offer and the benefits brought by dual education in which COMP A has participated sustainably have materialized in constantly attracting students to dual and technological high school education.

COMP A's interest in the development of dual education did not stop here. By signing a new PNRR financing contract for the construction of an integrated campus for dual education in Sibiu, COMP A together with economic operators and educational institutions will contribute to increasing the attractiveness of trades and training in dual technological system. Through this project, a complete route will be outlined, students will no longer be limited by a certain level of qualification, they will be able to go up to doctoral studies on the dual route.



For the school year 2024-2025, COMP A wants to attract and support throughout the schooling period 123 students who, at the end of the learning cycle, will acquire the qualification of: CNC machine tool operator, electromechanic, electronics apparatus and equipment technician, mechatronics technician.

During the three years of study for students in dual education, respectively 4 years of study for technological high school education, COMP A provides students with a package of benefits such as: scholarships, settlement of fees for dormitory, meals, school supplies, protective and work equipment, and most importantly, employment offers for all graduates.

### **Risks identified in Human Resources activity**

COMPA continuously carries out coordinated actions to direct and control the organization regarding risks in all areas and at all levels.

Regarding the human resources activity, in the previous year were identified the following risks that could determine the non-fulfillment or defective fulfillment of the human resources insurance process:

- temporary lack of qualified personnel for certain activities, either due to lack of supply on the labor market and lack of correlation of the educational offer with labor market requirements, or due to emergency situations (mass illness, quarantines, etc.);
- high staff turnover, mainly due to incomplete identification of employees' motivation needs and salaries uncorrelated with the local labor market;
- skills of staff below those required for job service, due to educational offer not correlated with market requirements as well as due to failure to properly observe the stages of the training process;
- diminishing the company's activity due to the current context in the business environment;
- more difficult communication with staff employed from abroad.

The potential effects of the identified risks can be mainly: delays in the activity of workshops, respectively delays in delivering products to customers, as well as inadequate quality of work performed by employees.

Therefore, for risks with high criticality, i.e. with a high probability of occurrence or with a significant impact on the firm's activity, a number of measures have been taken, such as:

- involvement in the development of local technical education by providing resources for dual system education and for technological, high school education;
- apprenticeship programs for new employees;
- effective internships for pupils and students;
- qualifications / retraining / post-secondary school;
- career management; succession management for key positions;
- implementation of teleworking;
- restricting staff mobility by transferring some activities to the online environment;
- provision of qualified personnel from abroad.

### **Opportunities identified in Human Resources activity**

Regarding the opportunities identified in the process of ensuring human resources, they are:

- the existence of the *COMPA Vocational Training Center*, whose mission is to align with European training standards and which ensures professional qualification and retraining, promoting modern training techniques and methods as well as developing the school-enterprise relationship. Training through the Vocational Training Center aims at reducing the integration period of new employees, rapid accumulation of skills and experience, increasing the performance of practical training, knowledge and adaptation to the industrial environment.
- involvement in correlating the educational offer with the requirements of the labor market. COMPA is a member of the Local Committee for Social Partnership Development Sibiu, a committee dealing with administrative organization and policies in the field of education and vocational training. In this capacity, COMPA is actively involved in developing annual enrolment plans for vocational and technical education, in facilitating the conclusion of agreements for the practical training of pupils, promoting actions aimed at the transition from school to work, for socio-professional integration and in developing and implementing projects for the development of vocational and technical education at national/ regional/ county level.

## **5.5 QUALITY-ENVIRONMENT**

### ***POLICY IN THE FIELD OF QUALITY, ENVIRONMENT, HEALTH AND SAFETY AT WORK AND SAFETY INFORMATION***

Quality, environmental protection, health and safety at work are part of the values we hold dear, being integrated into the long-term development strategy of our organization and are some of the aspects that represent us. We are aware that both the quality of products and services, care for the environment, continuous improvement of working conditions and prevention of occupational risks and involvement in the life of the community to which we belong, in full compliance with the requirements of the legislation in force, are essential for our success.

By virtue of these things, for their implementation, the important directions in which we act are the following:

#### **5.5.1. Climate impact**

- We are committed to ensuring carbon neutrality related to energy supply and production;
- We continuously strive to reduce the carbon footprint of our products, logistics processes and products;

#### **5.5.2. Power consumption**

- Our organization has an extensive energy efficiency improvement program aimed at reducing energy consumption;
- We are engaged in a program of diversification of energy production aimed at increasing the share of renewable energy;

#### **5.5.3. Resource Management**

- Our cost reduction program focuses on identifying solutions to reduce the consumption of raw materials and materials with a direct impact on the type and quantity of waste generated;
- We are committed to the continuous improvement of wastewater treatment methods and reduction of the quantities of pollutants released into industrial water;
- We are firmly committed to continuously improving technologies that allow capturing and reducing the amount of gases emitted into the atmosphere.
- The most optimal management of various types of waste is at the heart of our concerns to improve internal processes

#### **5.5.4. Product quality**

We are committed to continuous improvement of our internal processes and associated services so as to permanently ensure the highest quality of products with direct impact on increasing customer satisfaction and reducing environmental impact by reducing the amount of scrap and waste generated.

#### **5.5.5. Health and safety at work**

- We are committed to the continuous improvement of employees' labor protection systems, with the main objective of continuously reducing the number of accidents and incidents at work
- We invest significant resources in protecting the personal data of our employees and partners as well as in protecting confidential information
- We apply the highest standards in terms of work ethic and human rights
- In order to effectively manage prohibitions and restrictions imposed on hazardous materials and substances, we continuously update the information regarding these materials in the IMDS (International Material Data System).

#### **5.5.6. Partnership with the community**

- We have an active involvement in community life by supporting initiatives regarding education, sports and environmental protection;



**5.5.7. Information Security**

- Compa S.A. undertakes to maintain the confidentiality, integrity and availability of data provided, generated and held on behalf of third parties in accordance with data security requirements under GDPR – Regulation (EU) 2016/679.
- Data confidentiality is ensured by means such as access control, data encryption, employee training on data privacy and information security;
- Information integrity is ensured by maintaining internal and external consistency of the data and programs used;
- Data availability is promoted through back-up information systems that ensure permanent availability, preventing service interruptions.

**5.5.8. Environmental aspects**

Within the company are identified and evaluated the environmental aspects determined by the activities, products and services performed:

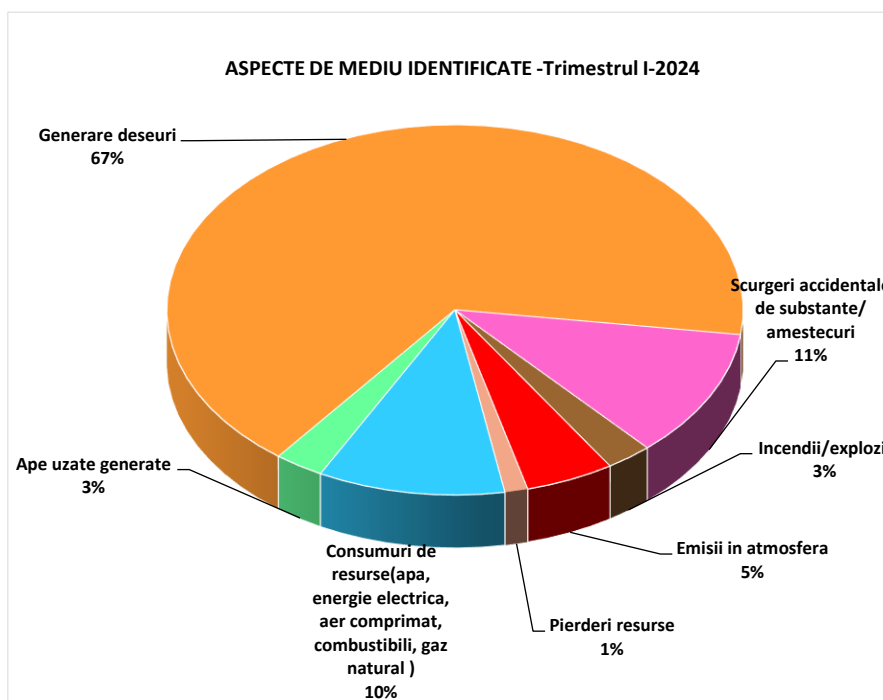
The main technological processes integrate on a large scale mechanical processing equipment (CNC type) associated with defect detection procedures and statistical control methods; in addition to them, laser processing technologies, surface coatings, heat treatments, hot or cold processing of materials (forging, pressing), welding, mechanical assemblies (partially or fully automated) are used;

The main groups of products made in COMPA are: subassemblies and injector components; windshield wiper components and subassemblies; central crankcases, flanges and rollers for turbochargers; gears for steering gears; steering column components; Bows; stamped, stamped parts; forgings; cardan transmissions; mechano-welded metal structures; components for air conditioning installations; injection system components and valves, moulds and tools.

The main services offered are: design and execution of industrial equipment, molds and tools, surface coatings, heat treatments, calibration and repair services for measuring instruments, laboratory physicochemical testing and analysis, cardan service (EDS), training courses.

Thus, the environmental aspects associated with these technologies, products and services consider, as appropriate, emissions into the air, discharges into water, soil contamination, accidental leakage, waste generation, resource consumption, noise generation, vibration, etc.

Environmental aspects are assessed annually and whenever necessary, as a result of changes in execution technologies, introduction of new raw materials/materials/equipment, changes in legal, regulatory and customer or other stakeholder requirements, specific conditions at work sites, etc. Based on these analyses, the ways of controlling the MDIU aspects associated with the company's activities are updated.



**5.5.9. Objectives and targets. Environmental management programs**

Annually, at the level of each department, environmental objectives are established that take into account significant environmental aspects, compliance obligations and identified risks and opportunities.

When setting environmental objectives and targets, the following shall be taken into account:

- activities and services of the company;
- compliance obligations;
- significant environmental aspects;
- technological options;
- material, financial and human resources;
- Views of interested parties

The planning of actions to achieve environmental objectives is materialized in **the Annual Environmental Management Program**, whose main **objectives in 2024** are:

- Reducing resource consumption (electricity, water, compressed air, mineral oils);
- Reducing the quantities of waste generated / discharged;
- Improving the management of hazardous substances and mixtures;
- Prevention and systematic action to prevent pollution of water, air and soil;

Repair of the floor within the hazardous waste shed; **optimizing internal transport routes**

<i><b>Obiectiv</b></i>	<i><b>Acțiuni</b></i>
Reducerea cantităților de deșeuri generate	<ul style="list-style-type: none"> <li>- - Reducing the waste of toner and paperboard through the purchase and use of electronic tablets;</li> <li>- - Reducing the amount of steel scrap generated by replacing current blanks with smaller blanks that require less machining;</li> <li>- - Reducing excessive machining oil losses by recovering machining oil from holding trays and collection containers and returning it to the process;</li> <li>- - Reducing waste used oil by recovering and reusing it;</li> <li>- - Reuse of plastic and steel waste from SDV manufacturing processes by recovering, processing and reusing it to make other parts in the workshop;</li> <li>- - Reducing the amount of steel strip waste at At.Presses by purchasing larger steel strip for punching in order to avoid waste at the ends.</li> </ul>
Reduction of raw material and energy consumption, compressed air	<ul style="list-style-type: none"> <li>- Reducing electricity consumption for lighting by replacing current light bulbs with LED bulbs;</li> <li>- - Reduce compressed air losses by replacing worn seals and equipment;</li> <li>- - Reducing the amount of paper used through the use of IT systems;</li> <li>- - Use of scrap metal (bar ends) for various SDVs in the Development and Manufacturing Centre;</li> <li>- - Reducing the consumption of cardboard packaging by reusing boxes from the AFM when packaging Spring Chamber parts.</li> <li>- - Reduction of oil consumption by purchasing and using better quality oils with longer durability;</li> <li>- - Reduction of gas and saturated steam consumption to At.460</li> <li>- - Reduction of water consumption at At. Galvanization;</li> <li>- - Improved record keeping of packaging placed on the national market;</li> </ul>
Reducing emissions to air	<ul style="list-style-type: none"> <li>- Reduction of flue gas emissions into the atmosphere and LPG consumption by optimising internal transport routes</li> </ul>
Improving the storage of hazardous substances and eliminating fire hazards	<ul style="list-style-type: none"> <li>- Repairing the floor of the hazardous waste store;</li> </ul>

Environmental protection activity in trim. I-2024 consisted of:

- Establishing programs for monitoring and measuring environmental status indicators for the prevention and control of emissions into the atmosphere, wastewater, noise, soil pollution, hazardous substances and mixtures, hazardous and non-hazardous waste;
- Identifying and assessing environmental aspects and updating lists at the level of manufactures / compartments and throughout the company;
- Establishing environmental management programs with environmental objectives and targets for pollution reduction and control;
- Updating plans to prevent and combat accidental pollution;
- trainings (courses, operative meetings) through which all staff is made aware of the implications of the regulation given by the integrated environmental authorization for the company's activity, of all environmental effects resulting from the operation in normal and abnormal conditions of the installations, awareness of the need to report the deviation from the integrated environmental authorization conditions, prevention of accidental emissions and taking measures when emissions occur accidental, awareness of the need to implement and maintain training records;
- carrying out inspections on how to collect waste separately;
- carrying out internal audits of the environmental management system according to the Annual Audit Program;
- preparation for the environmental management system recertification audit according to ISO 14001 standard by TÜV Rheinland;
- reports and notifications to competent environmental authorities in accordance with permits held by COMPA, including the Annual Environmental Report (AMR) for 2023 available on [www.compa.ro](http://www.compa.ro).

**5.5.10. Partnership with the community**

We have an active involvement in community life by supporting initiatives regarding education, sports and environmental protection.

**5.5.11. Management systems considerations**

Our organization is certified according to the following standards for management systems, with reference to quality, environment and occupational health and safety:

- IATF 16949:2016: quality management system for the automotive industry;
- ISO 9001:2015: quality management system for general industry (non-automotive);
- ISO 14001:2015: environmental management system;
- ISO 45001:2018: occupational health and safety management system;

The internal performance on compliance with the requirements of the standards, as of Q1 2023, is presented below (no notable events occurred):

**81,0%:**

<i>Sistemul de management</i>	<i>Ținta/obiectivul</i>	<i>Realizat</i>
IATF 16949:2016	90,%	75,0%
ISO 9001:2015	90,%	80%
31/03/2024	90,%	76,8%
433,794,134	90,%	81,0%

## **5.6. RISK MANAGEMENT**

### **General aspects of Risk Management in Compa**

Risk management is one of the key concepts in Compa's management system for achieving medium and long-term strategy and objectives in all areas.

Within Compa there is a permanent concern for a pragmatic, proactive approach to risk management to identify all categories of risks that can act in achieving the company's objectives. An important step in managing risks throughout the company is to identify on all organizational levels of the company the types of risks that we know exist, as well as the consequences that may arise in achieving the objectives set at each level.

At the same time, responsibilities have been established at all levels in order to take specific measures to solve the problems arising from the action of those risks.

In order to achieve the objectives set at all levels in the risk management process, Compa's Top Management took into account the following aspects specific to the period 01.01.2024-30.09.2024:

- **Risk assessment is a permanent activity, at the level of all management staff within the company on all stages oriented especially for:**

- Identification of all categories of risks acting at each level, including new risks that have not previously manifested.
- Focusing the activity on the action of risks that persist and act on objectives of major importance in the company's activity
- Quantifying the impact of risk action and guiding actions to counteract or mitigate its effects

- **Delegation of responsibility by Compa Top Management to all management levels within the organizational structure of Compa:**

- Responsibilities established by decentralization at the level of profit centers organized within the company and consisting in the management of related risks, strictly to the production sectors for which they are responsible. In this context, the operations managers of these profit centers have obligations in managing risks in the fields of production, quality, technical, maintenance and logistics, of the sector they are responsible for.
- Responsibilities at the level of the central departments of the company, with an area of responsibility at the level of the entire company in areas such as:  
Research and development; Marketing – sales; Purchases; Human resources; Quality – environment; Financial-accounting and Controlling.

- **Permanent monitoring of the impact of the action of each risk category on the economic and financial activity of the company**

- **Semi-annual analyses of Compa Top Management**, with the responsible factors within the company, in which the different categories of risks are analyzed, in order to establish the causes and impact of risks in the financial activity, as well as the measures to be taken to avoid or limit the economic effects generated by those risks

### **Categories of risks with potential impact on Compa's activity**

The categories of risks with impact on Compa's activity, depending on the responsibilities assigned to management factors according to Compa's organizational structure are:

#### **5.6.1. Risks from operational activity at profit center level**

##### **Risks arising from failure to insure resource needs during certain periods of the year**

- failure to provide at order level the production capacities necessary to meet volumes required in excess of the initial provisions, ordered during certain periods. There are rare, occasional situations, and the risk of non-delivery of additional quantities ordered by certain customers in certain limited periods of time is solved by scheduling the manufacture of these additional volumes on days off (Saturday or Sunday)

- The temporary lack of materials or tools is a risk to be taken into account, especially in a year with major disruptions in the supply chain due to the war in Ukraine. The risk of stopping manufacturing at the customer has been eliminated by supply measures by fast means of transport (special transports by plane or nonstop transport vehicles) and other operative measures.

- providing human resources, especially the need for skilled workers, is one of the most serious problems faced by companies in the Sibiu area.

In order to mitigate the effects of this risk, Compa contacted companies authorized to recruit labor force from outside Romania, so that currently a number of 46 qualified workers (CNC machine operator and welders) are already employed, coming from India, being in the process of insuring in the future other workers, also from India.

For these workers recruited from outside Romania, decent accommodation conditions were provided, being integrated in a short time into Compa's manufacturing processes. In addition to recruiting foreign personnel, great efforts are made within the company to stabilize existing staff, to reduce fluctuation, adopting measures to attract and retain AMPA staff.

The current legislation does not stipulate the obligation to respect the contracts concluded with local employers. There is a migration of skilled workers under contract to companies that pay better without the consent of their employers.

#### **5.6.2. Risks with general impact on the activity of the entire firm**

The management of these categories of risks is the responsibility of the organizational structures at the upper management levels of the company, having an area of scope and influence on the activity of the entire company. The categories of risks with impact on the activity of most companies are:

##### **Price risk**

It was one of the risks with aggressive action due to the explosive increase in prices of utilities, methane gas and electricity, increases generated especially by the outbreak of the conflict in Ukraine.

##### **Credit risk**

The investment program was lower compared to previous years, therefore during 2023 credit risk had no impact on the firm's activity. The instalments related to the investment loan committed in 2019 were reimbursed at maturity and the credit lines were accessed as expected.

##### **Liquidity risk**

In order to know and avoid the impact of this risk on the company's activity, respectively liquidity risk management, cash flows, the degree of access to credit lines, as well as the evolution of receivables collection and stock levels are permanently monitored.

However, during this period, there were situations in which even the most important clients of COMPA had periods in which they exceeded the deadline for payment of invoices, requiring a permanent monitoring of the process of collecting receivables and interventions with customers, in order to comply with payment terms established by contracts.

##### **Currency risk**

The products manufactured and delivered by COMPA are intended for multinational companies, most of them outside Romania, but also for Romanian companies affiliated to multinationals. Under such conditions, almost all products manufactured and delivered by COMPA are negotiated in Euro, thus avoiding the impact of currency risk due to the evolution of the RON / EURO exchange rate.

##### **Risk of changes in tax legislation**

The lack of predictability in the field of tax legislation has a major impact on the entire economy, affecting both private and state-owned companies equally.

Any legislative change in the Economic field with immediate application generates changes in all areas of activity of the company (Budgets, Business Plan, forecasts, etc.).

The change in the minimum wage in 2023 was a legislative change with a major impact on private companies, but we can appreciate that Compa was prepared to face changes of this kind, so the effect of this risk was urgently counteracted.

The economic impact was easier to bear because within the company there were very few people employed with a gross salary at the level of the minimum wage in the economy.

On the other hand, the management of Compa has permanently intervened both at the level of the Employers' Organization and at the level of County and Municipal Organizations, openly expressing its opinion on certain ongoing legislative actions or even for amendments to the current legislation affecting the activity of companies.

**5.7 INVESTMENTS, NEW PRODUCTS AND RESEARCH AND DEVELOPMENT ACTIVITY**

**5.7.1. INVESTMENT**

In the investment activity, funds were used for:

- purchase of equipment;
- modernization of existing machinery and installations;
- arrangements of production areas.

The funds necessary for carrying out the investment activity in the amount of 1,361,250 lei for 3 months of 2024 were provided from own sources and from European funds. The economic effects through the purchase of new equipment and technological lines are:

- increasing labor productivity;
- reduction of repair costs;
- improving the technological flow;
- increasing the quality of manufactured parts and reducing scrap;
- reducing energy consumption;
- increasing the machining precision of parts;
- increasing the safety in operation of equipment;
- reducing non-quality costs;
- increasing the efficiency of the activity through efficiency, etc.

**5.7.2. RESEARCH AND DEVELOPMENT ACTIVITY**

A Research and Development Center has been established in Compa since 2019, where the foundations for the production of products of a high technical and quality level are laid.

Also, in this Research and Development Center are carried out new projects and processes with applicability both within the company, but also projects with advanced technology that can be made available to other companies.

The R&D activity is a component of COMPA's medium and long-term strategy. It has received significant resources in recent years, creating the COMPA Research and Development Center, dedicated to testing, validating, optimizing and validating new technologies and improving existing technologies.

R&D expenses include:

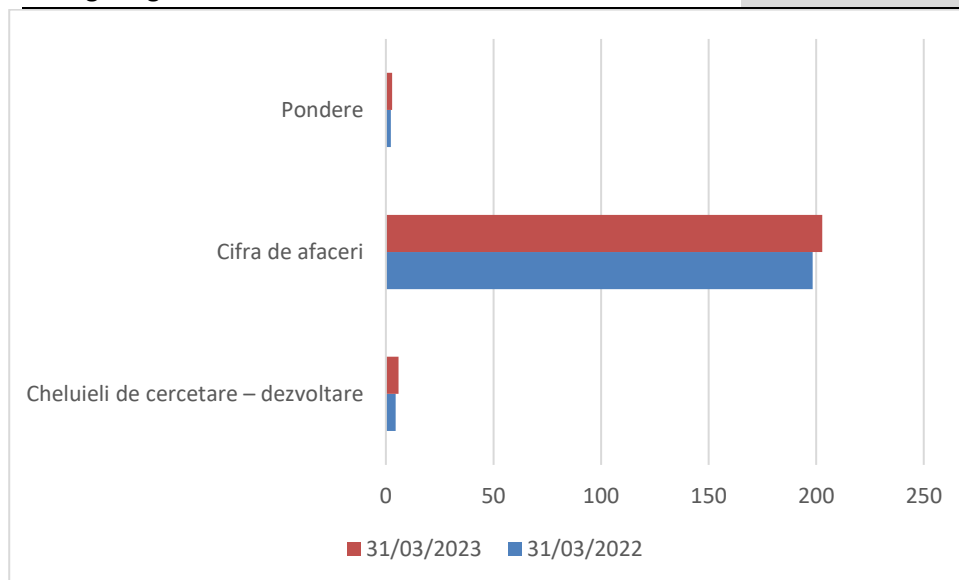
- applied research expenses incurred within the Research Center realized from European funds and own resources COMPA.
- expenditure on the development of new products, expenditure on construction and technological design, including those costs of monitoring new products and processes, until their transition to series production.
- expenses incurred by technical specialists of COMPA, who perform technological design operations in order to elaborate price quotations, including those quotations that for various reasons do not result in a nomination of the company from customers.

Indicator	31.03.2023	31.03.2024
Research and development expence	4.47	5.83
Turn Over	198.37	202.77

Weighting

2.25

2.88



**6. CAPITAL MARKET**

The company's shares have been traded since June 1997 on the regulated market managed by the Bucharest Stock Exchange. The nominal value of a share is 0.10 lei.

The main characteristics of the issued securities: 218,821,038 registered shares , ordinary, of equal value, fully paid-up, issued in dematerialized form and highlighted by registration in the Shareholders' Registry managed by Depozitarul Central S.A. Bucharest. COMP A is registered with ISIN code ROCMP5ACNOR9, ticker symbol CMP, in the Standard category.

On 31.03.2024, the company had 7,201 shareholders, natural and legal persons, Romanian and foreign, according to the Consolidated Register received from Depozitarul Central S.A. Bucharest.

Individuals- 159,758,309 shares

Legal persons – 59,062,729 shares

**Change in the average selling price and nr.de shares traded in the first quarter of 2024**

Published on TradingView.com, April 29, 2024 17:33:29 EEST  
 BVB: CMP, D: 0,6700 H: 0,6700 L: 0,6700 C: 0,6700



During the reference period there were transactions on Compa shares, and the volume of traded shares and the total value of traded shares can be found at <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=CMP> . The change in the average price during the reference period decreases.

**6.1. On the distribution of dividends to COMP A shareholders for the financial accounting year 2023**

Lei

Destination	lei
TOTAL NET PROFIT, distributed as follows:	7.675.390
- Own development sources	6.140.312
- Dividends	1.535.078

The profit distribution to the development fund is necessary to ensure the cash necessary for the process of further investment in new equipment with a high yield, for the modernization of existing equipment, as well as for the development of new products considered in the future development strategy of the company.



The proposal for dividend distribution, subject to approval by the OGMS, would take place for the fourth consecutive year.

The dividend payment date is proposed to be 14.06.2024, and the gross dividend / share proposed to be paid is worth 0.00705 lei.

## **6.2. Acquisition of own shares**

By EGM decisions no. 18 and 19 of 27.04.2020, at the proposal of the Board of Directors, the buy-back program of own shares was approved, amounting to MDL 3.89 million.

Starting with 13.08.2020, the Company started the share buy-back program, in accordance with Hot. EGM 18 and 19 of 27.04.2020

Program size: market buy-back of a maximum of 15,000,000 own shares. Price

The proposed acquisition is:

- Minimum price per share: 0.1 lei
- Maximum price per share: 1 lei

Maximum monetary value allocated to the program: 3,890,000 lei, excluding brokerage commissions and other acquisition costs. The payment of the repurchased shares will be made, according to the provisions of Article 103<sup>1</sup> of Law 31/1990, from the distributable profit of the company, recorded in the financial statement for 2019.

Duration of the program: 18 months from the date of publication of the decision in the Official Gazette of Romania part IV (decisions were published in MO no.1712/15.05.2020).

The EGM decision of 09.09.2021 approves the implementation of the shares subject to the buy-back program approved by the EGM decisions no. 18 and 19 of 27.04.2020 of a *stock option plan* program having as objective the granting of option rights for the acquisition, free of charge, by the Company's employees and management members of the repurchased shares, in order to maintain and motivate them, as well as: rewarding them for their work within the Society. At the same time, it is approved the empowerment of the Board of Directors to adopt all necessary measures and to fulfill all the formalities required for the implementation of the share buy-back plan and to establish the criteria for granting option rights.

By decision of the Board of Directors no. 92/13.08.2021, it was decided to start the buy-back program. It took place between 17.08.2020 – 15.11.2021, investors being informed about its completion through the current report dated 16.11.2021. Thus, in 2020 and 2021, 6,504,153 shares were repurchased, representing 2.9723% of COMPA's share capital, as follows:

- Total share buy-back value: 3,878,223.52 lei
- Average price/share: 0.5962 lei/share

In accordance with the decision of the Board of Directors nr. 83/04.10.2021 The plan on conferring the option to acquire shares for free (stock option plan), registered under no. 81/30.09.2021 in the Company's Decision Register. According to the plan, based on allocation criteria, options are granted under the plan for 6,500,000 shares to delegated directors and key employees of the company. The deadline for exercising the option is 08.11.2022 at the earliest.

The decision of the Board of Directors dated **13.12.2022** establishes the exercise by 20 Beneficiaries of the Plan on conferring the option to acquire shares free of charge (Stock Option Plan), approved by the decision of the Board of Directors no. 83/04.10.2022 of the right to opt for a number of 6,060,000 shares by signing the Payment Agreement provided by Compa.

During February 2023, following the transmission to the Central Depository of the documents regarding the exercise of the right of option by the 20 Beneficiaries of the Plan, the transfer of shares from the company's account to the name of the Beneficiaries was made.

Currently, the company owns a no. of 444,153 own shares.

### **6.3. Relationship with shareholders and investors**

Shareholders/investors can obtain information about COMPA and the main events on the [www.compa.ro](http://www.compa.ro) website \_and on the website [www.bvb.ro](http://www.bvb.ro)

COMPA also considered, in the first quarter of 2024, ensuring the rights of shareholders to participate in the General Meetings directly or through representation by providing them with special / general powers of attorney, postal ballots, other useful information, to have a fair treatment, regardless of their holdings.

In relation to the capital market, the company also fulfilled in the first quarter of 2024 all reporting obligations arising from the legal provisions by publishing the mandatory continuous and periodic reports in the electronic system of the Financial Supervisory Authority and the Stock Exchange as well as on the company's website.

According to the provisions of the Corporate Governance Code, continuous and periodic information was disseminated simultaneously, both in Romanian and English.

### **6.4. Matters relating to the capital and management of the company**

The Board of Directors of the company consists of 5 members elected based on the OGMS of 22.04.2021 and subsequently based on the decision of the Board of Directors no. 96/8.11.2023, one of the members being provisionally appointed. In accordance with the provisions of Art. 1372 para. (1) of the Companies Law nr. 31/ 1990.

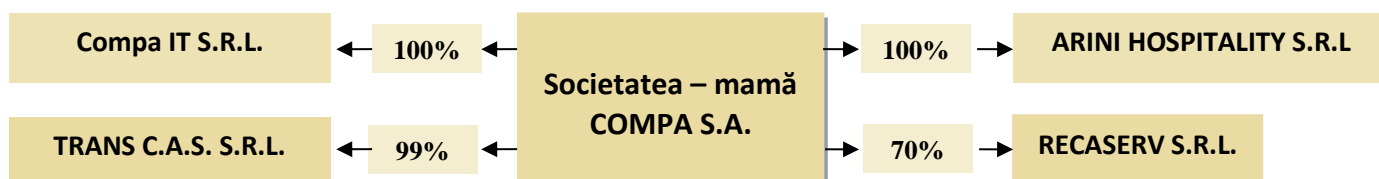
In the first quarter of 2024, there were no changes affecting the capital or management of the company. At the same time, COMPA was not unable to meet its financial obligations.

There were no major transactions entered into by the company with persons with whom it acts in concert or in which these persons were involved during the relevant time period.

### **6.5. Relationship Society – parent and affiliated companies**

The parent company Compa prepared and published consolidated financial statements in accordance with the applicable accounting regulations for the reference period.

In this context, the parent company Compa has control, respectively the share of its participations in the share capital of affiliated companies is higher than 50% in the following affiliated entities:



## 7. COMPANY MANAGEMENT

### 7.1. Board of Directors

On **22.04.2021**, following the expiration of the term of office of the members of the Board of Directors, the Ordinary General Meeting of Shareholders approved the election of a new Board of Directors for a period of four years consisting of the following members:

- DEAC IOAN** - Executive Administrator / President of the Board of Directors
- MICLEA IOAN** - Non-executive director
- MAXIM Mircea-Florin** - Non-executive director
- BALTEȘ Nicolae** - Independent non-executive director
- NEACȘU Vlad-Nicolae** - Independent non-executive director

By Decision No. 1A / 28.04.2021, the Board of Directors approves the election of Mr. Ioan Deac as Chairman of the Board of Directors of Compa S.A., for the 4-year term, starting with 26.04.2021.

By Decision No. 1B / 28.04.2021, the Board of Directors approves the election of Mr. Ioan Miclea as Vice-President of the Board of Directors of Compa S.A., for the 4-year mandate, starting with 26.04.2021.

By Decision No. 91/26.10.2023, the Board of Directors took note of the termination of the mandate of administrator, as well as of the position of Vice-President of the Board of Directors, of Mr. Ioan Miclea, starting with 22.10.2023, following his death.

By Decision No. 96/8.11.2023, the Board of Directors approves the appointment of Mrs. Mihaela Dumitrescu as provisional administrator starting with 09.11.2023 until 30.04.2024, in accordance with the provisions of art. 1372 para. (1) of the Companies Law nr. 31/1990 and its appointment as Vice-President of the Board of Directors.

Thus, starting with 9.11.2023, the Board of Directors of the Company consists of the following members:

- DEAC Ioan** - Executive Administrator / President of the Board of Directors
- DUMITRESCU Mihaela** - Executive Administrator/ Vice-President of the Board of Directors
- MAXIM Mircea-Florin** - Non-executive director
- BALTEȘ Nicolae** - Independent non-executive director
- NEACȘU Vlad-Nicolae** - Independent non-executive director

### Audit Committee

By Decision No. 4 of 28.04.2021, the Board of Directors approved, for the period of the new mandate, the election of the members of the Audit Committee. Thus, the Committee shall consist of the following members:

- BALTEȘ Nicolae** - Independent non-executive director/ Chairman of the Audit Committee
- NEACȘU Vlad-Nicolae** - Independent Non-Executive Director/ Member of the Audit Committee



### 7.2. Executive management

In accordance with the provisions of Law nr. 31/1990, by Decision no. 2 of 28.04.2021, the Board of Directors approved the appointment of Mr. **DEAC Ioan** as **General Manager** of Compa S.A. with the delegation of management duties in this regard.

In accordance with the provisions of Law nr. 31/1990, by Decision no. 96 of 8.11.2023, the Board of Directors approved the appointment of Mrs. **DUMITRESCU Mihaela** as **Economic Director** of Compa S.A. with the delegation

of management duties in this regard.

### 7.3. Function Directors

The directors in office are responsible for taking all measures related to their field of activity, respecting the powers granted.

Directors shall regularly inform the Board of Directors of the operations undertaken to achieve the objectives and indicators entrusted to them by the *Strategic Scoreboard*, as well as the fulfilment of other tasks received.

- |     |                                |  |
|-----|--------------------------------|--|
| 1.  | DEAC IOAN                      | General Manager                                |
| 2.  | BAIAȘU Dan-Nicolae             | Deputy General Manager/ Commercial Director    |
| 3.  | DUMITRESCU Mihaela,            | Economic Director                              |
| 4.  | ACU Florin - Stefan            | Technical Director                             |
| 5.  | BLAJ Robert                    | Logistics Director                             |
| 6.  | DUMITRESCU Stefan Cosmin,      | Director of Management and Improvement Systems |
| 7.  | ȚUICU Liviu-Laurențiu          | Quality Director – Environment                 |
| 8.  | ȚUȚUREA Mihai                  | Production Manager                             |
| 9.  | 10. FIRIZA Sorin Ioan          | Director Adj. Production                       |
| 10. | 11. DRAGOMIR Marius C-tin Ing. | Head of Maintenance Department                 |

**8. SIGNIFICANT TRANSACTIONS**

During the period 01.01.2024-31.03.2024, COMPA did not perform major transactions neither with the affiliated companies within the Group to which it belongs nor with other companies holding participations in the share capital of COMPA.S.A. The entities affiliated to COMPA S.A. Sibiu were established in time, as a result of the need to outsource from COMPA S.A. specific activities such as: software design, domestic and international car transport, public catering, etc., outsourcing done to streamline these activities as well as to benefit from some facilities granted by the state to some activities (IT activity, transport licenses, etc.).

Most transactions and contracts with these affiliated entities represent the provision by COMPA (owner of special and specific installations) of utilities such as: electricity, heat, drinking water, telephone services, compressed air, rental of spaces and equipment necessary for carrying out the activity, as well as contracts for the supply of goods and services.

On the other hand, these affiliated entities provide COMPA with goods and services that constitute their object of activity and for which outsourcing has been required.

The relations were conducted in free market commercial terms, their price being agreed by negotiation, within the levels practiced on the market.

**8.1. Transactions with affiliated entities 3 months 2024**

Explanations	31/03/2024			31/03/2023		
	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.	0	2,309,816	125,663	0	3,924,969	188,843
COMPA IT S.R.L.	0	856,324	40,846	0	859,513	32,394
RECASERV S.R.L.	0	585,529	12,982	0	468,952	12,982
ARINI HOSPITALITY S.R.L.	4,988,122	4,197	217,298	3,743,057	0	167,816

**8.2 Mutual receivables and liabilities with affiliated entities 31.03.2024**
**Receivables of COMPA SA from:**

Explanations	31/03/2024	31/03/2023
TRANSCAS S.R.L.	125,663	188,031
COMPA IT S.R.L.	14,197	37,442
RECASERV S.R.L.	9,293	16,671
ARINI HOSPITALITY S.R.L.	5,317,718	3,745,692

**Debts payable by COMPA SA to:**

Explanations	31/03/2024	31/03/2023
TRANSCAS S.R.L.	2,146,609	2,819,174
COMPA IT S.R.L.	517,888	663,163
RECASERV S.R.L.	565,078	445,272

**9. UNCONSOLIDATED INTERIM FINANCIAL REPORT ON 31.03.2024**

**9.1. STATEMENT OF CONFORMITY OF THE UNCONSOLIDATED INTERIM FINANCIAL REPORT**

**STATEMENT**

**in accordance with the provisions of Article 30 of the Accounting Law no. 82/1991**

Quarterly individual financial reports were prepared on 31.03.2024 for:

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Entity:	S.C. COMPA SA
County:	32 SIBIU
Address:	locality SIBIU, str. HENRI COANDA, nr. 8, tel. 0269/239400
Trade register number:	J32/129/1991
Form of ownership:	34 Joint stock companies
Predominant activity (NACE class code and designation):	2932 Fabric.other parts and accessories for motor vehicles and motor vehicles
Unique registration code:	RO788767

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I, the undersigned DUMITRESCU MIHAELA

According to Art. 10 para. (1) of the Accounting Law no. 82/1991, as economic director, I assume responsibility for preparing quarterly individual financial reports on 31.03.2024 and confirm the following:

a) The accounting policies used to prepare quarterly financial reports are in accordance with applicable accounting regulations.

b) Quarterly financial reports provide a true picture of the financial position, financial performance and other information related to the activity carried out.

c) The legal person carries out its activity in conditions of continuity.

**DUMITRESCU MIHAELA**  
**DIRECTOR ECONOMIC**



**9.2. SEPARATE INTERIM FINANCIAL REPORT AS AT 31.03.2024**
**UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31.03.2024**

	<b>Note</b>	<b>31/03/2024</b>	<b>31/12/2023</b>
<b>Assets :</b>			
<b>Fixed assets:</b>			
Property, plant and equipment	4.1	355,350,539	364,493,649
Investment property	4.2	41,380,607	36,661,105
Intangible fixed assets	5	7,727,877	8,056,305
Other fixed assets	7	5,119,611	3,891,608
Financial investments	20	24,215,500	24,215,500
<b>Fixed assets - total</b>		<b>433,794,134</b>	<b>437,318,167</b>
<b>Current assets:</b>			
Inventories	8	99,103,449	111,126,503
Trade and other receivables	6	149,705,259	146,001,118
Other receivables (subsidiaries and settlements from joint ventures)	6	0	128,010
Cash and cash equivalents	9	2,137,995	542,569
<b>Current assets - total</b>		<b>250,946,703</b>	<b>257,798,200</b>
<b>Total Assets</b>		<b>684,740,837</b>	<b>695,116,367</b>
<b>Equity:</b>			
Issued capital	11	21,882,104	21,882,104
Share capital adjustments	11	-265,638	-265,638
Reserves	11	389,134,829	389,070,474
Reserves adjustment	11	23,122,057	23,122,057
Retained earnings	11	70,715,868	65,886,960
Current result	11	2,747,112	7,675,390
Current result	11	0	-2,846,482
<b>Equity - total</b>		<b>507,336,332</b>	<b>504,524,865</b>
<b>Debts</b>			
<b>Long-term debt</b>		<b>0</b>	<b>0</b>
Financial debts	12	38,988,185	38,787,077
Prepaid income (prepaid income, subsidies)	13	17,520,042	18,434,065
Provisions	14	6,973,103	6,220,535
<b>Long-term liabilities - total</b>		<b>63,481,330</b>	<b>63,441,677</b>
<b>Current debts:</b>			
Financial debts	12	14,346,207	14,360,930
Trade and similar payables;	13	76,416,116	90,367,315
Debts from contracts with customers	13	0	3,505,877
Other payables	13	17,781,844	14,492,090
Current tax liabilities	10,13	1,038,719	0
Prepaid income (prepaid income, subsidies)	13	4,340,289	4,423,613
<b>Current liabilities - total</b>		<b>113,923,175</b>	<b>127,149,825</b>
<b>Total debts</b>		<b>177,404,505</b>	<b>190,591,502</b>
<b>Total equity and debt</b>		<b>684,740,837</b>	<b>695,116,367</b>

**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS AT 31.03.2024**

(all amounts are expressed in lei. unless otherwise specified)

	Note	31/03/2024	31/03/2023
<b>Income</b>	<b>15</b>	<b>179,205,777</b>	<b>202,766,929</b>
Other income	15	2,647,024	3,127,155
<b>Total income</b>		<b>181,852,801</b>	<b>205,894,084</b>
Change in stocks of finished goods and work in progress	16	-8,453,180	-7,476,690
Raw materials and consumables used	16	-101,787,576	-126,070,883
Employee benefits expense	17	-41,398,554	-41,971,006
Depreciation and amortisation expense	4 , 5, 16	-12,161,346	-11,763,984
Services rendered by third parties	16	-8,515,808	-10,016,470
Other expenses	16	-4,036,014	-3,630,902
<b>Total expenses</b>		<b>-176,352,478</b>	<b>-200,929,934</b>
<b>Operating result</b>		<b>5,500,323</b>	<b>4,964,150</b>
Financial income	18	23,271	25,699
Financial expenses	18	-715,011	-835,669
Other financial gains/losses	18	-183,575	1,251
<b>Net financing costs</b>		<b>-875,315</b>	<b>-808,719</b>
<b>Profit before tax</b>		<b>4,625,008</b>	<b>4,155,431</b>
<b>(Expenses)/Income on deferred income tax</b>	<b>10</b>	<b>-171,002</b>	<b>-313,533</b>
<b>Current income tax expense</b>	<b>10</b>	<b>-1,706,894</b>	<b>-452,656</b>
		<b>0</b>	<b>0</b>
<b>Net profit for the period</b>		<b>2,747,112</b>	<b>3,389,242</b>
Other comprehensive income: Of which other comprehensive income items not subsequently reclassified to profit or loss:			
Income tax relating to other comprehensive income	10	64,355	46,685
<b>Other comprehensive income, net of tax</b>		<b>64,355</b>	<b>46,685</b>
<b>Total comprehensive income for the year</b>		<b>2,811,467</b>	<b>3,435,927</b>
<b>Unconsolidated result per basic/diluted share</b>	<b>19</b>	<b>0.0126</b>	<b>0.0155</b>





UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2024

(all amounts are expressed in lei. unless otherwise specified)

Equity element	Share capital	Share capital adjustments	Legal reserves	Legal reserves adjustments	Reserve reevaluare	Other reserves	Other reserves adjustments	Reported result	Total
<b>Balance at 01.01.2023</b>	<b>21,882,104</b>	<b>-265,638</b>	<b>4,376,421</b>	<b>22,679,066</b>	<b>83,891,130</b>	<b>296,193,865</b>	<b>442,991</b>	<b>67,906,134</b>	<b>497,106,073</b>
Profit of the year	0	0	0	0	0	0	0	7,675,390	7,675,390
Other elements of the overall result, of which:	0	0	0	0	0	244,176	0	0	244,176
Income tax related to other elements of the overall result	0	0	0	0	0	244,176	0	0	244,176
<b>Tranzactii cu actionarii, inregistrate direct in capitalurile proprii, din care:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,364,883</b>	<b>0</b>	<b>-4,865,657</b>	<b>-500,774</b>
Distribution of shares for free	0	0	0	0	0	0	0	0	0
Profit distribution	0	0	0	0	0	4,364,883	0	-4,865,657	-500,774
<b>Balance at 31.12.2023</b>	<b>21,882,104</b>	<b>-265,638</b>	<b>4,376,421</b>	<b>22,679,066</b>	<b>83,891,130</b>	<b>300,802,924</b>	<b>442,991</b>	<b>70,715,867</b>	<b>504,524,865</b>

Equity element	Share capital	Share capital adjustments	Legal reserves	Legal reserves adjustments	Reserve reevaluare	Other reserves	Other reserves adjustments	Reported result	Total
<b>Balance at 01.01.2024</b>	<b>21,882,104</b>	<b>-265,638</b>	<b>4,376,421</b>	<b>22,679,066</b>	<b>83,891,130</b>	<b>300,802,924</b>	<b>442,991</b>	<b>70,715,867</b>	<b>504,524,865</b>
Profit of the year	0	0	0	0	0	0	0	2,747,112	2,747,112
Other elements of the overall result, of which:	0	0	0	0	0	64,355	0	0	64,355
Income tax related to other elements of the overall result	0	0	0	0	0	64,355	0	0	64,355
<b>Balance at 31.03.2024</b>	<b>21,882,104</b>	<b>-265,638</b>	<b>4,376,421</b>	<b>22,679,066</b>	<b>83,891,130</b>	<b>300,867,279</b>	<b>442,991</b>	<b>73,462,979</b>	<b>507,336,332</b>

**UNCONSOLIDATED CASH FLOW STATEMENT AS AT 31.03.2024**

(all amounts are expressed in lei. unless otherwise specified)

<b>Cash flows from operating activities:</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Profit before tax		
Depreciation and amortization expenses	4,625,008	4,155,431
(Increases) / Decreases in stocks	12,113,262	11,842,017
(Increases) / Debt decreases	12,023,054	13,162,281
Increases / (Debt decreases)	-4,804,134	-15,202,964
Adjust other non-monetary items	-13,128,603	-3,293,019
<b>Net cash generated from operations</b>	<b>-1,343,309</b>	<b>-4,629,906</b>
	<b>9,485,278</b>	<b>6,033,840</b>
<b>Cash flows from investment activity:</b>		
Acquisitions of tangible assets and real estate investments		
Acquisitions of intangible assets	-7,246,826	-4,264,938
<b>Net cash generated from investment activities</b>	<b>-114,400</b>	<b>-218,684</b>
	<b>-7,361,226</b>	<b>-4,483,622</b>
<b>Cash flows from financial activity</b>		
(Increases) / Decreases in bank loans		
Interest rates	186,385	691,975
<b>Net cash generated from financial activity</b>	<b>-715,011</b>	<b>-835,669</b>
<b>Net cash generated from total activity</b>	<b>-528,626</b>	<b>-143,694</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,595,426</b>	<b>1,406,524</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>542,569</b>	<b>5,986,107</b>
<b>Cash flows from operating activities:</b>	<b>2,137,995</b>	<b>7,392,631</b>

**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT AS AT 31.03.2024**

(all amounts are expressed in lei. unless otherwise specified)

**1. GENERAL INFORMATION**

COMPAS is a joint stock company. based in Sibiu. Str. Henri Coandă no.8. CP 550234.

**1.1. Field of activity**

The main activity according to NACE is 2932 - Manufacture of other parts and accessories for motor vehicles and motor vehicles.

**1.2. Form of ownership of the company**

COMPAS S.A. has been privatized 100% since September 1999.

The company is listed on the stock exchange, the shares have been traded on the Bucharest Stock Exchange since June 1997, and are currently traded on the Standard category, symbol CMP.

**1.3. Company evolution**

By Government Decision no. 1296/13.12.1990 the company became the Commercial Company COMPAS S.A. coming from the **Parts Enterprise Auto Sibiu (I.P.A. Sibiu)**. I.P.A.Sibiu was founded in 1969 by unifying two units: Elastic Plant and Automecanica Sibiu Plant. Since 1991. COMPAS was organized into factories/workshops. constituted by product family. as cost centers. which over time became profit centers. for the purpose of decentralisation and facilitating the establishment of joint ventures.

**2. BASICS OF DRAWING UP**

### **Declaration of conformity**

The Unconsolidated Financial Statements were prepared in accordance with the International Financial Reporting Standards adopted by the European Union and with the Order of the Minister of Public Finance no. 2844/2016. The company adopted IFRS reporting as of the 2012 financial statements.

### **Business continuity principle**

The unconsolidated financial statements were prepared on a going concern basis, which implies that the Company will be able to carry on its business under normal conditions.

### **Basis of assessment**

The unconsolidated financial statements were prepared on the basis of historical cost, except for certain property, plant and equipment that is measured at revalued value or fair value as explained in accounting policies. Historical cost is generally based on the fair value of the consideration for assets.

### **Presentation currency and functional currency**

Unconsolidated financial statements are presented in **Romanian lei (RON)**, rounded to the nearest amount, this being the functional currency of the Society.

### **Use of estimates and judgments**

The preparation of unconsolidated financial statements in accordance with IFRS adopted by the European Union requires the use of estimates by management, judgments and assumptions affecting the application of accounting policies as well as the reported value of assets, Debt, revenue and expenditure. Estimates and judgments are generally based on historical information and any other sources considered representative of the situations encountered. Actual results may differ from these estimates.

Estimates and assumptions shall be reviewed periodically. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods if they are affected.

The change in estimates does not affect prior periods and is not a correction of an error.

Information about critical judgments in the application of the Company's accounting policies, the effect of which is material on the amounts recognised in the financial statements shall be included in the notes relating to:

#### **Tangible and intangible assets — Useful life of property, plant and equipment**

Tangible and intangible assets are depreciated over their useful life. The management of the Company uses professional judgement in determining its useful life, and the evidence used to determine it includes the technical specifications of the machinery, information from commercial contracts that the company has concluded with customers, history of products sold, market information related to the company's products and the adaptability of the machines.

#### **Property, plant and equipment — Impairment adjustments for property, plant and equipment**

Intangible assets and property, plant and equipment are analysed to identify whether they show signs of impairment at the date of the financial statements. Whether the net carrying amount of an asset is greater than its recoverable amount. An impairment loss is recognised to reduce the net carrying amount of that asset to the recoverable amount. If the reasons for recognising the impairment loss disappear in subsequent periods, the net carrying amount of the asset is increased to net carrying amount, which would have been determined if no impairment loss had been recognised. Evidence that can cause impairment includes a decrease in utility to society, excessive physical wear, the emergence of new production technologies.

### **Deferred taxes**

Deferred tax assets are recognised as assets, to the extent that it is probable that there will be taxable profit from which losses can be covered. The Company's management uses professional judgement in determining the amount of deferred tax assets that can be recognised as assets.

Management decisions are based on information from commercial contracts that the Company has concluded with customers. forecasts related to the automotive market and auto components.

### Provisions

Provisions are recognised when the Company has a present legal or constructive obligation arising from a past event. It is probable that an outflow of resources incorporating economic benefits will be necessary to settle the obligation and a reliable estimate of the amount of the obligation may be feasible. The amount recognised as a provision constitutes the best estimate of the expense required to settle the present obligation at the end of the reporting period.

### Recoverable amount of assets

The impairment measurement is conducted unconsolidated and is based on management's best estimate of the present value of cash flows expected to be received. The company shall review its trade and other receivables at each date of its financial position. to assess whether they should record impairment in value in the profit and loss account. In particular, management's professional judgement is required to estimate amount and coordinate future cash flows when determining impairment loss. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. These estimates are based on assumptions about several factors. and actual results may differ. leading to future changes in adjustments.

### Fair value measurement of financial instruments

When the fair value of financial assets and liabilities reflected in the statement of financial position cannot be measured on the basis of quoted prices in active markets. Their fair value shall be measured using valuation techniques. including the discounted cash flow model. The assumptions in these models are taken from available market information. but when it is not possible. Judgement is required in determining fair value. Judgements include determining assumptions such as credit risk and volatility.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The unconsolidated financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union ("EU")

The significant accounting policies applied by the Company are those presented in the Financial Statements ended on 31.12.2023 and have not changed during the interim report period.

### 4.1. PROPERTY, plant and equipment

The evolution of tangible fixed assets from 1 January 2024 to 31 March 2024 is as follows:

Explicatii	31/03/2024	01/01/2024
Land	43,848,700	43,848,700
Construction	97,963,840	94,682,973
Equipment and vehicles	205,740,714	208,811,873
Other tangible fixed assets	815,727	753,503
Tangible fixed assets in course of construction	6,981,558	16,396,600
<b>Total</b>	<b>355,350,539</b>	<b>364,493,649</b>

Tangible assets representing 'Property, plant and equipment in progress' are valued at historical cost. The company has chosen the fair value revaluation model for the valuation of property, plant and equipment of the nature of land and buildings. The buildings and land were revalued on 31.12.2019 by an authorized independent valuer. In the fair value hierarchy, the revaluation of the company's buildings and land at fair value is classified as Level 2. In the fair value hierarchy, the revaluation of the company's buildings and land at fair value is classified as

Level 2. The measurement techniques used in measuring fair value within Level 2 is the price comparison method. Prices comparable to nearby buildings and constructions are adjusted according to specific characteristics such as property size, etc. The most important input for this valuation method is the price per square meter. There were no transfers between the level at which fair value measurements are classified during 2024. The depreciation of all property, plant and equipment shall be determined on a straight-line basis. Non-current assets decreased in 2024 through depreciation, sale and scrapping.

#### 4.2. REAL ESTATE INVESTMENT

Evolutia investitiilor imobiliare de la 1 ianuarie 2024 la 31 martie 2024 este urmatoarea:

<b>Explanations</b>	<b>31/03/2024</b>	<b>01/01/2024</b>
Real estate investments	41,146,968	36,434,964
Real estate investments in progress	233,639	226,141
<b>Total</b>	<b>41,380,607</b>	<b>36,661,105</b>

Investment property is measured at fair value. A gain or loss arising from a change in the fair value of investment property is recognised in profit or loss in the period in which it arises.

Non-current assets "Investment real estate in progress" are valued at historical cost.

The company capitalizes on research and development costs due to the fact that the criteria for their recognition as an intangible asset item are met, respectively the cost of the fixed asset can be assessed reliably.

Their depreciation is determined by the straight-line method.

#### 5. IMOBILIZARI NECORPORALE

The evolution of intangible assets was as follows:

<b>Explanations</b>	<b>31/03/2024</b>	<b>01/01/2024</b>
Research and development expenditure	3,188,835	3,326,980
Software and software licences	4,539,042	4,729,325
<b>Total</b>	<b>7,727,877</b>	<b>8,056,305</b>

The company capitalises research and development costs because the criteria for their recognition as an intangible asset are met, i.e. the cost of the asset can be measured reliably. Their depreciation is determined using the straight-line method.

#### 6. TRADE RECEIVABLES AND OTHER RECEIVABLES

The situation of the debts held by the company is as follows:

<b>Explanations</b>	<b>31/03/2024</b>	<b>01/01/2024</b>
Trade receivables	144,999,025	136,110,392
Advances paid to suppliers	1,134,675	4,821,770
Receivables from staff	23,942	23,845
Receivables from the consolidated state and local budget	2,466,494	3,175,062
Sundry debtors	12,521	492,936
Prepaid expenses	1,068,602	1,377,113

Subsidies receivable (European funds projects, subsidies for personnel costs)	0	128,010
<b>Total</b>	<b>149,705,259</b>	<b>146,129,128</b>

Foreign currency receivables are valued in RON at the official exchange rate of the NBR as of 31.03.2024.

The situation of the adjustments for impairment of receivables is as follows:

<b>Sold at 01.01.2024</b>	<b>826,942</b>
Adjustments accrued at 31.03.2024	239
Adjustments reversed at 31.03.2024	-127,978
<b>Sold at 31.03.2024</b>	<b>699,203</b>

The commercial policy of the Company requires the registration of depreciation adjustments for receivables exceeding 365 days, except for those receivables registered with partners to which the Company is debtor in turn, debts registering approximately the same age as uncollected receivables.

## 7. OTHER NON-CURRENT RECEIVABLES

The non-current receivables held by the Company are shown in the table below:

<b>Explanations</b>	<b>31/03/2024</b>	<b>01/01/2024</b>
Guarantee for customs clearance at home	103,000	103,000
Other guarantees	28,489	25,906
Amounts owed by subsidiaries	4,969,500	3,746,178
Interest on amounts due from branches	18,622	16,524
<b>Total</b>	<b>5,119,611</b>	<b>3,891,608</b>

## 8. STOCKS

Structura stocurilor detinute de Societate este prezentata in tabelul de mai jos:

<b>Explanations</b>	<b>31/03/2024</b>	<b>01/01/2024</b>
Raw materials	35,285,726	38,963,265
Materials and packaging	19,301,543	19,166,224
Semi-manufactures and work in progress	30,594,304	29,127,422
Finished products and goods	13,921,876	23,869,592
<b>Total</b>	<b>99,103,449</b>	<b>111,126,503</b>

## 9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are shown as follows:

<b>Explanations</b>	<b>31/03/2024</b>	<b>01/01/2024</b>
Bank accounts in RON	2,065,172	487,225
Bank accounts in foreign currency	62,620	44,366
Cash equivalents	121	121
Cash in RON	10,082	10,857
<b>Total</b>	<b>2,137,995</b>	<b>542,569</b>

The company holds accounts in lei and foreign currency with the following banking institutions: BRD GROUP SOCIETE GENERALE, ING BANK, TREASURY.

## 10. CORPORATE TAX

The Company's current profit margin is determined on the basis of statutory profit, adjusted for non-deductible expenses and non-taxable income, at a rate of 16% for 3 months 2024 and 3 months 2023.

In 2024, a new turnover tax of 1% was introduced for companies whose turnover exceeds EUR 50,000,000 million in the previous year

At 31 March 2024 and 31 March 2023 the property tax is made up of:

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Current income tax expense	-424,515	-452,656
Current income on minimum turnover tax	-1,282,379	0
Deferred income tax assets/liabilities	-171,002	-313,533
<b>Total</b>	<b>-1,877,896</b>	<b>-766,189</b>

## 11. EQUITY

The shareholding structure on 31.03.2024 is as follows:

<b>Explanations</b>	<b>Nr. Actiuni</b>	<b>% din total capital social</b>
Romanian and foreign shareholders (legal entities)	59,062,729	26.99%
Shareholders (individuals) Romanian and foreign	159,758,309	73.01%
<b>Total number of shares</b>	<b>218,821,038</b>	<b>100.00%</b>

The Company's shares have a nominal value of RON 0.1 / share. Since June 1997 the Company's shares have been traded on the Bucharest Stock Exchange and since July 2001 it has been in the standard category.

The Company's equity includes the following:

<b>Explanations</b>	<b>31/03/2024</b>	<b>01/01/2024</b>
Subscribed and paid-up capital	21,882,104	21,882,104
Treasury shares	-265,638	-265,638
Revaluation reserves	83,891,130	83,891,130
Legal reserves	4,376,421	4,376,421
Adjustment of legal reserves	22,679,066	22,679,066
Other non-distributable reserves - repurchase of own shares	265,652	265,652
Other reserves	305,520,124	305,520,124
Adjustment other reserves	442,991	442,991
Current and deferred income tax recognised in equity	-4,918,497	-4,982,852
Retained earnings - prior year retained profit	7,675,390	0
Retained earnings representing realised surplus on revaluation reserves	54,958,454	57,804,936
Retained earnings from first-time adoption of IAS, less IAS 29	29,144	29,144
Retained earnings arising from the transition to IFRS, less IAS 29	8,611,538	8,611,538
Retained earnings from changes in accounting policies	89,693	89,693
Retained earnings from first-time adoption of IAS 29	-648,352	-648,352



Profit current year	2,747,112	7,675,390
Profit distribution	0	-2,846,482
<b>Total</b>	<b>507,336,332</b>	<b>504,524,865</b>

**12. FINANCIAL LIABILITIES**

Long and short-term financial liabilities are as follows:

		EUR	
Credit institution	Type of loan	31/03/2024	01/01/2024
BRD Group Societe Generale România	Credit line for production	1,717,334	47,600
BRD Group Societe Generale România	Investment credit	3,015,504	3,392,442
ING BANK-SIBIU	Credit line for production	2,896,536	3,262,175
ING BANK-SIBIU	Investment credit	3,102,972	3,447,746
<b>Total</b>		<b>10,732,346</b>	<b>10,149,963</b>

		LEI	
Credit institution	Type of loan	31/03/2024	01/01/2024
BRD Group Societe Generale România	Credit line for production	8,534,291	236,791
BRD Group Societe Generale România	Investment credit	14,985,549	16,876,045
ING BANK-SIBIU	Credit line for production	14,394,334	16,228,016
ING BANK-SIBIU	Credit line for production	0	2,655,995
ING BANK-SIBIU	Investment credit	15,420,218	17,151,160
<b>Total</b>		<b>53,334,392</b>	<b>53,148,007</b>

Financial liabilities in foreign currency are valued in RON at the official exchange rate of the NBR as of 31.03.2024.

**13. TRADE AND OTHER PAYABLES**

Explanations	31/03/2024	01/01/2024
Suppliers	76,080,613	89,898,456
Advances received from customers	335,502	468,859
Debts from contracts with customers	0	3,505,877
Liabilities related to personnel	8,334,222	6,344,780
Debts to the general consolidated state and local budget	9,054,391	7,728,886
Current income tax liabilities	1,038,719	0

Dividends payable	392,348	403,601
Sundry creditors	884	14,823
Prepaid income	661,875	737,173
Investment subsidies from AMPOSDRU and AMPOSCEE contracts	21,194,572	22,114,562
Inventory gains on fixed assets	3,884	5,943
<b>Total</b>	<b>117,097,010</b>	<b>131,222,960</b>

Foreign currency liabilities are valued in RON at the official exchange rate of the NBR as of 31.03.2024.

#### 14. PROVISIONS

The provisions set up by the Company are shown in the table below:

Explanations	Provisions for guarantees to customers	Provisions for employee benefits	Other provisions for risks and charges	Total provisions
<b>Sold at 01.01.2024</b>	<b>26,945</b>	<b>4,078,576</b>	<b>2,115,014</b>	<b>6,220,535</b>
Provisions accrued at 3 months 2024	0	0	1,396,198	<b>1,396,198</b>
Provisions reversed at 3 months 2024	0	0	-643,630	<b>-643,630</b>
<b>Sold at 31.03.2024</b>	<b>26,945</b>	<b>4,078,576</b>	<b>2,867,582</b>	<b>6,973,103</b>

Also, provisions were made for expenses related to the analyzed period and for which invoices were not received from partners.

#### 15. REVENUE AND BUSINESS SEGMENTS

The structure of the Company's income is as follows:

Explanations	31/03/2024	31/03/2023
<b>Total turnover, of which:</b>	<b>179,205,777</b>	<b>198,373,767</b>
Revenue from sales of finished products	<b>174,128,875</b>	<b>194,382,963</b>
Revenue from services rendered	<b>1,038,865</b>	<b>716,073</b>
Revenue from sale of goods	<b>2,383,988</b>	<b>2,681,372</b>
Income from other activities (rents, sales of materials, waste, semi-finished goods, packaging)	<b>1,654,049</b>	<b>298,592</b>
Income from subsidies related to turnover (projects and partnership contracts AMPOSDRU projects)	<b>0</b>	<b>294,767</b>
<b>Other operating income</b>	<b>2,647,024</b>	<b>4,409,282</b>
<b>Total operating income</b>	<b>181,852,801</b>	<b>202,783,049</b>

Other operating income consists of :

Explanations	31/03/2024	31/03/2023
Income from the production of fixed assets	1,600,824	2,577,084

Income from investment grants (AMPOSDRU and AMPOSCEE projects and partnership contracts)	919,990	1,292,166
Other operating income	126,210	540,032
<b>Total Other operating income</b>	<b>2,647,024</b>	<b>4,409,282</b>

**Activity segments:**

The management of the Company regularly evaluates the company's activity in order to identify the segments of activity for which information must be reported separately. The company operates in Romania. The income of the company presented above is entirely attributed to the country of domicile. Non-current assets other than financial instruments, deferred tax receivables, claims on post-employment benefits and rights arising from insurance contracts are located in Romania in full. The company has no such non-current assets located in other countries. The revenues are attributable to the activity in Romania.

**16. EXPENDITURE BY KIND**

Operating expenses by nature incurred in the first 3 months of 2024 and 2023 are shown in the table below:

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Material expenses	91,732,722	113,214,887
Stock differences	8,453,180	7,476,690
Energy and water costs	10,054,854	12,855,996
Employee benefits expenses	41,398,554	41,971,006
Value adjustments on fixed assets	12,113,262	11,842,017
Value adjustments on current assets	48,084	-78,033
Expenditure on services provided by third parties	8,515,808	10,016,470
Expenses on other taxes, duties and similar charges	1,071,998	1,461,328
Other operating expenses	2,964,016	2,169,573
<b>Total operating expenses</b>	<b>176,352,478</b>	<b>200,929,934</b>

**17. EMPLOYEE BENEFITS EXPENSES**

Employee benefit expenses include salaries, allowances and social security contributions. Short-term benefits are recognised as an expense as services are rendered.

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Salaries and allowances	40,561,074	41,232,759
Insurance and social protection expenditure	837,480	738,247
<b>Total</b>	<b>41,398,554</b>	<b>41,971,006</b>

**18. FINANCIAL LOSSES (GAINS)**

The structure of financial losses (gains) is shown below:

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Foreign exchange gains related to monetary items denominated in foreign currency	-111,560	65,743
Interest losses	-691,741	-809,970
Other financial gains	-72,014	-64,492

<b>Total losses/gains</b>	<b>-875,315</b>	<b>-808,719</b>
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**19. EARNINGS PER SHARE**

The calculation of earnings per share for the years ended 31 March 2024 and 3 March 2023 is shown below:

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Number of shares at the beginning of the year	218,821,038	218,821,038
<b>Number of shares at end of reporting period</b>	<b>218,821,038</b>	<b>218,821,038</b>
<b>Net profit</b>	<b>2,747,112</b>	<b>3,389,242</b>
<b>Basic/diluted earnings per share (RON/share)</b>	<b>0.0126</b>	<b>0.0155</b>

The calculation of the gain/share with voting and dividend rights is as follows:

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Total number of shares	218,821,038	218,821,038
Shares without voting rights and dividend	-1,093,253	-1,093,253
<b>Number of shares with voting and dividend rights At year-end</b>	<b>217,727,785</b>	<b>217,727,785</b>
<b>Net profit</b>	<b>2,747,112</b>	<b>3,389,242</b>
<b>Basic / diluted earnings per voting and dividend share (in RON per share):</b>	<b>0.0126</b>	<b>0.0156</b>

**20. RELATED PARTIES**

The affiliated entities of COMPA SA are the following:

<b>Company in which the securities are held</b>	<b>Headquarters</b>	<b>% in share capital</b>	<b>Value of securities</b>	<b>Main object of activity</b>
COMPA IT SRL	Str.Henri Coanda, nr.8, Sibiu, jud.Sibiu	100.00	200,000	Custom software development activities
TRANS CAS SRL	Str.Henri Coanda, nr.12, Sibiu, jud.Sibiu	99.00	742,500	Road haulage
RECASERV SRL	Str.Henri Coanda, nr.51, Sibiu, jud.Sibiu	70.00	70,000	Catering activities for events
ARINI HOSPITALITY SRL	Str.Henri Coanda, nr.8, Sibiu, jud.Sibiu	100.00	23,203,000	Hotels and similar accommodation facilities
<b>TOTAL</b>			<b>24,215,500</b>	

The transactions carried out with the companies in which COMPA holds stakes were as follows (amounts include VAT):

<b>Explanations</b>	<b>31/03/2024</b>			<b>31/03/2023</b>		
	<b>LOAN GRANTED TO AFFILIATES</b>	<b>PURCHASES OF GOODS AND SERVICES</b>	<b>SALES OF GOODS AND SERVICES</b>	<b>LOAN GRANTED TO AFFILIATES</b>	<b>PURCHASES OF GOODS AND SERVICES</b>	<b>SALES OF GOODS AND SERVICES</b>
TRANSCAS S.R.L.	0	2,309,816	125,663	0	3,924,969	188,843
COMPA IT S.R.L.	0	856,324	40,846	0	859,513	32,394
RECASERV S.R.L.	0	585,529	12,982	0	468,952	12,982
ARINI HOSPITALITY S.R.L.	4,988,122	4,197	217,298	3,743,057	0	167,816

**Receivables due to Compa SA from:**

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
---------------------	-------------------	-------------------

TRANSCAS S.R.L.	125,663	188,031
COMPA IT S.R.L.	14,197	37,442
RECASERV S.R.L.	9,293	16,671
ARINI HOSPITALITY S.R.L.	5,317,718	3,745,692

**Debts payable by COMPA SA to:**

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
TRANSCAS S.R.L.	2,146,609	2,819,174
COMPA IT S.R.L.	517,888	663,163
RECASERV S.R.L.	565,078	445,272

**On behalf of the Board of Directors,**

President of the Board./ General Manager,

Ioan DEAC



Vice-President of the Board/Economic Director

Mihaela Dumitrescu



# CONSOLIDATED REPORT Q1 – 2024 (UNAUDITED)



**compa**  
*beyond expectations*

compa  it



**TRANS C.A.S.**  
SRL SIBIU

transport intern si international



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**1. INTRODUCTION**

**1.1. LEGAL FRAMEWORK, PURPOSE AND NECESSITY OF PREPARING CONSOLIDATED HALF-YEARLY FINANCIAL REPORTS**

COMPAS S.A. Sibiu, whose securities are admitted to trading on the regulated market of the Bucharest Stock Exchange, has been applying International Financial Reporting Standards (IFRS) since 2012.

In accordance with the accounting regulations in accordance with Directive VII of the European Economic Community, COMPAS S.A. Sibiu (parent company) meets the conditions according to point 12. Based on item 3 of these regulations, consolidated half-yearly financial reports were prepared.

The set of rules for accounting registration of economic and financial operations for the preparation, approval and statutory audit of the consolidated annual financial statements of companies are provided in the "Accounting regulations in accordance with IFRS" approved by OMFP 2844/2018.

All these normative acts constituted the legal basis necessary for the elaboration of the consolidated half-yearly financial reports of the Group.

The consolidated report of COMPAS Group has as main objective to inform investors and business partners of the parent company, as well as affiliated companies.

**CONSOLIDATION METHODS APPLIED**

According to the legal regulations, the preparation of consolidated financial statements is carried out by the entity hereinafter referred to as company (company) – parent, which holds participation titles in another entity, called subsidiary or affiliated company.

100,00 %

COMPAS I.T. SRL	100,00 %
TRANS C.A.S. SRL	99,00 %
RECASERV SRL	CONSOLIDATED REPORT Q1 – 2024
ARINI HOSPITALITY SRL	100,00 %

COMPAS SA Sibiu, the parent company, exercises effective power, having a dominant influence, respectively controlling the Group's companies. Taking into account the accounting regulations as well as the existing recommendations in this field, the consolidation method used with these companies is *the "Global integration method"*.





## 2. SHORT HISTORY

This chapter has been presented in detail in the Q1 2024 AMPA Individual Report, but we consider it necessary and appropriate that certain episodes in the history of the parent company are also highlighted in the Q1 2024 Consolidated Report.

**1886** - The Jozsef Datky blacksmith workshop is officially certified, where lamellar springs were produced for carriages of the time, but also parts and tools obtained by forging.

The workshop developed so that the products made within this family company were found at international exhibitions within the Austro-Hungarian Empire (Vienna and Budapest).

**1948** - It is the year when private companies, such as the predecessor Elastic Plant, profiled at that time in the manufacture of leaf springs, hot or cold wrapped helical springs, were nationalized as a result of the installation of the communist regime in Romania.

**1969** - The Auto Parts Enterprise Sibiu (IPAS) is founded, by merging two large companies, which operated in Sibiu that year, namely:

- Automecanica Sibiu Plant, which in its turn had an impressive history, from an Artillery Arsenal of Sibiu, which ensures the repair and manufacture of weapons necessary for the defense of the Sibiu Fortress, to the realization of car equipment with advanced technology at the date of amalgamation;
- Elastic Plant Sibiu, with craft tradition since the year of foundation of the Datky Workshop, which it has continuously developed, realizing at the date of merger a wide and diversified range of lamellar springs for the manufacture of vehicles made in Romania and of a particularly wide range of coil springs, hot and cold wound, intended for the entire rolling stock industry (locomotives, wagons), of the machine building industry throughout Romania

**1991** - The auto parts company Sibiu is transformed into COMPA S.A.Sibiu, as a result of the political and economic framework created by Romania's transition from a totalitarian communist state to a state with a market economy.

**1999** - It is the year of privatization of the parent company, COMPA S.A. by buying the majority stake by the State Property Fund (FPS). This historical stage provides the premises for the development in conditions of competitiveness and profitability of the company, the development of business partnerships with representative companies from the world industry, on principles of equality and competence, fair competition.

**2000** - The foundation of the COMPA Group is laid by transforming the Information Service, which functioned within the parent company with the activity of software design and internal network administration, into a separate company, S.C.Compa IT S.R.L., with full COMPA capital. Following the establishment of this company in an economic unit with an object of activity mainly in computer technology (IT), the premises for the development of this sector of activity were created, both for the realization of an integrated information system of COMPA and for software products for other companies outside the Compa Group.

**2001** - The second affiliated company TRANS C.A.S. SRL Sibiu is established, a limited liability company, mainly with COMPA contribution, resulting from the transformation of the existing transport base within the parent company, into a separate company specialized in domestic and international road transport. By setting up this company specialized strictly in transport activity, conditions were created for its development, which provides transport services, not only for the parent company, but also for other companies in Romania and Europe.

The company has developed a lot since its establishment, investing in the acquisition mainly of heavy trucks (TIR) used for the transport of raw materials and materials from suppliers and the transport of finished products, both for COMPA and for various companies in Romania, but especially with companies in Europe.

**2004** - The third affiliated company is established, namely RECASERV SRL, by transforming the activity of the COMPA canteen into a separate company in which COMPA holds the control position, being the majority shareholder.



**2021** - The fourth affiliated company is established, namely ARINI HOSPITALITY SRL, which will carry out hotel activity, by building the Ibis-Mercure hotel complex.

### 3. INFORMATION ON GROUP ENTITIES

#### 3.1. COMPA S.A. parent - Company

Social headquarters	No.8, Henri Coandă Street, Sibiu	
Registration no. in the Trade Register	J32/129/1991,	
Fiscal Code (VAT Code)	RO 788767	
<b>The main activity</b>	2932 - Manufacture of other parts and accessories for motor vehicles	
Share capital (RON)	21,882,103.8	
Board of Directors	Deac Ioan	- Chairman & CEO
	Miclea Ioan -	- Vice president & CFO
	Maxim Mircea Florin	- Administrator
	Balteş Nicolae	- Audit committee President/ administrator
	Neacşu Vlad Nicolae	- Audit committee member/ administrator

**Form of ownership:** COMPA S.A. is a company with 100% private capital. It was privatized in September 1999, by buying the majority stake in the Compa Sibiu Employees Association (PAS), which became the company's main shareholder.

In 2018, the Compa Sibiu Employees Association (PAS) was dissolved, the shares being transferred to the members of the association, depending on the number of shares held and purchased by each.

As presented in detail in the Individual Report Q1 2023, the parent company is organized on Profit Centers, integrated units without legal personality with a decentralized activity, structured to make products for a single customer or to make similar products for several customers, such as: Forging, Heat treatment, Galvanization, Pressed - stamped parts, mechanical - welded subassemblies.

The financial investments of the parent company COMPA, which consist of participation titles and shares, in the other 4 affiliated companies, as follows:

Company in which the securities are held	Headquarters	% in share capital	Value of securities	Main object of activity
COMPA IT SRL	Str.Henri Coanda, nr.8, Sibiu, jud.Sibiu	100.00	200,000	Custom software development activities
TRANS CAS SRL	Str.Henri Coanda, nr.12, Sibiu, jud.Sibiu	99.00	742,500	Road haulage
RECASERV SRL	Str.Henri Coanda, nr.51, Sibiu, jud.Sibiu	70.00	70,000	Catering activities for events
ARINI HOSPITALITY SRL	Str.Henri Coanda, nr.8, Sibiu, jud.Sibiu	100.00	23,203,000	Hotels and similar accommodation facilities
<b>TOTAL</b>			<b>24,215,500</b>	

The management of the parent company COMPA, as well as of the entire Compa Group is ensured by the Board of Directors elected by the Ordinary General Meeting of Shareholders, for a period of 4 years.

#### 3.2. COMPA I.T. SRL Company



The purpose of the establishment was to design and implement an integrated IT system for the parent company, to the existing international standards and to ensure the requirements imposed by the organization of profit centers of the company COMPA, as well as to ensure a computer network of computers extended throughout the company COMPA.

By implementing the integrated system in the parent company, COMPA-IT ensures the operation of this system at higher parameters, prepares reports and presents the new facilities of the system in order to capitalize at the highest possible level of opportunities that this very complex system can offer. competitive.

Social headquarters	Sibiu, No.8, Henri Coandă Streed, Sibiu County
Recording no. in the Trade Register	J32/17/2001
Fiscal Code (VAT)	CUI 13656016
The main activity	6201 - Computer programming activities
Share capital (RON)	200,000
Sole shareholder	COMPA S.A
Administrator	Acu Florin-Ștefan

### 3.3. TRANS CAS SRL Company

The reason for setting up the company was to outsource the car transport activity initially existing within the COMPA company, in order to expand and develop this activity different from the activity profile of the COMPA company.

TRANS C.A.S. S.R.L. currently owns a number of over 60 vehicles, of which a significant share is held by Mercedes-type trailer trucks, with a capacity of over 20 tons payload, intended for the transport of materials and finished products for both COMPA and other customers.

The overwhelming share of TRANS C.A.S. it is owned by international freight transport in almost all of Europe.

Sediul social	Sibiu, Str.Henri Coandă Nr.12
Nr.înregistrare în Registrul Comerțului	J32/633/2002
Cod Unic de înregistrare	CUI 14836511
Obiectul principal de activitate	4941 Road haulage
Capital social, din care:	750,000 lei
Acționari: COMPA S.A.Sibiu	742,500 lei
Maxim Mircea Florin și Mihăilă Daniela	7,500 lei
Administrator	Maxim Mircea Florin

### 3.4. RECASERV SRL Company

The purpose of setting up the company was to outsource from the parent company COMPA S.A. of some activities different from its main activity profile, activities such as: public catering made through the canteen and the micro-canteens that operate inside the COMPA company.

By establishing RECASERV S.R.L. the conditions for the development of this activity were ensured by supplementing with secondary services: catering and cleaning services.



Social headquarters	Sibiu, 51 Henri Coandă Street Sibiu County
Recording no. in the Trade Register	J32/704/2004
Fiscal Code (VAT Code)	CUI 164408228
The main activity	5629 Other food service activities
Share capital, of which:	100,000 RON
Shareholders: COMPA S.A.Sibiu	70%
Boroş Daniela (individual person)	30%
Administrator	BOROŞ Daniela

### 3.5. ARINI HOSPITALITY SRL Company

The purpose of setting up the company was to outsource from the parent company COMPA S.A. of activities different from its main activity profile, activities such as: Hotels and other similar accommodation facilities.

Social headquarters	Sibiu. Str.Henri Coandă Nr.8
Recording no. in the Trade Register	J32/77/2021
Fiscal Code (VAT Code)	CUI 43581594
The main activity	5510 Hotels and similar accommodation facilities
Share capital (RON)	19,703,000 lei
Sole shareholder	100%
Administrator	Băiaşu Dan-Nicolae

On 09.01.2023 AGEA approved the increase of the share capital of the affiliated company ARINI HOSPITALITY SRL with the amount of 3,500,000 lei, through a cash contribution. In March 2023, the share capital was paid, increasing from 19,703,000 lei to 23,203,000 lei.

## 4. IMPORTANT EVENTS IN THE FIRST THREE MONTHS OF 2024 AT CONSOLIDATED LEVEL

**4.1** As important events recorded in the activity of Compa Group during Q1 – 2024, we can highlight the meetings of the Board of Directors of the company and the general meetings of shareholders, as follows:

**11.01.2024** - The Board of Directors of Compa S.A. has been convened. which approved the interruption of the division process with a view to a reconsideration of aspects of the proposed operation, including in the light of valuation elements. It will then come back with a decision on the appropriateness of the parameters of the division and continuation of this process

**31.01.2024** – The Board of Directors of Compa S.A was convened and approved:

- empowering persons within the Company to sign in letter and electronic format bank documents representing operations performed by Compa S.A. through accounts opened with banking companies, respectively payment operations, in lei and foreign currency, setting up term deposits, currency exchanges, cash withdrawals, signing cheques and promissory notes, requests for issuing letters of bank guarantee.

- scrapping of fixed assets

- scrapping of material stocks / finished products, recording inventory minuses, recording depreciation adjustments of receivables and other unrecovered debts

- Recording depreciation adjustments of some materials

**31.01.2024** – Arini Hospitality SRL, a company within the Compa group, decided to close the working point in Sibiu, str. Henri Coandă nr. 8, the activity will take place only at the headquarters in Sibiu, Bd. Victoriei no. 48



**26.02.2024** – The Board of Directors takes note and approves the preliminary individual and consolidated financial results for the financial year ended December 31, 2023 and the main economic and financial indicators for the financial year ended December 31, 2023.

**07.03.2024** – The Board of Directors of Compa S.A. was convened to approve the proposal to convene the Ordinary General Meeting of Shareholders (OGMS) for 25.04.2024, the first convocation (15:00) and 26.04.2024, the second convocation (15:00), as well as the proposal to convene the Extraordinary General Meeting of Shareholders (AGEA) for 25.04.2024, the first convocation (16:00) and 26.04.2024, Second convocation (4:00 p.m.).

The Board of Directors approved the agenda of the OGMS convened on 25/26.04.2024, in which a number of 13 points were included (according to the convening notice) as well as the 12 points included in the Convening Notice related to the EGM of 25/26.04.2023.

The Board of Directors also approved 11.04.2024 as the reference date for the OGMS and the EGMS of 25/26.04.2024, respectively.

**22.03.2024** – During the meeting held on 22.03.2024, the Board of Directors approved the Individual and Consolidated Annual Report for the financial year 2024 prepared according to Annex 15 of ASF Regulation no. 5/2018. The independent financial auditor's report on the individual and consolidated financial statements is taken note. Also during this meeting, the Income and Expenditure Budget for 2024 and the Investment Program for 2024, as well as the updated remuneration policy of the management were approved.

**12.04.2024** – During the meeting held on 12.04.2024, the Board of Directors approved the submission by Compa SA (within the PNRR financing program) of the project Innovation and Efficiency in the Use of Energy Resources, by implementing an energy monitoring system, procurement of high-performance transformers and compressors in Compa SA (financing application, energy audit, feasibility study and other supporting documents requested in guide.



#### 4.2. EVENTS AFTER THE REPORTING PERIOD

**25.04.2024** Within the affiliated companies of Compa, namely: Trans CAS SRL, Compa IT SRL, Recaserv SRL and Arini Hospitality SRL, the annual financial statements are approved and the discharge for 2023 is approved.

**25.04.2024** - The Ordinary General Meeting of Shareholders (OGMS) was held, which decided

- election of the meeting secretary from among the shareholders present;
- approves the individual financial statements for the financial year 2023, based on the Annual Report for 2023 submitted by the Board of Directors, accompanied by the Report of the financial auditor QUANTUM EXPERT S.R.L.
- approves the consolidated financial statements for the financial year 2023, based on the Annual Report for 2023 submitted by the Board of Directors, accompanied by the Report of the financial auditor QUANTUM EXPERT S.R.L.
- approves the distribution of the net profit of the financial year for 2023, in the total amount of RON 7,675,390 , as follows:
  - + to own sources of development - value of 6.140.312 lei
  - + for granting dividends to shareholders - the value of 1,535,078 lei with a gross dividend / share of 0.00705 lei.
- approves 14.06.2023 as the date of payment for dividend payments. Payment of dividends will be made in RON. The method of payment of dividends will be notified to shareholders before the date of commencement of payment. The expenses occasioned by the payment of dividends are borne by the shareholders.
- Approves the discharge of administrators for the financial year 2023.
- approves the Income and Expenditure Budget for 2024 and the investment program for 2024.
- approves the election and appointment, for a one-year term starting with 25.04.2024, of Mrs. Mihaela Dumitrescu, domiciled in Sibiu, to fill the position of administrator in the Board of Directors of COMPA S.A., taking into account the vacancy currently provisionally occupied.;
- approves the remuneration of directors for the current year, starting with 01.05.2023 until 30.04.2025, as follows: 25,000 lei gross / month for the President of the Board of Directors, 18,000 lei gross / month for the Vice-President of the Board of Directors and 13,000 lei gross / month for non-executive directors, members of the Board of Directors.
- approves the extension until 30.04.2025 of the mandate of the external financial auditor S.C. QUANTUM EXPERT S.R.L. based in Deva, Marasti Street, Bl. D3, sc. 4, ap. 44, Hunedoara County, having registration code 12600149 registered with the Trade Registry under no. J20/40/2000, company authorized by the Chamber of Financial Auditors of Romania based on authorization no. 118/28.11.2001, in order to carry out the Statutory Audit for 2024.
- approves the remuneration report of the company's management prepared for the financial year 2023.
- approves the Remuneration Policy of the updated management of Compa S.A.
- approves the 24th.05.2024 as registration date for identifying the shareholders affected by the effects of the resolutions of the ordinary general meeting of shareholders, in accordance with the provisions of art. 87 of Law no. 24/2017 on issuers of financial instruments and market operations and gives of 23.05.2024 as *ex date* according to the provisions of Article 176 (1) of ASF Regulation no. 5/2018.
- empowerment of natural persons who will carry out the formalities of publicity and registration of meeting decisions, including their signing

**25.04.2024** – The Extraordinary General Meeting of Shareholders (AGEA) was held and decided:



- election of the secretary of the meeting of the Extraordinary General Meeting of Shareholders from among the shareholders present;
- **approves** the contracting and/or extension for 2024 and 2025 until the annual EGM of investment loans, credit lines, leasing, letters of bank guarantee, and other banking financial products, within a total cumulative ceiling of EUR 40 million and the establishment of related movable and immovable guarantees with assets from the company's patrimony.
- **approves** the delegation of the Board of Directors by the Extraordinary General Meeting of Shareholders to commit and/or extend investment loans, credit lines, leasing, letters of bank guarantee and other banking financial products, within the cumulative total ceiling of EUR 40 million approved in point 2, starting with the date of the EGM resolution until the next Extraordinary General Meeting in April 2025 , as well as to provide security interests in movable and immovable property belonging to the company's patrimony.
- **approves** the empowerment of the General Manager and the Economic Director to represent the Company on the occasion of negotiating and signing credit, guarantee agreements and any other documents necessary to comply with the decision in points 2 and 3.
- **approves** the Delegation of the Board of Directors by the Extraordinary General Meeting of Shareholders for appointing the representative of COMPA S.A. in relation to the Managing Authority / Financing Authorities and for empowering the person / persons to sign in the name and on behalf of the Company the financing contracts that will run from 2024 and further until the next EGM in April 2025.
- **approves** the mandate of the General Manager and the Economic Director to sign in the name and on behalf of the Company, the contract with the financial auditor, appointed according to decision no. 9 of A.G.O.A.
- **approves** the empowerment of the President of the Board of Directors of the Company to sign, in the name and on behalf of the Company, the management contract to be concluded by the Company with the administrator elected according to Decision no. 7 of the OGMS for carrying out his activity as a member of the Board of Directors.
- **approves** the restriction of the object of activity of Compa S.A. by eliminating in part some of the economic activities and adding others, and updating the articles of association and empowering the persons who sign the updated articles of association
- **approves** the 24th.**05.2024 as registration date** for identifying the shareholders affected by the effects of the resolutions of the ordinary general meeting of shareholders, in accordance with the provisions of art. 87 of Law no. 24/2017 on issuers of financial instruments and market operations and gives of **23.05.2024 as ex date** according to the provisions of Article 176 (1) of ASF Regulation no. 5/2018.
- empowerment of natural persons who will carry out the formalities of publicity and registration of meeting decisions, including their signing



**5. INTRA - GROUP TRANSACTIONS**

Explanations	31.03.2023			31.03.2024			
	THE COMPANY IN WHICH THE SHARES ARE OWNED	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	THE COMPANY IN WHICH THE SHARES ARE OWNED	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	THE COMPANY IN WHICH THE SHARES ARE OWNED
TRASCAS S.R.L.		0	3,924,969	188,843		2,309,816	125,663
COMPA IT S.R.L.		0	859,513	32,394		856,324	40,846
RECASERV S.R.L.		0	468,952	12,982		585,529	12,982
ARINI HOSPITALITY S.R.L.	3,743,057		0	167,816	4,988,122	4197	217,298

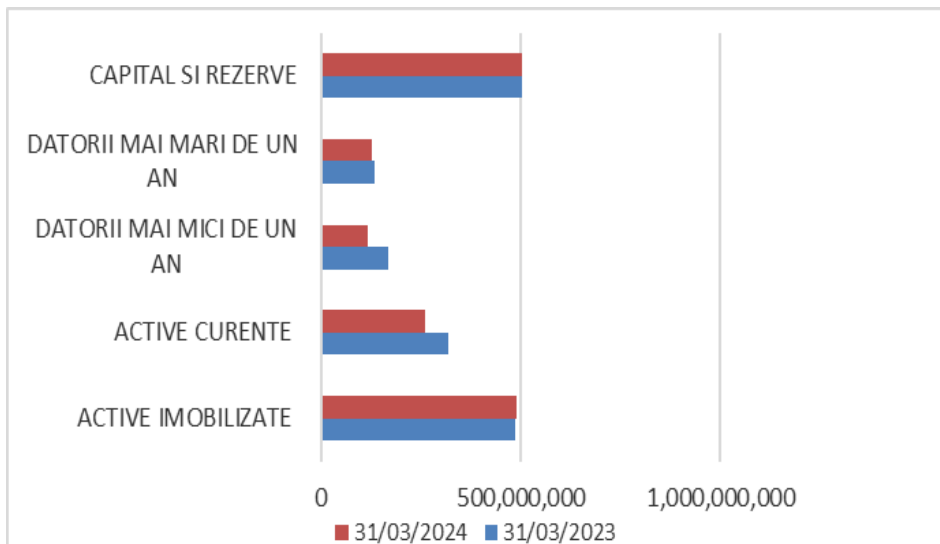
The relations took place in commercial terms of the free market, their price being agreed by negotiation, within the levels practiced on the market.

**6. FINANCIAL AND ACCOUNTING SITUATION OF THE GROUP**

**6.1. The main balance sheet items**

The main balance sheet elements and their evolution in the first 3 months of 2024 compared to compared to the same period last year are presented in the table below:

INDICATOR	31/03/2023	31/03/2024
FIXED ASSETS	487,025,159	487,945,910
CURRENT ASSETS	319,323,797	258,590,008
DEBTS LESS THAN ONE YEAR	167,768,102	117,865,786
DEBTS OVER A YEAR	134,320,419	127,218,163
CAPITAL AND RESERVES	504,260,435	501,451,969



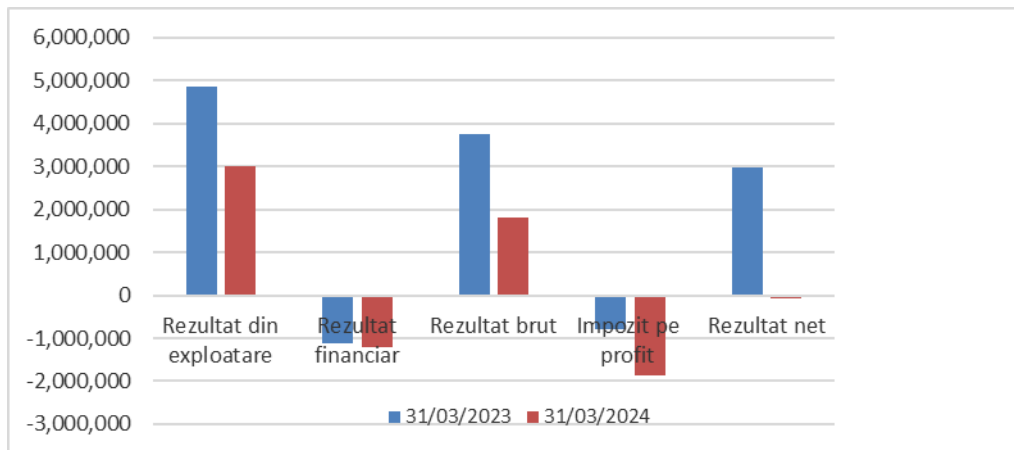




**6.2. The situation of the profit and loss account**

The situation of the profit and loss account: on 31.2024 compared to the same period last year is presented as follows:

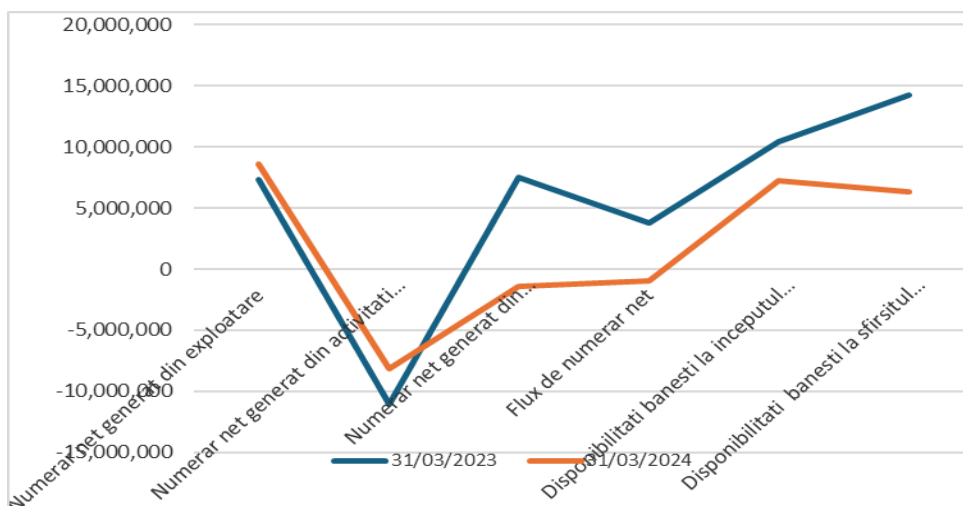
INDICATOR	31/03/2023	31/03/2024
Operating result	4,875,172	3,009,436
Financial result	-1,120,986	-1,195,413
Gross result	3,754,186	1,814,023
Tax	-782,403	-1,875,973
Net result	2,971,783	-61,950



**6.3. Cash flow statement**

The statement of cash flows is summarized below:

Indicator	31/03/2023	31/03/2024
Net cash generated from operations	7,367,367	8,647,390
Net cash generated from investment activities	-11,105,561	-8,121,802
Net cash generated from financial activity	7,539,256	-1,451,419
Net cash flow	3,801,062	-925,831
Cash at the beginning of the period	10,452,249	7,210,182
Cash at the end of the period	14,253,311	6,284,351





**6.4. Principalii indicatori economico-financiari ai Grupului Compa**

Indicator	31/03/2023	31/03/2024
Current liquidity	1.90	2.19
Degree of indebtedness	0.21	0.2
The speed of rotation of debits - customers	69.83	71.10
The speed of rotation of fixed assets	0.42	0.38
New investments	11,105,561	8,121,802
EBITDA	16,728,783	15,864,895

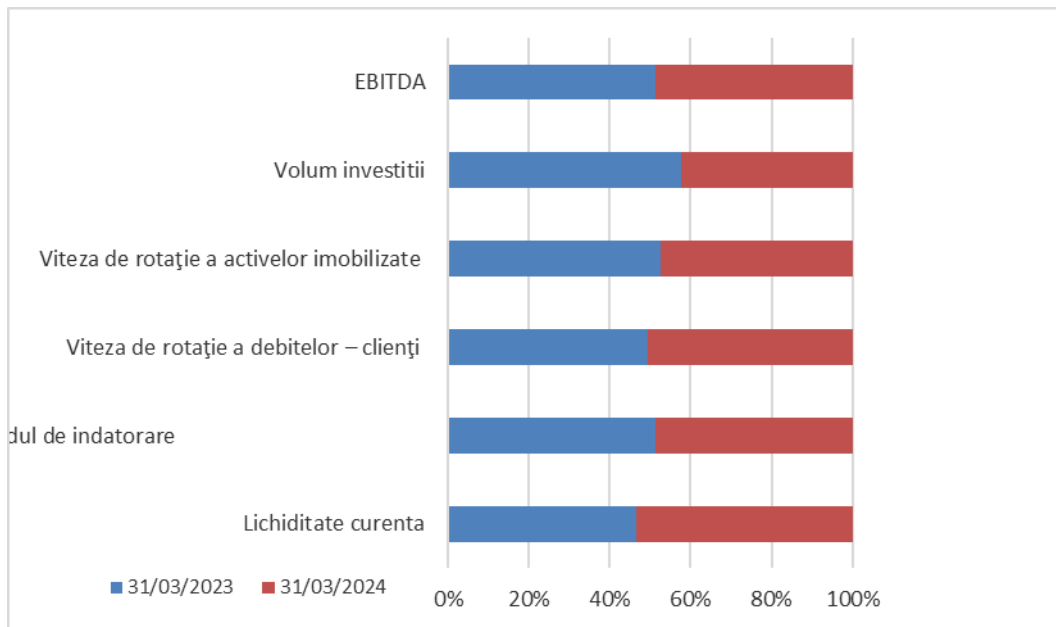
Current liquidity = current assets / current debts

The turnover speed of debits - customers = Average customer balance / Turnover x 90

The speed of rotation of fixed assets = Turnover / Fixed assets

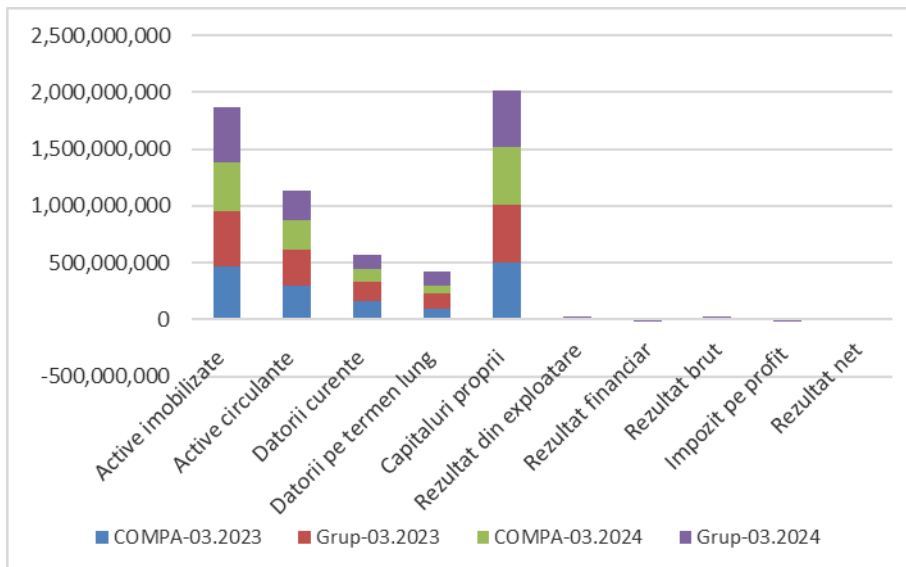
Degree of indebtedness = borrowed capital / capital engaged

EBITDA = net profit + interest expenses + tax expenses + depreciation and amortization expenses



**6.5. Comparison of the main group indicators - parent company**

INDICATORI	COMPA-03.2023	Grup-03.2023	COMPA-03.2024	Grup-03.2024
Fixed assets	463,008,846	487,025,159	433,794,134	487,945,910
Current assets	299,070,976	319,323,797	250,946,703	258,590,008
Current debts	165,401,596	167,768,102	113,923,175	117,865,786
Long-term debt	96,136,225	134,320,419	63,481,330	127,218,163
Equity	500,542,000	504,260,435	507,336,332	501,451,969
Operating result	4,964,150	4,875,172	5,500,323	3,009,436
The financial result	-808,719	-1,120,986	-875,315	-1,195,413
Gross profit	4,155,431	3,754,186	4,625,008	1,814,023
Income tax expense	-766,189	-782,403	-1,877,896	-1,875,973
Net profit for the period	3,389,242	2,971,783	2,747,112	-61,950





**7. CONSOLIDATED INTERIM FINANCIAL REPORT ON 31.03.2024**

**7.1. STATEMENT OF CONFORMITY OF THE CONSOLIDATED INTERIM FINANCIAL REPORT**

**STATEMENT**

**in accordance with the provisions of Article 30 of the Accounting Law no. 82/1991**

The half-yearly consolidated financial reports were prepared on 31.03.2024 for

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Entity: COMPA SA  
 County: 32 SIBIU  
 Address: locality SIBIU, str. HENRI COANDA, nr. 8, tel. 0269/239400  
 Trade register number: J32/129/1991  
 Form of ownership: 34 Joint stock companies  
 Predominant activity  
 (CAEN class code and designation): 2932 Fabric.other parts and accessories for motor vehicles and motor vehicles  
 Unique registration code: RO788767

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I, the undersigned DUMITRESCU MIHAELA

According to Art. 10 para. (1) of the Accounting Law no. 82/1991, having the capacity of economic director, I assume responsibility for preparing the half-yearly consolidated financial reports on 30.09.2023 and confirm the following:

- a) The accounting policies used to prepare quarterly financial reports are in accordance with applicable accounting regulations.
- b) Quarterly financial reports provide a true picture of the financial position, financial performance and other information related to the activity carried out.
- c) The legal person carries out its activity in conditions of continuity.

**DUMITRESCU MIHAELA  
 ECONOMIC DIRECTOR**



7.2. CONSOLIDATED INTERIM FINANCIAL REPORT ON 31.03.2024

Consolidated statement of financial position for – 31.03.2024

(all amounts are expressed in lei, unless otherwise specified)

	Nota	31/03/2024	31/12/2023
<b>Assets:</b>			
<b>Fixed assets</b>			
Tangible fixed assets	4.1.	445,202,970	449,424,138
Real estate investments	4.2.	34,584,632	34,577,131
Intangible assets	5	8,021,419	8,348,064
Other receivables (Subsidies and settlements from joint operations)	6	0	0
Other fixed assets	7	136,889	130,878
<b>Fixed assets- total</b>		<b>487,945,910</b>	<b>492,480,211</b>
<b>Current assets</b>			
Stocks	9	99,529,591	112,607,657
Trade and other receivables	6	151,169,933	148,006,788
Other receivables (Subsidies and settlements from joint operations)	6	1,606,133	1,734,143
Cash and cash equivalents	9	6,284,351	7,210,182
<b>Current assets - total</b>		<b>258,590,008</b>	<b>269,558,770</b>
<b>Total assets</b>		<b>746,535,918</b>	<b>762,038,981</b>
<b>Equity:</b>			
Capital issued	11	21,882,104	21,882,104
Share capital adjustments	11	-376,509	-376,509
Reserves	11	393,199,586	390,288,749
Reserve adjustment	11	23,150,986	23,150,986
Reported result	11	63,445,034	65,744,973
Current result	11	-58,109	546,543
Minority interests	11	208,877	212,718
<b>Equity - total</b>		<b>501,451,969</b>	<b>501,449,564</b>
<b>Long-term debts:</b>			
Financial debts	13	88,205,128	87,777,093
Advance income (advance income, subsidies)	14	31,907,926	32,821,952
Provisions	15	7,105,109	6,308,730
<b>Long-term debts - total</b>		<b>127,218,163</b>	<b>126,907,775</b>
<b>Current debts:</b>			
		0	0
Financial debts	13	17,866,065	17,905,283
Trade and similar debts;	14	75,394,044	91,559,005
Other debts	14	18,888,927	15,847,314
Debts from contracts with clients		0	3,505,877
Current tax liabilities	11	1,050,285	5,651
Advance income (advance income, subsidies)	15	4,666,465	4,858,512
<b>Current debts - total</b>		<b>117,865,786</b>	<b>133,681,642</b>
<b>Total debts</b>		<b>245,083,949</b>	<b>260,589,417</b>
<b>Equity and total debts</b>		<b>746,535,918</b>	<b>762,038,981</b>

Consolidated statement of profit or loss and other comprehensive income – 31.03.2024



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

	Nota	31/03/2024	31/03/2023
Income	15	183,657,505	203,678,288
Other incomes	15	2,769,899	3,138,472
<b>Total income</b>		<b>186,427,404</b>	<b>206,816,760</b>
Variation of stocks of finished products and production in progress	16	-8,441,192	-7,463,302
Raw materials and consumables used	16	-104,927,519	-127,257,048
Expenses with employee benefits	17	-44,383,425	-43,627,227
Depreciation and amortization expenses	16	-12,988,270	-11,918,339
Services provided by third parties	16	-8,218,643	-7,933,473
Other expenses	16	-4,458,919	-3,742,200
<b>Total expenses</b>		<b>-183,417,968</b>	<b>-201,941,588</b>
<b>Operating result</b>	<b>17</b>	<b>3,009,436</b>	<b>4,875,172</b>
Financial income	18	10,071	9,622
Financial expenses	18	-1,049,401	-1,056,259
Other financial gains / losses	18	-156,083	-74,349
<b>Net financing costs</b>		<b>-1,195,413</b>	<b>-1,120,986</b>
<b>Profit before tax</b>		<b>1,814,023</b>	<b>3,754,186</b>
<b>(Expenses) / Deferred income tax income</b>	<b>10</b>	<b>-161,880</b>	<b>-313,533</b>
<b>Current income tax expense</b>	<b>10</b>	<b>-1,714,093</b>	<b>-468,870</b>
<b>Net profit for the period, of which:</b>		<b>-61,950</b>	<b>2,971,783</b>
Attributable to non-controlling interests	0	-3,841	678
Attributable to the mother society	0	-58,109	2,971,105
<b>Other elements of the overall result:</b>			
Of which, other items of comprehensive income that will not be subsequently reclassified to profit or loss:	10	64,355	46,685
<b>Other comprehensive income, net of tax</b>		<b>64,355</b>	<b>46,685</b>
<b>Total overall result for the year, of which:</b>		<b>2,405</b>	<b>3,018,468</b>
Attributable to non-controlling interests		-3,841	678
Attributable to the mother society		6,246	3,017,790
<b>Consolidated result per basic / diluted share</b>		<b>-0.0003</b>	<b>0.0136</b>

## CONSOLIDATED REPORT Q1 – 2024



### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31.03.2024

Equity capital item	Registered Capital	Adjustments related to own shares	Losses related to own shares	Legal reserve	Legal reserve adjustments	Revalued reserves	Other reserve	Other reserves adjustments	Reported Results	Totally attributable to the company's shareholders	Things that do not control	TOTAL
Balance at 01.01.2023	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	299,186,107	471,920	68,255,568	500,946,902	211,110	501,158,012
Profit for the year	0	0	0	0	0	0	0	0	546,543	546,543	1,608	548,151
Other comprehensive income, of which:	0	0	0	0	0	0	244,176	0	0	244,176	0	244,176
Income tax relating to other comprehensive income	0	0	0	0	0	0	244,176	0	0	244,176	0	244,176
Transactions with shareholders, recognised directly in equity, of which:	0	0	0	0	0	0	4,856,302	0	-5,357,077	-500,775	0	-500,775
Repurchase of own shares	0	0	0	0	0	0	0	0	0	0	0	0
Profit distribution	0	0	0	0	0	0	4,856,302	0	-5,357,077	-500,775	0	-500,775
Balance at 31.12.2023	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	304,286,585	471,920	63,445,034	501,236,846	212,718	501,449,564

Equity capital item	Registered Capital	Adjustments related to own shares	Losses related to own shares	Legal reserve	Legal reserve adjustments	Revalued reserves	Other reserve	Other reserves adjustments	Reported Results	Totally attributable to the company's shareholders	Things that do not control	TOTAL
Balance at 01.01.2024	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	304,286,585	471,920	63,445,034	501,236,846	212,718	501,449,564
Profit for the year	0	0	0	0	0	0	0	0	-58,109	-58,109	-3,841	-61,950
Other comprehensive income, of which:	0	0	0	0	0	0	64,355	0	0	64,355	0	64,355
Income tax related to other elements of the overall result	0	0	0	0	0	0	64,355	0	0	64,355	0	64,355
Transactions with shareholders, recognised directly in equity, of which:	0	0	0	0	0	0	0	0	0	0	0	0
Profit distribution	0	0	0	0	0	0	0	0	0	0	0	0
Balance at 31.03.2024	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	304,350,940	471,920	63,386,925	501,243,092	208,877	501,451,969



**CONSOLIDATED CASH FLOW STATEMENT AS AT 31.03.2024**

<b>Explanations</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
<b>Cash flows from operating activities:</b>		
Profit before tax	1,814,023	3,754,186
Depreciation and amortization expenses	12,940,186	11,996,372
(Increases) / Decreases in stocks	13,078,066	13,138,730
(Increases) / Debt decreases	-3,035,135	-10,804,339
Increases / (Debt decreases)	-15,584,591	-9,792,954
Adjust other non-monetary items	-565,159	-924,627
<b>Net cash generated from operations</b>	<b>8,647,390</b>	<b>7,367,367</b>
<b>Cash flows from investment activity:</b>		
Acquisitions of tangible assets and real estate investments	-7,984,231	-10,886,877
Acquisitions of intangible assets	-137,571	-218,684
<b>Net cash generated from investment activities</b>	<b>-8,121,802</b>	<b>-11,105,561</b>
<b>Cash flows from financial activity</b>		
(Increases) / Decreases in bank loans	-388,817	8,595,515
Interest rates	-1,062,602	-1,056,259
<b>Net cash generated from financial activity</b>	<b>-1,451,419</b>	<b>7,539,256</b>
<b>Net cash generated from total activity</b>	<b>-925,831</b>	<b>3,801,062</b>
Cash and cash equivalents at the beginning of the period	7,210,182	10,452,249
<b>Cash and cash equivalents at the end of the period</b>	<b>6,284,351</b>	<b>14,253,311</b>

**EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT ON 31.03.2024**

(all amounts are expressed in lei, unless otherwise specified)

**1. GENERAL INFORMATION**

COMPA is a joint stock company, headquartered in Sibiu, str.Henri Coandă nr,8, CP 550234.

**The company's field of activity:** design, production and marketing of components for the manufacture of cars, transport vehicles, buses, trailers, tractors, wagons, locomotives and various industrial machinery, services and technical assistance.

The main object of activity, according to NACE code, is 2932 "Manufacture of other parts and accessories for motor vehicles and motor vehicles".

**Form of ownership of the company**

The company COMPA S,A, is privatized 100% since September 1999, the Company is listed, the shares are traded on the Bucharest Stock Exchange in the Standard category, symbol CMP.

**Group evolution**

By Government Decision no. 1296/13.12.1990 the company became S.C.COMPA S.A., coming from **the Auto Parts Enterprise Sibiu (I. P.A.Sibiu)**. I.P.A. Sibiu was founded in 1969 by unifying two units: Elastic Plant and Automecanica Sibiu Plant.

Since 1991. COMPA was organized into factories/workshops. constituted by product families as cost centers. which over time became profit centers. for the purpose of decentralisation and facilitating the establishment of





joint ventures.

The company in which COMP A holds the securities	Social headquarters	The value of securities held by COMP A	% in share capital
COMP A I.T. S.R.L.	No.8, Henri Coandă, Sibiu	200,000	100.00
TRANS .C.A.S. S.R.L.	No.12, Henri Coandă, Sibiu	742,500	99.00
RECASERV S.R.L.	No 51,.Henri Coandă Sibiu	70,000	70.00
ARINI HOSPITALITY SRL	No.8, Henri Coandă, Sibiu	19,703,000	100,00%
<b>TOTAL</b>		<b>24,215,500</b>	

The management of COMP A Group was ensured by a Board of Directors consisting of:

- Ioan Deac – President and CEO,
- Dumitrescu Mihaela – Board member and Economic Director
- Maxim Mircea-Florin – CA member
- Balteş Nicolae – CA member
- Neacsu Vlad Nicolae – CA member

## 2. BASICS OF DRAWING UP

### Declaration of conformity

The consolidated interim financial report was prepared in accordance with the International Financial Reporting Standards adopted by the European Union ("EU") and with the Order of the Minister of Public Finance nr. 2844/2016.

The Group adopted IFRS reporting as of the 2012 financial statements.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Group are those presented in the Financial Statements ended on 31.12.2023 and have not changed during the interim report period.

### 4.1. TANGIBLE ASSETS

The evolution of tangible assets from January 1, 2024 to March 31, 2024 is as follows:

Explanations	31/03/2024	01/01/2024
Land	52,983,700	52,983,700
Construction	169,385,233	149,936,975
Equipment and vehicles	211,316,014	213,896,439
Other tangible fixed assets	4,246,955	3,773,910
Tangible fixed assets in course of construction	7,271,068	28,833,084
<b>Total</b>	<b>445,202,970</b>	<b>449,424,108</b>

Tangible assets representing "Property, plant and equipment in progress" are measured at historical cost, the Group has chosen for the valuation of property, plant, and equipment of the nature of land and buildings the fair value revaluation model,

In the fair value hierarchy, the revaluation of the group's buildings and land at fair value is classified as Level 2. The valuation technique used in measuring fair value within Level 2 is the price comparison method. Prices



comparable to nearby buildings and constructions are adjusted according to specific characteristics such as property size, etc. The most important input for this valuation method is the price per square meter.

There were no transfers between the level at which fair value measurements are classified during 2024, Depreciation of all property, plant and equipment is determined on a straight-line basis.

Imbilized assets were reduced by depreciation, sale and scrapping.

#### 4.2. REAL ESTATE INVESTMENT

The evolution of real state inestments from January 1, 1, 2024 to March 31, 2024 is as follows:

Explanations	31/03/2024	01/01/2024
Real estate investments	34,170,993	34,350,988
Real estate investments in progress	233,639	226,143
<b>Total</b>	<b>34,404,632</b>	<b>34,577,131</b>

Real estate investments are valued at fair value. A gain or loss generated by a change in the fair value of the investment property is recognized in profit or loss for the period in which it occurs. Fixed assets "Real estate investments in progress" are valued at historical cost.

#### 5. INTANGIBLE FIXED ASSETS

The evolution of intangible fixed assets from January 1, 2023 to March 31, 2023 is as follows:

Explanations	31/03/2024	01/01/2024
Establishment expenses	67,718	76,953
Software and software licences	3,291,727	3,326,980
Software and software licences	4,661,974	4,944,131
<b>Total</b>	<b>8,021,419</b>	<b>8,348,064</b>

#### 6. TRADE RECEIVABLES AND OTHER RECEIVABLES

Explanations	31/03/2024	01/01/2024
Trade receivables	145,545,379	136,639,188
Advances paid to suppliers	1,194,013	4,985,506
Receivables from staff	23,942	23,845
Receivables from the consolidated state and local budget	2,812,676	4,216,761
Sundry debtors	60,352	507,816
Prepaid expenses	1,533,571	1,633,672
Subsidies receivable (European funds projects, subsidies for personnel costs)	1,606,133	1,734,143
<b>Total</b>	<b>152,776,066</b>	<b>149,740,931</b>

The Group's commercial policy requires the recording of impairment adjustments for receivables exceeding 365 days, except for those receivables registered with partners to which the Company is also indebted, the debts registering approximately the same seniority as uncollected receivables.

Receivables in foreign currency are valued in lei at the official exchange rate of the BNR on 31.03.2024.



## 7. OTHER FIXED ASSETS

The fixed assets held by the Group are as follows:

Explanations	31/03/2024	01/01/2024
Guarantee for customs clearance at home	103,000	103,000
Other guarantees	33,786	27,878
<b>Total</b>	<b>136,786</b>	<b>130,878</b>

## 8. STOCKS

The structure of the stocks held by the Group is presented in the table below:

Explanations	31/03/2024	01/01/2024
Raw materials	35,287,562	38,964,266
Materials and packaging	19,615,370	20,537,854
Semi-manufactures and work in progress	30,594,304	29,127,422
Finished products and goods	14,032,355	23,978,115
<b>Total</b>	<b>99,529,591</b>	<b>112,607,657</b>

## 9. CASH AND CASH EQUIVALENTS

Explanations	31/03/2024	01/01/2024
Bank accounts in RON	3,921,174	4,185,682
Bank accounts in foreign currency	2,284,352	2,905,100
Cash equivalents	121	121
Cash in RON	51,853	76,489
Cash in Currency	26,851	42,790
<b>Total</b>	<b>6,284,351</b>	<b>7,210,182</b>

The group holds accounts in lei and foreign currency at the following banking institutions: BRD GROUP SOCIETE GENERALE, ING BANK, TREZORERIE, TRANSIVANIA BANK.

## 10. PROFIT TAX

The Group's profit / current income tax is determined on the basis of the statutory profit, adjusted with non-deductible expenses and non-taxable income, at a rate of 16% for 3 months 2023 and 3 months 2024

Explanations	31/03/2024	31/03/2023
Current income tax cheating	-431,714	-464,246
Microenterprise income tax check-off	0	-4,624
Current income on minimum turnover tax	-1,282,379	
Deferred income tax assets/liabilities	-161,880	-313,533
<b>Total</b>	<b>-1,875,973</b>	<b>-782,403</b>



## 11. EQUITY

The shareholding structure on 31.03.2024 is as follows:

Explanations	Number of Shares	% of total share capital
Romanian and foreign shareholders (legal entities)	59,062,729	26.99%
Shareholders (individuals) Romanian and foreign	159,758,309	73.01%
<b>Total number of shares</b>	<b>218,821,038</b>	<b>100.00%</b>

The Company's shares have a nominal value of 0.1 RON / share. Since June 1997, the Company's shares are traded on the Bucharest Stock Exchange, and since July 2001 it is listed on the standard category. The Group's equity includes the following:

Explanations	31/03/2023	01/01/2024
Subscribed and paid-up capital	21,882,104	21,882,104
Treasury shares	-376,509	-376,509
Revaluation reserves	83,891,130	83,891,130
Legal reserves	4,957,516	4,957,516
Adjustment of legal reserves	22,679,066	22,679,066
Other reserves	304,350,940	304,286,585
Adjustment other reserves	471,920	471,920
Profit current year	-58,109	546,543
Profit distribution	0	-2,846,482
Retained earnings	63,445,034	65,744,973
Minority interests	208,877	212,718
<b>Total</b>	<b>501,451,969</b>	<b>501,449,564</b>

## 12. FINANCIAL DEBTS

Long-term and short-term financial debts are as follows:

Credit institution	Type of loan	31.03.2024	01/01/2024
BRD GROUP SOCIETE GENERALE-ROMANIA	Production credit line	8,534,291	236,790
BRD GROUP SOCIETE GENERALE-ROMANIA	Investment credit	14,985,549	16,876,044
ING BANK-SIBIU	Production credit line	14,394,334	2,655,995
ING BANK-SIBIU	Production credit line	0	16,228,016
ING BANK-SIBIU	Investment credit	15,420,218	17,151,161
BANCA TRANSILVANIA SIBIU	Investment credit	42,613,452	43,030,279
BANCA TRANSILVANIA SIBIU	Investment credit	7,693,821	5,900,590
BANCA TRANSILVANIA SIBIU	State aid bridging loan	1,481,065	1,156,682
BANCA TRANSILVANIA SIBIU	VAT credit	0	1,481,065
BANCA TRANSILVANIA SIBIU	Current activity Credit line	54,168	
IMPULS-Leasing Romania I.F.N. SA	Financial leasing contracts	894,295	965,754
<b>Total</b>		<b>106,071,193</b>	<b>105,682,376</b>



### 13. COMMERCIAL AND OTHER DEBTS

The statement of trade payables and other payables is as follows:

Explanations	31/03/2024	01/01/2024
Suppliers	74,816,425	90,985,267
Advances received from customers	577,619	573,738
Debts from contracts with customers	0	3,505,877
Liabilities related to personnel	8,872,557	6,839,020
Debts to the general consolidated state and local budget	9,616,844	8,588,119
Current income tax liabilities	1,050,285	5,651
Dividends payable	392,348	403,601
Sundry creditors	7,178	16,574
Prepaid income	661,875	737,173
Investment subsidies from AMPOSDRU and AMPOSCEE contracts	35,908,632	36,937,348
Inventory gains on fixed assets	3,884	5,943
<b>Total</b>	<b>131,907,647</b>	<b>148,598,311</b>

Debts in foreign currency are valued in lei at the official exchange rate of the NBR on 31.03.2024.

### 14. PROVISIONS

Explanations	Provisions for guarantees to customers	Provisions for employee benefits	Other provisions for risks and charges	Total provisions
<b>01/01/2024</b>	<b>26,945</b>	<b>4,166,771</b>	<b>2,115,014</b>	<b>6,308,730</b>
Prvisions accrued 3 months 2024	0	43811	1,396,198	<b>1,440,009</b>
Prvisions reversed 3 months 2024	0	0	-643,630	<b>-643,630</b>
<b>31/03/2024</b>	<b>26,945</b>	<b>4,210,582</b>	<b>2,867,582</b>	<b>7,105,109</b>

### 15. INCOME AND ACTIVITY SEGMENTS

Group revenues structure is as follows:

Explanations	31/03/2024	31/03/2023
<b>Total turnover, of which:</b>	<b>183,657,505</b>	<b>203,678,288</b>
Revenue from sales of finished products	<b>174,064,134</b>	<b>198,553,648</b>
Revenue from services rendered	<b>4,225,374</b>	<b>1,693,792</b>
Revenue from sale of goods	<b>3,770,821</b>	<b>3,100,793</b>



Income from other activities (rents, sales of materials, waste, semi-finished goods, packaging)	1,597,176	216,289
Income from subsidies related to turnover (projects and partnership contracts AMPOSDRU projects)	0	113,765
<b>Other operating income</b>	<b>2,769,899</b>	<b>3,138,472</b>
<b>Total operating income</b>	<b>186,427,404</b>	<b>206,816,760</b>

Other operating income consists of:

Explanations	31/03/2024	31/03/2023
Income from the production of fixed assets	1,600,824	2,047,604
Income from investment grants (AMPOSDRU and AMPOSCEE projects and partnership contracts)	919,990	923,160
Other operating income	249,085	167,708
<b>Total Other operating income</b>	<b>2,769,899</b>	<b>3,138,472</b>

### Segments of activity

The Group's management regularly evaluates its activity in order to identify the activity segments for which information must be reported separately.

The group operates in Romania. The income of the Group presented above is entirely attributed to the country of residence.

Fixed assets, other than financial instruments, deferred tax receivables, post-employment benefits receivables and rights resulting from insurance contracts are located in Romania in their entirety. The Group does not have such fixed assets located in other countries.

### 16. EXPENDITURE ACCORDING TO DESTINATION

The operating expenses depending on their destination, made in the first 9 months of 2022 and 2021 are presented in the table below:

Explanations	31/03/2024	31/03/2023
Stock differences	8,441,192	7,463,302
Material expenses	94,557,197	114,401,053
Energy and water costs	10,370,322	12,855,995
Employee benefits expenses	44,383,425	43,627,227
Value adjustments on fixed assets	12,940,186	11,996,372
Value adjustments on current assets	48,084	-78,033
Expenditure on services provided by third parties	8,218,643	7,933,473
Expenses on other taxes, duties and similar charges	1,375,787	1,554,045
Other operating expenses	3,083,132	2,188,155
<b>Total operating expenses</b>	<b>183,417,968</b>	<b>201,941,588</b>



**17. EXPENSES WITH EMPLOYEE BENEFITS**

Employee benefit expenses include salaries, allowances and social security contributions. Short-term benefits are recognized as an expense as the services are provided.

Explanations	31/03/2024	31/03/2023
Salaries and allowances	43,485,211	42,854,891
Insurance and social protection expenditure	898,214	772,336
<b>Total</b>	<b>44,383,425</b>	<b>43,627,227</b>

**18. LOSS (GAIN)**

The structure of financial losses (gains) is presented below:

Explanations	31/03/2024	31/03/2023
Foreign exchange gains related to monetary items denominated in foreign currency	-85,371	16,389
Interest losses	-1,039,330	-1,046,637
Other financial gains	-70,712	-90,738
<b>Total losses/gains</b>	<b>-1,195,413</b>	<b>-1,120,986</b>

**19. EARNINGS PER SHARE (EPS)**

The calculation of earnings per share for 3 months 2023 and 3 months 2022 can be summarized as follows.

Explanations	31/03/2024	31/03/2023
Number of shares at the beginning of the year	218,821,038	218,821,038
Number of shares at end of reporting period	218,821,038	218,821,038
<b>Net profit</b>	<b>-61,950</b>	<b>2,971,783</b>
<b>Basic/diluted earnings per share (RON/share)</b>	<b>-0.0003</b>	<b>0.0136</b>

In 2022, following the redemption of own shares and the free distribution to employees of a number of 6,060,000 shares, a total of 444,153 shares remained undistributed.

These shares do not have voting rights and dividend rights. Also, a number of 649,100 shares, with a nominal value of 64,910 lei, are owned by the affiliated company Recaserv SRL, as a result, these shares do not have voting rights or the right to dividends.

The calculation of the earnings per share with voting and dividend rights is as follows:

Explanations	31/03/2024	31/03/2023
Total number of shares	218,821,038	218,821,038
Shares without voting rights and dividend	-1,093,253	-7,153,253
Number of shares with voting and dividend rights end at end of reporting period	217,727,785	211,667,785
Net profit	-61,950	2,971,783
Basic / diluted earnings per voting and dividend share (in RON per share):	-0.0003	0.0140



**20. AFFILIATED PARTIES**

The affiliated entities of COMPA SA are the following:

Company in which the securities are held	Headquarters	% in share capital	Value of securities	Main object of activity
COMPA IT SRL	Str.Henri Coanda, nr.8, Sibiu, jud.Sibiu	100.00	200,000	Custom software development activities
TRANS CAS SRL	Str.Henri Coanda, nr.12, Sibiu, jud.Sibiu	99.00	742,500	Road haulage
RECASERV SRL	Str.Henri Coanda, nr.51, Sibiu, jud.Sibiu	70.00	70,000	Catering activities for events
ARINI HOSPITALITY SRL	Str.Henri Coanda, nr.8, Sibiu, jud.Sibiu	100.00	23,203,000	Hotels and similar accommodation facilities
<b>TOTAL</b>			<b>24,215,500</b>	

On 09.01.2023 AGEA approved the increase of the share capital of the affiliated company ARINI HOSPITALITY SRL with the amount of 3,500,000 lei, through a cash contribution. In March 2023, the share capital was paid, increasing from 19,703,000 lei to 23,203,000 lei.

The transactions carried out with the companies in which COMPA holds participations were the following (the amounts include VAT):

Explanations	31/03/2024			31/03/2023		
	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.	0	2,309,816	125,663	0	3,924,969	188,843
COMPA IT S.R.L.	0	856,324	40,846	0	859,513	32,394
RECASERV S.R.L.	0	585,529	12,982	0	468,952	12,982
ARINI HOSPITALITY S.R.L.	4,988,122	4,197	217,298	3,743,057	0	167,816

The mutual debts and receivables registered on 31.03.2024 and 31.03.2023 are the following:

Receivables due to Compa SA from:

Explanations	31/03/2024	31/03/2023
TRANSCAS S.R.L.	125,663	188,031
COMPA IT S.R.L.	14,197	37,442
RECASERV S.R.L.	9,293	16,671
ARINI HOSPITALITY S.R.L.	5,317,718	3,745,692

Debts payable by COMPA SA to:

Explanations	31/03/2024	31/03/2023
TRANSCAS S.R.L.	2,146,609	2,819,174
COMPA IT S.R.L.	517,888	663,163
RECASERV S.R.L.	565,078	445,272





On behalf of the Board of Directors,

President of the Board/General Manager,  
Ioan DEAC

Vice President of the Board/Economic Director,  
Mihaela Dumitrescu