



Report for first Quarter 2022 – Aquila Part Prod Com SA

Content of the report:

A) Financial Indicators

B) Condensed Interim Consolidated Financial Statements as at and for the three months period ended 31 March 2022

A) Financial Indicators:

		Mar-22
	Total current assets	651,270,739
	Total current liabilities	312,352,072
1. Liquidity Indicator	Total assets / Total current liabilities	2.09
	Total non-current liabilities	31,885,971
	Total equity	495,247,907
2. Gearing Ratio	Total non-current liabilities / Total equity x 100	6%
2. Gearing Ratio	Total non-current liabilities / Capital employed x 100	6%
	Trade receivables	237,469,959
	Revenues	469,298,857
3. Receivables days	Trade receivables / Revenues x days in the period (270)	46
	Total non-current assets	188,215,211
	Revenues	469,298,857
4. Asset Turnover	Revenues / Total non-current assets	2.49



B) Condensed Interim Consolidated Financial Statements as at and for the three months period ended 31 March 2022:

AQUILA GROUP

Condensed Interim Consolidated Financial Statements

As at and for the three months period ended 31 March 2022

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AQUILA GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

	Note	31-Mar-22 (Unaudited)	31-Dec-21 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	13	112,573,550	116,817,944
Investment property		13,719,809	13,855,243
Intangible assets		1,463,872	1,559,329
Goodwill		5,011,706	5,011,706
Loans to related parties	14	50,386,378	52,124,075
Deferred tax assets		4,753,176	4,507,312
Other non-current assets		306,720	316,990
Total non-current assets		188,215,211	194,192,599
Current assets			
Inventories	10	171,921,485	133,654,414
Trade receivables	11	237,469,959	220,942,310
Short term portion of loans to related parties	14	6,801,575	6,672,011
Other receivables		20,793,721	30,014,026
Prepayments		10,591,948	7,420,986
Short term deposits		190,000,000	195,000,000
Cash and cash equivalents	12	13,692,051	43,333,121
Total current assets		651,270,739	637,036,868
Total assets		839,485,950	831,229,467
EQUITY AND LIABILITIES			
Equity			
Share capital	15 (a)	180,590,088	30,589,788
Share premium		195,699,121	345,699,421
Own shares		(991,972)	(991,972)
Legal reserves		4,752,335	4,752,335
Translation reserve		123,845	240,012
Retained earnings		114,654,993	102,678,414
Total equity attributable to the owners of the Companies		494,828,410	482,967,998
Non-controlling interests		419,497	420,820
Total equity		495,247,907	483,388,818

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*The accompanying notes are an integral part of these condensed interim consolidated financial statements.
This is a free translation from the original Romanian binding version.*

AQUILA GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2022

(All amounts are in RON, if not otherwise stated)

	Note	31-Mar-22	31-Dec-21
		(Unaudited)	(Audited)
LIABILITIES			
Non-current liabilities			
Long-term bank borrowings	19	1,435,412	2,051,211
Lease liabilities	20	26,288,065	32,830,611
Trade payables	16	1,688,836	1,688,836
Contract liability		134,368	121,680
Deferred tax liabilities		2,339,290	2,339,290
		31,885,971	39,031,628
Total non-current liabilities			
Current liabilities			
Current portion of long-term bank borrowings	19	2,594,976	2,461,455
Lease liabilities	20	36,338,777	37,097,013
Trade payables	17	226,536,027	219,230,427
Employee benefits		24,756,077	24,275,624
Current tax liabilities		5,115,220	1,777,221
Contract liabilities	18	167,243	281,847
Provisions		208,646	98,660
Other payables	17	16,635,106	23,586,774
		312,352,072	308,809,021
Total current liabilities			
Total liabilities			
		344,238,043	347,840,649
Total equity and liabilities			
		839,485,950	831,229,467

**Chief Executive
Officer**
Vasile Constantin Catalin

**Chief Financial
Officer**
Bascau Sorin

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

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AQUILA GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

	Note	Three month period ended	
		31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Revenues	6	469,298,857	417,581,922
Other income		1,656,351	1,683,877
Cost of goods sold		(344,529,028)	(313,690,654)
Cost of fuel and transport services		(16,633,453)	(12,680,694)
Salaries and other employee benefits		(51,776,081)	(44,241,106)
Repairs, maintenance and materials cost		(4,763,399)	(4,902,139)
Depreciation and amortization		(12,583,189)	(11,563,664)
Impairment gains/(losses)	11	(2,304,455)	(1,971,026)
Change in provisions, net		(115,676)	(151,641)
Other operating expenses		(23,542,146)	(19,248,479)
Operating profit		14,707,781	10,816,396
Finance income – interest income	7	484,884	320,601
Finance costs	7	(122,786)	(4,196,133)
Net finance (cost)		362,098	(3,875,532)
Profit before tax		15,069,879	6,940,864
Income tax expense	9	(3,094,624)	(1,211,790)
Profit for the year		11,975,255	5,729,074
Profit for the year attributable to:			
- owners of the Companies		11,976,579	5,725,881
- non-controlling interests		(1,324)	3,193
Profit for the year		11,975,255	5,729,074
Earnings per share			
Basic and diluted earnings per share	8	0.010	0.006

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AQUILA GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

	Note	Three month period ended	
		31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Other comprehensive income			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Foreign operations - foreign currency translation difference		(116,167)	-
Other comprehensive income, net of tax		(116,167)	-
Total comprehensive income		11,859,088	5,729,074
Total comprehensive income attributable to:			
- owners of the Companies		11,860,412	5,725,881
- non-controlling interests		(1,324)	3,193
Total comprehensive income		11,859,088	5,729,074

**Chief Executive
Officer**
Vasile Constantin Catalin

**Chief Financial
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Bascau Sorin

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AQUILA GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

	Note	Attributable to the owners of the Company					Retained earnings	Total	Non-controlling interests	Total equity
		Share capital	Share premium	Own shares	Legal reserves	Translation reserves				
Balance at 1 January 2021 (audited)		3,614,728	-	-	1,080,139	-	93,730,027	98,424,894	397,053	98,821,947
Comprehensive income										
Profit for the year						5,725,881	5,725,881	3,193		5,729,074
Total comprehensive income						5,725,881	5,725,881	3,193		5,729,074
Transactions with owners of the Companies										
Contributions and distributions										
Dividends to the owners of the Companies	15 (b)					(6,329,370)	(6,329,370)			(6,329,370)
Total contributions and distributions						(6,329,370)	(6,329,370)	-		(6,329,370)
Total transactions with owners of the Companies						(6,329,370)	(6,329,370)	-		(6,329,370)
Other changes in equity										
Impact of merger of entities under common control								-		-
Balance at 31 March 2021 (unaudited)		3,614,728	-	-	1,080,139	-	93,126,538	97,821,405	400,246	98,221,651

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AQUILA GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

	Note	Attributable to the owners of the Company					Retained earnings	Total	Non-controlling interests	Total equity
		Share capital	Share premium	Own shares	Legal reserves	Translation reserves				
Balance at 1 January 2022 (audited)		30,589,788	345,699,421	(991,972)	4,752,335	240,012	102,678,414	482,967,998	420,820	483,388,818
Comprehensive income										
Profit for the year							11,976,579	11,976,579	(1,324)	11,975,255
Other comprehensive income										
Foreign operations - foreign currency translation difference		-				(116,167)		(116,167)		(116,167)
Total other comprehensive income		-				(116,167)	-	(116,167)	-	(116,167)
Total comprehensive income		-				(116,167)	11,976,579	11,860,412	(1,324)	11,859,088
Transactions with owners of the Companies										
Contributions and distributions										
Issue of shares		150,000,300	(150,000,300)					-	-	-
Dividends to the owners of the Companies								-	-	-
Total contributions and distributions		150,000,300	(150,000,300)	-	-	-	-	(0)	-	(0)
Total transactions with owners of the Companies		150,000,300	(150,000,300)	-	-	-	-	(0)	-	(0)
Other changes in equity										
Balance at 31 March 2022 (unaudited)		180,590,088	195,699,121	(991,972)	4,752,335	123,845	114,654,993	494,828,410	419,497	495,247,906

Chief Executive Officer
Vasile Constantin Catalin

Chief Financial Officer
Bascau Sorin

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AQUILA GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

	Note	Three month period ended	
		31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Cash flows from operating activities			
Profit for the year		11,975,255	5,729,074
Adjustments for:			
Depreciation	13,20	12,583,189	11,563,664
Loss/(Gain) on disposal of property, plant and equipment		(348,707)	(518,615)
Impairment charge/ (reversal)	11	2,304,455	1,971,026
Changes in provisions, net		115,676	151,641
Net finance cost	7	(362,098)	3,875,532
Income tax expense	9	3,094,624	1,211,790
Changes in:			
Decrease/(increase) in inventories		(38,267,071)	(11,246,701)
Decrease/(increase) in trade receivables		(18,832,104)	11,768,512
Decrease/(increase) in other receivables		8,754,519	(8,887,123)
Decrease/(increase) in prepayments		(3,170,962)	(3,127,399)
Increase/(decrease) in trade payables		7,305,600	(16,670,361)
Increase/(decrease) in other payables		(6,825,731)	(3,591,097)
Increase/(decrease) in provisions and employee benefits		474,763	(7,679)
Increase/(decrease) in contract liabilities		(101,916)	28,412
Cash generated from operating activities		(21,300,508)	(7,749,324)
Interest paid		(527,279)	(1,543,511)
Income tax paid		-	(2,483,047)
Net cash from operating activities		(21,827,787)	(11,775,883)

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AQUILA GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

	Note	Three month period ended	
		31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Cash flows from investing activities			
Payments for purchase of property, plant and equipment		(4,888,261)	(2,112,320)
Proceeds from sale of property, plant and equipment		358,912	676,532
Proceeds from loans granted to related parties	14	1,608,133	1,244,905
Interest received		476,056	311,801
Short term investments		5,772,867	-
Net cash used in investing activities		3,327,707	120,918
Cash flows from financing activities			
Repayment of long-term bank loans		(615,302)	(606,766)
Proceeds from short-term bank loans		-	9,754,686
Repayment of short-term bank loans		-	(3,002,954)
Payment of lease liabilities	20	(10,525,688)	(10,560,390)
Dividends paid	15	-	(4,239,370)
Net cash used in financing activities		(11,140,990)	(8,654,794)
Net increase/(decrease) in cash and cash equivalents		(29,641,070)	(20,309,759)
Cash and cash equivalents at 1 January 2022 (audited)	12	43,333,121	26,514,346
Cash and cash equivalents at 31 March 2022 (unaudited)	12	13,692,051	6,204,587

**Chief Executive
Officer**
Vasile Constantin Catalin

**Chief Financial
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Bascau Sorin

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AQUILA GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

1 REPORTING ENTITIES AND GENERAL INFORMATION

General information about the Group

These financial statements are the consolidated financial statements of the group formed by AQUILA PART PROD COM SA ("the Company" or "Aquila" or "the Parent") and its subsidiaries PRINTEX S.A. and TRIGOR AVD S.R.L. (together "the Aquila Group"). The Group's entities headquarters and activities are the following:

Entity	Headquarters	Registration	Activity
Aquila Part Prod Com SA	105A Malu Rosu Street, Ploiesti, Prahova County, Romania	Trade Register no: J29/2790/1994 Unique registration code: 6484554	Wholesale of consumer goods, Rendering of logistic services, Internal and external transport of goods
Printex SA	5 Poligonului Street, Ploiesti, Prahova County, Romania	Trade Register no: J29/107/1991 Unique registration code: 1348950	Rental and subleases of real estate
Trigor Avd S.R.L.	17 Otovasca Street, Chisinau, Chisinau County, Republica Moldova	Trade Register no: 1002600041675	Wholesale of consumer goods

Aquila's subsidiaries are the following:

Entity	% shareholding as at 31 Mar 2022 (unaudited)	% shareholding as at 31 Dec 2021 (audited)
PRINTEX S.A.	95.75%	95.75%
TRIGOR AVD SRL	100%	100%

Based on Extraordinary General Shareholders Resolution of Aquila Part Prod Com S.A. of 23 February 2022, the share capital increase is carried out to support the current activity of the Company; the share capital will be increased by an amount of 150,000,300 RON, representing issuance premiums; the number of shares issued in the share capital increase is 1,000,002,000 new shares; each shareholder of the Company registered in the shareholders' registry on the record date will receive free of consideration a number of 5 newly issued shares for each share held on the record date.

As at 31 March 2022, the shareholders of the Company, are Mr. Vasile Constantin Catalin and Mr. Dociu Alin Adrian, each holding 33.3% in each company and a series of other shareholders which hold a combined stake of 33.4%.

Shareholder	Number of shares	Par value (RON)	Statutory Share capital (RON)
Mr. Vasile Constantin Catalin	400,000,800	0.15	60,000,120
Mr. Dociu Alin Adrian	400,000,800	0.15	60,000,120
Other shareholders	400,000,800	0.15	60,000,120
Total	1,200,002,400		180,000,360

AQUILA GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

1 REPORTING ENTITIES AND GENERAL INFORMATION (continued)

As at 31 December 2021, the shareholders of the Company, are Mr. Vasile Constantin Catalin and Mr. Dociu Alin Adrian, each holding 33.3% in each company and a series of other shareholders which hold a combined stake of 33.4%.

Shareholder	Number of shares	Par value (RON)	Statutory Share capital (RON)
Mr. Vasile Constantin Catalin	66,666,800	0.15	10,000,020
Mr. Dociu Alin Adrian	66,666,800	0.15	10,000,020
Other shareholders	66,666,800	0.15	10,000,020
Total	200,000,400		30,000,060

2 BASIS OF ACCOUNTING

The condensed consolidated financial statements are prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2021 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

2 BASIS OF ACCOUNTING (continued)

Going concern basis of accounting

The condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to continue its operations in the foreseeable future.

As at 31 March 2022 the Group's financial position shows net current assets of RON 339 million, mainly as a result of short term deposits of RON 190 million related to IPO, the Group not having any short-term borrowings at this date. The Group continues to trade profitably and generate positive cash flows and management has assessed that the Group is able to meet its obligations as they fall due.

Based on the facts described above, management has assessed that the going concern assumption adopted in the preparation of the consolidated financial statements to be appropriate.

3 USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Assumptions and estimation uncertainties

- The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

AQUILA GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

4 CHANGE IN ACCOUNTING POLICY

The accounting policies applied in these condensed interim consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for year ended 31 December 2021.

5 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The following standards, changes in standards and interpretations have been issued, but are not yet effective for the annual period beginning on 1 January 2022. The Group does not intend to adopt these standards before they become effective.

The Group expects that the adoption of the financial reporting standards below in the future periods will not have a material impact on the Group's financial statements.

(i) Standards and interpretations that have not yet been endorsed by the EU

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023);
- Amendments to different standards due to "Annual Improvements to IFRS Standards 2018–2020"; and
- IFRS 14 "Regulatory Deferral Accounts" (applicable for annual periods beginning on or after 1 January 2016). The European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard.

6 REVENUE

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Revenue	468,235,529	416,795,267
Rental income	1,063,328	1,063,328
Total revenue	469,298,857	417,858,595

Revenues in the first three months period this year are higher than those in the comparable period from prior year due to impact of Trigor business acquisition (May 2021) but also from increased level of sales.

Disaggregation of revenue from contracts with customers

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Distribution of goods	434,491,745	384,978,571
Logistics services	18,366,356	17,334,128
Transport services	15,377,428	14,482,567
Total	468,235,529	416,795,267

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AQUILA GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

6 REVENUE (continued)

Timing of revenue recognition

	Three month period ended	
	31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Products and services transferred at a point in time	443,924,937	393,550,646
Services transferred over time	24,310,592	23,244,621
Total	468,235,529	416,795,267

7 NET FINANCE COSTS

	Three month period ended	
	31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Interest income	476,056	311,801
Other finance income	8,828	8,800
Total finance income	484,884	320,601
Interest expense	(527,279)	(1,543,511)
Net foreign exchange losses	404,493	(2,652,622)
Total finance costs	(122,786)	(4,196,133)
Net finance costs	362,098	(3,875,532)

8 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding and considering that the increase in number of shares in February 2022 was not cash, but from share premium incorporation it is treated as if it had occurred since the begging of Jan 1, 2021, the earliest period presented.

Profit attributable to ordinary shareholders

	Three month period ended	
	31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Profit attributable to the owners of the Companies	11,976,579	5,725,881
Profit attributable to ordinary shareholders	11,976,579	5,725,881

AQUILA GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022
(All amounts are in RON, if not otherwise stated)

8 EARNINGS PER SHARE (continued)

Weighted-average number of ordinary shares (in number of shares)

	Three month period ended	
	31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Issued ordinary shares at 1 January (Note 15 a)	199,820,400	302,500
Issued ordinary shares at 23 Feb 2022 (Note 15 a)	1,000,002,000	1,000,002,000
Weighted-average number of ordinary shares at 31 March	1,199,822,400	1,000,002,000

	Three month period ended	
	31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Earnings per share		
Basic and diluted earnings per share (RON)	0.010	0.006

9 INCOME TAXES

(i) Amounts recognised in profit or loss

	Three month period ended	
	31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Current tax expense	3,340,488	1,559,428
Deferred tax expense/(income)	(245,864)	(347,638)
Total income tax expense	3,094,624	1,211,790

10 INVENTORIES

	31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Consumables	778,458	582,870
Goods for resale	171,143,027	134,083,197
Total inventories	171,921,485	134,666,067

The increase is in line with cost of sales, to sustain increased level of revenues.

Cost of inventories recognized as an expense in the statement of profit or loss for the three month period ended 31 March 2022 is RON 344,529,028 (three month period ended 31 March 2021: RON 313,690,654).

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11 TRADE RECEIVABLES

	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Trade receivables from third parties, gross	244,178,658	214,475,847
Trade receivables from related parties, gross	7,095,541	4,565,749
Bad debt allowance	(13,804,240)	(12,924,201)
Total trade receivables, net	237,469,959	206,117,395

Short term trade receivables from related parties are presented in Note 22.

The following table details the risk profile of trade receivables based on the Group's provision matrix.

	31 March 2022 (unaudited)			
	Weighted average ECL rate	Gross value	Bad debt allowance	Net trade receivables
Neither past due nor impaired	0.94%	196,702,917	(1,849,064)	194,853,853
Past due 1-30 days	4.86%	36,002,988	(1,750,689)	34,252,299
Past due 31-60 days	27.76%	8,565,826	(2,378,248)	6,187,578
Past due 61-90 days	55.74%	2,295,210	(1,279,320)	1,015,890
Past due more than 90 days	84.94%	7,707,257	(6,546,919)	1,160,337
Total		251,274,199	(13,804,240)	237,469,959

	31 March 2021 (unaudited)			
	Weighted average ECL rate	Gross value	Bad debt allowance	Net trade receivables
Neither past due nor impaired	0.93%	158,734,860	(1,473,951)	157,260,909
Past due 1-30 days	5.41%	28,676,231	(1,550,531)	27,125,700
Past due 31-60 days	24.15%	10,503,126	(2,535,987)	7,967,139
Past due 61-90 days	20.36%	7,887,741	(1,606,049)	6,281,692
Past due more than 90 days	43.49%	13,239,638	(5,757,683)	7,481,955
Total		219,041,596	(12,924,201)	206,117,395

The movement in the loss allowance for trade receivables is as follows:

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Balance as at 1 January	11,017,120	11,603,821
Impairment recognized/(reversed)	2,787,120	1,320,380
Balance as at 31 March	13,804,240	12,924,201

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12 CASH AND CASH EQUIVALENTS

	31-Mar-22 (Unaudited)	31-Mar-21 (Unaudited)
Bank current accounts	12,990,782	5,293,699
Cash in hand	151,576	224,870
Promissory notes and cheques in bank	549,693	686,018
Total cash and cash equivalents	13,692,051	6,204,587

13 PROPERTY, PLANT AND EQUIPMENT

The movements in property, plant and equipment for the 3-months periods ended 31 March 2022 and 31 March 2021 were as follows:

	Land and buildings	Plant and equipment	Fixtures and fittings	Construction in progress	Total
<i>Gross carrying amount</i>					
Balance at 1 January 2021	183,792,508	193,259,140	14,690,176	362,132	392,103,956
Transfer Investment property	6,600,747	-	-	-	6,600,747
Additions	1,878,050	5,443,924	48,629	93,318	7,463,921
Disposals	-	(2,907,351)	(2,605)	-	(2,909,956)
Balance at 31 March 2021	192,271,305	195,795,713	14,736,200	455,450	403,258,668
Balance at 1 January 2022	183,809,485	222,093,110	14,968,716	692,508	421,563,819
Additions	846,288	5,910,001	19,808	610,706	7,386,803
Disposals	-	(2,198,006)	-	-	(2,198,006)
Balance at 31 March 2022	184,655,773	225,805,104	14,988,524	1,303,214	426,752,615
<i>Accumulated depreciation and impairment losses</i>					
Balance at 1 January 2021	89,817,163	149,711,789	8,672,754	-	248,201,706
Depreciation	6,079,939	5,763,192	34,424	-	11,877,555
Accumulated depreciation of disposals	-	(3,254,548)	(1,194)	-	(3,255,742)
Balance at 31 March 2021	95,897,102	152,220,433	8,705,984	-	256,823,519
Balance at 1 January 2022	115,856,118	179,209,398	9,680,359	-	304,745,875
Depreciation	6,105,424	5,227,543	288,025	-	11,620,992
Accumulated depreciation of disposals	-	(2,187,801)	-	-	(2,187,801)
Balance at 31 March 2022	121,961,542	182,249,139	9,968,384	-	314,179,066
<i>Net carrying amounts</i>					
At 31 March 2021	96,374,203	43,575,280	6,030,216	455,450	146,435,149
At 1 January 2022	67,953,366	42,883,712	5,288,357	692,508	116,817,944
At 31 March 2022	62,694,231	43,555,965	5,020,140	1,303,214	112,573,550

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12 PROPERTY, PLANT AND EQUIPMENT (continued)

Property, plant and equipment includes right-of-use assets with a net carrying value of RON 33,787,692 as at 31 March 2022 (31 December 2021: RON 33,968,731) related to leased equipment and of RON 37,837,275 as at 31 March 2022 (31 December 2021: RON 42,776,905) related to leased properties that do not meet the definition of investment property.

14 LOANS TO RELATED PARTIES AND LONG TERM RECEIVABLES FROM RELATED PARTIES

The Group has loans to related parties and long term receivables from receivables which are considered purchased or originated credit-impairment financial assets ("POCI").

(a) Loans to related parties

	31-Mar-22	31-Dec-21
	(Unaudited)	(Audited)
Novadex	14,503,037	15,121,550
Aquila Agricola	7,033,548	7,157,250
Aquila Construct	-	-
Best Coffee Solutions	3,379,480	3,503,183
Nordexim	32,032,406	32,774,621
Aquila Trade Solutions	239,481	239,481
Total	57,187,953	58,796,085
Short-term portion	6,801,575	6,672,011
Long-term portion	50,386,378	52,124,074

15 CAPITAL AND RESERVES

(a) Share capital

As at 31 March 2022 the share capital of RON 180,590,088 (31 December 2021 RON 30,589,788) includes the effect of restatement required by the application of IAS 29 Financial Reporting in Hyperinflationary Economies until 31 December 2003. The reconciliation of share capital is as follows:

31 March 2022

Share capital (nominal value)	180,000,360
Restatement adjustment in accordance with IAS 29	589,728
Restated share capital balance	180,590,088

31 December 2021

Share capital (nominal value)	30,000,060
Restatement adjustment in accordance with IAS 29	589,728
Restated share capital balance	30,589,788

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15 CAPITAL AND RESERVES (continued)

The number of shares of the Group was as follows:

<i>Number of shares</i>	Ordinary shares	
	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
In issue at 1 January	200,000,400	302,500
In issue at 31 March – fully paid	1,200,002,400	302,500

At 31 March 2022, the par value of the shares of Aquila Part Prod Com SA is RON 0.15.

Based on Extraordinary General Shareholders Resolution of Aquila Part Prod Com S.A. of 23 February 2022, the share capital increase is carried out to support the current activity of the Company; the share capital will be increased by an amount of 150,000,300 RON, representing issuance premiums; the number of shares issued in the share capital increase is 1,000,002,000 new shares; each shareholder of the Company registered in the shareholders' registry on the record date will receive free of consideration a number of 5 newly issued shares for each share held on the record date. All ordinary shares rank equally with regard to the Parent's residual assets.

Holders of ordinary shares are entitled to dividends as declared from time to time, distributed from the statutory profits and are entitled to one vote per share at general meetings of the above companies.

The Parent recognizes changes in share capital only after their approval in the General Shareholders Meeting and their registration by the Trade Register.

(b) Dividends

The Group companies may distribute dividends from statutory earnings only, as per separate financial statements prepared in accordance with statutory accounting regulations.

The dividends declared by the Companies were as follows:

	Distribution of dividends	
	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
To the owners of the Parent	-	6,329,370
Total	-	6,329,370
Weighted-average number of ordinary shares at 31 March (Note 8)	1,199,822,400	1,000,002,000
Dividend per share	-	0.01

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15 CAPITAL AND RESERVES (continued)

(c) Capital management

The Group manages its capital such as to make sure that the Group entities will be able to continue as a going concern and to maximize the profits for the shareholders, by optimization of the balances of liabilities and equity.

The structure of the Group's capital comprises liabilities, which include borrowings, cash and cash equivalents, and equity attributable to the owners of the Group. Equity comprises share capital, reserves and retained earnings.

The Group's capital risk management includes a regular review of the equity structure. As part of this review, management considers the cost of equity and the risk associated to each class of equity. The Group balances its general structure of capital by the payment of dividends, by issuance of new shares, as well as by contracting new liabilities or extinguishing the existent ones.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity attributable to the owners of the Group. Net debt is calculated as total borrowings less cash and cash equivalents.

<i>In RON</i>	31-Mar-22	31-Dec-21
	(Unaudited)	(Audited)
Borrowings and lease liabilities	66,657,230	74,440,290
Less: Cash and bank balances	(13,692,051)	(43,333,121)
Net debt	52,965,179	31,107,169
Total equity attributable to the owners of the Group	495,247,907	483,388,818
Gearing ratio	0.11	0.06

16 TRADE PAYABLES

	31-Mar-22	31-Dec-21
	(Unaudited)	(Audited)
Trade payables to third parties	207,589,812	197,332,315
Trade payables to related parties	325,673	390,493
Refund liabilities	20,309,378	23,196,454
Total	228,224,863	220,919,262
Current	226,536,027	219,230,426
Non-current	1,688,836	1,688,836

Trade payables to related parties are presented in Note 22.

Refund liabilities are recognised for volume discounts accrued as at period end to be granted to customers. Such volume discounts are invoiced to customer within less than one year.

Non-current trade payables as at 31 December 2020 represent payables to Felix Development for the acquisition by Aquila Part Prod Com SA of warehouse localised in Ploiesti. The contract was concluded in 27 March 2017, transaction price being EUR 3 million and is payable in equal monthly instalments until April 2023.

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17 OTHER PAYABLES

	31-Mar-22	31-Dec-21
	(Unaudited)	(Audited)
VAT payable	2,499,974	6,183,204
Dividends payable	10,885,706	12,854,434
Sundry creditors	1,317,631	1,495,293
Other payables	1,931,795	3,053,843
Total	16,635,106	23,586,774

18 CONTRACT LIABILITY

The contract liabilities as at March 31, 2022 primarily relate to the advance consideration received from customers for a small new line of consumer goods which require such advances, durable goods, for which revenue is recognized at a point in time. This will be recognized as revenue when the goods will be delivered to the customers which is expected to occur in the current year.

19 LOANS AND BORROWINGS

(a) Long-term bank borrowings

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Balance at 1 January	4,512,666	6,863,198
Reimbursements	(481,034)	(606,766)
Foreign exchange impact	(1,244)	72,769
Balance at 31 March	4,030,388	6,329,201
Current portion	2,594,976	2,450,014
Long term portion	1,435,412	3,879,187

(b) Short-term bank borrowings

As of at 31 March 2022 and 31 December 2021, the Company has short-term credit facilities but the balance is null.

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20 LEASES

(i) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

Three month period ended 31 March 2022	Land and buildings	Equipment (Transport vehicles)	Total
Balance at 1 January	42,776,905	33,968,731	76,745,636
Depreciation charge for the year	(5,790,851)	(3,233,580)	(9,024,431)
Additions to right-of-use assets	851,221	1,938,877	2,790,098
Disposals	-	(1,749,655)	(1,749,655)
Balance at 31 March	37,837,275	30,924,373	68,761,648

Three month period ended 31 March 2021	Land and buildings	Equipment (Transport vehicles)	Total
Balance at 1 January	66,190,600	40,820,403	107,011,003
Addition as merger			-
Depreciation charge for the year	(5,729,209)	(3,011,699)	(8,740,908)
Additions to right-of-use assets	1,877,559	2,455,087	4,332,646
Disposals	-	(2,276,501)	(2,276,501)
Balance at 31 March	62,338,949	37,987,290	100,326,240

(ii) Amounts recognised in profit or loss

	Three month period ended	
	31-Mar-22	31-Mar-21
Interest on lease liabilities	487,051	619,643
Expenses related to short term lease and low value lease	956,621	1,311,778

(iii) Amounts recognised in statement of cash flows

	Three month period ended	
	31-Mar-22	31-Mar-21
Total cash outflows for leases	(10,525,688)	(10,560,390)

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21 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

(a) Accounting classifications and fair values

For the purchased or originated credit-impaired financial assets, loans to related parties and long term trade receivables from related parties, the net carrying amount of the financial assets represents an approximation of fair value. For the bank borrowings, the incremental costs are not material, interest is based on variable interest rates and carrying amount approximates fair value.

(b) Financial risk management

(i) Credit risk

The tables below detail the credit quality of Group's financial assets, as well as the Group's maximum exposure to credit risk:

31-Mar-22 (Unaudited)	Note	12-month or lifetime ECL?	Gross carrying amount	Loss allowance	Net carrying amount
Loans to related parties	18	Lifetime ECL (credit impaired)	57,187,953	-	57,187,953
Trade receivables	15	Lifetime ECL (simplified model)	251,274,199	(13,804,240)	237,469,959
			308,462,152	(13,804,240)	294,657,912

31-Dec-21 (Audited)	Note	12-month or lifetime ECL?	Gross carrying amount	Loss allowance	Net carrying amount
Loans to related parties	18	Lifetime ECL (credit impaired)	58,796,085	-	58,796,085
Trade receivables	15	Lifetime ECL (simplified model)	231,959,430	(11,017,120)	220,942,310
			290,755,515	(11,017,120)	279,738,395

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22 RELATED PARTIES

(a) Main shareholders

As at 31 December 2021 and 31 December 2020 the shareholders of AQUILA PART PROD SA are Mr. Vasile Constantin Catalin and Mr. Dociu Alin Adrian with 33.3% each.

The balances with shareholders are related to dividends payable, as follows:

	31-Mar-22	31-Dec-21
	(Unaudited)	(Audited)
Mr. Vasile Constantin Catalin	-	-
Mr. Dociu Alin Adrian	-	-
Minority shareholders	8,042	8,042
Total	8,042	8,042

The transactions with shareholders are dividend payments, as follows:

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Mr. Vasile Constantin Catalin	-	2,119,685
Mr. Dociu Alin Adrian	-	2,119,685
Total	-	4,239,370

(b) Balances with related parties

The table below presents the -nature of the related parties relationship and transactions:

Related Party	Relationship	Nature of transactions
Aquila Construct	Entity under common control	Loan granting, Receipt of loan
Best Coffee Solutions	Entity under common control	Loan granting, sale of merchandise
Aquila Agricola	Entity under common control	Loan granting, sale of merchandise
Novadex	Entity under common control	Loan granting, sale of merchandise
Nordexim	Entity under common control	Sale of merchandise
Aquila Asig	Entity under common control	Insurance broker agent
Best Distribution Moldova	Entity under common control	Sale of merchandise, Acquisition of services

For loans granted to related parties and long term receivables please refer to Note 14.

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22 RELATED PARTIES (continued)

Balances: trade payables	31-Mar-22	31-Dec-21
	(Unaudited)	(Audited)
Aquila Construct	-	-
Best Coffee	15,261	-
Aquila Asig	-	127,757
Nordexim	-	-
Novadex	310,413	262,736
Total	325,673	390,493

Balances: trade receivables	31-Mar-22	31-Dec-21
	(Unaudited)	(Audited)
Aquila Construct	249,644	884,970
Best Coffee	441,500	338,404
Aquila Agricola	34,202	23,326
Aquila Asig	-	1,255
Novadex	-	3,306
Nordexim	6,370,195	4,590,869
Best Distribution Moldova	-	-
Total	7,095,541	5,842,129

(d) Transactions with related parties

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Purchases (without VAT)		
Aquila Construct	-	-
Best Coffee	13,000	507,978
Nordexim	420,274	92,366
Novadex	43,640	121,235
Total	476,914	721,579

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Sales (without VAT)		
Aquila Construct	350,652	253,151
Best Coffee	86,644	72,438
Aquila Agricola	9,139	5,064
Aquila Asig	993	2,569
Nordexim	3,090,645	3,216,396
Novadex	-	2,778
Total	3,538,073	3,552,397

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23 CONTINGENCIES

There were no significant changes in contingent liabilities in the current interim period compared with December 31, 2021.

24 SEGMENT REPORTING

The Group has analysed the segments of operations such as distribution of goods, transportation and logistics services and determined the segments based on management organization by types of revenues obtained. The Group has determined as reportable segments distribution of goods, logistic services and external transport services considering the nature of similarities of the activities. Distribution of goods refers to distribution of consumer goods products.

Goods and services revenues are mostly related to internal market sales in Romania as presented in Note 6.

Revenue per segments:

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Distribution of goods	435,555,073	386,041,899
Logistics services	18,366,356	17,334,128
External transport services	15,377,428	14,482,567
Total	469,298,857	417,858,595

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25 SEGMENT REPORTING (continued)

Profit per segments

	Three month period ended	
	31-Mar-22	31-Mar-21
	(Unaudited)	(Unaudited)
Distribution of goods	14,595,502	10,434,394
Logistics services Romania	452,766	671,337
External transport services	(340,487)	(289,334)
Total	14,707,781	10,816,396

The Group does not allocate assets and liabilities per segments.

25 Subsequent events

The Company did not record any subsequent events that could have a material effect on the results of operations or financial position as of March 31, 2022.

**Chief Executive
Officer**
Vasile Constantin Catalin

**Chief Financial
Officer**
Bascau Sorin