

BSE REPORT

3rd Quarter Results 2022



9 Month Performance 2022

- ☑ 83.59 milion lei operational profit (EBITDA)
- ☑ 178.4 milion lei Net Turnover
- ☑ 61.94 milioane lei Profit Net

General Manager Statement

“CEMACON's financial results remain on an upward trend at the end of the 3rd quarter as well, despite pressures on the energy market and regional geopolitical instability. The management strategy that prioritized the energy independence of the company proves its feasibility in this complex context.

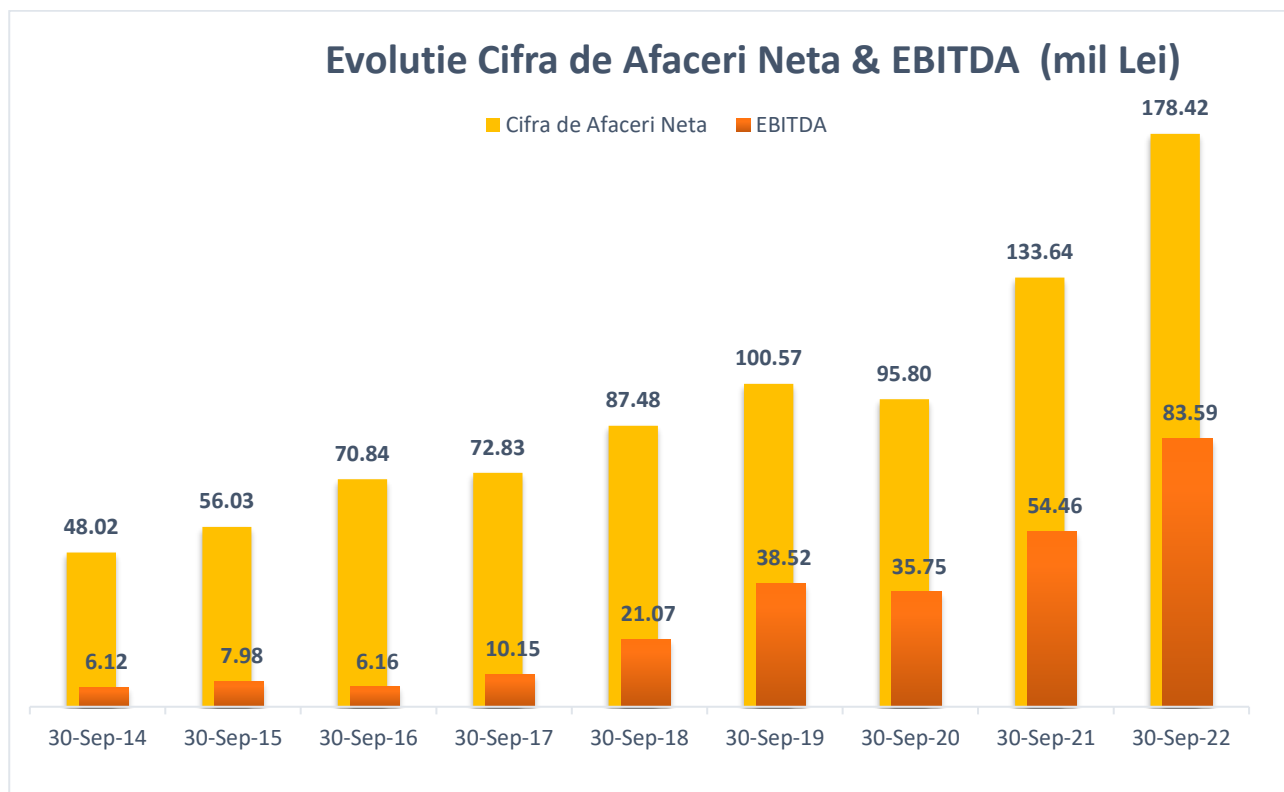
We are still working on accessing renewable energies, being on schedule with the implementation of the "CEMACON Green Energy Farm" project, which provides for the construction of a photovoltaic plant with a power of 1,000 kWp, with the help of which, in correlation with the other investments already completed, it will be fully covered electricity consumption during the day at the Recea factory level, during the periods with appropriate solar energy.

At the level of the construction market, we see a maturing of demand and increasing expectations for comfort and energy efficiency on the part of the beneficiaries. We have been proactive in this regard and can respond to the market with the first integrated masonry solutions to meet nZEB standards. ”

Daniel Șologon

CEO & Chairman of the Board

Profit and loss Account – 9 Month Results 2022



The turnover related to the period January - September 2022 registered an increase of 34% compared to the same period of 2021, thus exceeding the threshold of 178 million lei. The increase is due to a favorable market context felt especially in the first 6 months of the year.

The variation of stocks registers higher values compared to the previous period, as a result of the gap between the quantities produced and those sold.

Under other operating income, the income related to the EUA certificates received in 2022 is highlighted, and the amounts related to other gains and losses highlight the cancellation of the provisions established in the previous year and the establishment of provisions in the period.

Expenditures for raw materials and materials, as well as operational expenses, registered an increase compared to the same period of 2021, from several perspectives; a general increase in purchase prices at market level, which all players felt and which had a direct impact on production costs and an increase in produced quantities compared to the similar period of 2021.

For the period ended September 30, 2022 CEMACON has an operating profit of 83,587,395 lei and a net profit of 61,943,060 lei.

Profit and loss Account – 9 Month Results 2022

	30-Sept-22 LEI	30-Sept-21 LEI	2022 vs 2021 LEI	2022 vs 2021 %
Gross Turnover	194,561,414	143,220,310	51,341,104	36%
Net Turnover	178,423,860	133,642,364	44,781,496	34%
Sales revenues	178,408,332	133,635,466	44,772,866	34%
Other operating revenues	11,251,566	685,140	10,566,426	1542%
Other gain and losses	3,275,962	5,972,207	(2,696,245)	45%
Change in inventories of FG & WIP	6,204,304	(1,937,858)	8,142,162	-420%
Raw materials and consumables	(29,807,305)	(21,028,940)	(8,778,365)	42%
Personnel expenses	(29,991,215)	(23,284,429)	(6,706,786)	29%
Other operating expenses	(55,754,248)	(39,591,606)	(16,162,642)	41%
EBITDA	83,587,395	54,460,528	29,126,867	53%
Depreciation and amortization expenses	(10,628,456)	(9,559,818)	(1,068,638)	11%
EBIT	72,958,939	44,890,161	28,068,778	63%
Financial income	1,991,966	1,226,175	765,791	62%
Financial expenses	(1,160,100)	(980,520)	(179,580)	18%
Financial Result	831,867	245,655	586,212	239%
Profit before tax*	73,790,807	45,135,816	28,654,990	63%
Income tax expenses	(11,847,747)	(2,500,978)	(9,346,769)	374%
Profit after tax	61,943,060	42,634,839	19,308,221	45%

*At the time of presentation of the results for Quarter 3 2021, no other comprehensive income and deferred tax items have been computed.

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

Statement of financial position – Results 30th of September 2022

ASSETES	30-Sept-22	31-Dec-21	2022 vs 2021	2022 vs 2021
	LEI	LEI	LEI	%
NON-CURRENT ASSETS				
Property, plant and equipment	162,521,728	156,211,126	6,310,602	4%
Investment property	8,883,578	8,885,960	(2,382)	0%
Intangible	1,136,482	1,555,775	(419,294)	-27%
Rights of use assets	17,410,625	18,496,866	(1,086,241)	-6%
Investments	1,000	1,000	-	0%
Other non-current assets	448,436	411,127	37,309	9%
NON-CURRENT ASSETS TOTAL	190,401,849	185,561,854	4,839,995	3%
CURRENT ASSETS				
Inventories	19,924,010	13,075,236	6,848,774	52%
Trade and other receivables	63,255,006	17,064,942	46,190,064	271%
Other assets	16,540,261	11,330,612	5,209,649	46%
Cash and cash equivalents	147,579,483	84,223,350	63,356,133	75%
CURRENT ASSETS TOTAL	247,298,761	125,694,140	121,604,621	97%
TOTAL ASSETS	437,700,609	311,255,994	126,444,615	41%
CURRENT LIABILITIES				
Trade and other payables	38,802,914	35,223,687	3,579,227	10%
Loans and borrowings	-	-	-	-
Lease liabilities	681,628	645,008	36,620	6%
Obligations under finance leases	1,818,763	2,088,135	(269,372)	-13%
Grants received	610,842	621,092	(10,250)	-2%
Tax liability	2,776,995	975,690	1,801,305	185%
Provisions	10,270,162	11,096,948	(826,786)	-7%
CURRENT LIABILITIES TOTAL	54,961,303	50,650,560	4,310,743	9%
NON-CURRENT LIABILITIES				
Non-current trade and other liabilities	-	-	-	-
Loans and borrowings	-	-	-	-
Lease liabilities	4,900,308	5,329,619	(429,311)	-8%
Obligations under finance leases	2,986,023	4,259,133	(1,273,110)	-30%
Grants received	6,426,634	6,885,531	(458,897)	-7%
Deferred tax	3,756,048	3,756,047	1	0%
Provisions	684,143	2,780,548	(2,096,405)	-75%
NON-CURRENT LIABILITIES TOTAL	18,753,156	23,010,879	(4,257,723)	-19%
TOTAL LIABILITIES	73,714,458	73,661,439	53,019	0%

ASSETES	30-Sept-22 LEI	31-Dec-21 LEI	2022 vs 2021 LEI	2022 vs 2021 %
NET ASSETS	363,986,149	237,594,555	126,391,594	53%
EQUITY				
Issued capital as per IFRS	102,745,391	59,779,702	42,965,689	72%
TOTAL EQUITY	363,986,149	237,594,556	126,391,593	53%

Fixed assets registered changes as a result of the investments carried out during the period as well as the recorded depreciation.

The changes in stocks and receivables are generated by the production and commercial activity related to the period. Cemacon SA's receivables are insured against the risk of non-collection, through a reputable insurer.

Cash and cash equivalents have remained at high levels, there is a good collection among receivables, additionally the capital increase completed on 27.09.2022 is also reflected.

The share capital registered changes in the period as a result of the capital increase mentioned above, and at the level of the capitals there was an increase in the carried forward result as a result of the operational performances of the period.

At the end of the period ended on September 30, 2022, the company's net assets show a 53% increase compared to the end of 2021, exceeding the amount of 363 million lei, thus CEMACON strengthens its financial position by adding surplus value.

Main Financial Ratios

Relevant Financial Indicators	30-Sept-22
1. Current liquidity indicator	4.50
2. Leverage indicator	0%
3. Turnover speed for client debit items (days)	56
4. Turnover speed for total assets	102%

The report, together with the related documents, can be consulted starting with **15 November 2022 at 18:00** at the company headquarters on Calea Turzii Street, no. 178K, Hexagon Offices, Cluj-Napoca or electronically on the company's website: www.cemacon.ro and on the Bucharest Stock Exchange website: www.bvb.ro

***** The results presented are prepared in accordance with IFRS standards and are preliminary, and will be subject to financial audit according to legal provisions.**

This document was translated from Romanian to English using automated translating software, for information purposes only. Cemacon SA is not responsible for any translation errors or misinterpretation of information contained in this document. Reporting language is Romanian and in case of misinterpretation the Financial Statements issued in Romanian shall apply

Cluj Napoca, 15th of November 2022

**INDIVIDUAL FINANCIAL
STATEMENTS UNAUDITED
FOR THE PERIOD ENDED
30st September 2022**

Prepared according to International Reporting Standards



CEMACON

SC CEMACON SA COD
FISCAL 677858 COD
REGISTRUL COMERTULUI
J12/2466/2012

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CEMACON SA

**Situatia individuală a pozitiei financiare (Standalone Statement of financial position)
pentru perioada incheiata la 30 Septembrie 2022 (for the period ended 30 September 2022)**

(toate sumele sunt exprimate in RON, daca nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

	Notes	30-Sept-22	31-Dec-21
		LEI	LEI
ACTIVE (ASSETS)			
ACTIVE IMOBILIZATE			
NON-CURRENT ASSETS			
Imobilizari corporale <i>Property, plant and equipment</i>		162,521,728	156,211,126
Investitii imobiliare <i>Investment property</i>		8,883,578	8,885,960
Imobilizari necorporale <i>Intangible</i>		1,136,482	1,555,775
Drept de utilizare a activelor in leasing* <i>Right of use assets</i>		17,410,625	18,496,866
Investitii in actiuni <i>Investments</i>		1,000	1,000
Alte active imobilizate <i>Other non-current assets</i>		448,436	411,127
		190,401,849	185,561,854
ACTIVE CIRCULANTE			
CURRENT ASSETS			
Stocuri <i>Inventories</i>	9	19,924,010	13,075,236
Creante comerciale si similare <i>Trade and other receivables</i>	10	63,255,006	17,064,942
Alte active financiare <i>Other financial assets</i>		16,540,261	11,330,612
Numerar si echivalente numerar <i>Cash and cash equivalents</i>	14	147,579,483	84,223,350
		247,298,761	125,694,140
Active clasificate drept detinute în vederea vânzării <i>Assets classified as held for sale</i>		-	-
		437,700,609	311,255,994
DATORII (LIABILITIES)			
DATORII CURENTE			
CURRENT LIABILITIES			
Datorii comerciale si similare <i>Trade and other payables</i>	11	38,802,914	35,223,687
Imprumuturi <i>Loans and borrowings</i>		-	-
Datorii din operatiuni de leasing* <i>Lease liabilities</i>		681,628	645,008
Obligatii din leasing financiar** <i>Obligations under finance leases</i>		1,818,763	2,088,135
Subventii pentru investitii <i>Grants received</i>		610,842	621,092
Datorii privind impozitul pe profit <i>Tax liability</i>		2,776,995	975,690
Provizioane <i>Provisions</i>		10,270,162	11,096,948
		54,961,303	50,650,560

CEMACON SA

**Situatia individuală a pozitiei financiare (Standalone Statement of financial position)
pentru perioada incheiata la 30 Septembrie 2022 (for the period ended 30 September 2022)**

(toate sumele sunt exprimate in RON, daca nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

	Notes	30-Sept-22	31-Dec-21
		LEI	LEI
DATORII PE TERMEN LUNG			
NON-CURRENT LIABILITIES			
Datorii comerciale si similare	11	-	-
<i>Non-current trade and other liabilities</i>			
Imprumuturi		-	-
<i>Loans and borrowings</i>			
Datorii din operatiuni de leasing*		4,900,308	5,329,619
<i>Lease liabilities</i>			
Obligatii din leasing financiar**		2,986,023	4,259,133
<i>Obligations under finance leases</i>			
Subventii pentru investitii		6,426,634	6,885,531
<i>Grants received</i>			
Impozit amanat		3,756,048	3,756,047
<i>Deferred tax</i>			
Provizioane		684,143	2,780,548
<i>Provisions</i>			
		18,753,156	23,010,878
TOTAL DATORII (TOTAL LIABILITIES)		73,714,458	73,661,438
ACTIVE NETE (NET ASSETS)		363,986,149	237,594,555
CAPITAL SI REZERVE (EQUITY)			
Capital social	12	102,745,391	59,779,702
<i>Issued capital</i>			
Beneficii acordate angajatilor in instrumente de capitaluri proprii		-	-
<i>Benefits granted to employees in equity instruments</i>			
Impozit profit amanat		(3,603,372)	(3,603,372)
<i>Deffered Tax</i>			
Actiuni proprii		-	-
<i>Own Shares</i>			
Prime legate de emiterea de actiuni		21,735,848	253,004
<i>Share premium</i>			
Rezerve din reevaluare aferente active destinate vanzarii		-	-
<i>Amounts recognised in other comprehensive income and accumulated in equity relating to non-current assets held for sale</i>			
Rezerve		78,164,963	74,475,423
<i>Reserves</i>			
Rezultat reportat		164,943,319	106,689,799
<i>Retained earnings</i>			
Interesele care nu controleaza		-	-
<i>Non-controlling interest</i>			
TOTAL CAPITALURI (TOTAL EQUITY)		363,986,149	237,594,556

CEMACON SA

**Situatia individuală a rezultatului global (Standalone Statement of comprehensive income)
pentru perioada incheiata la 30 Septembrie 2022 (for the period ended 30 September 2022)**

(toate sumele sunt exprimate in RON, daca nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

	Notes	30-Sept-22 <i>LEI</i>	30-Sept-21 <i>LEI</i>
Venituri din vanzari <i>Sales revenues</i>	4	178,408,332	133,635,466
Alte venituri din exploatare <i>Other operating revenues</i>	5	11,251,566	685,140
Alte castiguri si pierderi <i>Other gains and losses</i>	5	3,275,962	5,972,207
Variatia stocurilor <i>Change in inventories of FG & WiP</i>		6,204,304	(1,937,858)
Materii prime si consumabile <i>Raw material and consumables used</i>	9	(29,807,305)	(21,028,940)
Cheltuieli de personal <i>Personnel Expenses</i>		(29,991,215)	(23,284,429)
Cheltuieli cu amortizarea <i>Depreciation and amortisation expenses</i>		(10,628,456)	(9,559,818)
Alte cheltuieli din exploatare <i>Other operating expenses</i>	6	(55,754,248)	(39,591,606)
Profit / (Pierdere) din exploatare		72,958,939	44,890,161
Profit / (Loss) from operation			
Venituri financiare <i>Financial income</i>	8	1,991,966	1,226,175
Cheltuieli financiare <i>Financial expenses</i>	8	(1,160,100)	(980,520)
Rezultat Financiar <i>Financial Result</i>		831,867	245,655
Profit / (Pierdere) inainte de impozitare <i>Profit before tax</i>		73,790,807	45,135,817
Cheltuieli cu impozite		(11,847,747)	(2,500,978)
Profit <i>Profit after tax</i>		61,943,060	42,634,839

CEMACON SA

Situatia individuală a fluxului de numerar (Standalone Statement of cash flow)

pentru perioada incheiata la 30 Septembrie 2022 (for the period ended 30 September 2022)

(toate sumele sunt exprimate in RON, daca nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

	30-Sept-22	30-Sept-21
	<i>LEI</i>	<i>LEI</i>
Fluxuri din activitati de exploatare		
Cash flow from operating activities		
Incasari de la clienti	201,644,078	153,860,814
<i>Customer encashments</i>		
Plati catre furnizori	(92,135,399)	(59,431,743)
<i>Supplier payments</i>		
Plati catre angajati	(21,369,732)	(16,722,866)
<i>Payments to employees</i>		
Plati impozite si taxe	(25,696,988)	(19,390,956)
<i>Tax Payments</i>		
Impozit pe profit platit	(10,046,468)	(2,147,357)
<i>Income Tax Paid</i>		
Incasari din asigurari	8,048	27,727
<i>Insurance encashments</i>		
Plati de asigurari	(579,166)	(526,694)
<i>Insurance payments</i>		
Dobanzi platite	-	(303,940)
<i>Interest Paid</i>		
Alte incasari	-	102,278
<i>Other Encashments</i>		
Alte plati	-	-
<i>Other Payments</i>		
Plati ctr leasing pe termen scurt si active de val. mica	-	-
<i>Payments for short term leasing contracts and low value assets</i>		
Trezoreria neta din activitati de exploatare	51,824,372	55,467,264
Cash from operating activities		
Fluxuri de trezorerie din activitati de investitii		
Cash flow from investing activities		
Plati pentru achizitionarea de actiuni	-	-
<i>Payments for acquiring shares</i>		
Plati pentru achizitionarea de imobilizari corporale	(51,827,344)	(9,586,616)
<i>Payments for acquiring assets</i>		
Incasari din vanzarea de imobilizari corporale		
<i>Encashments from sold assets</i>		
Dobanzi incasate	1,304,867	621,570
<i>Encashments from interest</i>		
Credite catre parti afiliate	-	-
<i>Loans to affiliated parties</i>		
Incasari credite parti afiliate	-	-
<i>Encashments from third parties</i>		
Dividende incasate	-	-
<i>Encashments from dividends</i>		
Trezoreria neta din activitati de investitie	(50,522,477)	(8,965,046)
Cash from investing activities		

CEMACON SA

**Situatia individuală a fluxului de numerar (Standalone Statement of cash flow)
pentru perioada incheiata la 30 Septembrie 2022 (for the period ended 30 September 2022)**

(toate sumele sunt exprimate in RON, daca nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

	30-Sept-22	30-Sept-21
	<i>LEI</i>	<i>LEI</i>
<i>Fluxuri de trezorerie din activitati de finantare</i>		
<i>Cash flow from financing activities</i>		
Incasari din aport de capital	64,448,533	-
<i>Encashments from share capital increase</i>		
Incasari din imprumuturi	-	-
<i>Encashments from loans</i>		
Plata datoriilor aferente leasing-ului financiar-capital	(2,610,297)	(2,947,004)
<i>Payments for financial lease</i>		
Plata datoriilor aferente leasing-ului financiar-dobanda	(347,124)	(598,181)
<i>Payments for financial lease-interest</i>		
Rambursari credite	-	(31,531,035)
<i>Payments for credit</i>		
Incasari fonduri- subventii	640,705	4,270,980
<i>Encashment from subsidy funds</i>		
Plata garantii	(32,706)	-
<i>Payment for guarantees</i>		
	62,099,110	(30,805,239)
<i>Trezoreria neta din activitati de finantare</i>		
<i>Cash from financing activities</i>		
Efectul diferentelor de curs	(44,873)	4,800
<i>Effect of exchange rate changes</i>		
	63,356,133	15,701,778
<i>Crestere /scadere neta de numerar</i>		
<i>Net increase/decrease in cash and cash equivalents</i>		
	84,223,350	51,314,569
<i>Numerar si echivalente de numerar la inceputul perioadei</i>		
<i>Cash and cash equivalents at beginning of period</i>		
	147,579,483	67,016,347
<i>Numerar si echivalente de numerar la sfarsitul perioadei</i>		
<i>Cash and cash equivalents at end of period</i>		

CEMACON SA

**Situația modificării capitalurilor proprii individuale (Statement of standalone changes in equity)
pentru perioada încheiată la 30 Septembrie 2022 (for the period ended 30 September 2022)
(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)**

	Capital subscris și ajustări	Prime de emisiune	Rezerve din reevaluare aferente active detinute spre vanzare	Rezerve din reevaluare	Rezerve legale	Alte rezerve	Rezultat nedistribuit	Alte elemente ale capitalurilor proprii	Prima aplicare a IAS29	Total
	Issued capital and adjustments	Share Premium	Revaluation reserve for HFS assets	Reevaluation reserves	Legal reserves	Other reserves	Undistributed result	Other capital elements	1st application of IAS 29	Total
31-Dec-20	59,779,703	253,004	-	16,578,139	6,514,540	23,665,062	83,124,263	(1,252,337)	-	188,662,374
Rezultatul global current	-	-	-	-	-	-	54,850,949	-	-	54,850,949
<i>Current global result</i>							-			-
Rezultat reportat din fuziune							(18,444,764)			(18,444,764)
<i>Accounting Errors</i>							-			-
Ajustari erori contabil	-	-	-	-	-	-	-	-	-	-
<i>Increase in equity</i>							-			-
Majorare capital social	-	-	-	-	-	-	-	-	-	-
<i>Capitalised differences related to deffered tax</i>							-	(2,351,035)	-	(2,351,035)
Alte elemente de capitaluri proprii (beneficii angajati)	-	-	-	-	-	-	-	-	-	-
<i>Other comprehensive income (employee benefits)</i>							-			-
Rezerva din reevaluare	-	-	-	14,877,033	-	-	-	-	-	14,877,033
<i>Revaluation reserve</i>							-			
Constituire rezerva legala	-	-	-	-	2,916,381	-	(2,916,381)	-	-	-
<i>Legal Reserve</i>							-			-
Alte rezerve	-	-	-	-	-	9,924,268	(9,924,268)	-	-	-
<i>Other reserve</i>							-			-
31-Dec-21	59,779,702	253,004	-	31,455,172	9,430,921	33,589,330	106,689,799	(3,603,372)	-	237,594,556
Rezultatul global curent	-	-	-	-	-	-	61,943,060	-	-	61,943,060
<i>Current global result</i>							-			-
Rezultat reportat din fuziune	-	-	-	-	-	-	-	-	-	-
<i>Accounting Errors</i>							-			-
Majorare capital social	42,965,689	-	-	-	-	-	-	-	-	42,965,689
<i>Capitalised differences related to deffered tax</i>							-			-
Alte elemente de capitaluri proprii (beneficii angajati)	-	-	-	-	-	-	-	-	-	-
<i>Other comprehensive income (employee benefits)</i>							-			-
Majorare prime de emisiune	-	21,482,844	-	-	-	-	-	-	-	21,482,844

CEMACON SA

**Situația modificării capitalurilor proprii individuale (Statement of standalone changes in equity)
pentru perioada încheiată la 31 Martie 2020 (for the period ended 31 March 2020)
(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)**

	Capital subscris și ajustări	Prime de emisiune	Rezerve din reevaluare aferente active deținute spre vanzare	Rezerve din reevaluare	Rezerve legale	Alte rezerve	Rezultat nedistribuit	Alte elemente ale capitalurilor proprii	Prima aplicare a IAS29	Total
	Issued capital and adjustments	Share Premium	Revaluation reserve for HFS assets	Reevaluation reserves	Legal reserves	Other reserves	Undistributed result	Other capital elements	1st application of IAS 29	Total
Rezerva din reevaluare	-	-	-	-	-	-	-	-	-	-
Constituire rezerva legala					3,689,540	-	(3,689,540)			
Rezerve legale	-	-	-	-	-	-	-	-	-	-
Legal Reserve	-	-	-	-	-	-	-	-	-	-
Alte rezerve	-	-	-	-	-	-	-	-	-	-
Other reserve	-	-	-	-	-	-	-	-	-	-
30-Sept-22	102,745,391	21,735,848	-	31,455,172	13,120,461	33,589,330	164,943,319	(3,603,372)	-	363,986,149

CEMACON SA

Note la Situațiile Financiare Individuale (*Notes to the standalone financial statements*) pentru perioada încheiată la 30 Septembrie 2022 (*for the period ended 30 September 2022*)

(*toate sumele sunt exprimate în RON, dacă nu este specificat altfel*) (*all amounts are expressed in RON, unless otherwise stated*)

1. Legal principles

The interim individual financial statements as at 30 September 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed individual financial statements as at 30 September 2021 included in this report are unaudited and an external limited review by an auditor was not performed.

The interim condensed individual financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual individual financial statements as of December 31, 2020.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the company since the last annual individual financial statements as at 31 December 2021.

2. Accounting policies

The accounting policies of the company are aligned with the international financial reporting standards (IFRS). A detail of them can be found in the individual financial statements at 31 December 2021.

3. Accounting estimates

The entity makes certain estimates and assumptions concerning the future. Estimates and judgements are assessed continuously based on the experience historical and other factors, including expectations regarding future events deemed to be reasonable in the circumstances. In the future, actual experience may differ from these estimates and assumptions.

4. Revenues

Sale revenues	30-Sept-22	30-Sept-21
Sales of finished goods	181,053,651	134,600,455
Sales of goods	12,285,030	7,761,355
Revenues from services rendered	1,207,205	851,603
Discounts granted	(16,137,554)	(9,577,946)
Total	178,408,332	133,635,466

The main revenues realized by the entity in 2022 were from the sale of finished products 181.0 million lei, the sale of goods 12.28 million lei and services rendered 1.2 million lei, while the value of discounts granted was 16.13 million lei.

5. Other operational revenues

Other operational revenues are generated from activities that are not part of the general subject of activity of the entity, which is why they are presented differently from income from sales.

CEMACON SA

Note la Situațiile Financiare Individuale *(Notes to the standalone financial statements)* pentru perioada încheiată la 30 Septembrie 2022 *(for the period ended 30 September 2022)*

(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

Other operational revenues	30-Sept-22	30-Sept-21
Revenues from EUA and various activities	11,098,395	483,864
Subsidies for operating activities	12,901	43,662
Revenues from subsidy to asset values	56,727	56,727
Revenues from indemnifications	83,543	100,886
Total	11,251,566	685,140

In the category of incomes from various activities, incomes of greenhouse gas certificates (EUA) are accounted for. Revenues related to the operating subsidy in the amount of 0.10 million lei the professional development project, co-financed by the Human Capital Operational Project (POCU).

In 2010 the Company received a subsidy for investments in amount of 1.6 mil lei, and in 2021 the company has recognized as income corresponding to these subsidies the amount of 0.056 mil lei. Income from subsidies is recognized related to the depreciation of the corresponding fixes assets. The recognized subsidy refers to the grant of 15% of the value of the credit received from EBRD sources, for the energy efficiency project started in 2009 with the construction of the new brick factory in Recea.

Other gains and losses	30-Sept-22	30-Sept-21
Income from the sale of assets	377,520	107,340
Expenses from the sale of assets	(44,792)	(28,327)
Revenue from the cancellation of provisions	10,797,513	7,425,318
Revenues from the resumption of value adjustments regarding impairment of current assets	605,507	9,369,634
Expenses from establishing provisions	(7,833,038)	(7,990,447)
Expenses from value adjustments regarding impairment of current assets	(626,748)	(2,911,311)
Gains and losses Total	3,275,962	5,972,207

6. Operating expenses

Other operating expenses	30-Sept-22	30-Sept-21
Utilities	19,720,626	8,964,408
Repairs	2,612,726	1,371,780
Rent	82,065	61,233
Insurance	652,939	566,069
Personal training	114,738	89,125
Commissions	127,649	248,192
Advertising and Publicity	2,181,633	1,407,518
Transport and logistics	14,826,248	14,744,739
Post and telecommunications	110,661	106,713
Other services provided by third parties	2,465,982	2,906,659
Taxes	1,277,367	1,420,640
Environmental Protection Expenses	390,437	-
Expenses with EUA Certificates	10,501,317	6,946,820
Others	689,859	757,710
Total	55,754,248	39,591,606

CEMACON SA

Note la Situațiile Financiare Individuale *(Notes to the standalone financial statements)* pentru perioada încheiata la 30 Septembrie 2022 *(for the period ended 30 September 2022)*

(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

7. Personnel expenses

The structure and average number of employees is: 265.

<i>Average number of employees</i>	30-Sept-22	30-Sept-21
Administrative staff	71	69
Personnel in production	194	188
Total	265	257

8. Financial income and expenses

Financial Income	30-Sept-22	30-Sept-21
Income from interest	1,304,867	961,637
Other financial income	-	-
Exchange rate differences in income	687,099	264,538
Total	1,991,966	1,226,175

Financial Expenses	30-Sept-22	30-Sept-21
Interest costs	(186,626)	(560,884)
Other financial expenses	(244,711)	(247,269)
Exchange rate differences	(728,762)	(172,367)
Total	(1,160,100)	(980,520)

Financial expenses consist mainly of the following categories: Interest expenses 0.18 million lei, Expenses related to exchange rate differences related to 0.72 million lei and other financial expenses 0.24 million lei.

Financial income is represented by interest income of 0.96 million lei, income from exchange rate differences of 0.26 million lei.

9. Inventory

Inventory	30-Sept-22	31-Dec-21
Raw materials and consumables	4,824,787	4,196,186
Adjustments	-	(14,757)
Packing	5,563,847	3,272,094
Adjustments	(1,302,556)	(1,302,556)
WIP	126,777	97,136
Adjustments	-	-
Billets and finished products	9,858,713	6,335,595
Adjustments	(205,280)	(205,280)
Merchandise	1,713,723	1,352,818
Adjustments	(656,002)	(656,000)
Total	19,924,010	13,075,236

CEMACON SA**Note la Situațiile Financiare Individuale (Notes to the standalone financial statements)
pentru perioada încheiată la 30 Septembrie 2022 (for the period ended 30 September 2022)***(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)***9. Inventory (continued)**

The cost of inventories recognized in the income statement has the following structure:

Raw materials and consumables	30-Sept-22	30-Sept-21
Raw materials	13,852,123	8,984,297
Auxiliary materials and Spare parts	4,396,411	2,704,077
Packing	3,544,626	2,437,725
Merchandise	5,079,049	4,978,646
Inventory items	444,460	229,953
Other consumables	89,578	120,336
Combustible	2,401,058	1,573,907
Total	29,807,305	21,028,940

Inventory Adjustments

Where necessary, adjustments are made for inventory items, physically or morally exploited. The net realizable value is estimated on the basis of the selling price less the sales costs.

10. Commercial receivables and other receivables

Commercial receivables and other receivables	30-Sept-22	31-Dec-21
Trade receivables	22,745,494	13,524,020
Adjustments for trade receivables	(1,494,464)	(1,458,464)
Intragroup receivables	184,867	-
Adjustments for intragroup receivables	-	-
Other receivables from the State Budget	679,778	470,962
Grants	-	641,891
Debtors and other receivables	283,627	327,870
Interest to cash	-	-
Total financial assets other than cash, classified as loans and receivables	22,399,303	13,506,279
Advance paid	40,855,704	3,558,663
Total	63,255,007	17,064,942

CEMACON SA**Note la Situațiile Financiare Individuale (Notes to the standalone financial statements)
pentru perioada încheiată la 30 Septembrie 2022 (for the period ended 30 September 2022)***(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)***11. Trade and other payables**

Trade and other payables	30-Sept-22	31-Dec-21
Trade liabilities	18,278,529	14,637,374
Suppliers of fixed assets	1,389,341	917,077
Intra-group liabilities	18,130	497,725
Lease liabilities	-	93,086
Debt related to employees	1,044,762	1,364,769
Taxes and social contributions	546,956	660,602
Other tax liabilities	4,446,598	2,121,679
Other liabilities	10,100,925	9,702,930
Interest to pay	-	-
Total debt less loans classified as measured at amortized cost	35,825,240	29,995,242
Advances	773,250	4,132,423
Revenue in advance	2,204,425	1,096,022
Total	38,802,915	35,223,687

CEMACON SA

Note la Situațiile Financiare Individuale (Notes to the standalone financial statements) pentru perioada încheiată la 30 Septembrie 2022 (for the period ended 30 September 2022)

(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

12. Issued Capital

On the 30st of September 2022 the structure of issued capital was as follows:

Issued capital structure	30-Sept-22	31-Dec-21
Subscribed share capital	93,531,042 lei	50,565,353 lei
Elements assimilated to capital	9,214,349 lei	9,214,349 lei
Total issued capital	102,745,391 lei	59,779,702 lei

On the 30st of September 2022 the structure of subscribed share capital was as follows:

Structure of subscribed share capital	30-Sept-21	31-Dec-21
Number of authorized shares	935,310,418 pcs	505,653,533 pcs
Number of subscribed and paid-up shares	935,310,418 pcs	505,653,533 pcs
Number of subscribed and unpaid-up shares	-	-
Nominal value of a share	0.10 lei	0.10 lei
Subscribed share capital value	93,531,042 lei	50,565,353 lei

All shares of the company are common and have the same voting right.

The movements of the capital structure in 2022 are presented in the following table:

	30-Sep-22		31-Dec-21	
	Number	Amount	Number	Amount
Ordinary shares of RON 0.1 each	505,653,533 pcs	50,565,353 lei	505,653,533 pcs	50,565,353 lei
Reduction by entrainment of losses	-	-	-	-
Emissions during the year	429,656,885 pcs	42,965,689 lei	-	-
Purchase of own shares	-	-	-	-
TOTAL	935,310,418 pcs	93,531,042 lei	505,653,533 pcs	50,565,353 lei

The shareholding structure on 31 December 2021 consists of:

Shareholder	Shares	Percent
PAVAL Holding SRL	393,492,536	77.8186 %
PIF INDUSTRIAL	84,315,847	16.6746 %
alti actionari / others	27,845,150	5.5068 %
TOTAL	505,653,533	100.0000%

Source: DEPOZITARUL CENTRAL Data: 12/31/2020

As a result of the transactions on the capital market in 2022, the shareholding structure on 27 September 2022 is composed of:

Shareholder	Shares	Percent
PAVAL HOLDING SRL	731,442,021	78.2031 %
PIF Industrial	156,730,172	16.7570 %
Altii actionari	47,138,225	5.0399 %
TOTAL	935,310,418	100.00 %

Source: DEPOZITARUL CENTRAL Data: 27/09/2022

CEMACON SA

Note la Situațiile Financiare Individuale (*Notes to the standalone financial statements*) pentru perioada încheiată la 30 Septembrie 2022 (*for the period ended 30 September 2022*)

(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

13. Transactions with Affiliates

The company's affiliates in 2022 are:

- DEDEMAN SRL with registered office in Bacău, Str. Alexei Tolstoi, nr. 8, CUI: 2816464, Nr.Ord.Reg.Com.: J04/2621/1992 – significant shareholder;
- PIF INDUSTRIAL SRL with registered office in Bacău, Str. Alexei Tolstoi, nr. 8, CUI: 18227759, Nr.Ord.Reg.Com.: J04/2200/2005 – shareholder;
- DEDEMAN AUTOMOBILE SRL with registered office in Bacău, Str. Republicii, Nr. 185, CUI: 15934070, Nr.Ord.Com.: J04/ 1513/2003 - company from Dedeman group;
- PAVAL HOLDING SRL with registered office in Bacău, Str. Alexei Tolstoi, nr. 8, CUI: 39895050, Nr.Ord.Reg.Com.: J04/ 1405/2018 - company from Dedeman group;
- Sologon Daniel – General Director
- Karina Paval – member of the Board of Directors
- Dana-Rodica Beju – member of the Board of Directors
- Dragos Paval – member of the Board of Directors
- Adrian Fercu – member of the Board of Directors

CEMACON SA

Note la Situatiile Financiare Individuale (Notes to the standalone financial statements)
pentru perioada incheiata la 30 Septembrie 2022 (for the period ended 30 September 2022)
(toate sumele sunt exprimate in RON, daca nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

13. Transactions with Affiliates (continued)

Transactions with affiliated parties are summarized in the following table:

Affiliates	Sales		Acquisitions	
	1 Jan – 30 Sept 2022	1 Jan – 30 Sept 2021	1 Jan – 30 Sept 2022	1 Jan – 30 Sept 2021
Dedeman SRL	15,086,546	14,565,724	138,488	138,964
Cemacon Real Estate	-	-	-	191,491
Total	15,086,546	14,565,724	138,488	330,455

Amounts expressed in Lei

Balances with affiliated parties are summarized in the following table:

Affiliates	Receivables from affiliated parties		Debts to affiliated parties	
	30-Sept-2022	31-Dec-21	30-Sept-2022	31-Dec-21
Dedeman SRL	184,867	-	18,130	497,725
Cemacon Real Estate	-	-	-	-
Total	184,867	-	18,130	497,725

Amounts expressed in Lei

CEMACON SA

Note la Situațiile Financiare Individuale (Notes to the standalone financial statements) pentru perioada încheiată la 30 Septembrie 2022 (for the period ended 30 September 2022)

(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

14. Cash and cash equivalents

Cash and cash equivalents	30-Sept-2022	31-Dec-21
Available in the bank	147,569,853	84,222,741
Cash and cash equivalents		609
Total	147,579,483	84,223,350

On September 30, 2022 there are no financial instruments that generate exposure to credit risk. Cash balances denominated in foreign currency at 30.09.2022 are not material.

15. Ajustari erori contabile

During January-September 2022, the Company did not record corrections of accounting errors, related to the previous years.

16. Other information

Segment Reporting:

The company has a single reporting segment, represented by the production and marketing of building bricks. The nature of the products in the range of the Company is similar, as well as their production process. Also, the nature of the economic and legislative environment to which the Company is subject is the same for all the production and marketing activities undertaken by the Company. The company does not record significant sales on the foreign market that would meet the reporting criteria of a distinct segment. The assets held by the Company are fully located within Romania and are used to produce and market the products mentioned above. Also, all liabilities, respectively the results recorded in the individual financial statements, are exclusively related to the only segment of the Company's activity, represented by the production and marketing of building bricks.

Information on Company Presentation:

Cemac SA is a Romanian legal entity, incorporated as a joint stock company pursuant to the GD No. 1200/1991 with registered office in Cluj-Napoca, 178K Calea Turzii Street, Hexagon Offices, 1st Floor, county of Cluj. The company's main object of activity is the "Manufacture of bricks, tiles and construction products, from baked clay".

Conversion bases used to express in national currency assets and liabilities, income and expenses originally denominated in a foreign currency:

Main exchange rates used to convert foreign currency denominated balances into lei at 31 December 2021 and 30 September 2022 are:

Foreign currency	Abbreviation	Exchange rate	
		30-Sept-2022	31-Dec-21
Dolar SUA	USD	5.0469	4.3707
Euro	EUR	4.9490	4.9481

16. Other information

Amendments:

Administrators do not have the right to subsequently amend the financial statements. The financial statements together with the notes to the financial statements are authorized to be issued on 15 November 2022. It is not possible for the financial statements to be amended after they have been issued.

The half-yearly financial statements were not audited.

CEMACON SA

Note la Situațiile Financiare Individuale (Notes to the standalone financial statements) pentru perioada încheiată la 30 Septembrie 2022 (for the period ended 30 September 2022)

(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)

17. Contingencies

Taxation

The Company considers that it has paid in full and in full all taxes, penalties, penalties and penalties, insofar as this is the case. All amounts due to the State for taxes have been paid or recorded at the balance sheet date. The fiscal system in Romania is undergoing consolidation and harmonization with European legislation, with different interpretations of the authorities in relation to tax legislation, which may give rise to additional taxes, fees and penalties. If the state authorities discover violations of the legal provisions in Romania, they may, as the case may be: confiscation of the amounts in question, imposition of additional tax obligations, application of fines, application of late payments (applied to the actual payment amounts). Therefore, the fiscal sanctions resulting from violations of the legal provisions may reach significant amounts to be paid to the state. In Romania, the fiscal exercise remains open for verification for a period of 5 years.

Transfer price

In accordance with relevant tax legislation, the tax assessment of a transaction with affiliated parties is based on the concept of market price for that transaction. Based on this concept, transfer pricing needs to be adjusted to reflect market prices that would have been set between entities that do not have an affiliate relationship and that act independently, based on "normal market conditions".

It is likely that transfer pricing checks will be carried out in the future by tax authorities to determine whether those prices comply with the "normal market conditions" principle and that the taxpayer's taxable base is not distorted.

CEO

Sologon Daniel

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