

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

CEMCON

BSE REPORT

CLUJ-NAPOCA

1ST QUARTER RESULTS

2024

3 Month Performance 2024

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

General Manager Statement

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

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

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

Profit and loss Account – 3 Months Results 2024

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

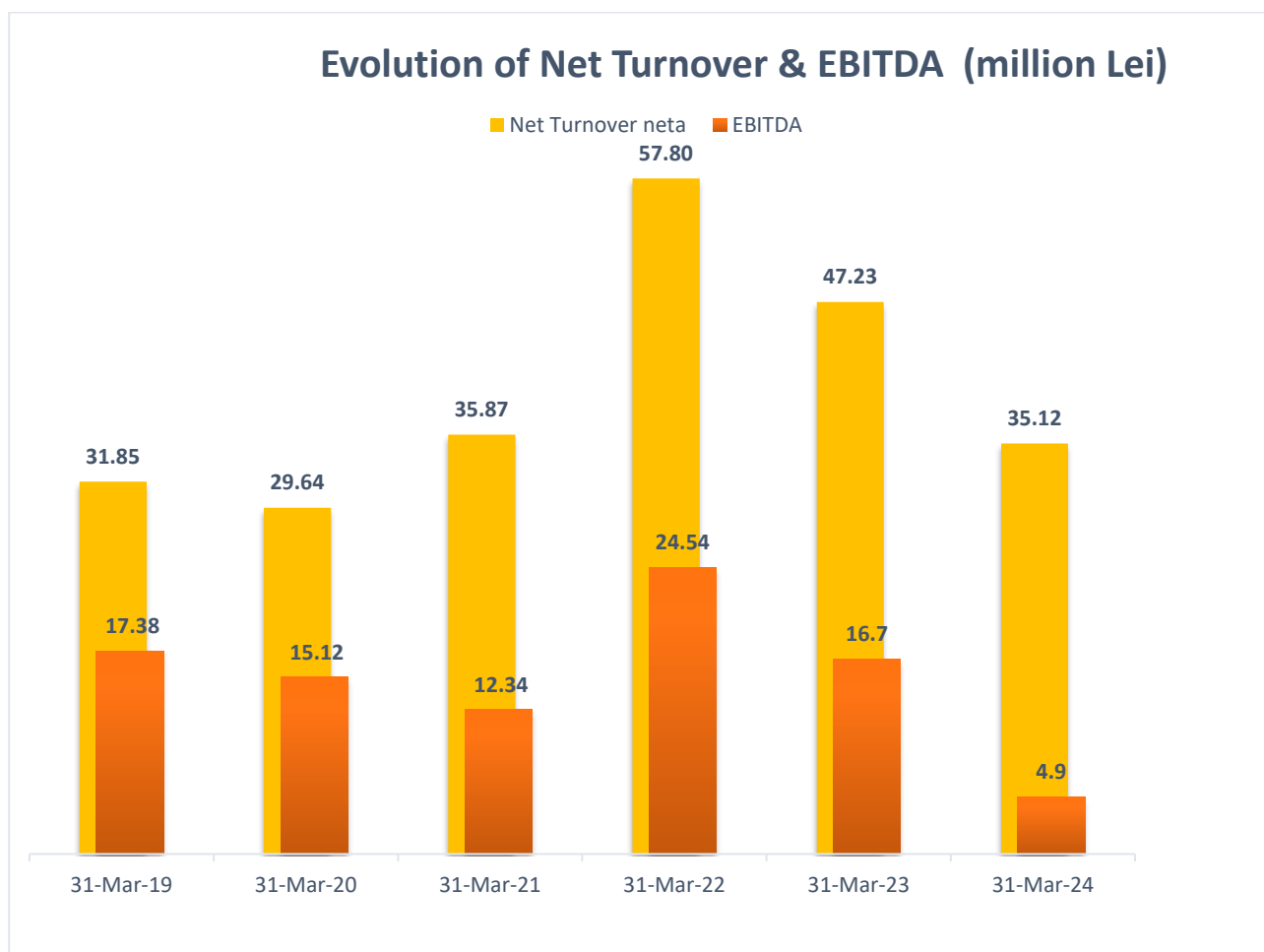
The sums related to other gains and losses highlight the cancellation of provisions established in the previous year and the establishment of provisions in the reporting period.

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

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

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

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



Profit and loss Account – 3 Months Results 2024

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

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

Statement of financial position- Results 31 March 2024

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

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

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

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

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

Main Financial Ratios

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

Consolidated Results of CEMACON SA Group

Information on the presentation of CEMACON Group SA.

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

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

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

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

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

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

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

Profit and loss Account - 3 Months Results 2024- consolidate

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

Statement of financial position - Results 31 March 2024 - consolidated

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

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

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

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

Cluj Napoca, May 15

FINANCIAL STATEMENTS INDIVIDUAL UNAUDITED for the period ending on 31 March 2024

PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS



CEMACON

SC CEMACON SA
FISCAL COD 677858
TRADE REGISTER
J12/2466/2012

Coupons

Individual statement of financial position	3
Individual situation of the overall result	5
Individual cash flow statement	6
Individual situation of capital changes.....	8
1. Legal principles.....	8
2. Accounting policies	8
3. Accounting estimates.....	8
4. Income	8
5. Other operating income.....	8
6. Operating expenses	9
7. Staff expenditure	9
8. Financial income and expenditure.....	10
9. Inventories	10
10. Trade and other receivables	11
11. Trade and similar debts.....	11
12. Share Capital	12
13. Transactions with related parties	13
14. Cash and cash equivalents	15
15. Adjustments to accounting errors	15
16. Other information	15
17. Quota	16

CEMACON SA
Individual statement of financial position
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

	31-Mar-24	31-Dec-23
	LEI	LEI
FIXED ASSETS		
Tangible fixed assets	238,928,151	238,955,811
Real estate investment	8,885,960	8,885,960
Intangible assets	4,112,187	4,454,414
Right of use of leased assets	14,594,514	15,607,366
Equity investments	127,489,922	127,489,922
Other non-current assets	598,520	595,277
Total Fixed Assets	394,609,253	395,988,750
CURRENT ASSET		
Inventories	26,160,215	28,717,266
Trade and similar receivables	40,756,080	48,204,961
Other assets	22,788,645	21,935,009
Cash and cash equivalents	78,765,989	85,260,298
Total Current Assets	168,470,929	184,117,535
TOTAL ACTIVE	563,080,182	580,106,285
CURRENT LIABILITIES		
Trade and similar debts	34,620,194	43,899,413
Other debts (guarantees)	121,928	45,039
Loans	12,672,225	12,685,230
Debts from leasing operations	823,774	816,258
Obligations under finance leases	1,456,045	1,503,553
Investment grants	1,326,825	1,072,629
Income tax liabilities	2,499,091	2,499,091
Provisions	7,016,884	11,742,289
Total Current Liabilities	60,536,967	74,263,503
LONG-TERM DEBT		
Other debts (guarantees)	6,383,733	6,357,251
Loans	66,529,181	69,768,765
Debts from leasing operations	4,276,638	4,491,370
Obligations under finance leases	691,272	1,056,467
Investment grants	15,570,058	16,175,142
Tax postponed	2,437,896	2,437,896
Provisions	2,877,336	2,877,336
Total Long Term Debts	98,766,114	103,164,228
TOTAL DEBTS	159,303,081	177,427,730
ACTIVE NET	403,777,101	402,678,554
CAPITAL AND RESERVES		
Share capital	102,745,391	102,745,391
TOTAL CAPITAL	403,777,101	402,678,554

CEMACON SA
Individual situation of the overall result
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

	31-Mar-24 LEI	31-Mar-23 LEI
Gross Turnover	38,900,002	52,885,638
Net Turnover	35,120,502	47,228,962
Income from sales	34,886,924	47,223,800
Other operating income	2,701,001	74,238
Other gains and losses	4,745,811	732,988
Stock variation	(1,377,256)	4,347,619
Raw materials and consumables	(6,897,762)	(9,052,751)
Staff expenditure	(14,591,416)	(10,328,012)
Other operating expenditure	(14,542,303)	(17,061,862)
EBITDA	4,924,999	16,712,457
Depreciation and amortisation	(4,322,330)	(3,823,316)
EBIT	602,669	12,112,705
Financial income	1,640,211	1,904,787
Financial expenses	(1,144,333)	(523,987)
Financial Result	495,877	1,380,800
Profit / (Loss) before tax	1,098,546	13,493,505
Tax expenditure	-	(710,636)
Profit / (Loss)	1,098,546	12,782,869
Total other comprehensive income	-	-
Total overall result	1,098,546	12,782,869

CEMACON SA
Individual cash flow statement
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

	31-Mar-24	31-Mar-23
	LEI	LEI
<i>Cash flow from operating activities</i>		
<i>Customer encashments</i>	53,062,723	54,338,063
<i>Supplier payments</i>	(27,338,512)	(31,445,079)
<i>Payments to employees</i>	(9,604,636)	(7,940,340)
<i>Tax Payments</i>	(11,101,803)	(4,414,999)
<i>Income tax paid</i>	-	-
<i>Insurance encashments</i>	31,263	-
<i>Insurance payments</i>	(218,454)	(250,835)
<i>Interest paid</i>	(978,931)	-
<i>Other Encashments</i>	-	-
<i>Other Payments</i>	-	(74,621)
<i>Net cash from operating activities</i>	3,851,650	10,212,189
<i>Cash from operating activities</i>		
<i>Cash flow from investing activities</i>		
<i>Payments for acquiring shares</i>	-	-
<i>Payments for acquiring assets</i>	(4,673,245)	(23,560,265)
<i>Proceeds from sold assets</i>	-	142,335
<i>Receipts from interest</i>	1,173,424	1,450,591
<i>Loans to affiliated parties</i>	(3,500,000)	-
<i>Other investment grants</i>	693,680	-
<i>Other Encashments</i>	-	628,649
<i>Net cash from investing activities</i>	(6,306,141)	(21,338,690)
<i>Cash from investing activities</i>		
<i>Cash flow from financing activities</i>		
<i>Proceeds from share capital increase</i>	-	-
<i>Cash receipts from loans</i>	-	-
<i>Payment of finance-lease debts</i>	(723,998)	(555,528)
<i>Loan repayments</i>	(129,891)	(63,738)
<i>Guaranteed payment</i>	(3,169,756)	-

CEMACON SA
Individual cash flow statement
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

	(3,243)	(10,558)
<i>Net cash from financing activities</i>	(4,026,888)	(629,824)
<i>Cash from financing activities</i>		
<i>Effect of exchange rate differences</i>	(12,931)	27,904
<i>Effect of exchange rate changes</i>		
<i>Net cash inflow/outflow</i>	(6,494,309)	(11,728,421)
<i>Net increase/decrease in cash and cash equivalents</i>		
<i>Cash and cash equivalents at beginning of period</i>	85,260,298	133,909,885
<i>Cash and cash equivalents at end of period</i>	78,765,989	122,181,464

CEMACON SA
Statement of standalone changes in equity
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

	Subscribed capital and adjustments	Share premium	Revaluation reserves	Legal reserves	Other reserves	Undistributed result	Other equity items	Total
31-Dec-22	102,745,392	21,735,848	31,455,172	13,361,890	53,179,602	152,527,602	(3,508,324)	371,497,182
Current overall result	-	-	-	-	-	31,087,727	-	31,087,727
Share capital increase	-	-	-	-	-	-	-	-
Increase in share premium	-	-	-	-	-	-	-	-
Diff. deferred tax related capitalised	-	-	-	-	-	-	93,645	93,645
Constitution of legal reserve	-	-	-	1,554,386	-	(1,554,386)	-	-
Other reserves	-	-	-	-	29,533,341	(29,533,341)	-	-
31-Dec-23	102,745,392	21,735,848	31,455,172	14,916,276	82,712,943	152,527,602	(3,414,679)	402,678,554
Current overall result	-	-	-	-	-	1,098,547	-	1,098,547
Share capital increase	-	-	-	-	-	-	-	-
Increase in share premium	-	-	-	-	-	-	-	-
Capitalised deferred tax differences	-	-	-	-	-	-	-	-
Constitution of legal reserve	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-
31-Mar-24	102,745,391	21,735,848	31,455,172	14,916,276	82,712,943	153,626,150	(3,414,679)	403,777,101

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

1. Legal principles

The individual interim financial statements as at 31 March 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The condensed interim individual financial statements contained in this report are unaudited and have not been reviewed by an external auditor.

The interim individual financial statements do not include all the information and items disclosed in the annual financial statements, and should be read in conjunction with the annual individual financial statements, prepared as at 31 December 2023.

Selected explanatory notes are included to explain events and transactions that are important to understanding the changes in the Company's financial position and performance since the last financial statements for the year ended December 31, 2023.

2. Accounting policies

The company's accounting policies are aligned with International Financial Reporting Standards (IFRS). A breakdown of these can be found in the individual financial statements as at 31 December 2023.

3. Accounting estimates

The entity makes certain estimates and assumptions about the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Actual future experience may differ from these estimates and assumptions.

4. Income

Income from sales	31-Mar-24	31-Mar-23
Sales of finished products	35,044,777	49,251,502
Sales of goods	3,062,625	3,284,766
Sales of services	559,022	344,208
Financial reductions granted	-	
Trade discounts granted	(3,779,500)	(5,656,676)
Total	34,886,924	47,223,800

The main revenues realized by the entity in 2024 were from the sale of finished products 35.04 million lei, sale of goods 3.06 million lei and provision of services 0.55 million lei, the value of discounts granted was 3.78 million lei.

5. Other operating income

Other operating income is generated by activities that are not part of the entity's general line of business, which is why it is presented differently from sales revenue.

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

5. Other operating income (continued)

Other income	31-Mar-24	31-Mar-23
Income from miscellaneous services	2,595,096	30,765
Income from operating grants.	37,127	24,564
Compensation income	49,868	-
Income from subsidies for assets	18,909	18,909
Total	2,701,001	74,238

In 2010 the company received a grant for investments in the amount of 1.6 million lei, and in 2023 the company recognized as income related to these grants the amount of 0.018 million lei. Grant income is recognised as the fixed assets to which it relates are depreciated. The recognized subsidy refers to the grant of 15% of the value of the loan received by the company from EBRD sources, for the energy efficiency project started in 2009 with the realization of the new brick factory in Recea.

Other gains and losses	31-Mar-24	31-Mar-23
Income from sale of assets	20,406	137,661
Expenditure on sales of assets	-	(161,976)
Income cancellation of provisions	5,537,083	2,153,504
Provisioning expenses	(811,678)	(1,396,201)
Total gain/loss	4,745,811	732,988

6. Operating expenses

	31-Mar-24	31-Mar-23
Utilities	1,925,657	6,886,384
Transport and logistics	6,781,657	4,060,296
Expenditure on EUA Certificates	2,266,863	2,670,684
Other services provided by third parties	922,801	1,240,189
Advertising	883,156	128,528
Repairs	711,536	746,480
State budget taxes	253,905	432,629
Insurance	301,155	326,963
Rentals	166,763	74,621
Commissions	51,636	34,170
Staff training	64,623	29,726
Environmental Protection Expenditure	29,867	-
Post and telecommunications	38,559	40,129
Miscellaneous	144,125	391,063
Total	14,542,304	17,061,861

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

7. Personal Structure

Structure and average number of employees: 270

Average number of employees	31-Mar-24	31-Mar-23
Administrative Personal	79	75
Production Personal	191	206
Total	270	281

8. Financial income and expenses

Financial income	31-Mar-24	31-Mar-23
Interest income	1,507,410	1,450,591
Income from exchange rate differences	132,800	454,196
Total	1,640,211	1,904,787

Financial expenses	31-Mar-24	31-Mar-23
Interest expenses	(1,006,305)	(47,460)
Other financial charges	(91,044)	(86,713)
Expenses from exchange rate differences	(46,985)	(389,815)
Total	(1,144,333)	(523,987)

Financial expenses are mainly composed of the following categories: interest-related expenses 1.06 million lei, expenses related to exchange rate differences 0.46 million lei and other financial expenses 0.091 million lei.

Financial income is represented by interest income 1.50 million lei, income from exchange rate differences 0.13 million lei .

9. Inventories

Inventories	31-Mar-24	31-Dec-23
Raw materials and consumables	5,987,911	5,093,027
Packaging	3,572,066	2,512,478
Adjustments	(669,797)	(669,797)
Ongoing production	123,380	27,601
Semi-Finished and Finished Products	15,635,829	18,149,758
Adjustments	(1,227,423)	(1,227,423)
Products	3,015,247	5,108,621
Adjustments	(276,995)	(276,995)
Total	26,160,216	28,717,268

9. Inventories (continued)

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

Raw materials and consumables	31-Mar-24	31-Mar-23
Raw materials	2,476,010	3,610,273
Auxiliary materials	996,974	1,708,601

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

Packaging	(288,351)	38,414
Products	3,061,575	2,327,654
Inventory items	31,622	57,645
Other consumables	(140,210)	46,299
Miscellaneous	760,141	1,263,865
Total	6,897,761	9,052,752

Inventories adjustments

Where necessary, adjustments are made for stocks, physically or morally worn. Net realisable value is estimated on the basis of the selling price less selling expenses.

10. Trade and other receivables

Trade and similar receivables	31-Mar-24	31-Dec-23
Commercial creditor	13,999,544	28,890,702
Adjustments for trade receivables	(3,292,880)	(3,292,880)
Claims with related parties	25,183,372	20,350,472
Corporate tax	710,636	710,636
Other claims on the state budget	1,012,871	754,404
Grants	164,093	164,093
Sundry debtors and other receivables	(14,172)	(330)

Total financial assets other than cash classified as loans and receivables	37,763,463	47,577,096
Advances and advance expenses	2,992,617	627,865
Total	40,756,080	48,204,961

11. Trade and similar debts

Trade and similar debts	31-Mar-24	31-Dec-23
Trade debts	12,441,148	13,935,067
Providers of fixed assets	828,275	876,278
Intra-group debts	36,064	2,082,793
Leasing liabilities	81,341	487
Debts to employees	2,375,099	3,107,062
Taxes and social contributions	135,571	181,541
Other tax liabilities	2,131,293	4,517,557
Other debts	10,986,775	10,577,284

Total liabilities less loans, classified as measured at amortised cost	29,015,567	35,278,069
Dividend		
Advances	2,702,831	1,320,313
Income in advance	2,901,797	7,301,031
Total	34,620,194	43,899,413

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

12. Share Capital

On 31 March 2024 the share capital structure of:

Share capital structure	31-Mar-24	31-Dec-23
Subscribed paid-up share capital	93,531,042 lei	93,531,042 lei
Items treated as capital	9,214,349 lei	9,214,349 lei
Total share capital	102,745,391 lei	102,745,391 lei

On 31 March 2024 the share capital structure is:

Share capital structure	31-Mar-24	31-Dec-23
Number of authorised shares	935,310,418 pcs	935,310,418 pcs
Number of subscribed and paid shares	935,310,418 pcs	935,310,418 pcs
Number of subscribed and unpaid shares	-	-
Nominal value of a share	0.10 lei	0.10 lei

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

The capital structure movements during 2024 can be seen in the table below:

	31-Mar-24		31-Dec-23	
	Number	Value	Number	Value
Ordinary shares at 0.1 Lei each	935,310,418 pcs	935,310,418 lei	935,310,418 pcs	935,310,418 lei
Reductions through loss consolidation.	-	-	-	-
Issues during the year	-	-	-	-
Acquisition of own shares	-	-	-	-
TOTAL	935,310,418 pcs	935,310,418 lei	935,310,418 pcs	935,310,418 lei

12. Share Capital (continued)

The shareholder structure as of 31 December 2023 is composed of:

Shareholder	Actions	Percent
PAVAL HOLDING SRL	753.963.090	80.6110%
INDUSTRIAL BIP	156.730.172	16.7570%
alti actionari / others	24.617.156	2.632%
TOTAL	935.310.418	100%

Source: CENTRAL DEPOSITARY Date: 12/31/2023

As a result of the transactions on the capital market in 2024, the shareholding structure as of 15 March 2024 consists of:

Shareholder	Actions	Percent
PAVAL HOLDING SRL	753.963.090	80.6110%
INDUSTRIAL BIP	156.730.172	16.7570%
alti actionari / others	24.617.156	2.632%

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

TOTAL	935.310.418	100%
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Source: CENTRAL DEPOSITARY Date: 04/31/20 24

13. Transactions with affiliated parties

The affiliated parties of the Company in 2024 are:

- DEDEMAN SRL with headquarters in Mun. Alexei Tolstoi, nr. 8, Bacău County, CUI: 2816464, Ord.Reg.Com. no.: J04/2621/1992 significant shareholder;
- PIF INDUSTRIAL SRL with headquarters in Mun. Alexei Tolstoi, nr. 8, Bacău County, CUI: 18227759, Ord.Reg.Com. no.: J04/2200/2005 - shareholder (acting in concert with Dedeman SRL);
- DEDEMAN AUTOMOBILE SRL with headquarters in Mun. Bacău, Republicii Street, nr. 185, Bacău County, CUI: 15934070, Ord.Com. no.: J04/ 1513/2003 - a company of the Dedeman Society;
- PAVAL HOLDING SRL with headquarters in Mun. Alexei Tolstoi Street, nr. 8, Bacău County, CUI: 39895050, Ord.Reg.Com. no.: J04/ 1405/2018 - a Dedeman company;
- EURO CARAMIDA SA with headquarters in Sat. Biharia, Str. Caramizii, nr. 1, Judet Bihor, CUI: 16131690, Nr.Ord.Reg.Com.: J05/209/2004 CEMACON SA has acquired 100% of the share capital of EURO CARAMIDA S.A.
- Sologon Daniel - General Manager and Chairman of the Board of Directors
- Karina Paval - CA member
- Dana-Rodica Beju - Board member
- Dragos Paval - Board member
- Adrian Fercu - Board member

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

Transactions with related parties (continued)

Transactions with related parties are summarised in the table below:

Transactions with related parties are summarized in the following table - info taken from the third party file

	Sales	Sales	Purchases	Purchases	Loans Granted	Loans Granted
Affiliated Parties	1 Jan-31 March 24	1 Jan-31 March 23	1 Jan-31 March 24	1 Jan-31 March 23	1 Jan-31 Dec 23	1 Jan-31 Dec 22
Dedeman SRL	6,544,515	1,996,168	88,395	26,563		
Euro Caramida	1,597,848	-	1,274,439	-	3,500,000	17,573,999
Total	8,142,363	1,996,168	1,362,834	26,563	3,500,000	17,573,999

Amounts Presented in Lei

Balances with related parties are summarised in the following table:

	Creator with affiliated parties	Creator with affiliated parties	Debts to related parties	Liabilities to related parties	Balance Borrowing from related parties	Balance Borrowing from related parties
Affiliated Parties	31-Mar-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Dedeman SRL	1,044,447	943,010	35,660	6,117		-
Euro Caramida	2,737,631	1,139,783	404	6,095,422	21,401,294	18,267,679
Total	3,782,078	2,082,793	36,064	6,101,539	21,401,294	18,267,679

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

14. Cash and cash equivalents

Cash and cash equivalents	31-Mar-24	31-Dec-23
Available in the bank	78,762,142	85,259,891
Cash and cash equivalents	3,848	408
Total	78,765,989	85,260,298

As at 31 March 2024 there are no financial instruments that give rise to credit risk exposures. The balances of cash accounts denominated in foreign currencies as at 31.03.2024 are not significant .

15. Adjustments to accounting errors

During the period January-March 2024, the Company did not record corrections of accounting errors relating to previous years.

16. Other information

Segment reporting:

The company has only one reporting segment, the production and sale of building bricks. The nature of the products in the Company's range is similar, as is their production process. Also, the nature of the economic and legislative environment to which the Company's activity is subject is the same for all production and marketing activities undertaken by the Company. The Company has no significant sales on the external market, which would meet the reporting criteria of a separate segment. The assets held by the Company are entirely located within Romania, and are used for the purpose of producing and marketing the products mentioned above. Also, all liabilities, i.e. the results recorded in the individual financial statements, are exclusively related to the Company's only business segment, which is the production and marketing of building bricks.

Information about the company presentation:

Cemaccon SA is a Romanian legal entity, established as a joint-stock company on the basis of HG no.1200/1991 with registered office in Cluj-Napoca, Calea Turzii Street, no.178K, Hexagon Offices building, 1st floor, jud. Cluj. The company's main activity is "Manufacture of bricks, tiles and other construction products from fired clay".

Translation bases used for expressing in national currency assets and liabilities, income and expenses initially recorded in a foreign currency:

The main exchange rates used for the conversion into lei of balances denominated in foreign currency as at 31 December 2023 and 31 March 2024 are:

Foreign currency	Abbreviation	Exchange rate	
		31-Mar-24	31-Dec-23
US Dollar	USD	4.5735	4.5743
Euro	EUR	4.9709	4.9465

CEMACON SA
Notes to the Individual Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

16. Other information (continued)

Amendments:

The trustees do not have the right to subsequently amend the financial statements. The financial statements together with the notes to the financial statements are authorised for issue on 15 May 2024. There is no possibility of the financial statements being amended after they have been issued.

The quarterly financial statements have not been audited.

17. Quota

Taxing

The Company considers that it has paid on time and in full all taxes, duties, penalties and penalty interest to the extent applicable. All amounts due to the State for taxes have been paid or accrued at the balance sheet date. The tax system in Romania is in the process of consolidation and harmonization with European legislation, and there may be different interpretations of the authorities in relation to tax legislation, which may give rise to additional taxes, duties and penalties. In case the state authorities discover violations of the Romanian legal provisions, they may determine as appropriate: confiscation of the amounts in question, imposition of additional tax obligations, application of fines, application of late payment surcharges (applied to the amounts actually outstanding). Therefore, the tax penalties resulting from violations of legal provisions can reach significant amounts to be paid to the State. In Romania, the tax year remains open for audit for a period of 5 years.

Transfer price

Under the relevant tax legislation, the tax assessment of a related party transaction is based on the concept of the market price of that transaction. Based on this concept, transfer prices must be adjusted to reflect the market prices that would have been established between entities between which there is no affiliation and which act independently, based on "normal market conditions".

It is likely that transfer pricing audits will be carried out in the future by the tax authorities to determine whether transfer prices comply with the "arm's length" principle and that the Romanian taxpayer's tax base is not distorted.

Director General

Chief Financial Officer

Sologon Daniel

Cojocaru-Lungu Bogdan

The information contained in this document is provided in accordance with IFRS (International Financial Reporting Standards). The Company has made every effort to ensure that the information presented is complete, accurate and free from material error. Where appropriate, both the company and management have used professional judgement in conjunction with Interim Financial Reporting Standards to present information in a manner consistent with the specifics of the business. Interpretation of the information presented in this document should be made in accordance with these standards. Where omissions occur or there are interpretations that differ from the regulations mentioned, the provisions set out in the International Financial Reporting Standards (IFRS) shall apply. The unaudited financial information presented above is preliminary and subject to adjustments and changes. Adjustments and changes to the financial statements may be identified in the course of audit work, which could result in material differences from this unaudited financial information preliminary.

Cluj Napoca, May 15

FINANCIAL STATEMENTS CONSOLIDATED UNAUDITED for the period ending on 31 March 2024

PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS



CEMACON

SC CEMACON SA
FISCAL CODE 677858
TRADE REGISTER
J12/2466/2012

Coupons

Consolidated statement of financial position	3
Consolidated statement of comprehensive income	5
Consolidated cash flow statement	6
Consolidated statement of changes capital.....	8
1. Legal principles.....	8
2. Accounting policies	8
3. Accounting estimates.....	8
4. Income	8
5. Other operating income.....	8
6. Operating expenses	9
7. Staff expenditure	10
8. Financial income and expenditure.....	10
9. Stocks	10
10. Trade and other receivables	11
11. Trade and similar debts.....	12
12. Share Capital	12
13. Transactions with related parties	13
14. Cash and cash equivalents	15
15. Adjustments to accounting errors	15
16. Other information	15
17. Quota	16

CEMACON SA
Consolidated statement of financial position
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

Statement of assets and liabilities - Results as at 31 March 2024 - consolidated

	31-Mar-24	31-Dec-23	2023 vs 2022	2023 vs 2022
	LEI	LEI	LEI	%
FIXED ASSETS				
Tangible fixed assets	374,967,202	238,955,811	136,011,390	57%
Real estate investments	8,885,960	8,885,960	-	0%
Intangible assets	17,485,511	4,454,414	13,031,097	293%
Goodwill	4,865,558			
Right of use of leased assets	14,594,514	15,607,366	(1,012,852)	-6%
Equity investments	1,000	127,489,922	(127,488,922)	-100%
Other non-current assets	826,905	595,277	231,628	39%
Total Fixed Assets	421,626,650	395,988,750	25,637,900	6%
CURRENT ASSET				
Inventories	33,788,988	28,717,266	5,071,722	18%
Trade and similar receivables	22,426,271	48,204,961	(25,778,690)	-53%
Other assets	28,189,085	21,935,009	6,254,075	29%
Cash and cash equivalents	80,758,105	85,260,298	(4,502,194)	-5%
Total Current Assets	165,162,449	184,117,535	(18,955,086)	-10%
TOTAL ACTIVE	586,789,098	580,106,285	6,682,813	1%
CURRENT LIABILITIES				
Trade and similar debts	43,188,533	43,899,413	(710,880)	-2%
Other debts (guarantees)	121,928	45,039	76,889	171%
Loans	12,683,639	12,685,230	(1,591)	0%
Debts from leasing operations	823,774	816,258	7,516	1%
Obligations under finance leases	1,456,045	1,503,553	(47,508)	-3%
Investment grants	3,651,121	1,072,629	2,578,492	240%
Income tax liabilities	2,499,091	2,499,091	-	0%
Provisions	7,143,127	11,742,289	(4,599,162)	-39%
Total Current Liabilities	71,567,258	74,263,503	(2,696,245)	-4%
LONG-TERM DEBT				
Other debts (guarantees)	6,383,733	6,357,251	26,482	0%
Loans	66,529,181	69,768,765	(3,239,584)	-5%
Debts from leasing operations	4,276,638	4,491,370	(214,732)	-5%
Obligations under finance leases	691,272	1,056,467	(365,195)	-35%
Investment grants	15,570,058	16,175,142	(605,084)	-4%
Tax postponed	18,807,092	2,437,896	16,369,196	671%
Provisions	2,877,336	2,877,336	-	0%
Total Long Term Debts	115,135,310	103,164,228	11,971,082	12%
TOTAL DEBTS	186,702,568	177,427,730	9,274,838	5%
ACTIVE NET	400,086,530	402,678,554	(2,592,023)	-1%
CAPITAL AND RESERVES				
Share capital	102,745,391	102,745,391	-	0%
TOTAL CAPITAL	400,086,530	402,678,554	(2,592,024)	-1%

CEMACON SA
Consolidated statement of comprehensive income
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

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

** EBITDA = Operating profit + Depreciation and amortisation expense + Financial discounts granted - Depreciation income on fixed assets

CEMACON SA
Consolidated cash flow statement
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

Consolidated cash flow March 2024- consolidated

Flows from operating activities	31-Mar-24	31-Mar-23
Cash flow from operating activities	LEI	LEI
<i>Customer encashments</i>	61,471,119	54,338,063
<i>Supplier payments</i>	(31,258,491)	(31,445,079)
<i>Payments to employees</i>	(11,569,113)	(7,940,340)
<i>Tax Payments</i>	(11,369,361)	(4,414,999)
<i>Income Tax Paid</i>	-	-
<i>Insurance encashments</i>	141,251	-
<i>Insurance payments</i>	(227,431)	(250,835)
<i>Interest paid</i>	(978,931)	-
<i>Other Encashments</i>	-	-
<i>Other Payments</i>	-	(74,621)
Net cash from operating activities	6,209,043	10,212,189
Cash from operating activities		
 Cash flow from investing activities		
<i>Payments for acquiring shares</i>	-	-
<i>Payments for acquiring assets</i>	(10,661,731)	(23,560,265)
<i>Proceeds from sold assets</i>	-	142,335
<i>Receipts from interest</i>	1,185,591	1,450,591
<i>Loans to affiliated parties</i>	-	-
<i>Other investment grants</i>	-	-
<i>Other Encashments</i>	-	628,649
Net cash from investing activities	(9,476,140)	(21,338,690)
Cash from investing activities		
 Cash flow from financing activities		
<i>Proceeds from share capital increase</i>	-	-
<i>Cash receipts from loans</i>	-	-
<i>Payment of finance-lease debts</i>	(723,998)	(555,528)
<i>Payments for financial lease</i>	(129,891)	(63,738)

CEMACON SA
Consolidated cash flow statement
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

<i>Guarantee for the purchase of shares</i>	(3,169,756)	-
<i>Guaranteed payment</i>	(3,243)	(10,558)
<i>Cash from financing activities</i>	(4,026,888)	(629,824)
<i>Effect of exchange rate changes</i>	(12,926)	27,904
<i>Net increase/decrease in cash and cash equivalents</i>	(7,306,910)	(11,728,421)
<i>Cash and cash equivalents at beginning of period</i>	88,065,015	133,909,885
<i>Cash and cash equivalents at end of period</i>	80,758,105	122,181,464

CEMACON SA
Consolidated statement of changes in equity
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

	Subscribed capital and adjustments	Share premium	Revaluation reserves	Legal reserves	Other reserves	Undistributed result	Other equity items	Total
31-Dec-22	102,745,392	21,735,848	31,455,172	13,361,890	53,179,602	152,527,602	(3,508,324)	371,497,182
Current overall result	-	-	-	-	-	26,160,203	-	26,160,203
Revaluation reserves	-	-	11,522,211	-	-	-	-	11,522,211
Diff. deferred taxes	-	-	-	-	-	-	(1,703,575)	(1,703,575)
Constitution of legal reserve	-	-	-	1,554,386	-	(1,554,386)	-	-
Other reserves	-	-	-	-	29,533,341	(29,533,341)	-	-
Purchase price allocation adjustments	-	-	-	-	-	(3,730,176)	-	(3,730,176)
31-Dec-23	102,745,392	21,735,848	42,977,383	14,916,276	82,712,943	143,869,902	(5,211,899)	403,745,844
Current overall result	-	-	-	-	-	(3,659,315)	-	(3,659,315)
Share capital increase	-	-	-	-	-	-	-	-
Increase in share premium	-	-	-	-	-	-	-	-
Capitalised deferred tax differences	-	-	-	-	-	-	-	-
Constitution of legal reserve	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-
31-Mar-24	102,745,391	21,735,848	42,977,383	14,916,276	82,712,943	140,210,588	(5,211,899)	400,086,529

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

1. Legal principles

The interim consolidated financial statements as at 31 March 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The condensed interim consolidated financial statements contained in this report are unaudited and have not been reviewed by an external auditor.

The interim consolidated financial statements do not include all the information and items disclosed in the annual financial statements, and should be read in conjunction with the individual annual financial statements, prepared as at 31 December 2023.

Selected explanatory notes are included to explain events and transactions that are important to understanding the changes in the Company's financial position and performance since the last financial statements for the year ended December 31, 2023.

2. Accounting policies

The company's accounting policies are aligned with International Financial Reporting Standards (IFRS), a breakdown of which can be found in the consolidated financial statements as at 31 December 2023.

3. Accounting estimates

The entity makes certain estimates and assumptions about the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Actual future experience may differ from these estimates and assumptions.

4. Income

Income from sales	31-Mar-24	31-Mar-23
Sales of finished products	37,987,535	49,251,502
Sales of goods	3,329,759	3,284,766
Sales of services	604,963	344,208
Financial reductions granted	-	-
Trade discounts granted	(4,023,460)	(5,656,676)
Total	37,898,797	47,223,800

The main revenues realized by the entity in 2024 were from the sale of finished products 37.98 million lei, sale of goods 3.32 million lei and provision of services 0.60 million lei, the value of discounts granted was 4.02 million lei.

5. Other operating income

Other operating income is generated by activities that are not part of the entity's general line of business, which is why it is presented differently from sales revenue.

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

5. Other operating income (continued)

Other income	31-Mar-24	31-Mar-23
Income from miscellaneous services	2,366,739	30,765
Income from operating grants	37,127	24,564
Compensation income	224,342	-
Income from subsidies for assets	18,909	18,909
Total	2,647,117	74,238

Other gains and losses	31-Mar-24	31-Mar-23
Income from sale of assets	(69,600)	137,661
Expenditure on sales of assets	-	(161,976)
Income cancellation of provisions	5,864,569	2,153,504
Income from reversal of impairment adjustments on current assets	1,605,006	
Provisioning expenses	(811,678)	(1,396,201)
Expenses from value adjustments related to the impairment of current assets	-	-
Total gain/loss	6,588,297	732,988

6. Operating expenses

Other operating expenditure	31-Mar-24	31-Mar-23
Utilities	1,973,602	6,886,384
Transport and logistics	6,841,548	4,060,296
Expenditure on EUA Certificates	3,986,630	2,670,684
Other services provided by third parties	1,341,478	1,240,189
Advertising	883,156	128,528
Repairs	781,455	746,480
State budget taxes	318,415	432,629
Insurance	310,132	326,963
Rent	179,951	74,621
Commissions	53,003	34,170
Staff training	64,623	29,726
Environmental Protection Expenditure	29,872	-
Post and telecommunications	48,891	40,129
Miscellaneous	163,967	391,063
Total	16,976,722	17,061,861

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

7. Personal Structure

The structure and average number of employees is: 327

Average number of employees	31-Mar-24	31-Mar-23
Administrative Personal	87	75
Production Personal	240	206
Total	327	281

8. Financial income and expenses

Financial income	31-Mar-24	31-Mar-23
Interest income	1,192,282	1,450,591
Income from exchange rate differences	134,850	454,196
Total	1,327,132	1,904,787

Financial expenses	31-Mar-24	31-Mar-23
Interest expenses	(1,006,305)	(47,460)
Other financial charges	(91,044)	(86,713)
Expenses from exchange rate differences	(48,815)	(389,815)
Total	(1,146,164)	(523,987)

Financial expenses are mainly composed of the following categories: interest-related expenses 1.00 million lei, expenses related to exchange rate differences 0.48 million lei and other financial expenses 0.091 million lei.

Financial income is represented by interest income 1.19 million lei, income from exchange rate differences 0.13 million lei.

9. Inventories

	31-Mar-24	31-Dec-23
Raw materials and consumables	7,686,360	5,093,027
Packaging	4,322,668	2,512,478
Adjustments	(669,797)	(669,797)
Ongoing production	123,380	27,601
Semi-Finished and Finished Products	20,639,379	18,149,758
Adjustments	(1,227,423)	(1,227,423)
Products	3,191,421	5,108,621
Adjustments	(276,995)	(276,995)
Total	33,788,988	28,717,268

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

9. Inventories (continued)

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

Raw materials and consumables	31-Mar-24	31-Mar-23
Raw materials	2,476,010	3,610,273
Auxiliary materials	1,437,126	1,708,601
Packaging	211,008	38,414
Products	2,156,961	2,327,654
Inventory items	88,649	57,645
Other consumables	(118,789)	46,299
Miscellaneous	1,239,233	1,263,865
Total	7,490,200	9,052,752

Inventories adjustments

Where necessary, adjustments are made for stocks, physically or morally worn. Net realisable value is estimated on the basis of the selling price less selling expenses.

10. Trade and other receivables

Trade and similar receivables	31-Mar-24	31-Dec-23
Commercial creditor	16,187,154	28,890,702
Adjustments for trade receivables	(5,026,226)	(3,292,880)
Claims with related parties	1,044,447	20,350,472
Corporate tax	1,047,017	710,636
Other claims on the state budget	2,420,149	754,404
Grants	2,593,206	164,093
Sundry debtors and other receivables	(7,338)	(330)
Total financial assets other than cash classified as loans and receivables	18,258,408	47,577,096
Advances and advance expenses	4,167,863	627,865
Total	22,426,271	48,204,961

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

11. Trade and similar debts

Trade and similar debts	31-Mar-24	31-Dec-23
Trade debts	15,022,919	13,935,067
Providers of real estate	2,124,877	876,278
Intra-group debts	36,064	2,082,793
Leasing liabilities	81,341	487
Debts to employees	2,734,340	3,107,062
Taxes and social contributions	144,697	181,541
Other tax liabilities	2,272,436	4,517,557
Other debts	14,717,207	10,577,284
Total liabilities less loans, classified as measured at amortised cost	37,133,882	35,278,069
Dividend		
Advances	3,152,854	1,320,313
Income in advance	2,901,797	7,301,031
Total	43,188,533	43,899,413

12. Share Capital

On 31 March 2024 the share capital structure of:

Share capital structure	31-Mar-24	31-Dec-23
Subscribed paid-up share capital	93,531,042 lei	93,531,042 lei
Items treated as capital	9,214,349 lei	9,214,349 lei
Total share capital	102,745,391 lei	102,745,391 lei

As of 31 March 2024 the share capital structure is:

Share capital structure	31-Mar-24	31-Dec-23
Number of authorised shares	935,310,418 pcs	935,310,418 pcs
Number of subscribed and paid shares	935,310,418 pcs	935,310,418 pcs
Number of subscribed and unpaid shares	-	-
Nominal value of a share	0.10 lei	0.10 lei

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

The capital structure movements during 2024 can be seen in the table below:

	31-Mar-24		31-Dec-23	
	Number	Value	Number	Value
Ordinary shares at 0.1 Lei each	935,310,418 pcs	935,310,418 lei	935,310,418 pcs	935,310,418 lei
Reductions through loss consolidation.	-	-	-	-
Issues during the year	-	-	-	-
Acquisition of own shares	-	-	-	-
TOTAL	935,310,418 pcs	935,310,418 lei	935,310,418 pcs	935,310,418 lei

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

12. Share Capital (continued)

The shareholder structure as of 31 December 2023 is composed of:

Shareholder	Actions	Percent
PAVAL HOLDING SRL	753.963.090	80.6110%
INDUSTRIAL BIP	156.730.172	16.7570%
alti actionari / others	24.617.156	2.632%
TOTAL	935.310.418	100%

Source: CENTRAL DEPOSITARY Date: 12/31/2023

As a result of the transactions on the capital market in 2024, the shareholding structure as of 15 March 2024 consists of:

Shareholder	Actions	Percent
PAVAL HOLDING SRL	753.963.090	80.6110%
INDUSTRIAL BIP	156.730.172	16.7570%
alti actionari / others	24.617.156	2.632%
TOTAL	935.310.418	100%

Source: CENTRAL DEPOSITARY Date: 04/31/20 24

13. Transactions with affiliated parties

The affiliated parties of the Company in 2024 are:

- DEDEMAN SRL with headquarters in Mun. Alexei Tolstoi, nr. 8, Bacău County, CUI: 2816464, Ord.Reg.Com. no.: J04/2621/1992 significant shareholder;
- PIF INDUSTRIAL SRL with headquarters in Mun. Alexei Tolstoi, nr. 8, Bacău County, CUI: 18227759, Ord.Reg.Com. no.: J04/2200/2005 - shareholder (acting in concert with Dedeman SRL);
- DEDEMAN AUTOMOBILE SRL with headquarters in Mun. Bacău, Republicii Street, nr. 185, Bacău County, CUI: 15934070, Ord.Com. no.: J04/ 1513/2003 - a company of the Dedeman Society;
- PAVAL HOLDING SRL with headquarters in Mun. Alexei Tolstoi Street, nr. 8, Bacău County, CUI: 39895050, Ord.Reg.Com. no.: J04/ 1405/2018 - a Dedeman company;
- EURO CARAMIDA SA with headquarters in Sat. Biharia, Str. Caramizii, nr. 1, Judet Bihor, CUI: 16131690, Nr.Ord.Reg.Com.: J05/209/2004 CEMACON SA has acquired 100% of the share capital of EURO CARAMIDA S.A.
- Sologon Daniel - General Manager and Chairman of the Board of Directors
- Karina Paval - CA member
- Dana-Rodica Beju - Board member
- Dragos Paval - Board member
- Adrian Fercu - Board member

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

Transactions with related parties (continued)

Transactions with related parties are summarised in the table below:

	Sales	Sales	Purchases	Purchases	Loans Granted	Loans Granted
Affiliated Parties	1 Jan-31 March 24	1 Jan-31 March 23	1 Jan-31 March 24	1 Jan-31 March 23	1 Jan-31 March 24	1 Jan-31 Dec 23
Dedeman SRL	6,544,515	1,996,168	88,395	26,563		
Total	6,544,515	1,996,168	88,395	26,563	-	-

Amounts Presented in Lei

Balances with related parties are summarised in the following table:

	Creator	Creator	Debts to	Liabilities to related	Balance Borrowing from	Balance Borrowing from
Affiliated Parties	with affiliated parties	with affiliated parties	related parties	parties	related parties	from related parties
	31-Mar-24	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23
Dedeman SRL	1,044,447	943,010	35,660	6,117		-
Total	1,044,447	943,010	35,660	6,117	-	-

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

14. Cash and cash equivalents

Cash and cash equivalents	31-Mar-24	31-Mar-24
Available in the bank	2,031,443	80,793,584
Cash and cash equivalents	(39,327)	(35,479)
Total	1,992,116	80,758,105

As at 31 March 2024 there are no financial instruments that give rise to credit risk exposures. The balances of cash accounts denominated in foreign currencies as at 31.03.2024 are not significant .

15. Adjustments to accounting errors

During the period January-March 2024, the Company did not record corrections of accounting errors, related to previous years.

16. Other information

Segment reporting:

The company has only one reporting segment, the production and sale of building bricks. The nature of the products in the Company's range is similar, as is their production process. Also, the nature of the economic and legislative environment to which the Company's activity is subject is the same for all production and marketing activities undertaken by the Company. The Company has no significant sales on the external market, which would meet the reporting criteria of a separate segment. The assets held by the Company are entirely located within Romania, and are used for the purpose of producing and marketing the products mentioned above. Also, all liabilities, i.e. the results recorded in the individual financial statements, are exclusively related to the Company's only business segment, which is the production and marketing of building bricks.

Information about the company presentation:

Cemacon SA is a Romanian legal entity, established as a joint-stock company on the basis of HG no.1200/1991 with registered office in Cluj-Napoca, Calea Turzii Street, no.178K, Hexagon Offices building, 1st floor, jud. Cluj. The company's main activity is "Manufacture of bricks, tiles and other construction products from fired clay".

Translation bases used for expressing in national currency assets and liabilities, income and expenses initially recorded in a foreign currency:

The main exchange rates used for the conversion into lei of balances denominated in foreign currency as at 31 December 2023 and 31 March 2024 are:

Foreign currency	Abbreviation	Exchange rate	
		31-Mar-24	31-Dec-23
US Dollar	USD	4.5735	4.5743
Euro	EUR	4.9709	4.9465

CEMACON SA
Notes to the Consolidated Financial Statements
for the period ending 31 March 2024
(all amounts are in RON, unless otherwise specified)

16. Other information (continued)

Amendments:

The trustees do not have the right to subsequently amend the financial statements. The financial statements together with the notes to the financial statements are authorised for issue on 15 May 2024. There is no possibility of the financial statements being amended after they have been issued.

The quarterly financial statements have not been audited.

17. Quota

Taxing

The Company considers that it has paid on time and in full all taxes, duties, penalties and penalty interest to the extent applicable. All amounts due to the State for taxes have been paid or accrued at the balance sheet date. The tax system in Romania is in the process of consolidation and harmonization with European legislation, and there may be different interpretations of the authorities in relation to tax legislation, which may give rise to additional taxes, duties and penalties. In case the state authorities discover violations of the Romanian legal provisions, they may determine as appropriate: confiscation of the amounts in question, imposition of additional tax obligations, application of fines, application of late payment surcharges (applied to the amounts actually outstanding). Therefore, the tax penalties resulting from violations of legal provisions can reach significant amounts to be paid to the State. In Romania, the tax year remains open for audit for a period of 5 years.

Transfer price

Under the relevant tax legislation, the tax assessment of a related party transaction is based on the concept of the market price of that transaction. Based on this concept, transfer prices must be adjusted to reflect the market prices that would have been established between entities between which there is no affiliation and which act independently, based on "normal market conditions".

It is likely that transfer pricing audits will be carried out in the future by the tax authorities to determine whether transfer prices comply with the "arm's length" principle and that the Romanian taxpayer's tax base is not distorted.

Director General

Chief Financial Officer

Sologon Daniel

Cojocaru-Lungu Bogdan

The information contained in this document is provided in accordance with IFRS (International Financial Reporting Standards). The Company has made every effort to ensure that the information presented is complete, accurate and free from material error. Where appropriate, both the company and management have used professional judgement in conjunction with Interim Financial Reporting Standards to present information in a manner consistent with the specifics of the business. Interpretation of the information presented in this document should be made in accordance with these standards. Where omissions occur or there are interpretations that differ from the regulations mentioned, the provisions set out in the International Financial Reporting Standards (IFRS) shall apply. The unaudited financial information presented above is preliminary and subject to adjustments and changes. Adjustments and changes to the financial statements may be identified in the course of audit work, which could result in material differences from this unaudited financial information preliminary.