

**SEPARATE
REPORT
UNAUDITED
30.09.2023**



compa
beyond expectations

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This is a free translation from Romanian, which is the official and binding version.

1. INTRODUCTION

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

- Regulation ASFnr. 5/2018 on issuers of financial instruments and market operations, and
- Law 24/2017 on issuers of financial instruments and market operations, art.67.

The main objective of the quarter-yearly report is to inform investors about the changes in the company's position and performance, which took place in 01.01.2023-30.09.2023.

COMPAS S.A. prepares individual financial statements in accordance with international IFRS financial reporting standards.

2. COMPAS – BRIEF HISTORY

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

SHORT HISTORY

1886 - First official documentary record of the Lószef Datky (1844-1928) blacksmith's workshop, known as the "Datky Iosif & Sons Carriage Workshop", which produced lamellar carriage springs, forgings, bars, buckets, hammers, tesels, etc. The workshop became a supplier of carriages for the Royal House of Vienna, and the recognition of the merits and quality of the products made is also attested by its participation in international exhibitions: Budapest (1896) and Paris (1898).

1920 - Beginning of the manufacture of springs for cars and wagons and the transformation of the forge workshop into "Elastic & Datky" - the first Romanian spring factory and special forge workshop.

1932 - "ELASTIC DATKY & Co" - the first factory of springs and batteries - switches to the manufacture of batteries and spiral springs. The technology of manufacturing leaf springs for trucks and cars was also developed.

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

1961 - Uzina Elastic Sibiu se profilează pe fabricarea de: arcuri în foi; arcuri elicoidale înfășurate la cald și arcuri elicoidale înfășurate la rece.

1969 - establishment of the Sibiu Auto Parts Company (IPAS), through the merger of two important companies in Sibiu, which have had an independent individual path over time:

- Uzina Automecanica, with an impressive history during its development, from an Arsenal of the Sibiu Artillery that provided the repair and manufacture of armament for the defence of Sibiu Fortress (before the merger) to the production of automotive equipment, combining the experience of its ancestors with the new advances in technology and management of those times;

- The Elastic factory, with its deep roots in the craftsmanship tradition of the fortress, was founded in the 19th century as a blacksmith's workshop, which later developed into a bodywork workshop and finally, before the 1969 amalgamation, into a factory of springs and forged products.

The unification of the two representative factories of Sibiu and the establishment of the Auto Parts Company (IPA) was a crucial moment, laying the foundations for the founding in Sibiu of a powerful company in the automotive field, an enterprise that was to become one of the main suppliers of components for the manufacture of trucks and buses based on the license taken over by the Romanian State from the German company MAN.

The Auto Parts Enterprise, entered a national development program, with major investments in the construction of warehouses and the purchase of state-of-the-art machinery and equipment, of the period. Within the company they have been assimilated into manufacturing and produced as a result of buying licences from various firms in the European automotive industry:

- Equipment for vehicle braking systems;
- Cardanic transmissions;
- Steering systems;
- Telescopic shock absorbers;
- Vehicle suspension systems.



Transformation of the SIBIU AUTO PARTS COMPANY, following the change of regime in December 1989, into a joint-stock company, fully state-owned, with the name of S.C.COMPA S.A.Sibiu.

1996 - Establishment by Compa, together with a company belonging to the German concern KRUPP, of a joint venture - Krupp Bilstein Compa, for the manufacture of telescopic shock absorbers for automobile production.

1997 - The company's shares are traded on the Bucharest Stock Exchange from 12 June 1997 under the symbol CMP. The shares issued by the company are traded in the Standard category of the BVB.

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

1999 - Full privatisation of COMPA, with the Compa Employees Association taking over the main shareholding. Privatisation was the most radical form of restructuring. The change in ownership meant a complex and profound change in the way all the company's functions were carried out, separately and as a whole. The conditions were created for the most profitable use of human, material and financial resources.

2000 - The first affiliated company - Compa IT SRL, in the IT sector, with full COMPA capital, is established.

2001 - Se înființează firma afiliată TRANS CAS SRL, cu capital preponderent COMPA, prin transformarea Bazei de transport existente în cadrul firmei, în societate separată de transport intern și internațional.

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

2004-2018 - Establishment of collaborative partnerships with some of the most important automotive companies in the world, as well as with non-auto companies, in order to produce components mainly for the automotive industry worldwide.

2020 - Participation of Compa S.A. as sole partner in the establishment of a limited liability company called Arini Hospitality SRL;

During this period, rehabilitation works have been carried out, especially in the halls and storage areas, requiring their modernization and bringing them to a level of operation in the conditions required by our business partners.

Significant investment expenditure has been made to ensure that the production facilities meet the requirements and standards of these periods. The overwhelming part of the investment expenditure made from our own sources and from bank loans was mainly directed towards financing the purchase of new, state-of-the-art machinery and equipment, in order to be able to produce car components at the level of complexity, technicality and quality required by the company's partners:

2021 - Establishment of a limited liability company named Arini Hospitality SRL.



Compa S.A. continues to develop in a sustained rhythm, using high-performance technologies and equipment.



3. IMPORTANT EVENTS PRODUCED IN THE FIRST 9 MONTHS OF 2023

As important vents recorded in the activity of Compa during the first 9 months of 2023, we can highlight the meetings of the Board of Directors of the company and the general meetings of shareholders as follows:

09.01.2023 – The Extraordinary General Meeting of Shareholders (EGMS) was held with the following agenda:

1. the election of the secretary of the meeting of the Extraordinary General Meeting of Shareholders from among the present shareholders.
2. approval of the increase in the share capital of the affiliated company ARINI HOSPITALITY S.R.L., to which Compa S.A. is sole associate, with the amount of 3,500,000 lei, cash contribution.
3. approval of the delegation of the Board of Directors of Compa S.A. to take the necessary decisions in order to increase the share capital of the company Arini Hospitality SRL, deciding on any aspects related to the share capital increase, the number of shares and their value, status update, etc
4. ratification of the decision of the Board of Directors of Compa S.A. no. 143/23.11.2022 art. 1 approving the contracting by the affiliated company Arini Hospitality S.R.L. (in which Compa S.A. is the sole partner) of a bank loan in the form of an investment credit up to a ceiling of 1,800,000 (one million and eight thousand) euros.
5. ratification of the decision of the Board of Directors of Compa S.A. no. 143/23.11.2022 art. 2 approving the guarantee of the bank loan referred to in art. 4 with movable and immovable assets from the patrimony of Arini Hospitality company, including the property registered in the Land Registry no. 131805 Sibiu.
6. ratification of the decision of the Board of Directors of Compa S.A. no. 143/23.11.2022 art. 3 approving the guarantee by Compa S.A., as guarantor and/or co-debtor, of the bank loan requested by Arini Hospitality SRL pursuant to art. 4 above if the financing bank requests it.
7. approval of the amendment to the constitutive act of Compa S.A. by adding to point IX subsection 12 the possibility for the members of the Board of Directors to participate in the meetings of the Board of Directors by means of remote communication means, so that the amended text will have the following content: IX. ADMINISTRATION AND REPRESENTATION OF THE COMPANY (12) The board of directors meets at least once every 3 months. The participation of the members of the company's Board of Directors in its meetings can also take place by means of remote communication, videoconference, teleconference, e-mail, or fax. The members of the board of directors will conclude a professional liability insurance.
8. approval of the authorization of the President of the Board of Directors, Deac Ioan, or any other administrator in case of impossibility of the president, to sign in the name and on behalf of the Company the additional act and the updated constitutive act of the Company in accordance with the decision of the E.G.M.S. from point 7.
9. approval of February 10th, 2023, as the Registration Date for the shareholders identification falling under the consequences of the General Extraordinary Meeting of Shareholders, due to the provisions in Art. 87, Law 24/2017 on issuers of financial instruments and market operations and approval of February 9th, 2023, as ex-date, according to Art. 176(1) from FSA Regulation no.5 / 2018.
10. empowering of individuals that will perform the publication and recording formalities of the GMS session decisions, including their signing.

31.01.2023 – The Board of Directors of Compa S.A. was convened, in which the proposals of the economic-financial department of the company were analyzed and approved regarding the results of the inventory of the company's assets for the year 2022 and which consist of:

- approving the scraping of certain assets in the nature of fixed assets and stocks of materials and finished products
- approving the registration of inventory minuses recorded in stocks

- approving the taking over of some prescribed and/or unrecognized debts by the partners
- approving the transfer of unrecoverable debits
- approving the recording of impairment adjustments of customer receivables
- the mandate of the President of the Board of Directors – Ioan Deac and the Vice-president of the Board of Directors – Ioan Miclea to sign the decisions of the Board of Directors taken in the meetings convened for the 31st January 2023

24.02.2023 – During the meeting of the Board of Directors convened on 24th February 2023, the preliminary financial results for the year 2022 were analyzed and approved, both the individual ones related to the company Compa, as well as the preliminary financial results for the year 2022 related to the Group.

Also, during the meeting, the Board of Directors approved the Integrated Campus Project for dual education – PRODUAL, the total value of the project in the amount of 129,922,526.46 Ron, as well as its own contribution to the project 6,197,247.60 lei of which 870,686.00 Ron is the contribution of Compa S.A.

09.03.2023 – The Board of the Directors convened for the approval of the proposal to convene the Ordinary General Meeting Of Shareholders (OGMS) for the date 26.04.2023 the first convocation (3.00 p.m.) and 27.04.2023, the second convocation (3.00 p.m.) as well the proposal to convene the Extraordinary General Meeting (EGMS) for the date 26.04.2023 the first convocation (4.00 p.m.) and 27.04.2023, the second convocation (4.00 p.m.).

The Board of Directors approved the agenda of the OGMS convened on 26/27.04.2023, in which a number of 10 points were entered (according to the convening note) as well as the 8 points included in the relevant EGMS convening note of 26/27.04.2023.

The Board of Directors also approved 11.04.2023 as the reference date for the AGOA and respectively the AGEA of 26/27.04.2023.

23.03.2023 – During the meeting of 23.03.2023, the Board of Directors approved the Individual and Consolidated Annual Report for the financial year 2022 drawn up according to Annex 15 of ASF Regulation no. 5/ 2018. Also, during this meeting, the Revenue and Expenditure Budget for 2023 and the Investment Program for 2023 was approved.

26.04.2023 – The Ordinary General Meeting of Shareholders (OGMS) was held with the following agenda:

- the election of the secretary of the meeting of the Ordinary General Meeting of Shareholders from among the present shareholders;
- the presentation, discussion, and approval of individual and consolidated financial statements for 2022, elaborated in accordance with the International Standards for Financial Reporting and based on the reports of the Board of Directors accompanied by the report of the Financial Auditor;
- approval of the proposal of the Board of Directors for the distribution of the net profit for the financial year 2022, in amount of 2.510.594 lei as follows:
 - for own development sources – the value of 2.009.820 lei
 - for according dividends to the shareholders – the value of 500.774 lei with a gross dividend/ share in amount of 0,0023 lei.
- approval of the date of June 15th, 2023, as the date of payment for the payment of dividends. The payment of dividends will be made in RON. The method of payment of dividends will be notified to the shareholders before the date of starting the payment. Dividend expenses are borne by shareholders.
- pronouncing on the management of the Board and approving the discharge of administrators from their duties for year 2022 based on the submitted reports;

- presentation, debate and approval of the Revenues and Expenses Budget for 2023 and the investment plan for 2023;
- fixing and approving of due remuneration for the Board members for the current year;
- appointment of the external financial auditor in order to perform the Statutory Audit for 2023;
- approval of the remuneration report of the company's management prepared for the financial year 2022;
- approval of May 23th, 2023, as the Registration Date for the shareholders identification falling under the consequences of the General Ordinary Meeting of Shareholders, due to the provisions in Art.87, Law 24/2017 on issuers of financial instruments and market operations and approval of May 22th, 2023 as ex-date, according to Art. 176(1) from FSA Regulation no.5 / 2018;
- empowering of individuals that will perform the publication and recording formalities of the GMS session decisions, including their signing.

26.04.2023 - The Extraordinary General Meeting of Shareholders (EGMS) was held with the following agenda:

- the election of the secretary of the meeting of the Extraordinary General Meeting of Shareholders from among the present shareholders;
- approval of contracting and / or extension for the year 2023 and the year 2024 until the annual EGMS of investment loans, credit lines, leasing, letters of bank warantee, and other financial banking products, with a total cumulative ceiling of 40 EUR million and establishing security interests related to movable and immovable property owned by the Company;
- delegation of the Board of Directors by the Extraordinary General Meeting of Shareholders from de date of this decision until the next Extraordinary General Meeting in April 2024 to commit and/or extend investment loans, credit lines, leasing assignments, letters of guarantee and other financial banking products, within the maximum cumulative total of 40 million euro approved at point 2, as well as to constitute movable and immovable warantees related to assets of the company's patrimony;
- the empowerment of persons to represent the Company when negotiating and signing of credit contracts, guarantee contracts and any other documents needed in order to comply with the decisions stipulated in paragraphs 2 and 3;
- delegation of the Board of Directors by the General Extraordinary Meeting of Shareholders for appointing the company's legal representative of Compa S.A. in relation to the Management Authority/funding authorities and to empower the person / persons designated to sign in the name and on behalf the Company, the financing contracts for projects to be carried out starting in 2023 and onwards until the next E.G.M.S from April 2024;
- the empowerment of persons to sign in the name and on behalf of the Company, the contract with the financial auditor, appointed according to the decision no. 8 of OGMS;
- approval of May 23 th, 2023, as the Registration Date for the shareholders identification falling under the consequences of the General Extraordinary Meeting of Shareholders, due to the provisions in Art.87, Law 24/2017 on issuers of financial instruments and market operations and approval of May 22th, 2023 as ex-date, according to Art. 176(1) from FSA Regulation no.5 / 2018;
- empowering of individuals that will perform the publication and recording formalities of the GMS session decisions, including their signing.

01.05.2023 – The decision was issued regarding the appointment of Mr. Blaj Robert as Logistics Director. The decision applies starting from 01.05.2023.

12.05.2023 – During the Meeting on May 12th, 2023, the Board of Directors approved:
- the individual and consolidated report for Quarter 1 – year 2023;
- the mandate of the CEO – Ioan Deac and the CFO – Mihaela Dumitrescu, to sign, on behalf of and for the Board of Directors, the individual and consolidated report for the quarter 1 – year 2023

- the Announcement regarding the payment of dividends related to the financial year 2022, which also includes the Procedure for distributing dividends related to the financial year 2022;
- the mandate of the President of the Board of Directors - Ioan Deac and the Vice President of the Board of Directors – Ioan Miclea to sign the Announcement regarding the payment of dividends related to the year 2022 and the Procedure for distributing the dividends related to the year 2022;
- the mandate of the President of the Board of Directors - Ioan Deac and the Vice President of the Board of Directors to sign the decisions of the Board of Directors taken in the meeting convened for 12.05.2023.

15.06.2023 – The action to pay the dividends due to Compa shareholders, related to the year 2022, has started.

14.07.2023 – During the meeting on July 14th, 2023, the Board of Director approved:

- authorizing the President of the Board of Directors, Mr. Ioan Deac, to sign, on behalf and for Compa S.A. as an associate of Trans C.A.S. S.R.L., the decision of the Extraordinary General Meeting of Trans C.A.S. S.R.L. Associates
- the mandate of the President of the Board of Directors - Ioan Deac and the Vice President of the Board of Directors to sign the decisions of the Board of Directors taken in the meeting convened for July, 14th 2023.

09.08.2023 – During the meeting on July 14th, 2023, the Board of Directors approved:

- the individual financial report for first semester of 2023 and the consolidated financial report for first semester of 2023;
- the mandate of the President of the Board of Directors - Ioan Deac and the Vice President of the Board of Directors - Ioan Miclea to sign on behalf and for the Board of Directors the individual financial report for the first semester - 2023 and the consolidated financial report for the first semester - 2023.
- the mandate of the President of the Board of Directors and the General Director - Ioan Deac and the Vice President of the Board of Directors - Ioan Miclea to sign the decisions of the Board of Directors taken at the meeting convened for 08/09/2023;
- the program regarding the realization and implementation of continuous improvement projects by the engineers of Compa S.A.

30.08.2023 - During the meeting on 30.08.2023, the Board of Directors approved:

- contracting by the affiliated company Arini Hospitality S.R.L. (in which Compa S.A. is the sole associate) of a bank loan in the form of a credit line in the amount of 3,500,000 lei (three million five hundred) lei for a period of 12 months with the possibility of extension;
- guaranteeing the bank loan mentioned in art. 1 with movable and immovable assets from the patrimony of the Arini Hospitality company, including the property registered in the Land Registry no. 131805 Sibiu;
- the mandate of the President of the Board of Directors - Ioan Deac to sign the decisions of the Board of Directors taken in the meeting convened for 30.08.2023.

29.09.2023 – During the meeting on 29.09.2023, the Board of Directors approved:

- contracting by the affiliated company Arini Hospitality S.R.L. (in which Compa S.A. is the sole partner) of a bank loan in the amount of 1,800,000 RON (one million eighty-eight) in the form of a revolving facility for VAT financing/refinancing Ibis - Mercure hotel complex project for a period of 12 months with the possibility of extension;
- guaranteeing the bank loan mentioned in art. 1 with movable and immovable assets from the patrimony of the Arini Hospitality company, including the property registered in the Land Registry no. 131805 Sibiu;
- the authorization of Mr. Ioan Deac - Chairman of the Board of Directors and General Director, as well as Mrs. Mihaela Dumitrescu - Economic Director to decide on behalf and on behalf of Compa SA, sole

partner of SC COMPA IT SRL (CUI 13656016), the designation of the persons who will be authorized to carry out operations on the accounts opened at banks in the name of the affiliated company COMPA IT SRL;

- renewal/extension of the credit facility - credit agreement no. 22/31.01.2008 concluded with BRD Groupe Societe Generale S.A., in the amount of 15,000,000 Eur (if necessary sub-ceiling of 4,000,000 Eur for issuing letters of guarantee/opening letters of credit/FINTRA) until 30.10.2024 and the guarantee of the facility of credit with the goods already brought in as a guarantee;
- the authorization of General Director Ioan Deac and Economic Director Mihaela Dumitrescu to represent the company during the negotiation and signing on behalf of Compa S.A. of the additional documents and any other necessary documents in order to extend and guarantee the Credit Facility – Credit Agreement no. 22/31.01.2008 concluded with BRD Groupe Societe Generale S.A.;
- authorizing General Director Ioan Deac and Economic Director Mihaela Dumitrescu to sign real estate mortgage contracts in the name and on behalf of the company, if necessary;
- the mandate of the President of the Board of Directors - Ioan Deac to sign the decisions of the Board of Directors taken in the meeting convened for 29.09.2023;

3.2. EVENTS PRODUCED AFTER THE REPORTING PERIOD

26.10.2023 – The Board of Directors meeting in the meeting of 26.10.2023 took note of the termination of the mandate of administrator, as well as the position of Vice-President of the Board of Directors, of Mr. Ioan Miclea, starting from 22.10.2023, as a consequence of his death.

3.3. COMPA MANAGEMENT'S VISION FOR THE FUTURE DEVELOPMENT OF THE BUSINESS

3.3.1 Compa's position in the automotive industry

Compa has an industrial tradition of more than 130 years, of which more than 100 years have been spent in the automotive sector. After 1969 and until privatisation in 1999, production was exclusively for the automotive sector. Therefore, this sector of activity has an impressive history within the company, being the field in which the most important and significant skills and competences have been acquired and developed.

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

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

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

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

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

3.3.2. Trends and actions taken at Compa to change the production structure

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

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

In this context COMPA's strategy is :

- Discontinuation of the assimilation in manufacturing of new products for passenger cars with internal combustion (diesel, petrol)
- Stop investment in capacity increases for the production of new components for diesel engines, except for large goods vehicles (TIR).
- Assimilation of new components mainly for non-auto sectors
- Investment is only allowed to provide production capacity for the production of non-engine internal combustion engine components or components for non-auto areas.

3.3.3. New areas of activity to be developed at Compa

- Development of wiper arms manufacturing with Bosch Company. Compa continues the collaboration with Bosch Company for the development of wiper arms and clamps, after a long collaboration of years in the production of wiper blades.
- The project involves about 20 series references for BMW, Renault, Fiat and 100 references for after market.
- The project will be developed in the next period in collaboration with the Bosch factory in Serbia from where a second assembly line will be transferred.
- Development of the production of components for Wilo fluid pumps.
- This is an industrial field with potential for future growth, knowing that the production of fluid pumps (water, liquid fuel, chemicals, oil, etc.) is constantly increasing.
- COMPA has established a business partnership with Wilo in recent years and is expected to increase the volumes of these products in the future.
- The products are assimilated into COMPA's production, approved, and their production is starting.
- Another area that COMPA's management is addressing in the context of the company's manufacturing conversion is the production of sub-assemblies for machine tool manufacturing.

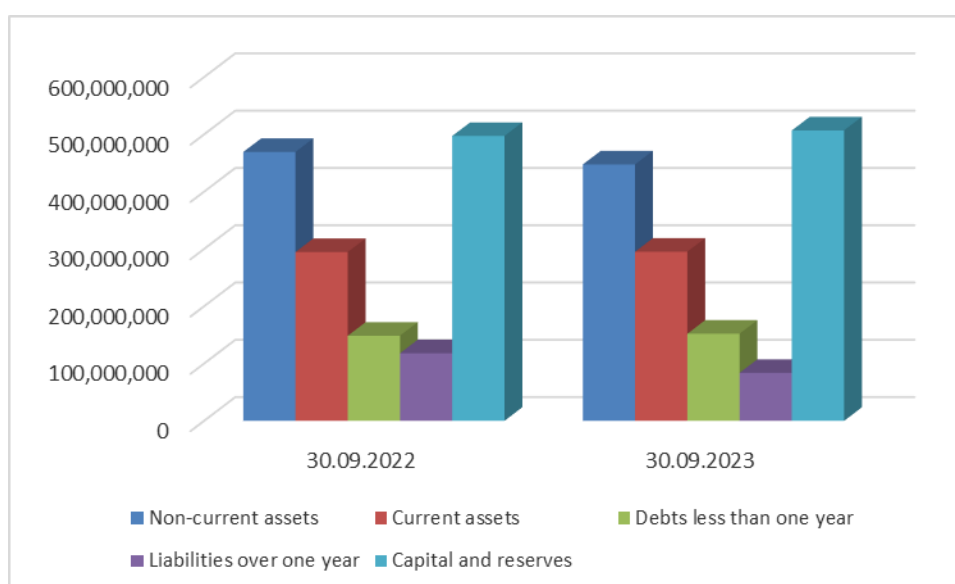
A partnership has been concluded with one of the largest machine tool manufacturers in the world, DMG MORI, for which COMPA has undertaken to produce the following categories of products with a high proportion of machine tools:

- Large machined components made on specialised CNC machine tools of high precision and complexity
- Machine tool bodies of various sizes and types equipping a wide range of machine tool models.
- These are particularly complex products, comprising between 150 and 200 parts and sub-assemblies, which require a high level of skill and equipment for their production at COMPA.

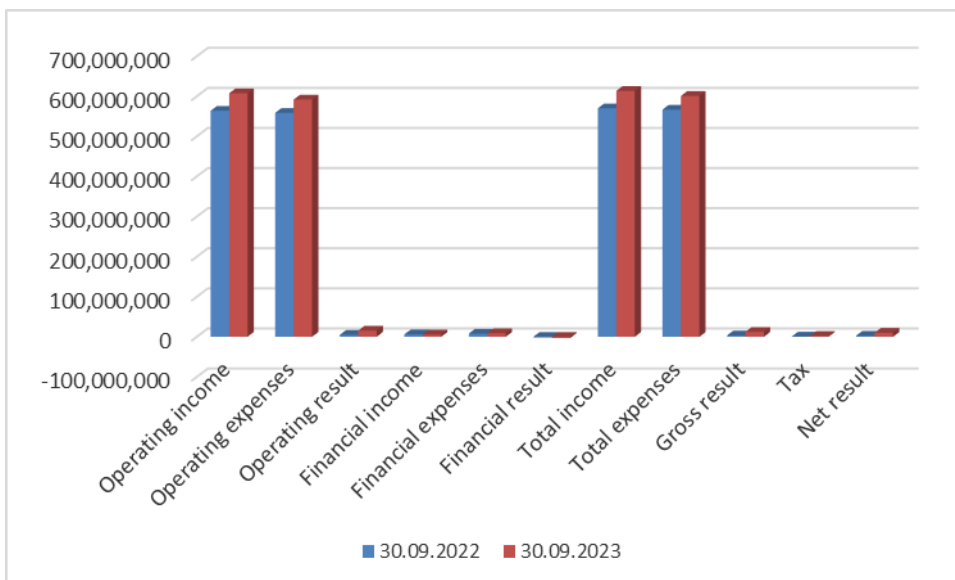
4. FINANCIAL STATEMENT - ACCOUNTING
4.1. The main balance sheet items on 30.09.2023 compared to 30.09.2022

In order to analyze the economic and financial situation for the first 9 months of 2023, we further present the following indicators:

INDICATOR	30.09.2022	30.09.2023
Non-current assets	469,310,550	447,599,374
Current assets	294,653,536	295,236,970
Debts less than one year	148,621,707	152,110,341
Liabilities over one year	118,084,932	83,728,127
Capital and reserves	497,257,448	506,997,877

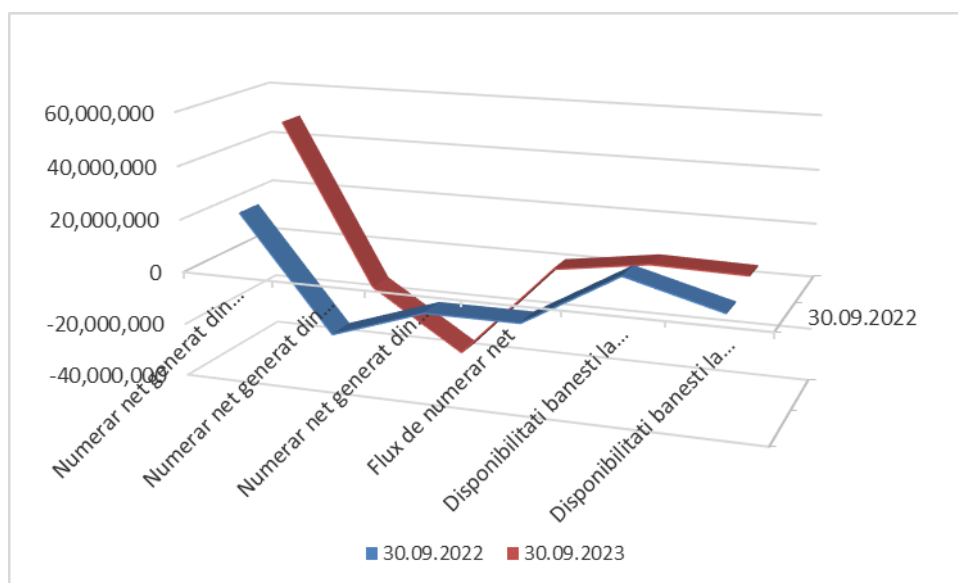

4.2. The situation of incomes and expenses in the period 01.01.2023-30.09.2023 compared to the same period last year

INDICATOR	30.09.2022	30.09.2023
Operating income	563,852,864	607,366,363
Operating expenses	558,701,887	591,961,815
Operating result	5,150,978	15,404,548
Financial income	6,069,360	5,966,535
Financial expenses	7,913,741	9,057,523
Financial result	-1,844,381	-3,090,988
Total income	569,922,224	613,332,898
Total expenses	566,615,628	601,019,338
Gross result	3,306,596	12,313,560
Tax	576,272	2,099,884
Net result	2,730,325	10,213,676



4.3. Statement of cash flows on 30.09.2023 and 30.09.2022

DENUMIRE INDICATOR	30.09.2022	30.09.2023
Numerar net generat din exploatare	21,662,618	49,477,542
Numerar net generat din activitati de investitii	-21,617,519	-13,028,774
Numerar net generat din activitatea financiara	-9,680,439	-35,638,749
Flux de numerar net	-9,635,340	810,019
Disponibilitati banesti la inceputul perioadei	11,068,357	5,986,107
Disponibilitati banesti la sfirsitul perioadei	1,433,017	5,176,088



4.4. Key financial indicators

INDICATOR	30.09.2022	30.09.2023
Current liquidity	1.98	1.94
Degree of indebtedness	0.19	0.1
The speed of rotation of debits - customers	68.78	71.5
The speed of rotation of fixed assets	1.18	1.33
New investments	21,617,519	13,028,774
EBITDA	40,181,213	50,582,500

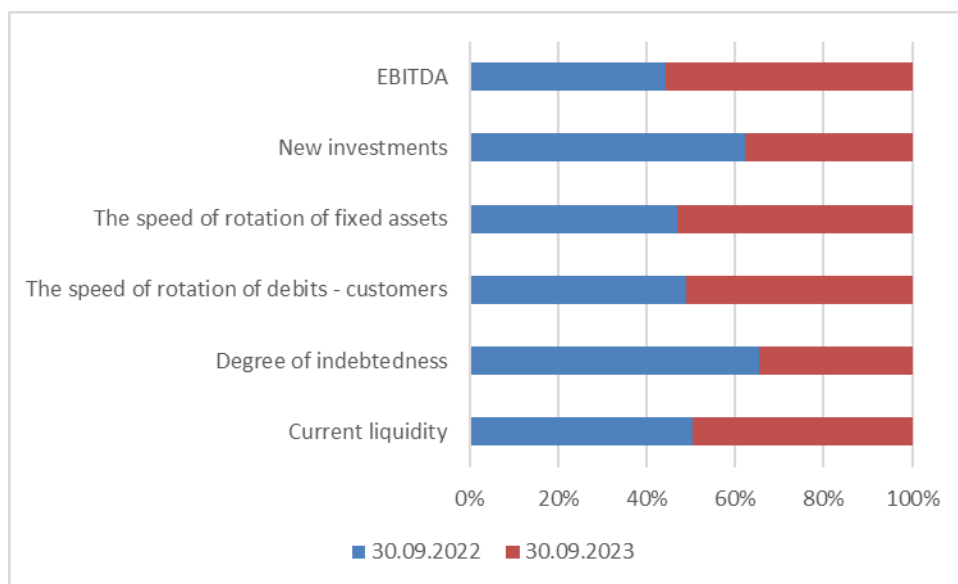
Current liquidity = current assets / current debts

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

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

Degree of indebtedness = borrowed capital / capital engaged

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



5. ANALYSIS OF THE COMPANY'S ACTIVITY

5.1. PRODUCTS, PROCESSES

"PROFIT CENTER" organizational structure for managing the production activity in COMPA

The production activity in the parent company Compa is organised by Profit Centres. These "profit centres" are in fact production sections/areas where families of products similar in terms of construction and technology are produced, equipped with machines and equipment specific to the production of these products, being decentralised production units. In this case, the products produced are intended for a single customer or a limited number of customers. The economic activity is organised in such a way that each profit centre draws up a monthly profit and loss account, which is a particularly important document for identifying income and expenditure, so that by adding up the profit and loss accounts of the profit centres the profit and loss account at COMPA level is obtained.

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

The operations managers together with the cross-functional teams have the obligation to achieve each product at the level of profitability included in the price negotiated with the business partner. This is the direction in which the work of the multifunctional teams of the profit centres is oriented: to meet the standard costs established, to permanently reduce costs, to obtain the planned profit of each product **manufactured**

COMPA produces a wide range of products and operates with various processes. Their grouping, for the purpose of quantifying the value of production manufactured both in the Annual Reports of the Board of Directors and for various statistical reporting purposes, is based on a certain functional similarity between them, branches or industrial sectors, etc

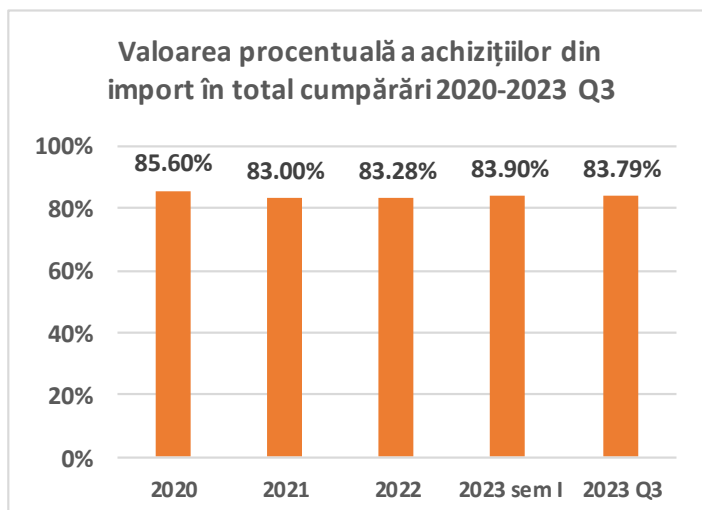
Thus, the organisational and logistical structure is coherent and can be understood by COMPA shareholders and investors, business partners, etc.

5.2. PROCUREMENTS – SUPPLIERS

5.2.1. Evaluation of purchasing activity:

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

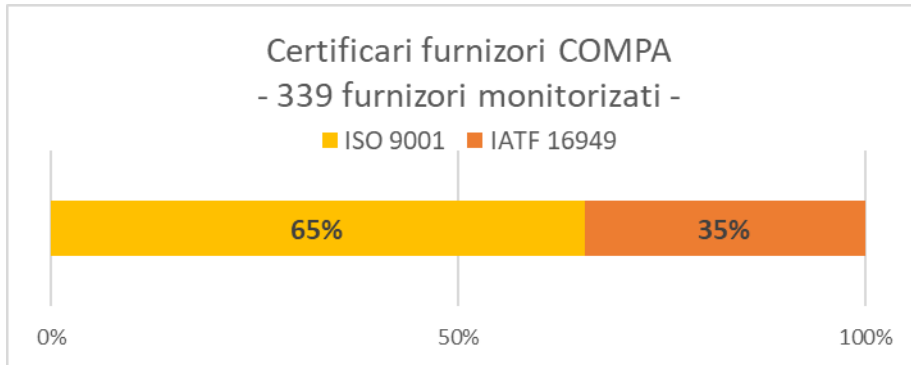
Also, in the next period it is estimated that the value of semi-finished products in total purchases will decrease, in favor of basic materials, largely due to the development of new processes in Compa for both the automotive and non-automotive sectors with a high degree of integration. for which most operations are performed internally.



5.2.2. The main objectives of the department are:

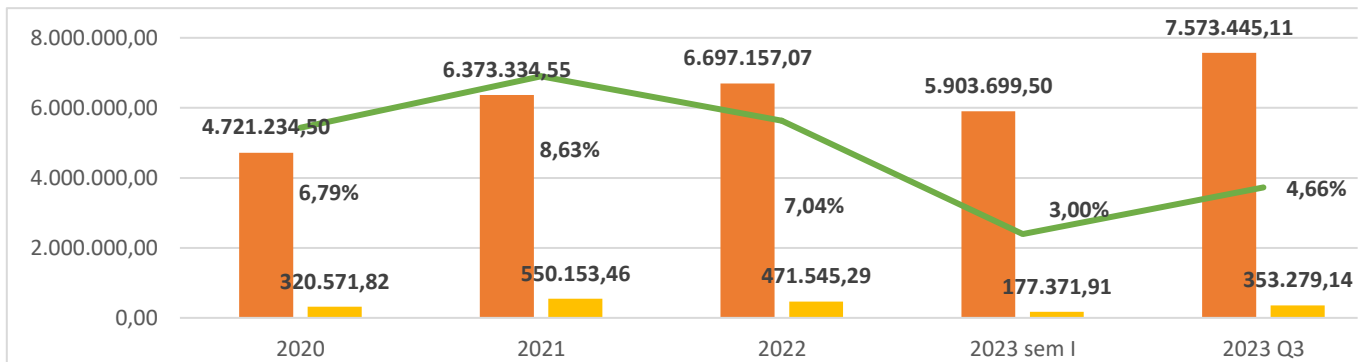
- In the context of market globalization - the need to align the market with stock prices for most products by obtaining a price index with 100% compliance with MEPS. (Management Engineering and Production Services - price indicator on the metallurgical market, which provides price estimates).

- Finding sources of supply to ensure the highest possible competitiveness of the prices of raw materials and supplied materials, stability and sustainability of the supply chain.

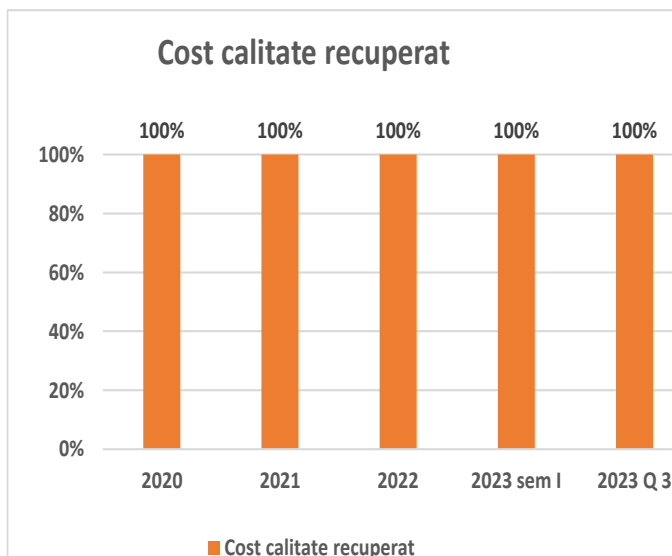


- Market research and finding new supply solutions as well as the development of suppliers with whom there are collaborations in order to obtain the best price and quality level in the supplied products by collaborating only with certified suppliers. Compa monitors and evaluates on a monthly basis all suppliers whose products are incorporated or influence Compa products. This category includes a number of over 360 suppliers who are evaluated according to criteria related to the quality of the delivered products and logistical criteria..

- Improving the performance of cutting tools (eg drills, reamers, cutters, inserts, etc.) is achieved by testing and implementing new and innovative solutions that reduce the cost per piece.



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



- Establish a responsible supply chain by working with suppliers that respect COMPA's principles and vision in the field of quality, environment and health and safety at work by adhering to and implementing policies and regulations addressing these issues, by adhering to, certifying and aligning regulations / standards addressing these issues..

- COMPA maintains and calls on its suppliers to take a proactive approach in managing environmental impact, social responsibility and adopting progressive labor, health and safety policies.

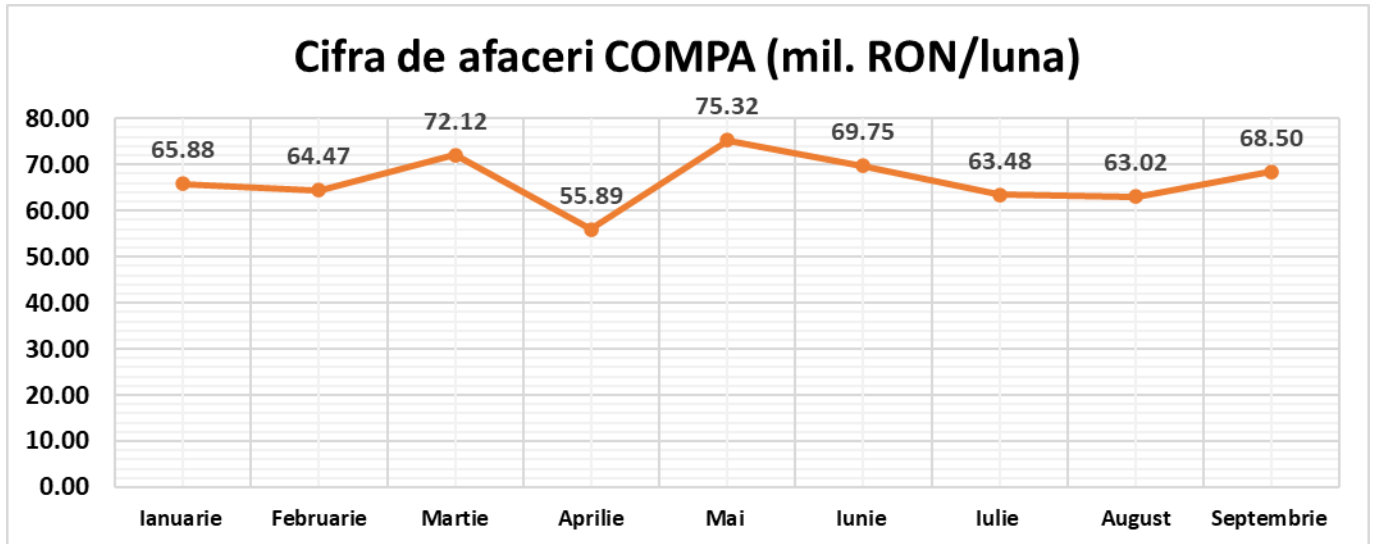
- COMPA encourages and supports the local business environment through existing trade relations, existing contracts and new / future projects in which its partners are / will be involved. It prioritizes where possible business development with local partners and encourages its suppliers to do the same.

5.3. SALE

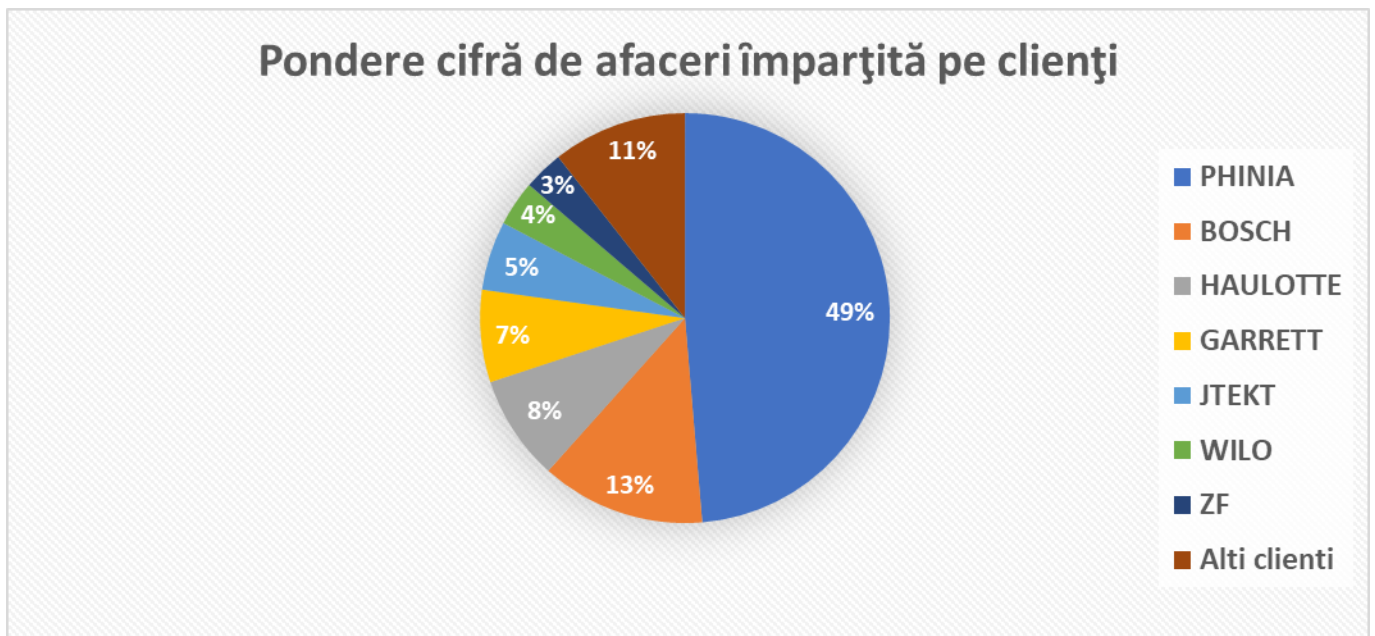
5.3.1. Evaluation of sales activity

In the third quarter of 2023, the department's activity was mainly focused on offering new products to customers in both the automotive and non-auto industries. In parallel, an intensive market prospecting activity was started in order to identify new customers in various industrial sectors.

The graph below shows the evolution of COMPA's turnover for the first 9 months of 2023



The share held by the main COMPA customers in the turnover for the semester 1-2023 is highlighted in the following graph:



5.3.2. Medium AND long-term objectives, trends and strategies:

- Development of new projects for non-automotive customers;
- Strengthening trade relations with existing customers;
- Promoting manufacturing processes by hot forging and ZnNi coatings, where Compa has free production capacity;
- Assimilation of products with high added value;
- Development of COMPA as an integrated supplier by using as many existing processes in the portfolio as possible.

5.4. OUR EMPLOYEES

5.4.1. Its staff, values and beliefs

COMP A considers that the human factor has a major influence on the achievements in society. The values and beliefs of human resources must be known and promoted for the formation and development of an organizational culture conducive to performance.

The following aspects are important and constitute development landmarks:

- the formation and mode of action of managers in terms of values, beliefs and demographic characteristics (age, experience, education, social position);
- the formation and mode of action of the company's staff (personalities, attitudes, values, motivations, behaviors, beliefs);
- the culture of the organization and the adherence of the staff to it as a somewhat unitary way of manifestation, thinking, feeling, way of being and perceiving values and beliefs, of responding to different attitudes and of using the same language. În ceea ce privește managementul capitalului uman, s-a pornit de la premiza că îndeplinirea obiectivelor strategice depinde în primul rând de factorul uman. Dezvoltarea firmei implică elemente care crează valoare pe termen lung și care pot asigura performanța viitoare a organizației.
- COMP A aims to ensure that the human resources policy is in line with the general objectives of the company, in line with the existing values in the organizational culture, adapted to the current socio-economic context, focusing mainly on: Asigurarea disponibilității și continuității forței de muncă prin păstrarea valorilor din organizație;
- efficient integration processes through early recruitment of graduates or internships;
- rewarding employees in direct relation with their contribution to the goals of the organization;
- increasing the level of versatility by widening the scope of competencies;
- reducing the integration period of graduates by supporting dual education;
- focusing training on the individual to increase staff skills and efficiency;
- capitalizing on the expertise of experienced employees through mentoring programs;
- efforts to raise staff awareness of responsibilities and behaviors;

5.4.2. Strategic objectives

The main strategic axes pursued in the following years:

- Involvement in the development of university technical education, by supporting the integration of theoretical and practical knowledge, through internships for dual education and in European projects;
- Working conditions and climate to ensure a high level of satisfaction;
- Development of soft and specific skills;
- Development of the framework in which communication with employees is carried out to support performance and trust, as well as in special crisis situations;
- Partial transfer of the training activity in the online environment;
- Reassessment of motivation strategies;

- Digitization and efficiency of HR processes;
- Reprofessionalization and transformation of skills correlated with technical and technological changes;
- Focusing attention on accessing European funds for human capital development;
- Developing / consolidating a culture of performance to determine individual behaviors and work orientation.

5.4.3. Recruitment and selection policy

In the first 9 months of 2023, 1754 job offers (CVs, applications, letters of intent) were submitted. A total of 870 people took part in interviews (interview, work samples, psychological tests) to fill vacancies.

Of these, 386 were hired, 90 were rejected for professional reasons at the interview/work tests, 87 were rejected for other reasons (illiteracy, health problems incompatible with the working conditions) and 307 people gave up the job offered for various reasons (working environment, working hours, salary).

5.4.4. Wage and social policy

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

- The modification, starting in October, of the pay scale by including in the basic salary the gross amounts corresponding to the salary bonuses (seniority bonus, bonus for attracting labour, bonus for systematic overtime work, bonus for foreign language, bonus for difficult working conditions, bonus for dangerous conditions, bonus for harmful conditions);

- With regard to the seniority bonus, the parties agreed as follows:

- For existing employees on 01.10.2023, the seniority benefit will be maintained in the future, hereinafter referred to as COMPA loyalty, and for new employees COMPA loyalty will apply;

- For existing employees in COMPA on 01.10.2023, the gross amount corresponding to the percentage of the seniority tranche existing at the time of the change will be added to the basic salary. Subsequent to the change, a 5% percentage salary increase will be applied on the completion of the current seniority brackets until the last seniority bracket as a period worked, i.e. 20 years;

- The seniority band existing at the time of the change will continue to be referred to as COMPA loyalty;

- For employees hired after 01.10.2023, the new COMPA loyalty clauses will apply;

- With regard to the bonus provisions, they are amended as follows:

(1) The allowances to be granted under the terms of this contract are:

(a) overtime premium for hours worked on scheduled workdays: 75%;

b) bonus for overtime worked on days off: 85%;

c) bonus for overtime worked on public holidays when, according to the law and the Collective Bargaining Agreement, no overtime is worked: 100%;

d) bonus for hours worked at night: 25%;

e) bonus for working in another position; a bonus of up to 50% of the basic salary of the position replaced may be granted, starting from the 3rd month of accumulation;

An employee who performs the full duties of a post higher than the one in which he/she is employed for a period of more than 2 months will receive the salary of that post for the entire period worked under these conditions. During this period, the employee shall be relieved of the duties of the original post.

- In addition, from November 2023 a salary indexation of 7% will be applied; once the pay scale is indexed, the benefits deriving from it (Christmas and Easter bonus, holiday bonus, travel allowance, etc.) will also be indexed by the same percentage.

During this period, all employees were granted meal vouchers worth 30 lei/day, and from October onwards, the value of the meal voucher will change to 35 lei/day. Occasional gift vouchers were also granted.

There is an employment relationship between the company management and the employees within the limits of the Labour Code and the Collective Labour Agreement.

Weekly briefings and consultations take place between management and employee representatives. Compared to previous years, relations have improved, the degree of understanding and communication has increased, and the two parties participate in joint meetings. As a result, there were no periods of stagnation in the production process due to the outbreak of labour disputes.

5.4.5. Social responsibility

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

- taking responsibility for the impacts we produce on society, the economy and the environment;
- transparency of our decisions and activities, which can affect society and the environment;
- respecting and promoting an ethical behavior: honesty, fairness and integrity, as values that concern us, in relation to people and the environment;
- respect for the interests of stakeholders in our decisions and activities;
- ensuring compliance with all applicable laws and regulations;
- compliance with international norms of business behavior;
- respect for and promotion of human rights, which we consider inalienable and universal.

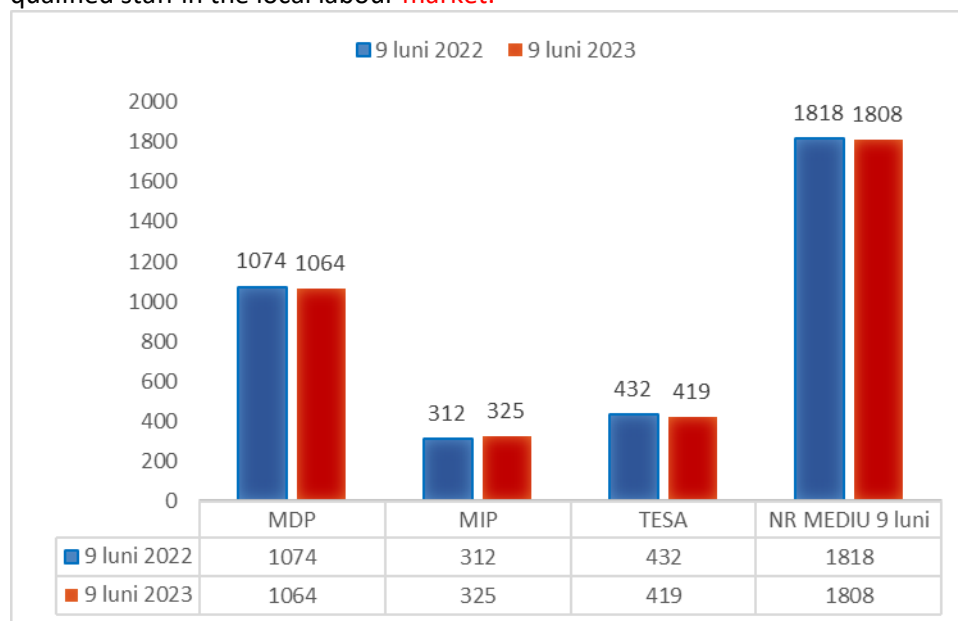
5.4.6. The guidelines as main themes of action are:

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

5.4.7. Performance indicators of Human Resources processes

Average number of personnel

The evolution of the average number of staff in the first 9 months of 2023 showed an insignificant decrease compared to the same period in 2022, from 1818 employees to 1808 employees. This decrease occurred due to the correlation of the number of staff with the temporarily reduced workload as well as due to the shortage of qualified staff in the local labour market.



	9 luni 2022	%	9 luni 2023	%
MDP (Directly productive workers)	1074	59,08%	1064	58,85%
MIP (Indirectly productive workers)	312	17,16%	325	17,98%
Economic technical staff	432	23,76%	419	23,17%
TOTAL	1818	100,00%	1808	100,00%

It can be seen that although the average number of staff decreased by 1.7%, the proportions of the three categories of staff remained relatively constant.

Labor productivity

Labor productivity, calculated as a ratio between turnover and the average written number of staff recorded the following evolution:

	9 luni 2022	9 luni 2023
Labor productivity (mii lei/pers.)	320,17	348,15

At the end of 9 months of 2023, labour productivity recorded a cumulative value of 348.15 thousand lei/person, 8.7% higher than the value recorded for this indicator at the end of 9 months of 2022.

Fluctuation

Staff turnover, calculated as a ratio between the number of voluntary departures and the total number of employees, registered the following evolution during this period:

	H1 2022	H1 2023
Fluctuation (%)	14.31	10,32

An analysis of the evolution of staff turnover showed a significant improvement of this indicator compared to the same period last year, close to the planned figure of 15% over 9 months, i.e. 20% per year.

provision of transport for commuting employees, settlement of transport costs for other employees, improvement of working conditions (air-conditioning facilities, reduction of noxious emissions, social spaces, compensation of labour shortage with qualified staff from abroad, etc.).

Staff training

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

In this context, the entire staff is involved in a continuous training process aimed at bridging the gap between the skills required by the job and the existing ones, providing integrated, validated, certified staff at the job, acquiring/broadening the scope of skills, in order to meet the challenges generated by the new wave in the technological evolution of production (Industrialization 4.0, digitalization, etc.)

The training programmes run in COMPA aim to meet the needs of each employee. In order to achieve this objective, the Training Centre was set up in 2005. The programmes developed through the centre aimed at qualifying/requalifying employees in trades such as: CNC machine tool operators, welders, locksmiths, machine mechanics, toolmakers, metrology technicians, driller-spinners, forklift operators, crane operators. To date, 3,249 people have qualified through the centre. In the future, we intend to diversify and adapt our educational offer by authorising new programmes required by the projects developed within COMPA and by our clients.

In order to ensure/maintain the skills of the employees at the workstations, individual training needs are collected annually and centralised in the Annual Training Plan, structured by areas to cover the needs of all functions. Regarding the number of training hours for 2023, the target is 30 hours/employee/year.

Apprenticeship

For new employees wishing to acquire a qualification or retrain, COMPA develops apprenticeship programmes that enable them to integrate easily into their new jobs, obtain a recognised certification, raise their level of knowledge, satisfaction and responsibility. In the first semester of this year, 2 employees are following the apprenticeship programme, and at the end of the apprenticeship period they will be qualified as MUCN operators. In the future, we aim to continue this programme, to increase the chances for new employees to qualify/re-qualify.

Projects developed with European funds

In order to become increasingly competitive in terms of productivity, quality, customer satisfaction, resource conservation and the environment, investment in human capital will continue to increase, including by attracting European and other funding.

So far, projects have been or are being implemented in COMPA to develop the skills of its own employees, projects aimed at facilitating the transition of pupils and students from school to working life.

In the first semester of this year, a number of 32 students from "Lucian Blaga" University of Sibiu, Faculty of Economic Sciences and Faculty of Engineering carried out their internship in COMPA, within the framework of the INSPIRE project - Initiatives Required for Innovative Internships for Economic Revitalisation - ID 133017.

Sustainable school-enterprise partnerships

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

The proximity of university and vocational education institutions is part of COMPA's policy to train future generations of specialists, to develop the employment capacity of young people, facilitating the transition from school to active life through internship programs, masters, private scholarships and more. .

The partnerships are mainly aimed at involving COMPA in two areas related to improvement:

- Theoretical training through contributions to the adaptation of the university curriculum and the adaptation of the curriculum in local development to the needs of the employer;
- Practical training by ensuring the access of pupils and students to modern work environments, to high-performance technologies and equipment, to the knowledge and understanding of the processes developed on the production lines.



COMPA and dual education

COMPA throughout its existence for over 135 years has been permanently based on vocational education being one of the companies that anticipated the need to implement the dual education system. The beginnings of dual education in COMPA was in 2005 with the commissioning of the Vocational Training Center, a modern technical platform equipped with numerically controlled machines and which was made available to the Technological High School "Henri Coandă", a high school with which we still have partnerships since its establishment.

Every year, about 70 students from vocational education - CNC machine tool operator, and about 65 students from secondary education - mechatronics technician, do internships and technological laboratory classes in COMPA. All students who have internship contracts with COMPA receive financial support: scholarships, payment of dormitory fees, meals, school supplies and job offers upon graduation.

The campaigns to promote the educational offer and the benefits brought by the dual education in which COMPA participated together with the "Henri Coandă" Technological High School in a sustained way materialized in the constant attraction of the students to the professional and technical education.

Risks identified in the Human Resources activity

In COMPA, there are ongoing coordinated actions for the direction and control of the organization regarding risks in all areas and at all levels.

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

- temporary lack of qualified staff for certain activities, either due to lack of supply on the labor market and non-correlation of educational supply with labor market requirements, or due to emergencies (mass illnesses, quarantines, earthquakes, floods, etc.);
- high staff turnover due, mainly, to the incomplete identification of employees' motivation needs and the salary not correlated with the local labor market;
- competences of the staff below the level required for serving the job, due to the educational offer not correlated with the market requirements as well as due to the non-observance of the stages of the training process;
- corruption in the process of staff recruitment, selection and employment.

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

Therefore, for the risks with high criticality, ie with high probability of occurrence or with significant impact on the company's activity, a series of measures have been taken, such as:

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

Opportunities identified in the Human Resources activity

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

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

5.5. QUALITY - ENVIRONMENT

The integrated quality, environment and occupational health and safety policy of COMPA S.A.

Quality, environmental protection, health and safety at work are among the values we care about, being integrated into the long-term development strategy of our organization and are some of the aspects that represent us.

We are aware that both the quality of products and services, care for the environment, continuous improvement of working conditions and prevention of occupational hazards and involvement in the life of the community to which we belong, in full compliance with the requirements of applicable law, are essential for our success. .

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

5.5.1. Climate impact

- We are committed to ensuring carbon footprint neutrality in energy supply and production
- We make continuous efforts to reduce the carbon footprint caused by the products we supply, our logistics processes and the products we sell

5.5.2. Energy consumption

- Our organization has an extensive program to improve energy efficiency aimed at reducing energy consumption
- We are engaged in a program to diversify energy production with the aim of increasing the share of renewable energy;

5.5.3. Resources management

- Our program to reduce costs is to focus finding solutions to reduce consumption of raw materials directly impact the type and quantity of waste generated

- We are committed to the continuous improvement of wastewater treatment methods and the reduction of pollutants discharged into industrial water
- We have a firm commitment to the continuous improvement of technologies that allow the capture and reduction of the amount of gases emitted into the atmosphere
- The best possible management of various types of waste is at the heart of our concerns to improve internal processes

5.5.4. The quality of products

– Suntem angajați în continua perfecționare a proceselor noastre interne și a serviciilor asociate astfel încât să asigurăm permanent o calitate cât mai ridicată a produselor cu impact direct asupra creșterii satisfacției clienților și reducerii impactului asupra mediului prin reducerea cantității de rebuturi și deșeuri generate.

5.5.5. Health and safety

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

5.5.6. Partnership with the community

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

5.5.7. Considerations regarding management systems

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

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

The internal performance on compliance with the requirements of the standards, of the last three years (last certification cycle), resulting from the internal system audits, is presented below (no notable events occurred):

For the year 2021:

<i>Management system</i>	<i>Target / objective</i>	<i>Achieved</i>
IATF 16949:2016	93,0%	95,4%
ISO 9001:2015	93,0%	96,2%
ISO 14001:2015	95,5%	95,43%
ISO 45001:2018	95,5%	95,0%

First 9 months of 2022

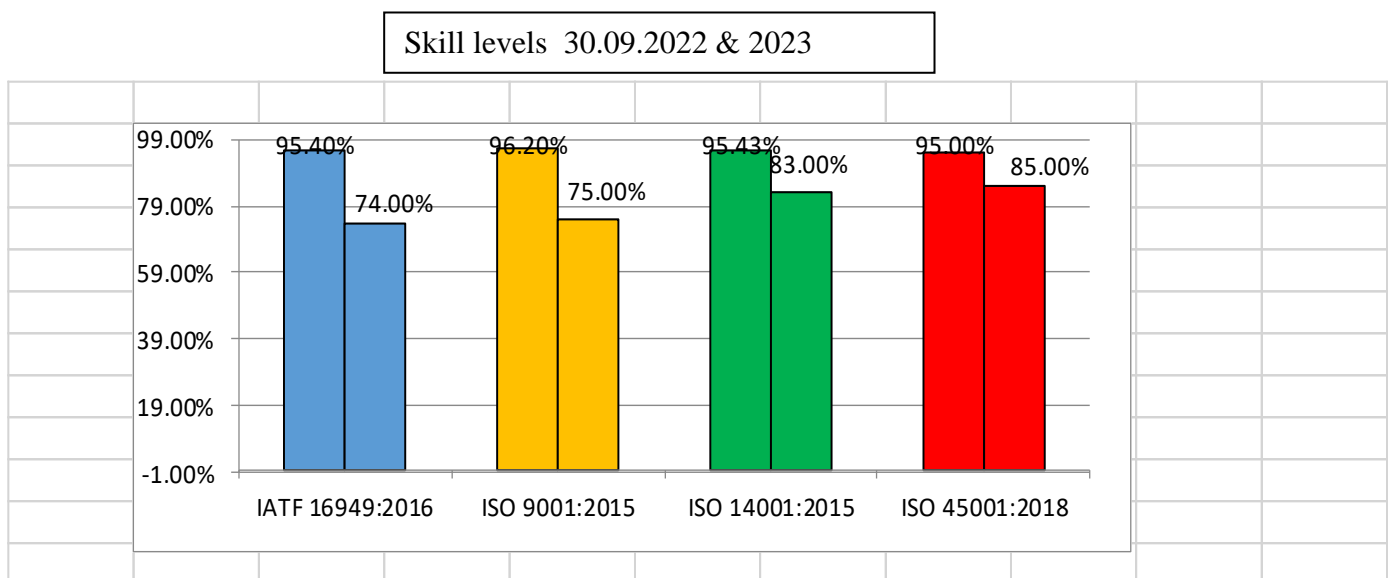
<i>Management system</i>	<i>Target / objective</i>	<i>Achieved</i>
IATF 16949:2016	93,0%	95,2%
ISO 9001:2015	93,0%	94,0%
ISO 14001:2015	95,5%	94,6%
ISO 45001:2018	95,5%	94,0%

First 9 months of 2023

(considering that the evaluation method of the 3 management systems has been modified):

<i>Management system</i>	<i>Target / objective</i>	<i>Achieved</i>
IATF 16949:2016	90,0%	74,0%
ISO 9001:2015	90,0%	75,0%
ISO 14001:2015	90,0%	83,0%
ISO 45001:2018	90,0%	85,0%

Comparative situation first 9 months 2022 vs. first 9 months 2023:

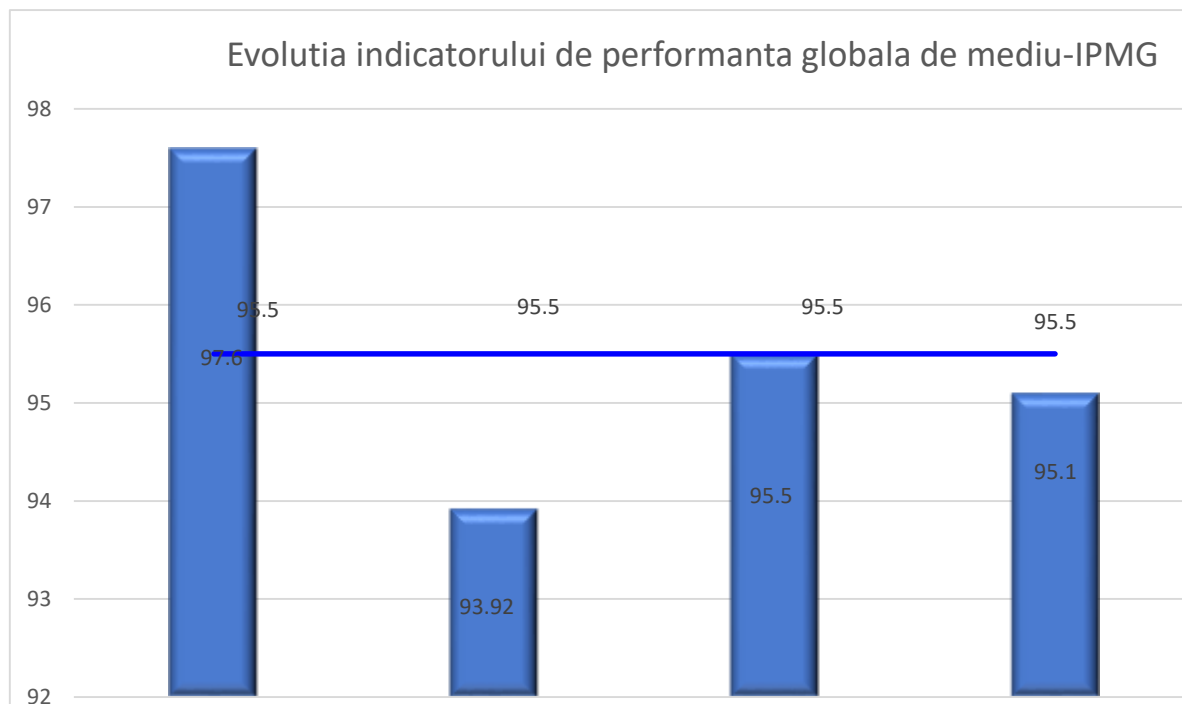


In April 2023, a third party audit was conducted to oversee COMPA S.A. certification on all four systems, with the objective of maintaining current certification and extending it to new product categories. As a result, all four management systems were reconfirmed as effective and efficient.

5.5.8. Global environmental performance COMPA S.A..

At the company level, the management of actions taken to protect the environment are monitored through an indicator called the global environmental performance indicator which is calculated based on environmental management performance (provides information on management efforts to influence the environmental performance of the organization) and of environmental operational performance (which provides information on the operational results of the environmental performance of the organization's activities).

The evolution of the **global environmental performance indicator** in the last 4 years is presented in the graph below:



It is also worth mentioning that in the first half of 2023 there were no penalties for non-compliance with environmental compliance obligations

5.6. RISK MANAGEMENT

General aspects regarding Risk Management in Compa

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

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

At the same time, responsibilities were established at all levels in order to take specific measures to solve the problems arising as a result of the action of the respective risks.

In order to achieve the objectives set at all levels in the risk management process, the Top Management of Compa took into account the following specific aspects for the period 01.01.2023-30.09.2023:

- **Risk assessment is a permanent activity, at the level of all management within the company at all levels, mainly aimed at:**

- Identification of all categories of risks that act at each level, including new risks that did not appear before.
- Focusing the activity, on the action of risks that persist and that act on some objectives of major importance in the company's activity
- Quantification of the impact of the risk action and orientation of the actions to counteract or mitigate their effects

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

- Responsibilities established by decentralization at the level of the profit centers organized within the company and which consist in the management of related risks, strictly for the production sectors for which they are responsible.

In this context, the operations managers of these profit centers have obligations in the management of risks in the fields: production, quality, technical, maintenance and logistics, of the sector they are responsible for.

- Responsibilities at the level of the central departments of the company, with an area of responsibility at the level of the entire company in areas such as:

Research and Development ; Marketing - sales; Purchases; HR ; Quality – medium; Financial-accounting and Controlling.

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

- **Half-yearly analyzes of the Top Management of the Company**, with the responsible factors within the company, in which the different categories of risks are also analyzed, in order to establish the causes and the impact of the risks in the financial activity, as well as the measures that must be taken to avoid or limit them the economic effects generated by the respective risks

Risk categories with potential impact on the Company's activity

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

5.6.1. Risks from operational activity at the level of profit centers

Risks generated by not ensuring the necessary resources in certain periods of the year

- non-assurance at the order level of the production capacities necessary to satisfy the volumes requested over the initial provisions, ordered in certain periods. There are rare, occasional situations, and the risk of not delivering the additional quantities ordered by certain customers, in certain limited periods of time, is solved by scheduling the production of these additional volumes on days off (Saturday or Sunday)
- the temporary lack of materials or tools is a risk that must be taken into account, especially in a year with major disruptions in the supply chain due to the war in Ukraine. The risk of production stoppage at the customer was eliminated by supply measures through fast means of transport (special air transport or round-the-clock transport vehicles) and other operational measures.
- the provision of human resources, in addition to the need for qualified workers, represents one of the most serious problems faced by companies in the Sibiu area.

In order to mitigate the effects of this risk, the Compa company contacted competent companies for the recruitment of labor force from outside Romania, so that currently a number of 46 qualified workers (numerical control machine operators and welders) from India are already employed. being in the process of securing other workers in the future, also from India.

Decent accommodation conditions were ensured for these workers recruited from outside Romania, being integrated in a short time into the manufacturing processes of Compa. Apart from these actions of recruiting foreign staff, great efforts are made within the company to stabilize the existing staff, to reduce fluctuation, by adopting measures to attract and retain COMPA staff.

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

5.6.2. Risks with a general impact on the activity of the entire company

The management of these categories of risks is the responsibility of the organizational structures at the company's upper management levels, having an area of coverage and influence over the entire company's activity.

The categories of risks with an impact on the activity of most companies are:

Price risk

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

Credit risk

The investment program was reduced compared to previous years, therefore during 2023 the credit risk had no impact on the company's activity. The installments related to the investment loan committed in 2019 were repaid when due, and the credit lines were accessed according to the forecasts.

Liquidity risk

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

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

Currency risk

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

The risk regarding changes in tax legislation

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

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

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

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

On the other hand, the management of Compa permanently intervened both at the level of the employers' organization and at the level of the County and Municipal Organizations, openly expressing its opinion regarding certain legislative actions in progress or even for changes in the current legislation that affect the activity of companies.

5.7. INVESTMENTS, NEW PRODUCTS AND RESEARCH AND DEVELOPMENT ACTIVITY

5.7.1. INVESTMENTS:

The investment activity used funds for:

- purchase of machinery;
- modernisation of existing machinery and installations;
- improvements to production premises.

The funds necessary for carrying out the investment activity in the amount of 13,028,774 lei for 9 months of 2023 were provided from own sources. The economic effects through the purchase of new machinery and technological lines are:

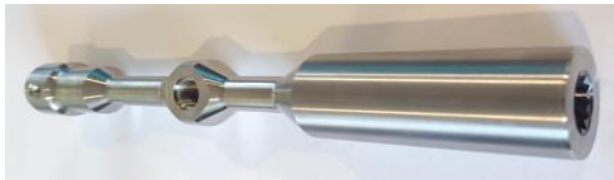
- increase in labour productivity;
- reduction of repair costs;
- improvement of technological flow;
- increased quality of manufactured parts and reduced rejects;
- reduction of energy consumption;
- increase the precision of parts machining;

- increased machine operational safety;
- reduction of non-quality costs;
- increase the efficiency of the activity through operability, etc.

5.7.2. NEW PRODUCTS

The technical and R&D function has as its main objective the development of new products and is deeply involved in defining and adopting the most efficient technological processes so that the price offers presented to customers are as attractive as possible in order to win as many projects as possible.

In this activity there are important requests for quotation for products specific to Compa's manufacturing profile. In this context, in recent years, our concerns have been directed towards offering non-Diesel or even non-



automotive products, in order to ensure a portfolio of new, diversified products that are less vulnerable to the profound changes that have taken place in the automotive sector and beyond.

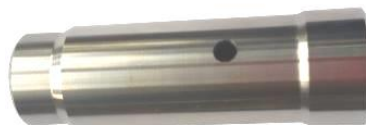
These are the reasons why Compa has also focused on the production of complex, high added value

components for the machine tool manufacturing industry. The business partnership with one of the leading players in the machine tool manufacturing industry - DMG Mori is a good start to penetrate this non-automotive product market. The move into the production of complex machine tool products, i.e. the manufacture of caps for CNC machines supplied to machine tool manufacturers, is a positive, promising element in the development of business in this new field for COMPA.

In 9 months 2023, the manufacturing of new products for which the necessary production capacities have been secured continued, with an impact on production in the following period.

Dintre aceste produse amintim:

- Axe intermediare; datorita cresterilor de cantitati s-a dezvoltat un nou proces



- Cap Nut si Nozzle, care sunt componente în ansamblul injector EURO 7, pentru mașini comerciale; datorita cresterilor de cantitati cerute de catre client s-a dezvoltat un nou proces pe o masina multiarbore

5.7.2. ACTIVITATEA DE CERCETARE-DEZVOLTARE

A Research and Development Centre has been established in Compa since 2019, where the basis for the production of products of a high technical and quality level is being laid.

In this R&D Centre, new projects and processes with applicability both within the company and also projects with advanced technology that can be made available to other companies are also carried out.

For example, here are a few projects from the R&D Centre:

- development of the process for the production of electrodes for electrochemical deburring used in the manufacturing processes of the "GDI pump body".



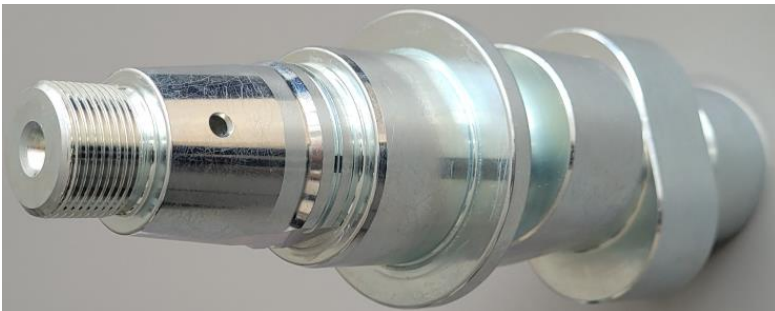
5.7.3. RESEARCH AND DEVELOPMENT

A Research and Development Centre has been established in Compa since 2019, where the basis for the production of products of a high technical and quality level is being laid.

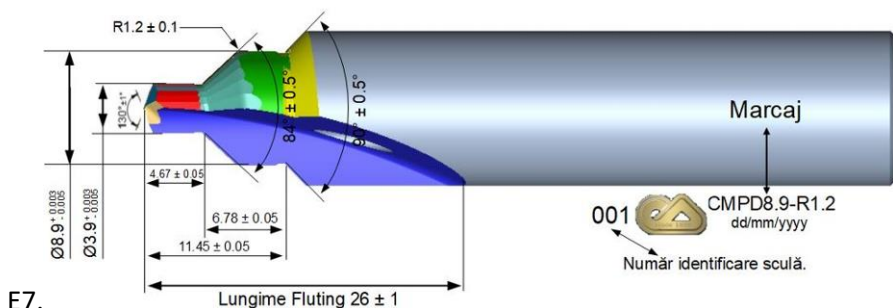
In this R&D Centre, new projects and processes with applicability both within the company and also projects with advanced technology that can be made available to other companies are also carried out.

For example, here are a few projects from the R&D Centre:

- development of the prototype process for the Drive Shaft benchmark



- development of the tools needed to improve the quality of the nozzle NNC

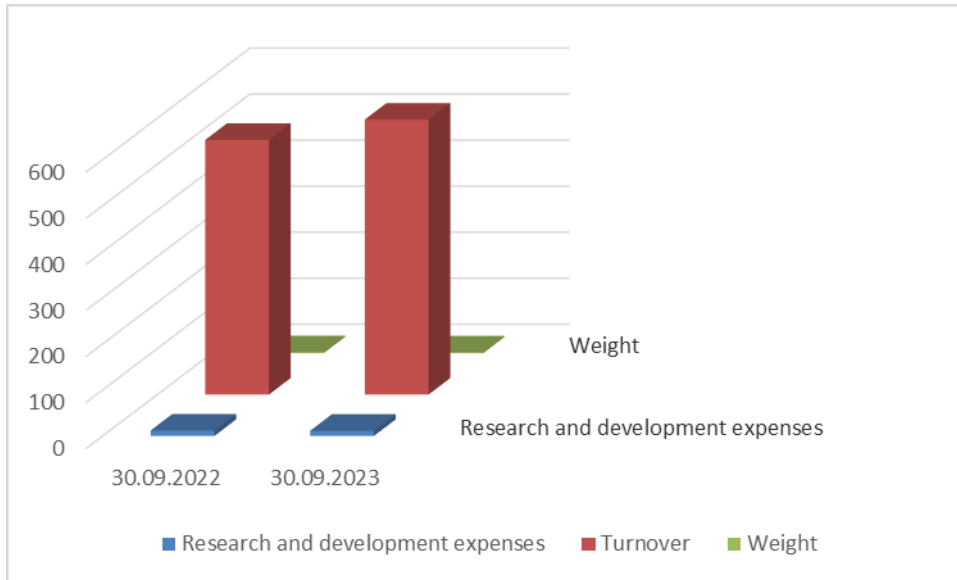


R&D expenditure includes:

- applied research expenditure carried out within the Research Centre with European funds and COMPA's own resources.
- expenditure on the development of new products, construction and technological design expenditure, including expenditure on the monitoring of new products and processes, up to the transition to series production.
- expenditure incurred by COMPA's technical specialists who carry out technological design operations with a view to drawing up price quotations, including those quotations which for various reasons do not result in the company being nominated by customers.

The evolution of research and development expenses in 9 months 2023 compared to the same period last year is presented below:

INDICATOR	30.09.2022	30.09.2023
Research and development expenses	11.8	11.20
Turnover	552.84	597.00
Weight	2.13	1.88



6. CAPITAL MARKET

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

Main characteristics of the issued securities: 218,821,038 registered, ordinary, fully paid shares of equal value, issued in dematerialized form and evidenced by registration in the Register of Shareholders managed by the Central Depository S.A. Bucharest. COMP A is registered under ISIN code ROCMP5ACNOR9, stock exchange symbol CMP, in the Standard category.

According to the Register of Shareholders on 30.09.2023, the company has a number of 7271 romanian and foreign shareholders, legal entities and natural persons.

- Natural persons - 73,38%
- Legal entities - 26,62 %

Change in average selling price and number of shares traded at 30.09. 2023

Published on TradingView.com, November 03, 2023 14:32:10 EET
BVB: CMP, D O: 0,6140 H: 0,6280 L: 0,6140 C: 0,6200



TradingView

During the reference period, there were a number of 2173 transactions regarding Compa shares, and the volume of traded shares and the total value of the traded shares can be found at <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=CMP> . The variation of the average price in the reference period shows an increase.

6.1. Regarding the distribution of dividends to COMP A shareholders for the financial year 2022

The Ordinary General Meeting of Shareholders has decided on 26 04.2023 to distribute the net profit, as follows:

Destination	lei
TOTAL NET PROFIT, distributed as follows:	2.510.594
- Own development sources	2.009.820
- Dividends	500.774

The distribution of the profit to the development fund was considered opportune for the continuation of the company's modernization process, further investments with new, modern, state-of-the-art equipment, for the modernization of existing machines and installations.

The proposal to distribute dividends under the conditions of approval by the OGMS, would take place in the third

consecutive year, being a requirement of the company's shareholders and an obligation towards its shareholders, who support the company's development policy.

The dividend payment date is decided to be 15.06.2023, and the gross dividend/share decided to be paid is in the amount of 0.0023 lei.

6.2. Purchase of own shares

By the resolutions of the EGMS no. 18 and 19 of 27.04.2020 on the proposal of the Board of Directors, the share buyback program was approved, in the amount of 3.89 million lei.

As of 13.08.2020, the Company has started the share buyback programme in accordance with the Resolution. AGEA 18 and 19 dated 27.04.2020

Size of the program: repurchase from the market of a maximum number of 15,000,000 own shares. The proposed acquisition price is:

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

Maximum monetary value allocated to the programme: RON 3,890,000, excluding brokerage commissions and other acquisition costs. Payment for the repurchased shares will be made, in accordance with the provisions of Article 1031 of Law 31/1990, from the distributable profit of the company, entered in the financial statement for 2019.

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

The AGEA resolution of 09.09.2021 approves the implementation with respect to the shares subject to the buyback program approved by EGMS resolutions no. 18 and 19 of 27.04.2020 of a stock option plan program with the objective of granting option rights for the acquisition free of charge by employees and members of the Company's management of the repurchased shares in order to maintain and motivate them as well as to reward them for the work carried out within the Company. At the same time, it is approved to empower the Board of Directors to adopt all necessary measures and carry out all formalities required for the implementation of the share buyback plan and to establish the criteria for granting option rights.

By decision of the Board of Directors no. 92/13.08.2021 it was decided to start the buyback programme. It was carried out from 17.08.2020 to 15.11.2021, and investors were informed about its completion by the current report dated 16.11.2021. Thus, 6,504,153 shares, representing 2.9723% of COMPA's share capital, were repurchased in 2020 and 2021, as follows:

- Total value of share buyback: 3,878,223.52 lei
- Average price/share: 0.5962 lei/share

In accordance with the decision of the Board of Directors no. 83/04.10.2021, the stock option plan was approved, registered under no. 81/30.09.2021 in the Register of Decisions of the Company. According to the plan, based on allocation criteria, options are granted under the plan for 6,500,000 shares to executive directors and key employees of the Company. The option exercise deadline is 08.11.2022, at the earliest.

By the decision of the Board of Directors dated 13.12.2022, it has been noted the exercise by 20 Beneficiaries of the Plan concerning the option to acquire shares for free (Stock Option Plan), approved by the decision of the Board of Directors no. 83/04.10.2022 of the right to opt for a number of 6,060,000 shares by signing the Payment Agreement made available by the company Compa.

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

6.3. Relations with shareholders and investors

Shareholders/investors can obtain information about COMPA and the main events on the website www.compa.ro In relation to the capital market, the company has fulfilled during the reference period all the reporting obligations arising from the legal provisions by publishing mandatory continuous and periodic reports in the

electronic system of the Financial Supervisory Authority and the Stock Exchange as well as on the company's website.

In accordance with the provisions of the Corporate Governance Code, continuous and periodic information was disseminated simultaneously in both Romanian and English.

6.4. Capital and management issues

By the OGMS resolution of 22.04.2021 a new Board of Directors consisting of 5 members was elected.

During the reference period there were no changes affecting the company's capital or management. At the same time, COMPA was not unable to meet its financial obligations.

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

6.5. Relationship between parent company and affiliated companies

The parent company Compa prepared and published consolidated financial statements in accordance with the applicable accounting regulations, for the financial year ended on 31.12.2022.

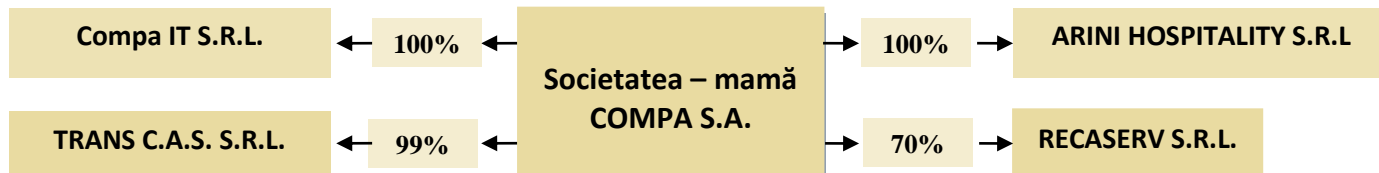
In this context, COMPA - Parent Company has control, namely the share of its equity interest in the share capital of affiliated companies is more than 50% in the following affiliated entities:

COMPA I.T. S.R.L. 100.00% OF THE SHARE CAPITAL

TRANS C.A.S. S.R.L. 99.00%

RECASERV S.R.L. 70.00%

ARINI HOSPITALITY S.R.L. 100.00%



7. MANAGEMENT OF THE COMPANY
7.1. Board of the Directors

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

- DEAC Ioan** - Executive administrator/ Chairman of the Board of Directors / CEO
- MICLEA Ioan** - Non-executive administrator/ Vice Chairman of the Board of Directors
- MAXIM Mircea-Florin** - Non-executive administrator
- BALTEȘ Nicolae** - Independent non-executive administrator / Chairman of the Audit Committee
- NEACȘU Vlad-Nicolae** - Independent Non-executive administrator / Audit Committee member

By Decision no. 1A/ 28.04.2021, the Board of Directors approves the election of Mr. Ioan Deac as President of the Board of Directors of Compa S.A. for the 4-year mandate, starting on 26.04.2021.

By Decision 1B/28.04.2021, the Board of Directors approves the election of Mr. Ioan Miclea as Vice President of the Board of Directors of Compa S.A. for the 4-year mandate, starting on 26.04.2021.

Audit Committee

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

- BALTEȘ Nicolae** - Independent non-executive administrator/ Chairman of the Audit Committee
- NEACȘU Vlad-Nicolae** - Independent non-executive administrator/ Audit Committee member

MEMBRII CONSILIULUI DE ADMINISTRATIE


Ioan DEAC
Presedinte CA/
Director General



Ioan MICLEA
Administrator



Mircea-Florin MAXIM
Administrator



Nicolae BALTEȘ
Administrator
Presedinte
comitet audit



Vlad-Nicolae NEACȘU
Administrator
Membru
comitet audit

Name and surname	Age	Qualification	Professional experience	Function	Seniority in function	Share capital holders
DEAC Ioan	74	Engineer –Bachelor’s degree in Machine Building Technology - Cluj Polytechnic Institute - Faculty of Mechanics	48	Chairman of the Board / CEO	32 years	19,4478%

Name and surname	Age	Qualification	Professional experience	Function	Seniority in function	Share capital holders
MICLEA Ioan	78	Economist – Bachelor’s degree in Economics –Babes Bolyai university - Cluj Napoca	49	Vice-President of the Board	32 years	18,7562%
MAXIM Mircea-Florin	65	Engineer – Degree in Economic Engineering – University of Agronomic Science and Veterinary Medicine, Bucharest,Romania	40	Non-executive Member of the Board	16 years	0,6383%
BALTEȘ Nicolae	64	Economist – Bachelor’s degree in Economic Sciences, specialization Finance-Accounting - Academy of Economic Studies Bucharest, Faculty of Finance-Accounting	39	Independent non-executive member of CA/ Chairman of the Audit Committee	6 years	0%
NEAÇȘU Vlad-Nicolae	42	Economist – Bachelor’s degree in Management – Academy of Economic Studies Bucharest, Faculty of Management	16	CA Member/ Audit Committee Member	2 years	0,002%

7.2 Executive management

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

7.3. Management by function




The Directors by functions are responsible for taking all measures related to each one’s field of activity respecting the power granted.

The directors periodically inform the Board of Directors about the operations undertaken to achieve the objectives and indicators entrusted by the Strategic Dashboard, of their inclusion, but also about the fulfillment of other tasks received.

1. DEAC Ioan	CEO
2. BAIĂȘU Dan-Nicolae	Deputy CEO /Commercial Director
3. DUMITRESCU Mihaela	CFO
4. FIRIZA Ioan	Director of Organizational Management and HR (held the position until June, 1 st , 2023)
5. ACU Florin - Ștefan	Technical Director
6. MUNTENAȘ Bogdan-Vasile	Logistics Director (held the position until May, 1 st , 2023)
BLAJ Robert	Logistics Director (appointed from May 1 st , 2023)
7. DUMITRESCU Ștefan Cosmin	Director of Management System and Improvement
8. ȚUICU Liviu-Laurențiu	Director of Quality-Environment
9. ȚUȚUREA Mihai	Production Director
10. FIRIZA Sorin Ioan	Deputy Production Director
11. DRAGOMIR Marius C-tin	Engineer, Head of Maintenance Department
12. JURESCU Adrian	Head of Utilities Department (held the position until July 1st, 2023)

DRĂGUT Adrian-Pop

Head of Utilities Department (appointed from April 28th, 2023)

 <p>Ioan DEAC Chairman</p> <p>Investor Relations Councilors Personal Data Protection Metrological Laboratory Information Security</p>							
<p>Commercial & Deputy CEO</p>  <p>Dan BĂIAȘU Director Purchase Sales & Marketing Suppliers Development</p>	<p>Finance</p>  <p>Mihaela DUMITRESCU Director Controlling Financial - General Accounting Human Resources Training Center</p>	<p>Technical</p>  <p>Florin ACU Director Product Design Process Design Research and Development</p>	<p>Logistic</p>  <p>Robert BLAJ Director Production logistics Purchasing logistics Warehouse - Internal flow Customs office Sales Logistics</p>	<p>Quality & Environment</p>  <p>Liviu ȚIUCU Director Product/Process/ Environment Control Product process audit Measurements, Analysis & Testing</p>	<p>Management Systems & Improvement</p>  <p>Cosmin DUMITRESCU Director System Documents Internal Audit Improvement Occupational Health & Safety</p>	<p>Production</p>  <p>Mihai ȚUȚUREA Director</p> <p>Maintenance</p>  <p>Marius DRAGOMIR Chief Engineer</p>	<p>Production</p>  <p>Sorin FIRIZA Deputy Director</p> <p>Utilities</p>  <p>Adrian Pop-Drăguț Manager</p>

8. SIGNIFICANT TRANSACTIONS

During 9 months 2023, the company COMPA did not carry out major transactions either with the affiliated companies within the Group of which it is part or with other companies holding participations in the share capital of the company COMPA.S.A.

Entities affiliated to COMPA S.A. Sibiu were formed over time, as a result of the need to outsource from COMPA S.A. of specific activities such as: software design, domestic and international car transport, public catering, etc., outsourcing carried out to streamline these activities as well as to benefit from some facilities granted by the state to certain activities (IT activity; transport licenses, etc.).

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

On the other hand, these affiliates provide to COMPA goods and services which constitute their object of activity and for which outsourcing has been imposed.

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

8.1. TRANSACTIONS WITH AFFILIATED ENTITIES 01.01.2023-30.09.2023

The transactions performed in the first 9 months of 2023 with the affiliated companies are highlighted in the table below:

Explanations	30.09.2022			30.09.2023		
	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.	0	10,650,997	387,275	0	10,532,551	429,627
COMPA IT S.R.L.	0	2,279,659	37,160	0	2,538,841	68,383
RECASERV S.R.L.	0	1,143,690	34,716	0	1,531,648	35,116
ARINI HOSPITALITY S.R.L.	2,202,134	0	7,927	3,762,702	0	172,555

8.2. Reciprocal receivables with affiliated entities 9 months 2023

Receivables due to Compa SA from:

Explanations	30.09.2022	30.09.2023
TRANSCAS S.R.L.	66,182	70,086
COMPA IT S.R.L.	14,064	4,844
RECASERV S.R.L.	14,756	11,067
ARINI HOSPITALITY S.R.L.	2,203,886	3,764,189

Debts payable by COMPA SA to:

Explanations	30.09.2022	30.09.2023
TRANSCAS S.R.L.	2,336,710	1,652,504
COMPA IT S.R.L.	760,172	552,160
RECASERV S.R.L.	402,185	391,358
ARINI HOSPITALITY S.R.L.	0	0

9. SEPARATE INTERIM FINANCIAL REPORT ON 30.09.2023

9.1. DECLARATION OF CONFORMITY OF THE SEPARATE INTERIM FINANCIAL STATEMENT

STATEMENT OF THE BOARD OF DIRECTORS

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

The separate interim financial report was prepared on 30.09.2023 for:

Entity	COMPAS S.A.
County	32 Sibiu
Registered office	Sibiu, No. 8, Henri Coandă street, Sibiu County, postal cod 550234
Registration number in the Trade Registry	J32/129/1991
Property form	34 Companies stock
Predominant activity (CAEN code and class name)	2932 - Manufacture of other parts and accessories for motor vehicles
VAT No	RO 788767

he undersigned Mihaela Dumitrescu,

Having the quality of Economic Director, according to art. 10 paragraph (1) of the Accounting Law no. 82/1991, I assume the responsibility for the preparation of the quarter-yearly financial reports on 30.09.2023 and I confirm the following:

- a) The accounting policies used in preparing the quarter-yearly financial reports are in accordance with the applicable accounting regulations.
- b) The quarter-yearly financial reports provide a true and fair view of the financial position, financial performance and other information relating to the activity carried out.
- c) The legal person carries out its activity in conditions of continuity.

CFO,

Mihaela Dumitrescu



9.2. SEPARATE INTERIM FINANCIAL REPORT AT 30.09.2023
SEPARATE SITUATION OF THE FINANCIAL POSITION ON 30.09.2023

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

	Note	30.09.2023	31.12.2022
Assets :			
Fixed assets:			
Property, plant and equipment	4.1	370,686,720	392,896,269
Investment property	4.2	40,670,425	40,670,425
Intangible fixed assets	5	8,137,121	8,704,798
Other fixed assets	7	3,889,609	3,875,456
Financial investments	20	24,215,500	20,715,500
Fixed assets - total		447,599,374	466,862,448
Current assets:			
Inventories	8	112,620,595	132,527,113
Trade and other receivables	6	177,059,673	156,083,113
Other receivables (subsidiaries and settlements from joint ventures)	6	380,614	1,032,229
Cash and cash equivalents	9	5,176,088	5,986,107
Current assets - total		295,236,970	295,628,562
Total Assets		742,836,344	762,491,010
Equity:			
Issued capital	11	21,882,104	21,882,104
Share capital adjustments	11	-265,638	-265,638
Reserves	11	386,158,718	384,461,415
Reserves adjustment	11	23,122,057	23,122,057
Retained earnings	11	65,886,960	65,886,960
Current result	11	10,213,676	2,510,594
Current result	11	0	-491,419
Equity - total		506,997,877	497,106,073
Debts			
		0	0
Long-term debt :			
		0	0
Financial debts	12	56,807,533	89,934,825
Prepaid income (prepaid income, subsidies)	13	19,382,237	22,112,413
Provisions	14	7,538,357	218,461
Long-term liabilities - total		83,728,127	112,265,699
Current debts:			
Financial debts	12	14,360,927	14,282,405
Trade and similar payables;	13	112,149,015	112,377,533
Debts from contracts with customers	13	3,011,880	2,919,520
Other payables	13	16,457,057	17,702,343
Current tax liabilities	10;13	1,372,018	0
Prepaid income (prepaid income, subsidies)	13	4,759,444	5,837,437
Current liabilities - total		152,110,341	153,119,238
Total debts		235,838,467	265,384,936
Total equity and debt		742,836,344	762,491,010

SEPARATE SITUATION OF PROFIT OR LOSS AND OTHER ELEMENTS OF OVERALL RESULT AT 30.09.2023

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

	<u>Note</u>	<u>30.09.2023</u>	<u>30.09.2022</u>
Income	15	596,995,922	552,835,302
Other income	15	10,370,441	11,017,562
Total income		607,366,363	563,852,864
Change in stocks of finished goods and work in progress	16	-9,527,077	-5,250,701
Raw materials and consumables used	16	-369,856,619	-364,113,433
Employee benefits expense	17	-128,652,816	-114,908,108
Depreciation and amortisation expense	4 ,5, 16	-39,530,782	-35,577,614
Services rendered by third parties	16	-30,722,014	-32,090,783
Other expenses	16	-13,672,507	-6,761,248
Total expenses		-591,961,815	-558,701,887
Operating result		15,404,548	5,150,977
Financial income	18	92,625	41,308
Financial expenses	18	-2,589,979	-1,375,211
Other financial gains/losses	18	-593,634	-510,477
Net financing costs		-3,090,988	-1,844,381
Profit before tax		12,313,560	3,306,597
(Expenses)/Income on deferred income tax	10	623,981	-543,174
Current income tax expense	10	-2,723,865	-33,098
		0	0
Net profit for the period		10,213,676	2,730,325
Other comprehensive income:			
Of which other comprehensive income items not subsequently reclassified to profit or loss:			
Income tax relating to other comprehensive income	10	178,902	209,595
Other comprehensive income, net of tax		178,902	209,595
Total comprehensive income for the year		10,392,578	2,939,920
Unconsolidated result per basic/diluted share	19	0.05	0.01

SEPARATE SITUATION OF CHANGES IN EQUITY FOR THE YEAR ENDED 30.09.2023

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

Equity element	Share capital	Share capital adjustments	Legal reserves	Legal reserves adjustments	Reserve reevaluare	Other reserves	Other reserves adjustments	Reported result	Total
Balance at 01.01.2022	21,882,104	-650,415	4,376,421	22,679,066	83,891,130	283,777,154	442,991	80,945,927	497,344,378
Profit of the year	0	0	0	0	0	0	0	2,510,594	2,510,594
Other elements of the overall result, of which:	0	0	0	0	0	277,951	0	0	277,951
Income tax related to other elements of the overall result	0	0	0	0	0	277,951	0	0	277,951
Tranzactii cu actionarii, inregistrate direct in capitalurile proprii, din care:	0	384,777	0	0	0	12,138,760	0	-15,550,387	-3,026,850
Distribution of shares for free	0	384,777	0	0	0	-384,777	0	0	0
Profit distribution	0	0	0	0	0	12,523,537	0	-15,550,387	-3,026,850
Balance at 31.12.2022	21,882,104	-265,638	4,376,421	22,679,066	83,891,130	296,193,865	442,991	67,906,134	497,106,073

Equity element	Share capital	Share capital adjustments	Legal reserves	Legal reserves adjustments	Reserve reevaluare	Other reserves	Other reserves adjustments	Reported result	Total
Balance at 01.01.2023	21,882,104	-265,638	4,376,421	22,679,066	83,891,130	296,193,865	442,991	67,906,134	497,106,073
Profit of the year	0	0	0	0	0	0	0	10,213,676	10,213,676
Other elements of the overall result, of which:	0	0	0	0	0	178,902	0	0	178,902
Income tax related to other elements of the overall result	0	0	0	0	0	178,902	0	0	178,902
Tranzactii cu actionarii, inregistrate direct in capitalurile proprii, din care:	0	0	0	0	0	1,518,401	0	-2,019,175	-500,774
Profit distribution	0	0	0	0	0	1,518,401	0	-2,019,175	-500,774
Balance at 30.09.2023	21,882,104	-265,638	4,376,421	22,679,066	83,891,130	297,891,168	442,991	76,100,635	506,997,877

SEPARATE SITUATION OF CASH FLOWS AT 30.09.2023

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

Explanations	30.09.2023	30.09.2022
Cash flows from operating activities:		
Profit before tax	12,313,560	3,306,597
Depreciation and amortization expenses	35,678,961	35,499,406
(Increases) / Decreases in stocks	19,906,518	10,015,958
(Increases) / Debt decreases	-20,324,946	-16,386,467
Increases / (Debt decreases)	9,427	-4,617,808
Adjust other non-monetary items	1,894,022	-6,155,068
Net cash generated from operations	49,477,542	21,662,618
Cash flows from investment activity:		
Acquisitions of tangible assets and real estate investments	-12,280,952	-21,018,616
Acquisitions of intangible assets	-747,822	-598,903
Net cash generated from investment activities	-13,028,774	-21,617,519
Cash flows from financial activity		
(Increases) / Decreases in bank loans	-33,048,770	-8,305,228
Interest rates	-2,589,979	-1,375,211
Net cash generated from financial activity	-35,638,749	-9,680,439
Net cash generated from total activity	810,019	-9,635,340
Cash and cash equivalents at the beginning of the period	5,986,107	11,068,357
Cash and cash equivalents at the end of the period	5,176,088	1,433,017

EXPLANATORY NOTES TO THE SEPARATE INTERIM FINANCIAL STATEMENT AT 30.09.2023
1. GENERAL INFORMATION

COMPAS is a joint-stock company based in Sibiu. 8 Henri Coandă Street, CP 550234.

1.1. Scope of activity

The principal activity according to CAEN is 2932 - Manufacture of other parts and accessories for motor vehicles and their engines.

1.2. Form of ownership

COMPAS S.A. has been 100% privatised since September 1999. The company is listed. The shares have been traded on the Bucharest Stock Exchange since June 1997. and are currently traded under the Standard category. symbol CMP.

1.3. Evolution of the company

By Government Decision No. 1296/13.12.1990, the company became Societatea Comercială COMPAS S.A.. originating from the Sibiu Auto Parts Company (I.P.A.Sibiu). I.P.A.Sibiu was founded in 1969 by merging two units: Uzina Elastic and Uzina Automecanica Sibiu. Since 1991. COMPAS was organized in factories / workshops. constituted by product families. as cost centres. which in time became profit centres. with the aim of decentralization and facilitating the establishment of joint ventures.

2. THE BASICS OF DRAFTING
Declaration of conformity

The individual financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union and the Order of the Minister of Public Finance No. 2844/2016. The Company has adopted IFRS reporting from the 2012 financial statements.

Going concern principle

The individual financial statements have been prepared on a going concern basis, which means that the Company will be able to carry on its business in normal conditions.

Basics of evaluation

The individual financial statements have been prepared on the historical cost basis, except for certain property, plant and equipment which are measured at revalued amount or fair value as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given for the assets.

Reporting and functional currency

The individual financial statements are presented in Romanian lei (RON), rounded to the nearest amount, this is the Company's functional currency.

Use of estimates and judgements

The preparation of individual financial statements in conformity with IFRS as adopted by the European Union requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates and judgements are generally based on historical information and any other sources considered representative of the situations encountered. Actual results may differ from these estimates.

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

Changes in estimates do not affect prior periods and are not a correction of an error.

Information about critical judgements in applying the Company's accounting policies, whose effect is significant on the amounts recognised in the financial statements is included in the notes to:

Tangible and intangible fixed assets - Useful life of tangible fixed assets

Tangible and intangible fixed assets are depreciated over their useful lives. The Company's management uses professional judgement in determining the useful life, and the evidence used in determining the useful life includes the technical specifications of the machinery, information from commercial contracts the Company has with customers, history of products sold, market information relating to the Company's products and the adaptability of the machinery.

Tangible and intangible fixed assets - Adjustments for impairment of tangible fixed assets

Intangible and tangible fixed assets are analysed to identify whether they are impaired at the date of the financial statements. If the net carrying amount of an asset is greater than its recoverable amount an impairment loss is recognised to reduce the net carrying amount of that asset to the recoverable amount. If the reasons for recognising the impairment loss disappear in subsequent periods, the net carrying amount of the asset is increased to the net book value, that would have been determined if no impairment loss had been recognised. Evidence of impairment may include a decline in usefulness to the company, excessive physical wear and tear, the emergence of new production technologies.

Taxes deferred

Deferred tax assets are recognised as assets to the extent that it is probable that taxable profits will be available against which losses can be utilised. The Company's management uses judgement in determining the amount of deferred tax assets that can be recognised as assets.

Management's decisions are based on information from the commercial contracts the Company has with customers, forecasts relating to the automotive and automotive components market.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Recoverable value of assets

The assessment for impairment of receivables is made on an individual basis and is based on management's best estimate of the present value of the cash flows expected to be received. The Company reviews its trade and other receivables at each statement of financial position date, to assess whether an impairment charge should be recorded in the income statement. In particular, management's professional judgement is required in estimating value and coordinating future cash flows when determining the impairment loss. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. These estimates are based on assumptions about several factors, and actual results may differ, leading to future changes in adjustments.

Fair value measurement of financial instruments

When the fair value of financial assets and liabilities reflected in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model. Assumptions in these models are taken from available market information, but where this is not possible, judgements are required to determine fair value. The judgements include determining assumptions such as credit risk and volatility.

3. SIGNIFICANT ACCOUNTING POLICIES

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

The significant accounting policies applied by the Company are those presented in the Financial Statements concluded on 31.12.2022 and have not changed during the interim report.

4.1. TANGIBLE FIXED ASSET

The evolution of tangible assets from January 1, 2023 to September 30, 2023 is as follows:

Explanations	30.09.2023	01.01.2023
Land	43,848,700	43,848,700
Construction	94,377,177	96,248,672
Equipment and vehicles	216,499,818	238,317,690
Other tangible fixed assets	778,273	734,507
Tangible fixed assets in course of construction	15,182,752	13,746,700
Total	370,686,720	392,896,269

Tangible assets representing "Tangible fixed assets in progress" are measured at historical cost. The company has chosen for the valuation of tangible assets of land and construction nature the model of revaluation at fair value. In the fair value hierarchy, the revaluation of the company's buildings and land at fair value is classified as level 2 data. The valuation technique used in the fair value measurement of level 2 is the price comparison method. Prices comparable to nearby buildings and constructions are adjusted according to specific characteristics, such as the size of the property, etc. The most important entry date for this valuation method is the price per square meter. There were no transfers between the level at which the fair value measurements are classified during 2023. Depreciation of all property, plant and equipment is determined by the straight-line method.

Fixed assets were reduced in 2023 through depreciation, sale and scrapping.

4.2. REAL ESTATE INVESTMENTS

The evolution of real estate investments from January 1, 2023 to September 30, 2023 is as follows:

Explanations	30.09.2023	01.01.2023
Real estate investments	40,444,286	40,444,284
Real estate investments in progress	226,139	226,141
Total	40,670,425	40,670,425

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

Fixed assets "Real estate investments in progress" are valued at historical cost.

5. INTANGIBLE ASSETS

The evolution of intangible is as follows:

Explanations	30.09.2023	01.01.2023
Research and development expenditure	3,465,122	3,879,554
Software and software licences	4,671,999	4,825,244
Total	8,137,121	8,704,798

The company capitalizes the research and development costs due to the fact that the criteria for recognizing them as an element of intangible immobilization are met, respectively the cost of the immobilization can be reliably evaluated.

Their depreciation is determined by the straight-line method.

6. TRADE RECEIVABLES AND OTHER RECEIVABLES

The situation of other receivables held by the Company is as follows:

Explanations	30.09.2023	01.01.2023
Trade receivables	165,893,666	149,553,605
Advances paid to suppliers	4,198,206	3,449,480
Receivables from staff	28,255	16,485
Receivables from the consolidated state and local budget	2,421,527	1,439,009
Sundry debtors	2,865,464	396,807
Prepaid expenses	1,652,556	1,227,727
Subsidies receivable (European funds projects, subsidies for personnel costs)	380,614	1,032,229
Total	177,440,288	157,115,342

Receivables in foreign currency are valued in lei at the official exchange rate of the NBR on 30.09.2023.

The situation of the adjustments for the depreciation of customer receivables is presented as follows:

Sold at 01.01.2023	1,622,305
Adjustments accrued at 30.09.2023	3,249,388
Adjustments reversed at 30.09.2023	-
Sold at 30.09.2023	1,544,688

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

7. OTHER NON-CURRENT RECEIVABLES

Non-current receivables owned by the Company are presented in the table below:

Explanations	30.09.2023	01.01.2023
Guarantee for customs clearance at home	103,000	103,000
Other guarantees	23,907	34,192
Amounts owed by subsidiaries	3,746,178	3,725,695
Interest on amounts due from branches	16,524	12,569
Total	3,889,609	3,875,456

8. STOCKS/INVENTORIES

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

Explanations	30.09.2023	01.01.2023
Raw materials	42,494,112	50,305,906
Materials and packaging	20,606,636	23,076,076
Semi-manufactures and work in progress	36,497,043	40,768,671
Finished products and goods	13,022,804	18,376,460
Total	112,620,595	132,527,113

The situation of the adjustments for the depreciation of stocks is presented as follows:

Sold at 01.01.2023	403,681
Adjustments accrued at 30.09.2023	3,914,075
Adjustments reversed at 30.09.2023	-19,523
Sold at 30.06.2023	4,298,233

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are presented as follows:

Explanations	30.09.2023	01.01.2023
Bank accounts in RON	5,127,206	5,935,145
Bank accounts in foreign currency	40,509	28,188
Cash equivalents	121	309
Cash in RON	8,252	22,465
Total	5,176,088	5,986,107

The Company owns domestic and foreign currency accounts at the following banks: BRD Groupe Soci t  G n rale, BCR, RBS Bank, ING Bank, Treasury

9. PROFIT TAX

The tax for the current Company profit is determined based on the statutory profit and adjusted for non-deductible expenses and non-taxable income at a rate of 16%.

On September 30, 2023 and September 30, 2022, the income tax consists of:

Explanations	30.09.2023	30.09.2022
Current income tax cheating	-2,723,865	-33,098
Deferred income tax assets/liabilities	623,981	-543,174
Total	-2,099,884	-576,272

11 EQUITY

The shareholding structure on 30.09.2023 is as follows:

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

Explanations	Nr. Actiuni	% din total capital social
Romanian and foreign shareholders (legal entities)	59,259,541	26.62%
Shareholders (individuals) Romanian and foreign	160,561,497	73.38%
Total number of shares	218,821,038	100.00%

The Compa's equity includes the following:

Explanations	30.09.2023	01.01.2023
Subscribed and paid-up capital	21,882,104	21,882,104
Treasury shares	-265,638	-265,638
Revaluation reserves	83,891,130	83,891,130
Legal reserves	4,376,421	4,376,421
Adjustment of legal reserves	22,679,066	22,679,066
Other non-distributable reserves - repurchase of own shares	265,652	265,652
Other reserves	302,673,642	301,155,241
Adjustment other reserves	442,991	442,991
Current and deferred income tax recognised in equity	-5,048,126	-5,227,028
Retained earnings - prior year retained profit	0	0
Retained earnings representing realised surplus on revaluation reserves	57,804,936	57,804,936
Retained earnings from first-time adoption of IAS, less IAS 29	29,144	29,144
Retained earnings arising from the transition to IFRS, less IAS 29	8,611,538	8,611,538
Retained earnings from changes in accounting policies	89,693	89,693
Retained earnings from first-time adoption of IAS 29	-648,352	-648,352
Profit current year	10,213,676	2,510,594
Profit distribution	0	-491,419
Total	506,997,877	497,106,073

12. FINANCIAL DEBTS

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

		EUR	
Credit institution	Type of loan	30.09.2023	01.01.2023
BRD Group Societe Generale România	Credit line for production	5,920,055	6,979,070
BRD Group Societe Generale România	Investment credit	3,769,380	4,900,194
ING BANK-SIBIU	Credit line for production	824,412	4,358,941
ING BANK-SIBIU	Investment credit	3,792,521	4,826,845
Total		14,306,368	21,065,050

		LEI	
Credit institution	Type of loan	30.09.2023	01.01.2023
BRD Group Societe Generale România	Credit line for production	29,449,907	34,528,253
BRD Group Societe Generale România	Investment credit	18,751,158	24,243,222
ING BANK-SIBIU	Credit line for production	4,101,120	21,565,424
ING BANK-SIBIU	Investment credit	18,866,275	23,880,331
Total		71,168,460	104,217,230

The financial debts in foreign currency are valued in lei at the official exchange rate of the BNR from 30.09.2023.

13. COMMERCIAL AND OTHER DEBTS

Explanations	30.09.2023	01.01.2023
Suppliers	111,773,254	111,691,969
Advances received from customers	375,761	685,564
Debts from contracts with customers	3,011,880	2,919,520
Liabilities related to personnel	8,574,457	5,824,473
Debts to the general consolidated state and local budget	7,455,662	11,345,853
Current income tax liabilities	1,372,018	0
Dividends payable	424,073	390,174
Sundry creditors	2,865	141,843
Prepaid income	1,071,562	2,098,749
Investment subsidies from AMPOSDRU and AMPOSCEE contracts	23,062,118	25,829,594
Inventory gains on fixed assets	8,001	21,507

Debts in foreign currency are valued in lei at the official exchange rate of the NBR on 30.09.2023.

14. PROVISIONS

The situation of the provisions constituted by the Company is presented in the table below:

Explanations	Provisions for guarantees to customers	Provisions for employee benefits	Other provisions for risks and charges	Total provisions
Sold at 01.01.2023	26,945	108,700	82,816	218,461
Provisions accrued at 9 months 2023	0	3882757.75	3,540,839	7,423,597
Provisions reversed at 9 months 2023	0	0	-103,700	-103,700
Sold at 30.09.2023	26,945	3,991,458	3,519,955	7,538,358

In 2023, the Company set up provisions for unused vacations in the amount of 3,882,758 lei.

Provisions were also made for expenses related to the analyzed period and for which the invoices from the partners were not received.

15. VENITURI SI SEGMENTE DE ACTIVITATE

Compa revenues structure is as follows:

Explanations	30.09.2023	30.09.2022
Total turnover, of which:	596,995,922	552,835,302
Revenue from sales of finished products	585,256,759	542,059,828
Revenue from services rendered	2,395,676	2,029,355
Revenue from sale of goods	7,988,309	6,809,543
Income from other activities (rents, sales of materials, waste, semi-finished goods, packaging)	933,556	891,563
Income from subsidies related to turnover (projects and partnership contracts AMPOSDRU projects)	421,622	1,045,013
Other operating income	10,370,441	11,017,562
Total operating income	607,366,363	563,852,864

Other operating income consists of::

Explanations	30.09.2023	30.09.2022
Income from the production of fixed assets	4,413,798	6,504,866
Income from investment grants (AMPOSDRU and AMPOSCEE projects and partnership contracts)	2,767,477	3,666,434
Other operating income	2,751,837	2,754
Other operating income	437,329	843,508
Total Other operating income	10,370,441	11,017,562

Segments of activity

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

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

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

16. EXPENDITURE ACCORDING TO DESTINATION

The operating expenses depending on their destination, made in the first 9 months of 2023 and 2022 are presented in the table below:

Explanations	30.09.2023	30.09.2022
Stock differences	9,527,077	5,250,701
Material expenses	335,564,945	331,507,619
Energy and water costs	34,291,675	32,605,814
Employee benefits expenses	128,652,816	114,908,108
Value adjustments on fixed assets	35,678,961	35,499,406
Value adjustments on current assets	3,851,820	78,208
Expenditure on services provided by third parties	30,722,014	32,090,783
Expenses on other taxes, duties and similar charges	3,531,540	3,151,146
Other operating expenses	10,140,967	3,610,102
Total operating expenses	591,961,815	558,701,887

17. EXPENSES WITH EMPLOYEE BENEFITS

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

Explanations	30.09.2023	30.09.2022
Salaries and allowances	125,717,567	112,008,008
Insurance and social protection expenditure	2,935,249	2,900,100
Total	128,652,816	114,908,108

18. FINANCIAL LOSSES (GAINS)

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

Explanations	30.09.2023	30.09.2022
Foreign exchange gains related to monetary items denominated in foreign currency	-416,011	-320,035
Interest losses	-177,623	-1,333,904
Other financial gains	-2,497,354	-190,442
Total losses/gains	-3,090,988	-1,844,381

19. EARNINGS PER SHARE (EPS)

The calculation of earnings per share for 9 months 2023 and 9 months 2022 can be summarized as follows:

Explanations	30.09.2023	30.09.2022
Number of shares at the beginning of the year	218,821,038	218,821,038
Number of shares at end of reporting period	218,821,038	218,821,038
Net profit	10,213,676	2,730,325
Basic/diluted earnings per share (RON/share)	0.0467	0.0125

On 2022, following the redemption of own shares and the free distribution to employees of a number of 6,060,000 shares, a total of 444,153 shares remained undistributed. These shares do not have voting rights and dividend rights. Also, a number of 649,100 shares, with a nominal value of 64,910 lei, are owned by the affiliated company Recaserv SRL, as a result, these shares do not have voting rights or the right to dividends.

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

Explanations	30.09.2023	30.09.2022
Total number of shares	218,821,038	218,821,038
Shares without voting rights and dividend	-1,093,253	-7,153,253
Number of shares with voting and dividend rights At year-end	217,727,785	211,667,785
Net profit	10,213,676	2,730,325
Basic / diluted earnings per voting and dividend share (in RON per share):	0.0469	0.0129

20. AFFILIATED ENTITIES

The affiliated entities of COMP A SA are the following:

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

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

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

Explanations	30.09.2023			30.09.2022		
	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.	0	10,532,551	429,627	0	10,650,997	387,275
COMPA IT S.R.L.	0	2,538,841	68,383	0	2,279,659	37,160
RECASERV S.R.L.	0	1,531,648	35,116	0	1,143,690	34,716
ARINI HOSPITALITY S.R.L.	3,762,702	0	172,555	2,202,134	0	7,927

The mutual debts and receivables registered on 30.09.2023 and 30.09.2022 are the following:

Receivables due to Compa SA from:

Explanations	30.09.2023	30.09.2022
TRANS-CAS S.R.L.	70,086	66,182
COMPA IT S.R.L.	4,844	14,064
RECASERV S.R.L.	11,067	14,756
ARINI HOSPITALITY S.R.L.	3,764,189	2,203,886

Debts payable by COMPA SA to:

Explanations	30.09.2023	30.09.2022
TRANSCAS S.R.L.	1,652,504	2,336,710
COMPA IT S.R.L.	552,160	760,172
RECASERV S.R.L.	391,358	402,185
ARINI HOSPITALITY S.R.L.	0	2,202,134

Company Management

List of company administrators

NAME	FUNCTION
DEAC Ioan	President C.A.
MICLEA Ioan	Vice president C.A.
MAXIM Mircea Florin	Member CA
BALTEȘ Nicolae	Member CA - Chairman Audit Committee
NEACȘU Vlad- Nicolae	CA Member - Audit Committee Member

List of members of the executive management of the company :

NAME	FUNCTION
DEAC Ioan	CEO
BĂIAȘU Dan-Nicolae	Deputy CEO /Commercial Director
DUMITRESCU Mihaela	CFO
ACU Florin-Ștefan	Technical Director
BLAJ Robert	Logistics Director
DUMITRESCU Ștefan Cosmin	Director of Management System and Improvement
ȚUICU Liviu-Laurențiu	Director of Quality-Environment
ȚUȚUREA Mihai	Production Director

NAME	FUNCTION
FIRIZA Sorin Ioan	Deputy Production Director
DRAGOMIR Marius C-tin	Engineer, Head of Maintenance Department

Transactions with members of the Company's management are limited to salaries and allowances.

On behalf of the Board of Directors,

**Chairman & CEO,
Ioan DEAC**

**Director Economic
Dumitrescu Mihaela**



CONSOLIDATED REPORT Q3 – 2023 (UNAUDITED)



compa
beyond expectations

compa  it



TRANS C.A.S.
SRL SIBIU

transport intern si international



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1. INTRODUCTION

1.1. LEGAL FRAMEWORK, PURPOSE AND NECESSITY OF PREPARATION OF FINANCIAL STATEMENT

COMP A S.A. Sibiu, whose SHARES are admitted to trading on the regulated market of the Bucharest Stock Exchange, applies the International Financial Reporting Standards (IFRS) starting with 2012.

In accordance with the accounting regulations in accordance with the 7th Directive of the European Economic Community, COMP A S.A. Sibiu (parent company) meets the conditions according to point 12. Based on point 3 of these regulations, the consolidated annual financial statements have been prepared.

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

All these normative acts constituted the necessary legal basis for the elaboration of the consolidated financial statements of the Group

The consolidated objective of the COMP A Group has as main objective the information of the investors and business partners of the parent company, as well as of the affiliated companies.

1.2. METHODS OF CONSOLIDATION APPLIED

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

In this context, the company COMP A S.A. Sibiu in its capacity as parent company has control, respectively the share of its participations in the share capital of the affiliated companies is higher than 50% in the following affiliated entities.:

COMP A I.T. S.R.L.	100,00 %
TRANS C.A.S. S.R.L.	99,00 %
RE CASERV S.R.L.	70,00 %
ARINI HOSPITALITY SRL	100,00 %

COMP A S.A. Sibiu, the parent company, exercises an effective power, having a dominant influence, respectively it has control over the Group companies. Given the accounting regulations as well as the existing recommendations in this field, the consolidation method used with these companies is the "Global Integration Method".



2. BRIEF HISTORY

This chapter was presented in detail in the separate report for Q3 2023, but we consider it necessary and appropriate that certain episodes in the history of the parent company be highlighted in the consolidated Q3 2023 Report.

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

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

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

1969 - The Automobile Parts Enterprise (IPAS) is established, by merging two large companies, which operated in Sibiu that year, respectively:

- Sibiu Automecanica Plant, which in turn had an impressive history, from an arsenal of Artillery, which ensures the repair and manufacture of weapons necessary for the defense of the Sibiu Fortress, to the construction of car equipment with advanced technology at the time of merger;
- Elastic Sibiu Plant, with a craft tradition since the founding of the Datky Workshop, which it has permanently developed, making at the time of merging a varied and diversified range of lamellar springs for the manufacture of vehicles made in Romania and a wide range of springs helical, hot and cold wrapped, intended for the entire rolling stock industry (locomotives, wagons), of the machine building industry from all over Romania.

1991 - The Automobile Parts Enterprise (IPAS) is transformed into S.C.COMPA S.A.Sibiu, as a result of the political and economic framework created by the transition of Romania from a communist totalitarian state to a state with a market economy.

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

2000 - The foundations are laid for the establishment of the COMPA Group by transforming the IT Service, which operated within the parent company with the activity of software design and internal network administration, into a separate company, S.C.Compa IT S.R.L., with full capital COMPA. As a result of the establishment of this company in an economic unit with predominant activity in information technology (IT), the premises for the development of this sector of activity were created both for the realization of an integrated IT system of COMPA but also for software for other companies in outside the Compa Group.

2001 - The second affiliated company S.C.TRANS C.A.S. S.R.L. Sibiu, a limited liability company, with a predominant COMPA contribution, resulted from the transformation of the existing Transport Base within the parent company, into a separate company specialized in domestic and international road transport. By setting up this company specialized strictly in the transport activity, the conditions for its development were created, which provide transport services, not only for the parent company, but also for other companies in Romania and in Europe.

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



2004 - The third affiliated company is established, respectively RECASERV S.R.L., by transforming the activity of the COMPA canteen into a separate company in which the COMPA company holds the control position, being the majority associate.

2021 - The fourth affiliated company is established, respectively ARINI HOSPITALITY S.R.L., which will carry out hotel activity, by building the Ibis-Mercure hotel complex..

3. INFORMATION REGARDING THE ENTITIES WITHIN THE GROUP

3.1. COMPA S.A. parent - Company

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

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

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

As presented in detail in the Individual Q3 Report 2023, the parent company is organized on Profit Centers, integrated units without legal personality with a decentralized activity, structured to make products for a single customer or to make similar products for several customers, such as: Forging, Heat treatment, Galvanization, Pressed - stamped parts, mechanical - welded subassemblies.

The financial investments of the parent company COMPA, which consist of participation titles and shares, in the other 3 affiliated companies, as follows:

COMPAS holds titles / equity shares :	Social headquarters	The value of titles held by COMPA	% ownership
COMPAS I.T. SRL	Sibiu, 8 Henri Coandă, Sibiu county	200,000	100.00
TRANS .C.A.S. SRL	Sibiu, 12 Henri Coandă Sibiu county	1,498,450	99.00
RECASERV SRL	Sibiu, 51 Henri Coandă Sibiu county	70,000	70.00
ARINI HOSPITALITY SRL	Sibiu, 8 Henri Coandă, Sibiu county	23,203,000	100.00
TOTAL		24,215,500	

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



3.2. COMP A I.T. SRL Company

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

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

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

3.3. TRANS CAS SRL Company

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

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

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

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

3.4. RE CASERV SRL Company

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

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



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

3.5. ARINI HOSPITALITY SRL Company

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

Social headquarters	Sibiu. Str.Henri Coandă Nr.8
Recording no. in the Trade Register	J32/77/2021
Fiscal Code (VAT Code)	CUI 43581594
The main activity	5510 Hotels and similar accommodation facilities
Share capital (RON)	23,203,000 lei
Sole shareholder	100%
Administrator	Băiaşu Dan-Nicolae

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

3. IMPORTANT EVENTS PRODUCED IN THE FIRST 9 MONTHS OF 2023

As important vents recorded in the activity of Compa during the first 9 months of 2023, we can highlight the meetings of the Board of Directors of the company and the general meetings of shareholders as follows:

09.01.2023 – The Extraordinary General Meeting of Shareholders (EGMS) was held with the following agenda:

- the election of the secretary of the meeting of the Extraordinary General Meeting of Shareholders from among the present shareholders.
- approval of the increase in the share capital of the affiliated company ARINI HOSPITALITY S.R.L., to which Compa S.A. is sole associate, with the amount of 3,500,000 lei, cash contribution.
- approval of the delegation of the Board of Directors of Compa S.A. to take the necessary decisions in order to increase the share capital of the company Arini Hospitality SRL, deciding on any aspects related to the share capital increase, the number of shares and their value, status update, etc
- ratification of the decision of the Board of Directors of Compa S.A. no. 143/23.11.2022 art. 1 approving the contracting by the affiliated company Arini Hospitality S.R.L. (in which Compa S.A. is the sole partner) of a bank loan in the form of an investment credit up to a ceiling of 1,800,000 (one million and eight thousand) euros.



- ratification of the decision of the Board of Directors of Compa S.A. no. 143/23.11.2022 art. 2 approving the guarantee of the bank loan referred to in art. 4 with movable and immovable assets from the patrimony of Arini Hospitality company, including the property registered in the Land Registry no. 131805 Sibiu.
- ratification of the decision of the Board of Directors of Compa S.A. no. 143/23.11.2022 art. 3 approving the guarantee by Compa S.A., as guarantor and/or co-debtor, of the bank loan requested by Arini Hospitality SRL pursuant to art. 4 above if the financing bank requests it.
- approval of the amendment to the constitutive act of Compa S.A. by adding to point IX subsection 12 the possibility for the members of the Board of Directors to participate in the meetings of the Board of Directors by means of remote communication means, so that the amended text will have the following content: IX. ADMINISTRATION AND REPRESENTATION OF THE COMPANY (12) The board of directors meets at least once every 3 months. The participation of the members of the company's Board of Directors in its meetings can also take place by means of remote communication, videoconference, teleconference, e-mail, or fax. The members of the board of directors will conclude a professional liability insurance.
- approval of the authorization of the President of the Board of Directors, Deac Ioan, or any other administrator in case of impossibility of the president, to sign in the name and on behalf of the Company the additional act and the updated constitutive act of the Company in accordance with the decision of the E.G.M.S. from point 7.
- approval of February 10th, 2023, as the Registration Date for the shareholders identification falling under the consequences of the General Extraordinary Meeting of Shareholders, due to the provisions in Art. 87, Law 24/2017 on issuers of financial instruments and market operations and approval of February 9th, 2023, as ex-date, according to Art. 176(1) from FSA Regulation no.5 / 2018.
- empowering individuals that will perform the publication and recording formalities of the GMS session decisions, including their signing.

31.01.2023 – The Board of Directors of Compa S.A. was convened, in which the proposals of the economic-financial department of the company were analyzed and approved regarding the results of the inventory of the company's assets for the year 2022 and which consist of:

- approving the scraping of certain assets in the nature of fixed assets and stocks of materials and finished products
- approving the registration of inventory minuses recorded in stocks
- approving the taking over of some prescribed and/or unrecognized debts by the partners
- approving the transfer of unrecoverable debits
- approving the recording of impairment adjustments of customer receivables
- the mandate of the President of the Board of Directors – Ioan Deac and the Vice-president of the Board of Directors – Ioan Miclea to sign the decisions of the Board of Directors taken in the meetings convened for the 31st January 2023

24.02.2023– During the meeting of the Board of Directors convened on 24th February 2023, the preliminary financial results for the year 2022 were analyzed and approved, both the individual ones related to the company Compa, as well as the preliminary financial results for the year 2022 related to the Group.

Also, during the meeting, the Board of Directors approved the Integrated Campus Project for dual education – PRODUAL, the total value of the project in the amount of 129,922,526.46 Ron, as well as its own contribution to the project 6,197,247.60 lei of which 870,686.00 Ron is the contribution of Compa S.A.

09.03.2023 – The Board of the Directors convened for the approval of the proposal to convene the Ordinary General Meeting Of Shareholders (OGMS) for the date 26.04.2023 the first convocation (3.00 p.m.) and



27.04.2023, the second convocation (3.00 p.m.) as well the proposal to convene the Extraordinary General Meeting (EGMS) for the date 26.04.2023 the first convocation (4.00 p.m.) and 27.04.2023, the second convocation (4.00 p.m.).

The Board of Directors approved the agenda of the OGMS convened on 26/27.04.2023, in which a number of 10 points were entered (according to the convening note) as well as the 8 points included in the relevant EGMS convening note of 26/27.04.2023.

The Board of Directors also approved 11.04.2023 as the reference date for the AGOA and respectively the AGEA of 26/27.04.2023.

23.03.2023 – During the meeting of 23.03.2023, the Board of Directors approved the Individual and Consolidated Annual Report for the financial year 2022 drawn up according to Annex 15 of ASF Regulation no. 5/ 2018. Also, during this meeting, the Revenue and Expenditure Budget for 2023 and the Investment Program for 2023 was approved.

26.04.2023 The Ordinary General Meeting of Shareholders (OGMS) was held with the following agenda:

26.04.2024 the election of the secretary of the meeting of the Ordinary General Meeting of Shareholders from among the present shareholders;

- the presentation, discussion, and approval of individual and consolidated financial statements for 2022, elaborated in accordance with the International Standards for Financial Reporting and based on the reports of the Board of Directors accompanied by the report of the Financial Auditor;

- approval of the proposal of the Board of Directors for the distribution of the net profit for the financial year 2022, in amount of 2.510.594 lei as follows:

- for own development sources – the value of 2.009.820 lei

- for according dividends to the shareholders – the value of 500.774 lei with a gross dividend/ share in amount of 0,0023 lei.

- approval of the date of June 15th, 2023, as the date of payment for the payment of dividends. The payment of dividends will be made in RON. The method of payment of dividends will be notified to the shareholders before the date of starting the payment. Dividend expenses are borne by shareholders.

- pronouncing on the management of the Board and approving the discharge of administrators from their duties for year 2022 based on the submitted reports;

- presentation, debate and approval of the Revenues and Expenses Budget for 2023 and the investment plan for 2023;

- fixing and approving of due remuneration for the Board members for the current year;

- appointment of the external financial auditor in order to perform the Statutory Audit for 2023;

- approval of the remuneration report of the company's management prepared for the financial year 2022;

- approval of May 23th, 2023, as the Registration Date for the shareholders identification falling under the consequences of the General Ordinary Meeting of Shareholders, due to the provisions in Art.87, Law 24/2017 on issuers of financial instruments and market operations and approval of May 22th , 2023 as ex-date, according to Art. 176(1) from FSA Regulation no.5 / 2018;

- empowering of individuals that will perform the publication and recording formalities of the GMS session decisions, including their signing.

- **26.04.2023** - The Extraordinary General Meeting of Shareholders (EGMS) was held with the following agenda:

- the election of the secretary of the meeting of the Extraordinary General Meeting of Shareholders from among the present shareholders;

- approval of contracting and / or extension for the year 2023 and the year 2024 until the annual EGMS of investment loans, credit lines, leasing, letters of bank warantee, and other financial banking products, with a



total cumulative ceiling of 40 EUR million and establishing security interests related to movable and immovable property owned by the Company;

- delegation of the Board of Directors by the Extraordinary General Meeting of Shareholders from the date of this decision until the next Extraordinary General Meeting in April 2024 to commit and/or extend investment loans, credit lines, leasing assignments, letters of guarantee and other financial banking products, within the maximum cumulative total of 40 million euro approved at point 2, as well as to constitute movable and immovable warranties related to assets of the company's patrimony;
- the empowerment of persons to represent the Company when negotiating and signing of credit contracts, guarantee contracts and any other documents needed in order to comply with the decisions stipulated in paragraphs 2 and 3;
- delegation of the Board of Directors by the General Extraordinary Meeting of Shareholders for appointing the company's legal representative of Compa S.A. in relation to the Management Authority/funding authorities and to empower the person / persons designated to sign in the name and on behalf the Company, the financing contracts for projects to be carried out starting in 2023 and onwards until the next E.G.M.S from April 2024;
- the empowerment of persons to sign in the name and on behalf of the Company, the contract with the financial auditor, appointed according to the decision no. 8 of OGMS;
- approval of May 23th, 2023, as the Registration Date for the shareholders identification falling under the consequences of the General Extraordinary Meeting of Shareholders, due to the provisions in Art.87, Law 24/2017 on issuers of financial instruments and market operations and approval of May 22th, 2023 as ex-date, according to Art. 176(1) from FSA Regulation no.5 / 2018;
- empowering of individuals that will perform the publication and recording formalities of the GMS session decisions, including their signing.

01.05.2023 – The decision was issued regarding the appointment of Mr. Blaj Robert as Logistics Director. The decision applies starting from 01.05.2023.

12.05.2023 – During the Meeting on May 12th, 2023, the Board of Directors approved:

- the individual and consolidated report for Quarter 1 – year 2023;
- the mandate of the CEO – Ioan Deac and the CFO – Mihaela Dumitrescu, to sign, on behalf of and for the Board of Directors, the individual and consolidated report for the quarter 1 – year 2023
- the Announcement regarding the payment of dividends related to the financial year 2022, which also includes the Procedure for distributing dividends related to the financial year 2022;
- the mandate of the President of the Board of Directors - Ioan Deac and the Vice President of the Board of Directors – Ioan Miclea to sign the Announcement regarding the payment of dividends related to the year 2022 and the Procedure for distributing the dividends related to the year 2022;
- the mandate of the President of the Board of Directors - Ioan Deac and the Vice President of the Board of Directors to sign the decisions of the Board of Directors taken in the meeting convened for 12.05.2023.

15.06.2023 – The action to pay the dividends due to Compa shareholders, related to the year 2022, has started.

14.07.2023 – During the meeting on July 14th, 2023, the Board of Director approved:

- authorizing the President of the Board of Directors, Mr. Ioan Deac, to sign, on behalf and for Compa S.A. as an associate of Trans C.A.S. S.R.L., the decision of the Extraordinary General Meeting of Trans C.A.S. S.R.L. Associates
- the mandate of the President of the Board of Directors - Ioan Deac and the Vice President of the Board of Directors to sign the decisions of the Board of Directors taken in the meeting convened for July, 14th 2023.

09.08.2023 – During the meeting on July 14th, 2023, the Board of Directors approved:

- the individual financial report for first semester of 2023 and the consolidated financial report for first semester of 2023;



- the mandate of the President of the Board of Directors - Ioan Deac and the Vice President of the Board of Directors - Ioan Miclea to sign on behalf and for the Board of Directors the individual financial report for the first semester - 2023 and the consolidated financial report for the first semester - 2023.
- the mandate of the President of the Board of Directors and the General Director - Ioan Deac and the Vice President of the Board of Directors - Ioan Miclea to sign the decisions of the Board of Directors taken at the meeting convened for 08/09/2023;
- the program regarding the realization and implementation of continuous improvement projects by the engineers of Compa S.A.

30.08.2023 - During the meeting on 30.08.2023, the Board of Directors approved:

- contracting by the affiliated company Arini Hospitality S.R.L. (in which Compa S.A. is the sole associate) of a bank loan in the form of a credit line in the amount of 3,500,000 lei (three million five hundred) lei for a period of 12 months with the possibility of extension;
- guaranteeing the bank loan mentioned in art. 1 with movable and immovable assets from the patrimony of the Arini Hospitality company, including the property registered in the Land Registry no. 131805 Sibiu;
- the mandate of the President of the Board of Directors - Ioan Deac to sign the decisions of the Board of Directors taken in the meeting convened for 30.08.2023.

29.09.2023 – During the meeting on 29.09.2023, the Board of Directors approved:

- contracting by the affiliated company Arini Hospitality S.R.L. (in which Compa S.A. is the sole partner) of a bank loan in the amount of 1,800,000 RON (one million eighty-eight) in the form of a revolving facility for VAT financing/refinancing Ibis - Mercure hotel complex project for a period of 12 months with the possibility of extension;
- guaranteeing the bank loan mentioned in art. 1 with movable and immovable assets from the patrimony of the Arini Hospitality company, including the property registered in the Land Registry no. 131805 Sibiu;
- the authorization of Mr. Ioan Deac - Chairman of the Board of Directors and General Director, as well as Mrs. Mihaela Dumitrescu - Economic Director to decide on behalf and on behalf of Compa SA, sole partner of SC COMPA IT SRL (CUI 13656016), the designation of the persons who will be authorized to carry out operations on the accounts opened at banks in the name of the affiliated company COMPA IT SRL;
- renewal/extension of the credit facility - credit agreement no. 22/31.01.2008 concluded with BRD Groupe Societe Generale S.A., in the amount of 15,000,000 Eur (if necessary sub-ceiling of 4,000,000 Eur for issuing letters of guarantee/opening letters of credit/FINTRA) until 30.10.2024 and the guarantee of the facility of credit with the goods already brought in as a guarantee;
- the authorization of General Director Ioan Deac and Economic Director Mihaela Dumitrescu to represent the company during the negotiation and signing on behalf of Compa S.A. of the additional documents and any other necessary documents in order to extend and guarantee the Credit Facility – Credit Agreement no. 22/31.01.2008 concluded with BRD Groupe Societe Generale S.A.;
- authorizing General Director Ioan Deac and Economic Director Mihaela Dumitrescu to sign real estate mortgage contracts in the name and on behalf of the company, if necessary;
- the mandate of the President of the Board of Directors - Ioan Deac to sign the decisions of the Board of Directors taken in the meeting convened for 29.09.2023;

3.2. EVENTS PRODUCED AFTER THE REPORTING PERIOD

26.10.2023 – The Board of Directors meeting in the meeting of 26.10.2023 took note of the termination of the mandate of administrator, as well as the position of Vice-President of the Board of Directors, of Mr. Ioan Miclea, starting from 22.10.2023, as a consequence of his death.



4. INTRA - GROUP TRANSACTIONS

Explanations	30.09.2022			30.09.2023		
	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.	0	10,650,997	387,275	0	10,532,551	429,627
COMPA IT S.R.L.	0	2,279,659	37,160	0	2,538,841	68,383
RECASERV S.R.L.	0	1,143,690	34,716	0	1,531,648	35,116
ARINI HOSPITALITY S.R.L.	2,202,134	0	7,927	3,762,702	0	172,555

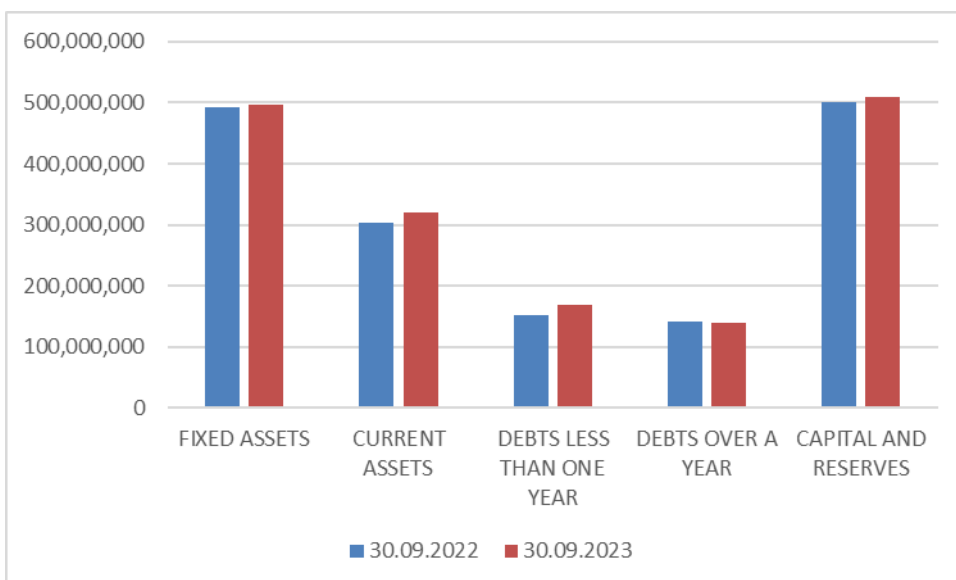
The relations took place in commercial terms of the free market, their price being agreed by negotiation, within the levels practiced on the market..

5. FINANCIAL AND ACCOUNTING SITUATION OF THE GROUP

6.1. The main balance sheet items

The main balance sheet elements and their evolution in the 9 months of 2023 compared to the 9 months of 2022 are presented below:

INDICATOR	30.09.2022	30.09.2023
FIXED ASSETS	492,153,805	496,740,205
CURRENT ASSETS	303,683,826	320,726,729
DEBTS LESS THAN ONE YEAR	151,890,334	169,348,744
DEBTS OVER A YEAR	142,295,440	139,642,883
CAPITAL AND RESERVES	501,651,858	508,475,308

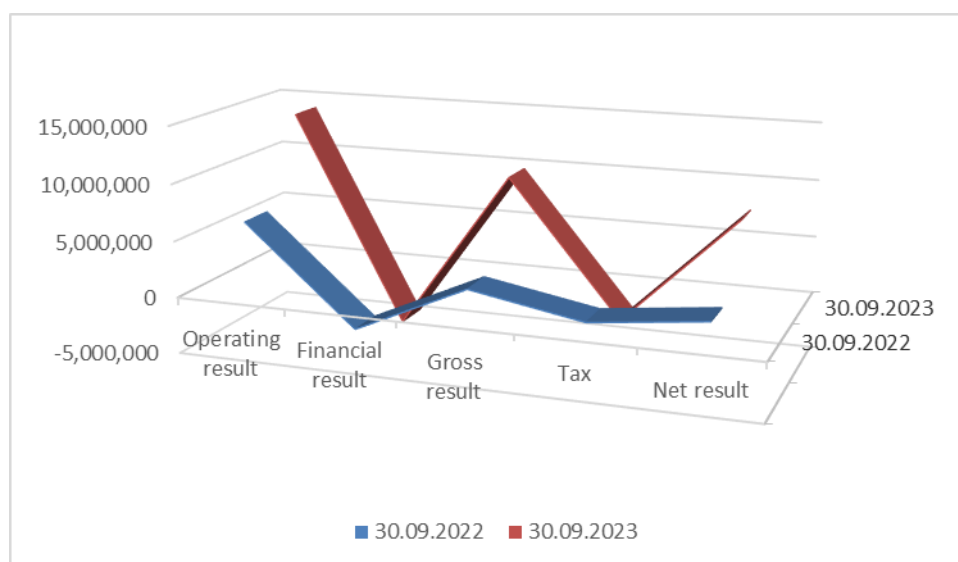




6.2. Statement of income and expenditure

The situation of income and expenses on 30.09.2023 compared to the same period last year is as follows:

INDICATOR	30.09.2022	30.09.2023
Operating result	6,459,079	14,130,496
Financial result	-2,121,495	-4,358,157
Gross result	2,427,585	9,772,339
Tax	641,651	-2,133,170
Net result	1,785,934	7,639,169



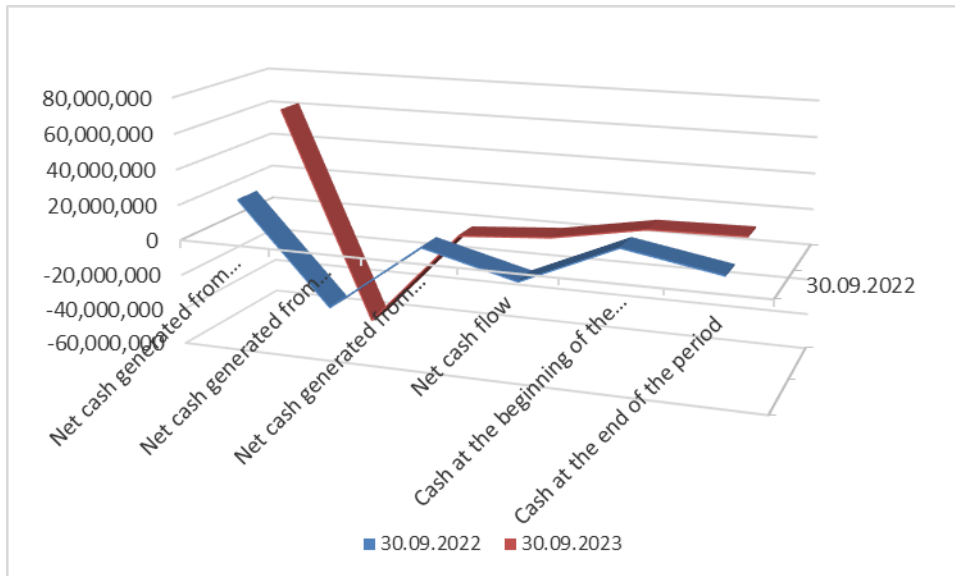
6.3. Cash flow statement

The statement of cash flows is summarized below:

Indicator	30.09.2022	30.09.2023
Net cash generated from operations	21,682,185	63,156,885
Net cash generated from investment activities	-35,290,810	-59,202,581
Net cash generated from financial activity	4,194,159	-2,987,546



Net cash flow	-9,414,466	966,758
Cash at the beginning of the period	14,120,744	10,452,249
Cash at the end of the period	4,706,278	11,419,007



6.4. The main economic-financial indicators of the Compa Group

Indicator	30.09.2022	30.09.2023
Current liquidity	2.00	1.89
Degree of indebtedness	0.22	0.22
The speed of rotation of debits - customers	68.59	71.1679354
The speed of rotation of fixed assets	1.13	1.21
New investments	35,290,810	59,202,581
EBITDA	39,966,108	53,142,178

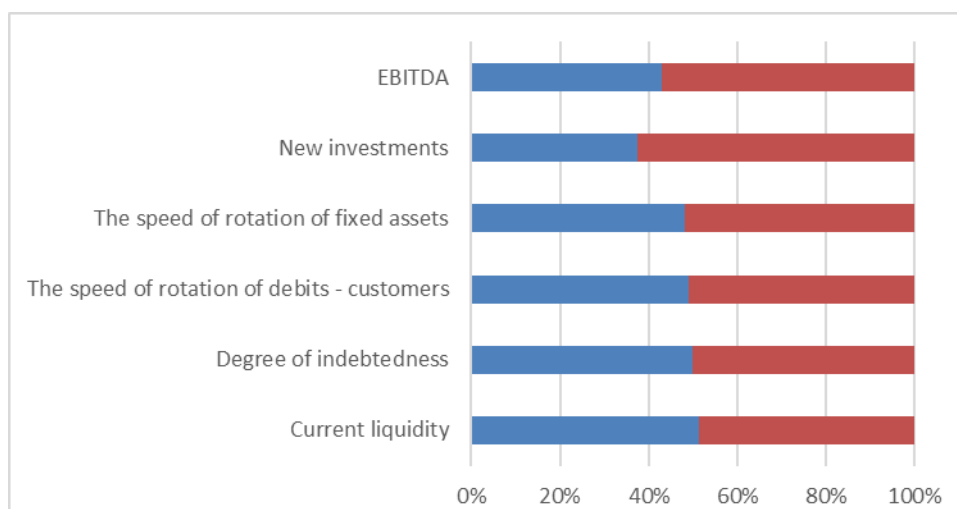
Current liquidity = current assets / current debts

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

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

Degree of indebtedness = borrowed capital / capital engaged

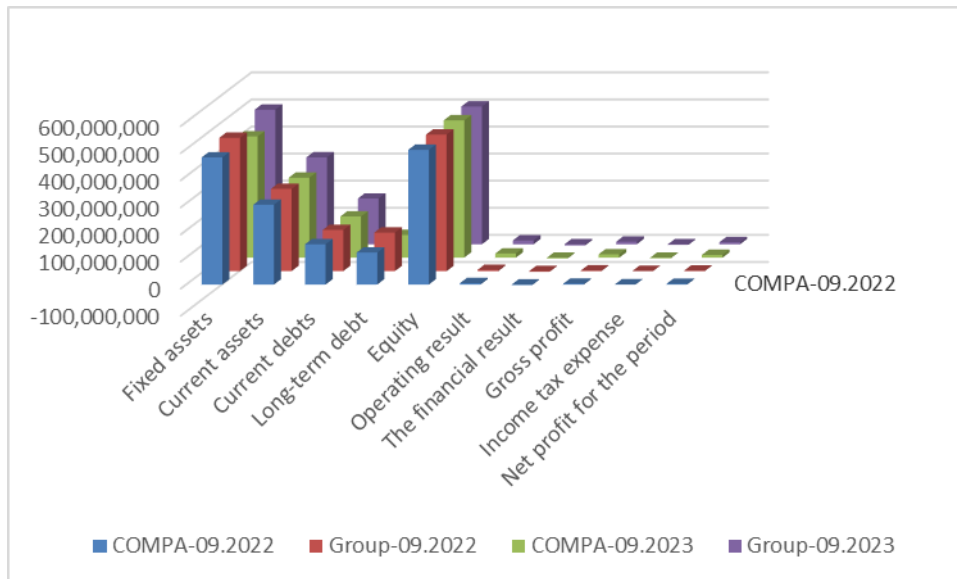
EBITDA = Net profit + interest expenses + tax expenses + depreciation and amortization expenses





6.5. Comparison of the main group indicators - parent company

INDICATORS	COMPA-09.2022	Group-09.2022	COMPA-09.2023	Group-09.2023
Fixed assets	469,310,550	492,153,805	447,599,374	496,740,205
Current assets	294,653,536	303,683,826	295,236,970	320,726,729
Current debts	148,621,707	151,890,334	152,110,341	169,348,744
Long-term debt	118,084,932	142,295,440	83,728,127	139,642,883
Equity	497,257,448	503,942,071	506,997,877	508,475,308
Operating result	5,150,977	4,549,079	15,404,548	14,130,496
The financial result	-1,844,381	-2,121,495	-3,090,988	-4,358,157
Gross profit	3,306,597	2,427,585	12,313,560	9,772,339
Income tax expense	576,272	641,651	-2,099,884	-2,133,170
Net profit for the period	2,730,325	1,785,934	10,213,676	7,639,169





7. CONSOLIDATED INTERIM FINANCIAL REPORT ON 30.09.2023

7.1. STATEMENT OF CONFORMITY OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENT

STATEMENT

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

The consolidated half-yearly financial reports were prepared on 30.09.2023 for::

Entity: COMPA S.A.

County: 32 Sibiu

Address: Sibiu locality, Henri Coandă street, no. 8, CP 550234

Trade register number: J 32/129/1991

Form of ownership: 34 Joint stock companies

Predominant activity

(code and name CAEN class): 2932 - Manufacture of other parts and accessories for motor vehicles and their engines

Registration Number: RO788767

The undersigned DUMITRESCU MIHAELA,

Having the quality of Economic Director, according to art.10 paragraph (1) of the Accounting Law no.82 / 1991, I assume the responsibility for the preparation of the consolidated half-yearly financial reports on 30.09.2023 and I confirm the following:

- a) The accounting policies used in preparing the half-yearly financial reports are in accordance with the applicable accounting regulations.
- b) The half-yearly financial reports provide a true and fair view of the financial position, financial performance and other information relating to the activity carried out.
- c) The legal person carries out its activity in conditions of continuity.

CFO,

DUMITRESCU MIHAELA



7.2. CONSOLIDATED INTERIM FINANCIAL REPORT AT 30.06.2023

Consolidated statement of financial position for - 30.09.2023

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

	<u>Note</u>	<u>30.09.2023</u>	<u>31.12.2022</u>
Assets :			
Fixed assets:			
Property, plant and equipment	4.1	370,686,720	392,896,269
Investment property	4.2	40,670,425	40,670,425
Intangible fixed assets	5	8,137,121	8,704,798
Other fixed assets	7	3,889,609	3,875,456
Financial investments	20	24,215,500	20,715,500
Fixed assets - total		447,599,374	466,862,448
Current assets:			
Inventories	8	112,620,595	132,527,113
Trade and other receivables	6	177,059,673	156,083,113
Other receivables (subsidies and settlements from joint ventures)	6	380,614	1,032,229
Cash and cash equivalents	9	5,176,088	5,986,107
Current assets - total		295,236,970	295,628,562
Total Assets		742,836,344	762,491,010
Equity:			
Issued capital	11	21,882,104	21,882,104
Share capital adjustments	11	-265,638	-265,638
Reserves	11	386,158,718	384,461,415
Reserves adjustment	11	23,122,057	23,122,057
Retained earnings	11	65,886,960	65,886,960
Current result	11	10,213,676	2,510,594
Current result	11	0	-491,419
Equity - total		506,997,877	497,106,073
Debts		0	0
Long-term debt :		0	0
Financial debts	12	56,807,533	89,934,825
Prepaid income (prepaid income, subsidies)	13	19,382,237	22,112,413
Provisions	14	7,538,357	218,461
Long-term liabilities - total		83,728,127	112,265,699
Current debts:			
Financial debts	12	14,360,927	14,282,405
Trade and similar payables;	13	112,149,015	112,377,533
Debts from contracts with customers	13	3,011,880	2,919,520
Other payables	13	16,457,057	17,702,343
Current tax liabilities	10;13	1,372,018	0
Prepaid income (prepaid income, subsidies)	13	4,759,444	5,837,437
Current liabilities - total		152,110,341	153,119,238
Total debts		235,838,467	265,384,936
Total equity and debt		742,836,344	762,491,010



Consolidated statement of profit or loss and other comprehensive income - 30.09.2023
(all amounts are expressed in RON, unless otherwise specified)

	Note	30.09.2023	30.09.2022
Income	15	596,995,922	552,835,302
Other income	15	10,370,441	11,017,562
Total income		607,366,363	563,852,864
Change in stocks of finished goods and work in progress	16	-9,527,077	-5,250,701
Raw materials and consumables used	16	-369,856,619	-364,113,433
Employee benefits expense	17	-128,652,816	-114,908,108
Depreciation and amortisation expense	4 , 5, 16	-39,530,782	-35,577,614
Services rendered by third parties	16	-30,722,014	-32,090,783
Other expenses	16	-13,672,507	-6,761,248
Total expenses		-591,961,815	-558,701,887
Operating result		15,404,548	5,150,977
Financial income	18	92,625	41,308
Financial expenses	18	-2,589,979	-1,375,211
Other financial gains/losses	18	-593,634	-510,477
Net financing costs		-3,090,988	-1,844,381
Profit before tax		12,313,560	3,306,597
(Expenses)/Income on deferred income tax	10	623,981	-543,174
Current income tax expense	10	-2,723,865	-33,098
		0	0
Net profit for the period		10,213,676	2,730,325
Other comprehensive income: Of which other comprehensive income items not subsequently reclassified to profit or loss:			
Income tax relating to other comprehensive income	10	178,902	209,595
Other comprehensive income, net of tax		178,902	209,595
Total comprehensive income for the year		10,392,578	2,939,920
Unconsolidated result per basic/diluted share	19	0.05	0.01

CONSOLIDATED REPORT Q3 – 2023



Consolidated statement of changes in share capital for the year ended at 30.09.2023

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

Equity capital item	Registered Capital	Adjustments related to own shares	Losses related to own shares	Legal reserve	Legal reserve adjustments	Revalued reserves	Other reserve	Other reserves adjustments	Reported Results	Totally attributable to the company's shareholders	Things that do not control	TOTAL
Balance at 01.01.2022	21,882,104	-715,325	-3,285,532	4,957,516	22,679,066	83,891,130	290,500,278	472,028	82,093,326	502,474,591	208,588	502,683,179
Profit for the year	0	0	0	0	0	0	0	0	1,304,325	1,304,325	3,362	1,307,687
Other comprehensive income, of which:	0	0	0	0	0	0	277,951	0	0	277,951	0	277,951
Income tax relating to other comprehensive income	0	0	0	0	0	0	277,951	0	0	277,951	0	277,951
Transactions with shareholders, recognised directly in equity, of which:	0	338,816	3,285,532	0	0	0	8,407,878	-108	-15,058,968	-3,026,850	0	-3,026,850
Repurchase of own shares	0	338,816	3,285,532	0	0	0	0	0	0	3,624,348	0	3,624,348
Profit distribution	0	0	0	0	0	0	8,407,878	-108	-15,058,968	-6,651,198	0	-6,651,198
Balance at 31.12.2022	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	299,186,107	471,920	68,338,683	501,030,017	211,950	501,241,967

Equity capital item	Registered Capital	Adjustments related to own shares	Losses related to own shares	Legal reserve	Legal reserve adjustments	Revalued reserves	Other reserve	Other reserves adjustments	Reported Results	Totally attributable to the company's shareholders	Things that do not control	TOTAL
Balance at 01.01.2023	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	299,186,107	471,920	68,338,683	501,030,017	211,950	501,241,967
Profit for the year	0	0	0	0	0	0	0	0	7,634,924	7,634,924	4,245	7,639,169
Other comprehensive income, of which:	0	0	0	0	0	0	178,902	0	0	178,902	0	178,902
Income tax related to other elements of the overall result	0	0	0	0	0	0	178,902	0	0	178,902	0	178,902
Transactions with shareholders, recognised directly in equity, of which:	0	0	0	0	0	0	2,009,819	0	-2,593,709	-583,890	0	-583,890
Profit distribution	0	0	0	0	0	0	2,009,819	0	-2,593,709	-583,890	-840	-584,730
Balance at 30.06.2023	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	301,374,828	471,920	73,379,898	508,259,953	216,195	508,476,148



Consolidated statement of cash flows at 30.09.2023
(all amounts are expressed in RON, unless otherwise specified)

Explanations	30.09.2023	30.09.2022
Cash flows from operating activities:		
Profit before tax	9,772,339	2,427,585
Depreciation and amortization expenses	36,108,692	35,897,961
(Increases) / Decreases in stocks	15,444,418	9,890,749
(Increases) / Debt decreases	-20,813,240	-16,162,353
Increases / (Debt decreases)	527,087	-4,386,933
Adjust other non-monetary items	22,117,589	-5,984,824
Net cash generated from operations	63,156,885	21,682,185
Cash flows from investment activity:		
Acquisitions of tangible assets and real estate investments	-58,284,081	-34,691,907
Acquisitions of intangible assets	-918,500	-598,903
Net cash generated from investment activities	-59,202,581	-35,290,810
Cash flows from financial activity		
(Increases) / Decreases in bank loans	421,680	5,756,514
Interest rates	-3,409,226	-1,562,355
Net cash generated from financial activity	-2,987,546	4,194,159
Net cash generated from total activity	966,758	-9,414,466
Cash and cash equivalents at the beginning of the period	10,452,249	14,120,744
Cash and cash equivalents at the end of the period	11,419,007	4,706,278

EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT AT 30.09.2023
(all amounts are expressed in RON, unless otherwise specified)

1. GENERAL INFORMATION

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

Field of activity of the company: design, production and marketing of components for the manufacture of cars, transport vehicles, buses, trailers, tractors, wagons, locomotives and various industrial equipment, services and technical assistance.

The main object of activity, according to the CAEN code is 2932 “Manufacture of other parts and accessories for motor vehicles and motor vehicles”.

The form of ownership of the company

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

The evolution of the Group

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

Since 1991, COMPAS has been organized in factories / workshops, set up by product families as cost centers, which over time have become profit centers, in order to decentralize and facilitate the establishment of joint ventures.



Financial investments COMP A S.A. as a parent company, representing participation titles held in shares or shares in commercial entities are presented in the table below:

The company in which COMP A holds the securities	Social headquarters	The value of securities held by COMP A	% in share capital
COMP A I.T. S.R.L.	No.8, Henri Coandă, Sibiu	200,000	100.00
TRANS .C.A.S. S.R.L.	No.12, Henri Coandă, Sibiu	742,500	99.00
RE CASERV S.R.L.	No 51, Henri Coandă Sibiu	70,000	70.00
ARINI HOSPITALITY SRL	No.8, Henri Coandă, Sibiu	23,203,000	100,00
TOTAL		24,215,500	

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

- Deac Ioan – Chairman & CEO,
- Miclea Ioan – Vice-President & CFO
- Maxim Mircea-Florin - member of the Board
- Balteş Nicolae - member of the Board
- Neacşu Vlad Nicolae - member of the Board

2. BASICS OF PREPARATION

Declaration of conformity

The consolidated interim financial report has been prepared in accordance with the International Financial Reporting Standards adopted by the European Union ("EU") and with the Order of the Minister of Public Finance no. 2844/2016.

The Group has adopted IFRS reporting since the 2012 financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Group are those presented in the Financial Statements concluded on 31.12.2022 and have not changed during the interim report.

4.1. TANGIBLE ASSETS

The evolution of tangible assets from January 1, 2023 to September 30, 2023 is as follows:

Explanations	30.09.2023	01.01.2023
Land	52,983,700	52,983,700
Construction	105,029,151	106,900,648
Equipment and vehicles	218,065,442	234,642,043
Other tangible fixed assets	778,273	737,347
Tangible fixed assets in course of construction	72,773,879	43,525,253
Total	449,630,445	438,788,991

Tangible assets representing "Tangible fixed assets in progress" are measured at historical cost. The group chose for the valuation of tangible assets of the nature of lands and constructions the model of revaluation at fair value.

In the fair value hierarchy, the revaluation of buildings and land of the group at fair value is classified as level 2 data. The valuation technique used in the fair value valuation of level 2 is the method of comparing prices.



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

There were no transfers between the level at which the fair value measurements are classified during 2023.

Depreciation of all tangible fixed assets is determined by the straight-line method.

The immobilized assets were reduced in 2023 through depreciation, sale and scrapping.

4.2. REAL ESTATE INVESTMENTS

The evolution of real state investments from January 1, 2023 to September 30, 2023 is as follows:

Explanations	30.09.2023	01.01.2023
Real estate investments	38,360,312	38,360,308
Real estate investments in progress	226,139	226,143
Total	38,586,451	38,586,451

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

5. INTANGIBLE FIXED ASSETS

The evolution of intangible fixed assets from January 1, 2023 to September 30, 2023 is as follows:

Explanations	30.09.2023	01.01.2023
Establishment expenses	86,187	113,890
Software and software licences	3,465,122	3,879,554
Software and software licences	4,843,215	4,826,249
Total	8,394,524	8,819,693

6. TRADE RECEIVABLES AND OTHER RECEIVABLES

The situation of other receivables held by the Group is as follows:

Explanations	30.09.2023	01.01.2023
Trade receivables	166,295,206	149,934,159
Advances paid to suppliers	5,614,276	6,357,481
Receivables from staff	28,255	16,485
Receivables from the consolidated state and local budget	5,916,874	3,858,099
Sundry debtors	2,916,315	449,322
Prepaid expenses	1,990,411	1,332,550
Subsidies receivable (European funds projects, subsidies for personnel costs)	9,111,682	14,159,427
Total	191,873,019	176,107,523

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

Receivables in foreign currency are valued in lei at the official exchange rate of the BNR on 30.09.2023.



7. OTHER FIXED ASSETS

The fixed assets held by the Group are as follows:

Explanations	30.09.2023	01.01.2023
Guarantee for customs clearance at home	103,000	103,000
Other guarantees	25,785	36,071
Total	128,785	139,071

8. STOCKS

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

Explanations	30.09.2023	01.01.2023
Raw materials	42,495,738	50,306,961
Materials and packaging	25,414,213	23,422,210
Semi-manufactures and work in progress	36,497,043	40,768,671
Finished products and goods	13,027,710	18,381,280
Total	117,434,704	132,879,122

9. CASH AND CASH EQUIVALENTS

Explanations	30.09.2023	01.01.2023
Bank accounts in RON	8,646,278	8,024,023
Bank accounts in foreign currency	2,692,094	2,331,575
Cash equivalents	52,979	309
Cash in RON	27,535	83,382
Cash in Currency	121	12,960
Total	11,419,007	10,452,249

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

10. PROFIT TAX

The Group's profit / current income tax is determined on the basis of the statutory profit, adjusted with non-deductible expenses and non-taxable income, at a rate of 16% for 9 months 2023 and 6 months 2022.

Explanations	30.09.2023	30.09.2022
Current income tax cheating	-2,742,087	-46,770
Microenterprise income tax check-off	-15,064	-8,999
Deferred income tax assets/liabilities	623,981	-585,882
Total	-2,133,170	-641,651



11. EQUITY

The shareholding structure on 30.09.2023 is as follows:

Explanations	Number of Shares	% of total share capital
Romanian and foreign shareholders (legal entities)	59,259,541	26,62%
Shareholders (individuals) Romanian and foreign	160,561,497	73.38%
Total number of shares	218,821,038	100.00%

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

The Group's equity includes the following:

Explanations	30.09.2023	01.01.2023
Subscribed and paid-up capital	21,882,104	21,882,104
Treasury shares	-376,509	-376,509
Losses on redemption of own shares	83,891,130	83,891,130
Revaluation reserves	4,957,516	4,957,516
Legal reserves	22,679,066	22,679,066
Adjustment of legal reserves	301,374,828	299,677,526
Other reserves	471,920	471,920
Adjustment other reserves	7,634,924	1,304,325
Profit current year	0	-491,419
Retained earnings	65,744,974	67,034,358
Minority interests	215,355	211,950
Total	508,475,308	501,241,967

12. FINANCIAL DEBTS

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

Credit institution	Type of loan	30.09.2023	01.01.2023
BRD GROUP SOCIETE GENERALE-ROMANIA	Production credit line	29,449,907	34,528,251
BRD GROUP SOCIETE GENERALE-ROMANIA	Investment credit	18,751,158	24,243,205
ING BANK-SIBIU	Production credit line	4,101,120	21,565,424
ING BANK-SIBIU	Investment credit	18,866,275	23,880,331
BANCA TRANSILVANIA SIBIU	Investment credit	42,209,441	15,030,160
BANCA TRANSILVANIA SIBIU	State aid bridging loan	7,450,000	4,129,499
BANCA TRANSILVANIA SIBIU	VAT credit	2,003,548	0
IMPULS-Leasing Romania I.F.N. SA	Financial leasing contracts	1,035,200	68,099
Total		123,866,649	123,444,969

The financial debts in foreign currency are valued in lei at the official exchange rate of the BNR from 30.09.2023.



13. COMMERCIAL AND OTHER DEBTS

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

Explanations	30.09.2023	01.01.2023
Suppliers	116,365,914	116,059,440
Advances received from customers	375,867	685,670
Debts from contracts with customers	3,011,880	2,919,520
Liabilities related to personnel	8,922,554	6,069,510
Debts to the general consolidated state and local budget	8,001,221	11,751,643
Current income tax liabilities	1,381,858	4,773
Dividends payable	424,073	390,174
Sundry creditors	66,304	141,855
Prepaid income	1,071,562	2,098,749
Investment subsidies from AMPOSDRU and AMPOSCEE contracts	37,957,387	40,724,863
Inventory gains on fixed assets	8,001	21,507
Total	177,586,621	180,867,704

Debts in foreign currency are valued in lei at the official exchange rate of the NBR on 30.09.2023.

14. PROVISIONS

Explanations	Provisions for guarantees to customers	Provisions for employee benefits	Other provisions for risks and charges	Total provisions
01.01.2023	26,945	108,700	82,816	218,461
Provisions accrued 9 months 2023	0	3882757.75	3,540,839	7,423,597
Provisions reversed 9 months 2023	0	0	-103,700	-103,700
30.06.2023	26,945	3,991,458	3,519,955	7,538,358

In 2023, the Group set up provisions for unused vacations in the amount of 3,882,758 lei.

Provisions were also made for expenses related to the analyzed period and for which the invoices from the partners were not received.

15. INCOME AND ACTIVITY SEGMENTS

Group revenues structure is as follows:

Explanations	30.09.2023	30.09.2022
Total turnover, of which:	599,862,340	555,868,260
Revenue from sales of finished products	585,140,709	541,986,765
Revenue from services rendered	5,587,709	5,200,049
Revenue from sale of goods	8,019,175	6,985,744
Income from other activities (rents, sales of materials, waste, semi-finished goods, packaging)	693,125	650,689



Income from subsidiaries related to turnover (projects and partnership contracts AMPOSDRU projects)	421,622	1,045,013
Other operating income	10,688,159	11,082,829
Total operating income	610,550,499	566,951,089

Other operating income consists of:

Explanations	30.09.2023	30.09.2022
Income from the production of fixed assets	4,413,798	6,504,866
Income from investment grants (AMPOSDRU and AMPOSCEE projects and partnership contracts)	2,767,477	3,666,434
Other operating income	3,044,536	2,754
Total Other operating income	462,348	908,775

Segments of activity

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

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

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

16. EXPENDITURE ACCORDING TO DESTINATION

The operating expenses depending on their destination, made in the first 9 months of 2023 and 2022 are presented in the table below:

Explanations	30.09.2023	30.09.2022
Material expenses	9,485,072	335,800,948
Stock differences	338,976,735	5,214,797
Energy and water costs	34,291,764	32,605,815
Employee benefits expenses	134,250,762	119,568,163
Value adjustments on fixed assets	36,108,692	35,897,961
Value adjustments on current assets	3,851,820	78,208
Expenditure on services provided by third parties	25,000,242	26,221,490
Expenses on other taxes, duties and similar charges	4,287,296	3,381,472
Other operating expenses	10,167,620	3,633,155
Total operating expenses	596,420,003	562,402,010



17. EXPENSES WITH EMPLOYEE BENEFITS

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

Explanations	30.09.2023	30.09.2022
Salaries and allowances	131,174,957	116,544,191
Insurance and social protection expenditure	3,075,805	3,023,972
Total	134,250,762	119,568,163

18. LOSS (GAIN)

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

Explanations	30.09.2023	30.09.2022
Foreign exchange gains related to monetary items denominated in foreign currency	-731,243	-359,080
Interest losses	-3,365,330	-1,521,032
Other financial gains	-261,583	-241,383
Total losses/gains	-4,358,157	-2,121,495

19. EARNINGS PER SHARE (EPS)

The calculation of earnings per share for Q3 2023 and Q3 2022 can be summarized as follows

Explanations	30.09.2023	30.09.2022
Number of shares at the beginning of the year	218,821,038	218,821,038
Number of shares at end of reporting period	218,821,038	218,821,038
Net profit	7,639,169	1,785,934
Basic/diluted earnings per share (RON/share)	0.0349	0.0082

On 2022, following the redemption of own shares and the free distribution to employees of a number of 6,060,000 shares, a total of 444,153 shares remained undistributed. These shares do not have voting rights and dividend rights. Also, a number of 649,100 shares, with a nominal value of 64,910 lei, are owned by the affiliated company Recaserv SRL, as a result, these shares do not have voting rights or the right to dividends.

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

Explanations	30.09.2023	30.09.2022
Total number of shares	218,821,038	218,821,038
Shares without voting rights and dividend	-1,093,253	-7,153,253
Number of shares with voting and dividend rights At year-end	217,727,785	211,667,785
Net profit	7,639,169	1,785,934
Basic / diluted earnings per voting and dividend share (in RON per share):	0.0351	0.0084



20. AFFILIATED PARTIES

he affiliated entities of COMPA SA are the following:

Affiliated parties	% hold	Holding value	Object of activity
COMPA IT SRL	100.00	200,000	Custom software development activities
TRANS CAS SRL	99.00	742,500	Road transport of goods
RE CASERV SRL	70.00	70,000	Event catering activities
ARINI HOSPITALITY SRL	100.00	23,203,000	Hotels and other similar accommodation facilities

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

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

Explanations	30.09.2023			30.09.2022		
	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN GRANTED TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
THE COMPANY IN WHICH THE SHARES ARE OWNED						
TRANSCAS S.R.L.	0	10,532,551	429,627	0	10,650,997	387,275
COMPA IT S.R.L.	0	2,538,841	68,383	0	2,279,659	37,160
RE CASERV S.R.L.	0	1,531,648	35,116	0	1,143,690	34,716
ARINI HOSPITALITY S.R.L.	3,762,702	0	172,555	2,202,134	0	7,927

The mutual debts and receivables registered on 30.09.2023 and 30.09.2022 are the following:

Receivables receivable from COMPA SA from: BH

Explanations	30.09.2023	30.09.2022
TRANSCAS S.R.L.	70,086	66,182
COMPA IT S.R.L.	4,844	14,064
RE CASERV S.R.L.	11,067	14,756
ARINI HOSPITALITY S.R.L.	3,764,189	2,203,886

Debts to be paid by COMPA SA to:

Explanations	30.09.2023	30.09.2022
TRANSCAS S.R.L.	1,652,504	2,336,710
COMPA IT S.R.L.	552,160	760,172
RE CASERV S.R.L.	391,358	402,185



Administrators of the COMPA Group:

NAME	FUNCTION
DEAC Ioan	Chairman & CEO
MICLEA Ioan	Vicepresident
MAXIM Mircea Florin	Administrator
BALTEȘ Nicolae	Chairman of the Audit Committee
NEACȘU Vlad- Nicolae	Member of the Audit Committee

On behalf of the Board of Directors,

Chairman & CEO,
Ioan DEAC

Economic Director
Mihaela Dumitrescu