



**compa**  
*beyond expectations*

UNCONSOLIDATED REPORT S1 - 2024



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**UNCONSOLIDATED REPORT**  
**S1 - 2024 (UNAUDITED)**

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## 1. INTRODUCTION

This Management Board Report is drawn up 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.65.

The major objective of the half-yearly report is to inform investors about the changes in the company's position and performance that have occurred in 1H 2024.

The company COMPA S.A. prepares its financial statements in accordance with the International Financial Reporting Standards IFRS.

## 2. COMPA - SHORT HISTORY

The company COMPA 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.

**1886** - The first official documentary evidence of the Iózséf Datky (1844-1928) blacksmith's workshop, recognized as "Datky Iosif Datky & Sons' Carriage Workshop", which produced lamellar springs for carriages, forgings, forges, fords, bucks, hammers, hammers, hammers, scythes, etc. The workshop became a supplier of carriages for the Royal House of Vienna, and the merits and quality of the products produced were recognized by their participation in international exhibitions: Budapest (1896) and Paris (1898).

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

**1932** - The company "ELASTIC A.DATKY & Co" - the first springs and stacks factory - switches to the manufacture of stacks and spiral springs. The technology of manufacturing laminar springs for trucks and passenger cars was also developed.

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

**1961** - The Elastic Sibiu plant focuses on the manufacture of: leaf springs, hot wound coil springs and cold wound coil springs.

**1969 - INITIATION OF THE AUTO PARTS COMPANY SIBIU (IPAS)**, through the merger of two important companies in Sibiu, which had an independent, UNCONSOLIDATED history:

- Automecanica Sibiu Plant, with an impressive history throughout its development, from a Sibiu Artillery Arsenal that ensured the repair and manufacture of weapons for the defense of the Citadel of Sibiu (before the merger) to the production of automotive equipment, combining the experience of the forefathers with the new advances in technology and management of those times;
- The Elastic factory, with deep roots in the artisan tradition of the town, was established in the 19th century as a blacksmith's workshop, which later developed into a car body workshop and finally, before the 1969 merger, into a factory of springs and forged products.

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

The Auto Parts Enterprise has entered a national development program, with major investments in the construction of halls and the acquisition of state-of-the-art machinery and equipment of that period.

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

- Equipment for the braking system of motor vehicles;
- Cardan shafts;
- Steering systems;
- Telescopic shock absorbers;
- Vehicle suspension systems.



**1991** - The transformation of the CAR PARTS COMPANY SIBIU, as a result of the regime change in December 1989, into a joint-stock company, a company with full state capital, under the name of S.C.COMPA S.A.Sibiu.

**1996** - Compa, together with a company from the German concern KRUPP, sets up a joint venture - Krupp Bilstein Compa - to manufacture telescopic shock absorbers for automobile production.

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

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

**1999** - COMPA was fully privatized, with the COMPA Employees' Association (PAS) taking over the main shareholding. Privatization represented the most radical form of restructuring. The change of ownership meant a complex and profound change in the conduct of all the company's functions separately and as a whole. The conditions were created for maximally profitable use of human, material and financial resources

**2000** - The first affiliated company is established - Compa IT SRL, in the IT field, with COMPA's full capital.

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

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

**2004-2018** - Establishment of collaborative partnerships with some of the world's leading automotive and non-automotive companies to produce components primarily for the automotive industry worldwide.

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

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In order to bring the production facilities up to the requirements and standards of this period, significant investment expenditure was incurred. The overwhelming share of the investment expenditure made from own sources and from bank loans was mainly aimed at financing the purchase of new state-of-the-art machinery and equipment in order to be able to manufacture car components at the level of complexity, technicality and quality required by the **company's partners**:

**2021** - Establishment of the limited liability company with the name Arini Hospitality SRL d .

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

### Compa Main Customers





### **3. IMPORTANT EVENTS IN SEM.I 2024 AND MANAGEMENT'S VISION FOR BUSINESS DEVELOPMENT IN THE FUTURE**

#### **3.1 IMPORTANT EVENTS IN THE FIRST SEMESTER OF 2024**

As important events recorded in COMPA's activity during semester 1 - year 2024, we can highlight the meetings of the company's Board of Directors (BoD) and General Shareholders' Meetings, as follows:

**11.01.2024** - The Board of Directors of COMPA S.A. was convened and approved the interruption of the demerger process in order to reconsider the aspects related to the proposed transaction, including from the perspective of the valuation elements. It will come back later with a decision on the appropriateness of the parameters of the division and the continuation of this process

**31.01.2024** - The Board of Directors of COMPA S.A was convened and approved:

- empowering the persons within the Company to sign in written and electronic format the bank documents representing operations carried out by COMPA S.A. through the accounts opened with banking companies, namely payment operations, in lei and in foreign currency, setting up term deposits, foreign exchange, cash withdrawals, signing checks and promissory notes, requests for issuing bank letters of guarantee.

- the scrapping of fixed assets

- write-off of material stocks/finished goods, recording of inventory write-downs, recording of impairment adjustments on receivables and other irrecoverable debts

- Recording of impairment adjustments on some materials

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

**07.03.2024** - The Board of Directors of COMPA S.A. was convened to approve the proposal to convene the Ordinary General Meeting of Shareholders (AGOA) for 25.04.2024 first convocation (15:00) and 26.04.2024, second call (15:00 hours) and the proposal to convene the Extraordinary General Meeting of Shareholders (AGEA) for 25.04.2024 first call (16:00 hours) and 26.04.2024, second call (16:00 hours).

The Board of Directors approved the agenda of the AGOA convened on 25/26.04.04.2024, in which a total of 13 items were included (as per the convening notice) as well as the 12 items included in the Convening Notice of the AGEA of 25/26.04.04.2023.

The Board of Directors also approved 11.04.2024 as the record date for the AGOA and AGEA on 25/26.04.2024 respectively.

**22.03.2024** - At its meeting held on March 22, 2024, the Board of Directors approved the Individual and Consolidated Annual Report for the financial year 2024 prepared in accordance with Annex 15 of ASF Regulation no. 5/2018. The independent financial auditor's report on the individual and consolidated financial statements was noted. Also during this meeting, the Income and Expenditure Budget for the year 2024 and the Investment Program for the year 2024 were approved, as well as the updated Management Remuneration Policy.

**12.04.2024** - During the meeting held on 12.04.2024, the Board of Directors approved the submission by COMPA SA (under the PNRR funding program) of the project Innovation and Efficiency in the Use of Energy Resources, through the implementation of an energy monitoring system, purchase of transformers and compressors in COMPA SA (funding application, energy audit, feasibility study and other supporting documents required in the guidelines).

**25.04.2024** - The Ordinary General Meeting of Shareholders (AGOA) was held and decided to

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

- approves the consolidated financial statements for the financial year 2023, based on the Annual Report for the year 2023 presented by the Board of Directors, accompanied by the Report of the financial auditor QUANTUM EXPERT S.R.L.
- approves the distribution of the net profit for the financial year 2023, totaling 7.675.390 lei, as follows:
  - + from own development sources - amount of 6.140.312 lei
  - + for the payment of dividends to the shareholders - the amount of 1.535.078 lei with a gross dividend per share of 0,00705 lei.
- approves the date of 14.06.2024 as payment date for the payment of dividends. The dividend payment will be made in RON. The method of payment of dividends will be notified to the shareholders prior to the starting date of payment. The expenses incurred for the payment of dividends shall be borne by the shareholders.
- approves the discharge of the administrators for the financial year 2023.
- approves the Revenue and Expenditure Budget for the year 2024 and the investment program for the year 2024.
- approves the election and appointment, for a one-year term of office starting on 25.04.2024, of Mrs. Mihaela Dumitrescu, residing in Sibiu, to fill the position of director on the Board of Directors of COMPA S.A., in view of the vacant position currently provisionally occupied.;
- approves the remuneration of the directors for the current financial year, starting from 01.05.2023 until 30.04.2025, as follows: 25.000 lei gross/month for the Chairman of the Board of Directors, 18.000 lei gross/month for the Vice-Chairman of the Board of Directors and 13.000 lei gross/month for the non-executive directors, members of the Board of Directors.
- approves the extension until 30.04.2025 of the mandate of the external financial auditor S.C. QUANTUM EXPERT S.R.L. with registered office in Deva, str. Mărăști, Bl. D3, sc. 4, ap. 44, Jud. Hunedoara, with registration code 12600149 registered with the Trade Register under no. J20/40/2000, a company authorized by the Chamber of Financial Auditors of Romania on the basis of authorization no. 118/28.11.2001, in order to perform the Statutory Audit for the year 2024.
- approves the remuneration report of the company's management for the financial year 2023.
- approves the updated Management Remuneration Policy of COMPA S.A.
- approves the date of 24.05.2024 as the record date for the identification of the shareholders on which the effects of the resolutions of the ordinary general meeting of shareholders are reflected, in accordance with the provisions of Article 87 of Law no.24/2017 on issuers of financial instruments and market operations and the date of 23.05.2024 as the *ex-date* in accordance with the provisions of Article 176(1) of ASF Regulation no.5/2018.
- empowering the individuals who will carry out the formalities for publicizing and recording the decisions of the meeting, including signing them

**25.04.2024 - The** Extraordinary General Meeting of Shareholders (EGSM) was held and decided to

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

- **approves** the authorization of the General Manager and the Economic Director to represent the Company during the negotiation and signing of credit agreements, guarantee agreements and any other documents necessary for the fulfillment of the decision in point 2 and 3.
- **approves the** Delegation of the Board of Directors by the Extraordinary General Meeting of Shareholders to appoint the representative of COMPA S.A. in relation with the Management Authority / Financing Authorities and to authorize the person(s) to sign on behalf of the Company the financing contracts that will be executed starting from 2024 and continuing until the next AGM in April 2025.
- **approves** the mandate of the Managing Director and the Economic Director to sign, in the name and on behalf of the Company, the contract with the financial auditor, appointed according to the decision no. 9 of the A.G.O.O.A.
- **approves** the authorization of the Chairman of the Board of Directors of the Company to sign, in the name and on behalf of the Company, the management contract to be concluded by the Company with the administrator elected according to the resolution no. 7 of the AGOA for the performance of his activity as a member of the Board of Directors.
- **approves** the restriction of the object of activity of COMPA S.A. by partially eliminating some of the economic activities and adding others, and the updating of the articles of association and the powers of the persons signing the updated articles of association
- **approves the date of 24.05.2024 as the record date** for the identification of the shareholders on which the effects of the resolutions of the ordinary general meeting of shareholders are reflected, in accordance with the provisions of Article 87 of Law no.24/2017 on issuers of financial instruments and market operations and the date of **23.05.2024 as the ex-date** in accordance with the provisions of Article 176(1) of ASF Regulation no.5/2018.
- empowering the individuals who will carry out the formalities for publicizing and recording the decisions of the meeting, including signing them

**30.04.2024- The** Board of Directors of COMPA SA was convened, which approved the extension of the mandate of Mrs. Mihaela Dumitrescu as Economic Director of Compa S.A., starting with 30.04.2024 until 30.04.2025, in accordance with the provisions of art. 143 para. (1) of the Companies Act no. 31/1990, with the delegation of the company's management powers.

**14.05.2024** - During the meeting of 14.05.2024, the Board of Directors approved

- individual and consolidated report for Quarter 1 - year 2024;
- to mandate the Managing Director - Ioan Deac and the Economic Director - Mihaela Dumitrescu to sign, on behalf of and for the Board of Directors, the individual and consolidated quarterly report for the first quarter of 2024;
- the notice on the payment of dividends for the financial year 2023, which also includes the Dividend Distribution Procedure for the financial year 2023;
- to authorize the Chairman of the Board of Directors - Ioan Deac and the Vice-Chairman of the Board of Directors - Mihaela Dumitrescu to sign the Communiqué on the payment of dividends for the year 2023 and the Procedure for the distribution of dividends for the year 2023
- to authorize the Chairman of the Board of Directors - Ioan Deac and the Vice-Chairman of the Board of Directors to sign the decisions of the Board of Directors taken at the meeting convened for 14.05.2024

**14.06.2024** - The procedure for the payment of dividends due to COMPA SA shareholders for the year 2023 **was** started.

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

This was not the case.

### **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, more than 100 years of which have been in the automotive sector. After 1969 and until the privatization in 1999, the production was exclusively for the automotive sector. Therefore, this sector of activity has an impressive history within the company, being the area in which the most important and significant skills and competences have been acquired and developed. The privatization in 1999 was the decisive moment that triggered the establishment of collaboration and partnership relations with the company's most prestigious partners such as : Honeywell-Garret ; Koyo (today Jtekt) ; Bosch ; Phinia (formerly Borgwagner) ; Thyssen Group ; Houlotte...etc

As a result of these long-term collaborative partnership actions, Compa has become a supplier of an important 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 that manufacture such products operate outside Romania.

Due to the industrial tradition of the company, which generally produces highly technical and precise products, most of the production is obtained by machining by chipping, carried out on CNC machine tools. Thus a significant share of production is destined for diesel injection systems (passenger cars and commercial vehicles), steering systems for passenger cars, windshield wipers, transmission systems, etc....

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

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

Aware of clear global trends to reduce CO2 emissions into the atmosphere, car manufacturers around the world have initiated concrete programs 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 about 35-40%, and internal combustion vehicles for around 40%.

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

In this context the COMPA strategy is :

- Limiting the assimilation in manufacturing of new products for internal combustion passenger cars (diesel, gasoline)
- Stop investments for capacity increases for the production of new components for diesel engines, except those for large trucks (TIR).
- Assimilation of new components mainly for non-automotive areas
- Investments are allowed only for the provision of production capacities necessary for the production of non-automotive internal combustion engine or non-automotive components.

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

- Development of wiper arms and grips manufacturing together with Bosch . Compa continues the collaboration with Bosch for the development of wiper arms and grips, 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.
- Diversification of Wilo fluid pump components manufacturing .
- It is an industrial field with potential growth in the future, the production of pumps for fluids, (water, liquid fuel, chemicals, petroleum, etc.) is constantly growing.

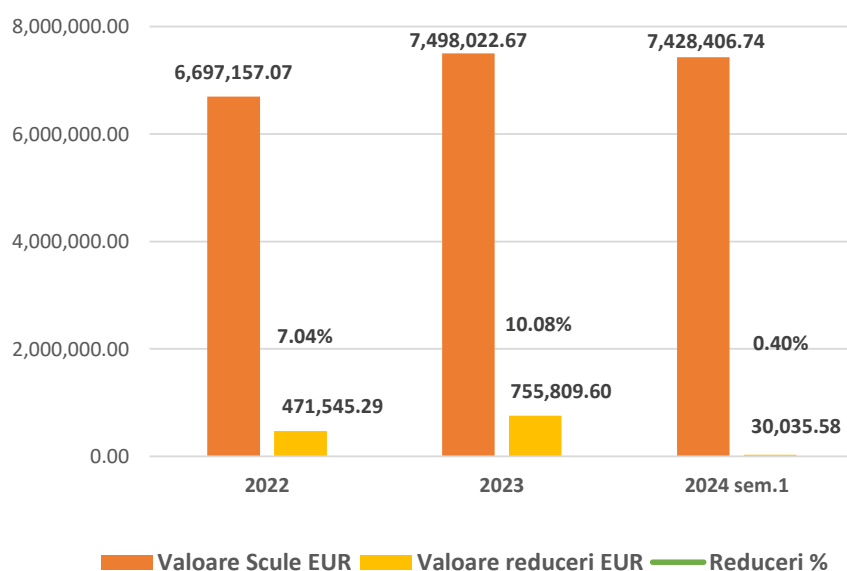
- Another area addressed by COMPA's management, in the context of the company's manufacturing conversion, is the production of sub-assemblies for the manufacture of machine tools.
- The partnership with DMG MORI, has brought the following product categories with a high share in the machine tools:
  - Large machined components produced on specialized CNC machine tools of high precision and complexity
  - Machine tool bodies of different sizes and types equipping a wide range of machine tool models.
  - They are particularly complex products, which have between 150 - 200 parts and subassemblies, which require a high level of skill and equipment for their realization at COMPA.
  - Further development of the production of welded mechanical sub-assemblies for lifting equipment suppliers.
  - Continuing to work with customers in industries other than automotive
  - Realization of various prototypes for future collaboration with clients in several domains.

#### 4. FINANCIAL AND ACCOUNTING SITUATION

##### 4.1. Main balance sheet items at 30.06.2024 compared to 30.06.2023;

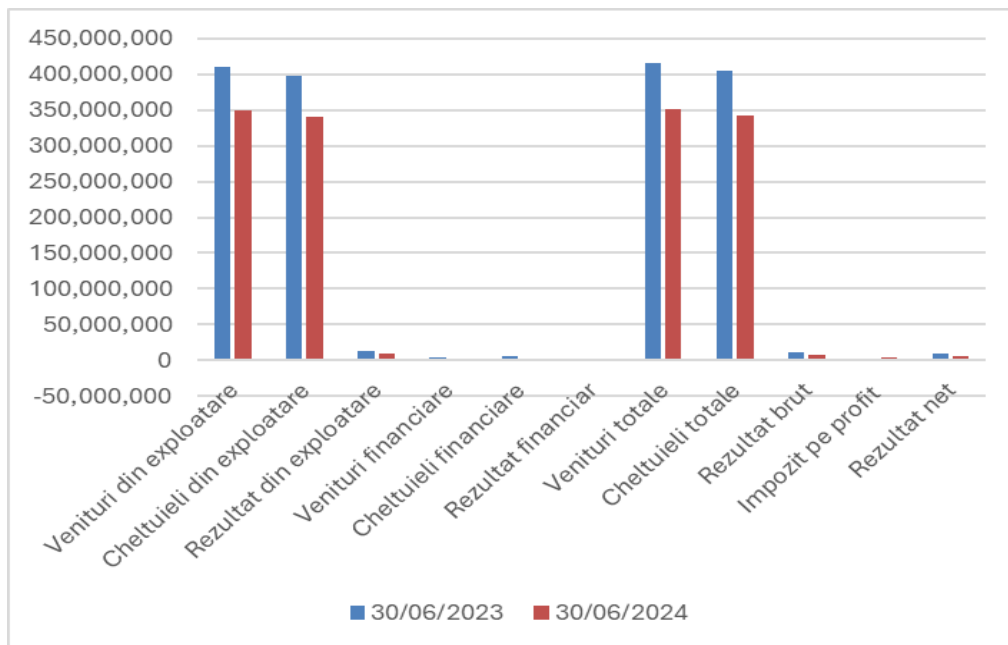
In order to analyze the economic and financial situation for the first semester of 2024, we present the following indicators:

INDICATOR NAME	30/06/2023	30/06/2024
Fixed assets	455,713,841	425,443,275
Current assets	288,061,374	242,154,445
Debts of less than one year	155,183,040	110,767,143
Debts older than one year	82,633,184	48,850,536
Capital and reserves	505,958,991	507,980,041



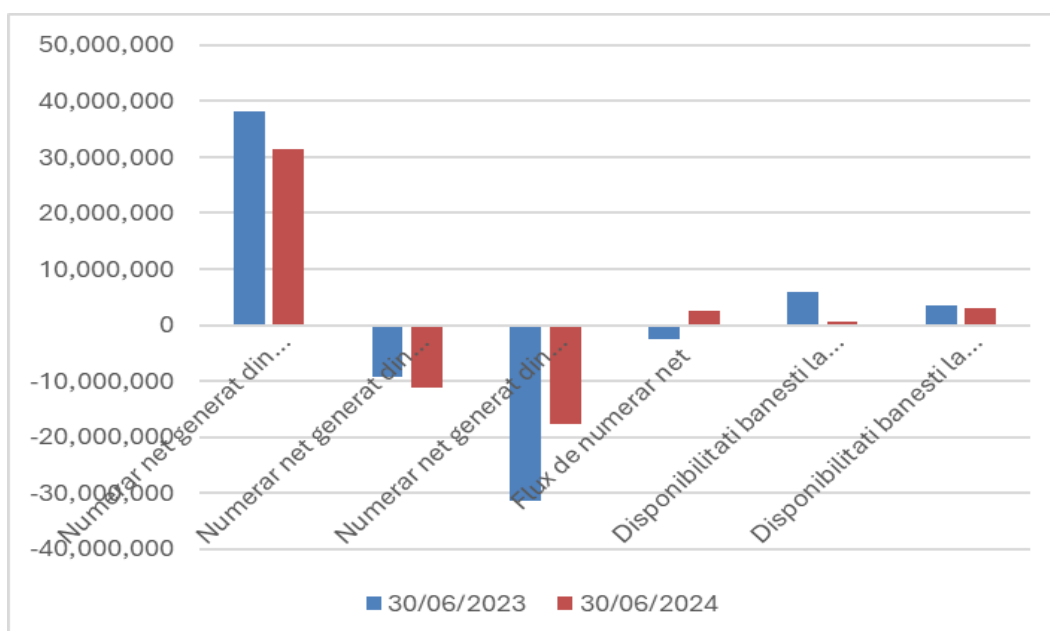
##### 4.2. Income and expenditure situation in the period 01.01.2024-30.06.2024 compared to the same period of last year

INDICATOR NAME	30/06/2023	30/06/2024
Operating income	411,307,622	350,427,360
Operating expenses	398,250,877	340,451,112
Operating result	13,056,745	9,976,248
Financial income	4,067,769	592,331
Financial expenses	6,125,200	2,319,728
Financial result	-2,057,431	-1,727,397
Total revenue	415,375,391	351,019,691
Total expenditure	404,376,077	342,770,840
Gross result	10,999,314	8,248,851
Corporate income tax	1,758,541	3,383,242
Net result	9,240,773	4,865,609



#### 4.3. Statement of cash flows at 30.06.2023 and 30.06.2024

INDICATOR NAME	30/06/2023	30/06/2024
Net cash generated from operating activities	38,067,817	31,322,298
Net cash generated from investing activities	-9,179,862	-11,086,051
Net cash generated from financial activity	-31,377,944	-17,738,386
Net cash flow	-2,489,989	2,497,861
Cash at beginning of period	5,986,107	542,569
Cash at the end of the period	3,496,118	3,040,430



**4.4. Main economic and financial indicators**

INDICATOR	30/06/2023	30/06/2024
Current liquidity	1.85	2.19
Degree of indebtedness	0.14	0.09
Rotational speed of flow - customers	70.21	70.43
Rotation rate of fixed assets	0.89	0.81
Investment volume	9,179,862	11,086,051
EBITDA	36,584,313	33,906,081

**Current liquidity: assets**

current assets/current liabilities

**Degree of indebtedness:**

borrowed capital/capital employed

**Rotational speed of flow - customers**

Average customer balance /

Turnover x180

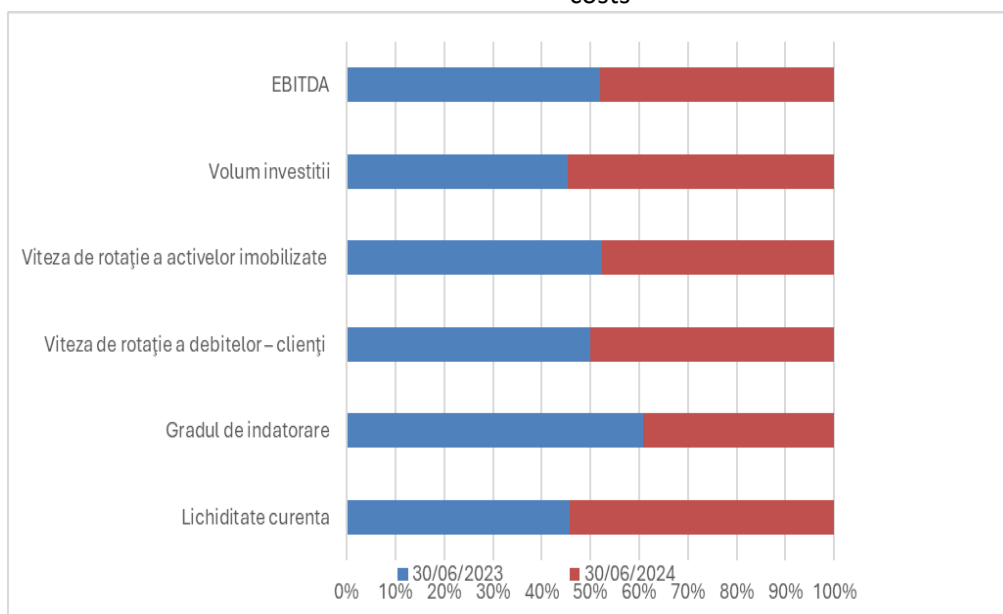
**Rotation rate of fixed assets**

Turnover / Fixed assets

**EBITDA:**

net profit+interest expenses+tax expenses

+ depreciation and amortization costs





## 5. ANALYSIS OF COMPANY ACTIVITIES

### 5.1. PRODUCTS, PROCESSES

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

Production activity within the parent company Compa is organized by Profit Centres. These "*profit centres*" are in fact production sections/production units where families of products similar in terms of construction and technology are produced, equipped with machinery and equipment specific to the production of these products, being decentralized production units. In this case, the products produced are intended for a single customer or a small number of customers. The economic activity is organized in such a way that in each *profit centre* a monthly profit and loss account is drawn up, which is a particularly important document for the knowledge of 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 specialized in the production of a wide range of products whose production processes belong to the same family: forging processes, cold stamping processes, surface coatings (galvanizing, phosphating), heat treatments, etc. . products intended for several customers. In this case the profit centers are structured for the realization of certain types of products, regardless of the customer to whom they are delivered.

By decentralizing the activity, i.e. the organization of these production sections/workshops by profit centers, the operations managers, who are responsible for the profitable management of these production units, have been entrusted with multifunctional teams, sized with personnel, i.e. directly productive workers i and indirectly productive personnel, support services, in areas such as: production, technical, quality, maintenance, logistics, continuous improvement, training and education.

The operations managers together with the multi-functional teams have the obligation to realize each product at the level of profitability included in the price negotiated with the business partner. This is the direction in which the multifunctional teams of the profit centers are oriented: to keep within the set standard costs, to permanently reduce costs, to achieve the planned profit of each manufactured product.

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

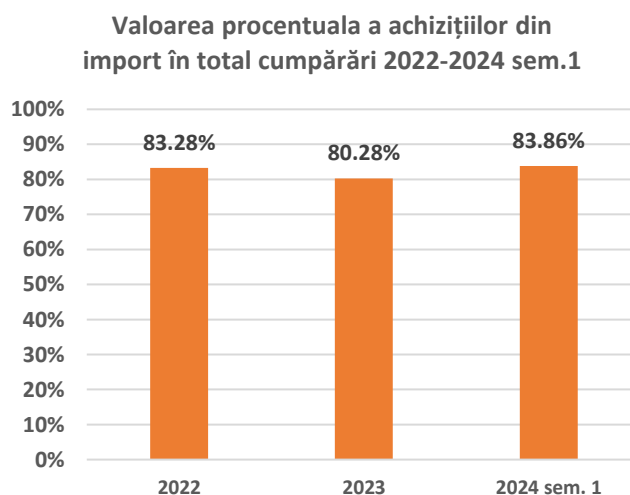
Thus, the organizational and logistic structure is coherent and can be understood by COMPA shareholders and investors, business partners, etc.

### 5.2 PROCUREMENT-SUPPLIERS

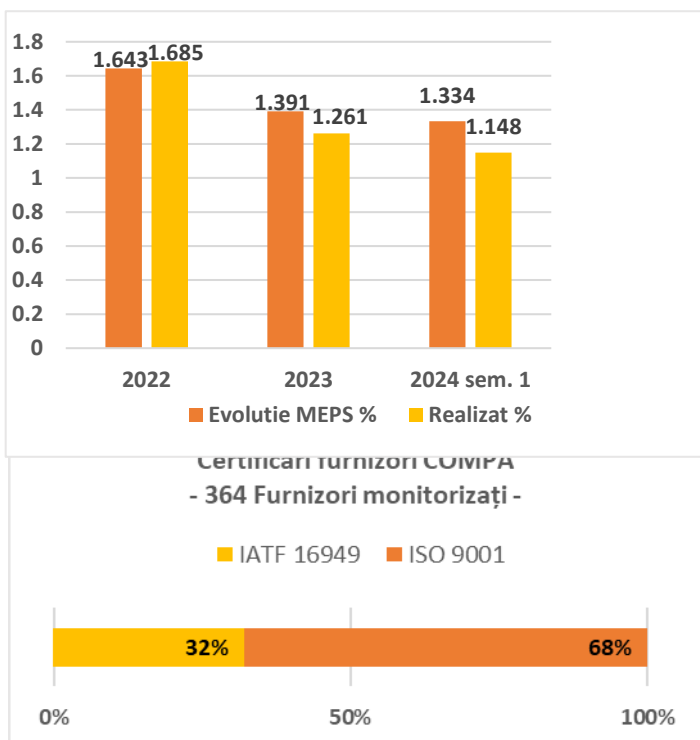
#### 5.2.1. Evaluation of purchasing activity and indicators by department:

The purchasing activity has continuously developed over the last few years as the company has grown. The company's focus on large automotive as well as non-automotive customers has led to a considerable broadening of the supplier database as well as an increase in the share of imported suppliers in total purchases. This is due to the high level of specialization required from suppliers.

Also in the next period the value of semi-finished products in total purchases is expected to decrease, in favor of basic materials, largely due to the development of new processes in COMPA for both the automotive and the highly integrated non-auto sectors for which most of the operations are performed in-house.



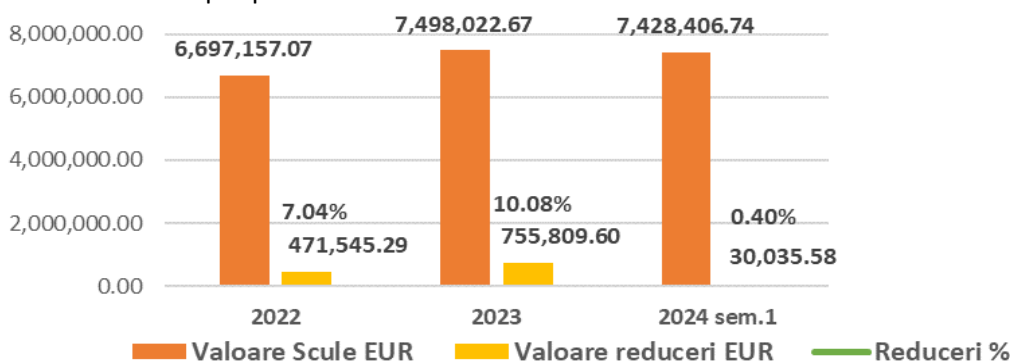
**5.2.2. The main objectives of the department are:**



In the context of market globalization - the need to align the market with stock exchange quotations for most products by obtaining a price index with 100% MEPS (Management Engineering and Production Services - price indicator on the metallurgical market, which provides price estimates). Finding sources of supply that ensure the highest possible competitiveness of the prices of raw materials and supplied materials, stability and sustainability of the supply chain.

Prospecting the market and finding new supply solutions as well as developing suppliers with which there are collaborations in order to obtain the best price and quality in the products supplied by working only with certified suppliers. COMPA monitors and evaluates, on a monthly basis, all suppliers whose products are incorporated in or influence COMPA products. In this category there are more than 360 suppliers who are evaluated according to quality of delivered products and logistic criteria.

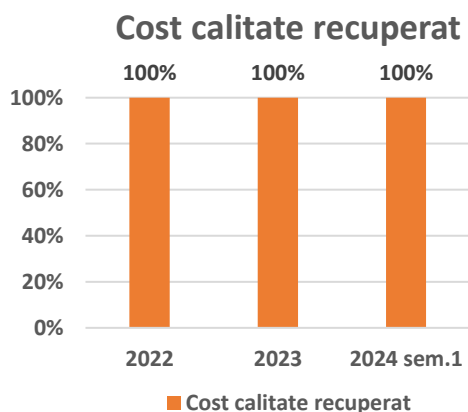
Improving the performance of cutting tools, (e.g. drills, reamers, milling cutters, inserts, etc.) is achieved by testing and implementing new and innovative solutions that lead to reduced cost per part.



Recovery of costs generated by the non-quality of products supplied. The costs incurred with non-conforming products delivered by suppliers are monitored and recovered each year.

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

COMPA maintains and requires from its suppliers 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 business relationships, existing contracts and new/upcoming 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.



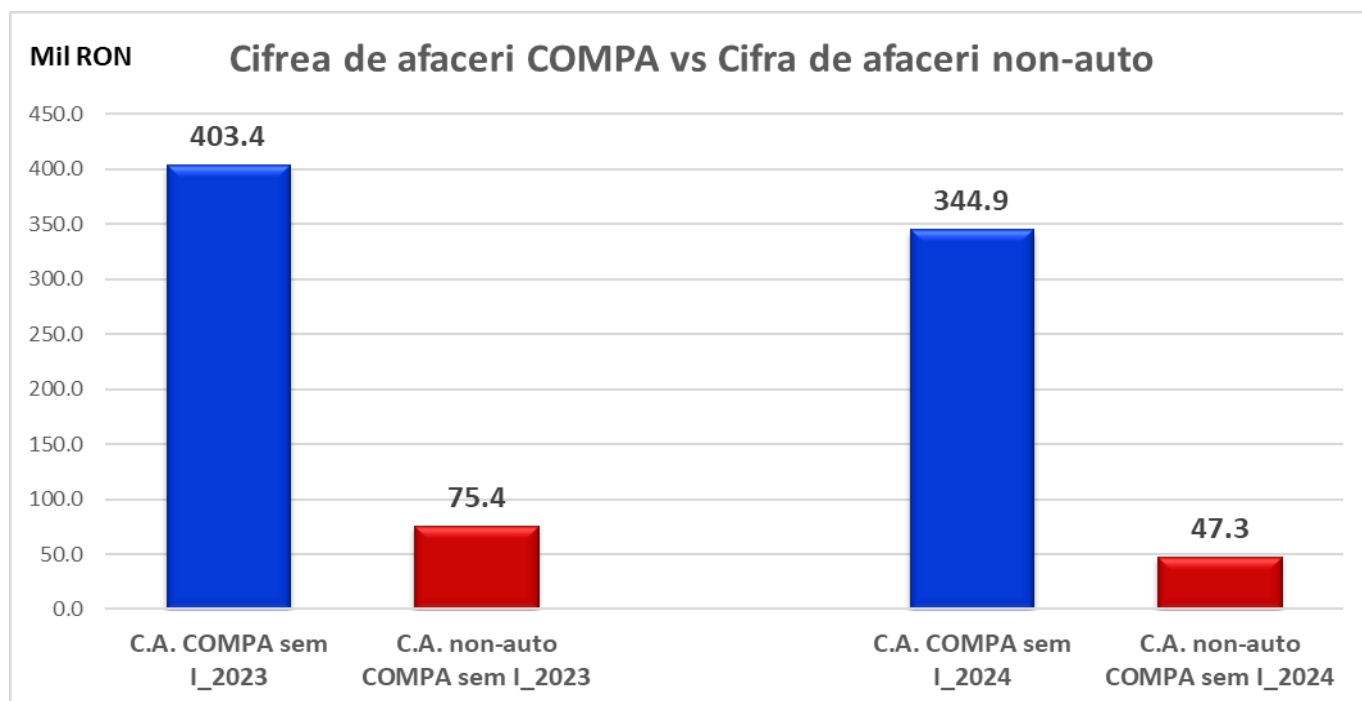
**5.3. VANZARI**

**5.3.1. Evaluation of sales activity:**

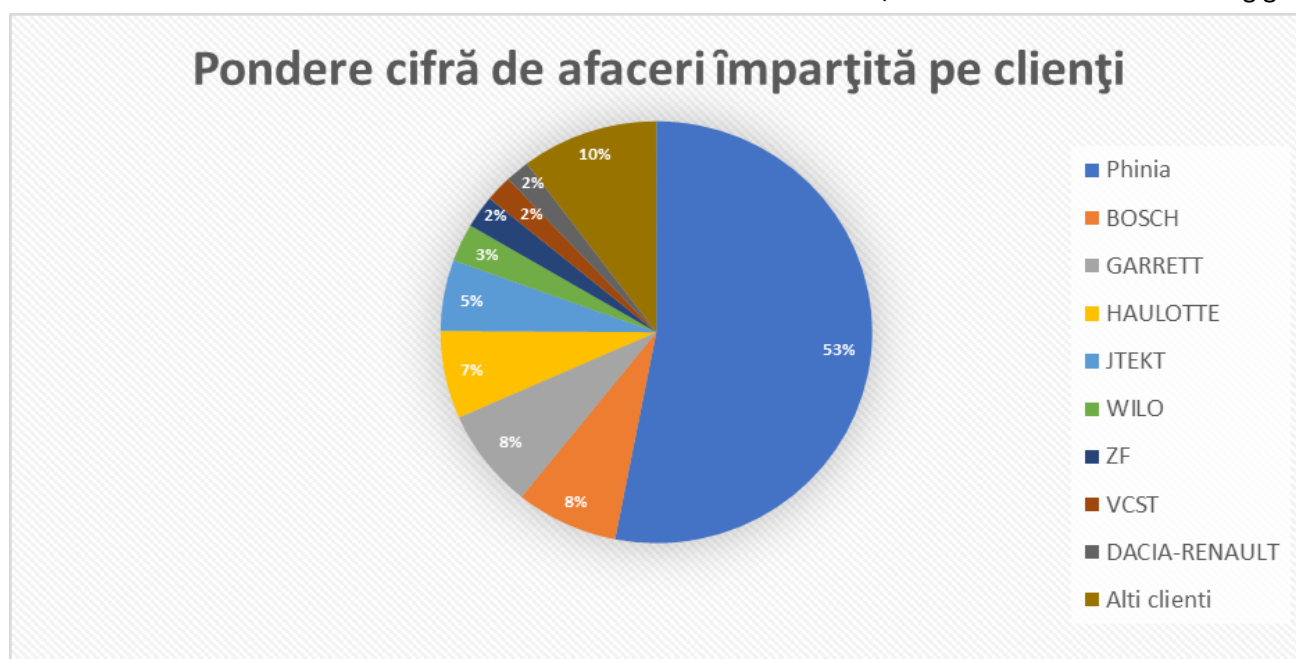
In the first 6 months of 2024, the department's activity was mainly focused on offering new products and identifying potential new customers in various industries.

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

The graph below shows the evolution of COMPA turnover in H1 1 - 2023 vs H1 1 - 2024 and also the evolution of turnover in the non-auto sector in the same periods. Due to the instability of the market and due to the decrease in volumes ordered by customers, we have a decrease in turnover of 14.5% and on the non-auto sector we also have a decrease of 37.26%.



The share of COMPA's main customers in the turnover for the semester 1/2024 is shown in the following graph:



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

- Maintaining profitability by adjusting selling prices according to market developments;
- Developing new projects for non-auto customers;
- Strengthening commercial relationships with existing customers;
- Active promotion of all COMPA processes in order to develop the customer portfolio in various industries;
- Assimilation of higher value-added products;
- Developing Compa as an integrated supplier by utilizing as many existing processes in the portfolio as possible;

## **5.4. OUR EMPLOYEES**

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

COMPA takes a strategic and coherent approach to how the organization's most important resources - people - are managed. Thus, human resource management aims at the process of achieving organizational goals by attracting, retaining, developing and effectively utilizing the organization's human resources.

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

The following aspects of human resource management are important and constitute benchmarks for development:

- Contributing to the organization's goals through people;
- Creating an optimal organizational structure;
- Ensuring competent human resources through recruitment and selection;
- Matching human resources to requirements - development and training;
- Creating and strengthening motivation (material and non-material rewards), performance management;
- Creating and maintaining good relations between employer and employees.

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

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

- Ensure workforce availability and continuity by preserving values in the organization;
- Early recruitment of university graduates;
- Increase versatility by broadening the range of skills;
- Reducing the integration period of new employees, graduates of technical vocational education, through internships;
- Focus training on the individual to increase staff competences and efficiency;
- Strengthening the performance pay system;
- Leverage the expertise of experienced employees through mentoring programs;
- Staff awareness of job responsibilities;
- Involvement in the implementation of the Social Responsibility management system;

### **5.4.2. Strategic objectives**

The main strategic axes pursued are:

- Involvement in the development of undergraduate technical education, by supporting the integration of theoretical and practical knowledge through internships at a potential workplace;
- Providing human resources through involvement in supporting dual education, apprenticeship programs,

qualification, including programs financed from European funds;

- Working conditions and climate to ensure a high level of satisfaction;
- Creating a coaching and mentoring culture;
- Developing soft and specific skills;
- Developing the framework within which communication with employees takes place to support performance and trust, as well as in special crisis situations;
- Encouraging teleworking, where appropriate, as an employee-employer advantage;
- Partial transfer of training activity online;
- Re-assess motivation strategies including for staff involved in on-the-job training;
- Digitizing and streamlining UK processes;
- Re-skilling and skills transformation, including for digitization ;
- Projects for the development of human resources financed by European funds;
- Career development programs.

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

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

- Amendment, as of October 2023, of the salary scale by including in the basic salary the gross amounts corresponding to the salary bonuses (seniority bonus, bonus for attracting labor force, bonus for systematic overtime work, foreign language bonus, bonus for hard working conditions, bonus for dangerous conditions, bonus for harmful conditions);
- As regards the seniority increment, the parties have agreed as follows:
  - For existing employees as of October 1, 2023, the seniority benefit will continue into the future, hereafter referred to as COMPA fidelity, and COMPA fidelity will apply to new employees;
  - For employees existing in COMPA on 01.10.2023, the gross amount corresponding to the percentage of the seniority bracket existing at the time of the change has been added to the basic salary. Subsequent to the amendment, a percentage salary increase of 5% shall be applied at the attainment of the current seniority bracket until the last seniority bracket is reached, i.e. 20 years;
  - The tranche of seniority existing at the time of the change is referred to as fidelity in COMPA;
  - For employees hired after 01.10.2023, the new loyalty clauses in COMPA apply;
- The provisions on bonuses are amended as follows:
  - (1) The bonuses to be granted under the terms of this contract are:
    - a) bonus for overtime worked on scheduled working days: 75%;
    - b) bonus for overtime worked on rest days: 85%;
    - c) bonus for overtime hours worked on public holidays on which, according to the law and the Collective Labor Contract, no work is performed: 100%;
    - d) bonus for hours worked at night: 25%;
    - e) increment for the exercise of another function; an increment of up to 50% of the basic salary of the function being replaced may be granted, starting from the third month of aggregation;

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



- Also, starting November 2023, a salary indexation of 7% has been applied; With the indexation of the salary grid, the benefits that derive from it (Christmas and Easter bonuses, vacation bonus, travel allowance, etc.) have been indexed by the same percentage.

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

Between the company's management and employees there are employment relations within the limits of the Labor Code and the Collective Bargaining 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, with both sides participating in joint meetings. As a result, there have been no periods of stagnation in the production process due to industrial disputes.

#### **5.4.4 Social Responsibility**

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

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

#### **5.4.5. Guidelines main themes for action are:**

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

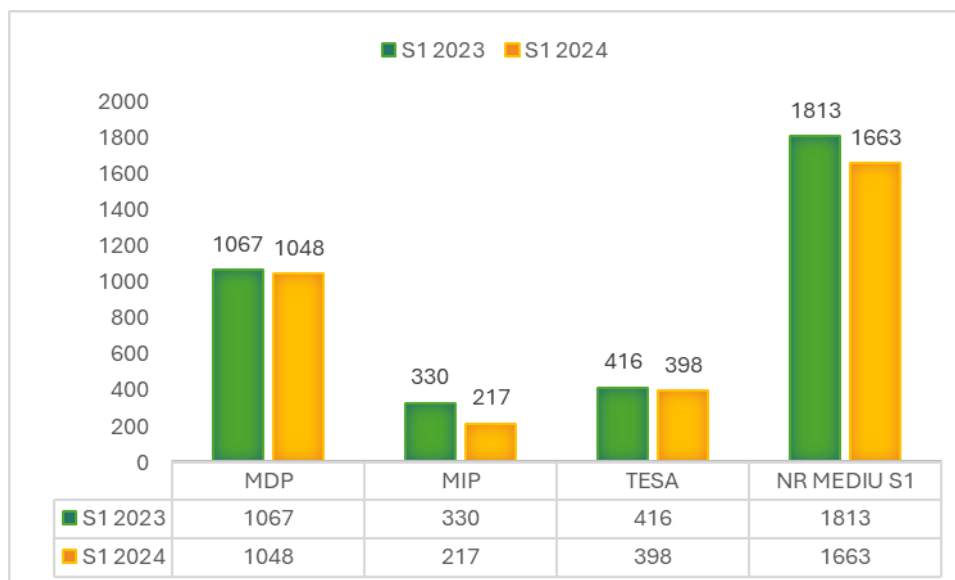
#### **5.4.6. Human Resources process performance indicators**

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

The evolution of the average number of staff in sem. I 2024 showed a decrease compared to the same period in 2023, from 1813 employees to 1663 employees. This increase was due to both a decrease in orders and an increase in labor productivity.

Throughout this period the aim has been to ensure the availability and continuity of the workforce by preserving the values of the organization.

The graph below shows the evolution of the average number of staff by category of staff:



	Sem.I 2023	%	Sem.I 2024	%
MDP (Directly Productive Workers)	1067	58.85%	1048	63.02%
IPW (Indirectly Productive Workers)	330	18.20%	217	13.05%
TESA (Technical - economic)	416	22.95%	398	23.93%
<b>TOTAL</b>	<b>1813</b>	<b>100,00%</b>	<b>1663</b>	<b>100,00%</b>

The average number of staff has decreased by 8.27%; the proportions of the three categories of staff have changed, increasing the share of MDP and TESA staff; a decrease is recorded in terms of IPM staff, by 4.36%.

### Staff turnover

Staff turnover, calculated as the ratio between the number of voluntary departures and the total number of staff, developed as follows over this period:

	S1 2023	S1 2024
<b>Staff turnover (%)</b>	10.32	9.14

Analyzing the evolution of staff turnover, a decrease of this indicator was observed, due to the measures established in COMPAs to remedy this situation, namely: reporting to the level of wages and benefits in the area, qualification / retraining courses offered to employees, conclusion of apprenticeship contracts, providing transportation for commuting employees, payment of the cost of transportation for other employees, improvement of working conditions (air conditioning, noise reduction, social spaces, etc.), compensating the shortage of labor with qualified personnel from abroad.

### Recruitment and selection

In sem. I 2024 998 job offers (CVs, applications, cover letters) were submitted. 106 people participated in interviews (interviews, work tests, psychological tests) to fill vacancies.

Of these, 76 were hired, 10 were rejected for professional reasons at the interview/work tests, 10 were rejected for other reasons (illiteracy, health problems incompatible with the working conditions) and 10 people resigned from the offered position for various reasons (working environment, working hours, salary).

### **Staff training**

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

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

The training programs run in COMPA respond to the needs of each employee and aim at: professional development for career advancement, continuous improvement of employees' work, acquisition of skills to anticipate the development of new projects.

To achieve these objectives, the Vocational Training Center was established in 2005. The programs developed by the center have aimed to qualify/re-qualify employees and people on the labor market, in trades such as: operators of numerically controlled machine tools, welders, locksmiths, metrological technicians, forklift operators, crane operators, etc. So far a number of 3,323 people have acquired a qualification.

The Vocational Training Center is the place where new employees are familiarized with MUCN operation and the specific requirements of the job, a necessary step in the process of integration and validation in the workplace. For students in dual and secondary technological education, the Training Center is the place where they discover the secrets of operating CNC machines in laboratory and practical classes, prepare themselves and take the skills certification exam.

In the future, we intend to diversify and adapt the educational offer by authorizing new programs required by the projects developed within COMPA and by our clients, to conclude partnerships and to access sources of financing from European funds.

COMPA, as a "*Continuous Learning Organization*" has set a target of 35 hours of training per employee by 2024.

### **Apprenticeship**

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

Two people are currently following the level 3 apprenticeship program - MUCN operator.

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

### **Projects developed with EU funds**

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

So far, COMPA has implemented 15 EU-funded projects aimed at developing the skills of its own employees and projects aimed at facilitating the transition from school to working life for pupils and students. In the future, we intend to continue to conclude partnerships and find new sources of funding dedicated both to the development

of COMPA's human capital skills and to the preparation of future graduates to integrate as easily as possible into the labor market.

### **Sustainable school-business partnerships**

The company's partnerships with technical and vocational higher education institutions in Sibiu date back to the 1970s, with the establishment of the Institute of Higher Education, now the "Hermann Oberth" Faculty of Engineering and the IPAS High School, now the "Henri Coandă" Technological High School.

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

The partnerships concluded are mainly aimed at involving COMPA on two improvement-related strands:

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

### **COMPAs and dual education**

COMPAs, throughout its more than 135 years of existence, has always relied on vocational education, being one of the companies that anticipated the need to implement the dual education system. The beginnings of dual education in COMPAs were in 2005, with the opening of the Vocational Training Center, a modern technical platform equipped with numerically controlled machines, which was made available to the "Henri Coandă" Technological High School, with which we have had partnerships since its foundation.

The campaigns to promote the educational offer and the benefits of dual education in which COMPAs has participated in a sustained manner have resulted in constantly attracting students to dual education and technological secondary education.

COMPAs's interest in the development of dual education did not stop here. By signing a new PNRR funding contract for the construction in Sibiu of an integrated Campus for dual education, COMPAs together with economic operators and educational institutions will contribute to increasing the attractiveness of dual vocational and technological training. Through this project a complete route will be created, students will no longer be limited by a certain level of qualification, they will be able to go all the way to doctorate in the dual pathway.

For the school year 2024-2025, COMPAs wishes to attract and support 123 students throughout their schooling, who at the end of the apprenticeship cycle will acquire the following



qualifications: machine tool operator with numerical control, electromechanic, electronics technician, apparatus and equipment technician, mechatronics technician.

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

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

In COMPA, coordinated actions are continuously carried out to direct and control the organization's risk management in all areas and at all levels.

As regards the human resources activity, the following risks have been identified in the previous year which could lead to the non-performance or inadequate performance of the human resources assurance process:

- temporary shortage of qualified personnel for certain activities, either due to the lack of supply on the labor market and the mismatch between the educational offer and the requirements of the labor market, or due to emergency situations (mass sickness, etc.);
- staff turnover, mainly due to the incomplete identification of employees' motivation needs and salaries not in line with the local labor market;
- staff competences below the level required for the job, due to the educational offer not in line with market requirements as well as due to the failure to properly follow the stages of the training process;
- the decrease in the company's activity due to the current business environment;
- more difficult communication with staff working abroad.

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

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

- Involvement in the development of local technical education by providing resources for dual system education and for technological, secondary education;
- apprenticeship programs for new employees;
- Effective internships for pupils and students;
- qualifications / re-qualifications / post-secondary school;
- career management; succession management for key positions;
- implementation of teleworking;
- Restricting staff mobility by moving some activities online;
- providing qualified staff from abroad.

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

In terms of opportunities identified in the process of securing human resources, these are:

- the existence of the *COMPVA 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 shorten the integration period of new employees, the rapid accumulation of skills and experience, the increase of practical training performance, knowledge and adaptation to the industrial environment.

- involvement in linking the educational offer to the labor market requirements. COMPA is a member of the Local Social Partnership Development Committee Sibiu, a committee that deals with the administrative organization and policies in the field of education and vocational training. In this capacity, COMPA is actively involved in the elaboration of the annual enrollment plans for vocational and technical education, in facilitating the conclusion of agreements for the practical training of students, in promoting actions aimed at the transition from school to work,



in view of 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**

### **Integrated quality, environment and occupational health and safety policy of COMP A S.A."**

Quality, environmental protection, health and safety at work are part of the values we hold dear, integrated in the long-term development strategy of our organization and are some of the aspects that represent us.

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

With this in mind, to put this into practice, the important directions in which we are working are as follows:

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

- We are committed to carbon footprint neutrality in energy supply and production;
- We continuously strive to reduce the carbon footprint of the products we source, our logistics processes and the products we sell;

#### **5.5.2. Energy consumption**

- Our organization has an extensive energy efficiency improvement program 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. Resource Management**

- At the heart of our cost reduction program is the identification of solutions to reduce the consumption of raw materials and materials that have a direct impact on the type and amount of waste generated;
- We are committed to continuous improvement of wastewater treatment methods and to reducing the amount of pollutants discharged into industrial water;
- We have a strong commitment to continuous improvement of technologies to capture and reduce the amount of gases emitted into the atmosphere.
- Managing the various types of waste as optimally as possible is at the heart of our efforts to improve internal processes

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

We are committed to continuous improvement of our internal processes and associated services in order to ensure the highest possible product quality at all times with a direct impact on increasing customer satisfaction and reducing environmental impact by reducing the amount of rejects and waste generated.

#### **5.5.5. Health and safety**

- We are committed to the continuous improvement of our employees' occupational safety systems, with the main objective of continuously reducing the number of accidents and incidents in the workplace
- We invest significant resources in protecting the personal data of our employees and partners as well as protecting confidential information
- We apply the highest standards of work ethics and human rights
- To effectively manage bans and restrictions on hazardous materials and substances, we continuously update information on these materials in the global International Material Data System (IMDS).

#### **5.5.6. Community partnership**

We are actively involved in the life of the community by supporting initiatives concerning education, sport and environmental protection.

#### **5.5.7. Management systems considerations**

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

- **IATF 16949:2016** : quality management system for the automotive industry;
- **ISO 9001:2015** : quality management system for general industry (non-auto);
- **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, first semester of the last three years, resulting from the internal system audits, is presented below (no notable events occurred):

**For the semester 1/ 2022:**

<b>Management system</b>	<b>Target/ objective</b>	<b>Achieved</b>
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%

**Situation for sem. I/ 2023**

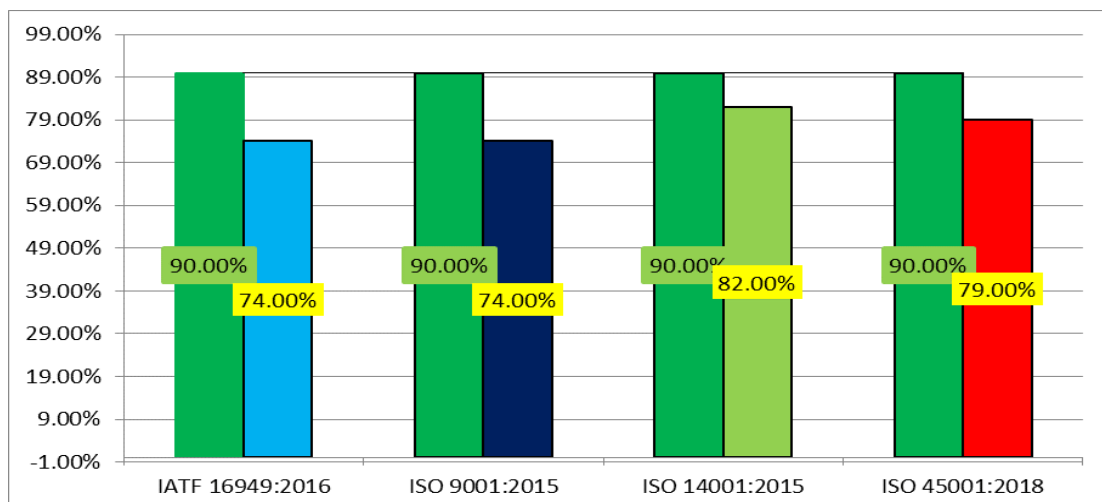
(taking into account that the evaluation method of the 3 management systems has been modified):

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

**Situation for sem. I/ 2024**

<b>Management system</b>	<b>Target/ objective</b>	<b>Achieved</b>
<b>IATF 16949:2016</b>	90,0%	74,0%
<b>ISO 9001:2015</b>	90,0%	74,0%
<b>ISO 14001:2015</b>	90,0%	81,7%
<b>ISO 45001:2018</b>	90,0%	79,0%

Skill levels systems Sem.I 2024



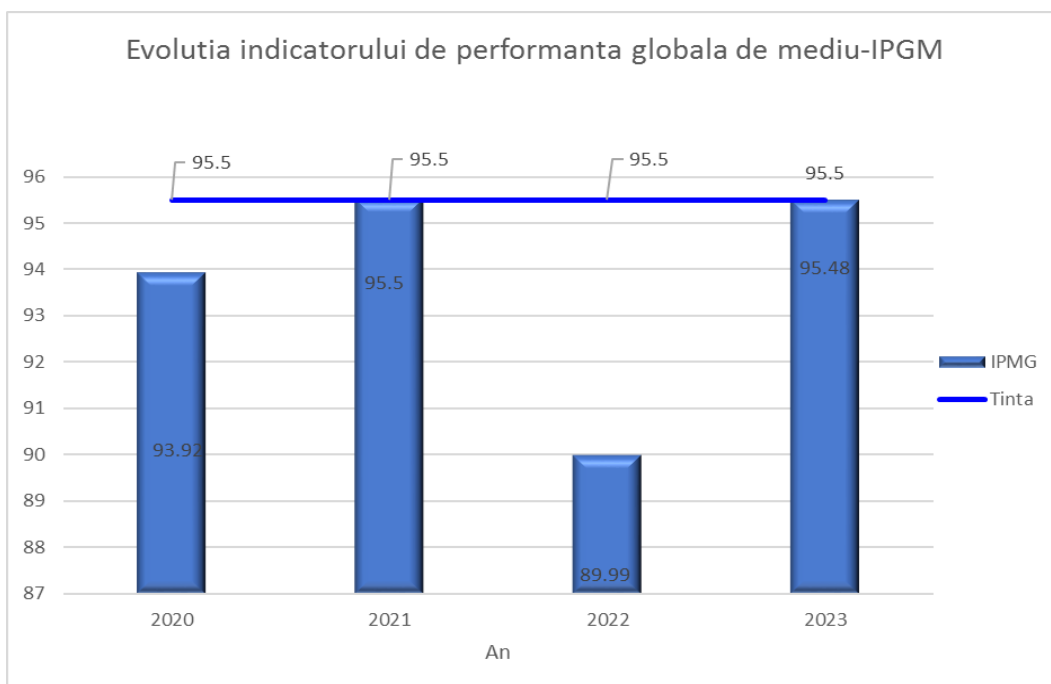
In April 2024, a third party audit was conducted for the recertification of COMPA S.A. on all these four systems, with the objective of maintaining the current certification and extending it to new product categories. As a result, all four management systems were reconfirmed as effective and efficient.

**5.5.8. Global Environmental Performance COMPA S.A.**

At the company level, management's actions taken to protect the environment are tracked through an indicator called the **Global Environmental Performance Indicator (GEMI)** which is calculated in terms of environmental management performance (providing information on management's efforts to influence the organization's environmental performance) and environmental operational performance (providing information on the operational environmental performance results of the organization's activities).

The evolution of the **overall environmental performance indicator** over the last 4 years is shown in the graph opposite:

It is also worth mentioning that in the first semester of 2024 there were no penalties for non-compliance with environmental compliance obligations.



**5.6. RISK MANAGEMENT**

**General Aspects of Risk Management in Compa**

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

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

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

In order to achieve the objectives set at all levels in the risk management process, Compa's Top Management has taken into account the following specific aspects for the first quarter of 2024:

- **Risk assessment is an ongoing activity, at all levels of the company's management, at all levels of the company's management, with a particular focus on :**
  - Identification of all categories of risks acting at each level, including new risks that have not previously manifested themselves.
  - Focusing the activity on the risks that persist and that act on objectives of major importance in the company's activity
  - Quantifying the impact of risk actions and targeting actions to counter or mitigate their effects
- **Delegation of responsibility by Compa Top Management to all levels of management within Compa's organizational structure:**
  - Responsibilities established by decentralization at the level of profit centres organized within the company and consisting in the management of the related risks, strictly related to the production sectors for which they are responsible.

In this context, the operations managers of these profit centers are responsible for managing the risks in the areas of production, quality, technical, maintenance and logistics of the sector for which they are responsible.

- Responsibilities in the central departments of the company, with a company-wide area of responsibility in areas such as:

Research & Development ; Marketing - Sales ; Purchasing ; Human Resources ; Quality - Environment ; Finance - Accounting and Controlling.

- **Permanent monitoring of the impact of each category of risk on the company's economic and financial activity**
- **Biannual reviews of Compa's Top Management**, with the responsible persons within the company, in which the different categories of risks are analyzed in order to establish the causes and the impact of the risks on the financial activity, as well as the measures to be taken to avoid or limit the economic effects generated by the respective risks

**Categories of risks with potential impact on Compa**

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

**5.6.1. Operational risks at profit center level**

**Risks arising from the failure to meet resource needs at certain times of the year**

- not having the production capacity on order to meet order volumes requested beyond the initial order, ordered in certain periods. These are rare, occasional situations, and the risk of non-delivery of additional quantities ordered by certain customers in certain limited periods of time is solved by scheduling the production of these additional volumes on days off (Saturdays or Sundays)
- temporary lack of materials or tools is a risk to be taken into account, especially in a year with major supply chain disruptions due to the war in Ukraine. The risk of manufacturing stoppages at the customer's site was eliminated through rapid transportation supply measures (special airlifts or non-stop transport vehicles) and other operational measures.
- ensuring the supply of human resources, especially skilled workers, is one of the most important the most serious problems facing businesses in the Sibiu area.

In order to mitigate the effects of this risk, Compa has contacted companies authorized to recruit labor force from outside Romania, so that currently there are already employed a number of 46 skilled workers (CNC machine operators and welders) from India, and in the future we are in the process of securing other workers, also from India.

These workers recruited from outside Romania were provided with decent accommodation conditions and were integrated into Compa's manufacturing processes in a short time. In addition to these actions of recruiting foreign staff, the company is making great efforts to stabilize the existing staff, to reduce the fluctuation, adopting measures to attract and retain COMPA staff.

The current legislation does not make it compulsory to respect the contracts signed with local employers. There is a migration of skilled workers under contract to companies that pay better without the agreement of previous employers.

### **5.6.2. Risks with a general impact on the business as a whole**

The management of these categories of risks is the task of the organizational structures at the higher levels of management of the company, with a range of scope and influence on the entire company's activity.

The categories of risks impacting the activity of most firms are :

#### **Price risk**

It was one of the risks with aggressive action due to the explosive rise in utility, natural gas and electricity prices, mainly triggered by the outbreak of the conflict in Ukraine.

#### **Credit risk**

The investment program was lower compared to previous years, therefore during 2024 the credit risk did not impact the firm's business . The installments on the investment loan committed in 2019 were repaid on maturity and the lines of credit were accessed as planned.

#### **Liquidity risk**

In order to be aware of and avoid the impact of this risk on the firm's activity and to manage liquidity risk, cash flows, the degree of access to credit lines, as well as the evolution of the collection of receivables and the level of inventories are constantly monitored.

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

#### **Currency risk**

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

#### **The risk of changes in tax legislation**

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

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

The change of the minimum wage in 2023 was a legislative change with a major impact on private firms, but we can appreciate that Compa was prepared to face such changes, so the effect of this risk was urgently counteracted. The economic impact was easier to bear because there were very few people employed in the company with a gross salary at the level of the minimum wage.

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

## **5.7 INVESTMENT, NEW PRODUCTS AND R&D ACTIVITY**

### **5.7.1 INVESTMENTS**

The investment activity used funds for:

- purchase of machinery;
- modernization of existing equipment and installations;



- production facilities.

The necessary funds for the investment activity in the amount of -11,086,051 lei for the semester I -2024 were provided from own sources . The economic effects through the purchase of new machinery and technological lines are:

- increasing labor productivity;
- reduce repair costs;
- improving technology flow;
- increase the quality of manufactured parts and reduce scrap;
- reducing energy consumption;
- Increased part machining accuracy;
- increasing the operational safety of machinery;
- reducing non-quality costs;
- Increasing the efficiency of the work through operational efficiency, 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 products specific to Compa's manufacturing profile. In this context, in recent years the focus has been on offering non-diesel or even non-automotive products, in order to ensure a diversified portfolio of new products, less vulnerable to the profound changes in recent years in the automotive and other sectors.

These are the reasons why Compa has also turned its attention to the manufacture of complex, high value-added components in the machine tool manufacturing industry. The transition to the realization of complex products, namely the manufacture of cabins for CNC machines supplied to machine tool manufacturers, represents a positive, promising element in the development of the business in this new field for COMPA.

In S 1 - 2024, the manufacturing of new products continued for which the necessary production capacities have been secured, impacting production in the following period.

These products include:

- Intermediate axes; due to increases in quantities a new process has developed
- Benchmarks for the VCST customer
- Cap; due to increased quantities a new process has developed

### **5.7.3. RESEARCH AND DEVELOPMENT**

Since 2019, a Research and Development Center has been established in Compa, where the foundations are laid for the realization of products of a high technical and qualitative level.

Also, in this R&D Center, new projects and processes with applicability both within the company are carried out, as well as projects with advanced technology that can be made available to other companies.

As an example, here are some projects from the Center for Research and Development:

- ZF customer intermediate axles process development
- ZF customer cap process development
- Development of combined tools with positive impact on the quality of Phinia customer products
- Utilization of ferrous waste for the production of components/spare parts with a positive impact on raw material consumption
- Development of reconditioning processes for machine tool sub-assemblies using reverse engineering

R&D expenditure includes:

- Expenditure on applied research carried out within the COMPA Research Center with European funds and own resources.
- expenditure on the development of new products, expenditure on constructive and technological design, including expenditure on the monitoring of new products and processes up to the time of their series production.

- expenses incurred by COMPA's technical specialists, who carry out the technological design operations in order to prepare price quotations, including those quotations which for various reasons do not result in a nomination of the company by the clients.

The evolution of R&D expenditure in sem.1 2024 compared to the same period last year is The evolution of R&D expenditure in sem.1 2024 compared to the same period last year is shown below:

INDICATOR	30/06/2023	30/06/2024
Research and development	7.10	10.56
Turnover	404.46	346.01
Weight	1.76	3.05

## 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 a share is 0,10 lei.

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

At 30.06.2024 the company had 7,183 shareholders, individuals and legal entities, Romanian and foreign, according to the Consolidated Register received from the Central Depository S.A. Bucharest.

Individuals - 160.400.730 shares

Legal entities - 58,420,308 shares

### Change in the average selling price and number of shares traded in H1 2024

Published on TradingView.com, July 19, 2024 11:33:32 EEST  
BVB:CMP, D 0:0,6320 H:0,6380 L:0,6200 C:0,6380



TradingView

During the reporting period, Compa shares were traded and the volume of shares traded and total value of shares traded can be found at <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=CMP>

The average price change during the reference period is decreasing.

### 6.1 On the distribution of dividends to COMP A shareholders for the financial year 2023

The Ordinary General Meeting of Shareholders has been convened for 25/26 04.04.2024 and under item 3 on the agenda it is proposed to distribute the net profit as follows:

Destination	lei
TOTAL NET PROFIT, distributed as follows:	7.675.390
- Development Fund	6.140.312
- Dividends	1.535.078

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

The proposed dividend distribution, subject to approval by the AGOA, takes place for the fourth consecutive year.

The dividend payment date was 14.06.2024 and the gross dividend/share was set at 0.00705 lei.

This is the fourth consecutive year that dividends have been approved.

### 6.2. Buying your own shares

By resolutions AGEA 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 program in accordance with Hot. AGEA 18 and 19 of 27.04.2020

Program size: repurchase from the market of up to 15,000,000 own shares. Price proposed acquisition is:

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

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

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

The resolution of the AGEA of 09.09.2021 approves the implementation of a *stock option plan* type program with regard to the shares subject to the repurchase program approved by the AGEA resolutions no. 18 and 19 of 27.04.2020, with the objective of granting option rights for the free acquisition by the employees and members of the management of the Company of the repurchased shares in order to maintain and motivate them and to reward them for their work within the Company. At the same time, it is approved to empower the Board of Directors to adopt all necessary measures and fulfill all formalities required for the implementation of the share repurchase 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 program. It ran 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 COMP A's share capital were repurchased in 2020 and 2021 as follows:

- Total share repurchase value: 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 plan on the granting of stock options for free shares (stock option plan), registered under No. 81/30.09.2021 in the Company's

Register of Decisions, was approved. According to the plan, based on certain allocation criteria, options under the plan for 6,500,000 shares are granted to the Company's managing directors and key employees. The earliest option exercise period is 08.11.2022.

By decision of the Board of Directors dated **13.12.2022**, it is noted that 20 Beneficiaries of the Stock Option Plan, approved by the resolution of the Board of Directors no. 83/04.10.2022, have exercised their right to opt for a number of 6,060,000 shares by signing the Payment Agreement provided by Compa.

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

The company currently holds 444,153 own shares.

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

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

COMPA has, also in the First Quarter of 2024, taken care to ensure the rights of shareholders, to attend General Meetings directly or by proxy by providing them with special/general proxies, postal ballots, other useful information, to have a fair treatment, regardless of their holdings.

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

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

### **6.4. Aspects concerning the capital and management of the company**

The Board of Directors of the company is composed of 5 members elected on the basis of the AGOA of 22.04.2021 and subsequently on the basis of the AGOA of 25.04.2024 the election and appointment for a one-year term of office starting from 25.04.2024 of Mrs. Mihaela Dumitrescu, for the position of director in the Board of Directors of COMPA S.A. Mrs. Mihaela Dumitrescu held until this date the position of provisional director.

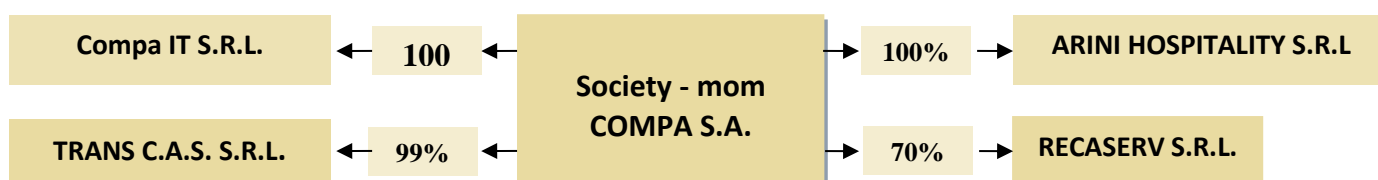
There were no changes affecting the Company's capital or management in the first half of 2024. COMPA was also not unable to meet its financial obligations.

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. The relationship between the parent and affiliated companies**

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

In this context, the Parent Company Compa has control, i.e. the proportion of its shareholdings in the share capital of the affiliated companies is more than 50% in the following affiliated entities:



## **7. MANAGEMENT OF THE COMPANY**

### **7.1. Board of Directors**

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

- DEAC Ioan** - Executive Administrator / Chairman of the Board of Directors
- MICLEA Ioan MICLEA** - Non-executive Administrator
- MAXIM Mircea-Florin** - Non-Executive Director
- BALTEȘ Nicolae** - Independent Non-Executive Director
- NEACȘU Vlad-Nicolae NEACȘU** - Independent Non-Executive Director

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

By Decision no. 1B/ 28.04.2021, the Board of Directors approves the election of Mr. Ioan Miclea as Vice-Chairman of the Board of Directors of Compa S.A., for a 4-year term of office, starting 26.04.2021.

By decision no. 91/26.10.2023, the Board of Directors took note of the termination of the mandate of Mr. Ioan Miclea as administrator, as well as of the position of Vice-Chairman of the Board of Directors, as of 22.10.2023, due to his death.

By decision no. 96/8.11.2023, the Board of Directors approves the appointment of Mrs. Mihaela Dumitrescu as provisional administrator from 09.11.2023 until 30.04.2024, in accordance with the provisions of art. 137<sup>2</sup> para. (1) of the Companies Act no. 31/1990 and appointing her as Vice-Chairperson of the Board of Directors.

Thus, as of November 9, 2023, the Board of Directors of the Company is composed of the following members:

- DEAC Ioan** - Executive Administrator / Chairman of the Board of Directors
- DUMITRESCU Mihaela** - Executive Administrator/ Vice-Chairwoman of the Board of Directors
- MAXIM Mircea-Florin** - Non-Executive Director
- BALTEȘ Nicolae** - Independent Non-Executive Director
- NEACȘU Vlad-Nicolae NEACȘU** - Independent Non-Executive Director

49 / 25.04.2024 The General Meeting of Shareholders (AGOA) approves the election and appointment, for a one-year term of office starting from 25.04.2024, of Mrs. Mihaela Dumitrescu, residing in Sibiu, to fill the position of director in the Board of Directors of COMPA S.A., considering the vacant position provisionally occupied.

#### **Audit Committee**

By Decision No. 4 of April 28, 2021, the Board of Directors approved the election of the members of the Audit Committee for the new term of office. The Committee thus consists of the following members:

- BALȚES Nicolae** - Independent Non-Executive Director/ Chairman of the Audit Committee
- NEACȘU Vlad-Nicolae NEACȘU** - Independent Non-Executive Director/ Member of the Audit Committee

**MEMBRII CONSILIULUI DE ADMINISTRAȚIE**



**Ioan DEAC**  
Presedinte CA/  
Director General



**Mihaela DUMITRESCU**  
Vicepresedinte CA/  
Director Economic



**Mircea-Florin MAXIM**  
Administrator



**Nicolae BALTEȘ**  
Administrator  
Presedinte  
comitet audit



**Vlad-Nicolae NEACȘU**  
Administrator  
Membru  
comitet audit

Name and First name	Age	Qualify	Professional experience	Function	Seniority	Share capital holdings
DEAC Ioan	73	Engineer - Bachelor's Degree in Machine Building Technology - Polytechnic Institute Cluj - Faculty of Mechanics	47	Chairman of the Board / Director General	33 years old	19,4478%
DUMITRESCU Mihaela	51	Economist - Bachelor Degree in Economics - Babes Bolyai University Cluj Napoca	27	Vice-President CA	1 year	19,1687%
MAXIM Mircea-Florin	64	Engineer - Bachelor Degree in Economic Engineering - University of Agronomic Sciences and Veterinary Medicine Bucharest	39	Non-executive member CA	18 years	0,6383%
BALTEȘ Nicolae	63	Economist - Bachelor's Degree in Economics, specialization in Finance and Accounting - Academy of Economic Studies Bucharest, Faculty of Finance and Accounting	38	Independent non-executive member Board of Directors/ Chairman Audit Committee	7 years	0%
NEACȘU VLAD-NICOLAE	41	Economist - Bachelor's degree in Service Management, Bucharest Academy of Economic Studies - Faculty of Management Master in Business Administration - Institute of Business Administration Bucharest	15	Board Member/ Audit Committee Member	3 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 COMPAS S.A.** with the delegation of management powers in this regard.

In accordance with the provisions of Law no. 31/1990, by Decision no. 96 dated 8.11.2023, the Board of Directors



approved the appointment of Ms. **DUMITRESCU Mihaela DUMITRESCU** as **Economic Director of COMPA S.A.** from 09.011.2023 until 30.04.2024 with the delegation of the company's management duties.

In accordance with the provisions of art. 143 paragraph (1) of Law no. 31/1990, by Decision no.53 of 30.04.2024, the Board of Directors approved the extension of the mandate of Ms. **Mihaela DUMITRESCU** as Economic Director of Compa S.A., starting with 30.04.2024 until 30.04.2025, with the delegation of the company's management duties.

- |                       |                   |
|-----------------------|-------------------|
| 1. DEAC Ioan          | Director General  |
| 2. DUMITRESCU Mihaela | Economic Director |

### 7.3. Directors by function

Directors by function are responsible for taking all measures related to their area of activity, in compliance with the powers granted.

The Directors shall regularly inform the Board of Directors on the operations undertaken to achieve the objectives and indicators entrusted by the *Strategic Scorecard*, on their compliance with them, as well as on the fulfillment of other tasks received.

In the period 01.01.2024-06.05.2024 The *structure of the directorate by function* is as follows :

- |                             |  |
|-----------------------------|--|
| 1. BAIĂȘU Dan-Nicolae       | Deputy Director General/ Commercial Director |
| 2. ACU Florin - Ștefan      | Technical Director                           |
| 3. BLAJ Robert              | Logistics Director                           |
| 4. DUMITRESCU Ștefan Cosmin | Director Management Systems and Improvement  |
| 5. Ț Liviu-Laurențiu        | Director Quality - Environment               |
| 6. ȚUȚUREA Mihai            | Production Director                          |
| 7. FIRIZA Sorin Ioan        | Deputy Director Production                   |
| 8. DRAGOMIR Marius C-tin    | Head of Maintenance Department               |

Taking into account the more efficient organization of COMPA SA activities, by Decision of 07.05.2024, the *structure of the directorate by functions* has the following composition:

- |                               |  |
|-------------------------------|--|
| 1. BAIĂȘU Dan-Nicolae         | Deputy Director General/ Commercial Director                   |
| 2. ACU Florin Florin - Ștefan | Technical Director- Technical Projects Directorate             |
| 3. FIRIZA Sorin Ioan          | Technical Director- Processes and Products Technical Direction |
| 4. DUMITRESCU Ștefan Cosmin   | Production Manager -Production 1                               |
| 5. ȚUȚUREA Mihai              | Production Director - Production 2                             |
| 3. BLAJ Robert                | Logistics Director   |
| 5. Ț Liviu-Laurențiu          | Director Quality - Environment                                 |
| 8. DRAGOMIR Marius C-tin      | Head of Maintenance Department                                 |

## Organizational Structure

About Us



**Ioan DEAC**  
Chairman

Investor Relations | Councilors | Personal Data Protection | Company Strategy | Information Security

Commercial & Deputy CEO



**Dan Băiașu**  
Director  
Purchase  
Sales & Marketing  
Suppliers Development

Finance & Human Resources



**Mihaela Dumitrescu**  
Director  
Controlling  
Financial - General Accounting  
Human Resources  
Training Center  
Occupational Health & Safety

Technical



**Florin Acu**  
Director  
Product Design  
Process Design  
Project Management

Technical



**Sorin Firiza**  
Director  
Machining technologies  
Forming technologies  
Research & Development  
Continuous Improvement

Quality & Environment



**Liviu Ţuicu**  
Director  
Product-Process Control  
Product-process audit  
Measurements, Analysis & Testing  
System Documents  
Internal Audit

Logistics



**Robert Blaj**  
Director  
Production logistics  
Purchasing logistics  
Warehouse - Internal flow  
Customs office  
Sales Logistics

Production



**Cosmin Dumitrescu**  
Director

Production



**Mihai Ţuțurea**  
Director

Maintenance



**Marius Dragomir**  
Chief Engineer

## 8. SIGNIFICANT TRANSACTIONS

During 1H 2024, COMPA did not carry out any major transactions either with affiliated companies within the Group of which it is part or with other companies holding stakes in the share capital of COMPA. The affiliated entities of COMPA S.A. Sibiu were established over time, as a result of the need to outsource from COMPA S.A. specific activities such as: software design, domestic and international car transport, catering, etc., outsourcing carried out to make these activities more efficient and to benefit from some facilities granted by the State for certain activities (IT activity; transport licenses, etc.).

The majority of the transactions, contracts with these affiliated entities represent the supply by COMPA (the owner of the special and specific facilities) of utilities such as: electricity, thermal energy, drinking water, telephone services, compressed air, the rental of premises and equipment necessary for the carrying out of the activity as well as contracts for the supply of goods and services.

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

The relations were conducted on free market commercial terms, the price of which was agreed by negotiation, within market levels.

### 8.1. Transactions with affiliated entities SEM.I 2024

Transactions during the first 6 months of 2024 with affiliated firms are highlighted in the table below:

Explanations		30/06/2023		30/06/2024		
THE COMPANY IN WHICH THE SECURITIES ARE HELD	LOAN TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.	0	7,748,968	323,597		4,590,144	235,244
COMPA IT S.R.L.	0	1,696,797	52,701		1,685,992	61,498
RECASERV S.R.L.	0	966,088	24,049		1,167,327	24,049
ARINI HOSPITALITY S.R.L.	3,753,873	0	170,328	4,998,815	7746	220,568

### 8.2. Reciprocal receivables and payables with affiliated entities 30.06.2024

#### Receivables receivable by COMPA SA from:

Explanations	30/06/2024	30/06/2023
TRANSCAS S.R.L.	76,955	76,604
COMPA IT S.R.L.	6,715	12,819
RECASERV S.R.L.	7,378	7,378
ARINI HOSPITALITY S.R.L.	5,072,890	3,753,873

#### Debts to be paid by COMPA SA to:

Explanations	30/06/2024	30/06/2023
TRANSCAS S.R.L.	1,869,205	2,928,448
COMPA IT S.R.L.	829,668	678,300
RECASERV S.R.L.	559,541	497,136

**9. UNCONSOLIDATED INTERIM FINANCIAL REPORT AT 30.06.2024**

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

**DECLARATION**

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

Unconsolidated half-yearly financial reports as at 30.06.2024 have been prepared for:

---

Entity:	COMPAS SA
County:	32 SIBIU
Address:	localitatea SIBIU, str. HENRI COANDA, nr. 8, tel 0269/239400
Trade register number:	J32/129/1991
Form of ownership:	34 Joint stock companies
Main activity (code and name of the CAEN class):	2932 Manufacture of other parts and accessories for motor vehicles and motor vehicle engines
Unique registration code:	RO788767

---

Signed Ms DUMITRESCU MIHAELA

(1)of the Accounting Law no.82/1991, as economic director, I assume responsibility for the preparation of the half-yearly half-yearly financial reports as at 30.06.2024 and confirm the following:

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

b) The quarterly financial reports give a true and fair view of the financial position, financial performance and other information relating to the activity.

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

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



**9.2. UNCONSOLIDATED INTERIM FINANCIAL REPORT AT 30.06.2024**

**UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30.06.2024**

(all amounts are in lei unless otherwise specified)

	<u>Note</u>	<u>30/06/2024</u>	<u>31/12/2023</u>
<b>Active</b>			
<b>Fixed assets:</b>			
Tangible fixed assets	4.1	347,093,856	364,493,649
Real estate investment	4.2	41,588,568	36,661,105
Intangible fixed assets	5	7,407,165	8,056,305
Other non-current assets	7	5,138,186	3,891,608
Financial investments	20	24,215,500	24,215,500
<b>Fixed assets - total</b>		<b>425,443,275</b>	<b>437,318,167</b>
<b>Current assets:</b>			
Stocks	8	100,671,197	111,126,503
Trade and other receivables	6	138,442,818	146,001,118
Other receivables (Grants and settlements from joint ventures)	6		128,010
Cash and cash equivalents	9	3,040,430	542,569
<b>Current assets - total</b>		<b>242,154,445</b>	<b>257,798,200</b>
<b>Total assets</b>		<b>667,597,720</b>	<b>695,116,367</b>
<b>Equity :</b>			
Issued capital	11	21,882,104	21,882,104
Share capital adjustments	11	-265,638	-265,638
Book	11	392,488,949	389,070,474
Reserve adjustment	11	23,122,057	23,122,057
Retained result	11	65,886,960	65,886,960
Current result	11	4,865,609	7,675,390
Profit distribution	11		-2,846,482
<b>Equity - total</b>		<b>507,980,041</b>	<b>504,524,865</b>
<b>Debts</b>			
<b>Long-term debt :</b>			
Financial debts	12	22,492,072	38,787,077
Revenue in advance (advance revenue, subsidies)	13	16,790,092	18,434,065
Provisions	14	9,568,372	6,220,535
<b>Long-term liabilities - total</b>		<b>48,850,536</b>	<b>63,441,677</b>
<b>Current debts:</b>			
Financial debts	12	14,368,147	14,360,930
Trade and similar debts;	13	74,575,640	90,367,315
Customer contract debts	13	1,246,602	3,505,877
Other debts	13	15,519,851	14,492,090
Current tax liabilities	10,13	869,981	0
Revenue in advance (advance revenue, subsidies)	13	4,186,922	4,423,613
<b>Current liabilities - total</b>		<b>110,767,143</b>	<b>127,149,825</b>
<b>Total debts</b>		<b>159,617,679</b>	<b>190,591,502</b>
<b>Total equity and debt</b>		<b>667,597,720</b>	<b>695,116,367</b>

**NON-CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AT 30.06.2024**

(all amounts are in lei. unless otherwise specified)

	<u>Note</u>	<u>30/06/2024</u>	<u>30/06/2023</u>
<b>Revenues</b>	<b>15</b>	<b>346,006,259</b>	<b>404,459,759</b>
Other revenue	15	4,421,101	6,847,863
<b>Total revenue</b>		<b>350,427,360</b>	<b>411,307,622</b>
Changes in stocks of finished goods and work in progress	16	-7,418,063	-13,631,953
Raw materials and consumables used	16	-200,966,241	-248,074,173
Expenditure on employee benefits	17	-84,821,352	-86,488,358
Amortization and depreciation expenses	4,5, 16	-23,717,879	-24,051,098
Services provided by third parties	16	-17,147,754	-20,505,757
Other expenditure	16	-6,379,823	-5,499,537
<b>Total expenditure</b>		<b>-340,451,112</b>	<b>-398,250,877</b>
<b>Operating result</b>		<b>9,976,248</b>	<b>13,056,745</b>
Financial income	18	54,025	66,416
Financial expenses	18	-1,450,598	-1,821,083
Other financial gains/losses	18	-330,824	-302,764
<b>Net financing costs</b>		<b>-1,727,397</b>	<b>-2,057,431</b>
<b>Pre-tax profit</b>		<b>8,248,851</b>	<b>10,999,314</b>
<b>(Expenses) / Deferred corporate income tax revenues</b>	<b>10</b>	<b>-138,192</b>	<b>-406,695</b>
<b>Current income tax expense</b>	<b>10</b>	<b>-3,245,050</b>	<b>-1,351,846</b>
<b>Net profit for the period</b>		<b>4,865,609</b>	<b>9,240,773</b>
Other comprehensive income: Of which other comprehensive income that will not subsequently be reclassified to profit or loss:			
Income tax related to other comprehensive income	10	124,645	112,919
<b>Other comprehensive income, net of tax</b>		<b>124,645</b>	<b>112,919</b>
<b>Total overall result for the year</b>		<b>4,990,254</b>	<b>9,353,692</b>
<b>Non-consolidated result per basic / diluted share</b>	<b>19</b>	<b>0.0222</b>	<b>0.0422</b>



### NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30.06.2023

(all amounts are in lei. unless otherwise specified)

Equity component	Share capital	Share capital adjustments	Legal reserves	Legal reserve adjustments	Revaluation reserve	Other reserves	Adjustments to other reserves	Retained result	Total
<b>Balance at 01.01.2023</b>	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
<b>Profit for the year</b>								7,675,390	7,675,390
<b>Other comprehensive income, of which:</b>	0	0	0	0	0	244,176	0	0	244,176
Income tax related to other comprehensive income						244,176			244,176
<b>Transactions with shareholders recognized directly in equity, of which:</b>	0	0	0	0	0	4,364,883	0	-4,865,657	-500,774
Distribution of free shares									0
Profit distribution		0				4,364,883		-4,865,657	-500,774
<b>Balance at 31.12.2023</b>	21,882,104	-265,638	4,376,421	22,679,066	83,891,130	300,802,924	442,991	70,715,867	504,524,865

Equity component	Share capital	Share capital adjustments	Legal reserves	Legal reserve adjustments	Revaluation reserve	Other reserves	Adjustments to other reserves	Retained result	Total
<b>Balance at 01.01.2024</b>	21,882,104	-265,638	4,376,421	22,679,066	83,891,130	300,802,924	442,991	70,715,867	504,524,865
<b>Profit for the year</b>								4,865,609	4,865,609
<b>Other comprehensive income, of which:</b>	0	0	0	0	0	124,645	0	0	124,645
Income tax related to other comprehensive income						124,645			124,645
<b>Transactions with shareholders recognized directly in equity, of which:</b>	0	0	0	0	0	3,293,830	0	-4,828,908	-1,535,078
Profit distribution		0				3,293,830		-4,828,908	-1,535,078
<b>Balance at 30.06.2024</b>	21,882,104	-265,638	4,376,421	22,679,066	83,891,130	304,221,399	442,991	70,752,568	507,980,041

**UNCONSOLIDATED STATEMENT OF CASH FLOWS AS AT 30.06.2024**  
(all amounts are in lei. unless otherwise specified)

<b>Explanations</b>	<b>30/06/2024</b>	<b>30/06/2023</b>
<b>Cash flows from operating activities:</b>		
Pre-tax profit	8,248,851	10,999,314
Expenses related to amortization and depreciation of fixed assets	24,206,632	24,051,098
(Increases) / Decreases in stocks	10,455,306	19,014,162
(Cresteri) / Descresteri creant	6,439,732	-13,942,286
Increases/ (Decreases in debt)	-16,153,208	2,870,626
Adjust other non-monetary items	-1,875,015	-4,925,097
<b>Net cash generated from operating activities</b>	<b>31,322,298</b>	<b>38,067,817</b>
<b>Cash flows from investing activities:</b>		
Acquisitions of tangible fixed assets and real estate investments	-10,811,862	-8,692,369
Acquisitions of intangible fixed assets	-274,189	-487,493
<b>Net cash generated from investing activities</b>	<b>-11,086,051</b>	<b>-9,179,862</b>
<b>Cash flows from financial activity</b>		
(Increases) / Decreases bank loans	-16,287,788	-29,556,861
Interest payments	-1,450,598	-1,821,083
<b>Net cash generated from financial activity</b>	<b>-17,738,386</b>	<b>-31,377,944</b>
<b>Net cash generated from total activity</b>	<b>2,497,861</b>	<b>-2,489,989</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>542,569</b>	<b>5,986,107</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>3,040,430</b>	<b>3,496,118</b>

**EXPLANATORY NOTES TO THE NON-CONSOLIDATED INTERIM FINANCIAL REPORT AT 30.06.2024**  
(all amounts in lei. unless otherwise specified)

**1. GENERAL INFORMATION**

COMPAS is a joint-stock company with registered office in Sibiu. str.Henri Coandă nr.8. CP 550234.

**1.1. Field of activity**

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

**1.2. Form of company ownership**

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

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

**1.3. Company evolution**

By Government Decision no.1296/13.12.1990 the company became COMPAS S.A.. coming from the Sibiu Auto Parts Enterprise (I.P.A.Sibiu). I.P.A.Sibiu was established in 1969 by the merger of two units: the Elastic Plant and the Automecanica Sibiu Plant. Since 1991. COMPAS was organized in factories/workshops. constituted by product families. as cost centres. which in time became profit centres. in order to decentralize and facilitate the constitution of joint-ventures.

**2. THE BASIS FOR DRAWING UP**

**Declaration of conformity**

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

**Business continuity principle**

The Unconsolidated Financial Statements have been prepared on a going concern basis. This assumes that the Company will be able to carry on its business under normal conditions.

**Evaluation basics**

The Unconsolidated 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 in exchange for the assets.

**Presentation and functional currencies**

The Unconsolidated financial statements are presented in Romanian **lei (RON)**. rounded to the nearest whole number. this being the functional currency of the Company.

**Using estimates and judgments**

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

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

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

Information about critical judgments in the application of the Company's accounting policies, whose effect is material on the amounts recognized in the financial statements is included in the notes to the:

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

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

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

Intangible and tangible fixed assets are analyzed for indications of impairment 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 recognized to reduce the net carrying amount of that asset to its recoverable amount. If the reasons for recognizing the impairment loss disappear in subsequent periods, the net carrying amount of the asset is increased to the level of the net carrying amount that would have been determined had no impairment loss been recognized. Evidence that may result in impairment includes a decline in usefulness to the company, excessive physical wear and tear, the emergence of new production technology.

**Deferred taxes**

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management uses professional judgment in determining the amount of deferred tax assets that can be recognized as assets.

The management's decisions are based on information from the commercial contracts that the Company has concluded with customers, forecasts related to the automotive and automotive components market.

**Provisions**

Provisions are recognized when the Company has a present legal or constructive 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 reliably estimated. The amount recognized 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 accounts receivable is performed on an UNCONSOLIDATED 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 should be recognized in the income statement. In particular, management's judgment is required in estimating the amount and coordinating future cash flows when determining the impairment loss. An impairment loss is recognized 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, resulting in future changes in adjustments.

**Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities reflected in the statement of financial position cannot be measured on the basis of 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 when this is not possible, reasoning is required to determine fair value. Reasoning includes determining assumptions such as credit risk and volatility.

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

The significant accounting policies applied by the Company are those disclosed in the Financial Statements for the year ended December 31, 2023 and have not changed during the interim reporting period.

#### 4.1. TANGIBLE FIXED ASSETS

The evolution of tangible fixed assets from January 1, 2024 to June 30, 2024 is as follows:

Explanations	30/06/2024	01/01/2024
Land	43,848,700	43,848,700
Construction	97,367,317	94,682,973
Equipment and vehicles	197,227,305	208,811,873
Other tangible fixed assets	788,894	753,503
Tangible fixed assets in progress	7,861,640	16,396,600
<b>Total</b>	<b>347,093,856</b>	<b>364,493,649</b>

Tangible assets representing "Tangible assets in progress" are valued at historical cost. The Company has chosen the fair value revaluation model for the valuation of tangible fixed assets in the nature of land and buildings. The buildings and land were revalued as at 31.12.2019 by an authorized independent valuer. In the fair value hierarchy, the revaluation of the Society's buildings and land at fair value is categorized as Level 2 inputs. In fair value hierarchy, revaluation of buildings and land of the company at fair value is classified as level 2 inputs. The valuation technique used in level 2 fair value measurement is the price comparison method. Comparable prices of nearby buildings and structures are adjusted for specific characteristics, such as property size, etc. The most important input for this valuation method is the price per square meter. There were no transfers between the level at which fair value valuations are categorized during 2024. Amortization of all property and equipment is determined using the straight-line method. Fixed assets were reduced during 2024 through depreciation, sale and disposal.

#### 4.2. REAL ESTATE INVESTMENTS

The evolution of real estate investments from January 1, 2024 to June 30, 2024 is as follows:

Explanations	30/06/2024	01/01/2024
Real estate investment	41,146,968	36,434,964
Real estate investments in progress	441,600	226,141
<b>Total</b>	<b>41,588,568</b>	<b>36,661,105</b>

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

Fixed assets "Investment property in progress" are valued at historical cost.

### 5. INTANGIBLE FIXED ASSETS

The evolution of intangible fixed assets was as follows:

Explanations	30/06/2024	01/01/2024
Research and development expenditure	3,050,691	3,326,980
Computer software and software licenses	4,356,474	4,729,325
<b>Total</b>	<b>7,407,165</b>	<b>8,056,305</b>

The Company capitalizes research and development costs because the criteria for recognition as an intangible asset are met, i.e. the cost of the intangible asset can be measured reliably. Their amortization is determined by the straight-line method.

## 6. TRADE AND OTHER RECEIVABLES

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

<b>Explanations</b>	<b>30/06/2024</b>	<b>01/01/2024</b>
Commercial creditor	133,684,755	136,110,392
Advances paid to suppliers	826,280	4,821,770
Claims related to staff	20,765	23,845
Claims related to the consolidated state and local budget	2,219,713	3,175,062
Sundry debtors	21,773	492,936
Advance expenses	1,669,532	1,377,113
Subsidies receivable (European funds projects, subsidies for personnel expenses)	0	128,010
<b>Total</b>	<b>138,442,818</b>	<b>146,129,128</b>

The foreign currency receivables are valued in lei at the official exchange rate of the NBR on 30.06.2024.

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

<b>Balance at 01.01.2024</b>	<b>826,942</b>
Accrued adjustments 6 months 2024	616
Reversed adjustments 6 months 2024	-484,697
<b>Balance at 30.06.2024</b>	<b>342,861</b>

The Company's commercial policy requires the recording of impairment adjustments for receivables exceeding 365 days, except for those receivables due from partners to which the Company is itself a debtor, which are approximately as old as the uncollected receivables.

## 7. OTHER NON-CURRENT RECEIVABLES

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

<b>Explanations</b>	<b>30/06/2024</b>	<b>01/01/2024</b>
VAMA guarantee for customs clearance at home	103,000	103,000
Other guarantees	36,371	25,906
Amounts owed by subsidiaries	4,977,100	3,746,178
Interest on amounts owed by branches	21,715	16,524
<b>Total other assets</b>	<b>5,138,186</b>	<b>3,891,608</b>



## 8. STOCKS

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

Explanations	30/06/2024	01/01/2024
Raw materials	35,882,900	38,963,265
Materials and packaging	19,267,655	19,166,224
Semi-finished products and work in progress	30,419,754	29,127,422
Finished products and goods	15,100,888	23,869,592
<b>Total</b>	<b>100,671,197</b>	<b>111,126,503</b>

The situation of inventory impairment adjustments is as follows:

<b>Balance at 01.01.2024</b>	<b>8,004,352</b>
Accrued adjustments 6 months 2024	207,506
Reversed adjustments 6 months 2024	-212,177
<b>Balance at 30.06.2024</b>	<b>7,999,681</b>

## 9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are presented as follows:

Explanations	30/06/2024	01/01/2024
Bank accounts in RON	2,667,365	487,225
Currency bank accounts	354,947	44,366
Cash equivalent	121	121
House in RON	17,997	10,857
<b>Total</b>	<b>3,040,430</b>	<b>542,569</b>

The company holds accounts in lei and foreign currency with the following banking institutions: BRD GSG, ING BANK, TREZORERIE.

## 10. CORPORATE TAX

The Company's current corporate income tax is determined based on statutory profit adjusted for non-deductible expenses and non-taxable income at a rate of 16% for 6 months 2024 and 6 months 2023.

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

As of June 30, 2024 and June 30, 2023, the tax profit consists of:

Explanations	30/06/2024	30/06/2023
Current income tax expense	-1,344,463	-1,351,846
Minimum turnover tax expense	-1,900,587	0
Deferred income tax expense/income	-138,192	-406,695
<b>Total</b>	<b>-3,383,242</b>	<b>-1,758,541</b>

## 11. EQUITY

The shareholding structure as of 30.06.2024 is as follows:

Explanations	No. Actions	% of total share capital
Romanian and foreign shareholders (legal entities)	58,420,308	26.70%
Romanian and foreign shareholders (individuals)	160,400,730	73.30%

**Total number of shares** **218,821,038** **100.00%**

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 in the standard category.

The Company's equity includes the following:

<b>Explanations</b>	<b>30/06/2024</b>	<b>01/01/2024</b>
Subscribed and paid-in capital	21,882,104	21,882,104
Own shares	-265,638	-265,638
Revaluation reserves	83,891,130	83,891,130
Legal reserves	4,376,421	4,376,421
Legal reserve adjustment	22,679,066	22,679,066
Other non-distributable reserves - repurchase of own shares	265,652	265,652
Other reserves	308,813,954	305,520,124
Adjust other reserves	442,991	442,991
Current and deferred income tax recognized on equity	-4,858,207	-4,982,852
Result carried forward - previous year's profit not distributed	0	0
Retained result representing the surplus realized from revaluation reserves	57,804,936	57,804,936
Repr.res.from first-time adoption of IAS, except IAS 29	29,144	29,144
Retained result from first-time adoption of IAS less IAS 29	8,611,538	8,611,538
Retained earnings from modif. accounting policies	89,693	89,693
Reported result from first-time application of IAS29	-648,352	-648,352
Current profit	4,865,609	7,675,390
Profit distribution		-2,846,482
<b>Total</b>	<b>507,980,041</b>	<b>504,524,865</b>

## 12. FINANCIAL DEBTS

Long and short-term financial liabilities are as follows:

		<b>EUR</b>	
<b>Credit institution</b>	<b>Loan type</b>	<b>30/06/2024</b>	<b>01/01/2024</b>
BRD GROUP SOCIETE GENERALE-ROMANIA	Production credit line	953,349	47,600
BRD GROUP SOCIETE GENERALE-ROMANIA	Investment credit	2,638,566	3,392,442
ING BANK-SIBIU	Production credit line	1,055,851	3,262,175
ING BANK-SIBIU	Investment credit	2,758,197	3,447,746
<b>Total</b>		<b>7,405,963</b>	<b>10,149,963</b>
<b>Credit institution</b>	<b>Loan type</b>	<b>30/06/2024</b>	<b>01/01/2024</b>

<b>BRD GROUP SOCIETE GENERALE-ROMANIA</b>	Production credit line	<b>4,744,912</b>	<b>236,791</b>
<b>BRD GROUP SOCIETE GENERALE-ROMANIA</b>	Investment credit	<b>13,132,411</b>	<b>16,876,045</b>
<b>ING BANK-SIBIU</b>	Production credit line	<b>5,255,074</b>	<b>16,228,016</b>
<b>ING BANK-SIBIU</b>	Production credit line		<b>2,655,995</b>
<b>ING BANK-SIBIU</b>	Investment credit	<b>13,727,822</b>	<b>17,151,160</b>
<b>Total</b>		<b>36,860,219</b>	<b>53,148,007</b>

Financial liabilities denominated in foreign currency are valued in lei at the official exchange rate of the NBR on 30.06.2024.

## 12. TRADE AND OTHER DEBTS

<b>Explanations</b>	<b>30/06/2024</b>	<b>01/01/2024</b>
Suppliers	74,251,319	89,898,456
Advances received from customers	324,320	468,859
Customer contract debts	1,246,602	3,505,877
Staff-related debts	6,928,478	6,344,780
Debts to the consolidated general state budget and local budget	8,098,615	7,728,886
Current income tax liabilities	869,981	0
Dividend payments	492,047	403,601
Sundry creditors	711	14,823
Advance income	661,875	737,173
Subsidies for investments from AMPOSDRU and AMPOSCEE contracts	20,313,314	22,114,562
Inventory gains on fixed assets	1,826	5,943
<b>Total</b>	<b>113,189,088</b>	<b>131,222,960</b>

Foreign currency liabilities are valued in lei at the official exchange rate of the NBR on 30.06.2024.

## 14. PROVIZIOANE

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

<b>Explanations</b>	<b>Provisions for guarantees given to customers</b>	<b>Provisions for employee benefits</b>	<b>Other provisions</b>	<b>Total provisions</b>
<b>Balance at 01.01.2024</b>	<b>26,945</b>	<b>4,078,576</b>	<b>2,115,014</b>	<b>6,220,535</b>
provisions set aside 6 months 2024	0	2994289	1,536,447	<b>4,530,736</b>
reversed provisions 6 months 2024	0	0	-1,182,899	<b>-1,182,899</b>
<b>Balance at 30.06.2024</b>	<b>26,945</b>	<b>7,072,865</b>	<b>2,468,562</b>	<b>9,568,372</b>

## 15. REVENUES AND BUSINESS SEGMENTS

The structure of income realized by the Company is as follows:

Explanations	30/06/2024	30/06/2023
<b>Total turnover, of which:</b>	<b>346,006,259</b>	<b>404,459,759</b>
Revenue from sales of finished products	337,557,612	397,138,647
Income from the provision of services	1,554,504	1,268,727
Revenue from the sale of goods	3,459,708	5,134,076
Income from other activities (rents, sales of materials, waste, semi-finished products, packaging)	3,434,435	605,028
Income from grants related to turnover (projects and partnership contracts AMPOSDRU projects)	0	313,281
<b>Other operating income</b>	<b>4,421,101</b>	<b>6,847,863</b>
<b>Total operating revenue</b>	<b>350,427,360</b>	<b>411,307,622</b>

Other operating income consists of :

Explanations	30/06/2024	30/06/2023
Income from production of fixed assets	2,285,974	3,529,684
Income from grants for investments (projects and partnership contracts AMPOSDRU and AMPOSCEE projects)	1,801,248	1,845,507
Other operating income	333,879	1,472,672
<b>Total Other operating income</b>	<b>4,421,101</b>	<b>6,847,863</b>

### Activity segments:

The Company's management regularly evaluates the Company's business in order to identify the business segments for which information should be reported separately. The Company carries out its activity in Romania. The company's revenues presented above are entirely attributable to the country of domicile. Non-current assets other than financial instruments, deferred tax assets, post-employment benefit receivables and rights arising from insurance contracts are located entirely in Romania. The company has no such fixed assets located in other countries. Revenues are attributable to the activity in Romania.

## 16. EXPENDITURE BY NATURE

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

Explanations	30/06/2024	30/06/2023
Material expenses	183,797,302	224,692,281
Different stock	7,418,063	13,631,953
Energy and water expenditure	17,168,939	23,381,892
Expenditure on employee benefits	84,821,352	86,488,358
Value adjustments on fixed assets	24,206,632	23,763,916
Value adjustments on current assets	-488,753	287,182
Expenditure on services provided by third parties	17,147,754	20,505,757
Expenditure on other taxes, duties and similar charges	2,135,104	2,495,965
Other operating expenditure	4,244,719	3,003,573
<b>Total operating expenditure</b>	<b>340,451,112</b>	<b>398,250,877</b>

**17. EXPENDITURE ON EMPLOYEE BENEFITS**

Employee benefit expense includes salaries, wages, benefits and social security contributions. Short-term benefits are recognized as an expense as services are rendered.

Explanations	30/06/2024	30/06/2023
Salaries and allowances	83,115,164	84,371,625
Insurance and social protection expenditure	1,706,188	2,116,733
<b>Total</b>	<b>84,821,352</b>	<b>86,488,358</b>

**18. FINANCIAL LOSSES (GAINS)**

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

Explanations	30/06/2024	30/06/2023
Foreign exchange gains related to monetary items denominated in foreign currency	-199,825	-182,993
Interest losses	-1,396,573	-1,754,668
Other financial gains	-130,999	-119,770
<b>Total losses / gains</b>	<b>-1,727,397</b>	<b>-2,057,431</b>

**19. EARNINGS PER SHARE**

The earnings per share calculations for the years ended June 30, 2024 and June 30, 2023 are shown below:

Explanations	30/06/2024	30/06/2023
Number of actions at the beginning of the year	218,821,038	218,821,038
<b>Number of actions At the end of the year</b>	<b>218,821,038</b>	<b>218,821,038</b>
<b>Net income</b>	<b>4,865,609</b>	<b>9,240,773</b>
<b>Basic / diluted earnings per share (in RON per share):</b>	<b>0.0222</b>	<b>0.0422</b>

In 2022, following the repurchase of own shares and the distribution of 6,060,000 shares to employees free of charge, a total of 444,153 shares remained undistributed. These shares have no voting rights and no dividend rights.

Also, a total of 649,100 shares, with a nominal value of 64,910 lei, are held by the affiliated company Recaserv SRL, as a result of which these shares do not have voting rights and dividend rights.

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

Explanations	30/06/2024	30/06/2023
Total number of shares	218,821,038	218,821,038
Non-voting shares and dividends	-1,093,253	-1,093,253
<b>Number of shares with voting and dividend rights at the end of the year</b>	<b>217,727,785</b>	<b>217,727,785</b>
<b>Net income</b>	<b>4,865,609</b>	<b>9,240,773</b>
<b>Earnings per voting share and dividend rights (in RON per share) basic / diluted:</b>	<b>0.0223</b>	<b>0.0424</b>

**20. AFFILIATED PARTIES**

The affiliated entities of COMPA SA are the following:

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

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

Transactions with companies in which COMPA holds participations were as follows (amounts include VAT):

Explanations	30/06/2024			30/06/2023		
	LOAN TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.		4,590,144	235,244	0	7,748,968	323,597
COMPAS IT S.R.L.		1,685,992	61,498	0	1,696,797	52,701
RECASERV S.R.L.		1,167,327	24,049	0	966,088	24,049
ARINI HOSPITALITY S.R.L.	4,998,815	7746	220,568	3,753,873	0	170,328

The mutual debts and receivables recorded at 30.06.2023 and 30.06.2024 are as follows:

**Receivables receivable by COMPAS SA from:**

Explanations	30/06/2024	30/06/2023
TRANSCAS S.R.L.	76,955	76,604
COMPAS IT S.R.L.	6,715	12,819
RECASERV S.R.L.	7,378	7,378
ARINI HOSPITALITY S.R.L.	5,072,890	3,753,873

**Debts to be paid by COMPAS SA to:**

Explanations	30/06/2024	30/06/2023
TRANSCAS S.R.L.	1,869,205	2,928,448
COMPAS IT S.R.L.	829,668	678,300
RECASERV S.R.L.	559,541	497,136

**On behalf of the Administrative Board,**

Chairman of the Board / Director General,  
Ioan DEAC

Vice-Chairman of the Board/Economic Director  
Mihaela DUMITRECU








**compa**  
*beyond expectations*



**CONSOLIDATED REPORT  
SEMESTER 1 - 2024 (UNAUDITED)**



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

transport intern si international



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**1. INTRODUCTION**

**1.1. THE LEGAL FRAMEWORK, PURPOSE AND NECESSITY OF CONSOLIDATED HALF-YEARLY FINANCIAL REPORTING**

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

In accordance with the accounting regulations in conformity with the Seventh Directive of the European Economic Community, COMPAS S.A. Sibiu (parent company) fulfills the conditions according to point 12. On the basis of point 3 of these regulations the consolidated half-yearly financial reports have been prepared.

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

All these normative acts were the legal basis for the preparation of the Group's consolidated half-yearly financial reports.

The consolidated report of the COMPAS Group is mainly intended to inform investors and business partners of the parent company as well as affiliated companies.

**CONSOLIDATION METHODS APPLIED**

In accordance with legal regulations, the consolidated financial statements are prepared by the entity, hereinafter referred to as the parent company (company), which holds equity interests in another entity, referred to as a subsidiary or affiliated company.

In this context, the company COMPAS S.A.Sibiu, in its capacity as parent company, controls, respectively the proportion of its shareholdings in the share capital of affiliated companies is greater than 50% in the following affiliated entities:

COMPAS I.T. SRL	100,00 %
TRANS C.A.S. SRL	99,00 %
RECASERV SRL	70,00 %
ARINI HOSPITALITY SRL	100,00 %

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



## **2. BRIEF HISTORY**

This chapter has been presented in detail in COMPA's S1 2022 Individual Report, but we consider it necessary and appropriate that certain episodes in the history of the parent company are also highlighted in the S1 2023 Consolidated Report.

**1886** - Jozsef Datky's blacksmith's workshop is officially recorded, where they produced lamellar springs for the carriages of the time as well as forged parts and tools.

The workshop developed in such a way that the products made in this family firm were exhibited at international exhibitions in the Austro-Hungarian Empire (Vienna and Budapest).

**1948** - This is the year when private companies, such as the predecessor of the Elastic Factory, which at that time was profiled in the manufacture of leaf springs, hot or cold wound coil springs, were nationalized following the installation of the communist regime in Romania.

**1969** - Intreprinderea de piese auto Sibiu (IPAS) is founded, by merging two large companies that operated in Sibiu that year, respectively:

- Uzina Automecanica Sibiu, which in its turn had an impressive history, from an Arsenal of the Sibiu Artillery, ensuring the repair and manufacture of the armament necessary for the defense of the Citadel of Sibiu, to the realization of advanced technology automotive equipment at the time of the merger;
- The Elastic sibiu plant, with a tradition of craftsmanship since the year of the founding of the Datky Workshop, which it has continuously developed, producing at the time of the merger a wide and diversified range of laminar springs for the manufacture of motor vehicles made in Romania and a particularly wide range of hot and cold wound coil springs for the entire rolling stock industry (locomotives, wagons), the machine building industry throughout Romania

**1991** - The Sibiu Auto Parts Company was transformed into COMPA S.A.Sibiu, as a result of the political and economic framework created by Romania's transition from a totalitarian communist state to a market economy.

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

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

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

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

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

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



**3. INFORMATION ON ENTITIES WITHIN THE GROUP**

**3.1. COMPA S.A.**

Head office	Sibiu, 8 Henri Coandă str.
Trade Register No.	J32/129/1991
Unique Registration Code	CUI 788767
Main object of activity	2932 'Manufacture of other parts and accessories for motor vehicles and engines'
Share capital	21,882,103.8 lei
Administrative Board	Deac Ioan - Chairman of the Board / General Director Dumitrescu Mihaela - vice-president CA Maxim Mircea-Florin - non-executive director Balteş Nicolae - chairman of the audit committee / administrator Neacşu Vlad Nicolae Neacşu - member of the audit committee / administrator

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

In 2018 the Compa Sibiu Employees' Association (PAS) was dissolved, the shares were transferred to the members of the association, according to the number of shares owned and purchased by each one.

As presented in detail in the **Individual Half-Yearly Report**, the parent company is organized in Profit Centres, integrated units without legal personality with a decentralized activity, structured for the production of products for a single customer or for the production of similar products for several customers, such as: forging, heat treatments, galvanizing, pressed - stamped parts, mechanically welded sub-assemblies.

The financial investments of the parent company COMPA consisting of equity investments in the other 4 affiliated companies, as follows:

Company in which the securities are held	Head office	Value of securities held by COMPA	% in share capital
COMPAS I.T. SRL	8 Henri Coandă Str. Sibiu	200,000	100,00
TRANS .C.A.S. SRL	12 Henri Coandă Street, Sibiu	742,500	99,00
RECASERV SRL	Str.Henri Coandă nr.51. Sibiu	70,000	70,00
ARINI HOSPITALITY SRL	8 Henri Coandă Str. Sibiu	23,203,,000	100,00
<b>TOTAL</b>		<b>20,215,500</b>	

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

**3.2. Company COMPA I.T. S RL**

The purpose of the establishment was to design and implement an *integrated information system* for the parent company, according to the existing international standards and ensuring the requirements imposed by the COMPA's profit centers organization, as well as to ensure an extensive computer network throughout the COMPA.





By implementing the integrated system in the parent company, COMPA-IT ensures the system's functioning at the highest level, reports and presents the new system facilities in order to maximize the opportunities that this very complex and competitive system can offer.

Head office	Sibiu, Str, Henri Coandă Nr,8
Trade Register No	J32/17/2001,
Unique Registration Code	CUI 13656016
Main object of activity	6201 "Custom software development activities"
Share capital (lei)	200,000
Sole shareholder	COMPA S,A
Administrator	Acu Florin-Stefan

### 3.3. TRANS CAS S RL

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

TRANS C.A.S. SRL currently owns a number of over 60 vehicles, of which an important share is held by the Mercedes tractor-tractors with trailer, with a capacity of over 20 tons payload, intended for the transportation of materials and finished products for COMPA and other customers.

The overwhelming share of TRANS C.A.S.'s shipments is international freight transportation in almost all of Europe.

Head office	Sibiu, Str, Henri Coandă Nr,12
Trade Register No	J32/633/2002
Unique Registration Code	CUI 14836511
Main object of activity	4941 "Freight transportation by road"
Share capital, of which:	750,000 lei
Shareholders: COMPA S,A,Sibiu	742,500 lei
Maxim Mircea Florin and Mihailă Daniela	7,500 lei
Administrator	Maxim Mircea Florin

### 3.4. Company RECASERV SRL

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

By establishing the company RECASERV SRL, the conditions for the development of this activity have been ensured by supplementing it with secondary services: catering and cleaning services.

Head office	Sibiu, Str, Henri Coandă Nr,51
Trade Register No	J32/704/2004
Unique Registration Code	CUI 164408228
Main object of activity	5629 "Other food serving activities n.e.c."
Share capital, of which:	100,000 lei





Shareholders: COMPA SA Sibiu	70%
Boroş Daniela (natural person)	30%
Administrator	Boroş Daniela

### 3.5. ARINI HOSPITALITY SRL

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

Head office	Sibiu, bd. Victoriei, nr. 48, Jud. Sibiu
Trade Register No	J32/77/2021
Unique Registration Code	CUI 43581594
Main object of activity	5510 Hotels and similar accommodation
Share capital, of which:	23,203,000 lei
Sole shareholder COMPA SA Sibiu	100%
Administrator	Băiaşu Dan-Nicolae

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

### 4. EVENTS IN THE GROUP'S ACTIVITY IN H1 2024

As important events recorded in the activity of Compa Group during the first semester of the year 2024, we can highlight the meetings of the Board of Directors of the company and the general meetings of the shareholders, as follows:

**11.01.2024** - The Board of Directors of Compa S.A. was convened and approved the interruption of the demerger process in order to reconsider the aspects related to the proposed transaction, including from the perspective of the valuation elements. It will come back later with a decision on the appropriateness of the parameters of the division and the continuation of this process

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

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

- the scrapping of fixed assets

- write-offs of tangible stocks/finished goods, recording of inventory write-downs, recording of impairment adjustments on receivables and other irrecoverable debts

- Recording of impairment adjustments on some materials

**31.01.2024** - Arini Hospitality SRL, a company belonging to the Compa Group, has decided to close its office in Sibiu, 8, Henri Coandă str. Victoriei nr. 48

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



**07.03.2024** - The Board of Directors of Compa S.A. was convened to approve the proposal to convene the Ordinary General Meeting of Shareholders (AGOA) for 25.04.2024 first call (15:00) and 26.04.2024, second call (15:00 hours) as well as the proposal to convene the Extraordinary General Meeting of Shareholders (AGEA) for the dates of 25.04.2024 first call (16:00 hours) and 26.04.2024, second call (16:00 hours).

The Board of Directors approved the agenda of the AGOA convened on 25/26.04.2024, in which a total of 13 items (as per the convening notice) as well as the 12 items included in the Convening Notice of the AGEA of 25/26.04.2023.

The Board of Directors also approved 11.04.2024 as the record date for the AGOA and AGEA on 25/26.04.2024 respectively.

**22.03.2024** - During the meeting held on 22.03.2024, the Board of Directors approved the Individual and Consolidated Annual Report for the financial year 2024 prepared in accordance with Annex 15 of ASF Regulation no. 5/2018. The independent financial auditor's report on the individual and consolidated financial statements was noted. Also during this meeting, the Income and Expenditure Budget for the year 2024 and the Investment Program for the year 2024 were approved, as well as the updated Management Remuneration Policy.

**12.04.2024** - During the meeting held on 12.04.2024, the Board of Directors approved the submission by Compa SA (within the PNRR funding program) of the project Innovation and Efficiency in the Use of Energy Resources, through the implementation of an energy monitoring system, purchase of transformers and compressors in Compa SA (funding application, energy audit, feasibility study and other supporting documents required in the guide .)

**25.04.2024** - The annual financial statements of the affiliated companies of Compa, namely TRANS CAS SRL, COMPA IT SRL, RECASERV SRL and Arini Hospitality SRL are approved and the discharge for the year 2023 is approved.

**25.04.2024** - The Ordinary General Meeting of Shareholders (AGOA) was held and decided to

- election of the meeting secretary from among the shareholders present;
- approves the individual financial statements for the financial year 2023, on the basis of the Annual Report for the year 2023 presented by the Board of Directors, accompanied by the Report of the financial auditor QUANTUM EXPERT S.R.L.
- approves the consolidated financial statements for the financial year 2023, based on the Annual Report for the year 2023 presented by the Board of Directors, accompanied by the Report of the financial auditor QUANTUM EXPERT S.R.L.
- approves the distribution of the net profit for the financial year 2023, totaling 7.675.390 lei, as follows:
  - + to own sources of development - amount of 6.140.312 lei
  - + for the payment of dividends to the shareholders - the amount of 1.535.078 lei with a gross dividend per share of 0,00705 lei.
- approves the date of 14.06.2023 as payment date for the payment of dividends. The dividend payment will be made in RON. The method of payment of dividends will be notified to the shareholders prior to the starting date of payment. The expenses arising from the payment of dividends shall be borne by the shareholders.
- approves the discharge of the administrators for the financial year 2023.
- approves the Revenue and Expenditure Budget for the year 2024 and the investment program for the year 2024.
- approves the election and appointment, for a one-year term of office starting from 25.04.2024, of Mrs. Mihaela Dumitrescu, residing in Sibiu, to fill the position of director on the Board of Directors of COMPA S.A., in view of the vacant position currently provisionally occupied.;
- approves the remuneration of the directors for the current financial year, starting from 01.05.2023 until 30.04.2025, as follows: 25,000 lei gross/month for the Chairman of the Board of Directors, 18,000 lei gross/month



for the Vice-Chairman of the Board of Directors and 13,000 lei gross/month for the non-executive directors, members of the Board of Directors.

- approves the extension until 30.04.2025 of the mandate of the external financial auditor S.C. QUANTUM EXPERT S.R.L. with registered office in Deva, str. Mărăști, Bl. D3, sc. 4, ap. 44, Jud. Hunedoara, with registration code 12600149 registered with the Trade Register under no. J20/40/2000, a company authorized by the Chamber of Financial Auditors of Romania on the basis of authorization no. 118/28.11.2001, in order to perform the Statutory Audit for the year 2024.
- approves the remuneration report of the company's management for the financial year 2023.
- approves the updated Management Remuneration Policy of Compa S.A.
- approves the date of 24.05.2024 as the record date for the identification of the shareholders on which the effects of the resolutions of the ordinary general meeting of shareholders are reflected, in accordance with the provisions of Article 87 of Law no.24/2017 on issuers of financial instruments and market operations and the date of 23.05.2024 as the *ex-date* in accordance with the provisions of Article 176(1) of ASF Regulation no.5/2018.
- empowering the individuals who will carry out the formalities for publicizing and recording the decisions of the meeting, including signing them

**25.04.2024** - The Extraordinary General Meeting of Shareholders (EGMS) was held and decided to

- election of the secretary of the Extraordinary General Meeting of Shareholders from among the shareholders present;
- **approves the** contracting and/or extension for the year 2024 and the year 2025 until the annual AGEA, of investment loans, lines of credit, leasing, bank letters of guarantee, and other financial banking products, with a total cumulative ceiling of EUR 40 million and the constitution of the related securities and real estate guarantees with assets from the company's patrimony.
- **approves the** Delegation to the Board of Directors by the Extraordinary General Meeting of Shareholders to commit and/or extend investment loans, lines of credit, leasing, bank letters of guarantee and other financial banking products from the date of the resolution of the EGM until the next Extraordinary General Meeting in April 2025, within the total cumulative ceiling of EUR 40 million approved in point 2, and to provide related movable and immovable collateral with assets from the company's assets.
- **approves** the authorization of the General Manager and the Economic Director to represent the Company during the negotiation and signing of credit agreements, guarantee agreements and any other documents necessary for the fulfillment of the decision in point 2 and 3.
- **approves the** Delegation of the Board of Directors by the Extraordinary General Meeting of Shareholders to appoint the representative of COMPA S.A. in relation with the Management Authority / Financing Authorities and to authorize the person(s) to sign on behalf of the Company the financing contracts that will be executed starting from 2024 and continuing until the next AGM in April 2025.
- **approves** the mandate of the Managing Director and the Economic Director to sign, in the name and on behalf of the Company, the contract with the financial auditor, appointed according to the decision no. 9 of the A.G.O.O.A.
- **approves** the authorization of the Chairman of the Board of Directors of the Company to sign, in the name and on behalf of the Company, the management contract to be concluded by the Company with the manager elected according to the resolution no. 7 of the AGOA for the performance of his activity as a member of the Board of Directors.
- **approves** the restriction of the object of activity of Compa S.A. by partially eliminating some of the economic activities and adding others, and the updating of the articles of association and the powers of the persons signing the updated articles of association
- **approves the** date of **24.05.2024 as the record date** for the identification of the shareholders on which the effects of the resolutions of the ordinary general meeting of shareholders are reflected, in accordance with the provisions of Article 87 of Law no.24/2017 on issuers of financial instruments and



market operations and the date of **23.05.2024 as the ex-date** in accordance with the provisions of Article 176(1) of ASF Regulation no.5/2018.

- empowering the individuals who will carry out the formalities for publicizing and recording the decisions of the meeting, including signing them

**30.04.2024- The** Board of Directors of COMPA SA was convened, which approved the extension of the mandate of Mrs. Mihaela Dumitrescu as Economic Director of Compa S.A., starting with 30.04.2024 until 30.04.2025, in accordance with the provisions of art. 143 para. (1) of the Companies Act no. 31/1990, with the delegation of the company's management powers.

**14.05.2024 - At its** meeting on 14.05.2024, the Board of Directors approved

- individual and consolidated report for Quarter 1 - year 2024;
- to mandate the Managing Director - Ioan Deac and the Economic Director - Mihaela Dumitrescu to sign, on behalf of and for the Board of Directors, the individual and consolidated quarterly report for the first quarter of 2024;
- the notice on the payment of dividends for the financial year 2023, which also includes the Dividend Distribution Procedure for the financial year 2023;
- to authorize the Chairman of the Board of Directors - Ioan Deac and the Vice-Chairman of the Board of Directors - Mihaela Dumitrescu to sign the Communiqué on the payment of dividends for the year 2023 and the Procedure for the distribution of dividends for the year 2023
- to authorize the Chairman of the Board of Directors - Ioan Deac and the Vice-Chairman of the Board of Directors to sign the decisions of the Board of Directors taken at the meeting convened for 14.05.2024

**14.06.2024 -** The procedure for the payment of dividends due to COMPA SA shareholders for the year 2023 **was** started.

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

This was not the case.



5. INTRA-GROUP TRANSACTIONS

Explanations		30/06/2023		30/06/2024		
THE COMPANY IN WHICH THE SECURITIES ARE HELD	LOAN TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.	0	7,748,968	323,597		4,590,144	235,244
COMPA IT S.R.L.	0	1,696,797	52,701		1,685,992	61,498
RECASERV S.R.L.	0	966,088	24,049		1,167,327	24,049
ARINI HOSPITALITY S.R.L.	3,753,873	0	170,328	4,998,815	7,746	220,568

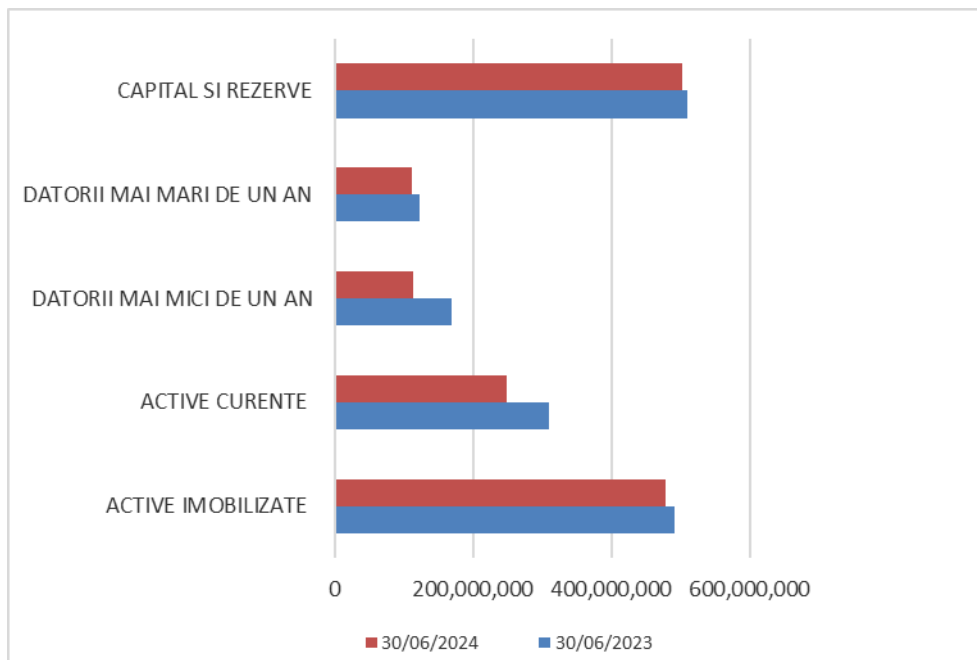
The relations were conducted on free market commercial terms, the price of which was agreed by negotiation, within market levels,

6. THE GROUP'S FINANCIAL STATEMENTS

6.1. Main balance sheet items

The main balance sheet items and their evolution in the first half of 2024 compared to the same period last year are presented below:

INDICATOR	30/06/2023	30/06/2024
FIXED ASSETS	491,420,908	478,694,238
ACTIVE CURRENT	309,644,650	248,270,180
DEBTS OF LESS THAN ONE YEAR	168,893,172	114,000,789
DEBTS OLDER THAN ONE YEAR	122,951,745	111,077,266
CAPITAL AND RESERVES	509,220,641	501,886,363

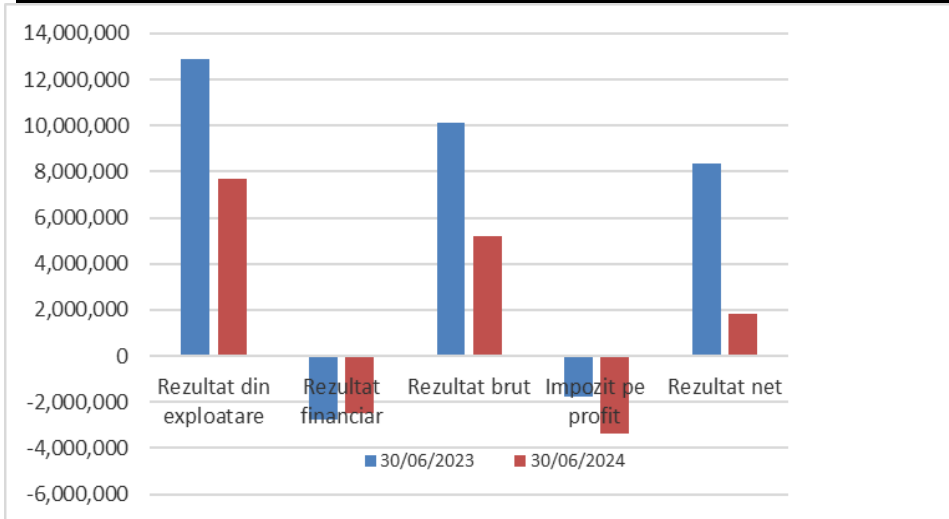




**6.2. Statement of revenue and expenditure**

The statement of revenues and expenses as at 30.06.2024 compared to the same period last year is as follows :

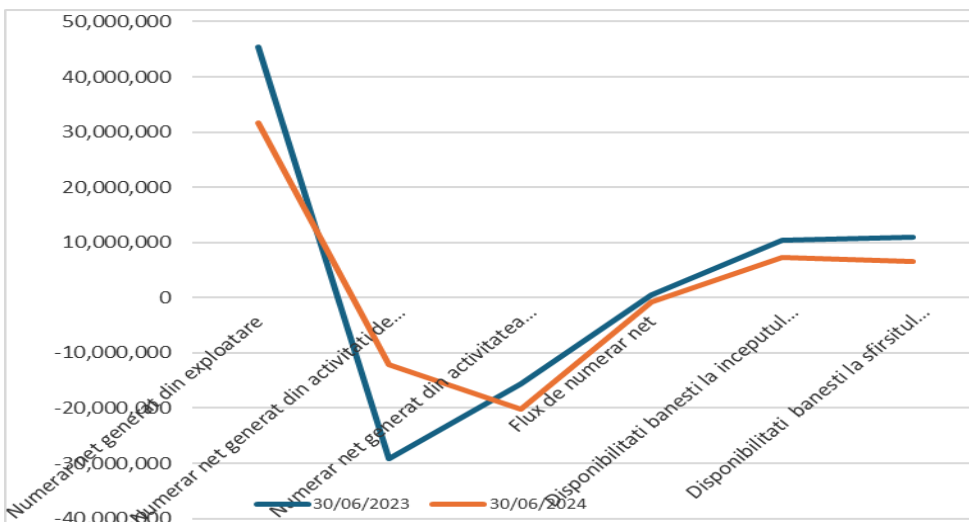
INDICATOR	30/06/2023	30/06/2024
Operating result	12,888,667	7,692,379
Financial result	-2,741,103	-2,485,097
Gross result	10,147,564	5,207,282
Corporate income tax	-1,781,035	-3,360,050
Net result	8,366,529	1,847,232



**6.3. Cash flow statement**

The cash flow situation is summarized below:

Indicator	30/06/2023	30/06/2024
Net cash generated from operating activities	45,384,485	31,636,413
Net cash generated from investing activities	-29,253,987	-12,138,657
Net cash generated from financial activity	-15,541,256	-20,229,047
Net cash flow	589,242	-731,291
Cash at beginning of period	10,452,249	7,210,182
Cash at the end of the period	11,041,491	6,478,891



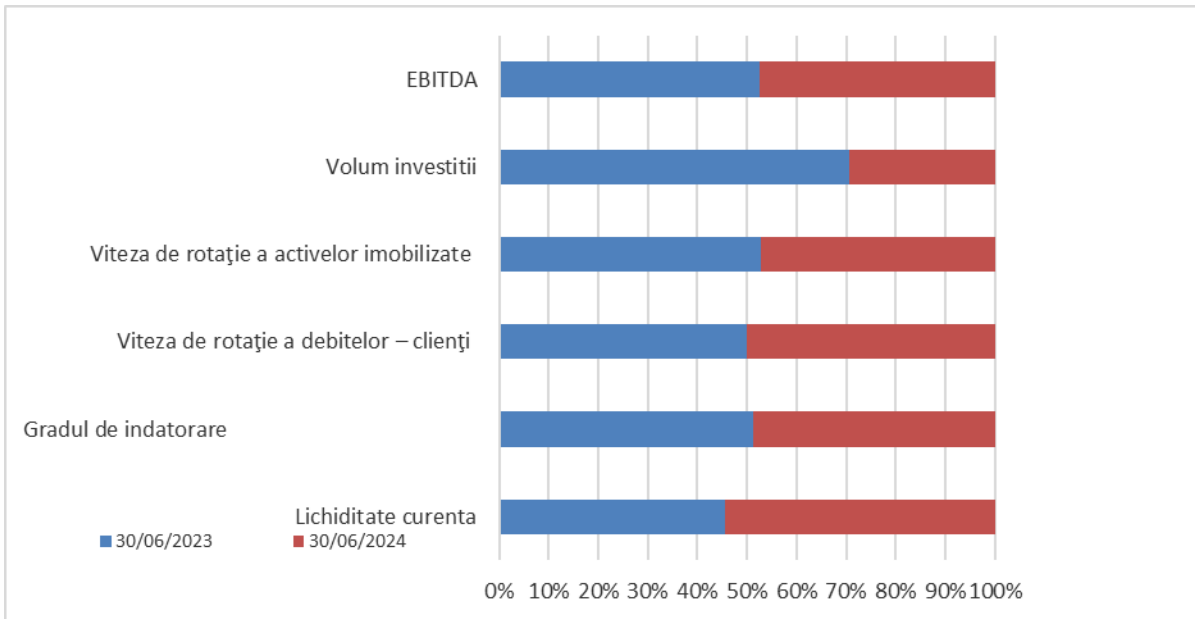




6.4. Main economic and financial indicators of the Compa Group

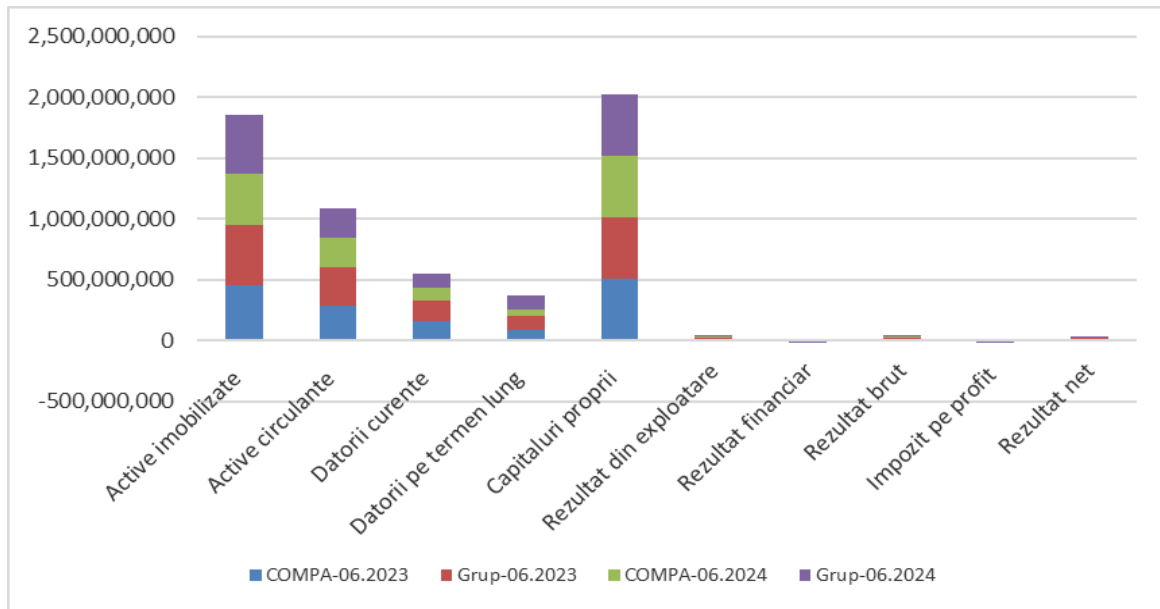
Indicator	30/06/2023	30/06/2024
Current liquidity	1.83	2.18
Degree of indebtedness	0.19	0.18
Rotational speed of flow - customers	69.07	69.32
Rotation rate of fixed assets	0.83	0.74
Investment volume	29,253,987	12,138,657
EBITDA	36,811,691	33,228,074

**Current liquidity: assets** current assets/current liabilities  
**Degree of indebtedness:** borrowed capital/capital employed  
**Rotational speed of flow - customers** Average customer balance / Turnover x 180  
**Rotation rate of fixed assets** Turnover / Fixed assets  
**EBITDA:** net profit+interest expenses+tax expenses+depreciation and amortization expenses. and depreciation



6.5. Comparison of main group indicators - parent company

INDICATORS	COMPA-06.2023	Group-06.2023	COMPA-06.2024	Group-06.2024
Fixed assets	455,713,841	491,420,908	425,443,275	478,694,238
Current assets	288,061,374	309,644,650	242,154,445	248,270,180
Current debts	155,183,040	168,893,172	110,767,143	114,000,789
Long-term debts	82,633,184	122,951,745	48,850,536	111,077,266
Equity capital	505,958,991	509,220,641	507,980,041	501,886,363
Operating result	13,056,745	12,888,667	9,976,248	7,692,379
Financial result	-2,057,431	-2,741,103	-1,727,397	-2,485,097
Gross result	10,999,314	10,147,564	8,248,851	5,207,282
Corporate income tax	-1,758,541	-1,781,035	-3,383,242	-3,360,050
Net result	9,240,773	8,366,529	4,865,609	1,847,232





**7. CONSOLIDATED INTERIM FINANCIAL REPORT AT 30.06.2024**

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

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

The consolidated half-yearly financial statements as at 30.06.2024 have been prepared for

---

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

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Signed Ms DUMITRESCU MIHAELA

(1) of the Accounting Law no.82/1991, as economic director, I assume responsibility for the preparation of the consolidated half-yearly financial reports as at 30.06.2024 and confirm the following:

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

**DUMITRESCU MIHAELA  
ECONOMIC DIRECTOR**



7.2. CONSOLIDATED INTERIM FINANCIAL REPORT AT 30.06.2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30.06.2024

(all amounts are in lei unless otherwise specified)

	Note	30/06/2024	31/12/2023
<b>Active:</b>			
<b>Fixed assets:</b>			
Tangible fixed assets	4.1.	436,090,416	449,424,138
Real estate investment	4.2.	34,792,593	34,577,131
Intangible fixed assets	5	7,669,650	8,348,064
Other receivables (Grants and settlements from joint ventures)	6	0	0
Other non-current assets	7	141,579	130,878
<b>Fixed assets - total</b>		<b>478,694,238</b>	<b>492,480,211</b>
<b>Current assets:</b>			
Stocks	9	101,102,739	112,607,657
Trade and other receivables	6	140,688,548	148,006,788
Other receivables (Grants and settlements from joint ventures)	6	2	1,734,143
Cash and cash equivalents	9	6,478,891	7,210,182
<b>Current assets - total</b>		<b>248,270,180</b>	<b>269,558,770</b>
<b>Total assets</b>		<b>726,964,418</b>	<b>762,038,981</b>
<b>Equity :</b>			
Issued capital	11	21,882,104	21,882,104
Share capital adjustments	11	-376,509	-376,509
Book	11	396,553,706	390,288,749
Reserve adjustment	11	23,150,986	23,150,986
Retained result	11	58,616,126	65,744,973
Current result	11	1,850,603	546,543
Minority interests	11	209,347	212,718
<b>Equity - total</b>		<b>501,886,363</b>	<b>501,449,564</b>
<b>Long-term debt :</b>			
Financial debts	12	70,206,345	87,777,093
Revenue in advance (advance revenue, subsidies)	13	31,045,479	32,821,952
Provisions	14	9,825,442	6,308,730
<b>Long-term liabilities - total</b>		<b>111,077,266</b>	<b>126,907,775</b>
<b>Current debts:</b>			
Financial debts	12	17,348,656	17,905,283
Trade and similar debts;	13	73,461,768	91,559,005
Other debts	13	16,550,803	15,847,314
Customer contract debts	13	1,246,602	3,505,877
Current tax liabilities	13	870,057	5,651
Revenue in advance (advance revenue, subsidies)	13	4,522,903	4,858,512
<b>Current liabilities - total</b>		<b>114,000,789</b>	<b>133,681,642</b>



<b>Total debts</b>	<b>225,078,055</b>	<b>260,589,417</b>
<b>Total equity and debt</b>	<b>726,964,418</b>	<b>762,038,981</b>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AT 30.06.2024**

(all amounts are in lei unless otherwise specified)

	<b>Note</b>	<b>30/06/2024</b>	<b>30/06/2023</b>
Revenues	15	356,539,344	406,264,113
Other revenue	15	4,692,392	6,867,966
<b>Total revenue</b>		<b>361,231,736</b>	<b>413,132,079</b>
Changes in stocks of finished goods and work in progress	16	-7,393,069	-13,603,973
Raw materials and consumables used	16	-205,964,737	-250,363,014
Expenditure on employee benefits	17	-90,864,572	-89,982,071
Amortization and depreciation expenses	16	-25,430,367	-24,374,303
Services provided by third parties	16	-16,695,286	-16,282,021
Other expenditure	16	-7,191,326	-5,638,030
<b>Total expenditure</b>		<b>-353,539,357</b>	<b>-400,243,412</b>
<b>Operating result</b>		<b>7,692,379</b>	<b>12,888,667</b>
Financial income	18	34,493	34,211
Financial expenses	18	-2,122,474	-2,289,824
Other financial gains/losses	18	-397,116	-485,490
<b>Net financing costs</b>		<b>-2,485,097</b>	<b>-2,741,103</b>
<b>Pre-tax profit</b>		<b>5,207,282</b>	<b>10,147,564</b>
<b>(Expenses) / Deferred corporate income tax revenues</b>	<b>10</b>	<b>-106,947</b>	<b>-406,695</b>
<b>Current income tax expense</b>	<b>10</b>	<b>-3,253,103</b>	<b>-1,374,340</b>
<b>Net profit for the period, of which:</b>		<b>1,847,232</b>	<b>8,366,529</b>
Attributable to non-controlling interests		-3,371	678
Attributable to the mother's cassette		1,850,603	8,363,696
<b>Other comprehensive income:</b>			
Of which, other comprehensive income that will not subsequently be reclassified to profit or loss:	10	124,645	112,919
<b>Other comprehensive income, net of tax</b>		<b>124,645</b>	<b>112,919</b>
<b>Total comprehensive result for the year, of which:</b>		<b>1,971,877</b>	<b>8,479,448</b>
Attributable to non-controlling interests		-3,371	2,833
Attributable to the mother's cassette		1,975,248	8,476,614
<b>Non-consolidated result per basic / diluted share</b>		<b>0.0085</b>	<b>0.0382</b>

## CONSOLIDATED REPORT S1 - 2023



### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30.06.2024

Equity component	Share capital	Share capital adjustments	Losses related to own shares	Legal reserves	Legal reserve adjustments	Revaluation reserves	Other reserves	Adjustments to other reserves	Retained result	Total attributable to shareholders of a company	Non-controlling interests	Total
<b>Balance at 01.01.2023</b>	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	299,186,107	471,920	68,255,568	500,946,902	211,110	501,158,012
<b>Profit for the year</b>									546,543	546,543	1,608	548,151
<b>Other comprehensive income, of which:</b>	0	0	0	0	0	0	244,176	0	0	244,176		244,176
Income tax related to other comprehensive income							244,176	0		244,176		244,176
<b>Transactions with shareholders recognized directly in equity, of which:</b>	0	0	0	0	0	0	4,856,302	0	-5,357,077	-500,775	0	-500,775
Distribution of free shares									0	0		0
Profit distribution							4,856,302		-5,357,077	-500,775		-500,775
<b>Balance at 31.12.2023</b>	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	304,286,585	471,920	63,445,034	501,236,846	212,718	501,449,564

Equity component	Share capital	Share capital adjustments	Losses related to own shares	Legal reserves	Legal reserve adjustments	Revaluation reserves	Other reserves	Adjustments to other reserves	Retained result	Total attributable to shareholders of a company	Non-controlling interests	Total
<b>Balance at 01.01.2024</b>	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	304,286,585	471,920	63,445,034	501,236,846	212,718	501,449,564
<b>Profit for the year</b>									1,850,603	1,850,603	-3,371	1,847,232
<b>Other comprehensive income, of which:</b>	0	0	0	0	0	0	124,645	0	0	124,645		124,645
Income tax related to other comprehensive income							124,645			124,645		124,645
<b>Transactions with shareholders recognized directly in equity, of which:</b>	0	0	0	0	0	0	3,293,830	0	-4,828,908	-1,535,078	0	-1,535,078
Profit distribution							3,293,830		-4,828,908	-1,535,078		-1,535,078
<b>Balance at 30.06.2024</b>	21,882,104	-376,509	0	4,957,516	22,679,066	83,891,130	307,705,060	471,920	60,466,729	501,677,016	209,347	501,886,363

(all amounts are in lei unless otherwise specified)



**CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 30.06.2024**

(all amounts are in lei unless otherwise specified)

Explanations	30/06/2024	30/06/2023
<b>Cash flows from operating activities:</b>		
Pre-tax profit	5,207,282	10,147,563
Expenses related to amortization and depreciation of fixed assets	25,919,120	24,087,121
(Increases) / Decreases in stocks	11,504,918	18,639,730
(Cresteri) / Descresteri creant	9,041,680	-8,256,244
Increases/ (Decreases in debt)	-18,788,617	1,447,693
Adjust other non-monetary items	-1,247,970	-681,378
<b>Net cash generated from operating activities</b>	<b>31,636,413</b>	<b>45,384,485</b>
<b>Cash flows from investing activities:</b>		
Acquisitions of tangible fixed assets and real estate investments	-11,841,297	-28,766,494
Acquisitions of intangible fixed assets	-297,360	-487,493
<b>Net cash generated from investing activities</b>	<b>-12,138,657</b>	<b>-29,253,987</b>
<b>Cash flows from financial activity</b>		
(Increases) / Decreases bank loans	-18,127,375	-13,251,432
Interest payments	-2,101,672	-2,289,824
<b>Net cash generated from financial activity</b>	<b>-20,229,047</b>	<b>-15,541,256</b>
<b>Net cash generated from total activity</b>	<b>-731,291</b>	<b>589,242</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>7,210,182</b>	<b>10,452,249</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>6,478,891</b>	<b>11,041,491</b>

**EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT AT 30.06.2024**

(all amounts are in lei unless otherwise specified)

**1. GENERAL INFORMATION**

COMP A is a joint-stock company, with headquarters in Sibiu, str, Henri Coandă nr,8, CP 550234.

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

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

**Form of company ownership**

The company COMP A 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, symbol CMP.

**Evolution of the Group**

1296/13.12.1990 the company became S.C.COMPA S.A., originating from Intreprinderea de Piese Auto Sibiu (I.P.A.Sibiu). Sibiu was established in 1969 through the merger of two units: Uzina Elastic and Uzina Automecanica Sibiu.

Since 1991. COMP A was organized into factories/workshops. constituted by product families as cost centres.



which over time became profit centres. with the aim of decentralization and facilitating the formation of joint ventures.

The financial investments of COMPA S.A. in its capacity as parent company. representing equity investments held in shares or equity interests in commercial entities are shown in the table below:

Company in which the securities are held	Head office	Value of securities held by COMPA	% in share capital
COMPA I.T. SRL	8 Henri Coandă Str. Sibiu	200,000	100,00
TRANS .C.C.A.S. SRL	12 Henri Coandă Street, Sibiu	742,500	99,00
RECASERV SRL	Str.Henri Coandă nr.51. Sibiu	70,000	70,00
ARINI HOSPITALITY SRL	8 Henri Coanda Str. Sibiu	23,203,000	100,00
<b>TOTAL</b>		<b>24,215,500</b>	

The COMPA Group was managed by a Board of Directors composed of:

- Deac Ioan - President and Managing Director,
- Dumitrescu Mihaela - CA vice-president and Economic Director
- Maxim Mircea-Florin - CA member
- Balteş Nicolae - CA member
- Neacşu Vlad Nicolae- CA member

## 2. THE BASIS FOR DRAWING UP

### Declaration of conformity

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

The Group has adopted IFRS reporting starting with the 2012 financial statements.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Group are those disclosed in the Financial Statements for the year ended 31.12.202 and have not changed during the interim reporting period.

### 4.1. TANGIBLE FIXED ASSETS

The evolution of tangible fixed assets from January 1, 2024 to June 30, 2024 is as follows:

Explanations	30/06/2024	01/01/2024
Land	52,983,700	52,983,700
Construction	168,372,290	149,936,975
Equipment and vehicles	202,751,777	213,896,469
Other tangible fixed assets	4,109,570	3,773,910
Tangible fixed assets in progress	7,873,079	28,833,084
<b>Total</b>	<b>436,090,416</b>	<b>449,424,138</b>

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

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



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

There have been no transfers between the level at which the fair value measurements are classified during 2024, Depreciation of all property and equipment is determined using the straight-line method.

Fixed assets have been written down through depreciation, sale and disposal.

**4.2. REAL ESTATE INVESTMENTS**

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

<b>Explanations</b>	<b>30/06/2024</b>	<b>01/01/2024</b>
Real estate investment	34,170,993	34,350,988
Real estate investments in progress	441,600	226,143
<b>Total</b>	<b>34,612,593</b>	<b>34,577,131</b>

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

Fixed assets were reduced in 2024 through amortization, sale and disposal.

**5. INTANGIBLE FIXED ASSETS**

The evolution of intangible fixed assets was as follows:

<b>Explanations</b>	<b>30/06/2024</b>	<b>01/01/2024</b>
Formation expenses	58,484	76,953
Research and development expenditure	3,142,638	3,326,980
Computer programs and software licenses	4,468,528	4,944,131
<b>Total</b>	<b>7,669,650</b>	<b>8,348,064</b>

**6. TRADE AND OTHER RECEIVABLES**

Other receivables held by the Group are as follows:

<b>Explanations</b>	<b>30/06/2024</b>	<b>01/01/2024</b>
Commercial creditor	135,483,758	136,639,188
Advances paid to suppliers	846,636	4,985,506
Claims related to staff	33,728	23,845
Claims related to the consolidated state and local budget	2,386,551	4,216,761
Sundry debtors	58,232	507,816
Advance expenses	1,879,643	1,633,672
Subsidies receivable (European funds projects, subsidies for personnel expenses)	2	1,734,143
<b>Total</b>	<b>140,688,550</b>	<b>149,740,931</b>

The Group's commercial policy requires the recording of impairment adjustments for receivables exceeding 365 days, except for those receivables due from partners to which the Company is itself a debtor, which are approximately as old as the uncollected receivables.

The foreign currency receivables are valued in lei at the official exchange rate of the NBR on 30.06.2024.



**7. OTHER NON-CURRENT RECEIVABLES**

Non-current receivables held by the Group are as follows:

Explanations	30/06/2024	01/01/2024
VAMA guarantee for customs clearance at home	103,000	103,000
Other guarantees	38,579	27,878
<b>Total other assets</b>	<b>141,579</b>	<b>130,878</b>

**8. STOCKS**

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

Explanations	30/06/2024	01/01/2024
Raw materials	35,884,393	38,964,266
Materials and packaging	19,552,768	20,537,854
Semi-finished products and work in progress	30,419,754	29,127,422
Finished products and goods	15,245,824	23,978,115
<b>Total</b>	<b>101,102,739</b>	<b>112,607,657</b>

**9. CASH AND CASH EQUIVALENTS**

Explanations	30/06/2024	01/01/2024
Bank accounts in RON	4,155,202	4,185,682
Currency bank accounts	2,235,126	2,905,100
Cash equivalent	121	121
House in RON	59,211	76,489
Currency House	29,231	42,790
<b>Total</b>	<b>6,478,891</b>	<b>7,210,182</b>

The Group holds accounts in lei and foreign currency with the following banking institutions: BRD GROUP SOCIETE GENERALE, ING BANK, TREZORERIE, BANCA TRANSILVANIA.

**10. CORPORATE TAX**

The Group's current income tax is determined on the basis of statutory profit adjusted for non-deductible expenses and non-taxable income at a rate of 16% for 6 months 2024 and 6 months 2023.

Explanations	30/06/2024	30/06/2023
The hassle with current corporate income tax	-1,352,516	-1,364,798
The micro-business income tax squeeze	0	-9,542
Minimum turnover tax expense	-1,900,587	
Cheituiala/ deferred income tax payments	-106,947	-406,695
<b>Total</b>	<b>-3,360,050</b>	<b>-1,781,035</b>



**11. EQUITY**

The shareholding structure as of 30.06.2024 is as follows:

Explanations	No. Actions	% of total share capital
Romanian and foreign shareholders (legal entities)	58,420,308	26.70%
Romanian and foreign shareholders (individuals)	160,400,730	73.30%
<b>Total number of shares</b>	<b>218,821,038</b>	<b>100.00%</b>

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	30/06/2024	01/01/2024
Subscribed and paid-in capital	21,882,104	21,882,104
Own shares	-376,509	-376,509
Revaluation reserves	83,891,130	83,891,130
Legal reserves	4,957,516	4,957,516
Legal reserve adjustment	22,679,066	22,679,066
Other reserves	307,705,060	304,286,585
Adjust other reserves	471,920	471,920
Current profit	1,850,603	546,543
Profit distribution	0	-2,846,482
Result carried forward	58,616,126	65,744,973
Minority interests	209,347	212,718
<b>Total</b>	<b>501,886,363</b>	<b>501,449,564</b>

**12. FINANCIAL DEBTS**

Long and short-term financial liabilities are as follows:

Credit institution	Loan type	30/06/2024	01/01/2024
BRD GROUP SOCIETE GENERALE-ROMANIA	Production credit line	4,744,912	236,790
BRD GROUP SOCIETE GENERALE-ROMANIA	Investment credit	13,132,411	16,876,044
ING BANK-SIBIU	Production credit line	5,255,074	2,655,995
ING BANK-SIBIU	Production credit line		16,228,016
ING BANK-SIBIU	Investment credit	13,727,822	17,151,161
BANCA TRANSILVANIA SIBIU	Investment credit	42,305,339	43,030,279



BANCA TRANSILVANIA SIBIU	Investment credit	7,565,472	5,900,590
BANCA TRANSILVANIA SIBIU	Credit bridge state aid	0	1,156,682
BANCA TRANSILVANIA SIBIU	VAT credit	0	1,481,065
BANCA TRANSILVANIA SIBIU	Current activity credit line		
IMPULS-Leasing Romania I.F.N. SA	Financial leasing contracts	823,971	965,754
<b>Total</b>		<b>87,555,001</b>	<b>105,682,376</b>

Financial liabilities denominated in foreign currency are valued in lei at the official exchange rate of the NBR on 30.06.2024.

### 13. TRADE AND OTHER DEBTS

The situation of trade and other payables is as follows:

Explanations	30/06/2024	01/01/2024
Suppliers	72,976,128	90,985,267
Advances received from customers	485,640	573,738
Customer contract debts	1,246,602	3,505,877
Staff-related debts	7,426,472	6,839,020
Debts to the consolidated general state and local budgets	8,645,235	8,588,119
Current income tax liabilities	870,057	5,651
Dividend payments	492,047	403,601
Sundry creditors	1,432	16,574
Advance income	671,680	737,173
Subsidies for investments from AMPOSDRU and AMPOSCEE contracts	34,880,493	36,937,348
Inventory gains on fixed assets	1,826	5,943
<b>Total</b>	<b>127,697,612</b>	<b>148,598,311</b>

Foreign currency liabilities are valued in lei at the official exchange rate of the NBR on 30.06.2024.

### 14. PROVIZIOANE

Explanations	Provisions for guarantees given to customers	Provisions for employee benefits	Other provisions	Total provisions
<b>01/01/2024</b>	<b>26,945</b>	<b>4,166,771</b>	<b>2,115,014</b>	<b>6,308,730</b>
provisions set aside 6 months 2024	0	3,163,164	1,536,447	<b>4,699,611</b>
provisions reversed 6 months 2024	0	0	-1,182,899	<b>-1,182,899</b>
<b>30/06/2024</b>	<b>26,945</b>	<b>7,329,935</b>	<b>2,468,562</b>	<b>9,825,442</b>





**15. REVENUES AND BUSINESS SEGMENTS**

The structure of the revenues realized by the Group is as follows:

Explanations	30/06/2024	30/06/2023
<b>Total turnover, of which:</b>	<b>356,539,344</b>	<b>406,264,113</b>
Revenue from sales of finished products	337,470,119	397,023,770
Income from the provision of services	9,244,772	3,384,111
Revenue from the sale of goods	6,513,896	5,098,448
Income from other activities (rents, sales of materials, waste, semi-finished products, packaging)	3,310,557	444,503
Income from grants related to turnover (projects and partnership contracts AMPOSDRU projects)		313,281
<b>Other operating income</b>	<b>4,692,392</b>	<b>6,867,966</b>
<b>Total operating income</b>	<b>361,231,736</b>	<b>413,132,079</b>

Other operating income consists of :

Explanations	30/06/2024	30/06/2023
Income from production of fixed assets	2,285,974	3,529,684
Income from grants for investments (projects and partnership contracts AMPOSDRU and AMPOSCEE projects)	2,042,471	1,845,507
Other operating income	363,947	1,492,775
<b>Total Other operating income</b>	<b>4,692,392</b>	<b>6,867,966</b>

**Activity segments**

The Group's management regularly evaluates the Group's activity in order to identify the business segments for which separate information should be reported.

The Group carries out its activity in Romania, The Group's revenues presented above are entirely attributable to the country of domicile.

Non-current assets other than financial instruments, deferred tax receivables, post-employment benefit receivables and rights arising from insurance contracts are located entirely in Romania, the Group has no such non-current assets located in other countries.

**16. EXPENDITURE BY NATURE**

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

Explanations	30/06/2024	30/06/2023
Different stock	7,393,069	13,603,973
Material expenses	188,235,689	226,981,123
Energy and water expenditure	17,729,048	23,381,891
Expenditure on employee benefits	90,864,572	89,982,071
Value adjustments on fixed assets	25,919,120	24,087,121



Value adjustments on current assets	-488,753	287,182
Expenditure on services provided by third parties	16,695,286	16,282,021
Expenditure on other taxes, duties and similar charges	2,733,244	2,623,432
Other operating expenditure	4,458,082	3,014,598
<b>Total operating expenditure</b>	<b>353,539,357</b>	<b>400,243,412</b>

**17. EXPENDITURE ON EMPLOYEE BENEFITS**

Employee benefit expense includes salaries, wages, benefits and social security contributions, Short-term employee benefits are recognized as an expense as services are rendered.

Explanations	30/06/2024	30/06/2023
Salaries and allowances	89,000,634	87,768,383
Insurance and social protection expenditure	1,863,938	2,213,688
<b>Total</b>	<b>90,864,572</b>	<b>89,982,071</b>

**18. FINANCIAL LOSSES (GAINS)**

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

Explanations	30/06/2024	30/06/2023
Foreign exchange gains related to monetary items denominated in foreign currency	-257,267	-313,697
Interest losses	-2,087,981	-2,255,614
Other financial gains	-139,849	-171,792
<b>Total losses / gains</b>	<b>-2,485,097</b>	<b>-2,741,103</b>

**19. EARNINGS PER SHARE**

Explanations	30/06/2024	30/06/2023
Number of actions at the beginning of the year	218,821,038	218,821,038
Number of shares At the end of the period	218,821,038	218,821,038
<b>Net income</b>	<b>1,847,232</b>	<b>8,366,529</b>
<b>Basic / diluted earnings per share (in RON per share):</b>	<b>0.0084</b>	<b>0.0382</b>

In 2022, following the repurchase of own shares and the distribution of 6,060,000 shares to employees free of charge, a total of 444,153 shares remained undistributed. These shares have no voting rights and no dividend rights.

Also, a total of 649,100 shares, with a nominal value of 64,910 lei, are held by the affiliated company Recaserv SRL, as a result of which these shares do not have voting rights and dividend rights.



The earnings per share calculation for sem. I 2024 and sem.I 2023 can be summarized as follows:

Explanations	30/06/2024	30/06/2023
Total number of shares	218,821,038	218,821,038
Non-voting shares and dividends	-1,093,253	-7,153,253
Number of shares with voting and dividend rights at the end of the period	217,727,785	211,667,785
<b>Net income</b>	<b>1,847,232</b>	<b>8,366,529</b>
<b>Earnings per voting share and dividend rights (in RON per share) basic / diluted:</b>	<b>0.0085</b>	<b>0.0395</b>

**20. AFFILIATED PARTIES**

The affiliated entities of COMPA SA are the following:

Affiliated parties	% holding	Holding value	Object of activity
COMPA IT SRL	100.00	200,000	Custom software development activities
TRANS CAS SRL	99.00	742,500	Road haulage
RECASERV SRL	70.00	70,000	Catering activities for events
ARINI HOSPITALITY SRL	100.00	23,203,000	Hotels and similar accommodation

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

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

Explanations	30/06/2024			30/06/2023			
	THE COMPANY IN WHICH THE SECURITIES ARE HELD	LOAN TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES	LOAN TO AFFILIATES	PURCHASES OF GOODS AND SERVICES	SALES OF GOODS AND SERVICES
TRANSCAS S.R.L.			4,590,144	235,244	0	7,748,968	323,597
COMPA IT S.R.L.			1,685,992	61,498	0	1,696,797	52,701
RECASERV S.R.L.			1,167,327	24,049	0	966,088	24,049
ARINI HOSPITALITY S.R.L.		4,998,815	7746	220,568	3,753,873	0	170,328

The mutual debts and receivables recorded at 30.06.2024 and 30.06.2023 are as follows:

Receivables receivable by COMPA SA from:

Explanations	30/06/2024	30/06/2023
TRANSCAS S.R.L.	76,955	76,604
COMPA IT S.R.L.	6,715	12,819



RECASERV S.R.L.	7,378	7,378
ARINI HOSPITALITY S.R.L.	5,072,890	3,753,873

**Debts to be paid by COMPASS SA to:**

Explanations	30/06/2024	30/06/2023
TRANSCAS S.R.L.	1,869,205	2,928,448
COMPASS IT S.R.L.	829,668	678,300
RECASERV S.R.L.	559,541	497,136

**List of Group administrators**

NAME AND SURNAME	FUNCTIA
DEAC Ioan	Administrator Chairman of the Board / Director General
DUMITRESCU Mihaela	Administrator Vice-Chairman of the Board of Directors/Economic Director
MAXIM Mircea Florin	Administrator
BALTEȘ Nicolae	Administrator/Chairman of the Audit Board
NEACȘU Vlad- Nicolae	Administrator/Audit Committee Member

**On behalf of the Management Board,**

**Chairman of the Board/Director General**

**Ioan DEAC**

**, Vice-Chairman of the Board/Economic Director**

**Mihaela DUMITRESCU**