

A background image of an industrial factory floor. In the foreground, there are several yellow robotic arms (KUKA) positioned over a conveyor belt. In the background, there are stacks of grey bricks. A large yellow triangle is in the top right corner.

BSE REPORT

1st Quarter Results 2022

A close-up photograph of numerous stacks of red bricks, arranged in neat rows on a wooden pallet. The bricks are a vibrant red color and have a textured surface.

3 Month Performance 2022

- ☑ **24.54 million lei operational profit (EBITDA)**
- ☑ **Net Turnover: 57.80 million lei (11.6 million Euros)**
- ☑ **Net Profit: 16.51 million lei**

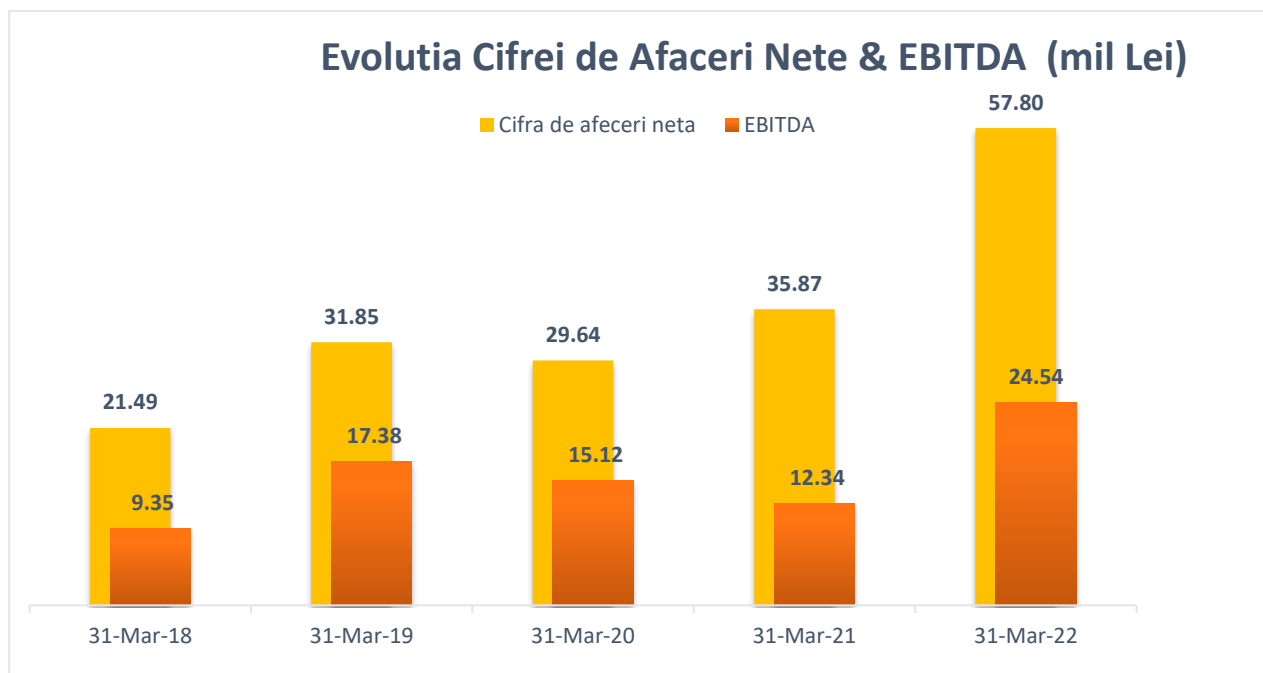
General Manager Statement

The beginning of 2022 comes as an important confirmation of the strategic decision taken a few years ago. We are impressed by the impact that the implementation of a cogeneration plant within the industrial platform we have in Sălaj County has brought to CEMACON. This has led to a significant optimization of energy consumption and costs, with the cogeneration plant replacing 100% of the methane gas consumption of the burners related to the ceramic block dryer and approximately 60% of the factory's electricity consumption. And at the same time, the carbon footprint was reduced by 2,700 tons of CO₂ / year, representing the equivalent of the annual emissions of 900 houses in Sălaj.

We will reinvest most of our profits in what will soon prove to be a benchmark for industrial production in terms of energy efficiency and renewable energy standards in line with the EU's green strategy. This is a new factory for the production of cladding elements for facades, an investment of over 12 million euros that CEMACON started last year.

Analyzing the financial data we are satisfied to see a doubling of production volumes in the last 5 years and we are pleased that the market for construction materials is constantly growing, despite the many challenges we face nationally and internationally. It is a positive signal for the Romanian economy and for those eager to invest and develop sustainably locally.

Profit and loss Account – 3 Months Results 2022



The turnover corresponding to Quarter 1 is worth 57.80 million lei.

The operational activity was carried out normally, without interruptions, which was also seen in the company's results for the first quarter.

Expenditure on raw materials and materials as well as operating expenses increased significantly compared to the same period in 2021, due to the increase in purchase prices, a general increase in the market, which has a direct impact on the cost of production.

The main difference related to other operating expenses is generated both by energy and gas expenses, which are marked by significant increases in purchase prices, and by certificates for greenhouse gas emissions, which remain at the threshold of 90 eur / piece compared with the first quarter of 2021 when they were trading at the price of 30 eur / piece.

For the period ended March 31, 2022 CEMACON has an operating profit of 24,545,301 lei and a net profit of 16,518,675 lei.

Profit and loss Account – 3 Months Results 2022

	31-Mar-22	31-Mar-21	2022 vs 2021	2022 vs 2021
	LEI	LEI	LEI	%
Gross Turnover	61,331,140	38,287,790	23,043,350	60%
Net Turnover	57,796,964	35,870,629	21,926,335	61%
Sales revenues	57,791,771	35,870,629	21,921,142	61%
Other operating revenues	80,902	51,685	29,218	57%
Other gains and losses	444,403	(532,806)	977,209	-183%
Change in inventories of FG & WIP	1,492,183	(256,597)	1,748,780	-682%
Raw materials and consumables	(9,064,364)	(6,034,811)	(3,029,553)	50%
Personnel expenses	(8,309,545)	(7,511,451)	(798,094)	11%
Other operating expenses	(18,762,697)	(9,958,384)	(8,804,313)	88%
EBITDA	24,545,301	12,348,656	12,196,646	99%
Depreciation and amortization expenses	(3,418,997)	(3,020,971)	(398,026)	13%
Income impairment of assets	-	-	-	0%
EBIT	20,253,657	8,607,294	11,646,363	135%
Financial income	89,921	454,491	(364,569)	-80%
Financial expenses	(176,235)	(569,454)	393,219	-69%
Financial result	(86,314)	(114,965)	28,650	-25%
Profit before tax*	20,167,344	8,492,331	11,675,013	137%
Income tax expenses	(3,648,669)	(1,309,052)	(2,339,617)	179%
Profit after tax	16,518,675	7,183,279	9,335,396	130%
Total other elements of other comprehensive income	-	-	-	0%
Comprehensive income total	16,518,675	7,183,279	9,335,396	130%

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

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

Statement of financial position – Results 31 March 2022

	31-Mar-22	31-Dec-21	2022 vs 2021	2022 vs 2021
	LEI	LEI	LEI	%
NON-CURRENT ASSETS				
Property, plant and equipment	154,564,852	156,211,126	(1,646,274)	-1%
Investment property	8,885,960	8,885,960	-	0%
Intangible	1,382,345	1,555,775	(173,430)	-11%
Rights of use assets	18,050,325	18,496,866	(446,541)	-2%
Investments	1,000	1,000	-	0%
Other non-current assets	415,730	411,127	4,603	1%
NON-CURRENT ASSETS TOTAL	183,300,211	185,561,854	(2,261,643)	-1%
CURRENT ASSETS				
Inventories	13,792,322	13,075,236	717,086	5%
Trade and other receivables	24,668,587	17,064,942	7,603,645	45%
Other assets	4,320,229	11,330,612	(7,010,383)	-62%
Cash and cash equivalents	94,552,128	84,223,350	10,328,778	12%
CURRENT ASSETS TOTAL	137,333,265	125,694,140	11,639,125	9%
TOTAL ASSETS	320,633,477	311,255,994	9,377,483	3%
CURRENT LIABILITIES				
Trade and other payables	25,706,951	35,223,687	(9,516,736)	-27%
Lease liabilities	658,806	645,008	13,798	2%
Obligations under finance leases	1,920,732	2,088,135	(167,403)	-8%
Grants received	616,906	621,092	(4,186)	-1%
Tax liability	4,624,359	975,690	3,648,669	374%
Provisions	12,158,640	11,096,948	1,061,692	10%
CURRENT LIABILITIES TOTAL	45,686,395	50,650,560	(4,964,165)	-10%
NON-CURRENT LIABILITIES				
Non-current trade and other liabilities	-	-	-	0%
Lease liabilities	5,240,775	5,329,619	(88,844)	-2%
Obligations under finance leases	3,830,519	4,259,133	(428,614)	-10%
Grants received	6,732,057	6,885,531	(153,474)	-2%
Deferred tax	3,756,047	3,756,047	-	0%
Provisions	1,274,453	2,780,548	(1,506,095)	-54%
NON-CURRENT LIABILITIES TOTAL	20,833,851	23,010,878	(2,177,027)	-9%
TOTAL LIABILITIES	66,520,245	73,661,439	(7,141,194)	-10%

	31-Mar-22	31-Dec-21	2022 vs 2021	2022 vs 2021
	LEI	LEI	LEI	%
NET ASSETS	254,113,230	237,594,557	16,518,673	7%
EQUITY				
Issued capital as per IFRS	59,779,702	59,779,702	-	0%
TOTAL EQUITY	254,113,230	237,594,556	16,518,674	7%

Current assets increased by 9% compared to the end of 2021.

Receivables increased by 45% as a result of the commercial activity carried out during the period (sales by 61% higher than in the similar period of the previous year). Cash and cash equivalents increased by 12% to 94,552,128 lei.

At the level of debts, there is a decrease of 10%, mainly due to the area of commercial debts.

At the end of the period ended March 31, 2022, the company's net assets register an increase of 7% compared to the end of 2021, exceeding the amount of 254 million lei.

Main Financial Ratios

Main Financial Ratios	31-Mar-22
1. Current liquidity indicator	3.01
2. Leverage indicator	0%
3. Turnover speed for client debit items (days)	31
4. Turnover speed for total assets	33%

The report, together with the related documents, can be consulted starting with **16 May 2022 at 18:00** at the company headquarters on Calea Turzii Street, no. 178K, Hexagon Offices, Cluj-Napoca or electronically on the company's website: www.cemacon.ro and on the Bucharest Stock Exchange website: www.bvb.ro

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

CEMACON SA ranks second in the top of masonry manufacturers in Romania and is the market leader in Transylvania.

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

Cluj Napoca, 16th of May

INDIVIDUAL FINANCIAL STATEMENTS UNAUDITED FOR THE PERIOD ENDED 31st March 2022

Prepared according to International Reporting Standards



CEMACON

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

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CEMACON SA

**Situatia individuală a pozitiei financiare (Standalone Statement of financial position)
pentru perioada incheiata la 31 Martie 2022 (for the period ended 31 March 2022)**

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

	Notes	31-Mar-22	31-Dec-21
		LEI	LEI
ACTIVE (ASSETS)			
ACTIVE IMOBILIZATE			
NON-CURRENT ASSETS			
Imobilizari corporale <i>Property, plant and equipment</i>		154.564.852	156.211.126
Investitii imobiliare <i>Investment property</i>		8.885.960	8.885.960
Imobilizari necorporale <i>Intangible</i>		1.382.345	1.555.775
Drept de utilizare a activelor in leasing* <i>Right of use assets</i>		18.050.325	18.496.866
Investitii in actiuni <i>Investments</i>		1.000	1.000
Alte active imobilizate <i>Other non-current assets</i>		415.730	411.127
		183.300.211	185.561.854
ACTIVE CIRCULANTE			
CURRENT ASSETS			
Stocuri <i>Inventories</i>	9	13.792.322	13.075.236
Creante comerciale si similare <i>Trade and other receivables</i>	10	24.668.587	17.064.942
Alte active financiare <i>Other financial assets</i>		-	-
Alte active <i>Other assets</i>		4.320.229	11.330.612
Numerar si echivalente numerar <i>Cash and cash equivalents</i>	14	94.552.128	84.223.350
		137.333.265	125.694.140
Active clasificate drept detinute în vederea vânzării <i>Assets classified as held for sale</i>		-	-
		320.633.477	311.255.994
DATORII (LIABILITIES)			
DATORII CURENTE			
CURRENT LIABILITIES			
Datorii comerciale si similare <i>Trade and other payables</i>	11	25.706.951	35.223.687
Imprumuturi <i>Loans and borrowings</i>		-	-
Datorii din operatiuni de leasing* <i>Lease liabilities</i>		658.806	645.008
Obligatii din leasing financiar** <i>Obligations under finance leases</i>		1.920.732	2.088.135
Subventii pentru investitii <i>Grants received</i>		616.906	621.092
Datorii privind impozitul pe profit <i>Tax liability</i>		4.624.359	975.690
Provizioane <i>Provisions</i>		12.158.640	11.096.948
		45.686.395	50.650.560

CEMACON SA

**Situatia individuală a pozitiei financiare (Standalone Statement of financial position)
pentru perioada incheiata la 31 Martie 2022 (for the period ended 31 March 2022)**

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

	Notes	31-Mar-22	31-Dec-21
		<i>LEI</i>	<i>LEI</i>
DATORII PE TERMEN LUNG			
NON-CURRENT LIABILITIES			
Datorii comerciale si similare	11	-	-
<i>Non-current trade and other liabilities</i>			
Imprumuturi		-	-
<i>Loans and borrowings</i>			
Datorii din operatiuni de leasing*		5.240.775	5.329.619
<i>Lease liabilities</i>			
Obligatii din leasing financiar**		3.830.519	4.259.133
<i>Obligations under finance leases</i>			
Subventii pentru investitii		6.732.057	6.885.531
<i>Grants received</i>			
Impozit amanat		3.756.047	3.756.047
<i>Deferred tax</i>			
Provizioane		1.274.453	2.780.548
<i>Provisions</i>			
		20.833.851	23.010.878
TOTAL DATORII (TOTAL LIABILITIES)		66.520.246	73.661.438
		254.113.230	237.594.556
ACTIVE NETE (NET ASSETS)			
CAPITAL SI REZERVE (EQUITY)			
Capital social	12	59,779,702	59,779,702
<i>Issued capital</i>			
Beneficii acordate angajatilor in instrumente de capitaluri proprii		-	-
<i>Benefits granted to employees in equity instruments</i>			
Impozit profit amanat		(3.603.372)	(3.603.372)
<i>Deffered Tax</i>			
Actiuni proprii		-	-
<i>Own Shares</i>			
Prime legate de emiterea de actiuni		253,004	253,004
<i>Share premium</i>			
Rezerve din reevaluare aferente active destinate vanzarii		-	-
Amounts recognised in other comprehensive income and accumulated in equity relating to non-current assets held for sale			
Rezerve		75.157.573	74.475.423
<i>Reserves</i>			
Rezultat reportat		122.526.324	106.689.799
<i>Retained earnings</i>			
Interesele care nu controleaza		-	-
<i>Non-controlling interest</i>			
TOTAL CAPITALURI (TOTAL EQUITY)		254.113.230	237.594.556

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**Situatia individuală a rezultatului global (Standalone Statement of comprehensive income)
pentru perioada incheiata la 31 Martie 2022 (for the period ended 31 March 2022)**

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

	Notes	31-Mar-22	31-Mar-21
		<i>LEI</i>	<i>LEI</i>
Venituri din vanzari	4	57.791.771	35.870.629
<i>Sales revenues</i>			
Alte venituri din exploatare	5	80.902	51.685
<i>Other operating revenues</i>			
Alte castiguri si pierderi	5	444.403	(532.806)
<i>Other gains and losses</i>			
Variatia stocurilor		1.492.183	(256.597)
<i>Change in inventories of FG & WiP</i>			
Materii prime si consumabile	9	(9.064.364)	(6.034.811)
<i>Raw material and consumables used</i>			
Cheltuieli de personal		(8.309.545)	(7.511.451)
<i>Personnel Expenses</i>			
Cheltuieli cu amortizarea		(3.418.997)	(3.020.971)
<i>Depreciation and amortisation expenses</i>			
Alte cheltuieli din exploatare	6	(18.762.697)	(9.958.384)
<i>Other operating expenses</i>			
Profit / (Pierdere) din exploatare		20.253.657	8.607.294
<i>Profit / (Loss) from operation</i>			
Venituri financiare	8	89.921	454.491
<i>Financial income</i>			
Cheltuieli financiare	8	(176.235)	(569.454)
<i>Financial expenses</i>			
Rezultat Financiar		(86.314)	(114.965)
<i>Financial Result</i>			
Profit / (Pierdere) inainte de impozitare		20.167.344	8,492,331
<i>Profit before tax</i>			
Cheltuieli cu impozite		(3.648.669)	(1.309.052)
Profit		16.518.675	7.183.279
<i>Profit after tax</i>			

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**Situatia individuală a fluxului de numerar (Standalone Statement of cash flow)
pentru perioada incheiata la 31 Martie 2022 (for the period ended 31 March 2022)**

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

	31-Mar-22	31-Mar-21
	<i>LEI</i>	<i>LEI</i>
Fluxuri din activitati de exploatare		
Cash flow from operating activities		
Incasari de la clienti	66.594.205	38.190.957
<i>Customer encashments</i>		
Plati catre furnizori	(29.849.564)	(16.172.154)
<i>Supplier payments</i>		
Plati catre angajati	(6.297.430)	(5.664.502)
<i>Payments to employees</i>		
Plati impozite si taxe	(7.691.310)	(3.463.333)
<i>Tax Payments</i>		
Impozit pe profit platit	-	(159.374)
<i>Income Tax Paid</i>		
Incasari din asigurari	8.047	-
<i>Insurance encashments</i>		
Plati de asigurari	(137.508)	(157.120)
<i>Insurance payments</i>		
Dobanzi platite	-	(299.905)
<i>Interest Paid</i>		
Alte incasari	-	74.784
<i>Other Encashments</i>		
Alte plati	-	-
<i>Other Payments</i>		
Plati ctr leasing pe termen scurt si active de val. mica	(30.531)	(20.237)
<i>Payments for short term leasing contracts and low value assets</i>		
Trezoreria neta din activitati de exploatare	22.595.909	12.329.116
Cash from operating activities		
Fluxuri de trezorerie din activitati de investitii		
Cash flow from investing activities		
Plati pentru achizitionarea de actiuni	-	-
<i>Payments for acquiring shares</i>		
Plati pentru achizitionarea de imobilizari corporale	(11.250.643)	(3.075.563)
<i>Payments for acquiring assets</i>		
Incasari din vanzarea de imobilizari corporale	-	37.669
<i>Encashments from sold assets</i>		
Dobanzi incasate	84.019	91.164
<i>Encashments from interest</i>		
Credite catre parti afiliate	-	-
<i>Loans to affiliated parties</i>		
Alte incasari- subventii pentru investitii	-	-
<i>Others Encashments</i>		
Dividende incasate	-	2.894.464
<i>Encashments from dividends</i>		
Trezoreria neta din activitati de investitie	(11.166.624)	(52.266)
Cash from investing activities		

CEMACON SA

**Situatia individuală a fluxului de numerar (Standalone Statement of cash flow)
pentru perioada incheiata la 31 Martie 2022 (for the period ended 31 March 2022)**

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

	31-Mar-22	31-Mar-21
	<i>LEI</i>	<i>LEI</i>
Fluxuri de trezorerie din activitati de finantare		
Cash flow from financing activities		
Incasari din aport de capital	-	-
<i>Encashments from share capital increase</i>		
Incasari din imprumuturi	-	-
<i>Encashments from loans</i>		
Plata datoriilor aferente leasing-ului financiar-capital	(901.244)	(1.088.478)
<i>Payments for financial lease</i>		
Plata datoriilor aferente leasing-ului financiar-dobanda	(176.233)	(205.204)
<i>Payments for financial lease-interest</i>		
Rambursari credite	-	(31.531.035)
<i>Dividends paid and bank interest paid</i>		
Incasari garantie achizitionare actiuni	-	-
<i>Encashments from share purchase</i>		
Plata garantie achizitionare actiuni	-	-
<i>Payment for share purchase</i>		
Trezoreria neta din activitati de finantare	(1.077.477)	(32.824.717)
Cash from financing activities		
Efectul diferentelor de curs	(23.030)	5.973
<i>Effect of exchange rate changes</i>		
Crestere /scadere neta de numerar	10.328.778	(20.541.894)
Net increase/decrease in cash and cash equivalents		
Numerar si echivalente de numerar la inceputul perioadei	84.223.350	51.314.569
Cash and cash equivalents at beginning of period		
Numerar si echivalente de numerar la sfarsitul perioadei	94.552.128	30.772.675
Cash and cash equivalents at end of period		

CEMACON SA

**Situația modificării capitalurilor proprii individuale (Statement of standalone changes in equity)
pentru perioada încheiată la 31 Martie 2022 (for the period ended 31 March 2022)
(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)**

	Capital subscris și ajustări	Prime de emisiune	Rezerve din reevaluare aferente active deținute spre vanzare	Rezerve din reevaluare	Rezerve legale	Alte rezerve	Rezultat nedistribuit	Alte elemente ale capitalurilor proprii	Prima aplicare a IAS29	Total
	Issued capital and adjustments	Share Premium	Revaluation reserve for HFS assets	Reevaluation reserves	Legal reserves	Other reserves	Undistributed result	Other capital elements	1st application of IAS 29	Total
31-Dec-20	59.779.702	253.004	-	16.578.139	6.514.540	23.665.062	83.124.263	(1.252.337)	-	188.662.373
Rezultatul global current <i>Current global result</i>	-	-	-	-	-	-	54.850.949	-	-	54.850.949
Rezultat reportat din fuziune Diferente capitalizate aferente impozitului amanat <i>Capitalised differences related to deferred tax</i>	-	-	-	-	-	-	(18.444.764)	-	-	(18.444.764)
Constituire rezerva legala <i>Legal Reserve</i>	-	-	-	-	2.916.380	-	(2.916.380)	-	-	-
Rezerva din reevaluare <i>Revaluation reserve</i>	-	-	-	14.877.033	-	-	-	-	-	14.877.033
<i>Other reserve</i>	-	-	-	-	-	9.924.268	(9.924.268)	-	-	-
31-Dec-21	59.779.702	253.004	-	31.455.172	9.430.920	33.589.330	106.689.799	(3.603.372)	-	237.594.556
Rezultatul global curent <i>Current global result</i>	-	-	-	-	-	-	16.518.675	-	-	16.518.675
Rezerve legale <i>Legal Reserve</i>	-	-	-	-	682.150	-	(682.150)	-	-	-
31-Mar-22	59.779.702	253.004	-	31.455.172	10.113.070	33.589.330	122.526.324	(3.603.372)	-	254.113.230

CEMACON SA

Note la Situațiile Financiare Individuale (*Notes to the standalone financial statements*) pentru perioada încheiată la 31 Martie 2022 (*for the period ended 31 March 2022*)

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

1. Legal principals

The interim individual financial statements as at 31 March 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed individual financial statements as at 31 March 2022 included in this report are unaudited and an external limited review by an auditor was not performed.

The interim condensed individual financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual individual financial statements as of December 31, 2021.

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

2. Accounting policies

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

3. Accounting estimates

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

4. Revenues

Sale revenues	31-Mar-22	31-Mar-21
Sales of finished goods	56.760.261	35.591.810
Sales of goods	4.316.742	2.485.217
Revenues from services rendered	248.944	210.763
Discounts granted	(3.543.176)	(2.417.160)
Total	57.791.771	35.870.629

The main revenues realized by the entity in 2022 were from the sale of finished products 56.76 million lei, the sale of goods 4.31 million lei and services rendered 0.24 million lei, while the value of discounts granted was 3.54 million lei.

5. Other operational revenues

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

CEMACON SA

**Note la Situațiile Financiare Individuale (Notes to the standalone financial statements)
pentru perioada încheiată la 31 Martie 2022 (for the period ended 31 March 2022)**

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

5. Other operational revenues (continued)

Other operational revenues	31-Mar-22	31-Mar-21
Revenues from various activities	24.020	15.439
Subsidies for operating activities	28.663	17.604
Revenues from subsidy to asset values	18.909	18.909
Revenues from indemnifications	9.310	(267)
Total	80.902	51.685

Revenues related to the operating subsidy in the amount of 0.028 million lei to the state aid granted during the COVID 19 pandemic and to the professional development project, co-financed by the Human Capital Operational Project (POCU).

In 2010 the Company received a subsidy for investments in amount of 1.6 mil lei, and in 2022 the company has recognized as income corresponding to these subsidies the amount of 0.018 mil lei. Income from subsidies is recognized related to the depreciation of the corresponding fixed assets. The recognized subsidy refers to the grant of 15% of the value of the credit received from EBRD sources, for the energy efficiency project started in 2009 with the construction of the new brick factory in Recea.

Other gains and losses	31-Mar-22	31-Mar-21
Income from the sale of assets	-	31.655
Expenses from the sale of assets	-	(28.327)
Revenue from the cancellation of provisions	2.618.497	2.532.039
Revenues from the resumption of value adjustments regarding impairment of current assets	-	482.115
Expenses from establishing provisions	(2.174.094)	(2.819.715)
Expenses from value adjustments regarding impairment of current assets	-	(790.573)
Gains and losses Total	444.403	(532.806)

6. Operating expenses

Other operating expenses	31-Mar-22	31-Mar-21
Utilities	6.691.129	2.674.197
Repairs	786.279	389.322
Rent	25.656	17.006
Insurance	204.487	183.137
Personal training	8.093	16.748
Commissions	42.320	119.992
Advertising	163.701	167.493
Transport and logistics	5.043.737	4.136.587
Post and telecommunications	36.392	34.881
Other services provided by third parties	872.831	954.051
Taxes	391.252	220.598
Miscellaneous	4.496.820	1.044.373
Total	18.762.697	9.958.384

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Note la Situațiile Financiare Individuale *(Notes to the standalone financial statements)* pentru perioada încheiată la 31 Martie 2022 *(for the period ended 31 March 2022)*

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

7. Personnel structure

The structure and average number of employees is: 261.

<i>Average number of employees</i>	31-Mar-22	31-Mar-21
Administrative staff	70	68
Personnel in production	191	182
Total	250	250

8. Financial income and expenses

Financial Income	31-Mar-22	31-Mar-21
Income from interest	84.019	260.360
Exchange rate differences in income	5.904	194.130
Total	89.992	454.491

Financial Expenses	31-Mar-22	31-Mar-21
Interest costs	(67.999)	(391.250)
Other financial expenses	(80.322)	(81.096)
Exchange rate differences	(27.913)	(97.108)
Total	(176.235)	(569.454)

Financial expenses consist mainly of the following categories: Interest expenses 0.067 million lei, Expenses related to exchange rate differences related to 0.08 million lei and other financial expenses 0.027 million lei.

Financial income is represented by interest income of 0.08 million lei, income from exchange rate differences of 0.05 million lei.

9. Inventory

Inventory	31-Mar-22	31-Dec-21
Raw materials and consumables	4.624.536	4.196.186
Adjustments	(14.758)	(14.757)
Packing	3.138.563	3.272.094
Adjustments	(1.302.556)	(1.302.556)
WIP	90.516	97.136
Adjustments	-	-
Billets and finished products	7.010.634	6.335.595
Adjustments	(205.280)	(205.280)
Merchandise	1.106.668	1.352.818
Adjustments	(656.002)	(656.000)
Total	13.792.322	13.075.236

CEMACON SA**Note la Situațiile Financiare Individuale (Notes to the standalone financial statements)
pentru perioada încheiată la 31 Martie 2022 (for the period ended 31 March 2022)***(toate sumele sunt exprimate în RON, dacă nu este specificat altfel) (all amounts are expressed in RON, unless otherwise stated)***9. Inventory (continued)**

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

Raw materials and consumables	31-Mar-22	31-Mar-21
Raw materials	4.124.608	2.519.497
Auxiliary materials	1.670.598	1.061.664
Packing	288.068	586.901
Merchandise	1.399.394	973.503
Inventory items	54.418	42.758
Other consumables	23.956	41.657
Miscellaneous	1.503.322	808.835
Total	9.064.364	6.034.811

Inventory Adjustments

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

10. Commercial receivables and other receivables

Commercial receivables and other receivables	31-Mar-22	31-Dec-21
Trade receivables	12.637.860	13.524.020
Adjustments for trade receivables	(1.458.464)	(1.458.464)
Intragroup receivables	-	-
Adjustments for intragroup receivables	-	-
Alte creante fata de Bugetul de Stat	590.266	470.962
Subventii	641.018	641.891
Debtors and other receivables	288.275	327.870
Interest to cash	-	-
Total financial assets other than cash, classified as loans and receivables	12.698.954	13.506.279
Advance paid	11.969.632	3.558.663
Total	24.668.587	17.064.942

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Note la Situațiile Financiare Individuale (Notes to the standalone financial statements) pentru perioada încheiată la 31 Martie 2022 (for the period ended 31 March 2022)

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

11. Trade and other payables

Trade and other payables	31-Mar-22	31-Dec-21
Trade liabilities	13.335.760	14.637.374
Suppliers of fixed assets	172.600	917.077
Intra-group liabilities	27.595	497.725
Lease liabilities	-	93.086
Debt related to employees	1.329.597	1.364.769
Taxes and social contributions	549.365	660.602
Other tax liabilities	2.928.517	2.121.679
Other liabilities	4.136.058	9.702.930
Interest to pay	-	-
Total debt less loans classified as measured at amortized cost	22.479.493	29.995.242
Advances	2.108.977	4.132.423
Revenue in advance	1.118.481	1.096.022
Total	25.706.951	35.223.687

12. Issued Capital

On the 31st of March 2022 the structure of issued capital was as follows:

Issued capital structure	31-Mar-22	31-Dec-21
Subscribed share capital	50,565,353 lei	50,565,353 lei
Elements assimilated to capital	9,214,349 lei	9,214,349 lei
Total issued capital	59,779,702 lei	59,779,702 lei

On the 31st of March 2022 the structure of subscribed share capital was as follows:

Structure of subscribed share capital	31-Mar-22	31-Dec-21
Number of authorized shares	505,653,533 pcs	505,653,533 pcs
Number of subscribed and paid-up shares	505,653,533 pcs	505,653,533 pcs
Number of subscribed and unpaid-up shares	-	-
Nominal value of a share	0.10 lei	0.10 lei
Subscribed share capital value	50,565,353 lei	50,565,353 lei

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

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

	31-Mar-22		31-Dec-21	
	Number	Amount	Number	Amount
Ordinary shares of RON 0.1 each	505,653,533 pcs	50,565,353 lei	505,653,533 pcs	50,565,353 lei
Reduction by entrainment of losses	-	-	-	-
Emissions during the year	-	-	-	-
Purchase of own shares	-	-	-	-
TOTAL	505,653,533 pcs	50,565,353 lei	505,653,533 pcs	50,565,353 lei

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Note la Situațiile Financiare Individuale (Notes to the standalone financial statements) pentru perioada încheiată la 31 Martie 2022 (for the period ended 31 March 2022)

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

12. Issued Capital (continued)

The shareholding structure on 31 December 2021 consists of:

Shareholder	Shares	Percent
PAVAL HOLDING SRL	393.492.536	77.8186%
PIF INDUSTRIAL	84.315.847	16.6746%
alți actionari / others	27.845.150	5.5068%
TOTAL	505.653.533	100.0000%

Source: DEPOZITARUL CENTRAL Data: 12/31/2021

As a result of the transactions on the capital market in 2022, the shareholding structure on 15 April 2022 is composed of:

Shareholder	Shares	Percent
S.C PAVAL HOLDING S.R.L	393.492.536	77.8186%
PIF Industrial	84.315.847	16.6746%
Persoane fizice	21.050.323	4.1630%
Persoane juridice	6.794.827	1.3438%
TOTAL	505,653,533	100.0000%

Source: DEPOZITARUL CENTRAL Data: 04/15/2022

13. Transactions with Affiliates

The company's affiliates in 2022 are:

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

CEMACON SA

**Note la Situatii Financiare Individuale (Notes to the standalone financial statements)
pentru perioada incheiata la 31 Martie 2022 (for the period ended 31 March 2022)**

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

13. Transactions with Affiliates (continued)

Transactions with affiliated parties are summarized in the following table:

Affiliates	Sales		Acquisitions	
	1 Jan – 31 Mar 2022	1 Jan – 31 Mar 2021	1 Jan – 31 Mar 2022	1 Jan – 31 Mar 2021
Dedeman SRL	6.561.488	2.921.200	39.394	70.258
Cemaccon Real Estate	-	-	-	113.408
Total	6.561.488	2.921.200	39.394	183.666

Amounts expressed in Lei

Balances with affiliated parties are summarized in the following table:

Affiliates	Receivables from affiliated parties		Debts to affiliated parties	
	31-Mar-2022	31-Dec-21	31-Mar-2022	31-Dec-21
Dedeman SRL	214.661	-	27.595	497.725
Cemaccon Real Estate	-	-	-	-
Total	214.661	-	27.595	497.725

Amounts expressed in Lei

CEMACON SA

Note la Situațiile Financiare Individuale (Notes to the standalone financial statements)

pentru perioada încheiată la 31 Martie 2022 (for the period ended 31 March 2022)

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

14. Cash and cash equivalents

Cash and cash equivalents	31-Mar-22	31-Dec-21
Available in the bank	94.516.963	84.222.741
Cash and cash equivalents	35.165	609
Total	94.552.128	84.223.350

On March 31, 2022 there are no financial instruments that generate exposure to credit risk. Cash balances denominated in foreign currency at 31.03.2022 are not material.

15. Adjustments of accounting errors

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

16. Other information

Segment Reporting:

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

Information on Company Presentation:

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

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

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

Foreign currency	Abbreviation	Exchange rate	
		31-Mar-22	31-Dec-21
Dolar SUA	USD	4.4508	4.3707
Euro	EUR	4.9466	4.9481

CEMACON SA

Note la Situatiile Financiare Individuale (Notes to the standalone financial statements)

pentru perioada incheiata la 31 Martie 2022 (for the period ended 31 March 2022)

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

16. Other information (continued)

Amendments:

Administrators do not have the right to subsequently amend the financial statements. The financial statements together with the notes to the financial statements are authorized to be issued on May 16, 2022. It is not possible for the financial statements to be amended after they have been issued.

The quarterly financial statements were not audited.

17. Contingencies

Taxation

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

Transfer price

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

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

General Manager

Financial Manager

Sologon Daniel

Cojocaru-Lungu Bogdan

The information contained in this document are provided under IFRS (International Financial Reporting Standards). The company has made every effort to ensure the information presented is complete, accurate and free of material errors. Where necessary, both the company and management, used the professional judgment in conjunction with international financial reporting standards to present information in a manner consistent with the specific activity of the business. Interpretation of information presented in this document must be made in accordance with these standards. If there are gaps nor interpretations different from the mentioned regulations the provisions set out in International Financial Reporting Standards (IFRS) will apply. The unaudited financial information set forth above is preliminary and subject to adjustments and modifications. Adjustments and modifications to the financial statements may be identified during the course of the audit work, which could result in significant differences from this preliminary unaudited financial information.

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