

To

FINANCIAL SUPERVISORY AUTHORITY - Financial Instruments and Investments Sector
BUCHAREST STOCK EXCHANGE - Regulated market

CURRENT REPORT

According to FSA Regulation no. 5/2018 on issuers and operations with securities

Report date: 24.02.2023
Name of the issuing company: COMPA S.A. Sibiu
Social headquarters: Sibiu, No.8, Henri Coandă Street, Postal Code 550234
Phone/fax number: +40269 237 878; + 40269 237 770
VAT no : RO 788767
Order Number in the Trade Register: J32 / 129 / 1991
Share capital: RON 21.882.103,8
Regulated market on which the issued securities are traded: Bucharest Stock Exchange – Standard Category (symbol CMP)
LEI Code 315700EXV87GJDVUUA14

IMPORTANT EVENTS TO BE REPORTED

Listing of important events that have occurred in connection with the company and may have, currently have or will have a significant impact on the price of securities or on securities holders.

Such important events, without limitation, are:

...

e) Other events –

THE SIMPLIFIED SEPARATE FINANCIAL STATEMENT (PRELIMINARY RESULTS) FOR THE YEAR 2022

The unaudited separate financial statement (preliminary results) for the year 2022 are prepared in accordance with International Financial Reporting Standards adopted by the European Union.

Economic and Financial separate Indicators registered by Compa at 31.12.2022

Between 01.01.2022-31.12.2022 Compa registers the following economic and financial indicators:

Separate indicators	2022 preliminary	2021 realised	%
Turnover	737,001,238	705,725,717	104%
Net Profit	2,510,594	15,058,967	17%
Investments	29,679,565	42,405,742	70%
EBITDA (net profit + interest expense + tax expense + depreciation and amortization expense)	53,301,309	63,716,237	84%
Current liquidity (current assets/current liabilities)	1.93	1.93	100%
Indebtedness degree (borrowed capital/committed capital)	0.18	0.21	86%

Consolidated Indicators	Consolidated		%
	2022 preliminary	2021 realised	
Turnover	741,193,468	709,056,249	105%
Net Profit	1,307,687	15,038,228	9%
Investments	53,161,220	44,820,186	119%
EBITDA (net profit + interest expense + tax expense + depreciation and amortization expense)	55,213,751	64,346,052	86%
Current liquidity (current assets/current liabilities)	1.96	2.00	98%
Indebtedness degree (borrowed capital/committed capital)	0.22	0.22	100%

Objective, external events recorded in the COMPA activity in 2022, with an impact on the financial results:

1. The effects of the pandemic have been felt in 2022 in the absence of qualified personnel. At the end of 2021 and beginning of 2022 customer orders were at a high level compared to the previous year. Compa was left at the end of 2020 without some of its employees especially skilled workers who chose to terminate their employment during the technical unemployment. The staff departures in the first year of the pandemic, mainly skilled workers trained for specific processes in Compa, are still felt today in the company's activity.

The number of orders was fluctuating during 2022, the Company having to work on Saturdays and Sundays off , (with the payment of work at a double rate) , had a major impact in wage costs which was also recorded on the results of 2022.

In order to solve the problem of lack of qualified personnel faced by Compa and other companies in Sibiu, the Company has started actions together with specialized companies for the recruitment of qualified personnel from other countries. The process is difficult, there are problems in granting visas at the Romanian Embassies.

2. Another difficult problem faced by the Company in 2022 continued from 2021 was the increase in the price of utilities with a major impact on the financial results of Compa. We can state that these increases in the price of utilities at European level, at an unprecedented pace, in the wake of the events in Ukraine, represented one of the most serious problems faced by Compa in recent years.

Utility suppliers - electricity and natural gas - have increased prices instantly without any chance of negotiation. Compa's requests to customers to acknowledge these cost influences and accept the price increase were met with refusal in the first few months or undue prolongation of the negotiation process. The inflexible position of customers, their inexplicable tendency to delay negotiations was the main cause of the dramatic reduction in the profitability of Fima in Sem-II and therefore for the whole year 2022. As a result of the efforts made by the Company, starting with the third quarter of 2022 through permanent interventions with customers, negotiations were completed by the end of 2022 for most customers; some with applicability at the end of 2022, others with the beginning of the following year. Under these conditions most of the increase in the price of utilities in the second half of the year was borne by Compa.

3. Inflation of 16.4% at the end of the year is another impact felt during 2022 in the adjustment of wages, prices of raw materials , auxiliary materials and third party services. As a result, quarterly calculations and price adjustments have been made to customers to mitigate the impact of the price of raw materials in addition to energy prices. Unfortunately, these price increases on the steel market due to the effect of the price of electricity and natural gas, requested by Compa suppliers, were not accepted on time but with a delay.

4. The geo-political situation in Eastern Europe intensified with the outbreak of the conflict between Ukraine and Russia at the end of February 2022. The sanctions imposed by the European Union led to volatility in the market. Even if the events in Ukraine did not have a direct impact on Compa, certain changes in the supply chain caused by the war in Ukraine led to supply disruptions in certain periods, which increased the costs of production and transport of materials that had to be borne by Compa.

President of the Board & CEO,
Ioan DEAC

Vicepresident Of the Board
Ioan MICLEA

SEPARATE statement of financial position for the year ended 31.12.2022
Preliminary situation

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

Assets :		31.12.2022	31.12.2021
Fixed assets:		preliminary	
	Property, plant and equipment	392,896,269	409,007,936
	Investment property	40,670,425	41,826,695
	Intangible fixed assets	8,704,798	9,106,443
	Other receivables (grants and settlements from joint ventures)	0	270,000
	Other fixed assets	3,875,456	619,346
	Financial investments	20,715,500	20,715,500
	Deferred tax assets	0	122,843
	Fixed assets - total	466,862,448	481,668,764
	Current assets:		
	Inventories	132,527,113	142,270,307
	Trade and other receivables	156,083,113	141,019,577
	Other receivables (subsidies and settlements from joint ventures)	1,032,229	5,207,396
	Cash and cash equivalents	5,986,107	11,068,357
	Current assets: - total	295,628,562	299,565,637
	Total Assets	762,491,010	781,234,401
	Equity:		
	Issued capital	21,882,104	21,882,104
	Share capital adjustments	-265,638	-650,415
	Reserves	384,461,415	372,044,705
	Reserves adjustment	23,122,057	23,122,057
	Retained earnings	65,886,960	65,886,960
	Current result	2,510,594	15,058,967
	Distribution of profit	-491,419	0
	Equity - total	497,106,073	497,344,378
	Debts	0	0
	Long-term debt :	0	0
	Financial debts	89,934,825	102,292,751
	Prepaid income (prepaid income, subsidies)	22,112,413	26,193,210
	Provisions	218,461	224,645
	Long-term liabilities - total	112,265,699	128,710,606
	Current debts:		
	Financial debts	14,282,405	14,284,425
	Trade and similar payables;	112,377,533	112,731,018
	Debts from contracts with customers	2,919,520	9,051,042
	Other payables	17,702,343	12,997,582
	Prepaid income (prepaid income, subsidies)	5,837,437	6,115,351
	Current liabilities - total	153,119,238	155,179,418
	Total debts	265,384,936	283,890,023
	Total equity and debt	762,491,010	781,234,401

CEO
Ioan DEAC

CFO
Mihaela DUMITRESCU

SEPARATE Statement of comprehensive income for the year ended 31.12.2022

Preliminary situation

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

	<u>31.12.2022</u> <u>preliminary</u>	<u>31.12.2021</u>
Income	737,001,238	705,725,717
Other income	14,057,849	17,970,459
Total income	751,059,087	723,696,176
Change in stocks of finished goods and work in progress	-5,827,912	15,728,966
Raw materials and consumables used	-483,762,954	-485,594,012
Employee benefits expense	-156,275,015	-147,224,797
Depreciation and amortisation expense	-47,282,721	-44,289,663
Services rendered by third parties	-42,317,193	-35,200,703
Other expenses	-8,958,256	-6,184,596
Total expenses	-744,424,051	-702,764,806
Operating result	6,635,036	20,931,371
Financial income	57,459	2,693
Financial expenses	-2,182,355	-1,394,313
Other financial gains/losses	-673,907	-1,507,490
Net financing costs	-2,798,803	-2,899,110
Profit before tax	3,836,233	18,032,260
(Expenses)/Income on deferred income tax	-1,290,684	-1,904,273
Current income tax expense	-34,955	-1,069,020
	0	0
Net profit for the period	2,510,594	15,058,967
Other comprehensive income: Of which other comprehensive income items not subsequently reclassified to profit or loss:		
Income tax relating to other comprehensive income	277,951	282,010
Other comprehensive income, net of tax	277,951	282,010
Total comprehensive income for the year	2,788,545	15,340,977
Unconsolidated result per basic/diluted share	0.0115	0.0688

CEO
Ioan DEAC

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Mihaela DUMITRESCU

SEPARATE -Statement of changes in equity for the year ended 31.12.2022 – Preliminary situation

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

Equity element	Share capital	Share capital adjustments	Legal reserves	Legal reserves adjustments	Reserve reevaluare	Other reserves	Other reserves adjustments	Reported result	Total
Balance at 01.01.2021	21,882,104	-185,428	4,376,421	22,679,066	83,891,130	285,860,412	442,991	68,690,815	487,637,511
Profit of the year	0	0	0	0	0	0	0	15,058,967	15,058,967
Other elements of the overall result, of which:	0	0	0	0	0	282,010	0	0	282,010
Income tax related to other elements of the overall result	0	0	0	0	0	282,010	0	0	282,010
Tranzactii cu actionarii, inregistrate direct in capitalurile proprii, din care:	0	-464,987	0	0	0	-2,365,268	0	-2,803,855	-5,634,110
Repurchase of own shares	0	-464,987	0	0	0	0	0	0	-464,987
Losses related to the redemption of own shares	0	0	0	0	0	-2,365,268	0	0	-2,365,268
Profit distribution	0	0	0	0	0	0	0	-2,803,855	-2,803,855
Balance at 31.12.2021	21,882,104	-650,415	4,376,421	22,679,066	83,891,130	283,777,154	442,991	80,945,927	497,344,378

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

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SEPARATE- Statement cash-flow at the year ended at 31.12.2022**Preliminary situation**

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

Explanations	2022 preliminary	2021
Cash flows from operating activities:		
Profit before tax	3,836,233	18,032,260
Depreciation and amortization expenses	47,331,376	43,714,910
(Increases) / Decreases in stocks	9,743,194	-50,775,014
(Increases) / Debt decreases	-13,874,479	-4,466,149
Increases / (Debt decreases)	-1,780,245	18,638,819
Adjust other non-monetary items	-6,116,463	5,194,589
Net cash generated from operations	39,139,616	30,339,415
Cash flows from investment activity:		
Acquisitions of tangible assets and real estate investments	-28,531,396	-41,189,336
Acquisitions of intangible assets	-1,148,169	-1,216,406
Net cash generated from investment activities	-29,679,565	-42,405,742
Cash flows from financial activity		
(Increases) / Decreases in bank loans	-12,359,946	23,641,110
Interest rates	-2,182,355	-1,394,313
Net cash generated from financial activity	-14,542,301	22,246,797
Net cash generated from total activity	-5,082,250	10,180,470
Cash and cash equivalents at the beginning of the period	11,068,357	887,887
Cash and cash equivalents at the end of the period	5,986,107	11,068,357

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CONSOLIDATE statement of financial position for the year ended 31.12.2022
Preliminary situation

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

	<u>31.12.2022</u>	<u>31.12.2021</u>
Assets:		
Fixed assets		
Tangible fixed assets	438,788,991	431,906,073
Real estate investments	38,586,451	39,749,495
Intangible assets	8,819,693	9,258,898
Other receivables (Subsidies and settlements from joint operations)	1,581,768	12,465,269
Other fixed assets	139,071	122,718
Deferred tax receivables	0	134,578
Fixed assets- total	487,915,974	493,637,032
Current assets		
Stocks	132,879,122	142,448,315
Trade and other receivables	161,948,096	141,646,233
Other receivables (Subsidies and settlements from joint operations)	12,577,659	7,907,396
Cash and cash equivalents	10,452,249	14,120,744
Current assets - total	317,857,126	306,122,688
Total assets	805,773,100	799,759,719
Equity:		
Capital issued	21,882,104	21,882,104
Share capital adjustments	-376,509	-715,325
Reserves	388,034,753	376,063,500
Reserve adjustment	23,150,986	23,150,986
Reported result	66,992,078	67,058,412
Current result	1,346,605	15,034,914
Minority interests	211,950	208,588
Equity - total	501,241,967	502,683,179
Long-term debts:		
Financial debts	104,964,984	102,360,850
Advance income (advance income, subsidies)	37,007,682	41,088,479
Provisions	218,461	224,645
Long-term debts - total	142,191,127	143,673,974
Current debts:	0	0
Financial debts	18,479,985	14,390,660
Trade and similar debts;	116,745,110	110,179,139
Other debts	18,353,182	13,638,221
Debts from contracts with clients	2,919,520	9,051,042
Current tax liabilities	4,773	28,155
Advance income (advance income, subsidies)	5,837,437	6,115,351
Current debts - total	162,340,006	153,402,568
Total debts	304,531,133	297,076,541
Equity and total debts	805,773,100	799,759,720

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CONSOLIDATE Statement of comprehensive income for the year ended 31.12.2022

Preliminary situation

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

	<u>31.12.2022</u> preliminary	<u>31.12.2021</u>
Income	741,193,468	709,056,249
Other incomes	14,137,617	17,383,570
Total income	755,331,085	726,439,819
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Variation of stocks of finished products and production in progress	-5,780,868	15,752,740
Raw materials and consumables used	-489,372,100	-489,931,428
Expenses with employee benefits	-162,642,592	-152,965,533
Depreciation and amortization expenses	-47,817,705	-44,838,585
Services provided by third parties	-34,502,390	-27,763,846
Other expenses	-9,240,718	-5,680,760
Total expenses	-749,356,373	-705,427,413
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Operating result	5,974,712	21,012,407
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Financial income	57,480	2,714
Financial expenses	-2,517,138	-1,404,949
Other financial gains / losses	-818,501	-1,497,017
Net financing costs	-3,278,159	-2,899,252
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Profit before tax	2,696,553	18,113,154
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(Expenses) / Deferred income tax income	-1,333,391	-1,903,604
Current income tax expense	-55,475	-1,171,322
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Net profit for the period, of which:	1,307,687	15,038,228
Attributable to non-controlling interests	3,362	3,314
Attributable to the mother society	1,304,325	15,034,914
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Other elements of the overall result:		
Of which, other items of comprehensive income that will not be subsequently reclassified to profit or loss:	277,951	304,014
Other comprehensive income, net of tax	277,951	304,014
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Total overall result for the year, of which:	1,585,638	15,342,242
Attributable to non-controlling interests	3,362	3,534
Attributable to the mother society	1,582,276	15,338,708
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Consolidated result per basic / diluted share	0.0060	0.0687

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Ioan DEAC

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CONSOLIDATE -Statement of changes in equity for the year ended 31.12.2022 – Preliminary situation

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

Equity capital item	Registered Capital	Adjustments related to own shares	Losses related to own shares	Legal reserve	Legal reserve adjustments	Revalued reserves	Other reserve	Other reserves adjustments	Reported Results	Totally attributable to the company's shareholders	Things that do not control	TOTAL
Balance at 01.01.2021	21,882,104	-250,338	-920,264	4,960,129	22,679,066	83,891,130	279,505,201	472,028	80,590,192	492,809,248	159,849	492,969,097
Profit for the year	0	0	0	0	0	0	0	0	15,034,914	15,034,914	3,314	15,038,228
Other comprehensive income, of which:	0	0	0	0	0	0	304,014	0	0	304,014	0	304,014
Income tax relating to other comprehensive income	0	0	0	0	0	0	304,014	0	0	304,014	0	304,014
Transactions with shareholders, recognised directly in equity, of which:	0	-464,987	-2,365,268	-2,613	0	0	10,691,063	0	-13,531,780	-5,673,585	45,425	-5,628,160
Repurchase of own shares	0	-464,987	0	0	0	0	0	0	0	-464,987	0	-464,987
Losses related to repurchase of own shares	0	0	-2,365,268	0	0	0	0	0	0	-2,365,268	0	-2,365,268
Profit distribution	0	0	0	-2,613	0	0	10,691,063	0	-13,531,780	-2,843,330	45,425	-2,797,905
Balance at 31.12.2021	21,882,104	-715,325	-3,285,532	4,957,516	22,679,066	83,891,130	290,500,278	472,028	82,093,326	502,474,591	208,588	502,683,179

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

CFO

Ioan DEAC

Mihaela DUMITRESCU

CONSOLIDATE - Statement cash-flow at the year ended at 31.12.2022**Preliminary situation**

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

Explanations	2022 preliminary	2021
Cash flows from operating activities:		
Profit before tax	2,696,553	18,113,154
Depreciation and amortization expenses	47,862,784	44,838,585
(Increases) / Decreases in stocks	9,569,194	-50,804,128
(Increases) / Debt decreases	-14,088,625	-18,971,599
Increases / (Debt decreases)	5,126,028	21,000,735
Adjust other non-monetary items	15,386,230	20,652,427
Net cash generated from operations	66,552,164	34,829,175
Cash flows from investment activity:		
Acquisitions of tangible assets and real estate investments	-52,013,051	-43,417,222
Acquisitions of intangible assets	-1,148,169	-1,402,964
Net cash generated from investment activities	-53,161,220	-44,820,186
Cash flows from financial activity		
(Increases) / Decreases in bank loans	-12,359,946	23,255,098
Interest rates	-4,699,493	-1,394,313
Net cash generated from financial activity	-17,059,439	21,860,785
Net cash generated from total activity	-3,668,495	11,869,774
Cash and cash equivalents at the beginning of the period	14,120,744	2,250,970
Cash and cash equivalents at the end of the period	10,452,249	14,120,744

CEO
Ioan DEAC

CFO
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