



SOCEP S.A.
QUARTERLY REPORT
ON FINANCIAL STATEMENTS
AS AT 03/31/2022

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**QUARTERLY REPORT
ON FINANCIAL STATEMENTS
COMPLYING TO A.S.F. REGULATION NO.5/2018
FOR THE FIRST QUARTER 2022**

Report Date	05/16/2022
Name of Shares Issuer	SOCEP S.A.
Registered Office	Constanța, Incinta Port, Dana 34
Phone/fax	0374.416142 / 0241 693759
Fiscal Code	RO 1870767
Company Number in the Trade Register	J 13 / 643 / 1991
Subscribed Share Capital	35,399,149 lei split in 353,991,490 registered dematerialized shares with a nominal value of 0.10 lei/share
Trading Market	B.V.B., Standard category, symbol SOCP

SYNTHESIS OF ECONOMIC AND FINANCIAL INDICATORS

1. FINANCIAL AND ECONOMIC STATE

a) The main elements of the Balance Sheet and of the Profit and Loss Account, compared to the same time period of the previous year, are below listed:

ECONOMIC INDICATORS		UNIT	03/31/2021	03/31/2022
I.	TOTAL ASSETS	lei	406,924,320	457,338,305
1.1.	Fixed Assets	”	376,065,469	413,775,827
1.2.	Stocks	”	1,024,558	1,073,530
1.3.	Receivables	”	16,127,261	18,546,094
1.4.	Cash and Bank Accounts	”	12,958,724	22,992,124
1.5.	Accruals and prepaid expenses	”	748,309	950,731
II.	TOTAL LIABILITIES	lei	406,924,320	457,338,305
2.1.	Shareholders' Equity	”	186,464,868	195,318,441
2.2.	Total Debts	”	220,117,682	261,218,189
2.3.	Upfront Revenues	”	18,440	77,855
2.4.	Provisions	”	323,331	723,820

b) Profit and Loss Account

INDICATORS		UNIT	03/31/2021	03/31/2022
I.	TURNOVER	lei	16,230,154	26,464,119
II.	TOTAL REVENUES	”	17,462,940	27,528,531
III.	TOTAL EXPENSES	”	19,325,668	22,185,188
IV.	GROSS PROFIT	”	-1,862,728	5,343,343

Following items are the assets with a minimum 10% share – out of total assets: buildings (11.14%), equipment and machinery (13.24%), assets under execution (20.40%). Expense items with a minimum 10% share – out of net sales (turnover) are the personnel expense (30.37%), the external services expense (18.89%), the materials and supplies expense (12.48%) and the depreciation expenses (16.28%).

At the end of first quarter 2022 company recorded provisions in a total amount of lei 723,819.98 lei, as follows:

- Provisions for employees benefits	- 85,340.00 lei
- Other types of provisions	- 286,464.98 lei
- Other provisions for employees	- 352,015.00 lei

The provision for employee benefits in the amount of 79,883 lei is constituted for the amounts to be granted to the company's staff, at the level of the second employment salary for each employee, received on the date of retirement, the provisions for unpaid rest leave represent the amounts by employees related to previous periods, and other provisions represent amounts being settled due to commercial disputes.

c) Financial and Economic Indicators

INDICATORS	CALCULATION PROCEDURE	RESULTS	
		03/31/2021	03/31/2022
1. Current Ratio	Current Assets/Current Liabilities	1.60	1.16
	Loan Capital ----- x 100	107.89	134.15
	Equity Capital		
2. Indebtedness degree	Loan Capital ----- x 100	51.90	57.29
	Committed Capital		
3. Rotation Speed of Customers' debts	Customers' Average Balance ----- x 90 Turnover	76.65	45.95
4. Rotation Speed of Fixed Assets	Turnover/Fixed Assets	0.04	0.06

2. BUSINESS ANALYSIS

2.1. During the reported period the harbor cargo traffic increased by 9.45%, 71 thousand tons compared to same period of previous year. The benchmarking on different types of cargo is below listed:

TYPES OF CARGO		UNIT	03/31/2021	03/31/2022
I.	HARBOR CARGO TRAFFIC	thousand tons	748	819
1.1.	General Cargo	”	359	478
1.2.	Containerized Cargo	”	222	337
1.3.	Mineral products	“	167	4
II.	TOTAL NUMBER OF CONTAINERS		21,379	21,078
III.	TOTAL TEU-s		35,442	34,214

The structure by groups of goods shows an increase in the share of general goods, containerized goods and a decrease in the share of mineral products in total cargo traffic. The first two categories of goods registered an increase in absolute values compared to the same period last year, General Cargo by 33.15%, Containerized Cargo by 51.66%, while Mineral Products marked a decrease of 97.60%.

The benchmarking on different types of services has following results:

TYPES OF SERVICES		UNIT	03/31/2021	03/31/2022
I.	TOTAL TURNOVER	lei	16,230,154	26,464,119
1.1.	Handling Operation	”	15,387,678	22,890,015
1.2.	Storage Operation	”	621,614	2,364,477
1.3.	Other types of services	”	159,139	1,080,312
1.4.	South Agigea Area	”	61,722	129,314

In total turnover, a relative constancy has been noticed in the share of all items compared to the same period of the previous year. Compared to the same period of 2021, the company registered a increase, of 63.06% of the turnover, as a result of the increase of the handling revenues, with 48.76%, and the decrease of the storage income, with 312.31%.

2.2. Capital expenses until 03/31/2022 have aimed mainly purchasing of pieces of equipment. However, the major ratio is represented by the continuation of Grain Terminal investment.

In same respect, company is pursuing its investment policy by acquiring new equipment in order to improve productivity.

Capital expenses are to be found in the Investment Program and have been paid from company's own resources.

2.3. For the near future there are no foreseeable events, transactions or economic changes which might significantly alter operating revenues,.

At the time of preparing the financial statements, there is a risk of affecting the company's activity, as a result of the global and national effects of the Covid 19 epidemic. The management of the company has implemented procedures to protect the employees, and is considering resource

management measures in correlation with the evolution of the situation, so as to limit the impact on the financial results, as well as ensuring the continuity of the company's activity.

3. SIGNIFICANT TRANSACTIONS

There are no significant transactions in the analyzed period.

4. APPROVALS AND ANNEXES

Present Report has been authorized for publication by the Management Board, on 05/16/2021. The explanatory notes are part of the individual financial statements.

Annexes:

- Statement of Financial Position at 03/31/2022;
- Statement of Comprehensive Income at 03/31/2022;
- Statement of Cash Flows at 03/31/2022;
- Statement of Equity changes at 03/31/2022;
- Explanatory Notes to the Financial Statements on 03/31/2021.

The Individual Financial Statements as at 03/31/2022 are drawn up in accordance with International Financial Reporting Standards adopted by European Union and O.M.F.P. No.2844/2016, as amended and subsequently supplemented.

Financial Reports are not audited.

General Manager
Dorinel Cazacu

Financial Manager
Cristian-Mihai Ududec

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31-st 2022

	NOT E	01/01/2022	03/31/2022
= Lei =			
NON-CURRENT ASSETS			
- Tangible assets	1	202,009,466	206,712,052
- Intangible assets	3	2,119,125	2,162,481
- Right-of-use asset	2	169,688,745	168,227,910
- Financial assets available for sale	4	446,563	441,004
- Investments in subsidiaries and associates	5	31,332,883	31,332,883
- Other long term investments	6	1,086,019	1,692,489
- Real estate investments	1	3,207,009	3,207,009
TOTAL NON-CURRENT ASSETS		409,889,810	413,775,827
CURRENT ASSETS			
- Stocks	7	885,583	1,073,530
- Clients and other receivables	8	15,690,840	17,718,805
- Receivables regarding profit tax	16	827,289	827,289
- Accrued charges	9	232,524	950,731
- Cash and cash equivalents	10	20,577,205	22,992,124
TOTAL CURRENT ASSETS		38,213,441	43,562,479
TOTAL ASSETS		448,103,251	457,338,306
EQUITY			
- Share capital	11	35,399,149	35,399,149
- Share capital adjustment	11	164,750,632	164,750,632
- Share premium	11	1,091,443	1,091,443
- Reserves	12	57,247,299	56,578,887
- Own share	11	-4,087,907	-4,087,907
- Profit (loss) for the period	14	5,160,833	5,343,343

- Retained earnings	13	98,669,712	104,392,012
- Retained earnings from the adoption of IAS 29	11	-164,750,632	-164,750,632
- Other elements of equity	15	-3,500,763	-3,398,486
TOTAL EQUITY		189,979,766	195,318,441
LIABILITIES			
Non-current liabilities			
- Deferred tax liabilities	16	5,129,655	5,021,820
- Other liabilities	17	0	0
- Liabilities of leases of a right-of-use asset	2	174,015,985	172,577,634
- Deferred income	19	0	0
- Provisions for employee benefits	21	85,340	85,340
- Long term bank loans	18	45,865,970	46,735,917
TOTAL NON-CURRENT LIABILITIES		225,096,950	224,420,711

General Manager
Dorinel Cazacu

Financial Manager
Cristian-Mihai Ududec

**STATEMENT OF COMPREHENSIVE INCOME
AS AT MARCH 31-st 2022**

= Lei =

	Note	03/31/2021	03/31/2022
Income	22	16,230,154	26,464,119
Other income	23	406,383	280,644
Raw materials and consumables	24	-2,066,874	-3,303,611
Cost of sold goods	25	-13,879	-55,833
Services provided by third parties	26	-3,307,946	-4,468,625
Employee benefits expense	27	-7,131,600	-8,037,097
Impairment and amortization expense	28	-3,818,539	-4,307,753
Other expenses	29	-366,093	-530,684
Other gains/losses from operations - net	30	465,607	486,727
Profit/(Loss) from operation		397,213	6,527,888
Financial income	31	16,158	131,403
Financial expense	32	-2,153,696	-518,052
Other financial gains/losses (net)	33	-178,454	186,886
Profit before tax		-1,918,779	6,328,124
Income tax expense	16	56,051	-984,780
PROFIT FOR THE YEAR	14	-1,862,728	5,343,343
OTHER COMPREHENSIVE INCOME ELEMENTS			
<i>Elements not to be subsequently reclassified under profit or loss</i>			
Gains or losses from evaluation of assets	12	-559,938	-668,412
Deferred income tax related to other comprehensive income elements	16	89,590	106,946
<i>Elements to be subsequently reclassified under profit or loss</i>			
Gains or losses on financial assets available for sale	15	7,942	-5,559
Deferred income tax related to other comprehensive income elements	16	-1,271	889
OTHER COMPREHENSIVE INCOME ELEMENTS FOR THE YEAR (without tax)		-463,677	-566,136
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-2,326,405	4,777,208

General Manager
Dorinel Cazacu

Financial Manager
Cristian-Mihai Ududec

CASH FLOW STATEMENT
AS AT 31-th MARCH 2022

	03/31/2021	03/31/2022
CASH FLOWS FROM PORT OPERATIONS		
Receipts from clients	21,262,154	25,548,947
Payments to suppliers and employees	-11,440,183	-16,667,420
Interest paid	0	0
VAT and other taxes -except income tax	-133,323	-774,662
Income tax paid	0	0
Other receipts	1,279,425	1,819,646
Other payments	-75,056	383,095
I, NET CASH FROM PORT OPERATIONS	10,893,017	10,309,606
CASH FLOWS FROM INVESTMENTS		
Payments for acquisition of intangible assets	0	-147,471
Payments for acquisition of tangible assets	-9,452,051	-9,084,269
Receipts from sale of tangible assets	0	0
Interests received	9,596	12,463
Dividends received	0	0
II, NET CASH FROM INVESTMENTS	-9,442,455	-9,219,277
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from long-term loans	3,689,929	3,858,280
Payments related to long term loans	-1,324,546	-2,418,222
Interest related to loan	-77,474	-110,204
Dividends paid	0	0
III, NET CASH FROM FINANCING ACTIVITIES	2,287,909	1,329,854
IV, NET INCREASE IN CASH AND CASH EQUIVALENTS (I+II+III)	3,738,472	3,738,472
V, IMPACT OF EXCHANGE RATE VARIATIONS	-178,454	-5,265
VI, CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL SEMESTER	9,398,706	20,577,205
VII, CASH AND CASH EQUIVALENTS AS AT 03/31	12,958,724	22,992,124

General Manager
Dorinel Cazacu

Financial Manager
Cristian-Mihai Ududec

STATEMENT OF EQUITY CHANGES AS AT 31-th MARCH 2022

Lei

	Share Capital	Share Capital Adjustments	Reserves	Retained Earnings	Profit for the period	Retained Earnings from adopting IAS 29	Other Equity Elements	Share Premium	Own Share	Total Equity
BALANCE AS AT 01/01/2022	35,399,149	164,750,632	57,247,299	98,669,712	5,160,833	-164,750,632	-3,500,763	1,091,443	-4,087,907	189,979,767
Profit for the period	0	0		5,160,833	5,343,343	0	0	0	0	10,504,176
Gains or losses on financial assets available for sale	0	0	0	0	0	0	-5,559	0	0	-5,559
Deferred income tax	0	0	0	0	0	0	889	0	0	889
Reserves from revaluation of realized tangible assets	0	0	-668,412	668,412	0	0	0	0	0	0
Reserves from revaluation of unrealized tangible assets	0	0	0	0	0	0	0	0	0	0
Deferred income tax on realized revaluation differences	0	0	0	-106,946	0	0	106,946	0	0	0
Distribution	0	0	0		-5,160,833	0	0	0	0	-5,160,833
BALANCE AS AT 03/31/2022	35,399,149	164,750,632	56,578,887	104,392,012	5,343,343	-164,750,632	-3,398,486	1,091,443	-4,087,907	195,318,441

General Manager
Dorinel Cazacu

Financial Manager
Cristian-Mihai Ududec

Notes on Individual Financial Statements

As at March 31-st 2022

All the amount are mentioned in Lei (RON) unless otherwise stated

OVERVIEW

Founded in 1991 as a joint stock company that was based on a functional terminal specialized in container and raw materials operation for metallurgy, SOCEP SA is one of the largest port operators in Constanta Port, Its activity is structured on two distinct operating terminals: container terminal (500 000 TEU - annual operating capacity) and general cargo terminal (3 million tons general cargo per unit and bulk cargo - annual operating capacity),

SOCEP S.A. has the following identification data:

- Registered office: Constanța, Incinta Port, Dana 34;
- Trade Register number: J 13/643/1991;
- Tax Identification Number: RO 1870767;
- Main business: cargo handling, NACE code 5224;
- Share capital: 35,399,149 lei, divided in 353,991,490 uncertified shares; the nominal value of one share is 0.10 lei;
- Legal form: joint stock company, listed on Bucharest Stock Exchange Standard category, symbol "SOCP";
- Type of ownership: private capital owned by individuals and legal entities.

In accordance with the decision of the Extraordinary General Meeting of Shareholders dated 14 December 2012, starting from 15 December 2012, the company is managed in a two-tier system by a duly operating Supervisory Board and Management Board. Both Boards are acting within the framework of law.

The Supervisory Board consists of 3 members. The Supervisory Board members are:

- DUȘU NICULAE - President
- DUȘU ION - Vice-President
- SAMARA STERE - Vice-President.

Since 07/09/2021, according to Supervisory Board decision, the Executive Board consists of 5 members. The members of the Executive Board are:

- Cazacu Dorinel - President of the Executive Board
- Codeț Gabriel - Member
- Pavlicu Ramona - Member
- Ududec Cristian Mihai - Member.
- Teodorescu Lucian - Member

FUNDAMENTALS OF PREPARATION

Declaration of Conformity

The financial statements of SOCEP S.A. have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Fundamentals of evaluation

The financial statements have been prepared under the historical cost convention, except for re-valued fixed assets (buildings). When transition to International Financial Reporting Standards implementation completed, the company's share capital was adjusted to inflation according to IAS 29 "Financial reporting in hyperinflationary economies". The adjustment was made until 31 December 2003, when the Romanian economy ceased to be considered hyperinflationary.

Business continuity

According to studies performed, management board members consider that the company has adequate resources to continue operating for the foreseeable future. Therefore, the company adopted principle of business continuity in preparing the financial statements.

Functional currency and presentation currency

The financial statements of the company are displayed in lei (RON) and the presentation currency is the same as the functional currency.

Use of estimates and professional judgments

The preparation of financial statements according to IFRS requires the management to use certain estimates, judgments and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and on other factors deemed reasonable in the context of such estimates. The results of these estimates form the basis for judgments about the carrying amounts of assets and liabilities that cannot be obtained from other sources of information. Actual/current results may differ from these estimates.

SIGNIFICANT ACCOUNTING POLICIES AND METHODS

Transactions in foreign currency

Foreign currency transactions are exchanged into the functional currency using the exchange rates at the dates of the transactions. Gains and losses resulting from foreign exchange differences on the settlement of such transactions and from the conversion of monetary assets and liabilities expressed in foreign currencies at the exchange rate from the date of statement of financial position are reflected in profit or loss for that period.

Monetary assets and liabilities denominated in foreign currency at the date of statement of financial position are converted into the functional currency using the exchange rate on the date of statement of financial position.

Gains and losses on exchange rate, related to cash and cash equivalents, are presented in the statement of comprehensive income under "other financial gains or losses, net". All the other gains and losses on exchange rate are displayed under "other operating gains and losses, net".

Segment reporting

Reporting by business segment is made in a manner consistent with internal reporting to the chief operating decision maker. The key operating decision maker, who is responsible for allocating resources and assessing performance of operating segments, is the Supervisory Board.

Tangible assets

Tangible assets are initially recognized at their respective cost, which includes costs directly attributable to their acquisition or production.

Subsequent to initial recognition, buildings are assessed at re-valued amount, determined by periodic assessments conducted every three years by external independent assessors, less subsequent amortization and impairment. During building revaluation, any accrued impairment at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is recorded as re-valued amount of the asset. Increases in the carrying amount arising from the revaluation of buildings are credited to revaluation reserve reflected under the equity category. Reductions compensating increases in value related to the same asset are reflected in the debit of revaluation reserves and other reductions are reflected in profit or loss for the period. The amounts recorded in the revaluation reserve are transferred to retained earnings as the asset is being depreciated. All other tangible assets are assessed subsequent to initial recognition at their cost, less accrued impairment and impairment adjustment.

Expenses subsequent to initial recognition of a tangible asset are added to their carrying amount only when future economic benefits associated to that asset are likely to be entered and the cost of the asset can be assessed reliably.

Repair and maintenance expenses are recorded in the period in which they are incurred.

Land is not depreciated. Impairment of other items of tangible assets is determined based on linear impairment method and useful lives are as follows:

- Special buildings and structures: 8-60 years;
- Technological equipment: 4-18 years;
- Devices and equipment for measurement, control and adjustment: 5-18 years;
- Means of transport: 2-15 years;
- Furniture, office equipment, protective equipment for human and material values and other tangible assets: 4-15 years;
- Computers and peripherals: 2-4 years.

Since the company's management estimates that the tangible assets will be used until the end of their physical life, their residual value is zero.

Intangible Assets

On initial recognition, intangible assets are valued at cost determined on the basis of IAS 38 "Intangible Assets". Subsequent to initial recognition, intangible assets are measured at cost

less the accumulated impairment. The company has not conducted any revaluations of intangible assets.

Licenses acquired for having the right of using computer software are capitalized on the basis of the costs incurred with the acquisition and commissioning of the software in question. These costs are amortized over their estimated useful life (usually 3 years).

The costs of maintaining computer software programs are recognized as expenses in the period in which they are incurred.

Impairment of non-financial assets

Assets subject to amortization are reviewed for impairment losses whenever there are circumstances that indicate that their carrying amount may not be recoverable. An impairment loss is the difference between the carrying amount and the recoverable amount of that asset. The recoverable amount is the greater between the asset's usage value and its fair value, less any sale costs.

Financial instruments

Financial assets and liabilities include equity instruments as financial assets available for sale, equity instruments in subsidiaries and associates, customers and other receivables, cash and cash equivalents, suppliers and other debts.

Financial assets available for sale

Financial assets available for sale are non-derivatives that are specifically classified in this category or not fit in another category of financial assets. They are included in non-current assets unless management intends to dispose of the investment within 12 months from the end of the reporting period.

Financial assets available for sale are valued at cost.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are valued at their respective cost. The company did not recognize impairment adjustments for them.

Receivables from customers and similar accounts

Receivables from customers and similar accounts are non-derivative financial assets with fixed or determinable receipts that are not listed on an active market. They are included under current assets (customers and other receivables).

Stocks

Stocks are stated at the lowest value between cost and net realizable value. The cost is determined using the weighted average cost method (CMP/ACM). In the normal course of business, net realizable value is estimated based on selling price less the involved costs.

Trade receivables (customers)

Customer receivables are usually collected in a period of less than one year and are therefore treated as current assets.

Cash and cash equivalents

Cash and cash equivalents consist of liquidities in cash and current accounts, deposits with a maturity of less than 3 months and other securities. The available foreign currency cash and bank deposits in foreign currencies are measured and presented in the statement of financial position using the exchange rate announced by the NBR and valid at the date of the financial position statement.

Share capital

The share capital includes ordinary shares recorded at nominal value. Any excess of fair value received over the nominal value of issued shares is recognized as share premium.

The company recognizes changes in share capital under the terms specified by the legislation in force and only after their approval by the General Meeting of Shareholders and their registration with the Trade Register.

Dividend distribution

The distribution of dividends is recognized as a liability in the company's financial statements for the period in which such dividends are approved by shareholders.

Trade payables (suppliers)

Trade payables are obligations to pay for goods or services acquired in the ordinary course of business from suppliers. They are classified as current liabilities. Payables arising from foreign currency transactions are measured in lei based on the exchange rate at the transaction date. Payables in foreign currency are measured using the exchange rate as communicated by NBR and valid at the date of the financial position statement.

Deferred current income tax

Tax expense for the period includes current tax and deferred tax.

Current income tax expense is calculated based on tax regulations in force at the date of the statement of financial position.

Deferred income tax is determined taking into account the temporary differences arising between the carrying amounts and tax bases of assets and liabilities. Deferred income tax is determined using tax rates provided by the legislation in force to apply in the period when the temporary difference is achieved.

Deferred tax recorded as receivable is recognized only in as much as a future taxable profit is likely to be obtained, from which temporary differences can be deducted.

Employees' benefits

In the normal course of business, the company makes payments to the Romanian State on behalf of its employees for pension, health and unemployment funds. All company employees are members of the Romanian State pension plan. Wages, salaries, contributions to pension funds and social security of the Romanian state, annual leave and paid sick leave, bonuses and non-monetary benefits are accumulated during the year in which the related services are rendered by company employees.

The company grants to its employees, in case of retirement or early retirement, an end-of-career reward of three base monthly salaries as received in the retirement month.

Provisions

Provisions are recognized when the company has a legal or implicit obligation arising from past events, when a disbursement of resources incorporating economic benefits is necessary to settle the obligation, and when a reliable estimate can be made regarding the amount of the obligation.

Provisions are measured at the updated value of the expenses expected to be required to settle that obligation using a pre-tax rate that reflects current market assessments of the time value of money and the obligation-specific risks. Increase in the provision due to passage of time is recognized as financial charges on provision updating.

Income recognition

Income is assessed at the fair value of the amount received or to be received from the sale of goods and provision of services in the company's ordinary course of business.

Income is recognized when their value can be reliably assessed, when future economic benefits are likely to be achieved for the entity and when specific criteria are met for the recognition of each category of income.

a) Income from provided operations

Income from provided port operations is recognized according to the stage of completion of the transaction at the end of the reporting period. Thus, income is recognized in the accounting periods in which services are provided.

The operations under way, not yet invoiced to customers, are recorded into account 418 "Customer invoices to be issued" and are presented in the statement of financial position under "customers and other receivables".

b) Income from sale of goods

Income from sale of goods is recognized when the company transfers the significant risks and rewards related to the ownership of goods. In case of the company, the transfer of ownership right occurs upon delivery of products.

c) Interest income

Interest income is recognized using accrual accounting effective interest method.

d) Income from rents

Income from rents is recognized on an accrual basis in accordance with the economic substance of the contracts involved.

NOTE 1. TANGIBLE ASSETS

Change in gross value, amortization and book value for each category of fixed assets is as follows:

	Land and buildings	Plant and machinery	Furniture, accessories and other equipment	Real estate investment	Assets in progress	Tangible assets advances	Total
As at 01/01/2022							
Cost or reassessed value	55,939,070	128,911,656	698,869	3,207,009	87,110,290	1,938,774	277,805,668
Cumulative amortization	-3,927,625	-68,073,675	-587,893	0	0	0	-72,589,193
Net carrying value	52,011,445	60,837,981	110,976	3,207,009	87,110,290	1,938,774	205,216,475
As at 01/01/2022							
Initial net carrying value	52,011,445	60,837,981	110,976	3,207,009	87,110,290	1,938,774	205,216,475
Receipts	0	1,518,670	33,634	0	7,757,586	0	9,309,890
Disbursements	0	-562,048	0	0	-1,552,306	-213,402	-2,327,756
Amortization for disbursements	0	554,990	0	0	0	0	554,990
Amortization expense	-1,041,792	-1,784,897	-7,848	0	0	0	-2,834,537
Final net carrying value	50,969,653	60,564,696	136,762	3,207,009	93,315,569	1,725,371	209,919,061
As at 03/31/2022							
Cost or reassessed value	55,939,070	129,868,278	732,503	3,207,009	93,315,569	1,725,371	284,787,801
Cumulative amortization	-4,969,417	-69,303,582	-595,741	0	0	0	-74,868,740
Net carrying value	50,969,653	60,564,696	136,762	3,207,009	93,315,569	1,725,371	209,919,061

Tangible assets have been recognized at the time of entry, at their cost, and subsequent revaluations were performed based on H.G. 26/92, H.G. 500/94, H.G. 983/98, H.G. 403/2000 and H.G. 1553/2004.

The company constructions were last revaluated on 31 December 2021 by an independent assessor, as follows:

- 15,389,690 lei – representing value increase and recorded within the credit of unrealized revaluation reserves account;
- 306,164 lei – representing value reduction and recorded within the debit of existing unrealized reserves account;

The evaluation report had as main goal estimation of fair value according to International Evaluation Standards SEV 2014 – Tangible Assets Evaluation for Financial Reporting, with the specific purpose of accounting recording in order to comply with GD (HG) 276/21.05.2013 and it's implementation rules. The applied methodology is in absolute compliance with International Accounting Standards – IFRS 13 related to accounting records of tangible assets including carrying value of the assets using the revaluation based pattern.

For the revaluation differences deferred taxes have been also taken into account.

The dynamics of the company's fixed assets in the first quarter was as follows:

- purchases of cars and equipment in the amount of 1,259,833 lei
- acquisition of licenses for various IT applications and equipment, the amount of 176,927 lei.

In the first quarter of 2022 the value of the modernization works of the fixed assets was 171,281 lei.

Also in the first quarter, assets totaling 562,048 lei were removed from the record, through sale and scrapping.

According to Loan Contract with BRD for financing the PACECO project, the company has mortgaged the RTG equipment and the two STS cranes.

NOTE 2.ASSETS RELATING TO THE RIGHTS OF USE

Since 2019, IFRS 16 'Leases' replaces the existing leasing instructions, including IAS 17 'Leasing', IFRIC 4 'Determining the extent to which a commitment contains a lease', SIC 15 'Operating leasing – Incentives', and SIC 27 'Economic fund valuation of transactions involving the legal form of a leasing contract'.

The amendment aims to adopt a unitary model of balance sheet reporting of the operational and financial leasing contracts, this eliminating the differentiated treatment of the two types of contracts.

IFRS 16 specifies that a contract is or contains a lease if it confers the right to control the use of an identified asset for a period of time in exchange for compensation.

Thus, the lessee must recognize an asset related to the right of use and lease debt. The assets related to the right of use are amortized over the term of the lease, and the debt generates interest. Interest expenses are recorded in the profit and loss account for the duration of the lease, being calculated at the remaining balance of the lease debt for each period.

Regarding the contracts that fall under IFRS 16, Socep S.A.:

- did not recognize any asset related to the right of use and any lease debt related to contracts that expire in 12 months or less from the date of application;
- did not recognize any assets related to the right of use and any leasing debt for low value contracts (less than 25,000 eur/year).

Socep S.A. has adopted IFRS 16 starting with January 1-st 2019, using the modified retrospective method, that is:

- the data related to previous reports are not modified;
- the assets related to the right of use were valued at the value of the lease debt, adjusted with the advance payments;
- the lease debts were valued at the value of the remaining lease payments, to which a discount factor equal to the marginal interest rate is applied.

The application of IFR 16 starting with the year 2019 took into account the rent Contract no. CNAPM-00082-IDP-01, concluded between Socep SA and the National Company of Ports Maritime Administration S.A. Constanta; on 03/31/2022 the consequences are:

- a) on the Statement of financial position:
 - recognition of an asset related to the use rights amounting to 168,227,910 lei;
 - recognition of a debt related to this right in the total amount 178,788,227 lei, 172,577,634 lei long – term debts and 6,210,594 lei short – term debts;
- b) on the Statement of profit or loss:
 - expenses of depreciation of assets related to the rights of use with the amount of 1,460,835 lei;
 - increase of financial expenses with the amount of 314,462 lei;

In conclusion, the application of IFRS 16 has the following impact on:

- assets of the company – increase of 168,227,910 lei;
- debts of the company – increase of 178,788,227 lei;
- the result of the financial first quarter's of 2022 – decrease by 314,462 lei;
- on the cash flows: increase of the cash flow related to the operating activities, with the same value, so that the total cash flow is not influenced;
- on financial indicators: a current liquidity – decrease as a result of the increase of current debts; a degree of indebtedness – exponential growth as a result of the increase of the total debts; an asset turnover rate – decrease due to asset growth;
- rotation speed of fixed assets – decrease due to increase of fixed assets;

Thus, the lease no. CNAPM-00082-IDP-01, CNAPM-00082-IDP-02 and CNAPM-00082-CHI-02 concluded between SOCEP SA and National Company of Ports Maritime Administration SA Constanta was recognized as Asset related to the right of use and Leasing debt related to the right of use.

Assets related to the right of use:

	Assets related to the right of use
As at 01 January 2022	
Cost	184,840,090
Accumulated amortization	-15,151,345
Net carrying value	169,688,745
First quarter 2022	
Initial net carrying value	169,688,745
Receipts	0
Disbursements	0
Amortization for disbursements	0
Amortization expense	-1,460,835
Final net carrying value	168,227,910
As at 31 March 2022	
Cost	184,840,090
Accumulated amortization	-16,612,180
Net carrying value	168,227,910

Leasing debts related to the rights of use:

As at 03/31/2022	Short term	Long term	total
Leasing debts related to the rights of use	6,260,431	173,962,084	180,222,516

NOTE 3. INTANGIBLE ASSETS

	<u>Computer licenses, software and Goodwill</u>
As at 01 January 2022	
Cost	3,370,777
Accumulated amortization	-1,251,652
Net carrying value	2,119,125
First quarter 2022	
Initial net carrying value	2,119,125
Receipts	55,737
Disbursements	0
Amortization for disbursements	0
Amortization expense	-12,381
Final net carrying value	2,162,481
As at 31 March 2022	
Cost	3,426,514
Accumulated amortization	-1,264,033
Net carrying value	2,162,481

The intangible assets include software licenses and one trademark. Licenses are depreciated in a linear manner over a useful life of maximum 3 years and the trademark over 8 years.

The value of the Goodwill is 1,910,593 lei.

Intangible assets are measured at cost reduced by accumulated depreciation.

As at 03/31/2022, the company did not record advances for intangible assets.

NOTE 4. FINANCIAL ASSETS AVAILABLE FOR SALE

Financial assets available for sale include equity instruments held in:

- ROCOMBI SA BUCHAREST and ROFERSPED SA BUCHAREST companies. The share granted by these is 4.7619% in ROCOMBI SA BUCHAREST and 3.0911% in ROFERSPED SA BUCHAREST. The securities of the two companies are not listed on BSE and are net asset value-measured.

- ELECTRICA SA. The share granted by these is 0.002 %. Equity Shares are listed on BSE and are measured at fair value.

	ROCOMBI SA	ROFERSPED SA	ELECTRICA SA	TOTAL
Value as at 01/01/2022	64,292	315,826	66,445	446,563
Value increases	0	0	0	0
Fair value increases	0	0	0	0
Value decreases	0	0	-5,559	-5,559
Value as at 03/31/2022	64,292	315,826	60,886	441,004

Financial assets available for sale listed on BSE are quarterly revaluated, depending on the rate in that quarter's last trading day.

NOTE 5. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

The company holds equity instruments (shares) in the following companies:

Company name	Type of relation	Country of incorporation	Percentage held (%)	Reference date for relation	Type of combination
SOCEFIN S.R.L.	Subsidiary	Romania	100.00 %	04/02/2012	Contribution to the establishment

Investments in subsidiaries and associates are valued at their cost. The company did not recognize adjustments for their impairment.

	Equity securities SOCEFIN	Total
As at 01/01/2022	31,332,883	31,332,883
Receipts	-	-
Disbursements	-	-
As at 03/31/2022	31,332,883	31,332,883

NOTE 6. OTHER LONG TERM INVESTMENTS

At the end of the first quarter of the current year, the company had a total amount of 1,692,488.53 lei as committed guarantees, resulting from:

- Lease contract CNAPMC – concluded between SOCEP SA and C.N. Maritime Port Administration S.A. Constanta, 1,599,949.26 lei;
- Concession contract no. 94 concluded with the Administration of the Free Zone Constanta Sud, 28,930.47 lei;
- Guarantees taken over after the merger, amounting to 63,608,80 lei.

NOTE 7. STOCKS

Stocks held on 03/31/2022 are mainly composed of consumables. Their values were:

	01/01/2022	03/31/2022
Consumables	2,878,071	3,059,644
Goods	6,670	6,670
Adjustments for stock impairment	-2,034,648	-2,034,648
Advanced for goods	35,490	41,863
Total	885,583	1,073,530

It should be noted that stocks category includes some spare parts purchased in previous years, which are slowly moving. Specifically, for them the company formed some adjustments for stock impairment amounting to 2,034,648 lei.

NOTE 8. CUSTOMERS AND OTHER RECEIVABLES

	01/01/2022	03/31/2022
Trade receivables (customers)	13,258,128	15,695,991
Adjustments for customer receivables impairment	-510,583	-423,854
Trade receivables – carrying value	12,747,546	15,272,136
Other receivables	4,703,477	4,206,852
Adjustments for impairment sundry debtors	-1,760,183	-1,760,183
Other receivables - carrying value	2,943,294	2,446,669
Total	15,690,840	17,718,805

Both trade receivables and other receivables are current assets.

The evolution of adjustments for customer receivables impairment and for sundry debtors' impairment in the first quarter of 2021 was as follows:

	03/31/2022	
	Adjustments for impairment of customer receivables	Adjustments for impairment of sundry debtors
Balance as at 1 January 2022	510,583	1,760,183
Increases	162	0
Decreases	-86,890	0
Balance as at 31 March 2022	423,854	1,760,183

Income resulting from the adjustment for trade receivables impairment is included under other gains/losses from operations – net.

Other receivables include:

	01/01/2022	03/31/2022
Advances for stocks and services	35,743	79,896
Taxes and charges to be recovered and other receivables	950,490	815,828
VAT to be recovered	595,250	174,486
Sundry debtors	3,121,994	3,136,642
Total	4,703,477	4,206,852

NOTE 9. ACCRUED CHARGES

Accrued charges were generated by the advance payment of local taxes and fees, of insurances for tangible assets and liability insurance, subscriptions, contributions and various fees, amounting the value of 950,730 lei.

NOTE 10. CASH AND CASH EQUIVALENTS

	01/01/2022	03/31/2022
Cash and bank accounts	15,569,432	18,792,850
Short-term bank deposits	5,007,773	4,199,273
Total	20,577,205	22,992,124

Cash and cash equivalents in foreign currency were measured in the financial statements based on exchange rates valid on 03/31/2022, i.e. 4.9466 lei/Euro and 4.4508 lei/USD.

NOTE 11. SHARE CAPITAL

The company's share capital is fully subscribed and has a value of 34.342.574.40 lei. It consists of 353.991.490 dematerialized registered shares. The nominal value of a share is 0.10 lei. After the application of IFRS, the company's share capital was adjusted to inflation. The adjustment amount is 164.750.632 lei.

During 2020, the merger by absorption between SOCEP SA and Casa de Expeditii Phoenix SA was carried out, as a result of which the following changes took place:

- a number of 7,768,732 shares were redeemed by SOCEP SA, from the shareholders who withdrew from the company, amounting to 4,087,907 lei;
- it was registered as the capital premium, the merger premium amounting to 1,091,443.46 lei;

NOTE 12. RESERVES

Company reserves consist of unrealized revaluation surplus and reserves.

After the transition to IFRS implementation, company policy is to recognize for retained earnings the revaluation surplus for depreciable assets as they are amortized or sold.

	Reserves from revaluation of tangible assets	Legal reserves	Reserves from distribution of net profit	Reserves from tax reductions and exchange rate differences	TOTAL
As at 01/01/2022	29,128,603	7,079,830	10,325,831	10,713,035	57,247,299
Profit distribution (earnings for first qtr.)	0	0	0	0	0
Surplus from revaluation realized	-668,412	0	0	0	-668,412
Investment property revaluation reserve at fair value	0	0	0	0	0
Reserves from reinvested profit	0	0	0	0	0
As at 03/31/2022	28,460,191	7,079,830	10,325,831	10,713,035	56,578,887

Reserves from asset revaluation consist of differences from revaluation of unrealized tangible assets.

Legal reserves have been set up in full accordance with the legal provisions.

Reserves from profit distributions come from the legal distribution of a portion of the net profit from its own funding sources for the period 2001-2005.

Reserves from tax reductions and foreign exchange come from:

- Tax reductions as per H.G. 402/2000 and Law 189/2001 = 3,858,117 lei
- Amount related to exchange rate differences resulting from the assessment of liquidity in foreign currencies calculated according to Decision No.3 / 2002 of the Ministry of Public Finance = 452,887 lei
- Reserves from reinvested profit = 6,402,031 lei.

NOTE 13. RETAINED EARNINGS

	Retained earnings from Retained earnings	Retained earnings from first-time adoption of IAS 29	Retained earnings from surplus realized from revaluation reserves	Retained earnings from implementation of IFRS, less IAS 29	TOTAL	
As at 01/01/2022	72,532,396	-1,282,715	24,277,686	3,142,346	98,669,712	72,532,396
Distributed legal/others reserve	0	0	0	0	0	0
Result for the year	5,160,833	0	0	0	5,160,833	5,160,833
Surplus from revaluation	0	0	668,412	0	668,412	0
Income tax related to surplus from revaluation	0	0	-106,946	0	-106,946	0
As at 03/31/2022	77,693,229	-1,282,715	24,839,152	3,142,346	104,392,012	77,693,229

NOTE 14. PROFIT (LOSS) FOR THE PERIOD

In the first quarter of the current year, the company registered a profit of 5,343,343 lei.

NOTE 15. OTHER EQUITY ELEMENTS

	Deferred income tax recognized in equity account	Differences from the change in fair value of financial assets available for sale	TOTAL
As at 01/01/2022	-5,129,655	1,628,893	-3,500,762
Deferred tax income related to change in fair value of equities valued at fair value through other items of the comprehensive result	106,946		106,946
Changing the fair value of equities valued at fair value through other items of the comprehensive result	889	-5,559	-4,670
Deferred income tax related to revaluation surplus realized			0
As at 03/31/2022	-5,021,820	1,623,334	-3,398,486

NOTE 16. DEFERRED INCOME TAX AND CURRENT INCOME TAX

a) Deferred income tax

Deferred tax assets were recognized for stock adjustments, receivables adjustments and provisions.

Deferred tax liabilities were recognized in reserves from revaluation and changes in fair value of financial assets available for sale.

Change of assets and liabilities related to deferred income tax during first quarter of 2022, without taking into account the compensation of balances related to the same tax authority, is:

Deferred income tax assets

Deferred income tax assets	Stocks (stock adjustments)	Receivables (receivable adjustments)	Provisions	Reinvested Profit	Total
As at 01/01/2022	325,544	360,250	14,580	126,915	827,289
Recorded/credited in profit or loss for the period	0	0	0	0	0

Recorded/debited in profit or loss for the period	0	0	0	0	0
As at 03/31/2022	325,544	360,250	14,580	126,915	827,289

Deferred income tax liabilities

Deferred income tax liabilities	Revaluation reserves	Financial assets available for sale	Total
As at 01/01/2022	4,869,032	260,623	5,129,655
Recorded/credited in profit or loss for the period	0	0	0
Recorded/debited in profit or loss for the period	-106,946	-889	-107,835
Recorded/credited in other elements of comprehensive income	0	0	0
Recorded/debited in other elements of comprehensive income	0	0	0
As at 03/31/2022	4,762,086	259,733	5,021,820

b) Current income tax

	03/31/2021	03/31/2022
Balance on 01 January	-267,725	109,464
Increases	0	1,091,726
Decreases	0	0
Balance on 31 March	-267,725	1,201,190

c) Income tax expenses

	03/31/2021	03/31/2022
Current income tax expenses	0	1,091,726
Deferred income tax expense	34,691	0
Deferred income tax revenues	-90,742	-106,946
Income tax expenses	-56,051	984,780

NOTE 17. OTHER LIABILITIES

Other debts include the financial leasing contract taken over following the merger by absorption, having as object a motor vehicle. Its duration extends until 30.05.2022, and its balance on 03.31.2022 was 3,374.36 lei, due in one year.

Also, in this category are included the guarantees offered by SOCEP SA by third parties, having a value of 329,537 lei. They have a maturity of more than one year.

NOTE 18. BANK LOANS

The company has contracted a bank loan amounting to 35,090,000 lei on 10/05/2015 from BRD. Till now the amount of 32,152,074,80 lei has been withdrawn and used. This loan was used for partial payment of the import letter of credit amounting to 8,710,550 Euro (opened at BRD on the request of SOCEP, in favor of beneficiary PACECO ESPAÑA S.A., as per credit letter issuance contract no.209763/05.10.2015). In February of the previous year, the credit currency was converted from lei to euro. On 31.03.2022, the loan balance was lei 5,378,500, due in one year.

Also, during 2020, the company contracted, from BRD, another bank loan, denominated in euro, with the purpose of financing the project Modern Cereal Terminal, an ongoing facility. His balance on 31.03.2022 is 58,419,897 lei, of which 11,683,980 lei due in the short term and 46,735,917 lei due in one year.

The interest due at the end of this quarter was 29,249 lei.

NOTE 19. DEFERRED INCOME

Under the deferred income category, the company recognizes donations for investments and revenues from rents invoiced in advance.

	01/01/2022	03/31/2022
Other revenues	7,875	32,855
TOTAL	7,875	32,855

NOTE 20. SUPPLIERS AND OTHER LIABILITIES

The suppliers and other payables statement is as follows:

	01/01/2022	03/31/2022
Trade payables, out of which:	5,251,368	8,131,494
Suppliers for fixed assets	1,899,595	2,696,630
Salaries due	1,027,501	1,338,350
Unclaimed Dividends	1,312,955	1,311,243
Social security and other taxes	1,243,596	1,265,307
Other payables	0	0
Total	8,835,420	12,046,395

Social security and other taxes, which are due in April 2022, have the following values:

	01/01/2022	03/31/2022
Social security	1,022,560	1,073,250
Salary tax	183,412	192,057
VAT	0	0
Others taxes	37,624	0
TOTAL	1,243,596	1,265,307

On 03/31/2022, the company has no outstanding debts for which interests or late payment penalties should be paid.

NOTE 21. PROVISIONS

The situation of provisions is as follows:

	01/01/2022	03/31/2022
Provisions for litigation	0	0
Provisions for employee benefits	85,340	85,340
Other provisions	836,477	638,480
TOTAL	921,817	723,820

The provision for employee benefits in the amount of 85,340 lei is formed for the amounts to be granted to company employees, equivalent to two base salaries for each, as received on retirement date.

NOTE 22. INCOME (Turnover)

The company has achieved over 99% of its turnover from operations carried out in our terminals, general cargo terminal and container terminal.

	03/31/2021	03/31/2022
Income from performed port operations	16,047,117	25,706,292
Income from rents	111,371	154,636
Other income (sale of goods)	71,665	603,191
TOTAL	16,230,154	26,464,119

Turnover detailed by port terminals as determined by company management, is as follows:

	03/31/2021	03/31/2022
I. GENERAL CARGO		
Cargo handling	10,244,344	14,047,030
Storage	536,166	1,996,011
Other services	159,140	729,205
South Agigea Area	61,722	129,314
TOTAL	11,001,372	16,901,561
II. CONTAINERS		
Handlings	5,143,334	8,842,985
Storage	37,311	368,466
Other services	48,137	351,107
TOTAL	5,228,782	9,562,558
III, TOTAL COMPANY		
Handlings	15,387,678	22,890,015
Storage	573,477	2,364,477
Other services	207,277	1,080,312

South Agigea Area	61,722	129,314
TOTAL	16,230,154	26,464,119

NOTE 23. OTHER INCOME

	03/31/2021	03/31/2022
Dispatch and penalties	118,280	48,645
Miscellaneous	71,284	145,109
Earnings from fair value assessment inv, assets	216,819	86,890
TOTAL	406,383	280,644

Other income included amounts from invoicing dispatch (due for early operation of ships - amounting of 48,645 lei.

NOTE 24. RAW MATERIALS AND CONSUMABLES

	03/31/2021	03/31/2022
Expenses with consumables	1,404,527	2,249,535
Expenses with other materials	99,662	59,945
Expenses with energy and water	562,685	994,131
TOTAL	2,066,874	3,303,611

NOTE 25. COST OF SOLD GOODS

	03/31/2021	03/31/2022
Expenses with goods	13,879	55,833

NOTE 26. SERVICES PROVIDED BY THIRD PARTIES

	03/31/2021	03/31/2022
Maintenance and repair expenses	671,671	790,794
Rent expenses	102,498	29,388
Insurance expenses	80,652	142,929
Protocol and advertising expenses	16,775	14,805
Expenses with charges and fees	14,482	15,389
Cargo and staff transportation expenses	28,884	28,926
Travel expenses	807	28,575
Postal and telecommunication expenses	41,102	42,274
Bank service expenses	5,086	22,876
Rail cars shifting expenses	149,797	210,431
Port service expenses	1,386,308	2,269,135
Sanitation expenses	109,800	119,853
Occupational safety expenses	19,268	14,668
Fire protection, safety expenses	459,694	449,095
Computer service expenses	56,822	86,022
Expenses with subscriptions, contributions	27,292	31,530
Audit, consultancy, BSE expenses	38,131	75,890
Expenses with authorizations	30,010	30,376
Schooling/training expenses	9,765	17,820
Other expenses	59,102	47,850
TOTAL	3,307,947	4,468,625

**NOTE 27. EMPLOYEE BENEFIT COST
EXPENSES**

	03/31/2021	03/31/2022
Salaries and meal vouchers	6,759,820	7,788,501
Social security expenses	371,780	248,596

TOTAL	7,131,600	8,037,097
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Benefits for Management Board and Supervisory Board members:

CHELTUIELI	03/31/2021	03/31/2022
Management Board benefits	219,090	311,815
Social security related to Executive Board benefits	4,930	6,805
Supervisory Board benefits	191,093	216,570
Social security related to Supervisory Board benefits	4,300	4,873
TOTAL	419,412	540,063

AVERAGE NUMBER OF EMPLOYEES	03/31/2021	03/31/2022
	368	373

NOTE 28. AMORTIZATION EXPENSES

	03/31/2021	03/31/2022
Expenses with the amortization of intangible assets	1,781	12,381
Expenses with the amortization of tangible assets	2,560,187	2,834,537
Expenses from revaluation of Right-of-use asset	1,256,571	1,460,835
TOTAL	3,818,539	4,307,753

NOTE 29. OTHER EXPENSES

Other expenses include expenses with other taxes, losses on bad debts, compensation of damages, fines and penalties, donations and other operating expenses.

	03/31/2021	03/31/2022
Expenses with taxes and charges	281,729	291,814
Losses from receivables	0	
Damages/Indemnities, fines, penalties	72,898	220,428
Donations	0	40
Other operating expenses	11,466	18,402
TOTAL	366,093	530,684

NOTE 30. OTHER OPERATIONAL GAINS/LOSSES – NET

	03/31/2021	03/31/2022
Income from of production of fixed assets	316,735	301,215
Income from disposal of assets	0	0
Expenses on disposal of assets	0	-7,058
Income from operating subsidies	1,210	0
Income from provisions	0	0
Expenses from provisions	128,993	197,997
Income from adjustments of stocks and customer receivables	0	0
Expenses for adjustments of stocks and customer receivables	-7,200	-162
Income from exchange rate differences, less those for cash and cash equivalents	35,576	20,870
Expenses from exchange rate differences, less those for cash and cash equivalents	-9,707	-26,135
TOTAL	465,607	486,727

NOTE 31. FINANCIAL INCOME

Financial income includes income from interests and other income.

	03/31/2021	03/31/2022
Income from interests	10,692	7,585
Other financial income	5,466	30,759
Income from exchange rate differences leasing debt related to the rights to use the assets	0	93,058
TOTAL	16,158	131,403

NOTE 32. FINANCIAL EXPENSE

	03/31/2021	03/31/2022
Interest expenses	79,541	110,532
Interest expenses of right-of-use asset	273,207	366,357
Exchange rate expenses of right-of-use asset	1,800,949	41,163
TOTAL	2,153,697	518,052

NOTE 303 OTHER FINANCIAL GAINS/LOSSES – NET

The net financial gain (loss) is determined as the difference between income and expenses related to different exchange rates applied to cash and cash equivalents in foreign currency.

	03/31/2021	03/31/2022
Income from different exchange rates	365,982	223,335
Expenses from different exchange rates	-544,435	-36,449
Net financial gains (losses)	-178,454	186,886

NOTE 34. TRANSACTIONS WITH AFFILIATED PARTIES

In the first quarter of 2022, the company did not have transactions with related parties.

NOTE 35. ECONOMIC AND FINANCIAL INDICATORS

INDICATORS	CALCULATION PROCEDURE	RESULTS	
		03/31/2021	03/31/2022
1. Current liquidity	Current assets/Current liabilities	1.60	1.10

	Borrowed capital		
	----- x 100	107.89	134.15
	Equity		
2. Indebtedness			
	Borrowed capital		
	----- x 100	51.90	57.29
	Committed capital		
	Average balance of customers		
3. Rotation speed of customers debts	----- x 90	76.65	45,95
	Turnover		
4. Rotation speed of fixed assets	Turnover/Fixed assets	0.04	0.06

EVENTS OCCURRED AFTER THE REPORTING PERIOD

We mention that subsequent to preparation of individual financial statements and prior to their authorization for publication, significant events have occurred which can influence the financial position and performance of the Group.

On 20.09.2021, within the Extraordinary General Meeting of Shareholders, the cancellation of a number of 7,768,732 own shares was approved, which the company acquired by redemption from the shareholders who exercised their right conferred by art. 164, of Law no. 31/1990, to withdraw from the company in the context of the merger process by absorption with the company Casa de Expeditii Phoenix SA.

Also, during the same meeting, the decrease of the share capital of Socep SA was established with the amount of 776,873.20 lei, from the value of 35,399,149 lei to the value of 34,622,275.80 lei, as a result of the cancellation of its own shares.

At this moment, the company carried out the necessary diligences to implement the two decisions, the procedure being in progress.

At the time of preparing the financial statements, there is a risk of affecting the company's activity, as a result of the global and national effects of the Covid 19 epidemic. The management of the company has implemented procedures to protect the employees, and is considering resource management measures in correlation with the evolution of the situation, so as to limit the impact on the financial results, as well as ensuring the continuity of the company's activity.

Financial Reports are not audited.

General Manager
Dorinel Cazacu

Financial Manager
Cristian-Mihai Ududec