

No. 962/27.01.2023

To

- **Financial Supervisory Authority**
- **Bucharest Stock Exchange**

**CURRENT REPORT**

**According to the FSA Regulation no. 5/2018 and Law 24/2017 regarding the issuers of financial instruments and market operations**

**Report date:** 27.01.2023

**Name of issuing entity:** CEMACON S.A.

**Registered office:** Cluj-Napoca, Calea Turzii, no. 178K, 1<sup>st</sup> floor, Cluj county

**e-mail:** [office@cemacon.ro](mailto:office@cemacon.ro)

**Sole registration code with the Trade Register Office:** RO 677858

**Serial number with the Trade Register:** J12/2466/2012

**Subscribed and paid capital:** 93.531.041,80 lei

**Regulated market on which the securities issued are traded:** Bucharest Stock Exchange – Standard category.

**Important event to report:**

Publication of the Auditor Report regarding transactions with affiliates for 2nd Semester of 2022

In compliance with F.S.A. Regulation no. 5/2018 regarding Issuers of Financial Instruments and Market Operations, CEMACON S.A. submits for publication the Auditor Report regarding transactions with affiliates during 2nd Semester of 2022. The report is also available on the company web site, at “Investors relation” section, “Current Reports” subsection, as well as in the link below.

Daniel Sologon

Chairman of the Board

## **INDEPENDENT LIMITED ASSURANCE REPORT ON THE INFORMATION INCLUDED IN THE CURRENT REPORTS PREPARED BY THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF LAW NO. 24/2017, AS REVISED, AND FSA REGULATION NO. 5/2018**

**To: Board of Directors,  
of CEMACON S.A. recipient of the report**

We have been contracted by CEMACON S.A (herein after referred to as “**the Company**” or “**CEMACON**”) in order to report according to the requirements of Law no. 24/2017 on issuers of financial instruments and market operations, as revised (herein after referred to “**Law no. 24/2017**”) on the information included in the accompanying current report (no. 7814 from July 18, 2022) (“**Current Report**”), which was prepared by the Company in accordance with the article 108 from Law 24/2017, and the provisions of Regulation no. 5/2018 of the Financial Supervisory Authority (herein after referred to as “**FSA**”), to report to the FSA and the Bucharest Stock Exchange (“**BSE**”) for the period July 1, 2022 – December 31, 2022, in the form of a limited assurance conclusion.

### **Specific Scope**

The scope of our report is exclusively that laid down in the first paragraph hereof, and our report is prepared for the information of the Company, of the BSE and the FSA and shall not be used for any other purpose. Our report shall not be deemed adequate for use by any party that wishes to acquire rights towards us, other than the Company, for any purpose or in any context.

Any party other than the Company, which gains access to our report or a copy hereof and chooses to rely on our report (or a portion hereof), shall do so on its own responsibility. Our engagement was conducted so as to report on such matters that we must report in an independent limited assurance report, and not for other purposes. This report refers only to the elements mentioned hereunder and does not extend to the Company’s financial statements or other reports issued by the Company, individually or as a whole.

### **Management’s Responsibility**

The Company’s management is responsible for the preparation of the Current Reports and conclusion of the transactions reported in accordance with Law no. 24/2017 and FSA Regulation no. 5/2018, as revised. Moreover, the Company’s management is responsible for the design, implementation and maintenance of internal controls that enable the preparation of Current Reports that are free from material misstatements, whether due to fraud or error.

The Company’s management is also responsible to make sure that the supporting documents underlying the preparation of the Current Reports and evidence provided to the auditor are complete, correct and justified.

### **Auditor’s Responsibility**

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance engagements other than audits or reviews of historical financial information. This standard requires that we comply with ethical requirements, plan and perform the assurance engagement to obtain limited assurance about the Current Report.

Our firm applies International Standard on Quality Management 1 (“**ISQM 1**”) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“**IESBA Code**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The procedures selected depend on the auditor’s judgment and understanding of the reported transaction included in the Current report, and of other circumstances of the engagement, as well as on our considerations as to the areas where material misstatements might arise. In obtaining an understanding of the reported transaction included in the current report, we have taken into consideration the process used by the Company for concluding the transactions and preparing and presenting the current report in accordance with Law no. 24/2017 and FSA Regulation 5/2018, for the purpose of determining the assurance procedures applicable in the given circumstances, but not for the purpose of expressing a conclusion on the efficacy of the process or of the Company’s internal control for concluding the reported transaction included in the Current report and for preparing and presenting the Current report.

The procedures include, in particular, making enquiries of those in charge of financial reporting and risk management, as well as additional procedures aimed at obtaining evidence on the information included in the Current report.

The procedures of obtaining evidence in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As regards the Company’s current report, in order to assess the justified and correct nature of the transactions reported in such report, we have conducted the following procedures:

- 1) We have obtained from the Company the accompanying Current report and details on the transactions included in such report.
- 2) We have checked whether the persons approving such report are the Company’s authorised representatives and requested the list of authorised signatures
- 3) For the transactions analysed, presented in the Current report, we have determined whether the details thereof are consistent, in all material respects, with the information included in the signed contracts/ contractual agreements, made available to us, and whether they were signed by the Company’s representatives, in accordance with the list of authorised signatures provided to us. Where applicable, we have checked whether the details included in the Current report match the documentation pertaining to such contracts: the parties who signed the supporting documents; the date when the documentation was signed and the nature thereof; description of the type of goods/services indicated in the documentation; the achieved or estimated aggregate value of the contracts and, where applicable, guarantees and penalties established, payment terms and methods, the related contractual terms and conditions.
- 4) For the transactions analysed, we have checked whether the details presented in the accompanying Current report match the information obtained by us following the enquiries with the Company’s management as well as with the documentation accompanying the contracts, as applicable.
- 5) For the transactions analysed, to the extent there is a market price for the goods or services provided between the Company and its affiliates, we have discussed with the Company’s management the pricing of such goods or services and whether, on a case by case basis, the agreed upon prices are consistent with those applied by other (third) parties for similar goods or services and whether the related contracts are approved by the board of directors or the supervisory board of the Company.

If there are no market prices available, we have analysed whether such transactions are carried out based on the Company’s internal procedures regarding the substantiation of the pricing and, respectively, whether the related contracts are approved by the Company’s board of directors or supervisory board in accordance with its internal procedures.

Our procedures have been conducted only for the transactions included in the accompanying Current Report, which is related to the period July 1, 2022 – December 31, 2022. We have not conducted any procedures to check whether Current Report include all the transactions that the Company should report as per article 108 from Law 24/2017 for such period.

## **Conclusion**

Our conclusion was formed on the basis of and considering the matters presented in this independent limited assurance report. Based on the procedures described above and the evidence obtained, nothing has come to our attention that causes us to believe that:

- a) the information included in the accompanying Current report is not consistent in all material respects with the supporting documents made available to us by the Company.
- b) the information included in the accompanying Current report is not consistent in all material respects with the requirements of Law no. 24/2017 and FSA Regulation 5/2018, as regards the signatories of the supporting documents; the date when the documentation was signed and the nature thereof; the description of the type of goods/services referred to in the documentation; the achieved or estimated aggregate value of the contracts, and, if applicable, guarantees and penalties established, payment terms and methods, the related contractual terms and conditions.
- c) the contracts underlying the transactions reported and analysed have not been duly authorised by the Company's representatives and have not been approved by the Company's board of directors and supervisory board.
- d) the prices agreed upon by the parties have not been mutually accepted based on the type of goods/services and other terms and conditions stipulated, as applicable, in the agreements between the parties and have not been determined according to the criteria mentioned at item 5) of the list of procedures herein above.

On behalf of:  
Deloitte Audit SRL

Ana-Corina Dimitriu

*For signature, please refer to the original signed Romanian version.*

Bucharest, Romania  
January 27, 2023

## **Annex**

1. Current Report forming the subject matter of this limited assurance report

**Nr. 7814/18.07.2022**

To

- **Financial Supervisory Authority**
- **Bucharest Stock Exchange**

**According to the FSA Regulation no. 5/2018 and Law 24/2017 (R) regarding the issuers of financial instruments and market operations**

**Report date:** 18.07.2022

**Name of issuing entity:** CEMACON S.A.

**Registered office:** Cluj-Napoca, Calea Turzii, no.178K, first floor, Cluj county

**e-mail:** [office@cemacon.ro](mailto:office@cemacon.ro)

**Sole registration code with the Trade Register Office:** RO 677858

**Serial number with the Trade Register:** J12/2466/2012

**Subscribed and paid capital:** 50.565.353,3 lei

**Regulated market on which the securities issued are traded:** Bucharest Stock Exchange – Standard category.

**Important event to reported: In compliance with art. 108 from Law 24/2017 (R)**

- Date of conclusion and nature of the legal act - 15.07.2022 - Distribution contract;
- Parties - CEMACON S.A. - supplier and DEDEMAN SRL - buyer
- Nature of the relationship: CEMACON SA and DEDEMAN SRL have the same majority shareholder
- Description of the object of the contract - Distribution contract (commercial sale-purchase);
- The value of the legal act - depending on the buyer's orders; estimated annual value - more than 15 mil. lei.
- Reciprocal receivables - the value of invoices in balance at the date of this report;
- Guarantees provided - no guarantees are provided
- Terms and methods of payment - payment is made weekly by the buyer based on invoices issued by the supplier.

**Daniel Sologon**  
**Chairman of the Board**