

Half-yearly report of the Management Board on June 30, 2024

Date of the report: 08.08.2024

Name of the company: „MECANICA CEAHLĂU” S.A. PIATRA NEAMȚ

Registered Office: Piatra Neamț, Dumbravei street, no.6, postal code 610202

Phone number/fax: 0233-21.58.20/ 0233-21.60.69

Tax Identification Number: RO 2045262

Trade Register Registration Number: J.27 / 8 / 08.01.1991

Subscribed and paid-in share capital RON 23,990,846

Regulated market in which the issued securities are traded: Bucharest Stock Exchange
Category Standard

Trading symbol: MECF.

1. Synthesis of the financial-economic indicators on June 30, 2024

Information in the financial-economic situation of the Mecanica Ceahlau SA on the 1st semester of 2024 are presented in the Financial Statements, concluded on June 30, 2024, drafted according to the order 2844 from 2016 on the approval of the accounting regulations according to the international standards of financial reporting

The currency of the reporting is RON.

The Financial Statements, concluded on June 30, 2024 have not been audited.

The structure and the evolution of the asset, debt and equity elements of the company, compared to the same period of the previous year, is presented as:

1.a. Individual situation of the financial position

Balance Sheet Elements	Semester I 2024	Semester I 2023
Non-current assets total, out of which:	20,773,193	21,883,000
Property, plant and equipment	18,032,021	17,922,746
Intangible assets	95,202	128,496
Investments properties	595,604	1,047,746
Assets representing rights of use of underlying assets in leases	2,050,365	2,784,012
Current assets total, out of which:	44,165,298	47,087,284
Inventories	38,903,390	36,462,425
Trade receivables	2,899,664	8,330,470
Other receivables	134,150	350,999
Prepaid expenses	224,024	322,317
Financial assets measured at fair value	289,236	283,229
Financial assets at amortized cost	-	1,032,755
Cash, current accounts and deposits with banks	1,714,834	305,089
Assets classified as held for sale	-	-
TOTAL ASSETS	64,938,490	68,970,284
Equity, of which:	47,972,478	53,534,043
Share capital	23,990,846	23,990,846
Legal reserves	2,983,701	2,983,701
Balance Sheet Elements (cont.)	Semester I 2024	Semester I 2023
Revaluation reserve	9,658,639	8,631,175
Retained earnings and other reserve	11,339,291	17,928,321
Total liabilities:	16,966,013	15,436,241
long term liabilities, out of which:	3,639,143	7,115,656
Long term loans	-	2,887,886
Provisions for pensions:	1,548,313	2,134,436

Deffered tax liabilities	83,970	117,887
Lease liabilities	2,006,859	1,975,457
Current liabilities total, out of which:	13,326,870	8,320,585
Short-term loans	7,550,285	273,346
Trade payables	3,953,819	5,659,583
Other payables	1,090,955	1,723,972
Lease liabilities	593,386	603,348
Provisions for risks and charges	41,153	60,335
TOTAL EQUITY AND LIABILITIES	64,938,490	68,970,284

The equity decreased to the amount of RON 47,972,478 (June 30, 2023: RON 53,534,043).
In the first semester of 2024, dividends were not distributed to shareholders.

The Total liabilities have increased with 10% compared to the same period of the previous year.

1.b. Individual situation of the global result

The company Mecanica Ceahlau SA ended the first semester of 2024 with a net turnover of RON 13,403,112.

The net turnover decreased with 22% compared to the same period of the previous year.

	Semester I 2024	Semester I 2023
Turnover	13,403,112	17,306,614
Expenses with stocks	(8,577,538)	(10,089,684)
	4,825,575	7,216,930
Other operational revenues	282,161	181,468
Utility expenses	(374,435)	(624,779)
Expenses with salaries and other similar charges	(3,901,236)	(4,215,835)
Other administrative expenses	(1,391,942)	(1,556,470)
Other operating expenses	(388,557)	(305,014)
Amortization/Depreciation and impairment expenses for fixed assets and depreciation expenses for assets related to the rights of use of leased assets	(1,309,734)	(1,165,022)
Gain/ (losses) from disposal of current assets	-	166,081
Adjustment of the value of current assets	(1,234,900)	488,504
Adjustments of provisions	12,992	9,206
Total operating expenses	(8,305,651)	(7,203,328)
Result of the operating activities	(3,480,076)	195,071
Interest income	44,094	126,572
Gains from revaluation of financial assets measured at fair value through profit or loss	7,798	7,787
Expense with interest and discounts granted	(461,075)	(106,426)
Foreign exchenge losses	(6,272)	(63,780)
Net financial result	(415,455)	(35,846)
Pre-tax result	(3,895,531)	159,225
	192,484	(186,925)

Current and deferred income tax expense

Profit/(loss) attributable

(3,703,047)

(27,700)

Financial-economic indicators

Indicator name	Calculation method	Semester I 2024	Semester I 2023
1. Current liquidity indicator	Current assets/ Current debts	3.32	5.66
2. Rate of debt indicator	Borrowed equity/ Own equity x 100	7.41	6.43
3. Turnover speed of fixed assets	Turnover/ Fixed assets	0.21	0.25
4. Turnover speed of total assets	Turnover/ Total assets	0.65	0.79
5. Turnover speed of days sales outstanding (No. days)	Medium balance of net trade receivables / Turnover x 181	48 days	90 days

2. Half-yearly report on June 30, 2024 – the integral version is available on www.mecanicaceahlau.ro and on the Bucharest Stock Exchange website, at the link below;

Chief Executive Officer,
Sorin Ion Molesag

Chief Financial Officer,
Gabriela Pepene

PRESIDENT OF THE BOARD OF DIRECTORS,
Trifa Aurelian Mircea Radu