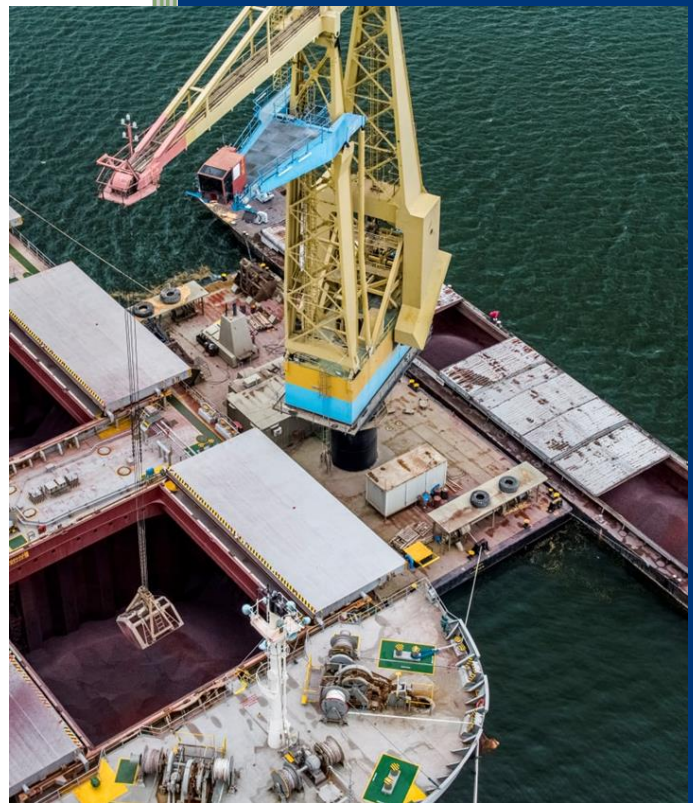


TTS – 2023

2023 Annual Report

TTS (Transport Trade Services) S.A.

[BVB: TTS](#)





Dear shareholders and investors,

2023 was an exceptional year for TTS Group, characterized by record levels of financial results and investments, and our expansion in the port of Constanța. Furthermore, TTS was among the 10 most traded shares on the Bucharest Stock Exchange, with the best performance on the Regulated Market, and we have received international recognition for our performance on the capital market. These results were achieved in a challenging geopolitical and macroeconomic context, proving once again the adaptability and robustness of our business model.

In pursuit of our strategic objective, which is to be the number 1 supplier of integrated logistics services in the Danube basin, in 2023 we made an important strategic move by **acquiring Decirom port operator and two large-capacity floating cranes**. These investments worth RON 190,0 million represent an important step for the **development of TTS Group's operations in the port of Constanța** by increasing both the operating capacity, and particularly the operating speed, the most important parameter in evaluating port efficiency.

Through the **record investments of RON 381,9 million** made in 2023, TTS Group strengthens its position as an integrated logistics services supplier on the Danube, **covering all elements of the logistics chain - an essential competitive advantage** that gives us the ability to optimize flows and ensure high efficiency levels.

TTS Group has recorded historic financial results, with an increase of over 24% in turnover and over 67% in EBITDA compared to 2022, supported by the flows of Ukrainian agricultural products redirected in 2022 on the Izmăil/Reni – Constanța route. Maintaining these flows at high levels throughout 2023, along with the relative stabilization of shipping and port operating rates that followed the general rate increases in 2022, led to an increase in our income from agricultural products and from port operations. For the first time in the Group's history, our port operations significantly exceeded our river transport activity in terms of cargo volumes.

In 2023, TTS Group recorded total revenues of **RON 1.16 billion**, an advance of 24,3% compared to 2022, and **EBITDA of RON 437,6 million**, an increase of 67.2% compared to the previous year. In line with the group, TTS recorded a turnover of **RON 904.5 million**, up almost 38% compared to 2022, and an **EBITDA of RON 161,8 million**, an advance of 76.5%.

Financial results were supported by the **return of the aggregate volumes of cargo to the levels recorded in 2021, fueled by the robust growth of our port operations**. Thus, the 9,2% increase up to 15,2 million tons of the aggregate volume of goods transported and operated by the Group, was supported by the increase of more than 42% up to 8,9 million tons in the volumes operated in ports, in 2023.

The results of 2023 allow the distribution of **RON 68.4 million in dividends**, representing 45,2% of the net profits of TTS. The 2023 dividend proposal is aligned with our dividend policy and has considered the company's long-term plans and the allocation of resources to finance investment projects and maintain an appropriate degree of flexibility and financial resilience.

In terms of capital market activity, our strategy focused on increasing liquidity. **TTS shares ranked 8th in among the most traded shares listed on the Bucharest Stock Exchange in 2023** – an exceptional result considering the level of market

capitalization of TTS shares, and we were the company that had the largest share price increase: 135.6%. This performance was supported by the excellent financial results, by the increase in the degree of transparency and pro-activity in communication, by the openness demonstrated by TTS in the relationship with investors, and by the market making activity of the two market makers, BRK Financial Group and Raiffeisen International Bank. We have communicated throughout the year with the market directly through BVB, by organizing video conferences, as well as by participating in investor conferences. These tools, along with increased coverage of TTS by analysis providers, have **resulted in a more than four-fold increase in the number of TTS shareholders since listing, approaching 9.300 today.**

The status of listed company has also increased our visibility at an international level, **TTS being the only Romanian company nominated for the European Small and Mid-Cap Awards** - a competition organized by the initiative of the European Commission, European Issuers and the Federation of European Stock Exchanges (FESE) open to companies listed on the European stock exchanges, and **we ranked 2nd in the "Rising Star" category**, for the performances obtained as a result of accessing the capital market through an IPO and adopting the best practices in investor relations.

We have made a strong commitment to the sustainability of our operations from an **environmental impact perspective**. We aim to further maintain a low level of the carbon dioxide footprint generated by the transport activity on the Danube through investments in ports and the fleet. We will also continue to adopt best practices of corporate governance and social responsibility. A confirmation of our strategy came in 2023 when, based on our Sustainability Reports 2022 and EHS 2022 published in early July, **Morningstar Sustainalytics lowered the ESG risk rating of TTS to 21.8 with a momentum of -2.9 points**. This is placing TTS Group close to the the border

between "Medium risk" and "Low risk" - from which we are separated by less than 2 points, which is in line with our objective being to enter the category of companies with low ESG risk as soon as possible. From this perspective, we are confident that the results for the year 2023 - still under evaluation, to be published on July 1, 2024, will confirm the expectations and we will reach the "Low ESG Risk" zone by the end of the year.

In 2024 we will focus on two key objectives. First, **we will continue to invest** in the development of port operating capabilities, in parallel with investments in our fleet, both through the construction of new barges and through acquisitions. The second objective **is to bring the sustainability reporting system up to the level required by the ESRS standards**, mainly through its extension and its integration with other systems, to be in line with the provisions of the CSRD Directive.

The base of our achievements is **our vertically integrated business model built on two principles** – the commercial autonomy of the companies in the group and the operational coordination **between segments**. This model – with a high level of operational flexibility, has allowed us to quickly adapt to market conditions, has demonstrated over the years high levels of efficiency and resilience, and ensures solid development prospects for the years to come. **The combination of the operational capacity of the companies in the group and the expertise of TTS in forwarding and integrated logistics services** creates a unique architecture in the sector of transport operations and integrated logistics on the Danube. We are well positioned to ensure our consolidated presence and sustainable growth in all markets in which we operate.

On behalf of the TTS team, I would like to thank our shareholders and partners for their continuous trust and support, and I invite all of you to be with us in 2024, the year of strengthening TTS' activity as the number 1 provider of integrated logistics services in the Danube basin.

With regards,
Petru Ștefănuț

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1. TTS and the Group in 2023

1.1. 2023 – The Best Results in the History of TTS and of the Group

TTS ends 2023 with a turnover of RON 904,5 million, 37,9% higher than the turnover recorded in 2022, and a net profit of RON 151,4 million, 86,4% higher than the net profit recorded in 2022.

TTS – Profit and Loss account – 12 months 2023			
(million RON)	12 months 2023	12 months 2022	Δ 2023/2022
Turnover	904,5	656,0	▲ +37.9%
Operating income	157,6	87,3	▲ +80.5%
Net profit	151,4	81,2	▲ +86.4%
EBITDA	161,8	91,7	▲ +76.5%

Following these results, the net assets of TTS reached RON 369,1 million (▲+49,0% Δ 2023/2022), for a total asset value of RON 550,5 million (▲+62,4% Δ 2023/2022) and a debt level of RON 181,5 million (+98,8% Δ 2023/2022).

TTS – Balance Sheet – 31.12.2023			
(million RON)	31.12.2023	31.12.2022	Δ 2023/2022
Total assets	550,5	339,1	▲ +62,4%
Total debts, of which	181,5	91,3	▲ +98,8%
Loans	53,9	-	N/A
Net assets	369,1	247,8	▲ +49,0%

The debt level on 31.12.2023 doubled compared to 2022 (+98,9%), reflecting our intention to prudently improve the capital structure, the main share being trade debts in the amount of RON 91,6 million (+42,8% Δ 2023/2022, in line with the evolution of turnover) and the balance of RON 53,9 million of the loan contracted to finance the acquisition of DECIROM S.A. The difference consists mainly of investment subsidies (related to the Giurgiu port modernization project) and income recorded in advance.

At the Group level, the turnover was RON 1.161,1 million, 24,3% higher than the turnover recorded in 2022, i.e. RON 934,4 million, the net profit reaching RON 305,5 million, up 70,8% from 2022.

TTS group (consolidated) – Profit and Loss account – 12 months 2023			
(million RON)	12 months 2023	12 months 2022	Δ 2023/2022
Turnover	1.161,1	934,4	▲ +24,3%
Operating income	351,5	210,4	▲ +67,1%
Net profit	305,5	178,9	▲ +70,8%
EBITDA	437,6	283,3	▲ +67,2%

Under these conditions, the total value of the assets of TTS group on 31.12.2023 reached RON 1.339,4 million (▲+33,3% Δ 2023/2022), a value which, in tandem with low level of debt, respectively RON 252,5 million (▲+35,3% Δ 2023/2022), led to net assets of RON 1.087,0 million, (▲+32,8% Δ 2023/2022).

TTS group (consolidated) – Balance Sheet – 31.12.2023			
(million RON)	31.12.2023	31.12.2022	Δ 2023/2022
Total assets	1.339,4	1,005,0	▲ +33,3%
Total debts, of which	252,5	186,6	▲ +35,3%
Loans	110,8	68,0	▲ +63,6%
Net assets	1,087,0	818,4	▲ +32,8%

1.2. The Year of Record Investments

TTS Group reinvested the entire profit made in 2023, seizing of great opportunities to efficiently allocate our capital, the volume of investments reaching a historical record value, i.e. RON 381,9 million (achievement rate 114,6%), RON 76,6 million higher than the net profit of the year. Of the total amount invested, RON 239,2 million (62,6% of the total) were allocated for the development of port operations and RON 134,5 million for the fleet (35,2% of the total).

Investments – 12 months 2023			
(million RON)	Realized	Budgeted	Achievement level
River transport	134,5	102,3	▲ 131,5%
Port operation	239,2	231,0	▲ 103,6%
Support activities	8,1	0	N/A
Total	381,9	333,3	▲ 114,6%

The difference of RON 8,1 million was invested by CNFR NAVROM in the shipyards operated by NAVROM Shipyard and in the SUPER QUATRO subsidiary, the total value of NAVROM's investments being RON 142,6 million.

The investments in port operations were made mainly by TTS (Transport Trade Services), respectively RON 204,4 million (RON 132,8 million in the takeover of DECIROM, RON 57,1 million in the purchase of floating cranes and RON 14,0 million in the modernization of Giurgiu port), and CANOPUS STAR – investments of RON 21 million in the project to expand its own operating and storage capacities.

In December 2023, TTS (Transport Trade Services) completed the modernization works of Giurgiu port, a project co-financed by European funds.

Similarly, TTS reinvested its entire profit in 2023, the volume of investments reaching a historical record, i.e. RON 205,0 million (achievement rate 90,5%), RON 53,6 million higher than the net profit of the year. Of the total amount invested, RON 204,4 million (99,8% of the total) were invested in the development of TTS Group's port operations.

Aggregate investments – 12 months 2023			
(million RON)	Realized	Budgeted	Achievement level
Investments in the port operation segment	204,4	202,8	▲ 100,8%
Other investments	0,6	23,7	▼ 2,3%
Total	205,0	226,5	▼ 90,5%

1.3. The Structural Change of TTS Group's Operations: Port Operations vs. River Transport

From an operational point of view, 2023 marked an important evolution in the structure of the TTS Group's business portfolio, being the first year in which the port operation activity significantly exceeded river transport in volume, which resulted in the return of the volume of operated goods and transported by TTS Group at the level recorded in 2021.

Thus, the aggregate volume of goods registered an increase of 1,30 million tons compared to 2022, reaching at the end of the year 15,52 million tons (▲+9,2% Δ 2023/2022, ▼-0,2 % Δ 2023/2021), as a result of the increase by 2,65 million tons in volume of port operation activity (▲+42,3% Δ 2023/2022), which covered the decrease recorded by river transport (▼-17,0% Δ 2023/2022).

Operations ¹ – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
River transport	6,60	7,94	▼ -17,0%
Port operations	8,93	6,28	▲ +42,3%
Total	15,52	14,22	▲ +9,2%

This evolution was determined by the significant increase in the group's activity in the Port of Constanța, starting from the 3rd quarter - with the takeover of DECIROM by TTS followed by the consolidation of the volumes operated by it starting from August 1, and continuing in the 4th quarter through the operationalization in September of the 2 floating cranes purchased by TTS in June

A similar evolution was experienced by the forwarding services provided by TTS for goods operated in ports that significantly exceeded the services provided for goods transported by river.

The aggregate volume of goods shipped by TTS registered an increase of 2,88 million tons compared to 2022, reaching at the end of the year 12,82 million tons (▲+29,1% Δ 2023/2022), because of the increase by 2,86 million tons (▲+66.5% Δ 2023/2022) of the volume of goods operated in ports shipped by TTS.

Operations – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
River transport	5,64	5,62	▲ 0,3%
Port operations	7,18	4,32	▲ 66,5%
Total	12,82	9,94	▲ 29,1%

1.4. Commodity Flows in 2023: Agricultural Products Up, Minerals Down, Chemical Products Flat

The flows of agricultural products registered in 2023 an increase of 3,30 million tons compared to 2022, reaching a volume of 8,44 million tons (▲+64,2% Δ 2023/2022), increases registering both port operation, and river transport.

¹ Excluding external subsidiaries of TTS (Transport Trade Services) GmbH. Vienna, PLIMSOLL Zrt. Budapest, Fluvius Kft. Budapest and Port of Fajsz Kft. Fajsz

**Agricultural products - volumes by categories of operations -
12 months 2023**

(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
River transport	3,00	2,12	▲ +41,5%
Port operations	5,44	3,02	▲ +80,2%
Total	8,44	5,14	▲ +64,2%

These increases were determined, on the one hand, by the fact that the flows of Ukrainian agricultural products recorded high levels throughout the whole year 2023, (double the period compared to 2022 when the influence of these flows was manifested only in the second semester) and , on the other hand, by the increase in product flows from Romania, Serbia and Hungary recorded in the second semester of 2023, compared to the same period in 2022.

At the opposite pole were the flows of mineral products, which recorded in 2023 a decrease of 1,86 million tons compared to 2022, the volume recorded at the end of the year being 5,13 million tons (▼ -26,6% Δ 2023/2022), the increase of 0,12 million tons (▲ +5,8% Δ 2023/2022) per operation not being able to compensate the decrease of 1,98 million tons (▼ -40,8% Δ 2023 /2022) registered on river transport.

Minerals – volumes by categories of operations – 12 months 2023

(million tons)	12 months 2023	12 months 2022	Δ 2023 / 2022
River transport	2,87	4,85	▼ -40,8%
Port operations	2,26	2,14	▲ +5,8%
Total	5,13	6,99	▼ -26,6%

The basis of this evolution was the lack of demand for mineral transport services for Romanian metallurgical plants, these flows decreasing by 1.84 million tons compared to 2022.

In contrast, the flows of chemical products remained practically at the level of 2022, the total volume recorded in 2023 being 1,73 million tons (▼ -0,1% Δ 2023/2022), the increase of 0,11 million tons per operation (▲ +10,0% Δ 2023/2022) compensating almost entirely the reduction in transport volume.

Chemical products – volumes by categories of operations – 12 months 2023

(million tons)	12 months 2023	12 months 2022	Δ 2023 / 2022
River transport	0,50	0,61	▼ -18,7
Port operations	1,23	1,12	▲ +10,0%
Total	1,73	1,73	▼ -0,1%

1.5. 2022 and 2023 Dividends

Based on the O-GSM decision of 28.04.2023, in June TTS distributed the dividend for the year 2022 in the amount of RON 33.000.000, respectively RON 0,55/share. The 2022 dividend was 84.9% higher than the 2021 dividend.

The proposal of the Board of Directors of TTS regarding the distribution of dividends from the net profit 2023 included on the agenda of the O-GSM of April 30, 2024, is RON 68.400.000 in total gross amount, representing 45,19% of the individual net profit (preliminary) in the amount of RON

151.354.834, and complies with the Company's Dividend Policy, approved by BoD Decision no. 1 from 30.09.2021.

The 2023 dividend is **102,7% higher** than the 2022 dividend, given that TTS made investments in the amount of RON 204.9 million in 2023.

The evolution over time of dividends distributed by TTS was as follows:

	2019	2020	2021	2022	2023
Net profit [RON]	28.399.270	29.799.807	32.610.965	81.189.859	151.354.834
Dividend [RON]	15.300.000	16.200.000	17.850.000	33.000.000	68.400.000
Dividend rate	53,9%	54,4%	54,7%	40,6%	45,2%
Variation	-	↑ +5,9%	↑ +11,2%	↑ +84,9%	↑ +102,7%
Dividend per share	RON 0,51	RON 0,55	RON 0,2975	RON 0,55	RON 1,14

1.6. Sustainability: ESG Risk Rating Down (Morningstar Sustainalytics)

Following the July 2023 publication of the Sustainability Report 2022 and the Sustainability Report 2022, ESG rating agency [Morningstar Sustainalytics](#) upgraded TTS's ESG risk rating.

TTS' current ESG risk score is 21.8 with a -2.9 momentum (average risk, 37th percentile out of 16.313 companies assessed by Morningstar Sustainalytics, 40th percentile in the transportation industry – 414 companies, a 36th percentile in the shipping sub-industry – 103 companies), down from 24.8 (medium risk, 47th percentile of 15,563 companies assessed by Morningstar Sustainalytics, 56th percentile in the transportation industry – 395 companies, 62nd percentile on the shipping sub-industry – 97 companies).

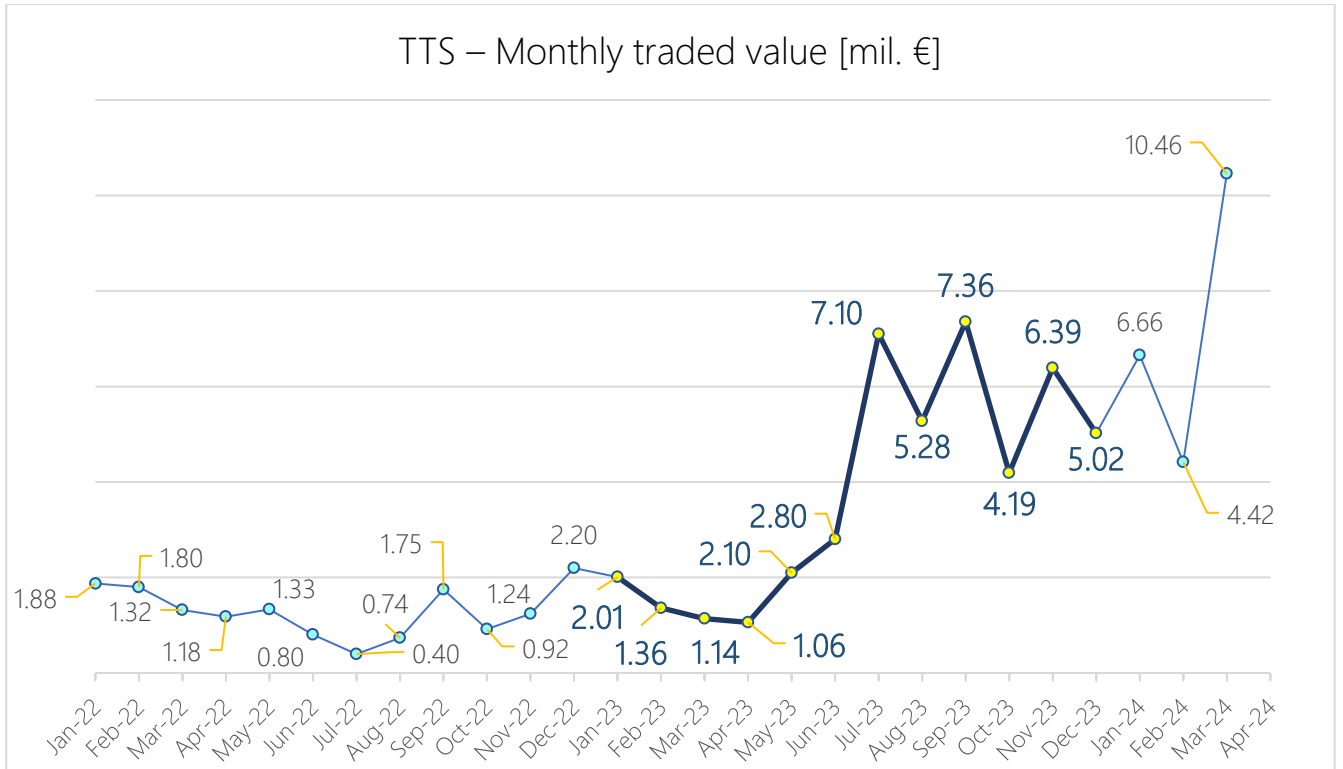
The [Sustainalytics report](#) was published on TTS' website.

1.7. The Evolution of TTS shares: 3,4 times Increase in Liquidity and 2,4 times in Capitalization.

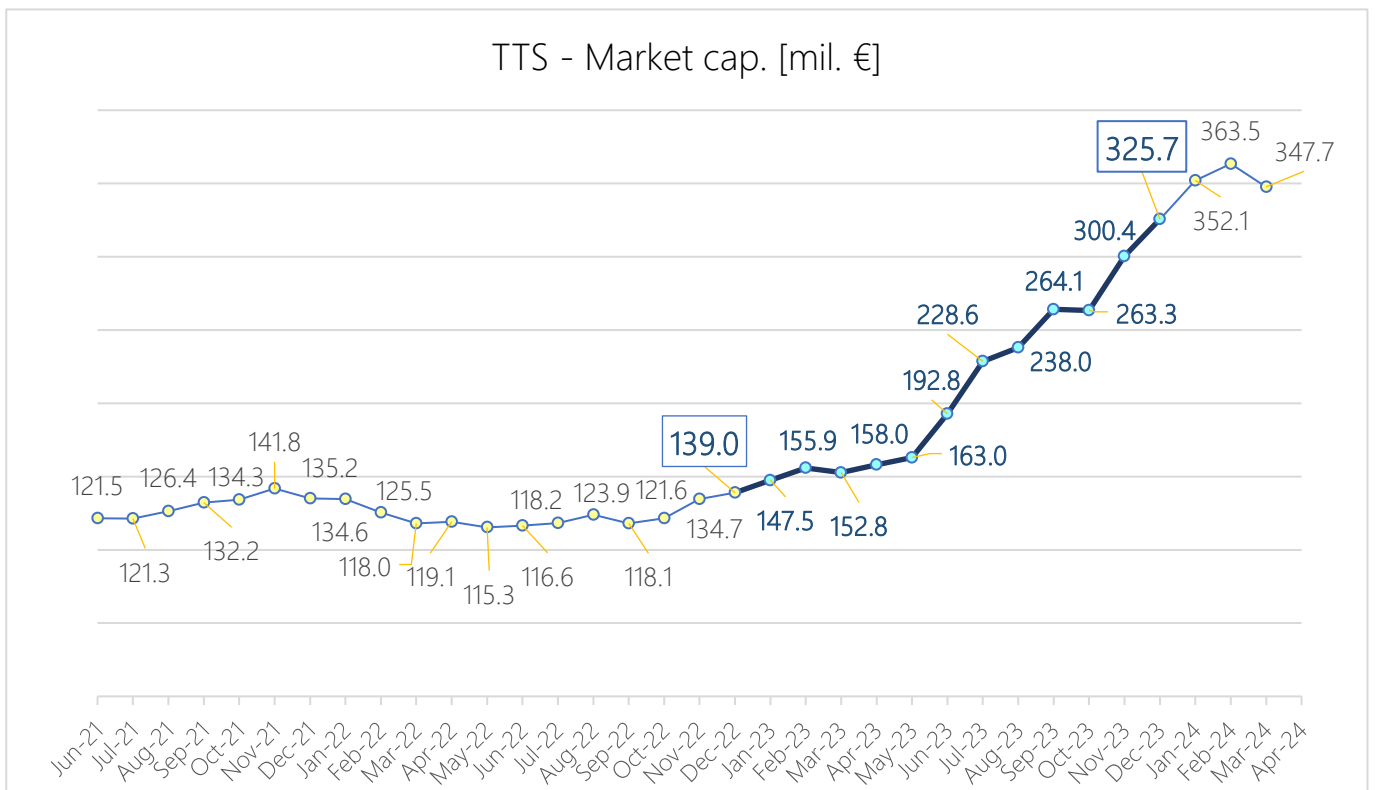
TTS shares recorded a double performance in 2023, ending the year in the 8th position in the ranking of the most traded shares on the Bucharest Stock Exchange and registering the highest price increase with an increase of 135,6%%

These results came amid increased liquidity in the shares since June when Raiffeisen Bank International began its activity as a market maker for TTS shares. **The effects of the presence in the market of two issuing market makers – BRK Financial Group and Raiffeisen Bank International, were fully felt in the second half of the year when the total value of transactions with TTS shares reached €35.3 million (with an average daily of €282.693), 237,3% higher than the value recorded in the first semester, respectively €10,5 million (daily average: €85.163).**

The annual liquidity of TTS shares in 2023 was €45,8 million (with a monthly average of €3,82 million) **increasing by 194,6%** compared to the liquidity recorded in 2022, respectively €15,6 million (monthly average: €1,30 million).



Liquidity remained high in the first quarter of 2024 as well, with March 2024 being the month with the highest trading value for TTS shares since listing until today, at €10,46 million.



There was a similar evolution in the stock market capitalization which increased by €132,8 million in the second semester, after an increase of €53,8 million in the first half of the year.

Under these conditions, the capitalization of TTS shares reached €325,7 million at the end of the year, an increase of 134,3% compared to the capitalization recorded at the end of 2022, i.e, €139,0 million.

2. Outlook 2024

The situation on the markets

Agricultural products

The resumption of Ukrainian exports of agricultural products through Ukrainian ports on the **Black Sea** is expected to determine a general decrease in volumes exported through the port of Constanța, putting strong pressure on tariffs, especially on the spot market for transportation and operating services. The market situation is still affected by a very high level of uncertainty caused by the possible developments of the war in Ukraine.

Grain exports from the Danube basin follow the same developments as every year, with a period of blockage in the first part of the year, which, in our estimation, will unlock as a result of the pressure of the new harvest - relatively good according to market forecasts, on the storage capacities used still for the past harvest.

Minerals

In the estimation of TTS, the demand for river transport services and port operation for mineral raw materials for the iron and steel plants in the Danube basin could register an increase in relation to the year 2023, but it is difficult to estimate to what extent since it is uncertain whether the two plants that they intend to restart production will have continuous activity.

Chemical products

Market signals (reflected including in existing contracts) indicate a relative stability of chemical product flows.

Volumes operated by TTS Group

Regarding agricultural products, including Ukrainian ones, TTS Group does not rely on the "spot" market, but on stable commercial relationships and long-term integrated logistics service contracts for large volumes, thus being less sensitive to volume fluctuations from the "spot" markets of river transport and port operation. Under these conditions, we estimate that the volumes will be close to those of 2023.

Regarding agricultural products from the Danube basin, we estimate that the volumes will not register significant differences compared to the volumes recorded in 2023.

In terms of mineral products, existing contracts cover slightly higher volumes than in 2023.

TTS continues to carry out the traditional contracts for operation and transport of raw materials for fertilizers and finished products, and additionally, development and diversification projects are being analyzed and carried out, for the exploitation of Deciom's operation and storage capacities.

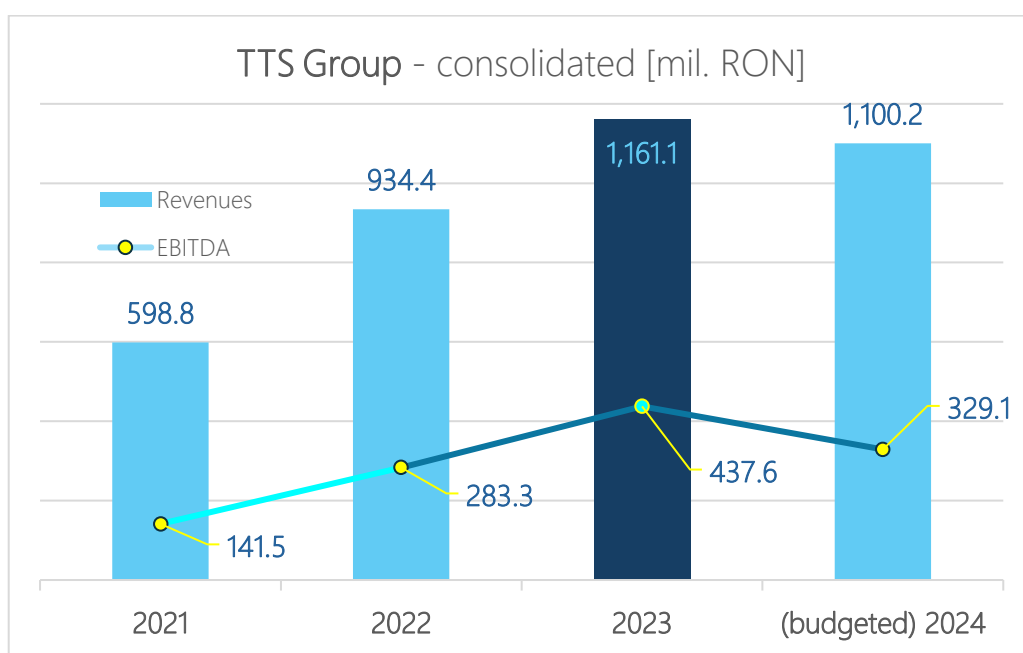
In parallel, our efforts will be directed towards lower volume cargo flows on various relationships, which will ensure **an increase in fleet efficiency through full/full navigation, made possible by the use of DECIROM's logistics capabilities.**

In line with these developments, as was publicly announced, TTS concluded for the year 2024 two contracts for the provision of integrated logistics services (shipping, river transport and port operation) with a total estimated value of RON 300 million.

Financial perspective

The **budgeted revenues** at TTS Group's level for 2024 are 5.3% lower than the revenues achieved in 2023, but **17.7% higher compared to those achieved in 2022**, while the **budgeted EBITDA** is 37.3% lower than EBITDA achieved in 2023, but **16.3% higher compared to EBITDA 2022.**

[million RON]	2021	2022	2023	(budgeted) 2024
Revenues	598,8	934,4	1.161,1	1.100,2
EBITDA	141,5	283,3	437,6	329,1



Investments

We will continue to maintain a level of investment that ensures both the development of **new capacities and the modernization of existing capacities at the fleet level**, as well as **the expansion and diversification of port operating capacities, especially in the port of Constanța**. The completion of ongoing investments, forecasted for the end of 2025, will significantly increase the operating capacity in the port of Constanța

The value of the budgeted investments at TTS Group's level for 2024 - included on the agenda of the O-GSM of April 30, 2024, is RON 221,8 million (RON 93,0 million in the fleet and RON 120,1 million in port operation capacity), 83,6% higher than the value of the investments made in 2022, respectively RON 120,8 million.

The value of the investments is below the total value realized in 2023, but this fact is due to the "one-off" investments in the takeover of DECIROM and in floating cranes worth RON 189,9 million, If we do not take these investments into account, the budgeted value of investments for 2024 is higher by 15,6% compared to the value realized in 2023, i.e, RON 192,0 million.

Risk factors

High fuel, raw material, and energy prices, caused by still high and possibly rising inflation, will continue to have a negative influence on operating costs, as well as the costs of repairs, maintenance, modernization, and development of the asset base.

Although the forecasts do not indicate negative developments in 2024, the activity, both in terms of the volume of cargo transported and operated in the ports, and in terms of economic efficiency, may be negatively affected by weather conditions, especially with influence on the Danube water level, by the drought that may affect agricultural crops.

TTS Group's activity may also be affected by the regional and global geopolitical situation characterized by a high degree of instability, which may influence the performance of regional economies and the level of demand for services for cargo flows in the markets in which TTS Group is active. TTS, through the services and economic relations it has at its disposal, constantly analyzes with its own methods all the developments in the relevant markets along the Danube basin in order to find the best solutions to mitigate or counteract the negative impact on the TTS Group's activity.

A permanent challenge, which will also be felt in 2024, is the provision of the necessary personnel, especially highly qualified, both in the river transport segment and in the port operation segment (especially ship captains and floating crane operators).

3. Operations

3.1. General view

The physical indicators achieved by TTS group in 2023 are as follows:

Operations ² – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
River transport	6,60	7,94	▼ -17,0%
Port operations	8,93	6,28	▲ +42,3%
Total	15,52	14,22	▲ +9,2%

Cargo – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Agricultural products	8,43	5,14	▲ 64,2%
Minerals	5,13	6,99	▼ -26,6%
Chemical products	1,73	1,73	▼ -0,1%
Other	0,22	0,36	▼ -38,0%
Total	15,52	14,22	▲ 9,2%

² For reasons of internal organization of the group, the external subsidiaries of TTS (Transport Trade Services) GmbH are not included. Vienna, PLIMSOLL Zrt. Budapest, Fluvius Kft. Budapest and Port of Fajsz Kft. Fajsz

River transport activity registered a 17,0% decrease compared to 2022 as a result of the reduction in mineral flows intended for Romanian metallurgical plants.

River transport – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Agricultural products	3,00	2,12	▲ 41,5%
Minerals	2,87	4,85	▼ -40,8%
Chemical products	0,50	0,61	▼ -18,7%
Other	0,22	0,36	▼ -38,0%
Total	6,58	7,94	▼ -17,0%

In response to the low level of demand for transport services, TTS subcontracted a larger volume of goods within the group, with the share of intra-group contracts increasing from 66,0% in 2022 to 83,4% in 2023.

Structure of river transport contracts – 12 months 2023

(volume of cargo – million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Third-party Contracts of the Shipping Segment ³	0,15	0,38	▼ -61,9%
Direct contracts of the River Transport Segment ⁴	0,95	2,32	▼ -59,1%
Intra-group contracts (Shipping – River Transport)	5,49	5,24	▲ 4,8%

The port operation activity registered an increase of 42,3% both as an effect of the flows of goods of Ukrainian origin that transited the port of Constanța, but also due to the volume increases of the flows of agricultural goods from Romania, Serbia and Hungary recorded in the second semester of 2023.

Port operations – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Agricultural products	5,44	3,02	▲ 80,2%
Minerals	2,26	2,14	▲ 5,8%
Chemical products	1,23	1,12	▲ 10,0%
Total	8,93	6,28	▲ 42,3%

In response to market conditions, the share of volumes contracted by the Port Operations Segment with TTS increased significantly from 59,1% in 2022 to 74,4% in 2023, concurrently with a 43,0% increase in volumes subcontracted by TTS with third parties.

Structure of port operations contracts – 12 months 2023

(volume of cargo – million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Third-party Contracts of the Shipping Segment	2,09	1,46	▲ 43,0%
Direct contracts of the Port Operations Segment ⁵	1,75	1,97	▼ -11,3%
Intra-group contracts (Shipping – Port operation)	5,10	2,85	▲ 78,5%

³ The Shipping segment does not include the external subsidiaries with TTS (Transport Trade Services) GmbH activity. Vienna and PLIMSOLL Zrt. Budapest

⁴ Due to reasons of internal organization of the group, the River Transport Segment does not include the Fluvius Kft. Budapest subsidiary

⁵ For reasons of internal organization of the group, the Port Operations Segment does not include the subsidiary Port of Fajsz Kft. Fajsz

3.2.Shipping Segment

The Shipping segment registered a volume of 12,82 million tons in 2023, 2,88 million tons higher than in 2022 (▲+29,1% Δ 2023/2022), mainly due to the increase in volume of flows of goods operated in the port of Constanța.

Shipping Segment – Goods transported by river – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Agricultural products	2,98	2,08	▲ 43,1%
Minerals	2,17	2,94	▼ -26,1%
Chemical products	0,49	0,60	▼ -18,9%
Total	5,64	5,62	▲ 0,3%

Shipping Segment – Goods operated in ports – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Agricultural products	4,34	1,78	▲ 144,3%
Minerals	1,91	1,62	▲ 18,0%
Chemical products	0,93	0,92	▲ 1,5%
Total	7,18	4,32	▲ 66,5%

3.3.River Transport Segment

The River Transport segment registered a volume of 6,48 million tons, lower by 1,08 million tons compared to 2022 (▼-14,2% Δ 2023/2022), mainly due to the low demand for services of transport for mineral goods intended for Romanian metallurgical plants.

River transport Segment - Volumes - 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Agricultural products	2,98	1,94	▲ 53,6%
Minerals	2,74	4,65	▼ -41,0%
Chemical products	0,49	0,61	▼ -19,5%
Other	0,27	0,36	▼ -26,6%
Total	6,48	7,56	▼ -14,2%

River transport Segment – Goods route completed – 12 months 2023			
(billion tons * km)	12 months 2023	12 months 2022	Δ 2023/2022
Agricultural products	1,148	0,827	▲ 38,8%
Minerals	1,632	2,029	▼ -19,6%
Chemical products	0,287	0,399	▼ -28,1%
Total	3,071	3,256	▼ -5,7%

3.4. Port Operations segment

The Port Operations segment registered a volume of 6,85 million tons, higher by 2,03 million tons compared to 2022 (▲+41,8% Δ 2023/2022), mainly due to the increase in volume of flows of agricultural goods exported to Ukraine operated by direct transshipment at the buoy terminals operationalized by TTS in 2022.

The integration of DECIROM into the group starting in August and the commissioning in September of the floating cranes purchased by TTS in June, also contributed to the increase in volume of the Port Operations Segment.

Port operations Segment – Volumes – 12 months 2023			
(million tons)	12 months 2023	12 months 2022	Δ 2023/2022
Agricultural products	5,29	2,98	▲ 76,7%
Minerals	0,38	0,72	▼ -47,4%
Chemical products	1,19	1,12	▲ 5,7%
Total	6,85	4,82	▲ 41,8%

4. Investments

4.1. Investments in the River Transport Segment

Aggregate investments – 12 months_2023			
(RON million)	Realized	Budgeted	Degree of achievement
Active acquisitions and ship conversions	65,9	35,9	▲ 183,4%
Ship repairs, recertifications and upgrades	68,6	66,4	▲ 103,4%
Total	134,5	102,3	▲ 131,5%

Asset acquisitions and ship conversions – 12 months_2023			
(RON million)	Realized	Budgeted	Degree of achievement
Barge purchases	56,5	32,7	▲ 172,8%
Barge conversions and modifications	6,3	3,2	▲ 193,2%
Purchases of other assets	3,2	0	N/A
Total	65,9	35,9	▲ 183,4%

Ship repairs, recertifications and upgrades – 12 months_2023

(RON mil.)	Realized	Budgeted	Degree of achievement
Barge recertifications	53,5	52,5	▲ 102,0%
Major repairs and re-certifications of liners	4,3	4,8	▼ 91,2%
Propelled vessel recertifications	1,0	0,6	▲ 171,1%
Capital repairs of technical and auxiliary vessels	2,0	1,8	▲ 110,2%
Ship upgrades	2,1	2,0	▲ 108,7%
Other equipment	5,5	3,5	▲ 157,7%
Maintenance	1,4	0,3	▼ 19,1%
Total	68,6	66,4	▲ 103,4%

4.2. Investments in the Port Operations Segment

Aggregate Investments – 12 months_2023

(RON mil.)	Realized	Budgeted	Degree of achievement
Direct investment in operating capabilities	106,4	97,6	▲ 109,1%
DECIROM takeover	132,8	133,5	▲ 99,5%
Total	239,4	231,0	▲ 103,6%

Direct investment in port operating capabilities – 12 months_2023

(RON mil.)	Realized	Budgeted	Degree of achievement
Purchase of floating cranes	57,1	54,8	▲ 104,2%
Canopus - Extension of terminal capacity	21,0	15,7	▲ 133,5%
Port Giurgiu – EU co-financed modernization	13,3	14,6	▼ 89,5%
New equipment	12,0	6,7	▲ 178,2%
Equipment maintenance	0,8	5,7	▼ 13,5%
Other	2,6	0	N/A
Total	106,4	97,6	▲ 109,1%

DECIROM takeover – 12 months_2023

(RON mil.)	Realized	Budgeted	Degree of achievement
Acquisition of 99.9% of Deciom's share capital	107,8	108,6	▼ 99,3%
Share capital increase after acquisition	25,0	24,9	▲ 100,3%
Total	132,8	133,5	▼ 99,5%

4.3. Investments made by TTS

Aggregate investments – 12 months_2023

(RON mil.)	Realized	Budgeted	Degree of achievement
Direct investment in assets	72,1	93,0	▼ 77,6%
DECIROM takeover	132,8	133,5	▼ 99,5%
Total	205,0	226,5	▼ 90,5%

Direct investment in assets – 12 months_2023

(RON mil.)	Realized	Budgeted	Degree of achievement
Purchase of floating cranes	57,1	54,8	▲ 104,2%
Giurgiu port - modernization co-financed by the EU	13,0	14,6	▼ 89,5%
Giurgiu port – outside the EU financed project	0,9	0	N/A
New equipment	1,0	2,5	▼ 40,2%
Other	0,1	21,2	▼ 0,5%
Total	72,1	93,0	▼ 77,6%

DECIROM takeover – 12 months_2023

(RON mil.)	Realized	Budgetec	Degree of achievement
Acquisition of 99,9% of Decirom's share capital	107,8	108,6	▼ 99,3%
Share capital increase after acquisition	25,0	24,9	▲ 100,3%
Total	132,8	133,5	▼ 99,5%

5. Corporate Governance

5.1. General Shareholders' Meetings

TTS continues to offer for General Meetings of Shareholders the solution of participation by online voting or by mail based on the provisions of the [TTS Articles of Incorporation](#) and the [GSM Regulation](#), both available on the company's website.

In 2023, 4 General Shareholders' Meetings were held:

Ordinary General Shareholders' Meeting of April 28, 2023 (annual O-GSM)

The purpose of the O-GSM was to debate and adopt the necessary decisions regarding the following subjects:

- Individual Annual Financial Statements of TTS as of and for the financial year ending on December 31, 2022,
- The Consolidated Financial Statements of TTS as of and for the financial year ending on December 31, 2022,
- The distribution of the net profit of the financial year 2021 in the amount of RON 81,189,859 and the gross dividend related to the financial year 2022 in the amount of RON 33,000,000,
- Discharge of the members of the Board of Directors of TTS for the financial year 2022,

- The income and expenditure budget of TTS for the financial year 2023, individual and consolidated
- TTS investment budget for 2023, individual and consolidated
- The Remuneration Report for Administrators and Executive Directors of TTS, related to the year 2022,

The financial statements were approved with the unanimity of the votes cast.

The dividend for the year 2022, the discharge of the BoD members, the revenue and investment budgets, as well as the advisory vote on the Remuneration Report were approved with more than 97% "FOR" votes.

Shareholders holding 48,602,330 voting rights or 81.004% of the total voting rights participated in the O-GSM – by electronic voting and by mail.

Ordinary General Shareholders' Meeting of June 19, 2023

The purpose of the O-GSM was the appointment by secret ballot of Ernst & Young Assurance Services as the company's financial auditor and the increase of the monthly fixed remunerations of the members of the Board of Directors, to the gross amount of RON 31.000.

The O-GSM was attended - via electronic voting and by mail, by shareholders holding approximately 81% of the total voting rights.

Extraordinary General Shareholders' Meeting of June 19, 2023

E-GSM had the purpose of debating and adopting the necessary decisions regarding the following subjects:

- the acquisition by TTS of a package of 18,997,938 shares issued by company DECIROM S.A., a package of shares representing 99.9% of the share capital and having a total value of 21.8 million euros ("the Transaction");
 - approval of contracting a loan in the amount of a maximum of 11.5 million euros to finance the purchase of DECIROM's share package ("the Loan");
 - approval of the guarantee of the Loan with the share package acquired through the Transaction and/or other real estate/movable guarantees, assignments of present and future debt rights or assignments related to current and future availabilities;
 - the approval by TTS of the financing of development investments, worth up to 10 million euros, made by DECIROM in the construction of warehouses, storage spaces and the purchase of equipment, with the aim of consolidating its technical base and increasing its operating speed ;
 - the purchase by the Company of two floating cranes intended to expand the operating capacity of TTS Group in the port of Constanța, with a total cumulative value of a maximum of 11 million euros, with all costs included;
 - Supplementing the investment budget of TTS, individually and consolidated, for the year 2023 and mandating the Board of Directors to identify opportunities and conclude transactions for

new investments that support the development strategy of the company and the group and their position on the market;

- Mandate the Board of Directors to carry out, in the name and on behalf of the Company, all necessary or useful actions and steps to fulfill those approved according to the points mentioned above.

Shareholders holding 48,537,921 shares or 80.897% of the total voting rights participated in the E-GSM - by electronic voting and by mail.

Extraordinary General Shareholders' Meeting of November 17, 2023

E-GSM had as its object the development of a program to buy back its own shares, with a view to developing a SOP program - "Stock Option Plan" and approving their distribution free of charge within a rights/options allocation plan.

The E-GSM was attended by - via electronic voting and by mail, shareholders holding 75% of the total voting rights.

5.2. Activity of the Board of Directors

In 2023, the Board of Directors met 14 times, 3 times in the physical or online presence of the members and 11 times by voting and debates by remote electronic means. 13 meetings were held with the participation of all Council members and 1 meeting with the participation of four out of five members.

During the meetings, 72 topics were debated (12 reports and communications to the market, 6 high-value contracts, 8 corporate governance topics, 9 GSM mandates and single partner decisions for subsidiaries, 13 topics related to the takeover of DECIROM, 18 topics related to TTS GSM, other internal topics that were subject to BoD debate) regarding which 44 decisions were taken (43 with the unanimous votes of the members of the Board of Directors) and 1 recommendation decision.

The decision regarding the update of executive management allowances taken during the meeting of April 28, 2023, was approved by the vote of 4 out of 5 members of the Board of Directors and the vote against from Mr. Ion STANCIU.

5.3. Corporate Governance Statement

The provisions of the BSE Governance Code	Compliance
Section A - Responsibilities	
A.1. All companies must have internal rules of the Board which include the terms of reference / responsibilities of the Board and the key management functions of the company, and which apply, inter alia, the General Principles of this Section.	YES
A.2. Provisions for the management of conflicts of interest should be included in the Council regulations.	YES
A.3. The Board of Directors must be composed of at least five members.	YES
A.4. The majority of the members of the Board of Directors must not hold executive office. In the case of Premium companies, no less than two non-executive members of the Board of Directors must be independent. Each independent member of the Board of Directors must submit a statement at the time of his / her nomination for election or re-	YES

The provisions of the BSE Governance Code	Compliance
Section A - Responsibilities	
election, as well as when any change of status occurs or, indicating the elements based on which he / she is independent in terms of character. and its judgment according to the criteria set out in point A.4.1. - A.4.9. from the Governance Code of BSE	
A.5. Other relatively permanent professional commitments and obligations of a member of the Board, including executive and non-executive positions on the Board of non-profit corporations and institutions, must be disclosed to potential shareholders and investors prior to nomination and during his term of office.	YES
A.6. Any member of the Board shall submit to the Board information on any relationship with a shareholder who directly or indirectly holds shares representing more than 5% of all voting rights.	YES ⁶
A.7. The company must appoint a secretary of the Board responsible for supporting the work of the Board.	YES
A.8. The corporate governance statement will state whether an evaluation of the Board of Directors has taken place.	YES
A.9. The corporate governance statement must contain information on the number of meetings of the Board and the committees during the last year, the participation of the directors and a report by the Board and the committees on their activities.	YES
A.10. The corporate governance statement should include information on the exact number of independent members of the Board of Directors.	YES
A.11. The Board of Premium Companies must set up a nomination committee consisting of non-executive members.	YES
The provisions of the BSE Governance Code	Compliance
Section B - Risk Management and Internal Control System	
B.1. The Board must set up an audit committee.	YES
B.2. The chair of the audit committee must be an independent non-executive member.	YES
B.3. Among its responsibilities, the audit committee must carry out an annual evaluation of the internal control system.	PARTIAL ⁷
B.4. The assessment shall consider the effectiveness and purpose of the internal audit function, the adequacy of the risk management and internal control reports submitted to the Board's audit committee, the promptness and effectiveness with which the management manages to address the deficiencies or weaknesses identified and the submission of relevant reports to the Council.	PARTIAL
B.5. The audit committee must assess the conflicts of interest in relation to the transactions of the company and its subsidiaries with related parties.	YES
B.6. The audit committee must evaluate the effectiveness of the internal control system and the risk management system.	PARTIAL

⁶ This was not the case for 2023

⁷ The 2023 annual review is being finalized

The provisions of the BSE Governance Code Section B - Risk Management and Internal Control System	Compliance
B.7. The audit committee should monitor the application of legal standards and generally accepted internal auditing standards. The audit committee shall receive and evaluate the reports of the internal audit team.	YES
B.8. Whenever the Code mentions reports or analyzes initiated by the Audit Committee, they must be followed by periodic (at least annually) or ad-hoc reports to be subsequently submitted to the Board.	YES ⁸
B.9. No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements entered by the company with shareholders and their affiliates.	YES ⁹
B.10. The Board must adopt a policy to ensure that any transaction of the company with any of the closely related companies with a value equal to or greater than 5% of the company's net assets (according to the latest financial report) is approved, by the Board following a binding opinion of the Board's audit committee and correctly disclosed to shareholders and potential investors, insofar as these transactions fall into the category of events that are subject to reporting requirements.	YES
B.11. Internal audits must be performed by a structurally separate division (internal audit department) within the company or by hiring an independent third-party entity.	YES
B.12. In order to ensure that the internal audit department performs its core functions, it shall report functionally to the Board through the audit committee. For administrative purposes and as part of the management's obligations to monitor and reduce risks, he must report directly to the general manager.	YES
The provisions of the BSE Governance Code Section C - Fair reward and motivation	Compliance
c.1. The company must publish on its website the remuneration policy and include in the annual report a statement on the implementation of the remuneration policy during the annual period under review.	YES
The provisions of the BSE Governance Code Section D - Adding value through investor relations	Compliance
D.1. The company must organize an Investor Relations service - indicating to the general public the person (s) responsible or the organizational unit. In addition to the information required by law, the company must include on its website a section dedicated to Investor Relations, in Romanian and English, with all relevant information of interest to investors, including: D.1.1. The main corporate regulations: the articles of incorporation, the procedures regarding the general meetings of shareholders;	YES

⁸ This was not the case for 2023

⁹ This was not the case for 2023

The provisions of the BSE Governance Code Section D - Adding value through investor relations	Compliance
<p>d.1.2. Professional CVs of members of the company's management bodies, other professional commitments of members of the Board, including executive and non-executive positions on boards of directors of companies or non-profit institutions;</p> <p>d.1.3. Current reports and periodic reports (quarterly, half-yearly and annual);</p> <p>d.1.4. Information on general meetings of shareholders;</p> <p>d.1.5. Corporate event information;</p> <p>d.1.6. Name and contact details of a person who will be able to provide relevant information upon request;</p> <p>d.1.7. Company presentations, financial statements, audit reports and annual reports.</p>	
<p>d.2. The company will have an annual dividend distribution policy published on the company's website.</p>	YES
<p>d.3. The company will adopt a forecast policy, published on the company's website.</p>	YES
<p>d.4. The rules of general meetings of shareholders must not limit the participation of shareholders in general meetings and the exercise of their rights. The changes to the rules will take effect at the earliest, starting with the next shareholders' meeting.</p>	YES
<p>d.5. The external auditors will be present at the general meeting of shareholders when their reports are presented at these meetings.</p>	YES
<p>d.6. The Board will present a brief assessment of the internal control and significant risk management systems to the annual general meeting of shareholders, as well as opinions on issues subject to the decision of the general meeting.</p>	YES
<p>d.7. Any specialist, consultant, expert, or financial analyst may attend the shareholders' meeting at the prior invitation of the Board. Accredited journalists may also attend the general meeting of shareholders unless the Chairman of the Board decides otherwise.</p>	YES
<p>d.8. The quarterly and half-yearly financial reports will include information in both Romanian and English on key factors influencing changes in sales, operating profit, net profit and other relevant financial indicators, both quarterly, as well as from one year to the next.</p>	YES
<p>d.9. A company will hold at least two meetings / teleconferences with analysts and investors each year. The information presented on these occasions will be published in the investor relations section of the company's website at the date of the meetings / teleconferences.</p>	YES
<p>d.10. If a company supports various forms of artistic and cultural expression, sports activities, educational or scientific activities and considers that their impact on the innovative character and competitiveness of the company are part of its development mission and strategy, it will publish the activity policy. in this area.</p>	YES

5.4. Intra-group Transactions

In 2023, 45 reports were published on intra-group transactions with a total value of RON 669,216,447.28, covering transactions from 29.12.2022 to 13.12.2023, drawn up based on art. 108 of Law no. 24/2017 on issuers of financial instruments and market operations:

Parties in transaction	Number of reports	Period covered	Total amount
TTS and NAVROM	34	29.12.2022 - 13.12.2023	523.137.583,88
TTS and TTS Operator	5	21.09.2022 - 07.11.2023	59.544.109,28
TTS and Canopus Star	2	22.12.2022 - 05.10.2023	21.848.624,24
NAVROM and NAVROM SHIPYARD	3	18.10.2022 - 01.11.2023	49.531.829,33
NAVROM and NAVROM PORT SERVICE	1	12.12.2022 – 13.09.2023	15.154.300,55

The reports published in 2023 were the subject of two independent limited assurance reports on the information included in the reports on transactions with related parties, prepared by Ernst & Young Assurance Services S.R.L., reports published on [28.07.2023](#) and [29.01.2024](#), in accordance with the legal provisions.

5.5. Transactions with TTS shares made by members of the Board of Directors and management of TTS

In 2023, the following transactions for the purchase of TTS shares carried out by members of the TTS administration and management were recorded:

Name	Position	Transaction date	Quantity	Average price [RON/share]
Petru STEFANUT	CEO	28.07.2023	14.400	17,25

6. Investor Relations and Market Communication

6.1. TTS' Communication Strategy

TTS continued the communication strategy established in 2022, based on the following principles:

- **Promotion of TTS activity through periodic and continuous reporting**
TTS treats the reports published in fulfillment of its reporting obligations as the best opportunities to promote the company's activity. In this approach, our releases and stock market reports are built by expanding the content regulated by the legal provisions – which we consider as minimum mandatory content, according to the information needs of market participants that go well beyond the regulated content.
- **Using the BVB platform as the main communication channel**
All our public communications, regardless of the channel used, have BVB releases as their starting point. This approach starts from the need to ensure access to information about TTS activity in an equal and non-discriminatory manner.

- Maximizing the leverage of media channels and direct communication with investors
Once the releases are published on the BVB, we ensure the dissemination of the information both through media channels and through direct communication.
- Monitoring the impact of the communication activity

6.2. Investors Communication

The BVB platform

TTS published in 2023, 93 periodic and current reports, of which 45 reports on transactions with affiliates, 6 reports related to periodic reporting obligations, 11 reports related to general meetings of shareholders held in 2023, 1 report on transactions with TTS actions by board members, 3 reports on high-value contracts, 3 reports on financial analysis reports on TTS published by ERSTE Research Group, and 1 report each on significant shareholder holdings and litigation in which TTS is a party.

Separately, TTS published 5 reports on the acquisition of the DECIROM terminal in Constanța.

In addition to these, TTS has also published 6 current reports regarding events in the current activity which, in TTS' opinion, could have a significant impact on the market.

Media

TTS releases and reports were constantly picked up by the media, the most active being Ziarul Financiar, Bursa, Financial Intelligence and profit.ro.

In addition, TTS had three participations in YT channel shows "FeeltheMarkets", participations in two editions of the Financial Intelligence podcast.

Video conferences and meetings with investors and analysts organized by TTS

TTS organized five video conferences in 2023 – with simultaneous English translation, for the presentation of quarterly, half-yearly and annual results.

Newsletter and social media

In 2023, TTS published 39 editions of its own Newsletter (bilingual Romanian – English), with simultaneous download of communications on TTS' FB and LinkedIn channels. The number of newsletters increased from 16 in 2022 to 39 in 2023 and the number of subscribers reached 140 (compared to 68 in 2022).

Conferences organized by media institutions

TTS participated in the conferences " Piața de capital: 2023" -Finmedia, "ZF Capital Markets Summit 2023" -ZF, " Forumul Investitorilor" -Ziarul Bursa and the ARIR 2023 Forum.

Conferences dedicated to investors

TTS participated in the conferences WOOD&Co, "Romania Investor Day", London (Mar. 2023), "Frontier Investor Days", Bucharest (Sept. 2023), Raiffeisen International Bank (Apr. 2023) and Wood & Co, "Winter Wonderland EME Conference", Prague (dec. 2023).

7. Capital Market Activity

7.1.TTS Shares and Structured Financial Instruments

Symbol	TTS	RBTTSTL1	RBTTSTL2	RBTTSTL3	RBTTSTL4
ISIN	ROYCRRK66RD8	AT0000A35ZZ5	AT0000A36001	AT0000A3AHJ0	AT0000A3AHK8
Issuer	TTS	Raiffeisen Bank International			
Segment	Main	Main			
Type	Shares	Structured products			
Category	Premium	Turbo Long Certificates			
Number	60.000.000	100.000.000	100.000.000	100.000.000	100.000.000
Nominal value	RON 1,00	RON 3,10	RON 4,60	RON 8,70	RON 7,00
Start trading	14.06.2021	10.08.2023	10.08.2023	03.04.2024	03.04.2024

7.2.Liquidity and Market Capitalization of TTS Shares

The liquidity of TTS shares increased in 2023 by RON 150.2 million compared to 2022, reaching RON 227.0 million (▲+195.9% Δ 2023/2022), and an increase in volume of 4.82 million shares, reaching 12.25 million shares (▲+64.7% Δ 2023/2022).

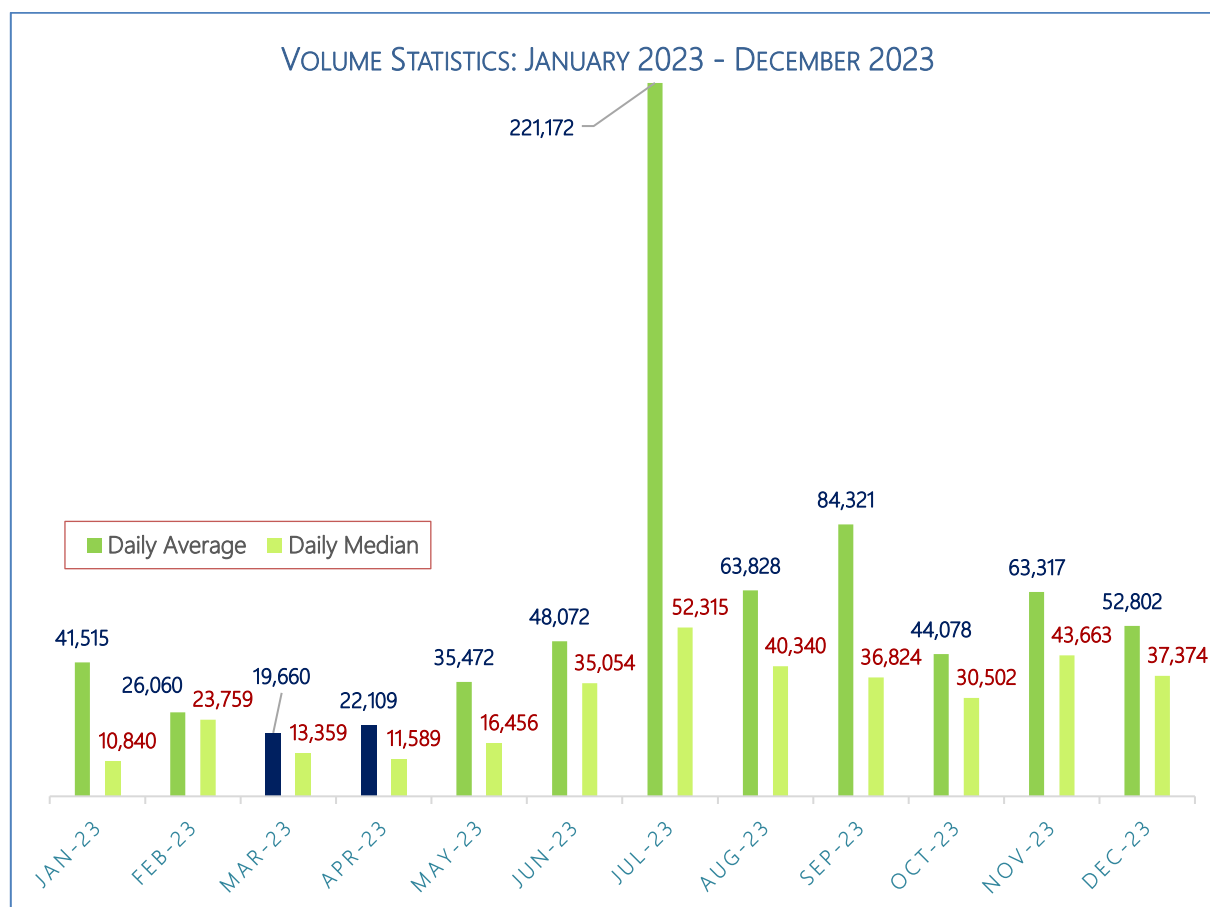
Liquidity of TTS shares – 12 months_2023

	12 months_2023	12 months_2022	Δ 2023/2022
Value	RON 226,952,773	RON 76,703,006	▲ +195,9%
Volume	12,255,559 shares	7,440,042 shares	▲ +64,7%

In 2023, the market capitalization of TTS shares increased by RON 932,4 million compared to 2022, reaching RON 1,62 billion (▲+135,6% Δ 2023/2022).

	31.12.2023	31.12.2022	Δ 2023/2022
Market cap.	RON 1.620.000.000	RON 687.600.000	▲ +135,6%

7.3. Monthly Evolution of Liquidity

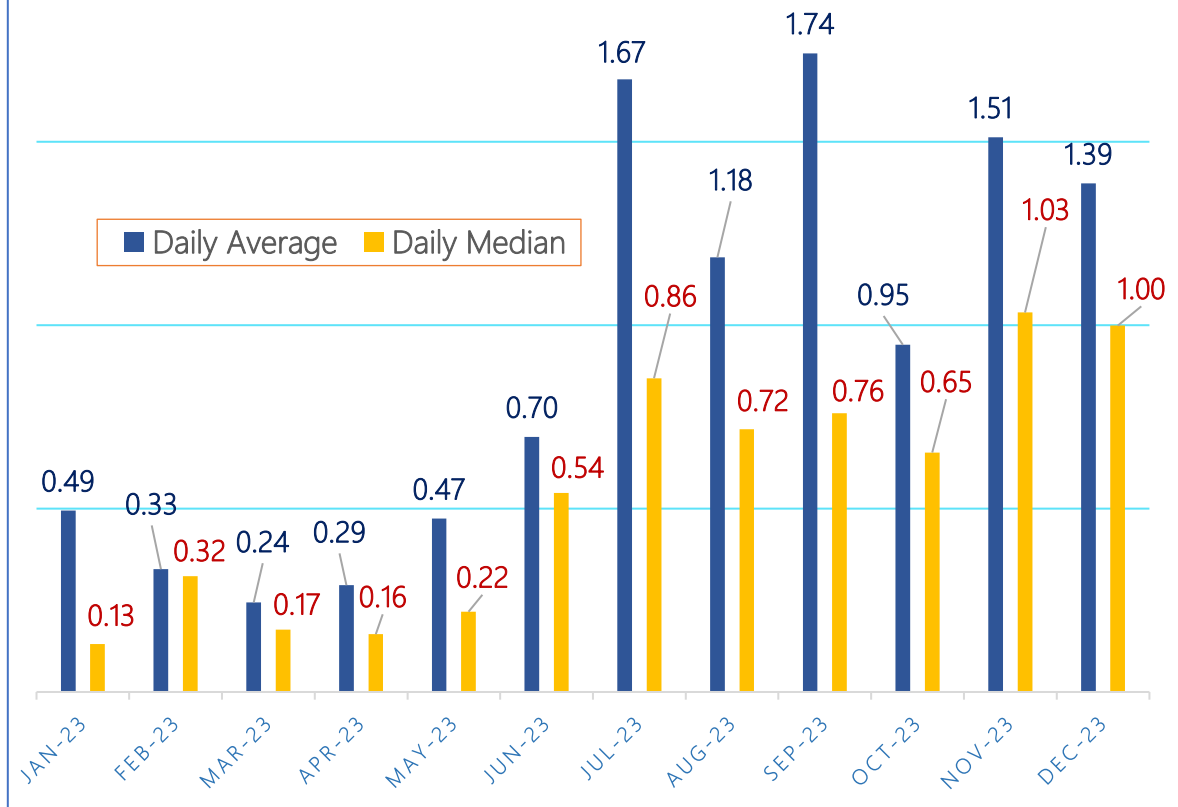


	No. of traded shares			No. of traded shares / Free float ¹⁰		
	Total	Daily average	Daily median ¹¹	Total	Daily average	Daily median
Dec-23	950.433	52.802	37.374	2,12%	0,118%	0,083%
Nov-23	1.329.657	63.317	43.663	2,97%	0,141%	0,097%
Oct-23	969.720	44.078	30.502	2,16%	0,098%	0,068%
Sep-23	1.770.734	84.321	36.824	3,95%	0,188%	0,082%
Aug-23	1.404.208	63.828	40.340	3,13%	0,142%	0,090%
Jul-23	4.644.622	221.172	52.315	10,36%	0,494%	0,117%
Jun-23	961.442	48.072	35.054	2,15%	0,107%	0,078%
May-23	780.393	35.472	16.456	1,74%	0,079%	0,037%
Apr-23	397.961	22.109	11.589	0,89%	0,049%	0,026%
Mar-23	452.180	19.660	13.359	1,01%	0,044%	0,030%
Feb-23	521.208	26.060	23.759	1,16%	0,058%	0,053%
Jan-23	830.301	41.515	10.840	1,85%	0,093%	0,024%

¹⁰ The number of free-float shares in the case of TTS is 44,815,680 shares (FTSE Russell methodology)

¹¹ In the marked months, the monthly daily median exceeded the FTSE Russell liquidity threshold for SmallCap shares (0.05% of "free-float", respectively 22,408 shares)

TRADING VALUE MONTHLY STATISTICS: JAN. 2022 - DEC. 2023 [MIL. RON]



	Value (RON)		
	Total	Daily Average	Daily Median
Dec-23	24.947.437	1.385.969	998.483
Nov-23	31.752.858	1.512.041	1.034.303
Oct-23	20.815.630	946.165	652.616
Sep-23	36.559.293	1.740.919	759.560
Aug-23	26.063.676	1.184.713	716.288
Jul-23	82.637.034	3.935.097	855.260
Jun-23	13.908.447	695.422	542.556
May-23	10.398.334	472.652	218.690
Apr-23	5.238.544	291.030	157.422
Mar-23	5.607.677	243.812	169.514
Feb-23	6.695.103	334.755	315.233
Jan-23	9.892.164	494.608	131.033

About TTS Group

TTS (Transport Trade Services) S.A.

TTS (TRANSPORT TRADE SERVICES) S.A. ("The Company" or "TTS") was established in January 1997 and is organized according to Law no. 31/1990 as a joint-stock company with full private capital.

The company was admitted to trading on the regulated market administered by the Bucharest Stock Exchange in June 2021 – the first day of trading was June 14, 2021.

On 31.12.2023, the subscribed and paid-up capital was RON 60.000.000, divided into 60.000.000 registered, ordinary, indivisible, freely transferable shares, issued in dematerialized form and recorded in the account with a nominal value of RON 1. The shares are of equal value and give owners equal rights under the law.

NACE code 5229 – Other activities related to transport.

The main activity of the Company is represented by the shipment of dry bulk goods on the Danube, namely agricultural products, mineral raw materials and raw materials and chemical products.

TTS offers integrated logistics services consisting of river transport services, port operation services and any other services specific to logistics chain management.

Transport and port operation services are subcontracted by TTS to its subsidiaries or to third parties.

Considering the specificity of the three types of goods operated, the Company is operationally organized in three departments:

1. Minerals – logistics operations for raw materials and finished products of metallurgical industries as well as for equipment.
2. Agri – logistics operations for agricultural goods, mainly cereals and oilseeds.
3. Chemicals – logistics operations for fertilizers and raw materials for fertilizer production.

Administration and management of TTS

TTS is managed by a Board consisting of five members, of which one member is executive and three members are independent. The composition of the Board was approved by O-GSM Decision no. 1/26/08/2021.

The Board is led by a President appointed by BoD Decision no. 1/30/08/2021.

The board of directors is assisted by three advisory committees:

- **The remuneration and nomination committee** consisting of three non-executive members, two of whom are independent members,
- **The audit committee** consisting of three non-executive members, two of whom are independent members led by an independent non-executive member,
- **The Governance and Sustainability Committee** consists of three members, two of whom are independent members of the Board of Directors. The third is the Director of Corporate Governance and Investor Relations.

The constitution, organization and functioning of the Committees is regulated by "CHAPTER VI. ADVISORY COMMITTEES. CONSTITUTION, ORGANIZATION AND FUNCTIONING OF ADVISORY COMMITTEES" from the BoD Regulation.

The composition of the Board of Directors is as follows:

Name and Surname	BoD status
Alexandru-Mircea MIHĂILESCU	Non-executive member (Board Chairman, Chairman of the Remuneration and Nomination Committee, member of the Audit Committee)
Ion STANCIU	Executive member
Elena BUTNARIU	Independent member (Chairman of the Audit Committee and member of the Remuneration and Nomination Committee)
Ana-Barbara BOBIRCĂ	Independent member (member of the Audit Committee, President of the Corporate Governance and sustainability Committee)
Dorin-Alexandru BADEA	Independent member (member of the Remuneration and Nomination Committee, member of the Corporate Governance and sustainability Committee)

The Board of Directors is assisted in its activity by a CA Secretary.

The internal audit function is outsourced. The internal auditor of TTS is the company MBA EXPERT CONSULTING SERVICES S.R.L. Bucharest, independent third party.

The executive management is ensured by the General Director of the Company, the Deputy General Director and the Financial Director.

The management of TTS is delegated by the Board of Directors through the provisions of the Company's Articles of Association.

The composition of the executive management of TTS during 2023 was as follows:

Name and Surname	Status in the executive management	Dates regarding the mandate contracts
Petru ȘTEFĂNUȚ	General Director	Concluded on 26.05.2014, expires on 31.05.2026
Ion STANCIU	Deputy General Director, Operational Director (from	Concluded on 26.05.2014, expires on 03.06.2024
Nicoleta FLORESCU	Financial Director	Concluded on 10.03.2021, expires on 10.03.2025

Holdings of TTS shares of the Company's administration and management on 31.12.2022

Name and Surname	Position	No. of shares	Capital participation
Alexandru-Mircea MIHĂILESCU	BoD President	15.184.333	25,307%
Ion STANCIU	Executive BoD member / Deputy General Director	4.287.400	7,146%
Petru ȘTEFĂNUȚ	General Director	939.500	1,566%
Dorin-Alexandru BADEA	Independent board	31.000	0,052%
Nicoleta FLORESCU	Financial Director	2.010	0,003%
Elena BUTNARIU	Independent board	0	0%
Ana-Barbara BOBIRCĂ	Independent board	0	0%

The internal regulatory framework of TTS

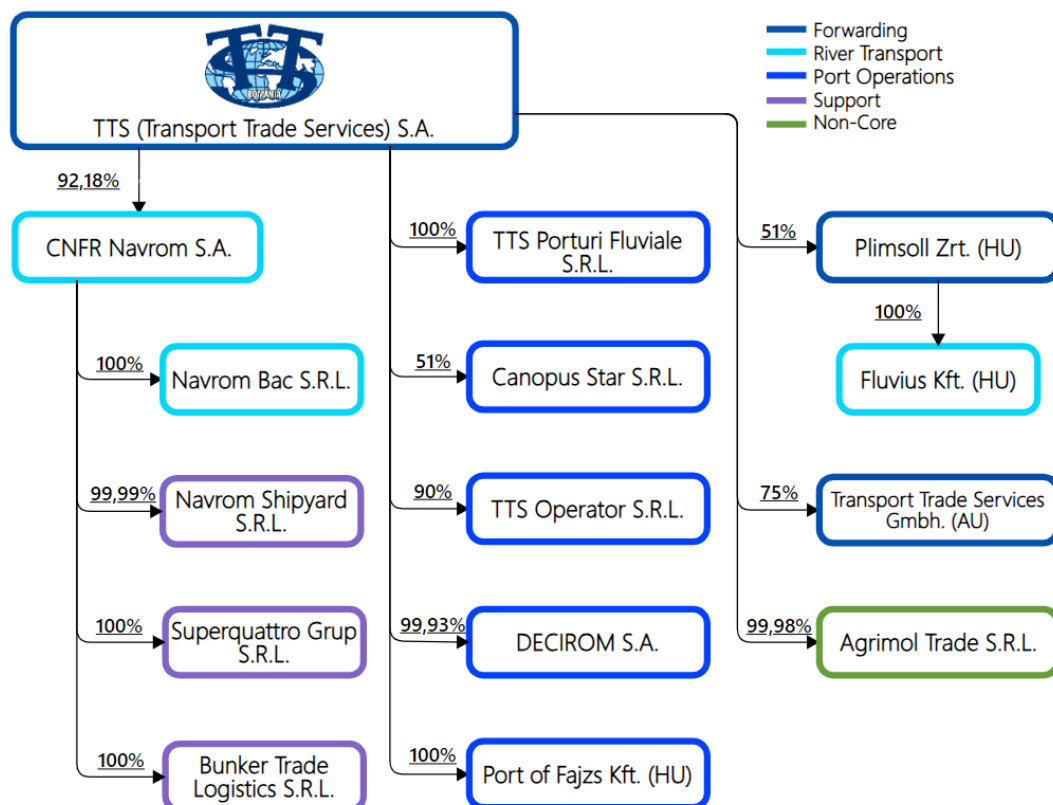
The internal regulatory system of TTS is aligned with the corporate governance standards applicable to companies listed in the Premium category on the main market of BVB and consists of the following policies and regulations:

- Regulation of the Management Board:** approved by Decision of the BoD no. 1/03.08.2021 and amended by Decision no. 2/27.01.2023.
 The constitutive provisions and operating rules of the advisory committees are included in the BoD Regulation, it is no longer necessary to adopt separate regulations for each committee.
- GSM Regulation:** approved by Decision of the BoD no. 1/30.09.2021, published on TTS' website.
 The regulation mainly contains provisions on how shareholders can exercise their legal rights as well as organizational provisions regarding the conduct of the GSM.
- Internal audit regulations:** approved by Decision of the BoD no. 4/14.03.2022.
- Remuneration policy:** approved by OGSM Decision no. 1/26.08.2021, published on TTS' website.
- Dividend policy:** approved by BoD decision no. 1/30.09.2021, published on TTS' website.
- Forecast policy:** approved by BoD decision no. 1/29.10.2021, published on the TTS website.

- **Insider information policy:** approved by BoD decision no. 1/12.11.2021.

TTS Group

The Transport Trade Services group of companies ("TTS Group" or "Group") is composed of 15 companies, respectively TTS (Transport Trade Services) S.A. ("TTS") and 14 companies in which TTS owns, directly or indirectly, more than 50% of the share capital. Eleven companies in the Group operate on the Group's three main business segments – Shipping, River Transport and Port Operations.



The main commodities transported and operated in the ports by TTS group are mineral products (raw materials for the steel industry and rolled products), agricultural products (cereals, oilseeds and feed) and chemical products (phosphate rock and finished products of the chemical fertilizer industry).

TTS Group owns a river fleet with a capacity of 800 thousand tons, 10 floating cranes, as well as port terminals in Constanța and in 7 Danube river ports.

The group offers integrated logistics services, namely transport services (river, rail, road), transshipment (between transport units, from warehouses, silos, etc.), storage (warehouses, silos, warehouse-type river units, etc.) and any other services specific to logistics chain management.

The following companies are part of the TTS group:

Shipping Segment

TTS (Transport Trade Services) S.A. București

Headquarters: București, România

Registered business no.: J40/296/1997

NACE code: 5229 - Other activities related to transport

Main activity: Cargo shipping

Plimsoll Zrt. Budapesta

Headquarters: Budapesta, Ungaria

Registered business no.: 01-10-049203

NACE code: 5229 - Other activities related to transport

Main activity: Shipment of goods by rail

TTS (Transport Trade Services) GmbH. Viena

Headquarters: 15b Lerchengasse, Langerzersdorf Austria

Registered business no.: 22 274/2769

NACE code: 5229 - Other activities related to transport

Main activity: Cargo shipping

River Transport Segment

CNFR NAVROM S.A. Galați

Headquarters: Galați, România

Registered business no.: J17/44/1991

NACE code: 5040 - Freight transport on inland waterways

Main activity: River transport of dry bulk goods (all categories)

Navrom Bac S.R.L. Galați

Headquarters: Galați, România

Registered business no.: J17/595/1999

NACE code: 5030 - Passenger transport on inland waterways

Main activity: Transport by ferry

Fluvius Kft. Budapesta

Headquarters: Budapesta, Ungaria

Registered business no.: 01-09-701582

NACE code: 5040 - Freight transport on inland waterways

Main activity: River transport of dry bulk goods (all categories)

Port Operation Segment

Canopus Star S.R.L. Constanța

Headquarters: Constanța, România

Registered business no.: J13/1742/2001

NACE code: 5224 – Goods handling

Main activity: Port operation of dry bulk cargo (agricultural products)

TTS Operator S.R.L. Constanța

Headquarters: Constanța, România

Registered business no.: J13/5008/1994

NACE code: 5224 – Goods handling

Main activity: Port operation of dry bulk cargo (all categories)

DECIROM S.A. Constanța

Headquarters: Constanța, România

Registered business no.: J13/516/1991

Cod CAEN: 5224 - Goods handling

Main activity: Port operation of dry bulk cargo (all categories)

TTS Porturi Fluviale S.R.L. Galați

Headquarters: Galați, România

Registered business no.: J17/1568/1996

NACE code: 5224 - Goods handling

Main activity: Port operation of dry bulk cargo (agricultural products)

Port of Fajsz Kft. Fajsz

Headquarters: Fajsz, Ungaria

Registered business no.: 03-09-132896

NACE code: 5222 - Service activities related to water transport

Main activity: Port operation of liquid and dry bulk cargoes

Auxiliary activities

Navrom Shipyard S.R.L. Galați

Headquarters: Galați, România

Registered business no.: J17/507/1999

NACE code: 3315 - Repair and maintenance of ships and boats

Main activity: Ship repair and maintenance (shipyard)

SUPERQUATRO GRUP S.R.L. Galați

Headquarters: Galați, România

Registered business no.: J17/337/2001

NACE code: 4291 - Hydrotechnical constructions

Main activity: Constructions for the maintenance of waterways and sea and river ports, dredging and ship displacements

Bunker Trade Logistics S.R.L.

Headquarters: Constanța, România

Registered business no.: J13/1816/2013

NACE code: 5222 - Service activities related to water transport

Main activity: Services related to the bunkering and fueling services of ships provided by OMV

Others (non-core business)

AGRIMOL TRADE S.R.L. București

Headquarters: București, România

Registered business no.: J40/5512/2010

NACE code: 4619 - Intermediaries in trade with various products

Main activity: Trade in Romanian wooden products, lumber, plywood, barrels, houses.

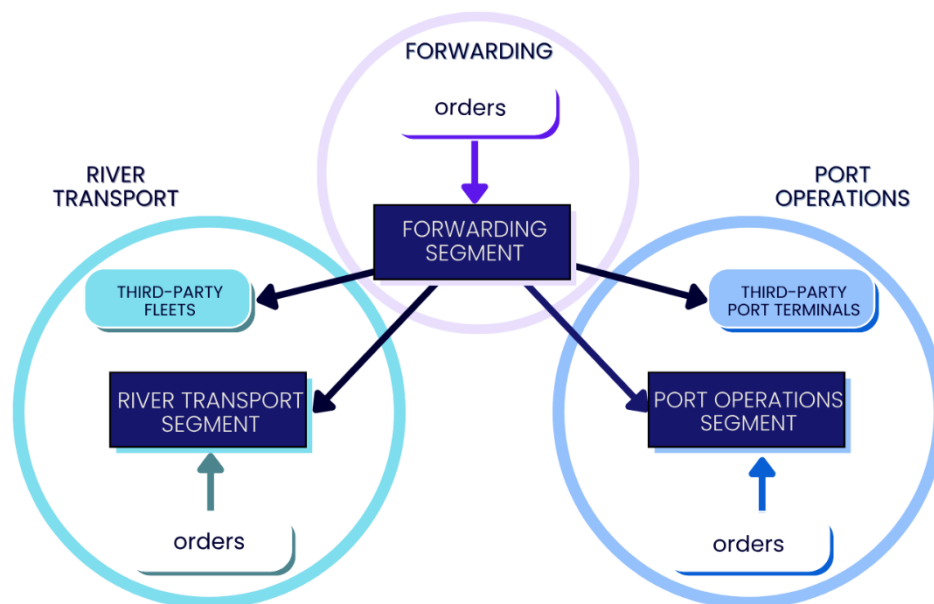
Corporate governance in the TTS group

The governance structure and rules under which TTS exercises control over the group companies are as follows:

- The companies in the group have the legal form of joint-stock company (S.A, Zrt.) or limited liability company (S.R.L., Kft., GmbH.)
- Each company has its own governing bodies, Board of Directors or Sole Administrator, depending on the provisions of the articles of incorporation, responsible for the proper functioning of the company.
- TTS exercises its control and appoints the persons in the management of the subsidiaries by voting in the general meetings of the shareholders/associates of the companies, or by decision of the sole associate, as the case may be.
- Companies have commercial autonomy, serving their own customer base in addition to orders placed within the group
- Voting mandates and representation of TTS in the general meetings of the shareholders/associates of the subsidiaries are approved by the Board of Directors of TTS, based on the informative materials made available to the shareholders/associates by each subsidiary
- At the request of the subsidiaries, in the case of situations that may affect the TTS group as a whole, the Board of Directors discusses these situations and makes guidance and recommendation decisions that are communicated to the subsidiary that made the request
- Intra-group transactions, both those between TTS and a subsidiary and those between subsidiaries, are subject to reporting obligations based on art. 108 of Law no. 24/2017 on issuers of financial instruments and market operations, reports being made with a rhythm dictated by reaching or exceeding the TTS reporting threshold
- The activity of reporting transactions between related parties is the subject of two reports drawn up by the statutory auditor of TTS.

TTS' business model

The business model of TTS involves employing, mainly, its own fleet (Navrom S.A., Fluvius Kft.) and its own port operators (TTS Porturi Fluviale S.R.L., TTS Operator S.R.L., CANOPUS Star S.R.L., Port of Fajsz Kft.), in parallel with the contracting by the Shipping Segment of transport or operation services with third parties.



At the same time, the companies in the Group active in the river transport and port operation markets, provide services directly to their own customers, in parallel with the execution of the orders received from the shipping companies in the Group.