



PRESS RELEASE

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11.8% increase in volumes operated and transported and 20% increase in TTS Group turnover at 9 months y / y, reflected in the EBITDA increase of 33.3%

- The volume of goods transported and operated by TTS Group in the third quarter of 2021 was 4.5 million tons, 20% higher than in the third quarter of 2020
- The main factors that contributed to the increase in volumes were the restart of the global economy and the agricultural harvest 2021, in the conditions of a level of the Danube that largely ensured favorable conditions for navigation
- The consolidated turnover achieved by TTS Group in the first 9 months of 2021 was RON 451 million, by RON 75 million higher than the same period of 2020
- The value of EBITDA at 9 months in 2021 was RON 112 million, higher by RON 28 million compared to the same period of 2020

Volume of activity for the first 9 months of 2021 returning to pre-pandemic levels



Petru ȘTEFĂNUȚ, CEO

" The good results obtained in the summer are due to a growing volume of goods, offered for transport by both the metallurgical industry in the region and agriculture. The grain harvest is good. Navigation conditions were good until mid-September when the water flow on the Danube decreased. Currently there is intense work, a lot of goods needing to be transported, the weather forecast is followed for travel planning, the water level being the only risk factor that could affect the navigation conditions"

The global logistics crisis, which hit players in the shipping markets in 2021 hard, validated the group's integrated business model based on vertical integration of operations, positioning business lines at the core of logistics chains and strategic geographical coverage, so that the business TTS was practically unaffected.





Signs of recovery have been present since the first half of the year, when TTS benefited from the global economic recovery, which translated into an increase in demand for raw materials.

Thus, the volume of mineral goods transported and operated by the group in the first half was 24.76% higher than in 2020.

However, the confirmation came in the 3rd quarter when, in addition to the accentuation of the increase of the activity level on the minerals segment (2 million tons transported and operated, by 30% more than in Q3 2020), the decrease in volume on the agricultural products segment was recovered almost entirely. , registered in the first semester (-26.2% compared to 2020 for volumes transported and operated). Thus, as a result of the good harvest in 2021, the volume of agricultural products transported and operated by the TTS Group in the third quarter of 2021 was 1.9 million tons, 29% higher than in the third quarter of 2020.

However, these increases in volume were possible in the conditions in which the level of the Danube ensured, for most of the analyzed period, favorable navigation conditions.

Bottom line, the volume of goods transported and operated in the first 9 months of 2021 was 11.8% higher than in the similar period of 2020:

<u>Volumes transported and operated</u> - Total TTS Group (mln. tons)	9 months 2021	9 months 2020	Δ 2021/2020
Agricultural products	3,68	3,86	↓ (4,5%)
Minerals	6,45	5,10	↑ 26,5%
Chemical products	1,44	1,27	↑ 13,5%
Other	0,24	0,34	↓ (28,8%)
Total	11,81	10,56	↑ 11,8%

A more detailed picture of the group's activity in the first 9 months of 2021 results by breaking down the volumes by types of operations (transport and operation) and by types of contracts. The volume of goods transported by river at group level increased by 16.8% compared to the first 9 months of 2020, supported mainly by growth in mineral goods.

<u>Volumes transported by river</u> - Total TTS Group - <u>by types of goods</u> (mln. tons)	9 months 2021	9 months 2020	Δ 2021/2020
Agricultural products	1,43	1,41	↑ 1,4%
Minerals	5,13	4,01	↑ 27,9%
Chemical products	0,61	0,58	↑ 4,3%
Other	0,24	0,34	↓ (28,8%)
Total	7,41	6,34	↑ 16,8%

During the same period, the volume of agricultural goods transported increased by 1.4%. This increase comes after a decrease of -19% in the middle of 2021, and is due to the good harvest



in 2021 which determined the increase by 40% of the volume of agricultural goods transported by river in the third quarter of 2021.

Regarding the distribution of volumes transported by type of contract, the increase of more than 3 times the volume of goods contracted by the shipping segment and transported by third parties is a result of the fact that, again as a result of the 2021 harvest, the TTS fleet operated largely to capacity.

River transport operations - Total TTS Group - by type of contract

(mln. tons)	9 months 2021	9 months 2020	Δ 2021/2020
Contracted by the shipping segment and transported by third parties	0,23	0,07	↑ 213,7%
Contracted directly by the river transport segment	1,88	1,64	↑ 15,1%
Contracted by the shipping segment and transported by the river transport segment	5,29	4,64	↑ 14,2%
Total	7,41	6,34	↑ 16,8%

And in terms of volumes operated in ports in the third quarter of 2021 there was a revival of activity, albeit to a lesser extent. The total volume operated in ports at group level increased by only 4.3% compared to 2020, however returning after the deficit of -2.3% recorded in the first half of 2021.

Volumes operated in ports - Total TTS Group - by types of cargo

(mln. tons)	9 months 2021	9 months 2020	Δ 2021/2020
Agricultural products	2,25	2,45	↓ (8,0%)
Minerals	1,32	1,09	↑ 21,3%
Chemical products	0,83	0,69	↑ 21,3%
Total	4,41	4,22	↑ 4,3%

The increase in the volume of goods was mainly supported by the activity carried out by the port operators within the group, as it results from the breakdown of volumes by types of contract.

Port operations - Total TTS Group - by type of contract

(mln. tons)	9 months 2021	9 months 2020	Δ 2021/2020
Contracted by the shipping segment and operated by third parties	0,85	1,01	↓ (15,6%)
Contracted directly by the port operating segment	1,10	1,02	↑ 8,2%
Contracted by the shipping segment and operated by the port operating segment	2,45	2,29	↑ 6,8%
Total	4,41	4,22	↑ 4,3%



Fleet and ports, the main beneficiaries of the investments made by the TTS group in 2021

The main share in CAPEX at 9 months 2021 is represented by NAVROM investments, respectively 9 mln. EURO (9.9 million budgeted for the whole year). The main investment programs carried out by NAVROM in 2021 are:

- The program for equipping barges with aluminum caps (12 barges completed or in various stages of execution, including 6 barges that require constructive modifications)
- Propulsion modernization program for pushers and floating cranes (3 pushers and 2 floating cranes, completed or in various stages of execution)
- Investment program for ship recertification (4 pushers and 69 barges completed or in various stages of execution)

In November 2021, the investment made by TTS (Transport Trade Services) in the modernization of the Oltenița port, operated by TTS Porturi Fluviale, was completed, with a total value of 1.2 million EURO. The investment aimed at developing new port operating flows, optimizing the movement of freight vehicles for access to port facilities and diversifying the services offered (direct transshipment)

Also in 2021, Canopus Star completed the first part of the investment which aims to expand the operating capacity by creating the possibility of simultaneous operation of two seagoing vessels or a seagoing vessel with several river vessels. The investment is to be completed in the first part of 2022 and will have a value of about 3 million EURO.

Growing financial results: + 20% turnover, + 33% EBITDA, + 60% net profit

The increase in turnover was both the result of the increase in volumes transported and operated at group level, as well as the direct contributions of the turnover made by the group's subsidiaries.

Consolidated financial results - Total TTS Group (mln. RON)	9 months 2021	9 months 2020	Δ 2021/2020
Turnover	451,0	375,9	↑ 20,0%
Operating result	69,7	46,2	↑ 51,1%
Net profit	57,3	35,8	↑ 60,2%
EBITDA	112,0	84,0	↑ 33,3%



This increase was the main source for the increase of over 50% in operating income, even if in the first 9 months of 2021 there were substantial increases in the cost of goods sold (+28.3 million lei), expenses with subcontractors (+ 12.8 million lei) and amortization expenses (+4.5 million lei). The increase in net profit was in absolute value in line with the increase in operating income (+21.5 million lei compared to +23.5 million lei), the difference being due to the increase in income tax (+2.5 million lei).

Finally, among the profitability indicators, the largest increase in absolute value was in EBITDA (+28 million lei), even if compared to the similar period of 2020 the percentage increase was lower than the increase in operating income (+33 % compared to + 50%).

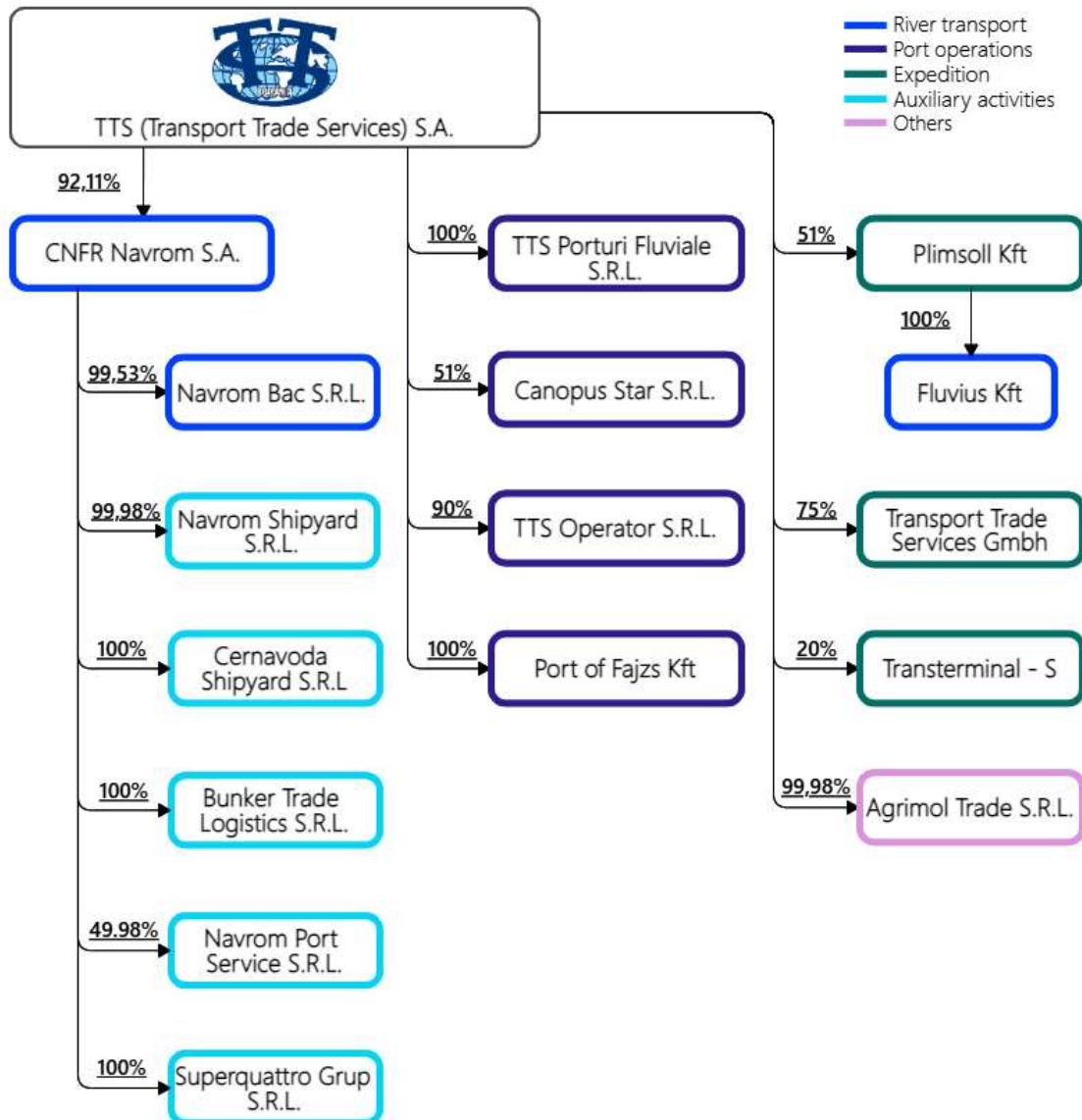
Corporate and capital market events

- ✓ The ordinary general meeting of shareholders on August 26, the first meeting of shareholders after the listing, took place under the conditions of a record participation: 85% of the total voting rights and share capital of the company. This participation was the result of the fact that the shareholders had at their disposal all forms of remote participation, respectively voting by mail, post or e-mail, and online voting using the e-Vote platform developed by Governance Partners SRL, which is a very appreciated solution by all our shareholders.
- ✓ In the last period of listing, TTS laid the foundations of an internal system of corporate governance in accordance with the highest standards in the field, by adopting in a short time a number of internal regulations and governance policies: the regulation of the board of directors, GMS regulations, remuneration policy, dividend policy, forecasting policy and insider information policy.
- ✓ In the same direction, the company has developed an internal system for monitoring affiliate transactions, which informs the Department of corporate governance and investor relations on a daily basis on the amounts traded intra-group and sends alerts when the limit amount is exceeded. Given the complex structure of the group, which involves a large number of transactions between affiliates, the automation of operations allows us to report any exceeding of the legal threshold without delay. We are currently working on a module for the automatic issuance of current reports in the form in which they are transmitted to the market and ASF.
- ✓ The company contracted on 02.07.2021 with BRK Financial Group the market maker services of the issuer;
- ✓ The first objective of the company regarding the liquidity of the shares issued by TTS (Transport Trade Services) was achieved by including them in the BET index of the most liquid shares traded on BVB starting with September 20, 2021.
- ✓ TTS becomes a member of ARIR starting with 06.10.2021, the company being convinced of the importance of communicating with investors in ensuring a high level of transparency in relation to capital markets.



About TTS Group

TTS GROUP STRUCTURE (30.09.2021)



The companies with the greatest impact on the group's activity are those that are part of the TTS core business:

- CNFR NAVROM (RIVER TRANSPORT segment);
- TTS OPERATOR, Canopus și TTS PORTURI FLUVIALE, (PORT OPERATION segment);
- The group's external operations are supported by PORT OF FAJSZ (HU), Plimsoll (HU), Fluvius (HU) and Transport Trade Services GmbH (AT)



TTS
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BUCURESTI – ROMANIA



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Simplified (unaudited) consolidated interim financial statements for the period ended 30.09.2021 are available at the following links:

- <https://www.tts-group.ro/periodic-reports.html>;
- <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=TTS>.