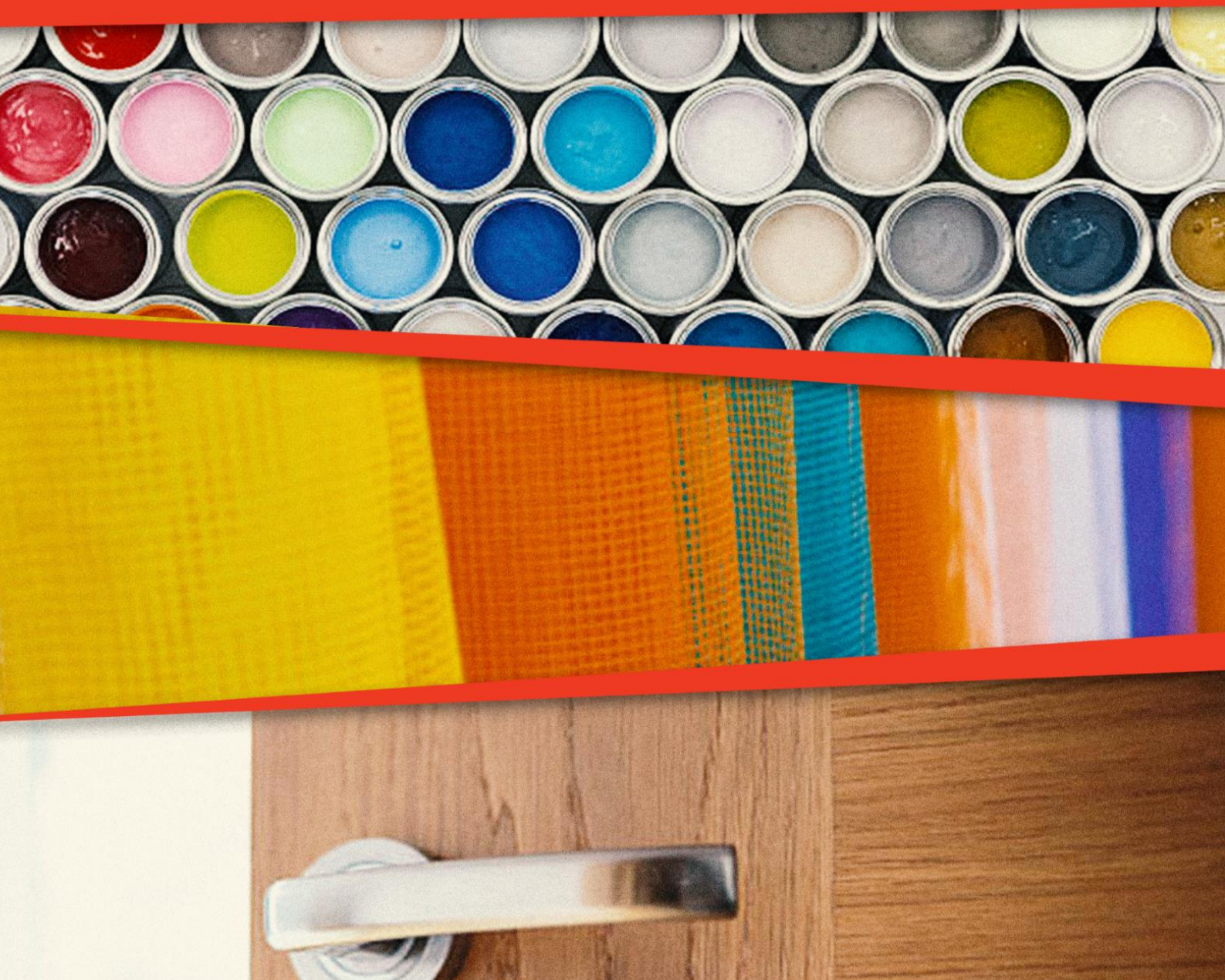


# ROCA INDUSTRY FINANCIAL REPORT FOR H1 2024

Company listed on the regulated market  
of the Bucharest Stock Exchange, Standard Category



# TABLE OF CONTENTS

<i>ISSUER INFORMATION</i> .....	3
<i>MESSAGE FROM THE GENERAL MANAGER</i> .....	4
<i>MESSAGE FROM THE CHIEF FINANCIAL OFFICER</i> .....	7
<i>EXECUTIVE SUMMARY</i> .....	9
<i>ROCA INDUSTRY ON THE CAPITAL MARKET</i> .....	14
<i>ABOUT ROCA Industry HOLDINGROCK1</i> .....	16
<i>BICO INDUSTRIES S.A.</i> .....	17
<i>EVOLOR S.R.L.</i> .....	18
<i>ECO EURO DOORS S.R.L.</i> .....	19
<i>DIAL S.R.L.</i> .....	20
<i>ELECTROPLAST S.A.</i> .....	21
<i>WORKSHOP DOORS S.R.L.</i> .....	22
<i>KEY EVENTS IN H1 2024 AND BEYOND</i> .....	24
<i>ANALYSIS OF CONSOLIDATED FINANCIAL RESULTS</i> .....	27
<i>ANALYSIS OF STANDALONE FINANCIAL RESULTS ROCA INDUSTRY</i> .....	41
<i>OUTLOOK FOR THE ACTIVITY IN H2 2024</i> .....	46
<i>KEY RISKS FOR H2 2024</i> .....	52
<i>MAIN FINANCIAL INDICATORS AT CONSOLIDATED LEVEL</i> .....	56
<i>DECLARATION OF THE MANAGEMENT</i> .....	57

# ISSUER INFORMATION

## INFORMATION ABOUT THIS FINANCIAL REPORT

Report type Directors' Report for H1 2024

For the financial year 01.01.2024 – 30.06.2024

Date of publication of the report 20.08.2024

## ISSUER INFORMATION

Name ROCA INDUSTRY HOLDINGROCK1 S.A.

Fiscal code RO 44987869

Trade Register registry number J40/16918/2021

Registered office 4 GARA HERĂSTRĂU street, Building A, Floor 3,  
District 2, Bucharest

## INFORMATION ABOUT FINANCIAL INSTRUMENTS

Subscribed and paid-up share capital RON 248,672,220

Market on which the securities are traded BSE Main market, Standard Category

Total number of shares 24,867,222

Symbol ROC1

## CONTACT DETAILS FOR INVESTORS

Phone number +40 723 511 138

Email investors@rocaindustry.ro

Website www.rocaindustry.ro

The financial statements as of 30 June 2024 presented are **unaudited**.

**Disclaimer:** The financial figures presented in the descriptive part of the report, expressed in millions of lei, are rounded to the nearest whole number and may lead to small differences in regularization.

# MESSAGE FROM THE GENERAL MANAGER



**Dear Shareholders,**

I write these lines under the influence of a series of results, both macro and micro, which give me conflicting feelings. Concern from the external context, contrasted with joy and confidence from the internal context. And I will elaborate.

From an external point of view, on the one hand, we have the macroeconomic data that once again confirms what we have been saying for several quarters. The economy is struggling, economic growth is below 1%, and this is in a context where consumption (the budget deficit) is experiencing an artificial increase. What would it have been if we had met the budget deficit target? Or even more importantly, what will it be when we do meet it? Then there's the construction sector, where again, we clearly see the effect of PNRR, with a boom in infrastructure, but double-digit declines in the residential construction area. The number of construction permits decreased in the first half of 2024 by 1.3%, representing a recovery after much weaker figures, and perhaps a sign of a plateau from where we might start to grow again. However, we are coming off a 20.6% decrease in 2023 compared to 2022. At the time you are reading this report, the INS report for June has been published (on 20 August, at 9.00 AM), but now, as I write, I only have the data for May. The volume of residential construction works decreased by 21.5% in raw series and by 21.6% in adjusted series. Last year, in December, the decrease was only 6.6% in raw series and 5.9% in adjusted series.

Those who are not fans of numbers and statistics may not accept that there is both a sectoral and temporal correlation between these figures. For some, -20.6% for building permits last year versus -21.5% for construction works this year is just a coincidence. For us, it is not. We predicted these trends, took measures, and the results are written below. We have written them with pride.

As part of our constant efforts to understand the market, the context, to foresee and be ahead of trends, we carefully analyze the reports of 10 other construction materials companies listed on the BSE. Some of these give us a clearer picture of future trends (brick and autoclaved aerated concrete manufacturers, who are 6-9 months ahead of us in house construction), or represent benchmarks (they encompass multiple products and also engage in M&A), others are distributors or our clients. From all of them, we try to understand the context, the market, the trend, and correlate them with macroeconomic statistics. A simplified table of these data looks like this:

## H1 2024 FINANCIAL REPORT

	Q1 2023		Q2 2023		Q3 2023		Q4 2023		Q1 2024	
	T/O	EBITDA	T/O	EBITDA	T/O	EBITDA	T/O	EBITDA	T/O	EBITDA
Comparable companies	-15%	-36%	-10%	-40%	-9%	-40%	-4%	-32%	6%	-32%
Roca Industry	-3%	-42%	6%	-50%	9%	-41%	9%	-41%	8%	58%

The figures above represent the evolution compared to the same period last year. In the case of ROCA Industry, where we publish multiple sets of data, these are the weakest figures among all the sets. This means that when we made company acquisitions, their figures were added for comparability to the previous year as well. In the case of comparable companies, we used the average of the ten identified companies (at the quarter level, there were only 8 companies), as reported by them – we did not make adjustments when, as a result of a merger or acquisition, a company reported growth when it was actually due to the fact that the numerator and denominator did not include the same number of companies. This is something we will never do, even if the market tolerates it.

I attached the above table for several reasons. On the one hand, it completes the picture given by the macroeconomic figures. We operate in a complicated environment, with significantly affected margins. On the other hand, to emphasize a way of communicating and a way of doing things. We have always told the truth, namely that it is tough, and that the results had a negative evolution in 2023. Our competitors only said that it was good and fine. For this, you, the shareholders, the market, penalized us, and in a year where BET increased by 31.6%, ROC1 shares decreased by 13.1%. If this is also because we were honest and told things as they are, I assure you that we will continue to do so, and if we continue to be penalized by the market, we accept it.

The third reason I attached the table above is to show the sustainability of our model and the fact that what we said we would do, we did, and it bore fruit. We said last year that we would sacrifice margin to gain market share, and we did. The evolution of turnover is above the market average and above the average figures published by INS. We said that this year we will recover the lost profitability, that the measures we took will show their effect, and this has happened. In Q1 we had a cumulative EBITDA 58.3% above Q1 2023, in a dramatically declining market. At the end of Q2, we report a cumulative EBITDA 75.2% higher than H1 2023, which confirms that it was not an accident. And, I feel the need to repeat: in our reports, for comparability, in 2023 we have included both Electroplast and Workshop Doors as if they were already in the portfolio, even though they are companies acquired later, and this is to avoid inflating the figures. Everything is genuine.

What did we do for these results? I won't go into detail here. I invite you to read the report below. To summarize, I would say it is a combination of professionalism, market anticipation, hard work, many small things done well, but also large and ambitious projects. All with a long-term vision in mind, to ensure that the results will only go up.

I made the mention of the long term and with that, I opened the last topic of this letter. I refer to how we deliver value and how we view the evolution of share prices. And here, the answer is very simple. We are completely passive regarding the share price, we do not influence and do not intend to influence it in any way. It will always respond to the



## H1 2024 FINANCIAL REPORT

relationship between supply and demand. Any influence on our part would be susceptible to price manipulation, and we do not do that.

However, what we influence directly, completely legally and morally, is the value of the shares. Their intrinsic value, given by the results of the companies in the portfolio and the holding as a whole. We create value, we try to communicate it as best we can, and the price evolution is the result. The way the market, in its subjectivity, perceives some objective results. Thus, if I have written before about how we generate value, I will also add a table on how we look at the value generated by us compared to the same comparable companies. To show this and the position we are in at this moment, we calculated the EV/EBITDA multiple, a financial indicator used to evaluate a company's value in relation to its operational profitability. Comparing a company's EV/EBITDA multiple with that of other companies can provide valuable insights into the company's relative valuation in the market. In determining this indicator, we took into account the financial results published by each company, either consolidated or individual, depending on how each company reports. Also, to determine the market value of equity, we used the stock price after the results were reported (30 June 2024 for Q1 2024, and 16 August for Q2 2024), which is expected to reflect investors' reaction to the published financial results.

	Q1 2024 – EV/EBITDA			Q2 2024 – EV/EBITDA		
	Number of companies	Average	Median	Number of companies	Average	Median
Comparable companies	7	32.03	25.30	4	13.04	13.75
Roca Industry		7.65			7.45	

Both at the end of the first quarter of this year and at the end of June, the EV/EBITDA multiple of ROCA Industry was lower than the average and median of comparable companies. This indicates that the holding is undervalued, with the possibility that the market has not yet recognized the company's potential. It is an indicator that, at some point, after we also gain your trust, this will be reflected in the ROC1 share price. And especially, by understanding the benefits of predictability and correctness, you will evaluate us at least with the same measure.

As for the rest of the year, I will leave the details for another occasion, but I will say this much: Last year at this time, in the spirit of transparency, I wrote in black and white that we would miss our budgeted targets and published realistic estimates for the end of the year. Today, again in black and white, I write that we are confident that we will meet the budgets, that we will have a year in which turnover will exceed last year's by more than 10%, and EBITDA by more than 60%. On correct figures, taking into account both the acquired companies, both in the denominator and numerator. In a year when the market is down double digits. In conclusion, thanking you for the trust you continue to place in us, I wish you a profitable second semester. Let's hear good news.

**Ioan-Adrian Bindea**  
CEO



# MESSAGE FROM THE CHIEF FINANCIAL OFFICER



**Dear Shareholders,**

A year ago, we found ourselves in an economic environment marked by unpredictability, with a Holding still in formation, and we focused on maintaining the agility and flexibility essential for resilience and adaptability. 2023 was not the best year possible, and we made efforts to understand the story behind our numbers, identify alternative plans, and shift our focus towards consumer segments supported by funding

infusions. We prioritized market share over margin to navigate challenging periods with a stable customer base.

Today, I am pleased to see that our strategy is starting to bear fruit, even as the unpredictable context becomes a constant feature of the economy. After a year of concerted efforts and strategic adjustments, we have managed to consolidate our Holding's position and achieve significantly better results compared to the same period in 2023. During this time, all our companies have developed their export channels, demonstrating our ability to adapt quickly and effectively to market changes.

The added value of a Holding lies in its ability to identify growth drivers that are less responsive to industry cyclicity. Any company can have a healthy growth strategy, and in favorable economic periods, the market has shown spectacular growth. However, during economic downturns, a sustainable growth strategy based on a system of companies becomes relevant.

Another major step we have taken is the listing on the main market of the Bucharest Stock Exchange (BSE). This achievement reflects not only the market's confidence in our potential but also our ability to deliver value to shareholders in a sustainable and durable manner.

We are sharing our financial and operational performance at the mid-year point. The challenging market context has not prevented us from growing and expanding our customer base; on the contrary, it has motivated us to innovate and optimize our operations. In addition to maintaining our existing customer base, we have also added new distribution channels, thereby attracting new customers. The BSE listing has provided us with increased visibility and access to capital, allowing us to continue strategic investments and explore new growth opportunities.

## **Market challenges and our solutions**

The number of construction permits has significantly decreased compared to last year, and the residential sector is also in decline. However, we will continue to focus on consumer segments supported by funding infusions and identify innovative solutions to adapt to the

new economic realities. The efforts of our commercial and product development teams are aimed at strengthening our market position and achieving sustainable business growth.

### **Future perspectives**

Our financial results reflect these efforts. We recorded a revenue increase by 73.8%, and a net profit of RON 6.1 mn, indicating that our efficiency and expansion measures are starting to pay off. Our commercial teams have identified and exploited new markets and consumer segments, ensuring sustainable growth.

Regarding future plans, we are focusing on innovation, international expansion, and sustainable practices to remain competitive and relevant, strengthening our European presence and contributing to a greener and more sustainable future.

We continue to deliver value to our shareholders, not only through financial performance but also by building a sustainable and trustworthy business. We thank you for your continued support and trust. Together, we are demonstrating that we can turn challenges into opportunities, and we are committed to the right path for a successful future. We still have much to show, and we are determined to continue this process.

**Valentin Albu**  
**CFO**



# EXECUTIVE SUMMARY

The **H1 2024 financial report** of ROCA Industry Holdingrock1 S.A. contains a brief presentation of the company and its subsidiaries, presents the main events that took place during H1 2024 until the date of this report, the evolution of ROC1 shares on the capital market and explains the consolidated and individual financial results and the perspectives of the Company.

## Key events during H1 2024 and up to the date of the report:

- Following the completion of the **share capital increase** process in January, the share capital went up from RON 176.9 mn to RON 248.7 mn, with 7.2 million shares being subscribed at a price of 10 RON per share.
- As of 11 March 2024, **ROCA Industry shares are admitted to trading on the main market of the Bucharest Stock Exchange (BSE)**, under the Standard category. This milestone was achieved approximately two years after the holding's listing on the AeRO market, in line with the promises made.
- **The liquidity of the shares (as measured by the median of daily traded volumes) increased 8.5 times** since the listing on the main market compared to the same period in 2023. During this period, a record daily volume of 580,000 shares traded was also achieved.
- **Completion** of the acquisition of 70% of the share capital of Workshop Doors S.R.L., the second largest Romanian producer of interior doors.
- **Continuation of the process of streamlining and developing the activities of the companies within the holding, with a direct impact on the results achieved.**

## Q1 2024 – key financial figures (OMFP no. 1802/2014 - cumulated and IFRS - consolidated):

For an accurate presentation of the evolution of the companies owned by ROCA Industry holding and for comparability with previous periods, this chapter presents the IFRS consolidated results, but also a summary of the individual financial statements of the productive companies in accordance with OMFP no. 1802/2014, as amended.

Despite the challenging macroeconomic context, which negatively impacted the market, the **cumulative turnover** of the companies within the holding continued the growth recorded in Q1 2024, exceeding by 9.5% the level for the first 6 months of 2023. Following the same trend, the cumulated EBITDA of the productive companies was 75.2% larger than the one recorded at H1 2023 (compared to a 63.2% increase in Q1 2024 vs Q1 2023).

## H1 2024 FINANCIAL REPORT

P&L Indicators OMFP 1802	Results for H1 2024 (RON th)			EBITDA margin H1 2024	Net margin H1 2024	Variation Q1 2024 vs Q1 2023		
	Turnover	EBITDA	Net result			Turnover	EBITDA	Net result
EVOLOR	53,668	5,938	(1,696)	11.1%	-3.2%	8.3%	-28.9%	N/A
Grupul BICO	85,325	11,623	4,058	13.6%	4.8%	8.8%	398.2%	N/A
DIAL	41,270	5,103	681	12.4%	1.7%	44.3%	90.4%	-44.3%
Electroplast	79,625	4,707	243	5.9%	0.3%	2.8%	56.1%	N/A
EED & Workshop	54,683	12,673	3,403	23.2%	6.2%	2.9%	75.6%	13.1%
EED	27,110	2,524	(4,210)	9.3%	-15.5%	-8.5%	62.4%	-305.6%
Workshop	27,573	10,149	7,613	36.8%	27.6%	17.4%	79.2%	88.1%
<b>Total companies</b>	<b>314,571</b>	<b>40,044</b>	<b>6,689</b>	<b>12.7%</b>	<b>2.1%</b>	<b>9.5%</b>	<b>69.7%</b>	<b>52.3%</b>
ROCA Industry	-	(3,764)	(2,156)	N/A	N/A	N/A	-30.5%	N/A
<b>Total cumulated</b>	<b>314,571</b>	<b>36,280</b>	<b>4,533</b>	<b>11.5%</b>	<b>1.4%</b>	<b>9.5%</b>	<b>75.2%</b>	<b>-9.4%</b>

P&L Indicators IFRS	Results for H1 2024 (RON th)			EBITDA margin H1 2024	Net margin H1 2024	Variation Q1 2024 vs Q1 2023		
	Turnover	EBITDA	Net result			Turnover	EBITDA	Net result
EVOLOR	53,564	6,041	1,516	11.3%	2.8%	8.1%	-30.7%	-67.3%
Grupul BICO	85,325	11,000	1,973	12.9%	2.3%	18.6%	534.8%	N/A
DIAL	41,265	5,267	2,334	12.8%	5.7%	44.3%	115.7%	N/A
Electroplast	79,624	5,020	-	6.3%	-	N/A	N/A	N/A
EED & Workshop	52,712	13,100	4,908	24.9%	9.3%	77.8%	465.1%	N/A
EED	26,875	2,926	(2,379)	10.9%	-8.9%	-9.3%	26.2%	18.1%
Workshop	25,837	10,174	7,287	39.4%	28.2%	N/A	N/A	N/A
<b>Total companies</b>	<b>312,490</b>	<b>40,428</b>	<b>10,731</b>	<b>12.9%</b>	<b>3.4%</b>	<b>73.8%</b>	<b>165.9%</b>	<b>N/A</b>
ROCA Industry	-	(3,682)	(4,619)	N/A	N/A	N/A	-34.2%	-51.6%
<b>Total consolidated</b>	<b>312,490</b>	<b>36,746</b>	<b>6,112</b>	<b>11.8%</b>	<b>2.0%</b>	<b>73.8%</b>	<b>194.9%</b>	<b>N/A</b>

In addition to the different recognition principles under the two standards, the differences in financial disclosure between the two methods are as follows:

- **Share of the financial performance of newly acquired companies** – this depends on the acquired percentage of the share capital of each company, as well as on the consolidation principles applied (depending on this percentage);
- **The period of time for which the financial indicators of the acquired companies were included in the consolidation perimeter** – depending on the moment of completion of the acquisition of a new company;

Further details on these two principles are presented below.

## H1 2024 FINANCIAL REPORT

Subsidiaries (consolidation %)	31 June 2024	2023		
<b>BICO</b>	60%	70% (Jan-Jul)	60% (Aug-Dec)	
<i>Terra</i>	60%	70% (Jan-Jul)	60% (Aug-Dec)	
<i>Europlas</i>	60%	35% (Jan-Aug)	33% (Aug-Sep)	60% (Oct-Dec)
<i>Iranga</i>	60%	70% (May-Jul)		60% (Aug-Dec)
<b>EVOLOR</b>	100%	100%		
<b>Doorsrock4</b>	-	100% (Jan-Jul, until merger with EED)		
<b>Eco Euro Doors</b>	100%	100%		
<b>Nativerock1</b>	-	100% (Jan-Jul, until merger with DIAL)		
<b>DIAL</b>	100%	100%		
<b>Electroplast</b>	100%	100% (starting July)		
<b>Workshop</b>	70% (Jan-Feb)	-		

### H1 2024 – key financial figures at consolidated level (IFRS):

- The first half of 2024 is characterized by a favorable evolution of the consolidated financial indicators. The level of turnover exceeds by 73.8% the revenues achieved in H1 2023, the main factors being both the increase in sales during this period on all operational segments and the impact generated by the acquisitions (direct and indirect) completed in the previous period.
- The positive variation in revenues obtained during this period by all segments, both in terms of quantity and value, but also the new companies that came under the umbrella of the holding, as well as the operational efficiency initiated, produced visible results. The Group obtained a **consolidated EBITDA of RON 36.8 mn** (EBITDA margin of 11.8% of turnover), compared to a level of RON 12.5 mn in H1 2023 (EBITDA margin of 6.9% of turnover). **EBITDA at the level of productive companies was RON 40.4 mn**, compared to RON 15.2 mn in H1 2023. The impact on EBITDA of new companies acquired in the last 12 months was RON 15.2 mn.
- All the efforts to improve the operational activity in the second half of 2023 were felt both at the level of the operating result, **the profit obtained being RON 20.3 mn compared to the profit of RON 1.0 mn in H1 2023**, as well as at the level of net income, where the Group managed to obtain a **consolidated net profit of RON 6.1 mn compared to the loss of RON 7.4 mn in H1 2024**. The improvement in financial indicators was achieved in the context of an increase in depreciation and amortization expenses by 51.9% (expenses being mainly generated by new investments for the expansion of production capacity and for operational efficiency and company acquisitions) and financial expenses by 52.6% compared to H1 2023 (interest on credit facilities to finance company acquisitions and additional credit facilities to finance investments and current activity of the companies).

- **Details by operational segments:**

- **BICO Group:** turnover +18.6% above the level recorded in H1 2023, with positive results in terms of EBITDA financial indicators and net result, for which in H1 2023 they had recorded negative results. Thus, EBITDA at H1 2024 reaches RON 11.0 mn vs RON 1.7 mn, and the net profit is RON 2.0 mn vs a net loss of RON 5.5 mn at H1 2023, based on operational optimizations and increased sales of products with the highest margin in the portfolio;
- **EVOLOR:** turnover +8.1%, EBITDA -30.7%, net profit RON 1.5 mn, compared to net profit of RON 4.6 mn for H1 2023 (-67.3%), considering that 2023 was an exceptional year for the company. The result obtained in H1 2024 is influenced by the increase in marketing expenses, the effect of which is estimated to be observed in sales in the next period, but also by the increase in salary expenses (both as a result of the increase in salaries and of a greater number of employees);
- **EED and WORKSHOP:** turnover +77.8%, with positive results in terms of EBITDA and net result, respectively EBITDA of RON 13.1 mn in H1 2024 vs RON 2.3 mn in H1 2023 and a net profit of RON 4.9 mn in H1 2024 vs net loss of RON 2.9 mn in H1 2023. The WORKSHOP contribution was included for the period February-June 2024, according to the consolidation principles.
- **DIAL:** turnover +44.3%, EBITDA +115.7%, Net profit RON 2.3 mn, compared to a net loss of RON 0.6 mn in H1 2023, as a result of the implementation of the commercial strategy by launching new products, maximizing existing channels and identifying new sales channels, implicitly by developing the export area, correlating production with the needs identified in the sales area and optimizations brought by the purchasing department;
- **ELECTROPLAST:** ELP's contribution to the performance achieved at the consolidated level is 25% of the total turnover and 14% of the consolidated EBITDA. At the end of H1 2024, the result recorded by the company following IFRS restatements is zero. The company was acquired at the end of H1 2023, so the results obtained in the comparative period were not included in the scope of consolidation.

### H1 2024 – Individual Key Financial Figures (IFRS):

- As by its nature, that of a holding company, ROCA Industry does not carry out its own operational activities, **its revenues of RON 2.5 mn** were composed entirely of interest income for intra-group loans granted. The decrease of 34.3% compared to H1 2023 comes as a result of the fact that ROCA Industry did not record **dividend income** (RON 1.5 mn in H1 2023).
- At the same time, the holding company records **operating expenses that amounted to RON 3.8 mn**, double compared to H1 2023, mainly operational costs, company management costs, financial expenses and audit and financial advisory expenses

necessary to meet the more rigorous criteria applicable to companies listed on the BSE regulated market

- **The loss from operational activity is RON 2.2 mn, being at the same level as the overall loss**, the impact of other items of the comprehensive result, after tax, being insignificant,

# ROCA INDUSTRY ON THE CAPITAL MARKET

On 11 March 2024, ROCA Industry shares were admitted to trading on the BSE regulated market, Standard category. The Company's experience on the Romanian capital market dates, however, back to 27 January 2022 when, 3 months after incorporation, ROCA Industry shares were listed on the AeRO market, the segment of the Bucharest Stock Exchange Multilateral Trading System, under ROC1 symbol. At the same time with the listing on the regulated market, the company started its collaboration with BRK Financial Group, a company providing market making services.

At the beginning of 2024, the process of the Company's share capital increasing, carried out in two stages between November 2023 and January 2024, was also completed. The first stage was intended for existing shareholders who were able to exercise their pre-emptive rights to maintain their share of the total share capital (stage completed on 10 January 2024), and the second stage was intended for existing shareholders, but also for other investors. 7.2 million shares were subscribed, and the share capital was increased from RON 176.9 mn to RON 248.7 mn.

In terms of **liquidity**, following the listing on the regulated market and the signing of the contract with BRK as a market maker, **daily trading volumes have increased significantly**. The total volume traded during the period from 11 March to 31 July 2024 (excluding Deal-type transactions) was 1.17 million shares, with a daily average of 12.1 thousand shares (compared to a total volume of 279.2 thousand shares and a daily average of 3.4 thousand shares traded in the same period of 2023). As a result, **the median daily volumes** during this period were 3,285 shares, **8.5 times higher than in the similar period of 2023**. During this period, a record daily volume of 580 thousand shares was also achieved.

As of 30 June 2024, ROC1 shares were held by 825 shareholders (a 20% increase compared to the number of shareholders at the end of 2023 and 30% higher than in June 2023), consisting of both legal entities and individuals. The shareholder structure of ROC1, according to information provided by the Central Depository, is as follows:

Structura acționariatului la 30 iunie 2024			
	Număr acțiuni	Valoare (RON)	% în total
ROCA Investments SA	16.398.834	163.988.340	65,95%
Alți acționari	8.468.388	84.683.880	34,05%
<b>Total</b>	<b>24.867.222</b>	<b>248.672.220</b>	<b>100%</b>

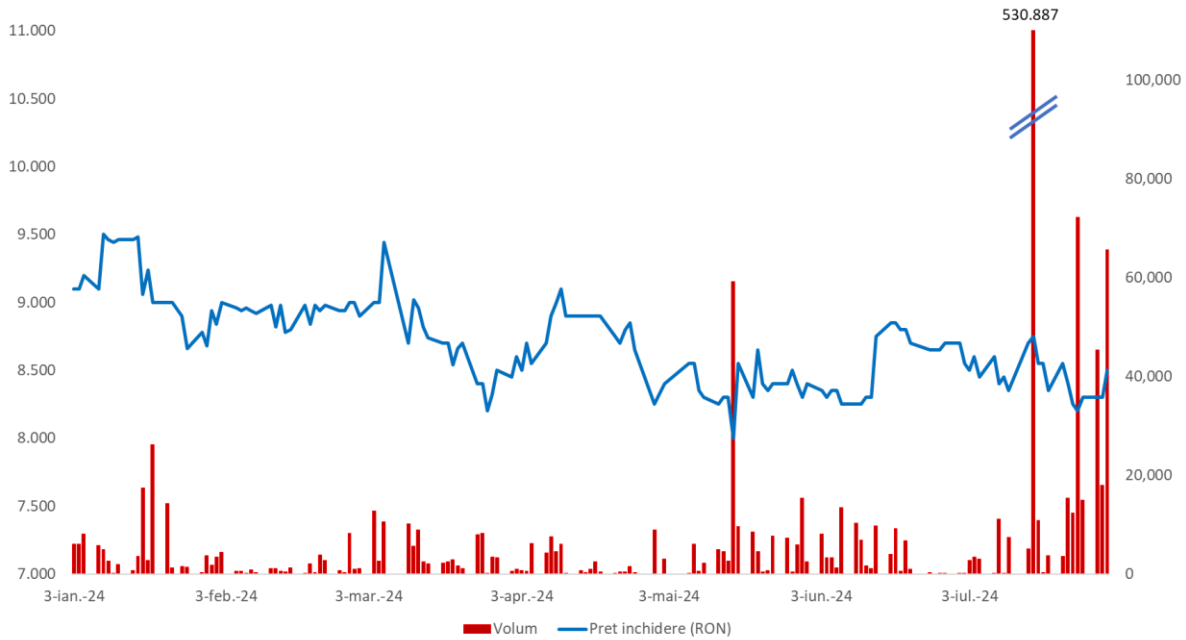
From the beginning of the year to the end of July, ROC1 shares recorded a minimum price of RON 8.00 (16 May 2024) and a maximum price of RON 9.50 (9 January 2024). During this period, the weighted average price (excluding deal transactions) was RON 8.86, on a



## H1 2024 FINANCIAL REPORT

total volume of over 1.3 mn traded shares. Thus, at the end of July 2024, the ROC1 share price was 8.6% below the level at the end of 2023.

### Daily volume and closing price of ROC1 shares from 3 January 2024 to 31 July 2024 (excluding deal transactions)



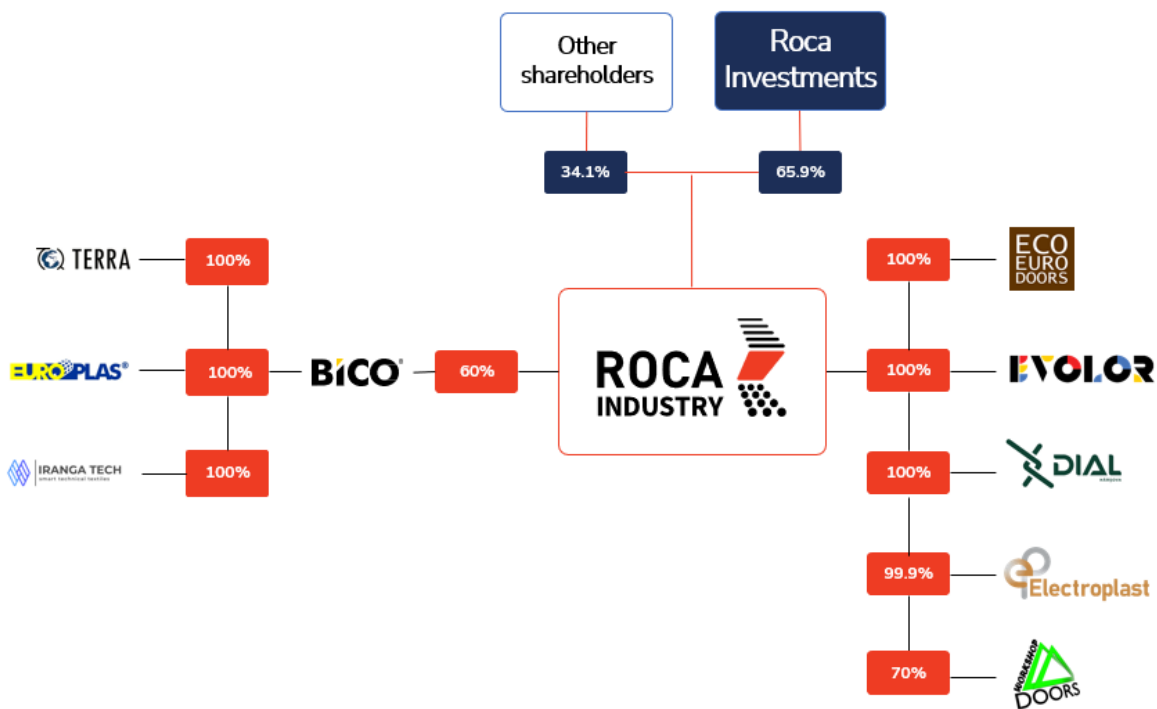
# ABOUT ROCA INDUSTRY HOLDINGROCK1

**ROCA INDUSTRY HOLDINGROCK1 S.A.** ("**ROCA Industry**", "**Company**" or "**ROC1**") is a Romanian company, established in September 2021, listed in January 2022 on the AeRO Premium market of the Bucharest Stock Exchange ("BVB"), and as of 11 March 2024 was admitted to trading on the main market of BVB, Standard category.

ROCA Industry is the first strategic project of ROCA Investments, which groups under the umbrella of a specialized holding Romanian companies producing construction materials. Benefiting from the experience gained over time by its majority shareholder, ROCA Investments, the Company aims to develop and scale strong and sustainable local brands both based on a common strategy and through synergies generated from their activity. In a fragmented world economy, ROCA Industry builds a structure capable of quickly adapting to multiple and unpredictable changes, bringing value to its shareholders in the medium and long term.

By its nature, as a holding, so far ROCA Industry has not carried out its own operational activities. Specific to the business model of a holding, ROCA Industry operates and implements the business strategy through its directly owned subsidiaries **BICO INDUSTRIES S.A.**, **EVOLOR S.R.L.**, **ECO EURO DOORS S.R.L.**, **DIAL S.R.L.**, **ELECTROPLAST S.A.** and **WORKSHOP DOORS S.R.L.** as well as those owned indirectly, through BICO INDUSTRIES – **TERRA IMPEX S.R.L.**, **EUROPLAS LUX S.R.L.** and **IRANGA TECHNOLOGIJOS, UAB**. These subsidiaries are active in the field of building materials, namely the production of fiberglass and fiberglass reinforcement (BICO, TERRA, EUROPLAS and IRANGA), the production of varnishes, paints and decorative plasters (EVOLOR), the production of doors for residential construction (ECO EURO DOORS and WORKSHOP DOORS), the production of edged panels and fence mesh (DIAL), respectively the production of low-voltage copper and aluminium electrical cables (ELECTROPLAST).

The structure of companies owned directly or indirectly by ROCA Industry is presented below.



## BICO INDUSTRIES S.A.

**The largest producer of fiberglass mesh in Eastern Europe and the third largest producer in the European Union.**

**BICO**, is a company founded in 2006, in the **scaling phase**, ROCA Industry holding 60% of the company's share capital, being focused on the production of fiberglass mesh for ETICS (External Thermal Insulation Compositate System) systems, fiberglass mesh for other industrial materials and corners with fiberglass reinforcement mesh.

The BICO Group has an installed capacity of 120 million square meters and operates in the market under two brands: BICO and Terra, both in national and regional distributor networks and in DIY store chains nationwide. It operates through **five production centers: two in Romania (Piatra Neamț and Vaslui), two in the Republic of Moldova (through Terra, a wholly-owned company since March 2022, and Europlas, wholly-owned since November 2023), and one factory in Lithuania (through Iranga, wholly-owned since May 2023).**

In the first half of 2024, due to the geopolitical context in the Red Sea, BICO continued to face instability in securing its supply chain, driven by Asian raw material producers' intent to raise prices and the unexpected increase in maritime transport costs. While in the first part of the year, internal stocks of raw materials were below the optimal safety stock levels due to delayed containers avoiding navigation through the Red Sea, in the second quarter, a high influx of deliveries had to be managed as all delayed containers were finally delivered. Additionally, the European Commission is currently evaluating a request from

European fiberglass yarn producers to impose a countervailing duty on imports from China, which could increase the total costs of EU mesh producers by 10%. To mitigate the potential impact, BICO managed these events with particular attention to the entire process, from direct negotiations with traditional suppliers to activating alternative procurement channels.

Commercially, the ratio between exports and the domestic market was maintained in the second quarter of 2024 (60% export, 40% domestic), and export targets were met despite a decrease in demand for insulation products in the European market. The national market is significantly affected by a very low level of final sell-out to consumers, due to the construction industry still being in recession, and the early-year optimism gradually diminished by the reality of final consumer demand. In this context, deviations from budgeted targets were recorded in May and June, but overall, for the semester, the BICO Group met its initial consolidated estimates.

The Turbotex division continues its positive trend from the first quarter, with the first half of 2024 being the best semester for this business line in terms of both volume and profitability indicators. The entire available production capacity at the Irangea factory in Lithuania was activated, marking the company's best quarter in its history.

All products sold under the company's brands are technically approved, and all products sold under the BICO brand benefit from European quality certificates. In this context, a new European certification audit for the Vaslui and Vulcănești factories was successfully completed in the second quarter of 2024, along with the ISO certification audit for both factories in Romania.

In conclusion, for the first half of 2024, the BICO Group consistently exceeded the objectives in the consolidated budget, and most individual objectives at each factory level were met, with the exception of Europlas. In this case, a recovery process is underway, similar to those previously applied in the reorganization of other factories, which has already generated a positive impact, thus validating the group's overall development strategy.

## EVOLOR S.R.L.

**One of the largest players in the paint and varnish manufacturing industry**

**EVOLOR** is a company wholly owned by ROCA Industry since 2021, with a market share of approximately 10% on the varnishes, paints and decorative plasters market in Romania. The company is focused on the production of paints, primers, varnishes, thinners, washables, adhesives, decorative plasters and dyes. It has seven main production sections for portfolio products, products mainly intended for the national market, mainly for residential segment. Through the two product ranges, EVOLOR addresses the needs of consumers in a balanced way, offering both products with affordable prices (STICKY) and products for the premium area (CORAL), at the level of the national market being distributed predominantly through DIY chains and specialized distributors. The company is in an accelerated development process, started in 2021 when it entered the ROCA Industry portfolio, so it has successfully overcome the transformation stage and **is in full consolidation.**

In line with predictions, the paints and varnishes market continued to decline in the first half of 2024, following two consecutive years of contraction in terms of quantities sold, continuing the trend from 2022. Although a recovery in sales volumes was anticipated at the beginning of the year for the second half of 2024, this estimate has not yet been confirmed by the market. In fact, after a surge in orders in April, the market abruptly slowed down in May and June. Against this backdrop, all major players in the paints and varnishes market targeted the end consumer with various offers, also making significant investments in marketing (34% above the level in the same period last year).

Following the successful diversification of sales channels in 2023, which secured the permanent presence of the STICKY and CORAL commercial brands in the most important national DIY store chains (Dedeman, Leroy Merlin, Brico Depot), as well as in a network of 1,100 traditional stores, the company continued to expand its presence in the first half of 2024, reaching 1,300 such stores. At the beginning of 2024, export activities continued to the Republic of Moldova, where relationships were strengthened. However, due to the geopolitical conflict in Israel (EVOLOR's second-largest export market), product shipments were halted indefinitely.

In this context, marked by multiple challenges, EVOLOR's strategy has yielded very positive results, recording a 14% increase in volumes sold in the first half of 2024 compared to the same period in 2023, along with the diversification of its portfolio with technologically innovative products that will open new distribution channels and attract new customers. The year 2024 is also when the company began significant investments in a marketing plan with continuous actions aimed at increasing the awareness of both brands in the portfolio, Sticky and Coral (TV campaigns spanning six months, from March to September).

In the second quarter of 2024, the company's products received ETICS certification, making them eligible for thermal rehabilitation projects funded by European or governmental funds, a mandatory certification for such projects.

Simultaneously, the company continues its sustainable business growth process by relocating the decorative plasters division to a new factory on the Oltchim Râmnicu Vâlcea platform at the end of March, which was acquired in the second half of 2023. Subsequently, between May and June, an automated line consisting of a palletizing robot and a pallet wrapping machine with stretch film was installed at this factory. The installed equipment, currently in the integration phase into the factory's technological flow, is valued at EUR 600,000 and is part of a EUR 3 mn investment plan for the factory's operationalization.

## ECO EURO DOORS S.R.L.

**The largest Romanian manufacturer of doors for residential buildings**

**EED**, a company in **the transformation stage**, has 27 years of experience on the market. The company has been part of the holding since May 2022. With a factory of 10,000 sqm, storage capacity of over 8,000 sqm and additional land of 36,000 sqm, the company offers a wide range of products produced (foiled doors, painted doors and doors ready to be painted), addressing both the need of customers for standard products as well as those

requesting products of non-standard sizes. EED products are distributed nationwide, through the Dedeman chain of stores, DIY type, as well as other specialized retailers and distributors.

In the first half of 2024, EED initiated a large-scale project aimed at optimizing both direct production costs and indirect costs by setting and implementing a series of initiatives that evaluate the potential synergies between the two door manufacturing companies within the ROCA Industry portfolio. The initial measures implemented have led to a reduction in the cost of raw materials by consolidating the negotiated quantities for both lumber, MDF, and other components necessary for the production process.

Simultaneously, the operational teams have prepared a comprehensive plan to optimize production processes by implementing new working methods designed to increase efficiency and reduce production time. All these measures have already begun to contribute to improving the company's results. The EED team estimates that this optimization project will be completed in the first quarter of 2025.

These actions followed those carried out in the first three months of the year when the company signed a contract with a new service provider for the implementation of innovative solutions that ensure an enhanced level of data security. This change was coupled with the migration to the Microsoft platform, which brought additional efficiency and security. Work is also underway on the implementation of a new ERP system. This project is currently in full swing, with the first tests expected to take place in the third quarter of this year. The system will significantly improve operational efficiency and enable better management of the company's resources.

## DIAL S.R.L.

### One of the largest manufacturers of fence panels and fence mesh

**DIAL** is a company specializing in **the production of fence panels, fence braided mesh, Rabitz mesh, gimbbed wire, rectangular poles**, and more, with 30 years of experience in this market. The company is currently undergoing **a transformation phase**, having been acquired by ROCA Industry in September 2022. DIAL's portfolio includes over 200 products, available in various sizes, which are primarily distributed nationwide through DIY store chains and other specialized retailers and distributors.

The first half of 2024 meant for DIAL a battle to regain the market share lost in the previous year and a continued expansion into newly targeted areas. Compared to 2023, DIAL's dependency on DIY chains significantly decreased, from 50% to 30% of the company's sales, as a result of expanding its portfolio of partners in the Traditional Trade sector. In the first half of 2023, the traditional distribution area only covered the southern region (a historical area where DIAL has been operating). Considering the development of the sales team at the end of the previous year, DIAL has gained a national presence, with significant sales shares in new regions and consolidation in the southern region. Currently, the traditional area is divided into four regions: South – 35% of turnover and 52% of traditional



trade, Central-West – 10% of turnover and 15.5% of traditional trade, East – 13% of turnover and 19% of traditional trade, and Southeast – 8.5% of turnover and 13.5% of traditional trade.

The recurrence of commercial partners has been a vital factor this year, and through the ethics and working methods imposed by the company, DIAL has managed to secure their loyalty. The market is unregulated, and because of this, it is a place where anti-competitive practices are frequently used by competitors to gain an advantage in price wars. DIAL supports its partners through various commercial promotion activities and market responsibility initiatives (such as campaigns to raise awareness of plastic-coated products and their qualitative and financial advantages), and by promoting high-quality products, it succeeds in setting new standards for consumers. Compared to 2023, plastic-coated panels have seen an approximately 56% increase in sales volume, and plastic-coated posts have increased by 42%.

As a result, the commercial actions undertaken have successfully brought the company a sales increase of approximately 44% compared to the first half of 2023, as well as an expansion of the portfolio of recurring partners. The figures achieved in the first half of 2024 indicate increased operational efficiency and enhanced adaptability to market demands. The prompt and effective response to market demand was the result of a strategy initiated at the end of 2023 to create a stock of finished products in line with the recorded sales levels.

From an operational standpoint, DIAL has successfully maintained raw material purchase prices below the market level through a strategy adapted to the estimated order volume. This flexible approach has allowed the company to manage its acquisitions efficiently, ensuring that it responds appropriately to market changes. By monitoring market trends and adjusting procurement strategies accordingly, DIAL ensures effective risk management and capitalizes on opportunities that may arise in a constantly changing commercial environment.

In 2024, the multi-year ESG plan continues with the installation of photovoltaic panels with a capacity of approximately 0.7 MWh, which could cover around 70% of the factory's current annual energy consumption. This initiative would represent a significant step towards the use of renewable energy and could bring benefits both economically, by reducing energy costs, and from a sustainability perspective, by contributing to the reduction of the environmental impact.

## ELECTROPLAST S.A.

**One of the largest manufacturers of low-voltage copper and aluminum electrical cables**

**Electroplast**, a company owned by ROCA Industry since the end of June 2023, has 30 years of experience in the production of low voltage copper and aluminum electrical cables. The company is in **the consolidation stage**, having at the time of this report a complete management team with proven know-how. In the railway cables sector, it is a market leader and pays special attention to existing trends at European level that impose increased safety

standards in the construction sector, but also aspects related to energy efficiency, sustainability and other aspects of public interest. The factory in Bistrita has a capacity of 5,500 tons of cables / year, with a production area of approximately 13,000 square meters, located on a plot of 23,500 square meters. The company is equipped with over 30 equipment and production lines specific to its activity and has in its portfolio approximately 3,600 cable sizes necessary for various fields, such as railway, civil and industrial construction, energy, installations, telecommunications, mining, industry, etc.

This industry saw a resumption of infrastructure project execution in the railway sector during the second quarter of the year, with the company signing significant contracts with two of the main players in this field. The price of copper on the stock exchange continued its accelerated increase from nearly \$9,000 per ton at the end of Q1 to almost \$11,000 per ton in the second decade of May, after which it experienced a downward trend and higher volatility. Partners in the distribution channel showed caution in purchases, reducing the level of orders and inventories.

In Q2 2024, in its operational area, Electroplast completed the investment project started in 2022 by commissioning the screening line with reinforcement module, a piece of equipment that will allow for increased production capacity, especially for AFER cables. Electroplast has launched the next stages of the new investment project, valued at over EUR 9 mn, as follows: the company will contract a financial lease with BRD Sogelease for the first stage of the investment project, amounting to EUR 3.3 mn, and the Ministry of Energy has approved the project "Improving energy efficiency at ELECTROPLAST by replacing two production units," a program funded under the National Recovery and Resilience Plan – Pillar I. Green Transition – Component C6.I5.

The company celebrated 30 years of activity with an online advertising campaign, highlighting the projects in which it actively participated, such as the European Railway Corridor IV (Curtici – Constanța), the Bucharest Metro, the Oltenia Energy Complex, the National Arena, the Basarab Passage, etc. The goal of the marketing campaign, promoted through Social Media over a three-month period, is to highlight both the company's expertise and its products.

In June, Electroplast hosted the filming teams from Discovery Romania, who captured the production processes at the company's factory. The show "How It's Made" was broadcast on Discovery Channel throughout July.

## WORKSHOP DOORS S.R.L.

**The second largest Romanian manufacturer of interior doors for residential buildings**

**Workshop Doors** came under the umbrella of the holding in February 2024, when ROCA Industry completed the acquisition of 70% of its share capital. In accordance with the terms and conditions of the transaction, ROCA Industry has the possibility to purchase an additional package of 30% of the shares issued by the company. Workshop Doors is an active company since 2009 on the interior doors market in the region, with two production

facilities, in Reghin and Petelea. The company has an extensive portfolio of cellular and modular MDF doors, painted, wrapped, and ready to be painted. Most of the doors are manufactured with reversible opening. By continuously investing in woodworking machinery and technology, the company uses raw materials and supplies purchased from certified suppliers to produce FSC-certified products.

In the first half of 2024, Workshop Doors recorded a significant increase in production and sales, exceeding initial estimates. This performance is largely attributed to the continuous optimization of production processes and an effective marketing strategy, as well as the launch of a new product line, MDF decorative wood wall panels, which offer a modern design for interior spaces.

Workshop Doors has ordered a new state-of-the-art automated painting line to increase production capacity and improve quality. Testing and commissioning are expected to take place by the end of September. This investment represents an important step in the company's long-term development strategy, and it is expected to lead to an increase in production capacity, allowing Workshop Doors to more effectively respond to the growing market demand. In addition, the advanced technology will ensure superior finish quality, thereby strengthening the company's position in the production of high-quality doors.

The company is both contributing to and benefiting from the synergies generated alongside Eco Euro Doors in the procurement process, and is evaluating optimization solutions in logistics, given that all three factories—two of Workshop Doors and one of Eco Euro Doors—are located very close to each other: two in Reghin and the third in Petelea. The synergies with Eco Euro Doors have already led to significant savings in the first half of 2024. Consolidation of procurement has resulted in reduced raw material costs, and logistics optimization is expected to bring additional savings in transportation costs by the end of the year.

Workshop Doors has continued to invest in the development and training of its personnel, implementing training programs for operators on the new production line. This approach ensures not only optimal use of the new technology but also an increase in employee satisfaction and retention.

# KEY EVENTS IN H1 2024 AND BEYOND

## SHARE CAPITAL INCREASE AND LISTING ON THE MAIN MARKET OF THE BUCHAREST STOCK EXCHANGE

On **31 January 2024**, the process of increasing the share capital of ROCA Industry was completed, carried out in two stages, between November 2023 and January 2024. The process was approved in June 2023 by the shareholders of the holding company, which involved the increase of the share capital by an amount of up to RON 150 mn (nominal value) by cash contribution and by conversion of ROCA Industry debt towards ROCA Investments arising from the acquisition of Electroplast. The first phase of the increase was intended for shareholders existing at the registration date who could exercise their right of preference to maintain their share in the total share capital and was completed on 10 January 2024. The second phase of the increase was intended for existing shareholders, but also for other investors, until the end of January 2024. In the process of increasing the share capital, 7.2 million shares were subscribed, the share capital being increased from RON 176.9 mn to RON 248.7 mn.

In the same meeting, the shareholders also approved the listing of the Company on the BVB regulated market, so that, starting with **11 March 2024**, ROCA Industry shares were admitted to trading on the main market of BVB, Standard category.

## GENERAL MEETINGS OF SHAREHOLDERS

The first Ordinary General Meeting of Shareholders (OGMS) of 2024 took place on **29 January 2024**, when the shareholders elected Mr. Sorin Man as member of the Audit and Risk Committee of ROCA Industry. On the same day, the EGMS took place, which had on its agenda the amendment of the constitutive act of ROCA Industry necessary to prepare the listing of the Company on the main market of BSE and the approval of the acquisition of Workshop Doors by ROCA Industry. The transaction was completed in February 2024, with more details available in the next section.

On **29 April 2024**, the Annual OGMS took place. Key items on the agenda of the OGMS included the approval of the company's income and expenditure budget for 2024, the individual and consolidated financial statements of the holding, the distribution of net profit, the remuneration policy for the members of the Board of Directors and for the executive directors, as well as the approval of the initiation and implementation of a "Stock Option Plan".

On the same date, the Extraordinary General Meeting of Shareholders (EGMS) took place, through which the shareholders approved the extension of two loans granted by ROCA Industry to EED, amounting to EUR 1.3 mn and RON 2 mn.

A new Extraordinary General Meeting of Shareholders (EGMS) has been convened for 2 September 2024, with the following items on the agenda:

- **Initiation of a bond issuance program by the Company** aimed at financing full or partial acquisitions of new companies to diversify and synergistically optimize the investment portfolio of ROCA Industry. The proposed program will be carried out through one or more subsequent issuances, with a maximum nominal value of up to RON 50 mn, and a minimum success threshold of RON 25 mn. The proposal includes the bond issuance plan being conducted over a maximum period of 2 years from the date of its approval by the EGMS, with all necessary steps for the project's completion being delegated to the Board of Directors.
- **Initiation of the process to split the nominal value of ROCA Industry shares**, with a split ratio of 10 to 1. Thus, if the proposal is approved by the EGMS, each investor will hold 10 new shares for every share held before the split is finalized. The purpose of the split is to diversify the investor base by providing greater flexibility in investment strategy and to improve the liquidity of ROC1 shares.
- **Extension of intra-group loans** (both received by ROCA Industry from its majority shareholder, ROCA Investments, and granted by ROCA Industry to its subsidiaries) necessary for both the acquisition process of companies that have entered the portfolio since 2021 and the financing of the current activities of some of these companies.

### ACQUISITION OF 70% OF WORKSHOP DOORS' SHARE CAPITAL

On **25 July 2023**, the Company's management announced its intention to acquire a majority stake in the share capital of Workshop Doors S.R.L., the second largest Romanian manufacturer of interior doors for the residential sector. The transaction was subject to an internal evaluation process and approvals by the Competition Council and was completed on **8 February 2024**.

### LOAN AGREEMENTS BETWEEN ROCA INDUSTRY AND ITS RELATED PARTIES

On **27 March 2024**, ROCA Industry granted a short-term loan to BICO, under market conditions, in the amount of EUR 0.5 mn, to finance current activity. On this occasion, ROCA Industry published a current report detailing all transactions between ROCA Industry and BICO that took place within the 12 months prior to the reported event, in accordance with legal provisions.

Two loans granted by ROCA Industry to EED, totaling RON 8.5 mn, were extended following the approval of the Extraordinary General Meeting of Shareholders (EGMS) on **29 April 2024**, for a period of 2 years. These loans were initially granted to Doorsrock for the acquisition of EED, an investment vehicle that was subsequently absorbed by EED.

Significant commercial transactions between affiliated parties were recorded in the BICO-Terra Impex relationship, with ROCA Industry publishing current reports on **12 March 2024**, **23 May 2024** and **17 July 2024**.

The transactions between affiliated parties reported by ROCA Industry in the first half of 2024 were subject to a financial audit, with the auditor's opinion being published on the BVB website.

### SIGNIFICANT SHAREHOLDERS

Following the capital increase completed at the beginning of 2024, Prebet S.A. Aiud fell below the 10% threshold of the voting rights of ROCA Industry, while Impetum Investments S.A., together with two other shareholders with whom it acts in concert, exceeded the 5% threshold.

### CHANGES IN THE BOARD OF DIRECTORS

As of **1 June 2024**, the mandate of Mr. Mihai Bârliba as a member of the Board of Directors of ROCA Industry ended by mutual agreement. During the Board of Directors meeting held on **3 June 2024**, Ms. Victorița Șter-Chelba was appointed as a interim member of the Board of Directors, until 17 September 2025, or until the next Ordinary General Meeting of Shareholders of ROCA Industry, whichever occurs first.

### PUBLICATION OF THE 2023 SUSTAINABILITY REPORT

On **28 June 2024**, ROCA Industry published its second sustainability report, covering the year 2023. In preparing this report, the Company's team made every effort to detail the non-financial performance of the group's companies as thoroughly as possible, both quantitatively and qualitatively, in accordance with existing reporting standards.



# ANALYSIS OF CONSOLIDATED FINANCIAL RESULTS

The financial information included in this chapter has been extracted from the simplified consolidated interim financial statements as at and for the six-month period ended June 30, 2024, prepared in accordance with International Accounting Standard 34 – "Interim Financial Reporting", adopted by the European Union, as amended. The information presented below is unaudited and unrevised, except for the financial year ended 31 December 2023.

In the consolidated financial statements, according to the legal regulations, the consolidation method assumes that the performance of each company entered into the holding company is taken into account from the moment of acquisition, without including previous achievements. The consolidation is carried out taking into account the share of the shares held by the Parent Company in the share capital of the affiliated entities. Thus, in the consolidated interim financial statements prepared for the 6-month period ended June 30, 2024, the performance of all the subsidiaries in the portfolio on this date was taken into account, depending on the Company's ownership in each, and in the case of Workshop depending on the time of taking control, respectively starting with February 2024. Comparatively, in ROCA Industry's consolidated interim financial statements for 2023, the performance of all companies acquired during 2022 was fully included (Terra, EED, DIAL). In the case of Europlas, for the period January-June 2023, a share of the net result achieved up to that moment was recognized, given that it was an indirect minority stake of ROCA Industry (BICO held 55% at that time). Starting with October 2023, when BICO fully took over Europlas, the company's performance was included in the consolidation perimeter. Regarding the ELP, the company's performance is incorporated into the financial statements for 2023 starting with July, while in H1 2024 it was fully considered. In addition, in 2023 there was another change, so following the increase in the share capital of BICO at the end of July 2023, ROCA Industry decreased its ownership from 70% to 60% of this company, the impact of the change in ownership being applied starting with August 2023.

## H1 2024 FINANCIAL REPORT

Subsidiary (% consolidate)	30 June 2024	2023	
BICO	60%	70% (Jan-Jul)	60% (Aug-Dec)
<i>Terra</i>	60%	70% (Jan-Jul)	60% (Aug-Dec)
<i>Europlas</i>	60%	35% (Jan-Aug)	33% (Aug-Sep) 60% (Oct-Dec)
<i>Iranga</i>	60%	70% (May-Jul)	60% (Aug-Dec)
EVOLOR	100%	100%	
Doorsrock4*	-	100% (Jan-Jul, until the merger with EED)	
Eco Euro Doors	100%	100%	
Nativerock1*	-	100% (January-July, until the merger with DIAL)	
DIAL	100%	100%	
Electroplast	100%	100% (starting with July)	
Workshop	70% (Feb-Jun)	-	

\* The investment vehicles (SPVs) Doorsrock4 and Nativerock1 were dissolved during 2023 as a result of the merger by absorption by Eco Euro Doors and DIAL, respectively, companies acquired by ROCA Industry through these vehicles.

The Company's management emphasizes that the financial report prepared for H1 2024 of ROCA Industry was prepared in accordance with International Accounting Standard 34 – "Interim Financial Reporting", adopted by the European Union, accounting regulations different from those that were the basis for the preparation of the consolidated interim financial statements prepared for the 6-month period ended June 30, 2023. Thus, the figures presented in the previous reporting are not comparable with the information presented in this report, as the principles applied according to the International Financial Reporting Standards generate differences in the recognition and interpretation of financial information.

## CONSOLIDATED PROFIT AND LOSS ACCOUNT ANALYSIS

	Six month period ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
Revenue from contracts with customers	312,490,469	179,759,201
Rent income	-	66,228
Other operating income	1,571,355	1,963,700
Changes in inventories of finished goods and work in progress	(1,792,408)	(7,082,126)
Raw materials, consumables used and merchandise costs	(198,706,142)	(110,008,740)
Depreciation and amortisation	(15,168,257)	(9,984,953)
Employee benefits expenses	(45,895,442)	(28,940,994)
Marketing and advertising costs	(5,155,353)	(1,577,040)
Services and utilities expenses	(26,442,847)	(20,829,621)
Other gains/(losses) – net	(610,184)	(2,386,234)
<b>Operating result – profit</b>	<b>20,291,191</b>	<b>979,421</b>
Financial income	168,995	179,102
Financial costs	(12,415,032)	(8,136,370)
<b>Net finance result</b>	<b>(12,246,037)</b>	<b>(7,957,268)</b>

## H1 2024 FINANCIAL REPORT

	Six month period ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
Share of net loss of associates accounted for using the equity method	-	(126,525)
<b>Result before income tax</b>	<b>8,045,154</b>	<b>(7,104,372)</b>
Income tax expense	(1,933,283)	(280,038)
<b>Profit/(Loss) for the period from continuing operations</b>	<b>6,111,871</b>	<b>(7,384,410)</b>
<b>Other comprehensive income:</b>		
<i>Other comprehensive income:</i>		
Exchange differences on translation of foreign operations	131,854	446,467
<b>Other comprehensive income, net of tax</b>	<b>131,854</b>	<b>446,467</b>
<b>Total comprehensive income for the period</b>	<b>6,243,725</b>	<b>(6,937,943)</b>
<b>Profit/(Loss) is attributable to:</b>		
Owners of the Company	2,879,736	(6,570,574)
Non-controlling interests	3,232,135	(813,836)
	<b>6,111,871</b>	<b>(7,384,410)</b>
<b>Total comprehensive income is attributable to:</b>		
Owners of the Company	2,958,848	(6,258,048)
Non-controlling interests	3,284,877	(679,895)
	<b>6,243,725</b>	<b>(6,937,943)</b>
<b>Basic and diluted earnings per share (RON)</b>	<b>0.12</b>	<b>(0.37)</b>

**Revenue** increased by 73.8% in H1 2024 compared to H1 2023, not being fully comparable due to the different impact that acquisitions (direct and indirect) had in the two periods. Revenues in H1 2024 were generated, in a proportion of 27.3%, by the activity of the BICO Group (production of fiberglass and fiberglass reinforcement), while EVOLOR (production of varnishes, paints and decorative plasters) contributed 17.1% to total revenues, Eco Euro Doors and Workshop (production of doors for residential constructions) with 16.9%, DIAL (production of curb panels and fence mesh) with 13.2% of total revenues, and Electroplast (production of electrical cables, company acquired at the end of June 2023) with the remaining 25.5% of the total.

### Breakdown of revenue

	Six month period ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
<b>Revenue by product line</b>		
Fiberglass and fiberglass reinforcement	85,325,151	71,960,431
Decorative varnishes, paints and plasters	53,563,587	49,553,893
Doors for residential construction	52,711,323	29,644,141
Border panels and fence mesh	41,265,042	28,600,736

## H1 2024 FINANCIAL REPORT

### Breakdown of revenue

	Six month period ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
Electrical cables	79,625,366	-
	<b>312,490,469</b>	<b>179,759,201</b>

Out of the total revenue of RON 312.5 mn recorded in H1 2024, 77.8% (RON 243.1 mn) were sales to customers from Romania, with the remaining sales being mainly generated by the BICO Group with external partners from countries such as Italy, Germany, Bulgaria, Greece, Poland, Hungary, or Croatia.

ROCA Industry is a holding company without its own operational activity, generating revenue mainly from the dividends distributed by the companies in its portfolio and other financial income. Thus, the entire revenue value comes from the consolidation of the companies it owns.

**Other operating income**, amounting to a total of RON 1.6 mn as of June 30, 2024 (compared to RON 2.0 mn as of June 30, 2023), consists mostly of income obtained from government subsidies accessed through European programs by the group companies.

**Changes in inventories of finished goods and work in progress**, amounting to RON -1.8 mn as of June 30, 2024 (compared to RON -7.0 mn recorded in H1 2023), was mainly generated by Evolor (RON -1.4 mn), DIAL (RON -2.5 mn), and the BICO Group (RON -0.5 mn), whose result was partially offset by the positive variations recorded by other companies owned by the holding, namely ELP (RON 2.2 mn), and also EED & WS (RON 0.5 mn).

### Operating Expenses

**Raw materials, consumables used and merchandise costs** at consolidated level reached a level of RON 198.7 mn in H1 2024, compared to RON 110.0 mn in H1 2023, up by 80.6%. The high share of this category of expenses in total operating expenses is a normal aspect considering the core activity of the companies in the Group and is directly impacted by the volume of sales made during the analyzed period. At the consolidated level, another factor that influenced the variation in expenses was the time of entry of the companies under the ROCA Industry umbrella, thus the values presented represent the cost of consumption of raw materials and materials recorded only during the consolidation period.

**Employee benefits expenses** increased by 58.6% in H1 2024 compared to H1 2023, both as a result of the acquisition of new companies included in the consolidation perimeter, as well as based on the increase in salaries in the construction sector and the initiation of the implementation process of ROCA Industry's operational transformation strategy.

The operational transformation strategy appears as a need when a new company is acquired, as it usually has a small structure of employees, specific to an entrepreneurial business model not particularly oriented towards innovation, growth, and development. As a first step to improve the operational activity, after completion of the acquisition process,

## H1 2024 FINANCIAL REPORT

ROCA Industry pays special attention to completing and strengthening the management team made up of seniors with experience and expertise in the field.

**Services and utilities expenses** reached a level of RON 26.4 mn in H1 2024, 26.9% above the level recorded in H1 2023, and mainly comprise expenses related to utilities, transportation, maintenance, repairs, and insurance.

The operating result, also influenced by the market context at the beginning of 2024, led to a consolidated **EBITDA** of RON 36.8 million (**EBITDA margin** of 11.8% of turnover) in the first half of the year, compared to a level of RON 12.5 mn in H1 2023 (**EBITDA margin** of 6.9% of turnover). The contribution of each company to EBITDA is as follows:

EBITDA breakdown	Six month period ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2024 <i>(unaudited and not reviewed)</i>
<b>EBITDA by product line</b>		
Fiberglass and fiberglass reinforcement (BICO Group)	11,000,473	1,732,823
Decorative varnishes, paints and plasters (EVOLOR)	6,040,895	8,711,523
Doors for residential construction (EED&WS)	13,100,124	2,318,051
Border panels and fence mesh (DIAL)	5,267,044	2,441,823
Electrical cables (ELP)	5,019,480	-
<b>EBITDA of productive companies</b>	<b>40,428,016</b>	<b>15,204,220</b>
ROCA Industry – individual	(3,681,934)	(2,743,612)
<b>Consolidated EBITDA</b>	<b>36,746,082</b>	<b>12,460,608</b>

During the 1st half of 2024, the productive companies in the Group (considering within the BICO Group also the companies Terra, Iranga and Europlas) achieved EBITDA margins between 6% (ELP) and 25% (EED and Workshop). The first half of the year was characterized by high sales in all segments, both in terms of quantity and value. At the consolidated level, the positive impact is also due to the latest companies that entered the consolidation perimeter (ELP, Workshop and Iranga), so that, if we did not take into account their impact, the EBITDA of the directly productive companies existing in H1 2024 would be RON 24.3 mn, exceeding the level obtained in the comparative period. This is due to the implementation of the operational, commercial and financial development strategy that involves both growth through investments (CAPEX), M&A operations to ensure a solid long-term foundation, as well as the launch of new products, maximization of current distribution channels, but also the identification of new sales channels, in an economic context that will not be free of challenges and influences that are not within the Group's control. These steps were started last year.

Consolidated EBITDA in H1 2024 was eroded by depreciation and amortization expenses totaling RON 15.2 mn., 51.9% higher compared to H1 2023, amid the amortization of the assets of the new companies that entered the consolidation perimeter, but also as a result of the investments made by the holding companies to expand production capacity and to increase operational efficiency. Thus, at the level of H1 2024, as a result of the efforts made

## H1 2024 FINANCIAL REPORT

during the operating activity, a profit of RON 20.3 mn. compared to the profit of RON 1.0 mn. obtained in H1 2023.

The financial loss in the first half of 2024, in the amount of RON 12.3 mn., up 53.9% compared to the result obtained in H1 2023, was generated by financial expenses of RON 12.4 mn., mainly representing interest expenses related to LBO credit facilities contracted to finance company acquisitions, as well as interest related to credit facilities contracted by the companies in the ROCA Industry portfolio for financing investments and current activity. At the same time, financial revenues, in the amount of RON 0.2 mn. in H1 2024, represents, for the most part, interest income related to short-term deposits.

Considering all these elements, at the consolidated level in H1 2024 there is a profit before tax of RON 8.1 mn. (compared to the loss of RON 7.1 mn. obtained in H1 2023). The breakdown of this result by business lines is presented below:

	Six month period ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2024 <i>(unaudited and not reviewed)</i>
<b>Operating result by product lines</b>		
ROCA Industry	(4,619,264)	(2,943,619)
Fiberglass and fiberglass reinforcement (BICO Group)	2,456,659	(5,914,919)
Decorative varnishes, paints and plasters (EVOLOR)	1,697,859	5,334,258
Doors for residential construction (EED&WS)	6,181,133	(3,199,288)
Border panels and fence mesh (DIAL)	2,173,450	(380,804)
Electrical cables (ELP)	155,317	-
	<b>8,045,154</b>	<b>(7,104,372)</b>

As can be seen in the data presented above, directly productive companies achieved higher results than in H1 2023, and at the consolidated level, ROCA Industry recorded a net profit of RON 6.1 mn. during H1 2024 (compared to the loss realized in H1 2023 in the amount of RON 6.9 mn.), of which a result of RON 2.9 mn., and the difference of RON 3.2 mn. is allocated to interests that do not control.

### Evolution of business lines:

#### a) Fiberglass and fiberglass reinforcement (BICO Group)

In the first 6 months of 2024, the BICO group's turnover increased by 18.6% compared to H1 2023, up to a level of RON 85.3 mn, and in quantitative terms the growth is similar (18.3%). Also, compared to the same period of the previous year, the commercial margin increased by 9.8 percentage points as a result of operational optimizations, but also of the increase in the sale of products with the highest margin in the BICO group's portfolio. In H1 2024, the company continued to gain market share, as a result of the steps started in 2023.

One of the challenges of the first half of the year was in the area of the supply chain, which was strongly affected by the geopolitical crisis in the Red Sea. The group, however, managed to identify new suppliers, thus mitigating this aspect. As a result of these

## H1 2024 FINANCIAL REPORT

developments, the EBITDA recorded in H1 2024 represents a positive result in the amount of RON 11 mn. compared to EBTDA in the amount of RON 1.7 mn. made in H1 2023. At the same time, the BICO group recorded a net profit of RON 2.0 mn., compared to a net loss of RON 5.5 mn. for H1 2023. Further, the management of the holding company does not expect deviations from the budget in the next period.

### **b) Decorative varnishes, paints and plasters (EVOLOR)**

In the first 6 months of 2024, EVOLOR recorded a turnover of RON 53.6 mn., up 8.1% compared to H1 2023, mainly due to the increased volume of sales across all product categories. The increase in marketing expenses (+247% versus H1 2023 – an impact that will be seen in sales in the next period), but also in salary expenses above the level of H1 2023 (both as a result of the increase in salaries and the increase in the number of employees) had an impact on EBITDA, which recorded a decrease of 30.7% from H1 2024 compared to the same period of 2023.

As a result of these developments, at the end of the first half of 2024, the company recorded a net profit of RON 1.5 mn., compared to the net profit of RON 4.6 mn. related to H1 2023. Considering the seasonality of the market in which the company operates, we mention that the 1st and 4th quarters generate lower sales, and the company is making efforts to stay within the estimated budget by the end of the year.

### **c) Doors for residential construction (EED&WS)**

The turnover of this segment in H1 2024 reached the level of RON 52.7 mn., 77.8% above that of H1 2023. This evolution is due to the inclusion in the consolidation perimeter of Workshop, which contributes with RON 25.8 mn. to this growth, respectively it has a share of 49.0% of the total turnover.

Also, with the entry of Workshop into the Group, there are also variations on the operating expenses side, the most significant being those in the purchase of raw materials and necessary consumables, which increased by 34.4% compared to H1 2023, up to RON 25.8 mn.. Another component with an impact on operating expenses was the employee benefits, which increased by 67.7%, up to RON 10.8 mn., both against the background of the tax changes for the construction sector, but also as a result of the holding's policy to complete the management team of the new companies that joined the group with key experienced people.

As a result of the mentioned developments, the continuation of cost optimization efforts in the EED company, but also the positive impact due to the consolidation of Workshop, the residential construction doors segment achieved an EBITDA of RON 13.1 mn., compared to EBITDA in the amount of RON 2.3 mn. in H1 2023, and the EBITDA margin stood at 24.9%. Amortization expenses and financial expenses, especially interest expenses, eroded the segment's results, so that in H1 2024, it recorded a net profit of RON 4.9 mn. compared to a net loss of RON 2.9 mn. conducted at the end of June 2023.



**d) Border panels and fence mesh (DIAL)**

Turnover for the first six months of 2024 amounted to RON 41.3 mn., 44.3% higher than H1 2023 (RON 28.6 mn.), mainly due to the increased sales volume across most product categories. This aspect comes as a result of the implementation of the commercial strategy by launching new products, maximizing existing channels and identifying new sales channels, implicitly by developing the export area.

DIAL managed in the first part of the year to sell from the production of 2023, the impact being observed at the level of the changes in inventories of finished goods and work in progress (negative impact of RON -2.5 mn. vs RON -0.3 mn. in the first 6 months of 2023). Also, the production in H1 2024 was correlated with the needs identified in the sales area. All these developments were the basis for achieving the 2024 objective, namely the improvement of operational profitability as a result of operational optimization and the development of the product mix.

In the category of operating expenses, the most significant are those related to employee benefits, which increased by 25% compared to H1 2023, up to RON 3.9 mn.. Thus, the fences segment obtained an EBITDA of RON 5.3 mn., compared to RON 2.4 mn. in H1 2023, and the EBITDA margin stood at 12.8%. At the same time, the company recorded a net profit of RON 2.3 mn., compared to a net loss of RON 0.6 mn. for the first six months of 2023.

**e) Electrical cables (ELP)**

Electroplast entered the group's structure at the end of June 2023, and the company was included in the consolidation perimeter starting with July. However, in order to present the company's evolution, ROCA Industry's management mentions that the turnover recorded in H1 2024, amounting to RON 79.6 mn., is 2.8% above the level of H1 2023 (RON 77.5 mn.), mainly due to the increased volume of sales in most product categories. In the first six months of the year, ELP recorded an EBITDA of RON 5.0 mn., with an EBITDA margin of 6.3%, up 2.4 percentage points compared to 2023.

**CONSOLIDATED BALANCE SHEET ANALYSIS**

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	90,801,509	84,923,483
Other intangible assets	120,917,199	110,840,590
Property, plant and equipment	234,455,932	206,439,728
Right-of-use assets	13,787,800	14,654,827
Non-current financial assets	38,733	34,800
<b>Total non-current assets</b>	<b>460,001,173</b>	<b>416,893,428</b>
<b>Current assets</b>		
Inventories	98,881,688	89,411,631
Trade receivables	134,300,297	75,517,971

## H1 2024 FINANCIAL REPORT

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
Other current financial assets	5,280,986	4,157,089
Prepayments	1,850,398	1,291,575
Cash and cash equivalents	38,700,403	38,501,727
<b>Total current assets</b>	<b>279,013,772</b>	<b>208,879,993</b>
<b>TOTAL ASSETS</b>	<b>739,014,945</b>	<b>625,773,421</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	248,672,220	176,945,730
Share premium	43	38
Revaluation reserve	16,452,299	16,452,299
Other reserves	823,953	403,721
Retained earnings	(30,447,174)	(32,782,295)
<b>Total equity attributable to owners of the Company</b>	<b>235,501,341</b>	<b>161,019,493</b>
<b>Non-controlling interests</b>	<b>36,202,922</b>	<b>22,579,427</b>
<b>Total equity</b>	<b>271,704,263</b>	<b>183,598,920</b>
<b>Non-current liabilities</b>		
Borrowings	170,137,342	158,599,061
Lease liability	6,884,480	8,577,857
Government grants	3,737,884	2,699,312
Deferred tax liabilities	19,534,933	20,159,077
<b>Total non-current liabilities</b>	<b>200,294,639</b>	<b>190,035,307</b>
<b>Current liabilities</b>		
Borrowings	128,412,429	109,550,643
Lease liability	3,610,361	2,902,105
Liabilities related to acquisitions of subsidiaries	7,500,301	68,758,901
Trade and other payables	115,770,616	62,051,101
Employee benefits - current	6,892,270	5,582,265
Current tax liabilities	2,874,905	804,398
Government grants	1,955,161	2,489,781
<b>Total current liabilities</b>	<b>267,016,043</b>	<b>252,139,194</b>
<b>Total liabilities</b>	<b>467,310,682</b>	<b>442,174,501</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>739,014,945</b>	<b>625,773,421</b>

As of June 30, 2024, **total assets** at consolidated level amounted to RON 739.0 mn RON, representing an 18.1% increase compared to the value on December 31, 2023. This increase is due to the inclusion of the company acquired in the first quarter of 2024, specifically Workshop Doors, within the consolidation perimeter, whose financial position was not reflected in the 2023 financial statements. The structure, broken down by operational segments (excluding the impact of ROCA Industry), is presented in the following table:

## H1 2024 FINANCIAL REPORT

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
Fiberglass and fiberglass reinforcement (BICO Group)	144,096,839	129,176,056
Decorative varnishes, paints and plasters (EVOLOR)	175,769,744	168,960,347
Doors for residential construction (EED&WS)	175,085,181	113,505,645
Border panels and fence mesh (DIAL)	86,858,961	82,603,158
Electrical cables (ELP)	154,184,743	130,375,345
	<b>735,995,468</b>	<b>624,620,551</b>

### Fixed Assets

Consolidated **fixed assets** increased by 10.3% compared to December 31, 2023, reaching RON 460.0 mn. The effect of the Workshop Doors acquisition in the first half of 2024 was mainly felt in **property, plant and equipments** (+13.6% compared to the financial year ending December 31, 2023), which mainly consist of land and buildings, equipment, assets under construction, and advances for fixed assets. Additionally, goodwill increased by 6.9%, reaching a total of RON 90.8 mn RON at the end of the first half of 2024 as a result of the acquisition of Workshop Doors in January 2024. The structure of these assets is presented in the following table:

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
Fiberglass and fiberglass reinforcement (BICO Group)	35,389,467	35,389,467
Decorative varnishes, paints and plasters (EVOLOR)	18,846,947	18,846,947
Doors for residential construction (EED&WS)	16,609,106	10,730,885
Border panels and fence mesh (DIAL)	6,134,741	6,134,741
Electrical cables (ELP)	13,821,443	13,821,443
	<b>90,801,509</b>	<b>84,923,483</b>

The category of **Other intangible assets** (9.1% compared to December 31, 2023) mainly includes trademarks, customer relations and licenses and other intangible items.

### Current Assets

Total **current assets** as of June 30, 2024, amounted to RON 279.0 mn, an increase of 33.6% compared to the value on December 31, 2023. The most significant component was **trade receivables**, which, at a consolidated level on June 30, 2024, amounted to RON 134.3 mn, a 77.8% increase compared to the end of 2023, driven by the consolidation of Workshop and the seasonality of the group's companies.

**Inventories**, amounting to RON 98.9 mn as of June 30, 2024, recorded a 10.6% increase between the two periods. The main components are raw materials, finished products, and goods, work in progress, and advances for inventory purchases of companies within the consolidation perimeter.

**Cash and cash equivalents** amounted to a total of RON 38.7 mn., recording a 0.5% increase over the level recorded on December 31, 2023, mainly due to the impact of cash and cash equivalents from the Workshop acquisition, offset by the need for cash to finance the current activities of the companies, as well as payments made for loan repayments and the payment of interest on loans.

### Equity and Liabilities

**Equity** underwent significant changes in the first half of 2024, reaching a level of RON 271.7 mn as of June 30, 2024, compared to RON 183.6 mn at the end of 2023, mainly due to the completion of the share capital increase process of the Company. As a result of the increase, 7.2 mn shares were subscribed, and the share capital increased from RON 176.9 mn. to RON 248.7 mn..

**Total liabilities** were 5.7% above the level at December 31, 2023, reaching a total of RON 467.3 mn. The breakdown by operational segments (excluding the influence of ROCA Industry) is as follows:

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Fiberglass and fiberglass reinforcement (BICO Group)	92,163,709	84,539,437
Decorative varnishes, paints and plasters (EVOLOR)	98,031,076	83,348,483
Doors for residential construction (EED&WS)	94,486,802	77,836,883
Border panels and fence mesh (DIAL)	54,914,602	52,763,242
Electrical cables (ELP)	97,736,279	73,184,179
	<b>437,332,468</b>	<b>371,672,224</b>

**Long-term debts** as of June 30, 2024, accounted for 42.9% of total liabilities, amounting to RON 200.3 mn, 5.4% above the level recorded at the end of 2023. The increase was driven by the impact of new credit facilities contracted by companies to finance investments or current activities.

**Long-term loans** are the major component of long-term liabilities, reaching a level of RON 170.1 mn, +7.3% compared to the end of 2023. The changes compared to December 31, 2023, arise from the long-term portion of new credit facilities contracted by Group companies or from credit facilities taken over in the consolidation perimeter through the Workshop acquisition (RON 8.3 mn). Details of all long-term loans of Group companies are presented in Note 18 of the interim consolidated financial statements.

Another element impacting the share of long-term liabilities is the long-term portion of **lease liabilities**, which at the end of the first half of 2024 reached a level of RON 6.9 mn, compared to RON 8.6 mn at the end of 2023. These liabilities represent leasing facilities contracted mainly for the acquisition of equipment necessary for current activities.

**Deferred tax liabilities**, totaling RON 19.5 mn, are determined based on the corporate tax rate specific to each subsidiary (RO – 16%, MD – 12%, and Lithuania – 15%).

**Short-term liabilities** as of June 30, 2024, amounted to RON 267.0 mn, a 5.9% increase compared to the level recorded at the end of 2023. The most important components of these liabilities are loans (RON 128.4 mn), trade and other payables (RON 115.8 mn), liabilities related to the acquisition of participations (RON 7.5 mn), and employee benefits (RON 6.9 mn).

**Short-term loans** (RON 128.4 mn as of June 30, 2024, +17.2% compared to December 31, 2023) increased mainly due to the consideration of Workshop within the consolidation perimeter (short-term loans amounting to RON 5.2 mn required for current activities and working capital financing, including through a factoring line), as well as loans contracted by ROCA Industry from its majority shareholder necessary for current activities. Details of all short-term loans of Group companies are presented in Note 18 of the interim consolidated financial statements.

**Liabilities related to acquisition of subsidiaries**, amounting RON 7.5 mn, were reduced from a balance of RON 68.8 mn recorded on December 31, 2023, as a result of the completion of the share capital increase of ROCA Industry, during which the liabilities related to the acquisition of ELP were converted into capital, while the debt to former EVOLOR shareholders was fully settled at the beginning of 2024, as detailed in the table below.

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
EVOLOR – to the company's former shareholders	-	12,346,125
DIAL	-	-
Eco Euro Doors	-	-
ROCA Investments following the acquisition of ELP	-	56,412,776
ROCA Industry – WS	7,500,301	-
<b>Total</b>	<b>7,500,301</b>	<b>68,758,901</b>

**Trade and other payables** reached a level of RON 115.8 mn as of June 30, 2024, compared to RON 62.1 mn at the end of 2023. A significant part of the entire increase, specifically RON 53.5 mn, mainly comes from the increase in liabilities of directly productive companies, a normal fluctuation depending on the operational needs of the companies, in preparation for the seasonal sales stage, but also due to the inclusion of Workshop within the consolidation perimeter.

**CASH FLOW STATEMENT**

	30 June 2024 (unaudited and not reviewed)	30 June 2023 (unaudited and not reviewed)
<b>Result before tax</b>	<b>8,045,154</b>	<b>(7,104,372)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	15,168,257	9,984,953
Amortisation of government grants	(528,175)	(495,908)
Movements in allowance for expected credit losses	(9,459)	11,128
Reversal of impairment/(Impairment) of current assets	(632,506)	856,762
Share of result of associate (note 12)	-	126,525
Interest income	(162,973)	(863)
Interest expenses	11,068,153	6,660,792
Unrealized foreign exchange loss	83,628	-
Net (gain)/loss on sale of non-current assets	(129,801)	(406,772)
<b>Change in operating assets and liabilities, net of effects from purchase of controlled entity:</b>		
Increase of trade and other receivables	(56,059,585)	(21,593,586)
(Increase)/decrease in inventories	(766,551)	11,213,368
Increase of trade and other payables	96,160,541	16,995,365
(Increase)/decrease in long-term receivables	(3,933)	24,261
<b>Cash flows from operating activities</b>	<b>72,232,750</b>	<b>16,271,653</b>
Income tax paid	(526,112)	(586,708)
<b>Net cash generated from operating activities</b>	<b>71,706,638</b>	<b>15,684,945</b>
<b>Cash flows from investing activities:</b>		
Payment for the acquisition of a subsidiary, net of cash (note 8)	(89,619,600)	(18,454,510)
Payments for acquisition of property, plant and equipment	(10,871,234)	(7,994,209)
Payments for acquisition of intangible assets	(26,560)	-
Receipt of government grants	1,032,127	-
Interest received	162,973	863
Proceeds from the sale of property, plant and equipment	129,801	72,391
<b>Net cash used in investing activities</b>	<b>(99,192,493)</b>	<b>(26,375,465)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings	68,471,328	79,106,589
Repayment of borrowings	(43,324,088)	(56,474,917)
Interest paid	(9,911,752)	(5,990,310)
Transaction costs related to loans and borrowings	(173,306)	-
Repayments of lease liabilities	(2,619,728)	(1,453,227)
Proceeds from shares issued (note 16)	15,313,719	-
Transaction costs related to shares issuance	(203,495)	-
<b>Net cash generated from financing activities</b>	<b>27,552,678</b>	<b>15,188,135</b>
<b>Cash and cash equivalents at 30 June</b>	<b>66,823</b>	<b>4,497,615</b>
Cash and cash equivalents at 1 January	38,501,727	42,434,560
Effects of exchange rate changes on cash and cash equivalents	131,853	(538,069)
<b>Cash and cash equivalents at 30 June</b>	<b>38,700,403</b>	<b>46,394,106</b>

## H1 2024 FINANCIAL REPORT

In the first half of 2024, the operating activity generated net cash flows, amounting to RON 71.7 mn. at consolidated level (compared to a flow, also positive, of RON 15.7 thousand in H1 2023). This is mainly due to better operating results and good debt management, debt recovery, but also good payment monitoring.

Net cash used in investment activities, at consolidated level, was RON 99.2 mn in H1 2024 compared to RON 26.4 mn in H1 2023 (mainly representing the effect produced by the acquisitions of new companies, but also acquisitions of tangible fixed assets).

The net cash generated from financing activities in H1 2024 was RON 27.6 mn. compared to RON 15.2 mn in H1 2023. Cash inflows mainly represent loan drawdowns, payments related to leases within due dates and receipts from the capital increase.

As of June 30, 2024, at consolidated level, the balance of the Cash and cash equivalents line amounted to RON 38.7 mn., the net increase compared to the end of 2023 being RON 0.2 mn..



# ANALYSIS OF STANDALONE FINANCIAL RESULTS ROCA INDUSTRY

## STANDALONE PROFIT AND LOSS ACCOUNT ANALYSIS

	Six month period ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
<b>Continuing operations</b>		
Other operating income	543	543
Depreciation and amortization	(83,115)	(133.060)
Employee benefit expenses	(1,557,831)	(1.320.354)
Advertising costs	(311,644)	(208.855)
Other operating expenses	(1,812,991)	(1.216.683)
Other gains/(losses) – net	-	1.974
<b>Operating loss</b>	<b>(3,765,038)</b>	<b>(2.876.435)</b>
Finance income	2,512,287	3.824.840
Finance costs	(902,899)	(227.878)
<b>Net finance income</b>	<b>1,609,388</b>	<b>3.596.962</b>
<b>(Loss)/ Profit before income tax</b>	<b>(2,155,650)</b>	<b>720.527</b>
Income tax expense	(99)	(103.410)
<b>(Loss)/ Profit for the period from continuing operations</b>	<b>(2,155,749)</b>	<b>617.117</b>
<b>Total comprehensive income for the period</b>	<b>(2,155,749)</b>	<b>617.117</b>
<b>Earnings per share</b>	<b>(0.09)</b>	<b>(0.03)</b>

ROCA Industry is a holding company without its own operating income, recording income mainly from interest on loans granted to portfolio companies and from dividends distributed by them, as well as other financial income. Thus, in the first half of 2024, the holding mainly recorded **finance income**, in the total amount of RON 2.5 mn, entirely composed of **interest income** for loans granted by ROCA Industry to Group companies. The difference of RON 1.3 mn vs H1 2023 is due **to additional dividend income** (RON 1.5 mn) recorded in the first part of 2023, represented by dividends distributed during that period, but not paid by DIAL (taken over through merger from Nativerock1), decrease offset by larger interest income as a result of additional loans granted by ROCA Industry to its subsidiaries.

**Operating expenses** in the first 6 months of 2024 (RON 3.8 mn versus RON 2.9 mn in H1 2023) are mainly composed of the operating costs of the holding company, respectively personnel expenses and expenses related to the management activities of the portfolio companies. The increase in operating expenses was generated both by the new companies that joined the Group (Electroplast at the end of June 2023 and Workshop in February 2024), with an impact on the costs of managing their activity, as well as additional expenses, including audit and financial advisory expenses necessary to meet the stricter criteria applicable to companies listed on the regulated market of BSE. In addition, **finance cost** increased 4 times, these being related to intra-group loans granted by the majority shareholder, ROCA Investments, necessary to finance the portfolio companies, but also to the current activity of the holding company (during 2023 the balance of these loans increased, so that in H1 2024 they amount to RON 20.3 mn, versus RON 11.9 mn at the end of 2023).

As a result of these developments, the Company recorded a **loss for the period** of RON 2.2 mn.

## BALANCE SHEET ANALYSIS

**Total assets** at individual level, in amount of RON 267.7 mn, went up by 12.1% compared to the level recorded as of 31 December 2023, the variation being generated by the increase **in investments in subsidiaries**, respectively of the stakes held by ROCA Industry in its subsidiaries. The difference of RON 30 mn (+19.8%) compared to the end of 2023 comes from the registration of the company's stake in Workshop (following the transaction completed in February 2024).

INDICATOR (RON)	H1 2024	FY 2023	Δ %
BICO	71,022,300	71,022,300	0%
Value adjustment for the stake in BICO	(8,720,542)	(8,720,542)	0%
EVOLOR	100	100	0%
EED	36,239,684	36,239,684	0%
DIAL	7,000,100	7,000,100	0%
ELP	45,750,989	45,750,989	0%
WORKSHOP	30,000,000	-	N/A
<b>Total</b>	<b>181,292,631</b>	<b>151,292,631</b>	<b>+19.8%</b>

In addition, as part of the **non-current assets** (in amount of RON 191.1 mn, +26.0% compared to FY 2023, with a share of 71.4% in total assets), at the end of June 2024 ROCA Industry recorded **other non-current financial assets** in amount of RON 9.5 mn, represented by two loans granted to EED whose maturity was extended for a period of 2 years following the EGMS approval dated 29 April 2024, thus being converted into long-term loans. The conversion of the two loans also has an impact on the level **of other current financial assets**, the most important component of **current assets** (in amount of RON 76.6 mn as of 30 June 2024, -12.1% versus FY 2023), which decreased by 14.5% compared to the end of the previous year, respectively with the amount of the two loans granted to the EED. These current financial assets are mainly composed of loans granted to owned companies (RON 63.4 mn), interest on these loans (RON 8.8 mn) and dividends to be received from DIAL (RON 1.5 mn).

## H1 2024 FINANCIAL REPORT

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 december 2023 <i>(audited)</i>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Other intangible assets	5,110	6,394
Property, plant and equipment	20,898	22,020
Right-of-use assets	316,955	392,399
Investments in subsidiaries	181,292,631	151,292,631
Other non-current financial assets	9,463,059	-
Deferred tax assets	670	769
<b>Total non-current assets</b>	<b>191,099,323</b>	<b>151,714,213</b>
<b>Current assets</b>		
Other current financial assets	73,923,646	86,440,767
Prepayments	63,671	71,185
Cash and cash equivalents	2,602,794	620,198
<b>Total current assets</b>	<b>76,590,111</b>	<b>87,132,150</b>
<b>Total assets</b>	<b>267,689,434</b>	<b>238,846,363</b>
<b>EQUITY and LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	248,672,220	176,945,730
Share premium	44	38
Retained earnings	(10,967,308)	(8,608,064)
<b>Total equity attributable to owners of the Company</b>	<b>237,704,956</b>	<b>168,337,704</b>
<b>Total equity</b>	<b>237,704,956</b>	<b>168,337,704</b>
<b>Non-current liabilities</b>		
Lease liability	164,993	243,602
Government grants	858	1,402
<b>Total non-current liabilities</b>	<b>165,851</b>	<b>245,004</b>
<b>Current liabilities</b>		
Trade and other payables	9,249,989	57,958,008
Current tax liabilities	(120,337)	(120,337)
Lease liability	156,150	153,606
Borrowings	20,246,446	11,944,120
Employee benefits - current	286,379	328,258
<b>Total current liabilities</b>	<b>29,818,627</b>	<b>70,263,655</b>
<b>Total liabilities</b>	<b>29,984,478</b>	<b>70,508,659</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>267,689,434</b>	<b>238,846,363</b>

### Equity and liabilities

**Shareholders' equity** reached a level of RON 237.7 mn as of 30 June 2024, up 41.2% compared to the end of 2023 (RON 168.3 mn). The main change was recorded at the level of the **share capital**, which, following the completion of the capital increase in January,

## H1 2024 FINANCIAL REPORT

increased by RON 71.2 mn, up to RON 248.7 mn. It consists of RON 121.3 mn of paid-up subscribed capital (31 December 2023: RON 105.9 mn), RON 71 mn in-kind contribution of 60% of the shares of Bico Industries SA (31 December 2023: RON 71 mn), and RON 56.4 mn in-kind contribution of 99.999975% of the shares of Electroplast (31 December 2023: 0).

**Total liabilities** at individual level decreased by 57.5%, to RON 30.0 mn and are 99.4% made up of **short-term liabilities** (RON 29.8 mn). Their main components are:

- Intra-group loans (RON 20.3 mn), up from the end of 2023 as a result of an additional loan from ROCA Investments obtained to finance the holding's current activity,
- Trade and other payables (RON 9.3 mn), down 84.0% compared to the end of 2023 (RON 58.0 mn) because of extinguishing the liability towards ROCA Investments representing the purchase price of Electroplast. It was converted into share capital at the beginning of 2024, after completing the share capital increase process.

## CASH FLOW ANALYSIS

	Period of six months ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
<b>Profit/(Loss) before tax</b>	<b>(2,155,650)</b>	<b>720,527</b>
Adjustments for:		
Depreciation and amortisation expenses	83,115	133,060
Dividends income	-	(1,500,000)
Amortisation of government grants	(544)	(544)
Loss from disposal of property, plant and equipment	-	2,525
Interest income	(2,508,103)	(2,232,398)
Interest expense	900,751	225,906
Net foreign exchange differences	(17,094)	(93,933)
Change in operating assets and liabilities, net of effects from purchase of controlled entity		
Decrease in other receivables	642,085	16,698
Decrease in trade and other payables	(773,715)	(1,207,584)
Decrease/(Increase) in prepayments	7,514	(155,789)
<b>Cash flows from operating activities</b>	<b>(3,821,641)</b>	<b>(4,091,532)</b>
Interest paid	(23,870)	-
Dividends cashed	134,383	4,542,636
Income taxes paid	-	(116,053)
<b>Net cash (used in)/ from operating activities</b>	<b>(3,711,128)</b>	<b>335,051</b>
<b>Cash flows from investing activities</b>		
Payments for acquisition of subsidiaries	(22,433,974)	-
Payments for acquisition of property, plant and equipment	(5,265)	(5,182)
Proceeds from sale of property, plant and equipment	-	237
Interest received	1,819,848	465,336
<b>Net cash (used in)/from investing activities</b>	<b>(20,619,391)</b>	<b>460,391</b>
<b>Cash flows from financing activities</b>		
Proceeds from loans granted to subsidiaries	6,473,920	9,884,750

## H1 2024 FINANCIAL REPORT

	Period of six months ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
Loans granted to subsidiaries	(3,478,309)	(5,936,280)
Loans taken from parent company	8,289,658	4,949,100
Proceeds from shares issued	15,313,720	-
Repayments of lease liabilities	(82,379)	(138,663)
Transaction costs related to shares issuance	(203,495)	-
<b>Net cash from financing activities</b>	<b>26,313,115</b>	<b>8,758,907</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,982,596</b>	<b>9,554,349</b>
Cash and cash equivalents at the beginning of the year	620,198	2,034,347
Effects of exchange rate changes on cash and cash equivalents	-	-
<b>Cash and cash equivalents at end of period</b>	<b>2,602,794</b>	<b>11,588,696</b>

### Cash Flows from Operating Activities

At the individual level, the net cash used in operating activities reported at the end of H1 2024 was worth RON 3.7 mn, compared to a net cash generated as of 30 June 2023 of RON 0.3 mn. The need to finance ROCA Industry's current activity was slightly higher in 2024, also as a result of the expansion of the portfolio of owned companies, while, unlike in 2023, the company no longer recorded finance income (dividend income received in H1 2023 was RON 4.5 mn).

### Net cash flows from investing activities

The partial payment for the acquisition of Workshop, in the amount of RON 22.4 mn, caused ROCA Industry to record a net cash used in investing activities of RON 20.6 mn, compared to the cash generated in H1 2023 of RON 0.5 mn.

### Net cash flow generated from financing activities

At the end of H1 2024, ROCA Industry recorded a net cash flow generated from financing activities in amount of RON 26.3 mn, 3 times higher than the one generated in the first 6 months of 2023. Most of the cash came from the share capital increase that was completed in January (cash increase in amount of RON 15.3 mn), from new loans granted by the majority shareholder, ROCA Investments, for financing the current activity and for financing the holding companies (RON 8.8 mn, compared to RON 4.9 mn at H1 2023), as well as from the repayments by subsidiaries of some of the intra-group loans received from ROCA Industry (RON 6.4 mn), offset by new loans granted by the holding during the year (RON 3.5 mn).

Thus, as of 30 June 2024, at the individual level, the balance of the *Cash and cash equivalents line* amounted to RON 2.6 mn, compared to a level of RON 11.6 mn at the end of H1 2023.

# OUTLOOK FOR THE ACTIVITY IN H2 2024

The macroeconomic context has the potential to affect the construction sector in the second half of 2024. The International Monetary Fund revised downward its forecast from the fall of 2023, estimating in April 2024 a real economic growth for Romania of 2.8% in 2024 (compared to 3.8% in October 2023), followed by 3.6% in 2025. At the same time, the World Bank's forecast suggests a higher growth for the Romanian economy, with 3.3% in 2024 and 3.8% in 2025. Part of this growth is due to the continuation of investments, particularly from European funds and loans from the National Recovery and Resilience Plan (NRRP), as well as private consumption driven by increased disposable income, combined with a downward trend in inflation and a more relaxed monetary policy.

Inflation in Romania is expected to remain at a relatively high level, but below the 5% threshold in 2024, after slightly dropping below this threshold in June (4.9%). The National Bank of Romania (NBR) anticipates that this downward trend will continue in the coming period. According to the updated forecast, inflation is expected to be around 4% by the end of 2024. Additionally, the general government deficit is estimated to increase to around 7-8% of GDP, up from 6.6% in 2023, driven by continuously rising government spending, including the result of salary increases in the public sector and recalculations in the context of pension system reforms. Public spending and EU-funded investments continue to be at a high level, but a significant decrease in residential construction investments is anticipated.

In this context, the revised forecast by the National Commission for Strategy and Prognosis, in its spring edition, confirms moderate growth in the construction sector, primarily supported by European funding for infrastructure projects. The gross value added is expected to increase by 5.0%, contributing 0.4% to the total GDP growth of 3.4% in 2024. However, compared to the winter forecast, the growth of this segment has slowed down from the previously estimated 7.6%.

At the same time, one of the important predictive indicators with a direct impact on the industry in which ROCA Industry operates is the number of building permits issued. According to data provided by the National Institute of Statistics (INSSE), in the first half of 2024, 16,925 building permits were issued for residential buildings, a decrease of 1.3% compared to H1 2023. This decline is less severe than that of the previous year (a 24.9% decrease in H1 2023 vs. H1 2022), but it will continue to impact not only the market's evolution in 2024 but also in the years beyond.

From the perspective of construction work volume, the National Institute of Statistics (INSSE) announced in May 2024 an overall sector volume (seasonally adjusted) that increased by 1.7% compared to May 2023, but decreased by 4.2% compared to April 2024. Additionally, comparing the first five months of 2024, there is a 2.2% decrease in volumes compared to the same period in 2023. Focusing strictly on the residential construction

## H1 2024 FINANCIAL REPORT

sector, which has the most significant impact on the activities of companies within the holding, the evolution for the period is summarized as follows (seasonally adjusted series):

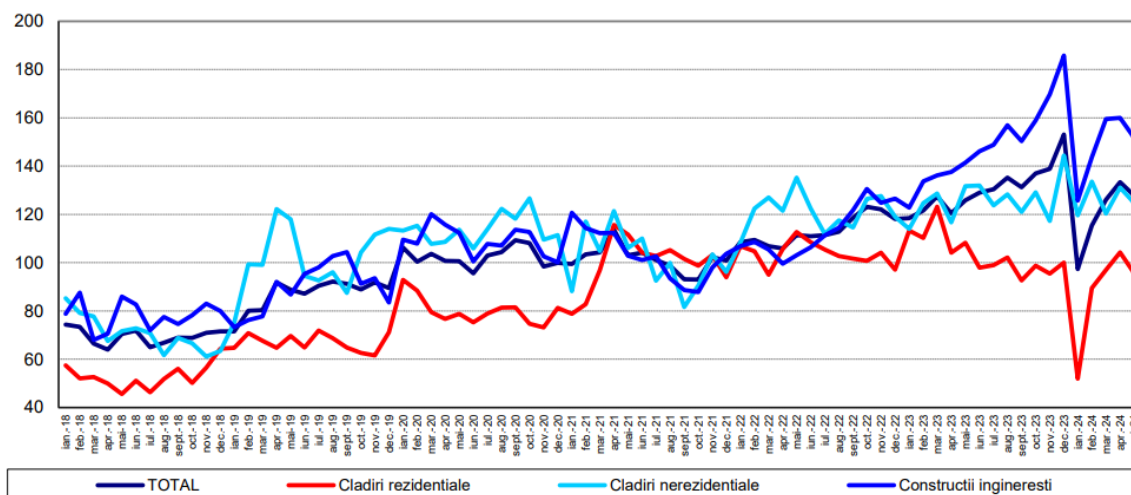
- In May 2024 vs. April 2024, the volume of work for residential buildings decreased by 8.2%.
- Compared to May 2023, the volume of work for residential buildings was 11.6% lower.
- In the first five months of the year, compared to the same period in 2023, the largest decline in the entire construction work sector was recorded in residential buildings (-21.6%), followed by engineering constructions (-10.2%) and non-residential buildings (-2.2%).

Based on the data provided by INSSE, the volume of work for residential buildings has decreased to the level recorded in July-August 2018, which strongly affects the activity of the companies within the holding.

Looking ahead, there are still challenges that could affect Romania's economy and, consequently, the construction sector. These include uncertainties related to fiscal policies, amplified by the electoral period, as well as those concerning the current geopolitical context and developments in the labor market (including population incomes). On the other hand, subsectors of the construction materials industry will continue to benefit from the support provided by funding programs, including the National Recovery and Resilience Plan, as long as the legislative measures imposed by the EU are implemented. The infrastructure construction sector will be the most favored by these European funds.

### ***The monthly evolution of construction works during the period from January 2018 to May 2024, series adjusted for the number of working days and seasonality.***

-2021=100-



The management of ROCA Industry emphasizes that the communicated strategy of contributing to the reindustrialization of Romania by growing companies and transforming them into regional champions is a medium- to long-term strategy. ROCA Industry has publicly announced its intention to reach a number of 8-10 companies—direct holdings—in



the medium term, as well as to grow the companies in its portfolio through M&A processes that can accelerate their development—either by increasing production capacities or by gaining rapid access to technology. The holding continues to analyze acquisition opportunities in the market, with the development of the Group up to this point being in line with the established plan. We understand the unfavorable contexts that traditionally impact certain sectors, and we believe that in these contexts, identifying opportunities and managing risks through flexibility, agility, and alternative plans are the elements that ensure the transition to success and preparation for maximizing growth in favorable contexts.

Given the market evolution and the activity of the companies within the holding during the first half of 2024, as well as the forecasts for the rest of the year concerning international and national economic trends, specifically in the construction materials and construction industries, ROCA Industry's management believes that the budgeted targets for the current year can be achieved. To support the information presented, the companies within the holding have already initiated or plan to implement various projects.

On the commercial side, **Bico Group's** performance in the second half of 2024 will depend on how the domestic and European markets manage to absorb the ongoing increases generated throughout the supply chain, influenced by raw material price fluctuations, the evolution of maritime transportation, and the imposition of new countervailing duties. The Group will continue to focus strongly on regional development, with an emphasis on the commercial component, aiming to be listed in two DIY networks in Central Europe and, simultaneously, with two distributors specializing in thermal insulation systems that cover the entire European territory. Meanwhile, the Turbotex division aims to enter the U.S. market, with active discussions already underway with two potential partners, and to stabilize sales of composite products.

From an operational standpoint, in the second half of 2024, BICO aims to identify solutions to mitigate the impact of the potential application of a new anti-dumping duty on imports from China. This duty, currently under review by the European Commission, is planned to be implemented starting in 2025 for imports of fiberglass yarn. Additionally, the company will continue its operational optimization process, with the goal of completing the following projects: (i) standardizing the fiberglass mesh product portfolio; (ii) utilizing at least 10% of the total generated fiberglass waste; (iii) optimizing the internal compliance rate across the entire product segment. Furthermore, strategically and with a significant impact on optimizing internal processes, the Group will begin implementing a new ERP system, which will be integrated across all organizational points, both national and international.

Looking at the supply chain, BICO aims to strengthen its traditional relationships with suppliers from Asia and the Middle East, seeking to mitigate the uncertainties presented by the high volatility of maritime transport costs, including through ongoing optimization efforts. Additionally, in the second half of 2024, an internal development department will be established, with objectives focused on the development of new products that meet consumer needs.

**Evolor** is undergoing an accelerated development process that began in the second half of 2022, with the 2023 strategy aiming for significant organic growth of 15 percent. This

growth is intended to strengthen the company's position in the national market and pave the way toward becoming a regional leader. Although deliveries to the Israeli market have been halted due to the ongoing conflict, the company expects to continue expanding its presence and deliveries in the Moldovan market, where a tripling of turnover compared to 2023 is projected.

In parallel, the company continues the sustainable growth of its business by relocating its operations to the new factory located on the Oltchim Râmnicu Vâlcea platform, a move that began at the end of March. Various activities will continue to be relocated, consolidated, and developed at this site in the second half of 2024, as renovation work progresses. Among these, an important element is the commissioning of a modern research and development laboratory, which is expected to make a significant contribution to the company's growth in the coming years. Additionally, the company will continue implementing an ambitious and innovative marketing plan, which is already underway.

Another strong pillar of development is the launch of new products with superior features. Both the mainstream brand STICKY and the premium brand CORAL are actively expanding their product ranges. For the second half of 2024, new products are planned to be launched under the STICKY TEHNIC umbrella (including specialized paints for pools and protective coatings for various concrete surfaces) and STICKY HEAVY METAL (enamels designed for metal surfaces, applicable directly on rust, available in different textures and colors). Additionally, sophisticated and innovative products will be introduced under the CORAL brand, including EFFETTO (decorative wall paints), PIEDRA (varnish for protecting and decorating natural stone and stamped concrete), as well as an impressive and unique collection of licensed paints.

For **EED**, the plans for the second half of 2024 include continuing the optimization project, with a focus on improving control and reducing production costs, while also shortening the lead times for ordered doors. The implementation of new processes takes into account the requirements of the new ERP system, which overall aims to enhance management effectiveness. Additionally, strengthening the management team remains a strategic objective, both for the company individually and in terms of the potential for integration with Workshop Doors.

To meet the increasingly demanding market requirements, EED plans to invest in cutting-edge technologies for the production of interior doors. This includes the continuous improvement of the quality control system. Additionally, the company aims to explore new markets and diversify its product portfolio. This involves developing new products while continuing to use FSC-certified wood to meet the growing demand for sustainable products in the construction industry.

EED will also continue to strengthen its relationships with key suppliers to ensure a steady flow of high-quality raw materials and to mitigate risks related to supply chain disruptions. Simultaneously, marketing and sales efforts will be intensified, with a focus on digital channels and participation in industry trade fairs.

Regarding financial performance, the company aims to improve its EBITDA margin compared to last year and to deliver the budgeted results. These objectives will be largely supported by cost optimization and increased operational efficiency. In conclusion, EED remains focused on operational efficiency and sustainable development, positioning itself for robust and profitable long-term growth in the interior door industry.

In the coming period, the **DIAL** team will be conducting visits to key external suppliers, with the primary objective of strengthening existing business relationships. This initiative is part of our long-term strategy to reinforce current collaborations, thereby ensuring the stability of the supply chain and optimizing logistical flows. In addition to consolidating existing relationships, these visits have a crucial secondary goal: market scouting to identify new suppliers and products. As a result of these meetings, DIAL intends to introduce and promote innovative products in the Romanian market during the second half of the year, such as Grass Fence, a woven mesh covered with artificial grass texture. This type of product has not been adequately promoted or positioned in the market so far, despite its numerous advantages, including both decorative and practical uses for various spaces, both commercial and residential. The company's management believes that the Romanian market has significant growth potential in the premium products sector, a rapidly expanding segment where consumers are beginning to prioritize quality and aesthetics.

Additionally, the company's focus is directed towards industrial projects, such as logistics hubs and photovoltaic parks, as well as the optimization of operational activities through investments aimed at enhancing the efficiency and performance of existing equipment. Moreover, in response to current market conditions, the management is actively identifying new areas for development while maintaining a strong focus on the commercial sector. This includes increasing exports, retaining existing clients, and expanding the portfolio by attracting new customers.

To achieve these targets, the company has initiated the recruitment process to expand the sales team and has identified new products that will be launched in the upcoming period, accompanied by marketing campaigns. To support these efforts, DIAL has already initiated a market research study, the results of which will be available in the third quarter. This research aims to identify areas with potential for the company.

Another area of focus is operations, where the company already has an action plan in place to enhance efficiency. This includes investments in equipment, photovoltaic panels, and other initiatives aimed at improving internal workflows. Additionally, the plan involves enhancing the maintenance process to support increased production and optimizing inventory levels in line with sales volumes.

For the implementation of the new investment program, **Electroplast** is considering modifying production flows both from a logistical standpoint and in terms of process optimization. To this end, the positioning of existing equipment will be reconfigured without causing interruptions to current operations. Additionally, receiving funding through the PNRR program will mark the second phase of the multi-annual investment project, which aims to increase operational efficiency and accelerate revenue growth.

## H1 2024 FINANCIAL REPORT

Starting from Q3 2024, **Workshop Doors** will begin delivering MDF decorative wood wall panels to one of the DIY store chains in the country. This will make the company's products available in a wider range across more locations, providing customers with easy access to high-quality interior design solutions. From a commercial perspective, in the second half of 2024, Workshop Doors aims to continue expanding its market presence and strengthening strategic partnerships to meet the diverse needs of its customers.

Another plan for the second half of 2024 is to complete the implementation of the new production line and to continue optimizing operations. These efforts are expected to lead to a measurable increase in the EBITDA margin compared to the same period last year. In conclusion, Workshop Doors is in a strong position to capitalize on market opportunities, benefiting from synergies within the group and strategic investments in technology and human resources.

# KEY RISKS FOR H2 2024

## FINANCIAL RISKS

### Liquidity risk

Liquidity risk is inherent in the operations of ROCA Industry's subsidiaries and is associated with the holding of inventories, receivables or other assets and their conversion into liquidity within a reasonable time, so that the Subsidiaries can meet their payment obligations to its creditors and suppliers. In case of non-fulfillment by the Company's Subsidiaries of these payment obligations or of the liquidity indicators stipulated in the contract, the company's creditors (commercial suppliers, banks, etc.) could initiate actions to execute the company's main assets or even request the opening of insolvency proceedings which would significantly and adversely affect the shareholders and the business, prospects, financial condition and results of operations of ROCA Industry and its Subsidiaries.

**How the Group is addressing the risk:** The Company's subsidiaries constantly monitor their risk of facing a lack of funds to carry out their activity, by planning and monitoring cash flows, but as net revenues cannot be accurately predicted, there is a risk that this planning will be different from what will happen in the future. In addition, commercial policies are implemented to manage liquidity risk, both towards suppliers and towards customers

### Interest rate and sources of financing risk

Some of the financing contracted by certain Subsidiaries have a variable interest rate. Therefore, the company is exposed to the risk of this interest rate increase during the credit facility period, which could lead to the payment of a higher interest rate and could have a negative effect on the business, financial condition and results of operations of the respective company or of ROCA Industry. Also, in case of deterioration of the economic environment in which the Company's Subsidiaries operate, they may be unable to contract new financing under the conditions they previously benefited from, which could lead to increased financing costs and would significantly negative affect the financial situation of the respective company, and ROCA Industry, respectively.

**How the Group is addressing the risk:** The Company and its Subsidiaries have a policy of careful monitoring and negotiation of interest rates, and, for the next period, they also focus on financing opportunities from non-reimbursable sources.

### Currency risk

Currency risk represents the risk that the value of a financial instrument will fluctuate as a result of the variation in exchange rates.

**How the Group is addressing the risk:** The Group tries to maintain monetary assets in foreign currency at the level of monetary liabilities in foreign currency, in order not to be significantly exposed to foreign exchange risk. The unwanted effects of currency risk can be mitigated by currency hedging and hedging operations on derivative markets. Such effects can also be avoided by including a currency clause or a price revision clause in the contract.

### OTHER BUSINESS RISKS

In addition to general risks that impact the entire business environment, such as the risk associated with political, social and economic instabilities in the region, price risk, energy price risk, etc., the following are additional risks that may affect the ROCA Industry Group from the perspective of the holding company's business model and the specific activities of the companies held by ROCA Industry. The management of ROCA Industry emphasizes that the Group's subsidiaries benefit from insurance policies that cover the majority of the detailed risks.

#### **The risk associated with the business development plan**

The Company's objective is to ensure a sustainable growth of the activity, which is reflected in the main indicators - turnover and profitability. During the period of companies' transition to the integrated business model, there is the possibility of seeing fluctuations in the business, which can also manifest as initially lower performance compared to the previous one. Additionally, there are risks related to recruiting the right individuals for management positions as well as for operational roles, specialized workforce, and retaining them.

**How the Group is addressing the risk:** ROCA Industry management has a long-term vision, which involves creating regional champions by creating a solid foundation and long-term investments in production capacities and the acquisition of companies. This stage will be managed by: establishing the growth strategy, individually, for each Subsidiary, establishing the organizational structure and appropriate management teams, as well as the main work processes.

#### **Risk regarding the evolution of the construction materials market**

In the context of declining purchasing power, while it is expected that access to credit will recover due to the reduction in the monetary policy interest rate, and the number of residential construction permits is decreasing, the risk of market growth slowdown continues to be present, which could negatively impact the activities and operational results of the Company and its Subsidiaries. We estimate that the residential construction sector will be more significantly affected compared to the infrastructure sector, which will benefit from various capital inflows from non-reimbursable funds.

**The Group's Approach:** One of the main concerns for reducing risk is the agile diversification of the range of products offered, enabling the Group's companies to provide a competitive product portfolio in markets where there is sufficient demand. Simultaneously, efforts continue to access diversified sales channels (including the development of external sales) and to build complementary product lines across various price segments.

#### **The risk associated with the relationship with large retail customers**

One of the main sales channels for the activities carried out by ROCA Industry through its Subsidiaries is represented by the big chains of do-it-yourself retail. A possible change in the contractual conditions or requirements of these customers could affect the operational activity, as well as the results and financial position of the Company.

**How the Group is addressing the risk:** The diversified activity of ROCA Industry and the strategy of the management team to diversify both sales channels (retail chains, traditional trade, B2B, export), as well as large retail customers, contribute to reducing this risk.

### **Risk associated with development in foreign markets**

The future plans of ROCA Industry's management team involve expanding the export business, which may involve various risks related to legislative, cultural or business differences and competition specific to each market addressed. Thus, foreign operations may not be up to the level estimated by the Company's management and may encounter various barriers that may slow down the development of the Company's business.

**How the Group is addressing the risk:** ROCA Industry develops both at the Holding level and in companies a process of integrating both know-how and best practices for export processes but also for the integration of any newly acquired companies.

### **The risk of investing in other companies**

ROCA Industry can decide to invest in other companies, making the investment decision reasonably and diligently depending on future opportunities. Also, together with its subsidiaries, ROCA Industry may decide to invest through certain subsidiaries in companies that complement their object of activity.

However, ROCA Industry's efforts to estimate the financial effects of any such transaction on the Group's business may not be successful, and there can be no assurance that future acquisitions will be able to leverage the Group's business. In addition, acquisitions may divert financial or other resources from the Group's existing business or may require additional expenses. Such developments could have a material adverse effect on the Group's business, results of operations and financial condition.

The ability to make such investments may be limited by many factors, including the availability of financing, debt clauses in financing agreements, applicable regulations, and competition from other potential buyers. If acquisitions are made, there is no guarantee that the Group will be able to generate the expected margins or cash flows or realize the anticipated benefits of these acquisitions, including the expected increase or synergies.

Although the Group analyses the companies that are the subject of the acquisition, these valuations are subject to a number of assumptions regarding profitability, growth, etc. There is no guarantee that the Group's assessments and assumptions regarding the acquisition objectives will prove to be correct and that actual developments may differ materially from its expectations, especially in a macroeconomic context marked by uncertainty.

There is no guarantee that the Group will successfully acquire new assets or that it will gain any of the benefits it anticipates as a result of these future acquisitions. If it makes acquisitions but does not acquire these benefits, these circumstances could have a material adverse effect on the Group's business, prospects, results of operations and financial condition.

### **Commercial risk**

In commercial activity, the Company's Subsidiaries develop commercial relationships with suppliers of materials, raw materials and services, which are exposed to the risk of defective

supply, in time and quality parameters below the accepted level, of price increases or cessation of the provision of services and products. Although there is no major dependence on a particular supplier or service, there is the risk of a significant negative impact on the activities of the Subsidiaries, until such supplier is replaced, Also, if the commercial partners in the supply chain enter a state of potential financial instability, this may have significant effects on the activities of the Subsidiaries.

**How the Group is addressing the risk:** The Group seeks to anticipate and manage such risks through its procurement and commercial policies, by verifying and validating business partners from a business sustainability perspective and applying tools to minimize financial exposure risks, as well as contractual clauses that stipulate quality standards in the provision of services and delivery of goods, including the consequences of non-compliance with these clauses.

### **Storage and Transport Risk**

The storage and transport risk of products is associated with potential losses arising from the maintenance and transportation of the products. These losses pertain primarily to physical wear and tear, rather than obsolescence, demand rejection, or market collapse, to the extent that the products can only be sold at a price that does not cover production costs.

**The Group's Approach:** To address these risks, Road Freight Contract Conventions - insurance is secured for all shipments. This ensures that the transport complies with the specific conditions for the goods, and in the event of damage or loss, the carrier assumes responsibility. Additionally, some companies, such as DIAL and BICO, have stock insurance, and the possibility of adopting CARGO all risks insurance is being considered for the future.

### **Environmental impact**

How the Group is addressing the risk: ROCA Industry subsidiaries will monitor compliance with applicable environmental policies by proposing to conduct their business responsibly, in order to minimize the impact on the environment and the carbon footprint it leaves. There are no environmental disputes at the time of publishing this report and no environmental disputes are expected.



# MAIN FINANCIAL INDICATORS AT CONSOLIDATED LEVEL

## Current ratio as of 30.06.2024

$$\frac{\text{Current assets}}{\text{Current liabilities}} = \frac{279,013,772}{267,016,043} = 1.04$$

## Debt to equity ratio as of 30.06.2024

$$\frac{\text{Interest bearing debt}}{\text{Equity}} \times 100 = \frac{177,021,822}{271,704,263} \times 100 = 65.12\%$$

$$\frac{\text{Interest bearing debt}}{\text{Employed capital}} \times 100 = \frac{177,021,822}{448,726,085} \times 100 = 39.45\%$$

*Interest bearing debt = Loans over 1 year*

*Employed capital = Borrowed capital + Equity*

## Fixed asset turnover as of 30.06.2024

$$\frac{\text{Annualized turnover}}{\text{Fixed assets}} = \frac{655,424,856}{460,001,173} = 1.42$$

# DECLARATION OF THE MANAGEMENT

**Bucharest, 20 August 2024**

“I confirm, according to the best available information, that the standalone and consolidated financial results for the period between 01.01.2024 and 30.06.2024 give a correct and consistent picture of the assets, liabilities, financial position and profit and loss account of ROCA Industry Holdingrock1 SA and that this Report, prepared in accordance with Article 67 of Law 24/2017 on issuers of financial instruments and market operations and Annex No. 14 of FSA Regulation No. 5/2018 for the period ending 30 June 2024 provides a correct and realistic picture of the important events that took place in 2024 and their impact on the company's financial statements.”

**Ioan Adrian Bindea**

**Chair of the Board of Directors**

**ROCA INDUSTRY HOLDINGROCK1 SA**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**AS AT AND FOR THE SIX MONTH PERIOD ENDED**

**30 JUNE 2024**

**PREPARED IN ACCORDANCE WITH THE**

**INTERNATIONAL ACCOUNTING STANDARD 34 – “INTERIM FINANCIAL REPORTING”,**

*as adopted by the European Union*

## CONTENT

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	4
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	5
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	6
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	7
1. GENERAL INFORMATION	8
2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES	9
3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS	10
4. SEGMENT REPORTING	11
5. REVENUE	14
6. INCOME TAX	15
7. EARNINGS PER SHARE	16
8. BUSINESS COMBINATIONS	16
9. GOODWILL	20
10. OTHER INTANGIBLE ASSETS	20
11. PROPERTY, PLANT AND EQUIPMENT	20
12. LEASING	21
13. INVESTING IN ASSOCIATE	21
14. INVENTORIES	21
15. TRADE RECEIVABLES	21
16. CASH AND CASH EQUIVALENTS	22
17. SHARE CAPITAL	22
18. BORROWINGS	22
19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES	25
20. RELATED PARTIES	26
21. COMMITMENTS AND CONTINGENCIES	27
22. EVENTS AFTER THE REPORTING PERIOD	27

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

	Notes	Six month period ended	
		30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
Revenue from contracts with customers	5	312,490,469	179,759,201
Rent income		-	66,228
Other operating income		1,571,355	1,963,700
Changes in inventories of finished goods and work in progress		(1,792,408)	(7,082,126)
Raw materials, consumables used and merchandise costs		(198,706,142)	(110,008,740)
Depreciation and amortisation		(15,168,257)	(9,984,953)
Employee benefits expenses		(45,895,442)	(28,940,994)
Marketing and advertising costs		(5,155,353)	(1,577,040)
Services and utilities expenses		(26,442,847)	(20,829,621)
Other gains/(losses) – net		(610,184)	(2,386,234)
<b>Operating result – profit</b>		<b>20,291,191</b>	<b>979,421</b>
Financial income		168,995	179,102
Financial costs		(12,415,032)	(8,136,370)
<b>Net finance result</b>		<b>(12,246,037)</b>	<b>(7,957,268)</b>
Share of net loss of associates accounted for using the equity method	13	-	(126,525)
<b>Result before income tax</b>		<b>8,045,154</b>	<b>(7,104,372)</b>
Income tax expense	6	(1,933,283)	(280,038)
<b>Profit/(Loss) for the period from continuing operations</b>		<b>6,111,871</b>	<b>(7,384,410)</b>
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified to profit or loss:</b>			
Exchange differences on translation of foreign operations		131,854	446,467
<b>Items that will not be reclassified to profit or loss:</b>			
Revaluation of property, plant and equipment		-	-
Deferred tax on revaluations of property, plant and equipment		-	-
<b>Other comprehensive income, net of tax</b>		<b>131,854</b>	<b>446,467</b>
<b>Total comprehensive income for the period</b>		<b>6,243,725</b>	<b>(6,937,943)</b>
<b>Profit/(Loss) is attributable to:</b>			
- Owners of the Company		2,879,736	(6,570,574)
- Non-controlling interests		3,232,135	(813,836)
		<b>6,111,871</b>	<b>(7,384,410)</b>
<b>Total comprehensive income is attributable to:</b>			
- Owners of the Company		2,958,848	(6,258,048)
- Non-controlling interests		3,284,877	(679,895)
		<b>6,243,725</b>	<b>(6,937,943)</b>
<b>Basic and diluted earnings per share (RON) (Note 7)</b>		<b>0.12</b>	<b>(0.37)</b>

These condensed consolidated interim financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Signature \_\_\_\_\_

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_

*The Explanatory Notes attached form an integral part of these condensed consolidated financial statements.*

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

*(all amounts are expressed as 'RON' unless otherwise specified)*

	Notes	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	9	90,801,509	84,923,483
Other intangible assets	10	120,917,199	110,840,590
Property, plant and equipment	11	234,455,932	206,439,728
Right-of-use assets	12	13,787,800	14,654,827
Non-current financial assets		38,733	34,800
<b>Total non-current assets</b>		<b>460,001,173</b>	<b>416,893,428</b>
<b>Current assets</b>			
Inventories	14	98,881,688	89,411,631
Trade receivables	15	134,300,297	75,517,971
Other current financial assets		5,280,986	4,157,089
Prepayments		1,850,398	1,291,575
Cash and cash equivalents	16	38,700,403	38,501,727
<b>Total current assets</b>		<b>279,013,772</b>	<b>208,879,993</b>
<b>TOTAL ASSETS</b>		<b>739,014,945</b>	<b>625,773,421</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	17	248,672,220	176,945,730
Share premium		43	38
Revaluation reserve		16,452,299	16,452,299
Other reserves		823,953	403,721
Retained earnings		(30,447,174)	(32,782,295)
<b>Total equity attributable to owners of the Company</b>		<b>235,501,341</b>	<b>161,019,493</b>
Non-controlling interests		36,202,922	22,579,427
<b>Total equity</b>		<b>271,704,263</b>	<b>183,598,920</b>
<b>Non-current liabilities</b>			
Borrowings	18	170,137,342	158,599,061
Lease liability	12	6,884,480	8,577,857
Government grants		3,737,884	2,699,312
Deferred tax liabilities		19,534,933	20,159,077
<b>Total non-current liabilities</b>		<b>200,294,639</b>	<b>190,035,307</b>
<b>Current liabilities</b>			
Borrowings	18	128,412,429	109,550,643
Lease liability	12	3,610,361	2,902,105
Liabilities related to acquisitions of subsidiaries	8	7,500,301	68,758,901
Trade and other payables		115,770,616	62,051,101
Employee benefits - current		6,892,270	5,582,265
Current tax liabilities		2,874,905	804,398
Government grants		1,955,161	2,489,781
<b>Total current liabilities</b>		<b>267,016,043</b>	<b>252,139,194</b>
<b>Total liabilities</b>		<b>467,310,682</b>	<b>442,174,501</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>739,014,945</b>	<b>625,773,421</b>

These condensed consolidated interim financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Signature \_\_\_\_\_

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_

*The Explanatory Notes attached form an integral part of these condensed consolidated financial statements.*

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

	Share capital	Share premium	Revaluation reserve	Other reserves	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
<b>Balance as at 1 January 2023 (audited)</b>	<b>176,945,730</b>	<b>38</b>	<b>2,348,223</b>	<b>(128,537)</b>	<b>(18,246,667)</b>	<b>160,918,787</b>	<b>17,732,186</b>	<b>178,650,973</b>
Result for the period	-	-	-	-	(6,570,574)	(6,570,574)	(813,836)	(7,384,410)
Other comprehensive income	-	-	-	312,526	-	312,526	133,941	446,467
<b>Total comprehensive result for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>312,526</b>	<b>(6,570,574)</b>	<b>(6,258,048)</b>	<b>(679,895)</b>	<b>(6,937,943)</b>
<b>Transactions with owners in their capacity as owners:</b>								
Transfer of revaluation reserve to retained earnings following disposal of assets	-	-	(110,129)	-	110,129	-	-	-
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	(512,681)	(512,681)
<b>Balance as at 30 June 2023 (unaudited and not reviewed)</b>	<b>176,945,730</b>	<b>38</b>	<b>2,238,094</b>	<b>183,989</b>	<b>(24,707,112)</b>	<b>154,660,739</b>	<b>16,539,610</b>	<b>171,200,349</b>
<b>Balance as at 1 January 2024 (audited)</b>	<b>176,945,730</b>	<b>38</b>	<b>16,452,299</b>	<b>403,721</b>	<b>(32,782,295)</b>	<b>161,019,493</b>	<b>22,579,427</b>	<b>183,598,920</b>
Result for the period	-	-	-	-	2,879,736	2,879,736	3,232,135	6,111,871
Other comprehensive income	-	-	-	79,112	-	79,112	52,742	131,854
<b>Total comprehensive result for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79,112</b>	<b>2,879,736</b>	<b>2,958,848</b>	<b>3,284,877</b>	<b>6,243,725</b>
<b>Transactions with owners in their capacity as owners:</b>								
Share capital increase	71,726,490	5	-	-	-	71,726,495	-	71,726,495
Allocation of retained earnings to other reserves	-	-	-	341,120	(341,120)	-	-	-
Transaction costs on issuance of shares	-	-	-	-	(203,495)	(203,495)	-	(203,495)
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	10,338,618	10,338,618
<b>Balance as at 30 June 2024 (unaudited and not reviewed)</b>	<b>248,672,220</b>	<b>43</b>	<b>16,452,299</b>	<b>823,953</b>	<b>(30,447,174)</b>	<b>235,501,341</b>	<b>36,202,922</b>	<b>271,704,263</b>

These condensed consolidated interim financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Signature \_\_\_\_\_

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_

*The Explanatory Notes attached form an integral part of these condensed consolidated financial statements.*

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
<b>Result before tax</b>	<b>8,045,154</b>	<b>(7,104,372)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	15,168,257	9,984,953
Amortisation of government grants	(528,175)	(495,908)
Movements in allowance for expected credit losses	(9,459)	11,128
Reversal of impairment/(Impairment) of current assets	(632,506)	856,762
Share of result of associate (note 12)	-	126,525
Interest income	(162,973)	(863)
Interest expenses	11,068,153	6,660,792
Unrealized foreign exchange loss	83,628	-
Net (gain)/loss on sale of non-current assets	(129,801)	(406,772)
<b>Change in operating assets and liabilities, net of effects from purchase of controlled entity:</b>		
Increase of trade and other receivables	(56,059,585)	(21,593,586)
(Increase)/decrease in inventories	(766,551)	11,213,368
Increase of trade and other payables	96,160,541	16,995,365
(Increase)/decrease in long-term receivables	(3,933)	24,261
<b>Cash flows from operating activities</b>	<b>72,232,750</b>	<b>16,271,653</b>
Income tax paid	(526,112)	(586,708)
<b>Net cash generated from operating activities</b>	<b>71,706,638</b>	<b>15,684,945</b>
<b>Cash flows from investing activities:</b>		
Payment for the acquisition of a subsidiary, net of cash (note 8)	(89,619,600)	(18,454,510)
Payments for acquisition of property, plant and equipment	(10,871,234)	(7,994,209)
Payments for acquisition of intangible assets	(26,560)	-
Receipt of government grants	1,032,127	-
Interest received	162,973	863
Proceeds from the sale of property, plant and equipment	129,801	72,391
<b>Net cash used in investing activities</b>	<b>(99,192,493)</b>	<b>(26,375,465)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings	68,471,328	79,106,589
Repayment of borrowings	(43,324,088)	(56,474,917)
Interest paid	(9,911,752)	(5,990,310)
Transaction costs related to loans and borrowings	(173,306)	-
Repayments of lease liabilities	(2,619,728)	(1,453,227)
Proceeds from shares issued (note 16)	15,313,719	-
Transaction costs related to shares issuance	(203,495)	-
<b>Net cash generated from financing activities</b>	<b>27,552,678</b>	<b>15,188,135</b>
<b>Net increase in cash and cash equivalents</b>	<b>66,823</b>	<b>4,497,615</b>
Cash and cash equivalents at 1 January	38,501,727	42,434,560
Effects of exchange rate changes on cash and cash equivalents	131,853	(538,069)
<b>Cash and cash equivalents at 30 June</b>	<b>38,700,403</b>	<b>46,394,106</b>

These condensed consolidated financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Signature \_\_\_\_\_

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_



**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**1. GENERAL INFORMATION**

Roca Industry Holdingrock1 SA (the "Company", the "Parent-Company" or "Roca Industry") is a limited company, incorporated in Romania, whose shares are publicly traded. The registered office is located at 4 Gara Herastrau Street, building A, floor 3, District 2, Bucharest. The Company is registered at the Trade Register under number J40/16918/2021 and has Unique Registration Code (CUI) 44987869.

Roca Industry is the first strategic project of *SOCIETATEA DE INVESTITII ALTERNATIVE CU CAPITAL PRIVAT ROCA INVESTMENTS SA ("ROCA INVESTMENTS")*, which groups under the umbrella of a specialized holding, Romanian companies producing construction materials. The aim of the project is to develop and scale strong and sustainable local brands both on the basis of a common strategy and through the synergies generated by their activity. In a fragmented global economy, Roca Industry is building a structure capable of adapting fast to multiple and unpredictable changes.

The Company's subsidiaries activate in the field of construction materials, i.e. in the production of fiberglass and fiberglass reinforcement (BICO, TERRA, EUROPLAS, IRANGA), production of varnishes, paints, and decorative plasters (EVOLOR), production of doors for residential buildings (ECO EURO DOORS and WORKSHOP DOORS), production of edged panels and fencing mesh (DIAL), and as well as production of low-voltage copper and aluminium electrical cables (ELECTROPLAST).

Further information on the structure of the Group is provided in *Note 1 Subsidiaries* and information on other related party relationships of the Group is provided in *Note 20 - Related parties*.

The condensed consolidated interim financial statements ("interim financial statements") of the Company and its subsidiaries (together the 'Group') for the six month ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 19 August 2024.

**Subsidiaries**

The consolidated financial statements of the Group include:

Name of Subsidiary	Principal activities	Place of incorporation and operation	Ownership held by the Group		Ownership held by non-controlling interests	
			30.06.2024	31.12.2023	30.06.2024	31.12.2023
Evolor S.R.L. ('Evolor')	Varnishes, paints and decorative plasters	Romania	100%	100%	-	-
Bico Industries S.A. ('Bico')	Fiberglass and fiberglass reinforcement	Romania	60%	60%	40%	40%
Terra Impex S.R.L. ('TI', 'Terra')	Fiberglass and fiberglass reinforcement	Republic of Moldova	60%	60%	40%	40%
Investitii Imobiliare S.R.L. ('II', 'Terra')	Fiberglass and fiberglass reinforcement	Republic of Moldova	60%	60%	40%	40%
Iranga Technologijos UAB ('Iranga')	Fiberglass and fiberglass reinforcement	Lithuania	60%	60%	40%	40%
Europlas Lux S.R.L. ('Europlas')	Fiberglass and fiberglass reinforcement	Republic of Moldova	60%	60%	40%	40%
Eco Euro Doors S.R.L. ('EED')	Doors for residential buildings	Romania	100%	100%	-	-
Doorsrock4 S.R.L.**	Holding company	Romania	-*	-*	-	-
Dial S.R.L. ('Dial')	Edged panels and fencing mesh	Romania	100%	100%	-	-
Nativerock1 S.R.L.***	Holding company	Romania	-**	-**	-	-
Electroplast S.A. ('ELP')	Copper and aluminium electric cables	Romania	99.999975%	99.999975%	0.000025%	0.000025%
Workshop S.R.L.****	Doors for residential buildings	Romania	70%	-	30%	-

\* In 2023, Doorsrock4 and Eco Euro Doors merged - Doorsrock4 was absorbed by Eco Euro Doors

\*\* In 2023, Nativerock1 and Dial merged - Nativerock1 was absorbed by Dial

\*\*\* On 8 February 2024, ROCA Industry completed the acquisition of 70% of the share capital of Workshop Doors S.R.L.

As at 30 June 2024, the Group owns directly 60% of Bico Industries (31 December 2023: 60%) and indirectly owns 60% from Terra, Iranga and Europlas, through by Bico Industries which fully owns these subsidiaries.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

---

### **Majority shareholder**

The majority shareholder of the holding company is Roca Investments SA, an investment fund, which holds 65.95% (2023: 61%) of its ordinary shares.

On March 11, 2024 ROCA Industry shares were admitted to trading on the main market of the BVB, Standard category. However, the Company's experience on the Romanian capital market dates back to 27 January 2022 when, 3 months after its establishment, Roca Industry's shares were listed on the AeRO market, the equity segment of the Multilateral Trading System of the Bucharest Stock Exchange, under the symbol ROC1.

At the beginning of 2024, the process of increasing the Company's share capital, carried out in two stages between November 2023 and January 2024, was also completed. The first stage was for existing shareholders who were able to exercise their pre-emptive rights to maintain their share of the total share capital (stage completed on 10 January 2024), and the second stage was for existing shareholders and other investors. As part of the capital increase process, 7.2 million shares were subscribed, and the share capital was increased from RON 176.9 million to RON 248.7 million.

### **Significant changes in the current reporting period**

The financial position and performance of the Group was particularly affected by an increase in revenue from the doors for residential buildings segment following the business combination that occurred in the current financial period.

For a detailed discussion about the Group's performance and financial position please refer to our review of operations on pages 11 to 14.

## **2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES**

### **2.1 Basis for preparation**

These condensed consolidated interim financial statements for the six month period ended 30 June 2024 have been prepared in accordance with *IAS 34 - Interim Financial Reporting as adopted* by the European Union.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2023.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The Company also issues an original version of the condensed consolidated interim financial statements prepared in accordance with *IAS 34 - Interim Financial Reporting* in Romanian language, that will be used for submitting to the Bucharest Stock Exchange.

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim financial statements of the Group.

These condensed consolidated interim financial statements are presented in RON.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

---

**2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)**

**2.2 New and amended standards adopted by the Group**

*Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7*

In May 2023, the IASB issued amendments to *IAS 7 Statement of Cash Flows* and *IFRS 7 Financial Instruments: Disclosures* to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's condensed consolidated interim financial statements.

*Amendments to IFRS 16: Lease Liability in a Sale and Leaseback*

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's condensed consolidated interim financial statements.

*Amendments to IAS 1: Classification of Liabilities as Current or Non-current*

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's condensed consolidated interim financial statements.

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

In preparing these condensed consolidated interim financial statements, Group's management has made some judgments and estimates about the future that affect the application of accounting policies, as well as the reported value of assets and liabilities, income and expenses. Actual results may differ from estimated values.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**4. SEGMENT REPORTING**

**a) Information about reportable segment**

<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>Fiberglass and fiberglass reinforcement</b>	<b>Varnishes, paints and decorative plasters</b>	<b>Doors for residential buildings</b>	<b>Edged panels and fencing mesh</b>	<b>Electric cables</b>	<b>Total reportable segments</b>
<b>Revenue</b>						
External customers	85,325,151	53,563,587	52,711,323	41,265,042	79,625,366	312,490,469
Other operating income	331,079	103,721	1,066,627	39,304	30,080	1,570,811
Changes in inventories of finished goods and work in progress	(515,321)	(1,390,323)	486,371	(2,520,608)	2,147,473	(1,792,408)
Raw materials, consumables used and merchandise costs	(48,045,945)	(31,676,112)	(25,839,315)	(26,041,141)	(67,054,152)	(198,656,665)
Depreciation and amortisation	(5,201,861)	(1,958,669)	(4,225,121)	(1,380,538)	(2,318,952)	(15,085,141)
Employee benefits expenses	(15,939,173)	(7,668,427)	(10,767,735)	(3,857,700)	(6,104,576)	(44,337,611)
Advertising costs	(786,960)	(3,151,033)	(333,359)	(156,674)	(256,440)	(4,684,466)
Services and utilities expenses	(9,279,331)	(3,782,469)	(4,947,314)	(3,461,179)	(3,368,271)	(24,838,564)
Other gains/(losses) – net	(948,944)	8,734	693,167	(158,795)	(208,540)	(614,378)
<i>Net foreign exchange gains/(losses)</i>	(864,335)	(36,665)	(28,199)	(141,374)	(207,063)	(1,277,636)
<i>Gain/(loss) on disposal of property, plant and equipment</i>	4,418	3,448	(2,160)	(17,421)	(1,477)	(13,192)
<i>Gain/(Loss) allowance of trade receivables</i>	(7)	9,459	-	-	-	9,452
<i>Reversal of impairment/(Impairment) of current assets</i>	(91,020)	-	723,526	-	-	632,506
<i>Other</i>	2,000	32,492	-	-	-	34,492
<b>Adjusted EBITDA*</b>	<b>11,000,473</b>	<b>6,040,895</b>	<b>13,100,124</b>	<b>5,267,044</b>	<b>5,019,480</b>	<b>40,428,016</b>
Financial income	-	8,137	10,632	105,729	6	124,504
Financial costs	(2,482,036)	(2,359,287)	(2,674,143)	(1,659,990)	(2,336,677)	(11,512,133)
<b>Segment profit before tax</b>	<b>2,456,659</b>	<b>1,697,859</b>	<b>6,181,133</b>	<b>2,173,450</b>	<b>155,317</b>	<b>12,664,418</b>
<b>Total assets as at 30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>175,769,744</b>	<b>144,096,839</b>	<b>175,085,181</b>	<b>86,858,961</b>	<b>154,184,743</b>	<b>735,995,468</b>
<b>Total liabilities as at 30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>92,163,709</b>	<b>98,031,076</b>	<b>94,486,802</b>	<b>54,914,602</b>	<b>97,736,279</b>	<b>437,332,468</b>
<b>Other disclosures:</b>						
Capital expenditure	109,312	2,512,476	104,632	3,740	1,514,390	4,244,550

\*Adjusted EBITDA (Earnings before interest, tax, depreciation and amortisation or namely EBITDA) for operating segments is defined and calculated as segment profit/(loss) before tax of a given operating segment adjusted for i) depreciation, amortization and impairment/reversal of impairment of property, plant and equipment and intangible assets in the operating segment and ii) net finance result in the operating segment. EBITDA is not an IFRS measure and should not be treated as an alternative to IFRS measures. Moreover, EBITDA is not uniformly defined. The method used to calculate EBITDA by other companies may differ significantly from that used by the Group. As a consequence, the EBITDA presented in this note cannot, as such, be relied upon for the purpose of comparison to EBITDA of other companies.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**4. SEGMENT REPORTING (continued)**

**a) Information about reportable segments (continued)**

<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>	<b>Fiberglass and fiberglass reinforcement</b>	<b>Varnishes, paints and decorative plasters</b>	<b>Doors for residential buildings</b>	<b>Edged panels and fencing mesh</b>	<b>Total reportable segments</b>
<b>Revenue</b>					
External customers	71,960,431	49,553,893	29,644,141	28,600,736	179,759,201
Rent income	66,228	-	-	-	66,228
Other operating income	289,620	320	303,312	1,369,905	1,963,157
Changes in inventories of finished goods and work in progress	(9,391,614)	(96,197)	2,740,411	(334,727)	(7,082,127)
Raw materials, consumables used and merchandise costs	(39,602,842)	(31,018,271)	(19,223,159)	(20,132,573)	(109,976,845)
Depreciation and amortisation	(3,821,868)	(1,757,456)	(3,065,642)	(1,206,928)	(9,851,894)
Employee benefits expenses	(12,573,898)	(5,532,026)	(6,419,556)	(3,095,160)	(27,620,640)
Advertising costs	(529,667)	(493,696)	(220,777)	(124,046)	(1,368,186)
Services and utilities expenses	(8,186,470)	(3,652,695)	(3,964,856)	(3,842,312)	(19,646,333)
Other gains/(losses) – net	(1,045,906)	(283,514)	(867,377)	(282,118)	(2,478,915)
<i>Net foreign exchange gains/(losses)</i>	(394,303)	(233,709)	(325,912)	(354,272)	(1,308,196)
<i>Gain on disposal of property, plant and equipment</i>	(479,163)	-	-	72,154	(407,009)
<i>Expected credit loss on trade receivables</i>	(12,000)	(73,149)	-	-	(85,149)
<i>Impairment of current assets</i>	(160,440)	-	(541,465)	-	(701,905)
<i>Other</i>	-	23,344	-	-	23,344
Share of loss of an associate	(126,525)	-	-	-	(126,525)
<b>EBITDA adjusted*</b>	<b>1,732,823</b>	<b>8,711,523</b>	<b>2,318,051</b>	<b>2,441,823</b>	<b>15,330,745</b>
Financial income	256	50,976	59,065	323	110,620
Financial costs	(2,952,664)	(1,437,076)	(2,184,850)	(1,333,904)	(7,908,494)
<b>Segment profit/(loss) before tax</b>	<b>(5,914,919)</b>	<b>5,334,258</b>	<b>(3,199,288)</b>	<b>(380,804)</b>	<b>(4,160,753)</b>
<b>Other disclosures:</b>					
Investment in an associate	941,194	-	-	-	941,194
Capital expenditure	1,928,421	3,374,670	1,301,456	1,515,670	8,120,217

	<b>Fiberglass and fiberglass reinforcement</b>	<b>Varnishes, paints and decorative plasters</b>	<b>Doors for residential buildings</b>	<b>Edged panels and fencing mesh</b>	<b>Electric cables</b>	<b>Total reportable segments</b>
<b>Total assets as at 31 December 2023 (audited)</b>	<b>168,960,347</b>	<b>129,176,056</b>	<b>113,505,645</b>	<b>82,603,158</b>	<b>130,375,345</b>	<b>624,620,551</b>
<b>Total liabilities as at 31 December 2023 (audited)</b>	<b>83,348,483</b>	<b>84,539,437</b>	<b>77,836,883</b>	<b>52,763,242</b>	<b>73,184,179</b>	<b>371,672,224</b>

\*Adjusted EBITDA (Earnings before interest, tax, depreciation and amortisation or namely EBITDA) for operating segments is defined and calculated as segment profit/(loss) before tax of a given operating segment adjusted for i) depreciation, amortization and impairment/reversal of impairment of property, plant and equipment and intangible assets in the operating segment and ii) net finance result in the operating segment. EBITDA is not an IFRS measure and should not be treated as an alternative to IFRS measures. Moreover, EBITDA is not uniformly defined. The method used to calculate EBITDA by other companies may differ significantly from that used by the Group. As a consequence, the EBITDA presented in this note cannot, as such, be relied upon for the purpose of comparison to EBITDA of other companies.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**4. SEGMENT REPORTING (continued)**

**b) Basis for segmentation**

The following summary describes the operations of each reportable segment:

<u>Reportable segments</u>	<u>Operations</u>
Fiberglass and fiberglass reinforcement	Fiberglass mesh production through facilities in Piatra Neamt, Vaslui, Republic of Moldova and Lithuania
Varnishes, paints and decorative plasters	Production of paints, primers, varnishes, thinners, washables, adhesives, decorative plasters and dyes
Doors for residential buildings	Production of doors intended for residential buildings
Edged panels and fencing mesh	Production of fence edged panels, fencing mesh, Rabitz mesh, rectangular pillars and other related products
Copper and aluminium electric cables	Production of electrical low-voltage copper and aluminium cables

The Board of Directors are separately monitoring the operational results of the operating segments for the purpose of taking decisions on resource allocation and performance evaluation. Segment earnings before interest, tax, depreciation and amortisation ("EBITDA") is used to measure performance because management considers that such information is one of the most relevant in evaluating the results of the segments.

All assets and liabilities are allocated to reportable segments.

**Reconciliation of profit/(loss) account**

	<b>Six month period ended</b>	
	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
<b>Segment profit/(loss) before tax</b>	<b>12,664,418</b>	<b>(4,160,752)</b>
Income tax	(1,933,183)	(176,628)
Segment result after tax	10,731,235	(4,337,380)
<b>Unallocated:</b>		
Parent Company operating expenses	(4,619,364)	(3,047,030)
<b>Result after tax</b>	<b>6,111,871</b>	<b>(7,384,410)</b>

**Reconciliation of assets**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
	<b>Segment operating assets</b>	<b>735,995,468</b>
<b>Unallocated:</b>		
Parent Company assets (mainly cash & right-of-use assets)	3,019,477	1,152,870
<b>Total assets</b>	<b>739,014,945</b>	<b>625,773,421</b>

**Reconciliation of liabilities**

<b>Segment operating liabilities</b>	<b>437,332,468</b>	<b>371,672,224</b>
<b>Unallocated:</b>		
Parent Company liabilities	29,978,214	70,502,277
<b>Total liabilities</b>	<b>467,310,682</b>	<b>442,174,501</b>

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**4. SEGMENT REPORTING (continued)**

**b) Basis for segmentation (continued)**

The Group allocated interest expense to segments without allocating the originating liabilities to them.

	<b>Non-current assets*</b>	
	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Romania	348,794,987	311,263,324
Republic of Moldova	13,162,403	12,708,798
Lithuania	7,203,541	7,963,023

\*The fixed assets for this purpose consist of tangible assets, right-of-use assets and intangible assets.

**5. REVENUE**

	<b>Six month period ended</b>	
	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
<b>External revenue by product line</b>		
Fiberglass and fiberglass reinforcement	85,325,151	71,960,431
Varnishes, paints and decorative plasters	53,563,587	49,553,893
Doors for residential buildings	52,711,323	29,644,141
Edged panels and fencing mesh	41,265,042	28,600,736
Electric cables	79,625,366	-
	<b>312,490,469</b>	<b>179,759,201</b>

	<b>Six month period ended</b>	
	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
<b>External revenue by timing of revenue</b>		
Goods transferred at a point in time	312,490,469	179,759,201
Services transferred as they are provided	-	-
	<b>312,490,469</b>	<b>179,759,201</b>

There are no outstanding or partially outstanding obligations at 30 June 2024, respectively 31 December 2023.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**5. REVENUE (continued)**

**Geographical information**

<b>30 June 2024 - Revenue from both external &amp; internal customers</b>						
<b>Country</b>	<b>Total</b>	<b>Fiberglass and fiberglass reinforcement</b>	<b>Varnishes, paints and decorative plasters</b>	<b>Doors for residential buildings</b>	<b>Edged panels and fencing mesh</b>	<b>Electric cables</b>
Romania	243,065,834	27,330,255	53,217,410	45,221,470	40,491,257	76,805,442
Italy	23,674,394	22,847,169	-	-	-	827,225
Germany	9,303,480	9,303,480	-	-	-	-
Hungary	8,559,047	643,148	-	7,362,225	-	553,674
Poland	6,350,668	6,350,668	-	-	-	-
Greece	4,964,087	4,964,087	-	-	-	-
Bulgaria	4,554,240	4,554,240	-	-	-	-
Croatia	2,121,358	2,121,358	-	-	-	-
Portugal	2,120,411	2,120,411	-	-	-	-
France	1,218,738	245,910	-	-	773,785	199,043
Other	6,558,212	4,844,425	346,177	127,628	-	1,239,982
	<b>312,490,469</b>	<b>85,325,151</b>	<b>53,563,587</b>	<b>52,711,323</b>	<b>41,265,042</b>	<b>79,625,366</b>

<b>30 June 2023 - Revenue from both external &amp; internal customers</b>						
<b>Country</b>	<b>Total</b>	<b>Fiberglass and fiberglass reinforcement</b>	<b>Varnishes, paints and decorative plasters</b>	<b>Doors for residential buildings</b>	<b>Edged panels and fencing mesh</b>	<b>Electric cables</b>
Romania	136,921,782	31,180,407	49,259,309	29,298,536	27,183,530	-
Italy	20,277,579	20,277,579	-	-	-	-
Germany	4,311,462	4,311,462	-	-	-	-
Bulgaria	2,669,263	2,669,263	-	-	-	-
Portugal	2,069,332	2,069,332	-	-	-	-
Greece	1,998,656	1,998,656	-	-	-	-
Croatia	1,978,625	1,978,625	-	-	-	-
Hungary	1,702,333	1,523,410	-	178,923	-	-
France	1,696,246	279,039	-	-	1,417,207	-
Cyprus	1,464,018	1,464,018	-	-	-	-
Other	4,669,905	4,208,639	294,584	166,682	-	-
	<b>179,759,201</b>	<b>71,960,430</b>	<b>49,553,893</b>	<b>29,644,141</b>	<b>28,600,737</b>	<b>-</b>

**6. INCOME TAX**

The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	<b>Six month period ended</b>	
	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
Current tax	(2,596,619)	(1,176,627)
Deferred tax	663,336	896,589
<b>Income tax expense</b>	<b>(1,933,283)</b>	<b>(280,038)</b>



**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**7. EARNINGS PER SHARE**

Basic EPS is calculated by dividing the profit after tax for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. There are no dilutive financial instruments and diluted EPS equals EPS.

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
Profit/(Loss) after tax attributable to ordinary equity holders of the parent:	2,879,736	(6,570,574)
Weighted average number of ordinary shares for basic EPS	23,671,781	17,694,573
<b><i>Profit/(Loss) after tax attributable to ordinary equity holders of the parent</i></b>	<b><i>0.12</i></b>	<b><i>(0.37)</i></b>

**8. BUSINESS COMBINATIONS**

The Group's strategy is to develop and scale strong domestic brands active in the field of building materials, both under a joint strategy, and through the synergies generated by their activity. Thus, in order to implement this strategy, the Groups aims to achieve its objectives, both through organic growth - by increasing and developing the companies inside the holding - and through M&A consolidations with other complementary companies in the same activity sector, which should allow the generation of synergies.

**Acquisitions in 2024**

*Acquisition of Workshop Doors SRL ("Workshop")*

On February 8, 2024, ROCA Industry completed the acquisition of 70% of the share capital of Workshop Doors S.R.L. ("Workshop Doors"), a company active since 2009 on the interior doors market in the region, with two production facilities, in Reghin and Petelea. With a turnover of RON 48.7 million, EBITDA of RON 12.2 million and a net profit of RON 9.0 million, the company exports a considerable percentage of its own production, according to the individual financial statements filed for the year ended December 31, 2023.

As a step in the completion of the acquisition of Workshop Doors, a process initiated through Eco Euro Doors ("EED", a subsidiary of ROCA Industry), the sale and purchase agreement was signed on 18 August 2023. An addendum thereto was also signed, whereby EED assigned the sale and purchase agreement to ROCA Industry, together with all related rights and obligations.

The price for the acquisition of the shares is RON 30.0 million, payable in two instalments. The first instalment, in the amount of RON 22.5 million, was paid upon completion of the transaction, the difference of RON 7.5 million (which may be adjusted depending on the fulfilment of the performance indicators established by the sale-purchase agreement) will be paid within a maximum period of 6 months.

From the date of acquisition, Workshop contributed with RON 25,972,557 to revenue and RON 7,682,358 to profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been RON 30,745,624 higher and the company's contribution to the consolidated profit before tax from continuing operations would have been RON 7,612,921, with RON 69,963 lower.

**Acquisitions in 2024 - Assets and liabilities taken over**

The fair values of the identifiable assets and liabilities at the date of acquisition are shown in the table below. Fair value measurements were carried out by an independent valuer ANEVAR.

	<b>Total</b>
Customer contracts	13,568,866
Property, plant and equipment	26,596,632
Inventories	8,071,000
Trade and other receivables	4,350,000
Prepayments	46,000
Cash and cash equivalents	1,639,000
<b>Total assets</b>	<b>54,271,498</b>

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**8. BUSINESS COMBINATIONS (continued)**

**Acquisitions in 2024 (continued)**

	<b>Total</b>
Borrowings	(5,371,000)
Trade payables	(2,811,000)
Other payables	(11,590,320)
Deferred tax liabilities	(39,493)
<b>Total liabilities</b>	<b>(19,811,813)</b>
<b>Total identifiable net assets at fair value</b>	<b>34,459,685</b>
Non-controlling interest	(10,337,905)
Goodwill arising on acquisition (provisional)	5,878,220
<b>Purchase consideration transferred</b>	<b>30,000,000</b>
<b>Acquisition consideration — Cash out</b>	
Consideration of the acquisition transferred	30,000,000
Contingent consideration	
Less: Cash balances acquired	(1,639,000)
Less: Liabilities – June 30, 2024	(7,500,301)
<b>Net cash outflows — investment activities</b>	<b>20,860,699</b>

At the date of acquisition, the balance of *Other payables* include the amount of 10.8 mil. RON which represents dividends due to the former majority shareholder. The entire amount has been paid up to 30 June 2024.

*Contingent consideration*

As part of the purchase agreement with the former majority shareholder of Workshop Doors SRL, a contingent consideration has been agreed. There will be changes to the cash payments if:

- a) the EBITDA 2023 is above RON 12,300,000, the difference between EBITDA 2023 and RON 12,300,000 will be added to the purchase price,
- Or
- b) the EBITDA 2023 is below RON 12,300,000, the difference between EBITDA 2023 and RON 12,300,000 will be deducted from the purchase price.

As at the acquisition date, the fair value of the contingent consideration was estimated to be nil. As at 30 June 2024, the assessment of the achievement of the key performance indicators of Workshop Doors SRL are still under evaluation.

**Acquisitions in 2023**

*Acquisition of IRANGA Technologijos UAB ('Iranga')*

On 2 May 2023, the Group, acquired Iranga, a non-listed company based in Lithuania and specialised in the production of fiber glass and composite fibre glass materials. The value of the transaction amounted to EUR 1.6 million, EUR 0.45 million for the acquisition of the shares and EUR 1.1 million for the acquisition of a shareholder loan. The acquisition of Iranga is in line with the development strategy of the Group, the new acquired company will support the diversification of the markets in which the Group is present, contributing to the creation of added value through synergies within the fiber glass segment of the Group.

Acquisition-related costs amounting to RON 891,372 are included in operating expenses in the statement of profit or loss and in operating cash flows in the statement of cash flows.

From the date of acquisition, Iranga contributed RON 4,660,057 of revenue and RON 205,461 to loss before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been RON 3,910,540 higher and loss before tax from continuing operations for the Group would have been RON 406,859 greater.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**8. BUSINESS COMBINATIONS (continued)**

**Acquisitions in 2023 (continued)**

*Acquisition of ELECTROPLAST SA ('Electroplast')*

In June 2023, the Group acquired 99,99997 % of the share capital of Electroplast, a company held by the Group's main shareholder, Roca Investments S.A. ('Roca Investments') for a consideration equal to RON 45,750,988. The value of the consideration was established on the basis of a valuation report prepared by an independent valuer authorized by ANEVAR.

From the date of the acquisition of control, Electroplast contributed RON 78,515,277 to revenue and RON 638,965 to gain before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been RON 77,450,117 higher and loss before tax from continuing operations for the Group would have been RON 639,488 lower.

*Acquisition of EUROPLAS Lux SRL ('Europlas')*

In October 2022, Bico initiated the process of acquiring 55% of the share capital of Europlas, thus signing two transactions. The acquisition of the 50% stake has already been completed in 2022, while the acquisition of the 5% stake in the share capital was expected to be completed in the first part of 2023. Bico had substantially no control over Europlas as of year ended as at 31 December 2022 and therefore this was considered an associate for Roca Industry and not consolidated, as half of the shares were still controlled by the former shareholder.

However, in October 2023 Bico acquired the remaining shares and became the sole shareholder of Europlas. The purchase price paid by Bico for the remaining 45% amounted to EUR 120,000. Acquisition-related costs amounting to RON 19,317 are included in operating expenses in the statement of profit or loss and in operating cash flows in the statement of cash flows.

From the date of the acquisition of control, Europlas had no contribution to revenue, however contributed with RON 1,016,948 to loss before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, the loss before tax from continuing operations for the Group would have been RON 1,535,481 greater.

**Liabilities related to acquisitions of shareholdings:**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Workshop doors	7,500,301	-
Evolor	-	12,346,125
Electroplast	-	56,412,776
<b>Total liabilities related to acquisitions of participations</b>	<b>7,500,301</b>	<b>68,758,901</b>

**Acquisitions in 2023 - Assets and liabilities taken over**

The fair values of the identifiable assets and liabilities at the date of acquisition are shown in the table below. Fair value measurements were carried out by an independent valuer ANEVAR.

	<b>IRANGA</b>	<b>ELECTROPLAST</b>	<b>EUROPLAS</b>	<b>TOTAL</b>
Trademarks	-	14,423,620	-	14,423,620
Customer contracts	-	5,774,352	-	5,774,352
Licenses and other intangible assets	-	942,830	5,954	948,784
Property, plant and equipment	6,988,583	37,069,074	959,908	45,017,565
Right-of-use assets	1,679,845	2,230,840	1,576,120	5,486,805
Investments	-	17,400	-	17,400
Inventories	1,453,545	10,747,450	1,113,924	13,314,919
Trade and other receivables	1,079,313	44,683,907	41,473	45,804,693
Cash and cash equivalents	274,916	1,796,484	625,833	2,697,233
<b>Total assets</b>	<b>11,476,202</b>	<b>117,685,957</b>	<b>4,323,212</b>	<b>133,485,371</b>

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

	<b>IRANGA</b>	<b>ELECTROPLAST</b>	<b>EUROPLAS</b>	<b>TOTAL</b>
Borrowings	(3,127,658)	(51,046,858)	(955,119)	(55,129,635)
Lease liabilities	(1,679,845)	(2,023,697)	(1,576,120)	(5,279,662)
Trade payables	(4,398,418)	(31,309,570)	(161,836)	(35,869,824)
Other payables	(370,906)	(1,065,999)	(1,114,851)	(2,551,756)
Deferred tax liabilities	(1,350,982)	(310,290)	(31,873)	(1,693,145)
<b>Total liabilities</b>	<b>(10,927,809)</b>	<b>(85,756,414)</b>	<b>(3,839,799)</b>	<b>(100,524,022)</b>
<b>Total identifiable net assets at fair value</b>	<b>548,393</b>	<b>31,929,543</b>	<b>483,413</b>	<b>32,961,349</b>
Non-controlling interest	500,897	3	45,070	545,970
Fair value of previously held equity interest	-	-	(159,526)	(159,526)
Goodwill arising on acquisition	1,168,760	13,821,443	227,131	15,217,334
<b>Purchase consideration transferred</b>	<b>2,218,050</b>	<b>45,750,989</b>	<b>596,088</b>	<b>48,565,127</b>
<b>Acquisition consideration — Cash out</b>				
Consideration of the acquisition transferred	2,218,050	45,750,989	596,088	48,565,127
Shareholder debt acquired	3,127,658	11,574,797	1,218,506	15,920,961
Contingent consideration	-	-	-	-
Less: Cash balances acquired	(274,916)	(1,796,484)	(625,833)	(2,697,233)
Less: Liabilities – December 31, 2023	-	(56,412,776)	-	(56,412,776)
<b>Net cash outflows — investment activities</b>	<b>5,070,792</b>	<b>(883,474)</b>	<b>1,188,761</b>	<b>5,376,079</b>

The cash flows resulting from the acquisition of subsidiaries have been presented in the consolidated statement of cash flows, taking into account also the changes in liabilities related to acquisition of subsidiaries.

In case of Electroplast, at the date of acquisition, loans consisting of debts to credit institutions and approx. RON 11 million loan from former shareholders, which after the takeover were transferred to the new shareholder, Roca Industry.

In respect of goodwill for Electroplast, the most significant contributors to Electroplast goodwill were considered the synergies the entity will generate in the Group. Goodwill for Iranga and Europlas considered not significant.

Reconciliation of cash flows related to subsidiaries acquisition:

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
<b>Payments for acquisition of subsidiaries (net of cash acquired), statement of cash flow:</b>	<b>(89,619,600)</b>	<b>(23,087,863)</b>
<i>Net cash outflows — for current year acquisitions</i>	20,860,699	5,376,079
<i>Settlement of liabilities related to acquisitions in prior periods</i>	68,758,901	17,711,784

The cash flows resulting from the acquisition of subsidiaries have been presented in the condensed consolidated statement of cash flows, taking into account also the changes in liabilities related to acquisition of subsidiaries.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**9. GOODWILL**

Goodwill is monitored by management at the level of the five operational segments identified in Note 4. A segment-level summary of the goodwill allocation is presented below:

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Varnishes, paints and decorative plasters	35,389,467	35,389,467
Fiberglass and fiberglass reinforcement	18,846,752	18,846,947
Doors for residential buildings	16,609,106	10,730,885
Edged panels and fencing mesh	6,134,741	6,134,741
Electric cables	13,821,443	13,821,443
	<b>90,801,509</b>	<b>84,923,483</b>

	<b>RON</b>
<b>Cost</b>	
<b>At 1 January 2023 (unaudited)</b>	<b>79,561,286</b>
Recognized at the acquisition of subsidiaries	15,217,334
<b>At 31 December 2023 (audited)</b>	<b>94,778,620</b>
Recognized at the acquisition of subsidiaries	5,878,026
<b>At 30 June 2024 (unaudited and not reviewed)</b>	<b>100,656,646</b>
<b>Accumulated impairment</b>	
<b>At 1 January 2023 (unaudited)</b>	<b>(9,855,137)</b>
Impairment losses for the year	-
<b>At 31 December 2023 (audited)</b>	<b>(9,855,137)</b>
Impairment losses for the period	-
<b>30 June 2024 (unaudited and not reviewed)</b>	<b>(9,855,137)</b>
<b>Carrying amount</b>	
<b>At 30 June 2024 (unaudited and not reviewed)</b>	<b>90,801,509</b>
<b>At 31 December 2023 (audited)</b>	<b>84,923,483</b>

The Group performs its annual impairment test in December and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2023.

**10. OTHER INTANGIBLE ASSETS**

There have been no significant acquisitions of intangible assets made during the period.

**11. PROPERTY, PLANT AND EQUIPMENT**

**Acquisitions and disposals**

During the six-month period ended 30 June 2024, the Group acquired assets with a cost of RON 7,745,824 (30 June 2023: RON 13,610,342), excluding property, plant and equipment acquired through a business combination (see Note 7).

Assets with a net book value of RON 64,359 were disposed by the Group during the six month period ended 30 June 2024 (30 June 2023: RON 1,114,577), resulting in a net gain on disposal of RON 13,192 (30 June 2023: RON 406,772).

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**12. LEASING**

During the six-month period ended 30 June 2024, the Group entered into several new lease agreements. The Group makes fixed payments during the contract period. On lease commencement, the Group recognized RON 1,264,104 of right-of-use assets and lease liabilities.

**13. INVESTING IN ASSOCIATE**

In October 2022, the Group acquired an effective ownership interest of 35% stake in Europlas Lux SRL ('Europlas'), which is involved in the production of fiberglass and fiberglass reinforcement in the Republic of Moldova. In 2022, the Group's interest in Europlas was recognised using the equity method in the consolidated financial statements.

In October 2023, the Group acquired the control of Europlas by purchasing an additional 25% stake, increasing its ownership to 60% (indirect effective ownership via its subsidiary Bico). For details related to purchase price and fair values of the identifiable assets and liabilities at the date of acquisition please refer to *Note 8 – Business combinations*.

<b>Loss on derecognition of investment in associate:</b>	<b>RON</b>
Carrying amount of associate at 1 January 2023 <i>(audited)</i>	1,070,610
Share of result during 2023 until acquisition of control	(206,065)
Carrying amount of associate before acquisition of control	864,545
Fair value at date control obtained	159,526
Carrying amount of associate before acquisition of control	(864,545)
<b>Loss on derecognition of investment in associate:</b>	<b>(705,019)</b>

As at 30 June 2024, the Group does not have associates.

**14. INVENTORIES**

During the six month period ended at 30 June 2024, the Group had a net movement in the inventory provision of RON 632,500 (30 June 2023: RON 701,905 additional expense), which have been recognised in the statement of profit or loss.

The remaining variance in inventory balance represents regular inventory purchases and stock used in the normal course of business.

**15. TRADE RECEIVABLES**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Trade receivables from contracts with customers	135,604,679	76,831,812
Loss allowance trade receivables	(1,304,382)	(1,313,841)
	<b>134,300,297</b>	<b>75,517,971</b>
<i>Movement in loss allowance:</i>		
	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
<b>Opening loss allowance at 1 January <i>(audited)</i></b>	<b>(1,313,841)</b>	<b>(1,301,696)</b>
Write-offs	-	114,441
Increase in loss allowance recognised in profit or loss during the period	-	(207,950)
Loss allowance reversed	9,459	172,399
Acquisition of subsidiary	-	23,406
<b>Closing loss allowance at the end of period</b>	<b>(1,304,382)</b>	<b>(1,313,841)</b>
Receivables written off as uncollectible	6	-
Movements during the period	(9,459)	(35,551)
<b>Net effect in profit or loss during the period</b>	<b>(9,453)</b>	<b>(35,551)</b>

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**16. CASH AND CASH EQUIVALENTS**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Cash at bank and in hand	32,280,001	30,335,976
Deposits at call	6,420,402	8,165,751
<b>Total cash and cash equivalents</b>	<b>38,700,403</b>	<b>38,501,727</b>

**17. SHARE CAPITAL**

In June 2023, ROCA Industry shareholders approved at the Extraordinary General Meeting of Shareholders the increase of the Company's share capital by up to RON 150 million (nominal value) through cash contribution and the conversion of some receivables against ROCA Industry from the acquisition of Electroplast, by issuing up to 15 million new shares with a nominal value of RON 10/share. At the same time, the shareholders also approved the listing of the Company on the regulated market of the BVB.

The share capital increase process was carried out in two stages, respectively between November 2023 and January 2024. The first stage was for existing shareholders at the date of registration who could exercise their pre-emptive rights to maintain their share of the total share capital (stage completed on 10 January 2024), and the second stage was for existing shareholders and other investors. At the end of the share capital increase process, a total of 7.2 million shares were subscribed, the share capital being increased from RON 176,945,730 to RON 248,672,220.

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
	<i>No of shares</i>	<i>No of shares</i>	<i>RON</i>	<i>RON</i>
<b>Share capital</b>				
Authorized ordinary shares	24,867,222	17,694,573	248,672,220	176,945,730

The nominal value of the shares is RON 10.

The paid-in subscribed capital consists of: RON 121.3 million (31 December 2023: RON 105.9 million), representing the paid-up subscribed capital, RON 71 million (31 December 2023: RON 71 million), representing the contribution in-kind of 60% of the shares of Bico Industries SA, and RON 56,4 million (31 December 2023: nil), representing the contribution in-kind of 99.999975% of the shares of Electroplast SRL.

Ownership structure:	<b>Balance as at 30 June 2024</b> <i>(unaudited and not reviewed)</i>			<b>Balance as at 31 December 2023</b> <i>(audited)</i>		
	<b>No. of shares</b>	<b>Amount in RON</b>	<b>% total</b>	<b>No. of shares</b>	<b>Amount in RON</b>	<b>% total</b>
Roca Investments SA	16,398,834	163,988,340	66%	10,757,557	107,575,570	61%
Other	8,468,388	84,683,880	34%	6,937,016	69,370,160	39%
<b>Total</b>	<b>24,867,222</b>	<b>248,672,220</b>	<b>100%</b>	<b>17,694,573</b>	<b>176,945,730</b>	<b>100%</b>

**18. BORROWINGS**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
<b>Secured borrowing at amortised cost</b>		
Bank loans	241,308,533	218,573,690
Bank overdrafts	35,006,443	34,647,132
<b>Unsecured borrowings at amortized cost</b>		
Loans from related parties	22,234,795	14,928,882
	<b>298,549,771</b>	<b>268,149,704</b>
Non-current (> 1 year)	170,137,342	158,599,061
Current (<1 year)	128,412,429	109,550,643

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**18. BORROWINGS (continued)**

**CURRENT BORROWINGS**

Subsidiary	Counterparty	Interest rate	Maturity	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
EVOLOR	BANCA TRANSILVANIA	2.75% + 3M EURIBOR	26.05.2029	6,862,307	5,202,870
EVOLOR	BANCA TRANSILVANIA	2% + 3M ROBOR	26.05.2029	1,407,861	1,177,500
EVOLOR	BANCA TRANSILVANIA	1.75% + 3M ROBOR	26.11.2024	104,753	-
BICO INDUSTRIES	BANCA TRANSILVANIA	2.2% + 6M ROBOR	02.08.2024	79,334	317,334
BICO INDUSTRIES	BANCA TRANSILVANIA	2% + 6M ROBOR	10.08.2026	504,000	504,000
BICO INDUSTRIES	BANCA TRANSILVANIA	2.5% + 3M ROBOR	17.08.2026	103,625	1,098,243
BICO INDUSTRIES	BANCA TRANSILVANIA	2% + 3M ROBOR	10.08.2027	356,129	356,129
BICO INDUSTRIES	UNICREDIT BANK	2.5% + 3M ROBOR	07.11.2024	1,820,524	1,820,524
BICO INDUSTRIES	UNICREDIT BANK	2.5% + 3M EURIBOR	07.11.2024	16,175,575	16,167,450
BICO INDUSTRIES	UNICREDIT BANK	2.5% + 3M ROBOR	26.10.2027	453,094	453,094
BICO INDUSTRIES	UNICREDIT BANK	2.6% + 3M EURIBOR	07.11.2024	9,954,200	9,934,598
BICO INDUSTRIES	CREDIT EUROPE BANK	2.75% + 3M ROBOR	16.12.2024	1,466,667	2,360,144
BICO INDUSTRIES	CREDIT EUROPE BANK	2.25% + 3M ROBOR	15.09.2026	309,555	293,543
BICO INDUSTRIES	FIRST BANK	2.65% + 3M EURIBOR	02.11.2028	1,277,440	1,277,440
BICO INDUSTRIES	BRD	2% + 3M ROBOR	18.10.2024	3,412,908	3,002,271
BICO INDUSTRIES	MIHAI BIRLIBA	3.5% + 1M EURIBOR	31.10.2024	1,988,349	2,984,760
TERRA IMPEX	VICTORIA BANK	6.25%	08.02.2030	263,358	438,929
TERRA IMPEX	MOLDOVA-AGROINDBANK	6.93%	20.11.2024	988,452	2,175,890
TERRA IMPEX	MOLDOVA-AGROINDBANK	6.68%	19.09.2025	988,452	1,706,288
TERRA IMPEX	MOLDOVA-AGROINDBANK	6.68%	20.12.2025	1,479,151	-
EUROPLAS	MOLDOVA-AGROINDBANK	6.00%	20.01.2026	424,717	-
ECO EURO DOORS	RAIFFEISEN BANK	2.2% + 3M EURIBOR	31.07.2029	5,096,153	6,807,800
ECO EURO DOORS	RAIFFEISEN BANK	1.9% + 3M EURIBOR	31.07.2025	2,512,596	-
ECO EURO DOORS	RAIFFEISEN BANK	2.2% + 1M ROBOR	31.07.2028	653,308	-
DIAL	BANCA TRANSILVANIA	3% + 3M EURIBOR	20.09.2030	3,330,590	3,432,474
DIAL	BANCA TRANSILVANIA	2.75% + 3M EURIBOR	20.09.2030	1,385,339	1,259,145
ROCA INDUSTRY HOLDINGROCK1	ROCA INVESTMENTS	3% + 1M EURIBOR	14.12.2024	8,296,826	-
ROCA INDUSTRY HOLDINGROCK1	ROCA INVESTMENTS	3% + 1M EURIBOR	03.04.2025	4,977,100	4,974,600
ROCA INDUSTRY HOLDINGROCK1	ROCA INVESTMENTS	3.2% + 1M EURIBOR	30.08.2024	5,972,520	5,969,520
ROCA INDUSTRY HOLDINGROCK1	ROCA INVESTMENTS	3.2% + 1M EURIBOR	31.07.2025	1,000,000	1,000,000
ELECTROPLAST	CEC BANK	1.35% + 1M ROBOR	12.07.2025	35,663,620	32,061,420
ELECTROPLAST	CEC BANK	3.0% + 3M EURIBOR	12.07.2025	194,690	1,362,145
ELECTROPLAST	CEC BANK	3.0% + 3M EURIBOR	12.07.2028	798,405	755,604
ELECTROPLAST	CEC BANK	3.0% + 6M EURIBOR	13.09.2030	670,663	523,858
ELECTROPLAST	BRD	3.0% + 3M EURIBOR	28.11.2028	1,981,879	-
ELECTROPLAST	HP	11%	01.04.2026	116,811	133,070
WORKSHOP DOORS	CEC BANK	2.10% + 3M ROBOR	16.06.2029	206,730	-



**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

Subsidiary	Counterparty	Interest rate	Maturity	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
WORKSHOP DOORS	OTP BANK	3.5% + 3M ROBOR	11.03.2025	99,326	-
WORKSHOP DOORS	OTP BANK	3.5% + 3M ROBOR	30.06.2027	199,080	-
WORKSHOP DOORS	LIBRA BANK	3.6% + 3M ROBOR	15.03.2027	1,726,506	-
WORKSHOP DOORS	LIBRA BANK	3.6% + 3M ROBOR	15.03.2027	1,210,782	-
WORKSHOP DOORS	CEC BANK	8.15% + 3M ROBOR	17.01.2026	481,741	-
WORKSHOP DOORS	OTP BANK	3.4% + 3M ROBOR	20.12.2024	700,000	-
WORKSHOP DOORS	OTP BANK	2.5% + 3M ROBOR	07.02.2025	717,313	-
<b>Total</b>				<b>128,412,429</b>	<b>109,550,643</b>

**BORROWINGS NON – CURRENT**

Subsidiary	Counterparty	Interest rate	Maturity	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
EVOLOR	BANCA TRANSILVANIA	2.75% + 3M EURIBOR	26.05.2029	41,408,711	36,988,512
EVOLOR	BANCA TRANSILVANIA	2% + 3M ROBOR	26.05.2029	7,806,835	7,054,637
BICO INDUSTRIES	BANCA TRANSILVANIA	2% + 6M ROBOR	10.08.2026	588,000	840,000
BICO INDUSTRIES	BANCA TRANSILVANIA	2% + 3M ROBOR	10.08.2027	771,613	949,677
BICO INDUSTRIES	UNICREDIT BANK	1.8% + 3M ROBOR	26.10.2027	1,057,227	1,283,774
BICO INDUSTRIES	CREDIT EUROPE BANK	2.25% + 3M ROBOR	15.09.2026	428,428	589,966
BICO INDUSTRIES	FIRST BANK	2,65% + 3M EURIBOR	02.11.2028	4,350,001	4,983,923
TERRA IMPEX	VICTORIA BANK	6.25%	08.02.2030	2,702,290	4,438,936
TERRA IMPEX	MOLDOVA-AGROINDBANK	6.66%	19.09.2025	2,060,022	-
TERRA IMPEX	MOLDOVA-AGROINDBANK	6.94%	20.12.2025	1,963,964	-
ECO EURO DOORS	RAIFFEISEN BANK	2.2% + 3M EURIBOR	17.05.2029	45,172,445	46,850,076
ECO EURO DOORS	RAIFFEISEN BANK	2.3% + 1M ROBOR	31.07.2028	1,867,090	2,552,437
DIAL	BANCA TRANSILVANIA	3% + 3M EURIBOR	20.09.2030	27,788,196	30,034,148
DIAL	BANCA TRANSILVANIA	2.75% + 3M EURIBOR	20.09.2030	7,636,549	7,730,860
ELECTROPLAST	CEC BANK	2,75% + 3M ROBOR	12.07.2025	10,284,979	8,186,711
ELECTROPLAST	CEC BANK	3.0% + 3M EURIBOR	12.07.2028	2,460,900	2,859,513
ELECTROPLAST	CEC BANK	3,0% + 6M EURIBOR	13.09.2030	3,520,979	3,094,929
ELECTROPLAST	HP	11%	01.04.2026	22,937	160,962
EUROPLAS	MOLDOVA-AGROINDBANK	6%	20.01.2026	270,426	-
EUROPLAS	MOLDOVA-AGROINDBANK	6%	20.01.2026	264,342	-
WORKSHOP DOORS	CEC BANK	2.10% + 3M ROBOR	16.06.2029	1,047,220	-
WORKSHOP DOORS	OTP BANK	3.5% + 3M EURIBOR	30.06.2027	393,082	-
WORKSHOP DOORS	LIBRA BANK	3.6% + 3M ROBOR	15.03.2027	3,686,082	-
WORKSHOP DOORS	LIBRA BANK	3.6% + 3M ROBOR	15.03.2027	2,585,024	-
<b>Total</b>				<b>170,137,342</b>	<b>158,599,061</b>

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

Set out below, is an overview of financial assets and financial liabilities held by the Group as at 30 June 2024 and 31 December 2023:

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
<b>Assets</b>		
Non-current financial assets	38,733	34,800
Cash and cash equivalents	38,700,403	38,501,727
Trade receivables	134,300,297	75,517,971
Other current financial assets	5,280,986	4,157,089
	<b>178,320,419</b>	<b>118,211,587</b>
	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
<b>Liabilities</b>		
Borrowings	298,549,771	268,149,704
Liabilities from acquisition of subsidiaries	7,500,301	68,758,901
Lease liabilities	10,494,841	11,479,962
Trade and other payables	122,662,886	67,633,366
	<b>439,207,799</b>	<b>416,021,933</b>

**Contingent consideration**

As part of the purchase agreement with the previous owners of Workshop Doors SRL, (see Note 7), a portion of the consideration was determined to be contingent, based on the performance of the acquired entity.

As at the acquisition date, the fair value of the contingent consideration was estimated to be nil. As at 30 June 2024, the assessment of the achievement of the key performance indicators of Workshop Doors SRL are still under evaluation.

**Risk management activities**

The Parent's Board of Directors has overall responsibility for establishing and overseeing the risk management framework at each Group company level. The Group's risk management policies are defined in such a way as to ensure the identification and analysis of the risks faced by the Group, the establishment of appropriate limits and controls, and the monitoring of risks and compliance with established limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Group's activities.

The board continued to review during the period specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

*Fair values*

All financial assets and liabilities are measured at amortized cost.

Due to the short-term nature, the carrying amount of cash and cash equivalents, trade receivables and other receivables as well as commercial and other liabilities, is close to their fair value.

The company's management estimated that the carrying amount of the borrowing is close to the fair value, as 90% of the bank loans were obtained at a variable interest rate.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

**20. RELATED PARTIES**

Parent entity:

The Group is controlled by:

Name	Type	Place of incorporation	Ownership interest	
			30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
Roca Investments SA	Immediate parent entity	Romania	66%	61%

Key management personnel compensation:

	Six month period ended	
	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
Short-term employee benefits	6,783,259	4,444,962

No other types of compensation are granted to key management personnel.

Loans from related parties:

<i>Loans from parent entity</i>	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
	<b>Beginning of the year</b>	<b>11,944,120</b>
Loans received	8,289,658	11,879,980
Loan repayments	-	(4,938,200)
Foreign exchange impact	12,668	54,940
<b>End of period</b>	<b>20,246,446</b>	<b>11,944,120</b>

*Loans from other related parties*  
*(Mihai Birliba – former majority shareholder of Bico)*

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
<b>Beginning of the year</b>	<b>2,984,760</b>	<b>4,947,400</b>
Loans received	-	5,824,060
Repayments of loans	(997,590)	(7,786,700)
Foreign exchange impact	1,179	-
<b>End of period</b>	<b>1,988,349</b>	<b>2,984,760</b>

*Interest payable*

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
<b>Beginning of the year</b>	<b>740,471</b>	<b>171,397</b>
Interest expense	660,559	566,914
Foreign exchange impact	658	2,160
Interest paid	-	-
<b>End of period</b>	<b>1,401,688</b>	<b>740,471</b>

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

---

**20 RELATED PARTIES (continued)**

***Other balances with related parties***

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
BP Support Services - CFO services subsidiary	31,567	25,523

***Other transactions with related parties***

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
BP Support Services - CFO services subsidiary	156,733	-

**21. COMMITMENTS AND CONTINGENCIES**

*Commitments*

Most of the commitments are at the level of Roca Industry subsidiaries:

- Dial, EED and Evolor to comply with financial covenants such as leverage and DSCR;
- On 31.12.2023, Dial and EED obtained bank exemptions for failing to meet banking indicators.

As at 31 December 2023, Roca Industry has issued a corporate guarantee to First Bank for the loan granted to its subsidiary, Bico Industries, in the amount of RON 1,280,000.

*Litigations*

The management of the Group considers that the litigations in which the Group companies are involved will not have a significant impact on the operations and the financial position of the Group.

*Contingencies*

For the subsidies received, the Group entities were obliged to keep the fixed assets for a average period of 3 years, which was respected for all the fixed assets purchased.

*Environmental related matters*

The Group has not recorded any liabilities as at 30 June 2024 and 31 December 2023 for any anticipated costs, including legal fees and consulting fees or costs for design and implementation of remediation plans, related to environmental matters.

The management of the Group does not consider that there are significant costs associated with environmental matters related to its business activities.

**22. EVENTS AFTER THE REPORTING PERIOD**

At the date of signing these condensed consolidated financial statements, the Company has not identified any events after 30 June 2024 that could have a material impact and are of a nature to be disclosed.

These condensed consolidated financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
 Function: **CEO**

Surname and given name(s): **Valentin Albu**  
 Function: **CFO**

Signature \_\_\_\_\_

Signature \_\_\_\_\_

**ROCA INDUSTRY HOLDINGROCK1 S.A.**

**CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS  
AS AT AND FOR THE SIX MONTH PERIOD ENDED  
30 JUNE 2024**

**PREPARED IN ACCORDANCE WITH THE  
INTERNATIONAL ACCOUNTING STANDARD 34 – “INTERIM FINANCIAL REPORTING”,  
*as adopted by the European Union***

**CONTENTS:**

**PAGE:**

CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3
CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION	4
CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY	5
CONDENSED SEPARATE STATEMENT OF CASH FLOWS	6
NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS	7 – 18

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**CONDENSED SEPARATE STATEMENT OF OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed as 'RON' unless otherwise specified)*

	Note	Six month period ended	
		30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
<b>Continuing operations</b>			
Other operating income		543	543
Depreciation and amortization		(83,115)	(133,060)
Employee benefit expenses	4	(1,557,831)	(1,320,354)
Advertising costs		(311,644)	(208,855)
Other operating expenses	5	(1,812,991)	(1,216,683)
Other gains/(losses) – net		-	1,974
<b>Operating loss</b>		<b>(3,765,038)</b>	<b>(2,876,435)</b>
Finance income	6	2,512,287	3,824,840
Finance costs	6	(902,899)	(227,878)
<b>Net finance result</b>		<b>1,609,388</b>	<b>3,596,962</b>
<b>(Loss/Profit before income tax)</b>		<b>(2,155,650)</b>	<b>720,527</b>
Income tax expense	7	(99)	(103,410)
<b>Result for the period from continuing operations</b>		<b>(2,155,749)</b>	<b>617,117</b>
<b>Other comprehensive income for the period, net of tax</b>		-	-
<b>Total comprehensive income for the period</b>		<b>(2,155,749)</b>	<b>617,117</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share (RON)		<b>(0.09)</b>	<b>0.03</b>

These condensed separate interim financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Signature \_\_\_\_\_

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

*(all amounts are expressed in 'RON', unless otherwise stated)*

	Note	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Other intangible assets		5,110	6,394
Property, plant and equipment		20,898	22,020
Right-of-use assets	13	316,955	392,399
Investments in subsidiaries	8	181,292,631	151,292,631
Other non-current financial assets	9	9,463,059	-
Deferred tax assets		670	769
<b>Total non-current assets</b>		<b>191,099,323</b>	<b>151,714,213</b>
<b>Current assets</b>			
Other current financial assets	9	73,923,646	86,440,767
Prepayments		63,671	71,185
Cash and cash equivalents	10	2,602,794	620,198
<b>Total current assets</b>		<b>76,590,111</b>	<b>87,132,150</b>
<b>Total assets</b>		<b>267,689,434</b>	<b>238,846,363</b>
<b>EQUITY and LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	11	248,672,220	176,945,730
Share premium		44	38
Retained earnings		(10,967,308)	(8,608,064)
<b>Total equity attributable to owners of the Company</b>		<b>237,704,956</b>	<b>168,337,704</b>
<b>Total equity</b>		<b>237,704,956</b>	<b>168,337,704</b>
<b>Non-current liabilities</b>			
Lease liability	13	164,993	243,602
Government grants		858	1,402
<b>Total non-current liabilities</b>		<b>165,851</b>	<b>245,004</b>
<b>Current liabilities</b>			
Trade and other payables	14	9,249,989	57,958,008
Current tax liabilities		(120,337)	(120,337)
Lease liability	13	156,150	153,606
Borrowings	12	20,246,446	11,944,120
Employee benefits - current		286,379	328,258
<b>Total current liabilities</b>		<b>29,818,627</b>	<b>70,263,655</b>
<b>Total liabilities</b>		<b>29,984,478</b>	<b>70,508,659</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>267,689,434</b>	<b>238,846,363</b>

These condensed separate interim financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Signature \_\_\_\_\_

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_



**ROCA INDUSTRY HOLDINGROCK1 SA**  
**CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

	Note	Attributable to owners of the Company			Total equity
		Share capital	Share premium	Retained earnings	
<b>Balance at 31 December 2023</b> <i>(audited)</i>		<b>176,945,730</b>	<b>38</b>	<b>(8,608,064)</b>	<b>168,337,704</b>
Loss for the period		-	-	(2,155,749)	(2,155,749)
<b>Total comprehensive income for the period</b>		-	-	<b>(2,155,749)</b>	<b>(2,155,749)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Share capital increase	11	71,726,490	6	-	71,726,496
Transaction costs on issuance of shares		-	-	(203,495)	(203,495)
<b>Balance at 30 June 2024</b> <i>(unaudited and not reviewed)</i>		<b>248,672,220</b>	<b>44</b>	<b>(10,967,308)</b>	<b>237,704,956</b>
<b>Attributable to owners of the Company</b>					
		Share capital	Share premium	Retained earnings	Total equity
<b>Balance at 31 December 2022</b> <i>(unaudited)</i>		<b>176,945,730</b>	<b>38</b>	<b>(11,689,077)</b>	<b>165,256,691</b>
Profit for the period		-	-	617,115	617,115
<b>Total comprehensive income for the period</b>		-	-	<b>617,115</b>	<b>617,115</b>
<b>Transactions with owners in their capacity as owners:</b>					
Share capital increase		-	-	-	-
Transaction costs on issuance of shares		-	-	-	-
<b>Balance at 30 June 2023</b> <i>(unaudited and not reviewed)</i>		<b>176,945,730</b>	<b>38</b>	<b>(11,071,962)</b>	<b>165,873,806</b>

These condensed separate interim financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Signature \_\_\_\_\_

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**CONDENSED SEPARATE STATEMENT OF CASH FLOWS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

	Note	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
<b>Profit/(Loss) before tax</b>		<b>(2,155,650)</b>	<b>720,525</b>
Adjustments for:			
Depreciation and amortisation expenses		83,115	133,060
Dividends income	6	-	(1,500,000)
Amortisation of government grants		(544)	(544)
Loss from disposal of property, plant and equipment		-	2,525
Interest income	6	(2,508,103)	(2,232,398)
Interest expense	6	900,751	225,906
Net foreign exchange differences		(17,094)	(93,933)
Change in operating assets and liabilities, net of effects from purchase of controlled entity:			
Decrease in other receivables		642,085	16,698
Decrease in trade and other payables		(773,715)	(1,207,584)
Decrease/(Increase) in prepayments		7,514	(155,789)
<b>Cash flows from operating activities</b>		<b>(3,821,641)</b>	<b>(4,091,532)</b>
Interest paid		(23,870)	-
Dividends cashed		134,383	4,542,636
Income taxes paid		-	(116,053)
<b>Net cash (used in)/ from operating activities</b>		<b>(3,711,128)</b>	<b>335,051</b>
<b>Cash flows from investing activities</b>			
Payments for acquisition of subsidiaries		(22,433,974)	-
Payments for acquisition of property, plant and equipment		(5,265)	(5,182)
Proceeds from sale of property, plant and equipment		-	237
Interest received		1,819,848	465,336
<b>Net cash (used in)/from investing activities</b>		<b>(20,619,391)</b>	<b>460,391</b>
<b>Cash flows from financing activities</b>			
Proceeds from loans granted to subsidiaries		6,473,920	9,884,750
Loans granted to subsidiaries		(3,478,309)	(5,936,280)
Loans taken from parent company		8,289,658	4,949,100
Proceeds from shares issued		15,313,720	-
Repayments of lease liabilities		(82,379)	(138,663)
Transaction costs related to shares issuance		(203,495)	-
<b>Net cash from financing activities</b>		<b>26,313,115</b>	<b>8,758,907</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,982,596</b>	<b>9,554,349</b>
Cash and cash equivalents at the beginning of the year	10	620,198	2,034,347
Effects of exchange rate changes on cash and cash equivalents		-	-
<b>Cash and cash equivalents at end of period</b>	10	<b>2,602,794</b>	<b>11,588,696</b>

These condensed separate interim financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_

Signature \_\_\_\_\_

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

---

**1. GENERAL INFORMATION**

Roca Industry Holdingrock1 SA (the "Company", the "Parent-Company" or "Roca Industry") is a Romanian company, established in September 2021, the registered office being at 4 Gara Herastrau Street, building A, floor 3, District 2, Bucharest. The Company is registered with the Trade Register under number J40 / 16918/2021 and has Tax Registration Number (CUI) 44987869.

Roca Industry operates and implements its business strategy through its subsidiaries (together referred to as the "Group"). Information on the Company's subsidiaries is provided in *Note 8 Investment in subsidiaries*.

The Company's subsidiaries activate in the field of construction materials, i.e. in the production of fiberglass and fiberglass reinforcement, the production of varnishes, paints, and decorative plasters, the production of doors for residential buildings, the production of edged panels and fencing mesh and the production of electric cables.

As of June 30th, 2024, the Company prepared condensed separate interim financial statements which are available on the Company's website: [www.rocaindustry.ro](http://www.rocaindustry.ro).

**2. SIGNIFICANT ACCOUNTING POLICIES**

*2.1 Basis for preparation*

These condensed separate interim financial statements ("*interim financial statements*") have been prepared in accordance with the OMFP 2844 /2016 and IAS 34 *Interim Financial Reporting*, as adopted by the European Union.

The condensed separate interim financial statements do not include all the information and disclosures required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union ("IFRS-EU") and these should be read together with the Company's annual separate financial statements as at 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual separate financial statements as at and for the year ended 31 December 2023.

The annual separate financial statements as at and for the year ended 31 December 2023 have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016 for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards ("OMFP no. 2844/2016"). In acceptance of OMFP no. 2844/2016, International Financial Reporting Standards are standards adopted under the procedure provided by the European Commission Regulation no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 regarding the application of the International Accounting Standards.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern. The Company's management considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

These condensed separate interim financial statements have been prepared for submission to the Bucharest Stock Exchange. These condensed separate interim financial statements were authorized for issue by the Board of Directors on 19 August 2024.

The accounting policies adopted in the preparation of the condensed separate interim financial statements are consistent with those followed in the preparation of the Company's annual separate financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the separate interim financial statements of the Company.

These condensed separate interim financial statements are presented in RON.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

---

## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### *2.2 New and amended standards adopted by the Company*

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### ➤ *Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7*

In May 2023, the IASB issued amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on a Company's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that a Company is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Company's condensed separate interim financial statements.

#### ➤ *Amendments to IFRS 16: Lease Liability in a Sale and Leaseback*

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Company's condensed separate interim financial statements.

#### *Amendments to IAS 1: Classification of Liabilities as Current or Non-current*

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that a Company will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby a Company must disclose when a liability arising from a loan agreement is classified as non-current and the Company's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no impact on the Company's interim condensed separate interim financial statements.

## **3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

In preparing these condensed separate interim financial statements, the Company's management has made some judgments and estimates about the future that affect the application of accounting policies, as well as the reported value of assets and liabilities, income and expenses. Actual results may differ from estimated values.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual separate financial statements.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

**4. EMPLOYEE BENEFITS EXPENSES**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
Wages and salaries	(1,522,176)	(1,290,553)
Social security contributions	(35,655)	(29,801)
	<b>(1,557,831)</b>	<b>(1,320,354)</b>

**5. OTHER OPERATING EXPENSES**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
Expenses with third parties services	(428,222)	(197,980)
Audit fees	(241,136)	(84,772)
Rent expenses	(224,220)	(141,978)
Human resources advisory	(161,218)	-
Marketing expenses	(159,242)	(150,576)
Services for the capital market	(136,764)	-
Consultancy fee	(106,558)	(308,583)
Legal expenses	(89,032)	-
Transportation costs	(63,452)	(22,022)
Evaluation fee	(56,259)	(14,721)
ESG expenses	(32,514)	(193,895)
Expense with energy and water	(20,264)	(13,071)
Management fee	(10,492)	-
Repairs and maintenance costs	(2,887)	(500)
Insurance costs	(2,017)	(702)
Tax expenses	(779)	(6,330)
Other expenses	(77,935)	(81,553)
	<b>(1,812,991)</b>	<b>(1,216,683)</b>

**6. FINANCE INCOME AND FINANCE COSTS**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
<b>Finance costs</b>		
Interest on loans	(894,437)	(216,908)
Interest on lease liabilities	(6,314)	(8,998)
Bank commissions	(2,148)	(1,972)
	<b>(902,899)</b>	<b>(227,878)</b>
<b>Finance income</b>		
Interest income	2,508,103	2,232,398
Dividends income	-	1,500,000
Net foreign exchange gains	4,184	92,442
	<b>2,512,287</b>	<b>3,824,840</b>

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

**7. INCOME TAX**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
Current tax	-	(103,082)
Deferred tax	(99)	(328)
<b>Income tax benefit</b>	<b>(99)</b>	<b>(103,410)</b>

**8. INVESTMENT IN SUBSIDIARIES**

**Subsidiaries**

The company's subsidiaries are as follows:

Name of subsidiary	Principal activities	Place of incorporation	Ownership held by the Company as at	
			30 June 2024 <i>(unaudited and not reviewed)</i>	31.12.2023 <i>(audited)</i>
Evolor SRL	Varnishes, paints and decorative plasters	Romania	100%	100%
Electroplast SRL	Copper and aluminum electric cables	Romania	100%	100%
Bico Industries SA	Fiberglass and fiberglass reinforcement	Romania	60%	60%
Eco Euro Doors SRL	Doors for residential buildings	Romania	100%	100%
Workshop Doors SRL	Doors for residential buildings	Romania	70%*	-*
Doorsrock4 SRL	Holding company	Romania	-**	-**
Nativerock1 SRL	Holding company	Romania	-***	-***
Dial SRL	Edged panels and fencing mesh	Romania	100%	100%

\*On 8 February 2024, ROCA Industry completed the acquisition of 70% of the share capital of Workshop Doors S.R.L

\*\* On 20 July 2023, the merger between Eco Euro Doors SRL and Doorsrock4 SRL took place, through which the SPV - Doorsrock4 SRL was absorbed by Eco Euro Doors SRL

\*\*\* On 31 July 2023, the merger between Dial SRL and Nativerock1 SRL took place, through which the SPV - Nativerock1 SRL was absorbed by Dial SRL

The tables below provide summarised financial information about investments held in subsidiaries:

<b>As at 30 June 2024 (unaudited and not reviewed)</b>		<b>Carrying value of investment</b>		
Name of subsidiary	Gross value	Value adjustments	Net value	
Evolor SRL	100	-	100	
Electroplast SRL	45,750,989	-	45,750,989	
Bico Industries SA	71,022,300	(8,720,542)	62,301,758	
Eco Euro Doors SRL	36,239,684	-	36,239,684	
Dial SRL	7,000,100	-	7,000,100	
Workshop Doors SRL	30,000,000	-	30,000,000	
<b>Total</b>	<b>190,013,173</b>	<b>(8,720,542)</b>	<b>181,292,631</b>	

<b>As at 31 December 2023 (audited)</b>		<b>Carrying value of investment</b>		
Name of subsidiary	Gross value	Value adjustments	Net value	
Evolor SRL	100	-	100	
Electroplast SRL	45,750,989	-	45,750,989	
Bico Industries SA	71,022,300	(8,720,542)	62,301,758	
Eco Euro Doors SRL	36,239,684	-	36,239,684	
Dial SRL	7,000,100	-	7,000,100	
<b>Total</b>	<b>160,013,173</b>	<b>(8,720,542)</b>	<b>151,292,631</b>	

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

**8. INVESTMENT IN SUBSIDIARIES (continued)**

At the end of each financial year, the Company's management assesses the recoverable amount of its investments. Thus, as at 31 December 2022, the Company decided to take a conservative approach to the value of its investment held in Bico Industries and considering a list of internal and external indicators recorded an impairment in amount of RON 12.4 million.

As at 31 December 2023, the Company's management reassessed the recoverability of the net book value of its investments and decided based on the valuation report issued by an independent valuer authorized by ANEVAR ("*National Association of Romanian Valuers*"), to reverse a part in amount of RON 3.7 million from the impairment recorded as at 31 December 2022 for the investment held in Bico Industries.

For the period ended 30 Jun 2024, the Company has not reassessed the recoverability of the net book value of its investments. The reassessment will be done as of 31 December 2024.

*Significant favorable changes in the estimate of recoverable amount*

In 2023 the structure of this segment changes – BICO purchased two new subsidiaries – Iranga and Europlas Lux in 2023; these entities were acquired to consolidate the Group, but also to create new lines of revenues and further synergies at BICO Group level. The main significant change in the assumptions used to determine recoverable amount for Bico segment is due to increase in EBITDA estimated for the next 5 years and long term growth rate that increased from 2% in 2022 to 2.6% in 2023. Bico revenues are estimated to increase due to new acquisitions in 2023. EBITDA margin improved compared to prior year impairment test (range for 2022 was between 14% and 17% while EBITDA margin range estimated up to 2028 in 2023 is between 11% and 19%. EBITDA margin has improved due to synergies obtained from acquisition of Terra and Iranga. WACC used in 2023 remained almost constant in 2023 (14.0% in 2022 vs 14.37% in 2023).

At the level of the other shareholdings held by the Company there were no indications of impairment.

The Company performed an impairment test for investments in subsidiaries as at 31 December 2023, according to *IAS 36 Impairment of assets*. No impairment adjustments were identified as a result of this analysis therefore no impairment adjustment was booked.

**Parent company**

The immediate and ultimate holding company of the Company is Roca Investments SA which owns 66% as at June 30, 2024 (2023: 61%) of its ordinary shares is based in Romania.

**9. OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS**

**Other current financial assets**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Loans granted to related parties	63,614,391	76,045,741
Interest receivables on loans to related parties	8,775,596	8,084,899
Dividends receivables	1,500,000	1,634,383
Other receivables from related parties	30,269	642,217
Advances paid for acquisitions of raw materials	286	30,294
Other receivables	3,104	3,233
	<b>73,923,646</b>	<b>86,440,767</b>

**Other non-current financial assets**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Loans granted to related parties	8,470,230	-
Interest receivables on loans to related parties	992,829	-
	<b>9,463,059</b>	-

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

**9. OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS (continued)**

*Other current financial assets*

Subsidiary	Type of loan	Interest rate	Maturity	30-Jun-24 <i>(unaudited and not reviewed)</i>		31-Dec-23 <i>(audited)</i>	
				Loan	Interest Payable	Loan	Interest payable
Evolor	Related party loan	6%	25/11/2024	24,000,000	3,796,000	24,000,000	3,068,000
Evolor	Related party loan	1M ROBOR + 2,5%	18/11/2024	5,099,691	723,400	5,099,691	503,780
Bico	Related party loan	1M EURIBOR + 3.5%	03/04/2024	-	-	4,477,140	28,410
Bico	Related party loan	1M EURIBOR + 3.2%	31/07/2024	497,710	32,784	-	-
Eco Euro Doors	Related party loan	6%	16/05/2026	-	-	6,466,980	644,542
Eco Euro Doors	Related party loan	1M EURIBOR + 3%	16/12/2024	1,741,985	172,426	1,741,110	112,259
Eco Euro Doors	Related party loan	1M ROBOR + 2%	27/07/2024	-	-	2,000,000	70,601
Dial	Related party loan	6%	19/09/2024	17,010,337	2,352,601	17,001,793	1,835,622
Dial	Related party loan	1M EURIBOR + 3.3%	29/08/2024	5,972,520	360,323	5,969,520	145,098
Electroplast	Related party loan	7%	31/12/2024	2,986,260	432,324	2,984,760	961,225
Electroplast	Related party loan	6%	31/12/2024	1,275,148	394,487	1,274,507	39,085
Electroplast	Related party loan	1M ROBOR + 3%	31/12/2024	995,420	270,808	994,920	46,275
Electroplast	Related party loan	7%	31/12/2024	678,440	82,397	678,440	483,323
Electroplast	Related party loan	1M ROBOR + 3.5%	30/08/2024	2,000,000	339	2,000,000	98,133
Electroplast	Related party loan	7%	31/12/2024	1,356,880	157,707	1,356,880	48,546
<b>Total</b>				<b>63,614,391</b>	<b>8,775,596</b>	<b>76,045,741</b>	<b>8,084,899</b>

*Other non-current financial assets*

Subsidiary	Type of loan	Interest rate	Maturity	30-Jun-24 <i>(unaudited and not reviewed)</i>		31-Dec-23 <i>(audited)</i>	
				Loan	Interest Payable	Loan	Interest payable
Eco Euro Doors	Related party loan	6%	16/05/2026	6,470,230	841,153	-	-
Eco Euro Doors	Related party loan	1M EURIBOR + 2%	27/07/2026	2,000,000	151,676	-	-
<b>Total</b>				<b>8,470,230</b>	<b>992,829</b>	<b>-</b>	<b>-</b>



**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

**10. CASH AND CASH EQUIVALENTS**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Cash at bank and in hand	2,602,794	120,198
Deposits at call	-	500,000
	<b>2,602,794</b>	<b>620,198</b>

**11. SHARE CAPITAL**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>		<b>31 December 2023</b> <i>(audited)</i>	
	<b>No.</b>	<b>RON</b>	<b>No.</b>	<b>RON</b>
Share capital				
Authorised ordinary shares	24,867,222	248,672,220	17,694,573	176,945,730

The paid-in subscribed capital consists of: RON 121.3 million (31 December 2023: RON 105.9 million), representing the paid-up subscribed capital, RON 71 million (31 December 2023: RON 71 million), representing the contribution in-kind of 60% of the shares of Bico Industries SA, and RON 56,4 million (31 December 2023: nil), representing the contribution in-kind of 99.999975% of the shares of Electroplast SRL.

	<b>Balance as at 30 June 2024 (unaudited and not reviewed)</b>		
<b>Shareholders' structure:</b>	<b>No of shares</b>	<b>Amount in RON</b>	<b>% in total</b>
Roca Investments	16,398,834	163,988,340	66%
Other	8,468,388	84,683,880	34%
<b>Total</b>	<b>24,867,222</b>	<b>248,672,220</b>	<b>100%</b>

	<b>Balance as at 31 December 2023 (audited)</b>		
<b>Shareholders' structure:</b>	<b>No of shares</b>	<b>Amount in RON</b>	<b>% in total</b>
Roca Investments	10,757,557	107,575,570	61%
Other	6,937,016	69,370,160	39%
<b>Total</b>	<b>17,694,573</b>	<b>176,945,730</b>	<b>100%</b>

**12. BORROWINGS**

	<b>Balance as at 30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>Balance as at 31 December 2023</b> <i>(audited)</i>
Unsecured borrowing at amortised cost	-	-
Loans from related parties	20,246,446	11,944,120
	<b>20,246,446</b>	<b>11,944,120</b>
Analysed as follows:		
Non-current	-	-
Current	20,246,446	11,944,120

The company has no bank loans, only the above loans from the main shareholder. These loans are not guaranteed.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

**12. BORROWINGS (continued)**

Counterparty	Interest rate	Maturity	Balance as at	
			30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
ROCA Investments SA	1M EURIBOR + 3%	3-Apr-25	4,977,100	4,974,600
ROCA Investments SA	1M EURIBOR + 3.2%	30-Aug-24	5,972,520	5,969,520
ROCA Investments SA	1M EURIBOR + 3.2%	31-Jul-24	1,000,000	1,000,000
ROCA Investments SA	1M EURIBOR + 3%	12-Jul-24	8,296,826	-
<b>Total</b>			<b>20,246,446</b>	<b>11,944,120</b>

**13. LEASES**

*Amounts recognised in the statement of financial position*

**Right-of-use assets**

	Rights of use: Buildings	Rights of use: Vehicles	Total
<b>Cost</b>			
<b>At 31 December 2022 (unaudited)</b>	<b>37,899</b>	<b>1,109,895</b>	<b>1,147,794</b>
Additions	-	84,987	84,987
Disposals	(37,899)	(578,752)	(616,651)
<b>At 31 December 2023 (audited)</b>	-	<b>616,130</b>	<b>616,130</b>
Additions	-	-	-
Disposals	-	-	-
<b>At 30 June 2024 (unaudited and not reviewed)</b>	-	<b>616,130</b>	<b>616,130</b>
<b>Accumulated depreciation</b>			
<b>At 31 December 2022 (unaudited)</b>	<b>(17,492)</b>	<b>(228,814)</b>	<b>(246,306)</b>
Charge for the year	(20,407)	(182,099)	(202,506)
Eliminated on disposals	37,899	187,182	225,081
<b>At 31 December 2023 (audited)</b>	-	<b>(223,731)</b>	<b>(223,731)</b>
Charge for the period	-	(75,444)	(75,444)
Eliminated on disposals	-	-	-
<b>At 30 June 2024 (unaudited and not reviewed)</b>	-	<b>(299,175)</b>	<b>(299,175)</b>
<b>Net Carrying amount</b>			
<b>At 30 June 2024 (unaudited and not reviewed)</b>	-	<b>316,955</b>	<b>316,955</b>
<b>At 31 December 2023 (audited)</b>	-	<b>392,399</b>	<b>392,399</b>

*The average lease term is 2 years (2023: 2 years).*

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

**13. LEASES (continued)**

**Lease liabilities**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
<b>Maturity analysis:</b>		
<b>Present value of lease liabilities</b>	<b>335,295</b>	<b>417,668</b>
<i>Out of which:</i>		
not later than 3 months	41,291	41,271
later than 3 months and not later than 1 year	123,874	123,812
later than 1 year and not later than 5 years	170,129	252,585
later than 5 years	-	-
<b>Less: unearned interest</b>	<b>(14,152)</b>	<b>(20,460)</b>
<b>Total</b>	<b>321,143</b>	<b>397,208</b>
<i>Analysed as follows:</i>		
Current	156,150	153,606
Non-current	164,993	243,602

**Amounts recognised in profit and loss**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>30 June 2023</b> <i>(unaudited and not reviewed)</i>
Depreciation expense on right-of-use assets	(75,444)	(127,615)
Interest expense on lease liabilities	(6,314)	(8,998)
Expense relating to variable lease payments	(168,338)	(105,175)
Expense relating to short-term and low value leases	(55,882)	(36,803)

**14. TRADE AND OTHER PAYABLES**

	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Interest payable to related parties	1,401,688	740,471
Marketing and communication advisory fees	35,011	130,341
Investor relations advisory fees	18,365	17,736
Other taxes to state budget	17,043	27,465
Human resources advisory fees	1,091	84,012
Payables to shareholders	-	56,426,796
Legal consultancy fee	-	182,979
Sustainability advisory fees	-	5,281
Other payables	7,776,791	342,927
	<b>9,249,989</b>	<b>57,958,008</b>

The amounts payable to shareholders, outstanding at December 31, 2023, represent mainly the liabilities generated on June 22, 2023, following the closing of the acquisition by the Company of a number of 3,995,999 shares, having a nominal value of RON 1 each and a total nominal value of RON 3,995,999 held by Societatea de Investiții Alternative cu Capital Privat Roca Investments S.A. ("Roca Investments") and representing 99.99997% of the share capital of Electroplast, for a price equal to RON 45,8 million, established on the basis of an evaluation report prepared by an independent ANEVAR authorized evaluator. At the same time, the Company took over the receivables held by Roca Investments against Electroplast, amounting to RON 10.6 million.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

In January 2024, the Board of Directors approved the capital increase of Roca Industry, in which the receivables totaling RON 56,412,775.6 held by Roca Investments against the Company were converted into 5,641,277 new shares.

**15. RELATED PARTIES**

**Parent Company:**

The company is controlled by:

Name	Type	Place of incorporation	Ownership interest	
			30.06.2024 <i>(unaudited and not reviewed)</i>	31.12.2023 <i>(audited)</i>
Roca Investments SA	Immediate parent Company	Romania	66%	61%

**Subsidiaries:**

Interests in subsidiaries are set out in note 8.

**Key management personnel compensation:**

	30 June 2024 <i>(unaudited and not reviewed)</i>	30 June 2023 <i>(unaudited and not reviewed)</i>
Short-term employee benefits	(1,557,831)	(1,320,354)

No other types of compensation are granted to key management personnel.

**Loans to/from related parties**

*Loans from parent Company*

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
<b>Beginning of the year</b>	<b>11,944,120</b>	<b>4,947,400</b>
Loans received	8,289,658	11,879,980
Exchange rate gains	12,668	54,940
Loan repayments made	-	(4,938,200)
<b>End of period</b>	<b>20,246,446</b>	<b>11,944,120</b>

*Interest payable*

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
<b>Beginning of the year</b>	<b>740,471</b>	<b>171,397</b>
Interest charged	660,559	566,914
Exchange rate gains	658	2,160
Interest paid	-	-
<b>End of period</b>	<b>1,401,688</b>	<b>740,471</b>

*Loans to related parties*

	30 June 2024 <i>(unaudited and not reviewed)</i>	31 December 2023 <i>(audited)</i>
<b>Beginning of the year</b>	<b>76,045,741</b>	<b>72,518,360</b>
Payments made for loans granted	2,485,480	13,867,160
Payments received for loans granted	(6,473,920)	(12,917,200)
Payment for increase of share capital of subsidiary	-	(7,000,000)
Transfer of receivables	-	9,277,678
Exchange rate gains	27,320	299,743
<b>End of period</b>	<b>72,084,621</b>	<b>76,045,741</b>

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

**15. RELATED PARTIES (continued)**

<i>Interest Receivables</i>	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
<b>Beginning of the year</b>	<b>8,084,899</b>	<b>2,498,307</b>
Interest income	2,508,103	5,073,384
Interest received	(827,019)	(814,207)
Transfer of receivables	-	1,311,563
Exchange rate gains	2,442	15,852
<b>End of period</b>	<b>9,768,425</b>	<b>8,084,899</b>

*Other balances with related parties*

<i>Other balances with related parties</i>	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
Dividends receivables	1,500,000	1,634,383
Other receivables from related parties	30,269	642,217

**16. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

Set out below, is an overview of financial assets and financial liabilities held by the Company as at 30 June 2024 and 31 December 2023:

<b>Assets</b>	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
	<b>RON</b>	<b>RON</b>
Cash and cash equivalents	2,602,794	620,198
Other current financial assets	73,923,646	86,440,767
Other non-current financial assets	9,463,059	-
	<b>85,989,499</b>	<b>87,060,965</b>

<b>Liabilities</b>	<b>30 June 2024</b> <i>(unaudited and not reviewed)</i>	<b>31 December 2023</b> <i>(audited)</i>
	<b>RON</b>	<b>RON</b>
Borrowings	20,246,446	11,944,120
Lease liabilities	321,143	397,208
Trade and other payables	9,249,989	57,958,008
	<b>29,817,578</b>	<b>70,299,336</b>

**Contingent consideration**

As part of the purchase agreement with the previous owners of Workshop Doors SRL, a portion of the consideration was determined to be contingent, based on the performance of the acquired Company.

As at the acquisition date, the fair value of the contingent consideration was estimated to be nil. As at 30 June 2024, the assessment of the achievement of the key performance indicators of Workshop Doors SRL are still under evaluation.

**ROCA INDUSTRY HOLDINGROCK1 SA**  
**NOTES TO THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**  
**AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**  
*(all amounts are expressed in 'RON', unless otherwise stated)*

---

**16. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)**

**Risk management activities**

The Board of Directors has the overall responsibility for establishing and overseeing the risk management framework. The Company's risk management policies are defined in such a way as to ensure the identification and analysis of the risks faced by the Company, the establishment of appropriate limits and controls, and the monitoring of risks and compliance with established limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Company's activities.

The Board continued to review during the period specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

*Fair values*

All financial assets and liabilities are measured at amortized cost.

Due to the short-term nature, the carrying amount of cash and cash equivalents, trade receivables and other receivables as well as commercial and other liabilities, is close to their fair value.

**17. COMMITMENTS AND CONTINGENCIES**

*Guarantees*

As at 31 December 2023, Roca Industry has issued a corporate guarantee to First Bank for the loan granted to its subsidiary, Bico Industries, in the amount of RON 1,280,000.

*Litigations*

Roca Industry has no ongoing litigation.

*Commitments*

For the subsidies received, the Company was obliged to keep the fixed assets for an average period of 3 years, which was respected for all the fixed assets purchased.

*Environmental related matters*

The Company has not recorded any liabilities as at 30 June 2024 and 31 December 2023 for any anticipated costs, including legal fees and consulting fees or costs for design and implementation of remediation plans, related to environmental matters. The management of the Company does not consider that there are significant costs associated with environmental matters related to its business activities.

**18. EVENTS AFTER THE REPORTING PERIOD**

At the date of signing these condensed separate financial statements, the Company has not identified any events after 30 June 2024 that could have a material impact and are of a nature to be disclosed.

These condensed separate financial statements were approved and signed today, 19 August 2024.

**Approved,**

Surname and given name(s): **Ioan-Adrian Bindea**  
Function: **CEO**

Signature \_\_\_\_\_

Surname and given name(s): **Valentin Albu**  
Function: **CFO**

Signature \_\_\_\_\_