



compa
beyond expectations

**CONSOLIDATE INTERIM
FINANCIAL REPORT
Q3 - 2020**

UNAUDITED
INTERIM
FINANCIAL CONSOLIDATED REPORT

3rd QUARTER 2020

**Prepared in accordance with International Financial Reporting Standards
adopted by the European Union**

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COMPA S.A. Sibiu
The consolidate statement of financial position for 3rd Q 2020
(All amounts are expressed in RON, unless otherwise specified)

	Note	September 30, 2020	December 31, 2019
ASSETS			
FIXED ASSETS:			
Tangible assets	4.1	427.653.823	385.488.463
Real estate Investment	4.2	65.933.635	65.494.195
Intangible assets	5	8.462.360	7.432.457
Other receivables (grants and transactions related to joint operations)	6	1.224.822	72.572
Other receivables	7	121.233	121.233
Financial investments	20	1.768.450	1.768.450
Deferred tax asset	10	1.505.310	1.167.380
FIXED ASSETS - TOTAL		504.901.184	459.776.300
CURRENT ASSETS			
Inventories	8	86.244.618	105.426.190
Trade and other receivables	6	121.530.176	145.394.086
Other receivables (grants and settlement of ventures operations)	6	10.270.925	8.198.773
Cash and cash equivalents	9	2.653.198	8.961.682
CURRENT ASSETS - TOTAL		220.698.917	267.980.731
TOTAL ASSETS		725.600.101	727.757.031
EQUITY:			
Share capital	11	21.853.742	21.882.104
Own actions	11	-93.272	-64.910
Losses related to own shares	11	-192.542	-45.961
Reserves	11	364.396.104	364.176.438
Reserve adjustment	11	23.151.094	23.151.094
Retained earnings of which:	11	70.524.343	70.421.633
Retained earnings derived from the first-time adoption of IAS 29	11	-648.352	-648.352
Minority interests	11	174.434	192.048
TOTAL SHAREHOLDERS' EQUITY		479.842.265	479.712.446
LIABILITIES			
LONG TERM DEBT			
Financial debts	12	104.635.765	96.121.622
Deferred revenues (deferred income, grants)	13	29.785.962	34.435.001

COMPA S.A. Sibiu
The consolidate statement of financial position for 3rd Q 2020
(All amounts are expressed in RON, unless otherwise specified)

	Note	September 30, 2020	December 31, 2019
Other debts	13	0	0
Provisions	14	135.645	135.645
TOTAL LONG TERM DEBT		134.557.372	130.692.268
CURRENT LIABILITIES			
Financial debts	12	9.152.236	5.506.241
Financial liabilities	13	75.828.473	92.028.996
Liabilities from contracts with customers	13	15.765.322	12.706.337
Trade and other payables	13	2.299.921	1.217.334
Other liabilities	13	3.327	54.861
Deferred revenues (deferred income, grants)	13	7.954.458	5.391.134
TOTAL CURRENT LIABILITIES		111.003.736	116.904.903
TOTAL LIABILITIES		245.757.835	248.044.585
TOTAL EQUITY AND LIABILITIES		725.600.100	248.044.585

NOTE:

(*) Certain initial values are modified compared to the financial statements presented for 2019

The changes are explained in the notes 11, 13

CEO,

Ioan DEAC

CFO,

Ioan MICLEA

COMPA S.A. Sibiu
The consolidate statement of comprehensive income for 3rd Q 2020
(all amounts are expressed in RON, unless otherwise specified)

	Note	September 30, 2020	September 30, 2019
Revenues	15	372.855.008	591.768.502
Other revenues	15	8.327.904	10.088.231
TOTAL REVENUES		381.182.912	601.856.733
Changes in inventories of finished goods and work in progress	16	-6.581.259	4.139.738
Raw materials and consumables	16	-229.866.032	-385.563.703
Employee benefit expense	17	-82.650.619	-121.132.976
Depreciation and amortization expense	4.1; 4.2 5;16	-38.720.716	-34.688.954
Third parties services	16	-14.177.642	-23.804.930
Other expenses	16	-6.410.596	-8.084.887
TOTAL EXPENSES		-378.406.865	-569.135.712
Operating Results		2.776.047	32.721.021
Financial income	18	7.580	1.974
Financial expenses (expenditures)	18	-671.898	-642.553
Other financial returns / losses	18	-2.124.035	-1.645.455
Net financing costs		-2.788.353	-2.286.034
Profit before income tax		-12.307	30.434.987
(Expenses) / Income from deferred tax	10	119.042	-519.032
Expense with current tax	10	-20.858	-635.537
Net profit for the period		85.877	29.280.418
Attributable to non-controlling interests		-17.614	15.168
Attributable to the parent company		103.491	29.265.250
Other comprehensive income: of which, other comprehensive income will be reclassified subsequently not in profit or loss			
income tax relating to other comprehensive income	10	147.044	
Other incomes of global result, net of tax		147.044	120.798
Total global result of the year, of which:		232.921	29.401.216
Attributable to non-controlling interests	20	-17.614	15.168
Attributable to the parent company	20	322.379	29.446.447
Unbound basic result per share / diluted	19	0,0004	0,1338

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COMPAS A. Sibiu
Consolidated statement regarding the changes in equity capital for the 3rd Q 2020
(all amounts are expressed in RON, unless otherwise specified)

Equity capital item	Registered Capital	Capital adjust-ments	Losses related to own shares	Legal reserves	Legal reserves adjust-ments	Revaluation reserves	Other reserves	Adjust-ments Other reserves	Retained earnings	Totally attributable to the company's shareholders	Interest that do not control	Total
Balance at 01.01.2019	21,882,104	-64,910	-45,961	4,926,887	22,679,066	81,787,286	229,989,614	472,028	82,662,081	444,288,195	169,473	444,457,668
Net profit for the period									33,206,829	33,206,829		33,206,829
Other elements of the comprehensive income, of which:						2,103,844	-120,712	0		1,983,132		1,983,132
Transfer of reserves to result							-45,800				-45,800	-45,800
Revaluation of property, plant and equipment							2,149,644				2,149,644	2,149,644
Income tax related to other comprehensive income							-120,712	0			-120,712	-120,712
Transactions with shareholders recorded directly in equity, of which:			22,237	0	0	45,467,282		0	-12,240,448	33,249,071	22,575	33,271,646
Transfer of revaluation reserves									45,800	45,800		45,800
Profit distribution			22,237			45,467,282			-12,286,248	33,203,271	22,575	33,225,846
Balance at 31.12.2019	21,882,104	-64,910	-45,961	4,949,124	22,679,066	83,891,130	275,336,184	472,028	70,421,633	479,520,398	192,048	479,712,446

Equity capital item	Registered Capital	Capital adjust-ments	Losses related to own shares	Legal reserves	Legal reserves adjust-ments	Revaluation reserves	Other reserves	Adjust-ments Other reserves	Retained earnings	Totally attributable to the company's shareholders	Interest that do not control	Total
Balance at 01.01.2020	21,882,104	-64,910	-45,961	4,949,124	22,679,066	83,891,130	275,336,184	472,028	70,421,633	479,520,398	192,048	479,712,446
Net profit for the period									103,491	103,491		103,491
Other elements of the comprehensive income, of which:						218,888			0	218,888		218,888
Transfer of revaluation reserves												0
Revaluation of property, plant and equipment											0	0
Income tax related to other elements of the overall result						218,888				218,888		218,888
Transactions with shareholders recorded directly in equity, of which	0	-28,362	-146,581	0	0	0	778	0	-781	0	-17,614	-192,557
Buyback		-28,362										-28,362
Losses related to own shares			-146,581									-146,581
Profit distribution						778			-781		-17,614	-17,614
Balance at 30.09.2020	21,882,104	-93,272	-192,542	4,949,124	22,679,066	83,891,130	275,555,850	472,028	70,524,343	479,667,831	174,434	479,842,265

Following an National Agency for Fiscal Administration (NAFA) control carried out during 2020, Compa recorded additional expenses (taxes and fees related to 2017) amounting to 403,355 lei due to error corrections. In order to ensure the comparability of the data, the results for 2019 have been adjusted with the changes mentioned above.

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COMPA S.A. Sibiu
Separate statement of cash flow for the 3rd Q 2020
(All amounts are expressed in RON, unless otherwise specified)

Explanations	30.09.2020	30.09.2019
Cash flows from operating activities		
Profit before tax	116,830	30,144,112
Depreciation and amortization expenses	38,068,327	34,004,530
(Increases) / Decreases in stocks	19,135,183	-10,433,347
(Increases) / Receivables decreases	21,293,257	-12,487,993
Increases / (Debt decreases)	-10,429,367	-11,116,619
Adjust other non-monetary items	-2,135,518	-2,425,224
Net cash generated from operations	66,048,712	27,685,459
Cash flows from investment activity		
Acquisitions of tangible assets and real estate investments	-81,097,917	-68,107,425
Acquisitions of intangible assets	-1,546,207	-4,005,426
Net cash generated from investment activities	-82,644,124	-72,112,851
Cash flows from financial activity		
(Increases) / Decreases in bank loans	12,248,187	44,343,535
Interest rates	-650,756	-613,717
Net cash generated from financial activity	11,597,431	43,729,818
Net cash generated from total activity	-4,997,981	-697,574
Cash and cash equivalents at the beginning of the period	6,079,821	1,065,470
Cash and cash equivalents at the end of the period	1,081,840	367,896

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COMPA S.A. Sibiu
Consolidated statement of cash flow for the 3rd Q 2020
(All amounts are expressed in RON, unless otherwise specified)

Explanations	30.09.2020	31.12.2020
Cash flows from operating activities		
Profit before tax	-12,307	34,168,165
Depreciation and amortization expenses	38,720,716	47,010,212
(Increases) / Decreases in stocks	19,181,572	-6,235,558
(Increases) / Receivables decreases	20,301,577	-21,086,385
Increases / (Debt decreases)	-12,110,485	-23,541,768
Adjust other non-monetary items	-982,986	28,088,784
Net cash generated from operations	65,098,087	58,403,450
Cash flows from investment activity		
Acquisitions of tangible assets and real estate investments	-81,097,917	-80,872,394
Acquisitions of intangible assets	-1,546,207	-11,575,340
Net cash generated from investment activities	-82,644,124	-92,447,734
Cash flows from financial activity		
(Increases) / Decreases in bank loans	11,909,451	40,676,527
Interest rates	-671,898	-938,246
Net cash generated from financial activity	11,237,553	39,738,281
Net cash generated from total activity	-6,308,484	5,693,997
Cash and cash equivalents at the beginning of the period	8,961,682	3,267,685
Cash and cash equivalents at the end of the period	2,653,198	8,961,682

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1. GENERAL INFORMATION

COMPA is a Joint Stock Company, based in Sibiu, str.Henri Coandă nr.8, CP 550234.

Domain of activity

The main activity according to CAEN is: 2932 – Manufacturing of other parts and accessories for motor vehicles and motor vehicle engines.

Ownership of company

COMPA is privatized 100% since September 1999. The company is listed on the stock market shares are traded on the Bucharest Stock Exchange in the Standard Category, under symbol CMP.

The company's evolution

By the Government decision nr.1296 / 13.12.1990 the company became COMPA, originating from *Intreprinderea de Piese Auto Sibiu (I.P.A. Sibiu)*. IPA Sibiu was established in 1969 through the merger of two units: *Elastic Plant* and *Automecanica Plant*.

Since 1991, COMPA was organized in factories workshops, established for product families as cost centers, which in time became profit centers in order to decentralize and facilitate the establishment of joint ventures.

Financial investments of company COMPA S.A. as “*Parent Company*”, representing equity securities as shares or stocks owned in commercial entities are presented in the table below:

Company where capital securities are held	Registered office	Value of securities held by COMPA (RON)	% Share capital
COMPA I.T. S.R.L.	Sibiu, No 8Henri Coandă, Sibiu county	200.000	100,00
TRANS C.A.S. S.R.L.	Sibiu, No 12Henri Coandă, Sibiu county	1.498.450	99,00
RECASERV S.R.L.	Sibiu, No 51Henri Coandă, Sibiu county	70.000	70,00
TOTAL			1.768.450

The management of the company was provided by a Board of Directors consisting of:

Deac Ioan	Chairman & CEO,
Miclea Ioan	Member of the Board & CFO
Maxim Mircea-Florin	Member of the Board
Balteş Nicolae	Member of the Board / Chairman Audit committee
Veljan Ilie- Marius	Member of the Board/ Member Audit committee

b) Subsidiaries

Company COMPA IT S.R.L. headquartered in Sibiu, 8, Henri Coandă Str., Sibiu county. The company was established in 2001, registered at the Trade Register under no.J32 / 17/2001, VATno. 13656016.

The purpose of establishing was design and implementation of an *Integrated Informational System* for the mother company complying with the existing international standards and ensuring the requirements imposed by the company's organization form on profit centers, as well as assurance of a computer network within the entire company COMPA.

The object of activity, according to CAEN code number is 6201 - "Activities of providing software on request"

The share capital of the company on 31.12.2016 was 200, 000 RON, fully owned (100%) by the Company COMPA S.A. The company's administrator is Mr. Acu Florin-Stefan.

Company TRANS C.A.S. S.R.L. with headquarters in Sibiu, 8 Henri Coandă Street, Sibiu County. The company was established in 2002, registered at the Trade Register under no.J32 / 633/2002, VAT no. 14836511. The company was intended for outsourcing the transport activity, initially existing within the company COMPA, with the purpose of extending and developing this distinctive activity from the profile of the company COMPA. TRANS C.A.S. S.R.L. currently holds a total of 60 vehicles, of which a significant share is represented by Mercedes tractor trailers, with payload capacity exceeding 20 tones dedicated for the transport of raw materials and finished products for both COMPA and for external customers.

The main activity of the company, according to CAEN code is 4941's "Road transport of goods"

The share capital is 150,000 shares amounting to 1,500,000 RON.

On 31.12.2018 shareholding structure was as it follows:

 The company COMPA S.A. holds a number of 149,845 shares, amounting to 1,498,450 RON.

 Maxim Mircea Florin and Mihăilă Daniela as individuals, hold a total number of 155 shares worth 1,550 RON.

The company management is assured by Maxim Mircea - Florin – as administrator.

RECASERV S.R.L. company headquartered in Sibiu, 51 Henri Coandă Str., Sibiu County, founded in 2004, registered at the Trade Register with no.J32 / 704/2004, VAT no. 164408228. The purpose of establishing the company was outsourcing within the mother company (COMPAS.A) of some activities different from the main business activities such as catering and canteen achieved by operating the canteens inside the company COMPA. By setting the company RECASERV SRL with activity field catering – there were provided conditions for developing this activity by adding secondary services (catering and cleaning services).

The main activity, according to CAEN code is 5629 "Other food service activities", consisting of catering for employees in COMPAS.A and other companies in Sibiu, organizing events with catering for companies and schools in Sibiu.

The share capital of the company is 100,000 RON owned by:

 Company COMPA S.A. Sibiu, amounting to 70%

 Boroş Daniela, amounting to 30%

Company RECASERV S.R.L. Sibiu has a number of 649100 shares worth 64,910 RON to COMPAS.A Sibiu purchased by the BSE, registered in the company's financial statements from April 31.12.2017.

Administrator of the company is Mrs. Boroş Daniela.

2. BASIS OF PREPARATION

Declaration of Conformity

The financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union ("EU") and with the Order of the Minister of Public Finance no. 2844/2016.

The Group has adopted IFRS reporting since the 2012 financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union ("EU"). The significant accounting policies applied by the Group are those presented in the Financial Statements concluded on 31.12.2019 and have not changed during the interim report

4.1. TANGIBLE ASSETS

Evolution of tangible assets from 1th of January 2020 to 30th of September 2020 is the following:

Explanations	Book value at 30.09.2020	Book value at 01.01.2020
lands	43.848.700	43.848.700
Construction	86.140.093	90.834.202
Equipment and vehicle	214.157.137	212.038.365
Other tangible fixed assets	535.143	593.592
Tangible fixed assets in progress	82.972.750	38.173.604
Total	427.653.823	385.488.463

Tangible assets representing "*Tangible assets in progress*" are valued at historical cost. The Company chose to assess its tangible assets like land and buildings at fair value.

The constructions and lands were re-evaluated on 31.12.2019 by an authorized independent evaluator. Within the hierarchy of fair value, the company's buildings and land were revalued at their fair value, categorized-level 2.

The valuation technique used in fair value measurements of level 2 is the method of comparing prices. Comparable prices for nearby buildings and constructions are adjusted for specific characteristics such as size of property, etc. The most important input for this valuation method is the price per square meter. There were no transfers among the level at which valuations are classified at fair value throughout the year 2020. Depreciation of tangible assets is calculated using the linear method.

On September 30, 2020 the mortgaged tangible assets for the contracted loans amount to a net book value of 37.929.238 RON and the guarantees consisting of technological equipment amounted to a net book value of Assets decreased in 2020 by amortization.

4.2. REAL ESTATE INVESTMENTS

The evolution of real estate investments from January 1, 2020 to September 30, 2020 is as follows:

Explanations	Book value at 30.09.2020	Book value at 01.01.2020
Real estate investments	58.429.296	58.429.296
Real estate investments under construction	9.581.539	9.142.099
Total	68.010.835	67.571.395

Real estate investments are evaluated at a fair value. A gain or loss generated by a change in the fair value of property investments is acknowledged in the profit or loss statements for the period in which it accounted.

Current assets "investment properties in progress" are valued at historical cost.

5. INTANGIBLE ASSETS

Intangible assets held by the Group are represented by software, software licenses and intangible assets in progress. Their evolution was as follows:

Explanations	Book value at 30.09.2020	Book value at 01.01.2020
Research and development expenses	4.615.514	4.116.416
Computer programs and software licenses	3.846.846	3.316.041
Total	8.462.360	7.432.457

6. TRADE RECEIVABLES AND OTHER RECEIVABLES

The situation other receivables held by the Group is as follows:

Explanations	Book value at 30.09.2020	Book value at 01.01.2020
Trade receivables	109.452.109	108.823.387
Advances paid to suppliers	4.987.976	32.041.021
Receivables related to staff	28.110	31.659
Receivables in connection with the consolidated state budget and the local budget	6.963.903	3.089.014
Receivables in connection with the consolidated state budget and the local budget	856.545	337.715
Expenses in advance	746.844	1.071.290
Subsidies receivable (European funds projects, subsidies for staff costs)	11.495.747	8.271.345
Total	134.531.234	153.665.431

Receivables in foreign currency are valued in lei at the official exchange rate of the NBR on 30.09.2020.

Trade receivables and advances paid to suppliers decreased significantly, due to the reduction of the Group's activity, in the context of the pandemic generated by the new Coronavirus.

7. OTHER RECEIVABLES

The fixed assets held by the Group did not register changes compared to the beginning of 2020:

Explicații	Book value at 30.09.2020	Book value at 01.01.2020
Customs guarantee for customs clearance at home	103.000	103.000
Other guarantees	18.233	18.233
Total other assets	121.233	121.233

8. STOCKS

Structure of stocks owned by the Group is presented in the table below:

Explanations	September 30, 2020	January 01, 2020
Raw materials	33.555.418	46.024.388
Packaging materials	22.845.945	22.884.063
Semi-finished parts and production in progress	20.679.873	19.063.886
Finished goods and merchandise	9.163.382	17.453.853
Total stocks	86.244.618	105.426.190

9. CASH AND CASH EQUIVALENTS

Available cash and cash equivalents are as follows:

Explanations	September 30, 2020	January 01, 2020
Bank accounts in RON	1.459.876	7.387.072
Currency accounts	1.149.844	1.543.333
Cash equivalents	945	611
Petty cash	30.222	10.169
Currency	12.311	20.497
Total Cash and equivalents	2.653.198	8.961.682

The Company owns domestic and foreign currency accounts at the following banks: BRD Group Societe Generale, BCR, RBS Bank, ING Bank, Treasury.

10. PROFIT TAX

Tax for current Group's profit, is determined based on the statutory profit and adjusted for non-deductible expenses and non-taxable income at a rate of 16% for 9 months 2020 and 9 months 2019.

On September 30, 2020 and September 30, 2019:

Explanations	September 30, 2020	September 30, 2019
Current income tax expense	12.442	555.775
Expenditure on micro-enterprise income tax	8.416	16.312
Expenditure / Income with deferred tax on foreign currency	-119.042	582.482
Total current income tax expense	-98.184	1.154.569

11. EQUITY

Shareholder structure on September 30, 2020 is as follows:

Explanations	No.of shares	% of Total capital
Deac loan	41.585.887	19,0045
Miclea loan	41.042.480	18,7562

COMPA S.A. Sibiu

Explanatory notes to the consolidated interim financial report for the 3rd Q 2020

(All amounts are expressed in RON (lei), unless otherwise stated)

Explanations	No.of shares	% of Total capital
Individuals entities (Romanian or other nationality)	62.192.118	28,4215
Legal entities (Romanian or other nationality)	74.000.553	33,8178
Total number of shares	218,821,038	100.00

The company's shares have a nominal value of 0,1 RON /share, the share capital value being of 21.882.104 RON. Since June 1997, the company's shares are traded on the Bucharest Stock Exchange and is currently quoted in the Standard category.

The equity of the Group include the following:

Explanations	September 30, 2020	January 01, 2020
Subscribed and paid capital	21.882.104	21.882.104
Actiuni proprii rascumparate	-93.272	-64.910
Pierderi legate de actiunile proprii	-192.542	-45.961
Revaluation reserves	83.891.130	83.891.130
Legal reserves	4.949.124	4.949.124
Adjustment of legal reserves	22.679.066	22.679.066
Other reserves	275.555.850	275.336.184
Adjustment of other reserves	472.028	472.028
Retained earnings due to the adoption of IAS 29 for the first time	-648.352	-648.352
Reported result	3.890.000	0
Current year profit	103.491	33.206.829
Distribution of profit	70.420.852	37.214.804
Minority interests	174.434	192.048
Total equity	479.842.265	479.712.446

On 27.04.2020, the GMS approved a redemption plan for its own shares amounting to 3,890,000 lei.

Until 30.09.2020, 283,623 shares were redeemed at a total redemption value of 170,943 lei

Following an ANAF control carried out during 2020, Compa recorded on account of the result carried forward from the correction of errors, additional expenses with taxes and fees related to 2017, amounting to 403,355 lei.

In order to ensure the comparability of the data, the information related to 2019 presented in the explanatory notes on 30.06.2020 has been adjusted with these changes.

12. FINANCIAL LIABILITIES

Long term and short term financial liabilities expressed in EUR are as follows:

Credit institution	Loan type	September 30, 2020	January 01, 2020
BRD Group Societe Generale România	Credit line for manufacturing	18.909.602	33.315.569
BRD Group Societe Generale România	Investment credit	36.523.500	12.360.114
ING BANK-SIBIU	Credit line for manufacturing	21.311.990	24.279.271
ING BANK-SIBIU	Investment credit	36.523.500	31.065.450
IMPULS-Leasing Romania I.F.N. SA	Financial leasing contracts	716.136	1.054.872
Total financial liabilities		113.984.728	102.075.277

13. COMMERCIAL LIABILITIES AND OTHER PAYABLES

The commercial debts and other liabilities are as follows:

Explanations	September 30, 2020	January 01, 2020
Suppliers	75.667.311	91.890.438
Advanced payments received from customers	161.160	138.558
Debts from contracts with clients	2.299.921	1.217.334
Staff-related debts	7.966.849	5.628.627
The debts to the general consolidated budget of the state and the local budget	7.648.508	6.929.194
Current income tax liabilities	3.327	54.861
Various creditors	149.966	148.516
Advance income	2.586.555	1.411.453
Investment subsidies from POCU and AMPOSCE contracts	35.108.070	38.355.443
Inventory excess of property nature	45.795	59.239
TOTAL Commercial liabilities and other payables	131.637.462	145.833.663

Following a NATA conducted during 2020, Compa recorded on the reported result from the correction of errors, additional expenses with taxes for the year 2017 amounting to 403.355 lei.

To ensure comparability, the information for the year 2019 presented in the notes to 09.30.2020 were adjusted to these changes.

Foreign currency liabilities are valued in RON at the official exchange rate of the NBR as of September 30, 2020.

14. PROVISIONS

In 2020 the Group has not established additional provision for guarantees to customers and employee benefits, considering that no changes have occurred with the situation 01.01.2020.

15. INCOME

The Group's income structure is as follows:

Explanations	September 30, 2020	September 30, 2019
Total Turnover, of which:	372.855.008	591.768.502
Revenues from sales of finished products	360.218.379	582.993.164
Revenues from provision of services	4.115.579	6.580.984
Revenues from sale of goods	7.099.498	1.034.577
Revenues from other activities (rents, sale of materials, scrap, semi-finished products, packaging)	491.660	567.870
Revenues from associated subsidies (EU funds projects)	929.891	591.907
Other operating revenues	8.327.904	10.088.231
Total - Operating income	381.182.912	601.856.733

Other operating revenues consist of:

Explanations	September 30, 2020	September 30, 2019
Revenues from production assets	4.431.119	6.756.329
Revenues from investment grants (projects and partner contract projects AMPOSDRU and AMPOSCEE)	3.509.188	3.223.536
Other operating revenues	289.157	30.243
TOTAL Other operating income	8.229.464	10.010.108

Segment of activity

The Group's management regularly evaluates the activity in order to identify the business segments for which information must be reported separately.

The Group is based in Romania. All its revenues belong to its home country.

The fixed assets, other than financial instruments, receivables concerning the deferred tax, receivables concerning post-hire benefits and other rights resulted from endurances contracts are based in Romania. The Group holds no such assets outside the home country..

16. EXPENSES

Operating expenses made within the first nine months of 2020 and 2019 are presented in the following table:

Explanations	September 30, 2020	September 30, 2019
Stock differences	6.581.259	-4.139.738
Material expenses	213.461.996	364.511.384
Energy and water expenses	16.404.036	21.052.317
Employee benefits expenditures	82.650.619	121.132.976
Asset value adjustments	39.009.420	35.169.627
Current asset value adjustments	-288.704	-480.672
Third party expenditures	14.177.642	23.804.930
Other tax expenditures, taxes and similar payments	3.183.942	3.861.614
Other operating expenses	3.226.655	4.223.274
TOTAL Operating expenses	378.406.865	569.135.712

17. EMPLOYEE BENEFITS EXPENSES

Employee benefits expenses include salaries, compensations and social security contributions. Short term benefits are recognized as expenditures as the services are rendered.

Explanations	September 30, 2020	September 30, 2019
Salaries and compensations	92.961.824	118.408.303
Government grants for expenditure on employees	-12.383.363	-1.215

COMPAGNA S.A. Sibiu

Explanatory notes to the consolidated interim financial report for the 3rd Q 2020

(All amounts are expressed in RON (lei), unless otherwise stated)

Insurance and social protection expenses	2.072.158	2.725.888
TOTAL	82.650.619	121.132.976

In the context of the COVID-19 pandemic, the Government approved a series of active measures for employees and employers, in order to support them during the state of emergency/alert, the period in which economic activity was significantly diminished or even interrupted.

The Compa Group was severely affected by the effects of the pandemic, being forced, due to the significant decrease in orders, to temporarily suspend the employment contracts of most of its employees.

For the period April-May 2020, the Group benefited from government subsidies to cover expenses. For the months of June, July, August, for employees whose contracts were reactivated, the Group met the conditions for applying for the subsidy representing 41.5% of the corresponding basic salaries for the hours worked by these employees.

18. FINANCIAL LOSSES (GAINS)

The financial losses (gains) structure is shown below:

Explanations	September 30, 2020	September 30, 2019
Gains from foreign exchange differences relating to monetary items denominated in foreign currency	-1.909.619	-1.479.113
Losses from interest rates	-664.318	-640.579
Other financial gains	-214.416	-166.342
TOTAL Losses / Gains	-2.788.353	-2.286.034

19. EARNINGS PER SHARE

The earnings per share for the Q3 of 2020 and 2019 is summarized as follows:

Explanations	September 30, 2020	September 30, 2019
No. of shares at the beginning of the year	218.821.038	218.821.038
Shares issued during the year	0	0
No. of shares at the end of the year	218.821.038	218.821.038
Net profit	85.877	29.280.419
Earnings per share (in RON per share) basic / diluted	0,0004	0,1338

20. FINANCIAL INVESTMENTS

The affiliated entities of COMPA are:

Company that holds the securities	Social headquarters	% of share capital	Main activity (according to CAEN)
COMPAGNA IT S.R.L.	Sibiu, No.8, Henri Coandă Str., Sibiu County	100.00	6201 "Activities of achieving custom software"
TRANS CAS S.R.L.	Sibiu, No.12, Henri Coandă Str., Sibiu County	99.00	4941 "Freight transport by road"
RECASERV S.R.L.	Sibiu, No.51, Henri Coandă Str., Sibiu County	70.00	5629 "Other types of activities"

COMPA S.A. Sibiu

Explanatory notes to the consolidated interim financial report for the 3rd Q 2020

(All amounts are expressed in RON (lei), unless otherwise stated)

Transactions in the first 9 months of 2020 and 2019 with the companies in which COMPA holds stakes were as follows (amounts include VAT):

Explanations	September 30, 2020		September 30, 2019	
	Purchases of goods and services	Sales of goods and services	Purchases of goods and services	Sales of goods and services
Company where securities are held				
TRANSCAS S.R.L.	8.749.168	359.661	13.965.579	295.361
COMPA-IT S.R.L.	1.903.881	31.692	2.233.630	32.138
RECASERV S.R.L.	804.945	39.441	1.217.268	47.629

Mutual debts and claims registered at September 30, 2020 and September 30, 2019 are:

Claims receivable by COMPA S.A. from:

Explanations	September 30, 2020		September 30, 2019	
TRANS CAS S.R.L.		207.109		27.240
COMPA-IT S.R.L.		12.989		13.541
RECASERV S.R.L.		11.135		10.021

Debts paid by COMPA Company S.A. to:

Explanations	September 30, 2020		September 30, 2019	
TRANS CAS S.R.L.		4.105.684		2.580.561
Compa IT S.R.L.		961.734		896.243
RECASERV S.R.L.		427.493		247.387

Company Management:

List of company directors (Board of Directors):

NAME AND SURNAME	QUALIFICATION	POSITION
DEAC Ioan	Engineer	Chairman & CEO
MICLEA Ioan	Economist	Board member & CFO
MAXIM Mircea Florin	Engineer	Board member
BALTEŞ Nicolae	Economist	Board member / Chairman of Audit Committee
VELJAN Ilie-Marius	Economist	Board member / Member of Audit Committee

List of company executive members:

NAME AND SURNAME	POSITION
DEAC Ioan	CEO
MICLEA Ioan	CFO
FIRIZA Ioan	Organizational Management & HR Director
BĂIAŞU Dan-Nicolae	Commercial Director
ACU Florin-Ştefan	Technical Director
MUNTEAŞ Bogdan-Vasile	Logistics Director
ȚUICU Liviu-Laurențiu	Quality & Environment Director
HERBAN Dorin-Adrian	Systems Management & Continuous Improvement Director
ȚUȚUREA Mihai	Production Director
FIRIZA Sorin Ioan	Deputy Production Director
MORARIU Mircea	Deputy Production Director
DRAGOMIR Marius-C-tin	Chief Engineer

21. EVENTS SUBSEQUENT TO THE DATE OF THIS REPORT

The spread of the Coronavirus COVID-19 epidemic, especially in Europe, in countries such as Germany, France, Italy, England, the Czech Republic, Slovakia, where the automotive industry is strongly developed, has a strong uncertainty on COMPA. The company being mainly oriented for the production of components for the automotive industry, is directly affected by any change in production of car manufacturers.

On the other hand, the material base is provided almost exclusively from imports, more precisely from Western Europe, any syncope in the supply chain has also inevitably affected COMPA.

The General Meeting of Shareholders took place on 27.04.2020, and approved the financial situations concluded on December 31, 2019 and profit distribution from 2019.

CEO,
Ioan DEAC

CFO,
Ioan MICLEA

DECLARATION**in accordance with provisions of article 30 of the Accounting Law no.82 / 1991**

The consolidated financial statement is prepared on **30.09.2020** for:

Name of the issuing entity	COMPA S.A.
County	32 Sibiu
Registered office	Sibiu, No 8, Henri Coandă street, tel. +40269 237 878
Registration no. in the Trade Registry	J32/129/1991
Property form	34 Companies stock
Predominant activity (CAEN code and class name)	2932 - Manufacture of other parts and accessories for motor vehicles
VAT no	RO 788767

Ioan MICLEA undersigned,

According to Art.10 (1) of the accounting Law no.82 / 1991, having the position of CFO undertakes the responsibility for elaborating the consolidated financial reporting statement at 3rd Q 2020 and confirms the following:

- a. consolidated statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- b. The accounting policies used in preparing the 3rd Q 2020 are in accordance with the applicable accounting regulations;
- c. The company operates in terms of continuity.

CFO,
Ioan MICLEA

Q3
2020

Consolidated Quarterly Report

COMPAS.A.
Sibiu

Q3 - 2020

QUARTERLY REPORT**According to FSA Regulation no. 5/2018 regarding issuers and operations with securities (Annex 13)**

Date of report	September 30, 2019
Company	COMPA S.A.
Social headquarters	Sibiu, No. 8, Henri Coandă Street, Postal code 550234, Sibiu county
Phone number	+40 269 237 878
Fax number	+40 269 212 204; +40 269 237 770
VAT	RO 788767
Registration number in the Trade Registry	J 32/129/1991
European Unique Identifier (EUID)	ROONRC.J 32/129/1991
Subscribed and paid share capital	21,882,103.8 RON
Value of share	0.10 RON
Regulated Market on which the issued securities are traded	Bucharest Stock Exchange, Standard Category, symbol CMP
LEI Code	315700EXV87GJDVUUA14

The shares are traded on the Bucharest Stock Exchange, Standard category symbol CMP

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A. ECONOMIC AND FINANCIAL INDICATORS

INDICATOR	CALCULATION METHOD	RESULT 3 rd Q, 2020
Current liquidity indicator ¹	Current assets / Current liabilities	1.99
Debt degree indicator ²	Borrowed capital / Equity x100	21.93
Turnover of debit customers ³	Average client balance / Turnover x90	79.03
Turnover of fixed assets ⁴	Turnover / Fixed assets	0.74

¹ Guarantees to cover current liabilities from current assets. The recommended and accepted value is approximately 2.

¹ Expresses the effectiveness of credit risk management, revealing potential financing and liquidity problems, influencing the honoring commitments:

Borrowed capital = Credits over 1 year

Employed capital = Borrowed capital + equity

¹ Expresses the effectiveness of the company in collecting its receivables, namely the number of days until the debtors pay their debt to the company

¹ Expresses assets management effectiveness by examining the turnover generated by a certain amount of fixed assets.

The economic-financial indicators presented in the table above are indicators for assessing the performance and financial position of the Compa Group.

The level of these indicators present in the table was calculated from the Group's financial statements and the results obtained on 30.09.2020 are positive results, even very good, which guarantee the safe operation of the Group's companies in the future.

B. OTHER INFORMATION
B.1. Presentation of important events that occurred during the relevant time period and the impact they have on the financial position of the issuer and its subsidiaries

The most important event to be highlighted in the activity of the Compa Group during the first 9 months of 2020 is the catastrophic effect generated by the Coronavirus pandemic that affected the economic activity of the whole world.

The Compa Group, strongly anchored in the world car industry, especially the European one, has been directly influenced by the evolution of car production in Europe in particular.

The cessation of production starting with the second part of March 2020 of car production by almost all car manufacturers with the immediate ban on delivery of manufactured components, almost completely paralyzed the production of components at the parent company COMPA and the activity of affiliated companies TRANS CAS SRL, RECARREV SRL and Compa IT SRL.

In April and May 2020, during which the state of emergency in Romania was activated, the companies within the Group were forced to suspend their individual employment contracts for the majority of employees, benefiting from the technical unemployment allowance of 75% of the salary. employment paid mainly by the state.

Also in this reporting period (first nine months of 2020) some of the employees parent company COMPA and of affiliated companies within the Group, which have been activated Individual employment contracts (which was suspended at least 15 days), received according to the provisions of GEO 92/2020 for the subsidy of 41.5% of the basic salary for June - August 2020

The considerable reduction in turnover as a result of stopping almost all production of components at parent company COMPA and volume benefits affiliates had an impact on the profitability of the Group, despite the measures taken by management companies within the Group.

We must highlight in particular the measures taken during this period, especially at the parent company COMPA in cost management, sizing, monitoring on profit centers of all cost categories, limiting itself to the strict necessary to carry out production processes.

The investment expenses were limited, especially those started at the parent company Compa, continuing only those investments started in 2018-2019 and in the first months of 2020, investments that were required for the completion of construction works - installation in the new hall manufacturing started at the end of 2018, continued in 2019 and partially completed in 2020. The purchases of machines and equipment contracted in 2019 and in the first months of Trim.1-2020, which could not be stopped at suppliers also continued, being in the very advanced stage of execution.

Starting with September 2020, against the background of the increase in requests and orders from customers, the parent company feels the lack of certain categories of staff, especially Operators on MUCN, which during the suspension of individual employment contracts (April - May 2020) have left Compa to other companies in the country or abroad.

B.2. General description of the financial position and performance of the issuer and its subsidiaries over the relevant time period

a. In order to analyze the economic and financial situation for the first 9 months of 2020, we further present the following indicators:

INDICATOR	01.01.2020	30.09.2020	30.09.2020/ 01.01.2020 %
Fixed assets	459,776,300	504,901,184	109.81
Current assets	267,980,731	220,698,917	82.36
Debts of less than one year	116,904,903	111,003,736	94.95
Debts longer than one year	131,139,682	134,754,099	102.76
Capital and reserves	479,712,446	479,842,265	100.03

In addition to the above information, regarding the evolution of the main elements of the balance sheet on 30.09.2020 at the level of the Compa Group, compared to their level on 01.01.2020, we can highlight the following:

- Increasing the value of fixed assets at Group level of almost 10%, due to investments made mostly from parent company Compa, investments initiated during 2018 and 2019 and currently under completion in 2020;
- Current assets for the Group as a whole decreased on 30.09.2020, to a level of 82.36% of their total recorded at the end of 2019, having an evolution proportional to that of turnover;
- Debts of less than one year, representing debts to suppliers of raw materials, materials and suppliers of machinery and equipment for investment also decreased, for the most part, compared to the level at the beginning of the year (01.01.2020), also as an impact of the evolution of the turnover, but also of the obligations towards the banks, representing loans for investments due at repayment in a period of one year, starting from 30.09.2019;

- Debts of more than one year, on 30.09.2020, represent debts to banks (investment loans and credit lines) increased at the Group level by 2.76% compared to the end of 2019, due to the investments planned to be made according to Budget of Revenues and Expenditures, but unfortunately the sources of financing provided in the Budget were not realized due to the non-realization of the profit provided in the Budget, as an effect of the Coronavirus crisis;

At the level of the Compa Group, the position of patrimony, capital and reserves registered on 30.09.2020 is approximately at the level of that achieved on 31.12.2019

b. We present below the main elements of the profit and loss account, compared to the same period last year:

INDICATOR	30.09.2019	30.09.2020	30.09.2020/ 30.09.2019 %
Turnover	591,768,502	372,855,008	63.01
Other incomes	10,088,231	8,327,904	82.55
Operating expenses	569,135,712	378,406,865	66.49
Financial result	-2,286,034	-2,788,353	121.97
Gross profit	30,434,987	-12,307	-0.04
Net profit	29,280,418	85,877	0.29

As a result of the pandemic triggered in March 2020, world car production has stopped altogether, especially in Europe, where most of the cars manufacturers for which Compa manufactures and delivers manufactured products operate.

For these reasons, during the Trim.1-2020, especially the production and implicitly the deliveries decreased dramatically.

The turnover achieved on Quarter 2-2020 will significantly influence the turnover for 2020, in general, both for the parent company and for the affiliated companies. In this context, on the whole of the Compa Group, the level of turnover, achieved for the first 9 months, represented only 63.01% of the value achieved for this indicator for the first 9 months of the previous year, 2019.

The considerable decrease in turnover had a major impact on all indicators in the profit and loss account at Group level. Under these conditions, in the first half of the year, the Group recorded a loss of over 4.2 million.RON.

As a result of the increase in turnover in Q3-2020 and the measures to drastically reduce costs, it was possible that at the end of the 9 months, the group would make a profit, even if the level of net profit for the Group as a whole is only 85,877 RON.

CEO,
Ioan DEAC

CFO,
Ioan MICLEA

COMPA S.A. Sibiu
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