

Translation from Romanian

**FINANCIAL STATEMENT  
 FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2018**

	<b>31.12.2017</b>	<b>31.12.2018</b>
		<b>LEI</b>
<b>Assets</b>		
<b>Fixed assets</b>		
Tangible assets	19,386,867	25,834,768
Intangible assets	402,365	486,135
Goodwill	0	0
Investment property	0	0
Financial assets	30,823,042	26,067,307
<b>TOTAL FIXED ASSETS</b>	<b>50,612,274</b>	<b>52,388,210</b>
<b>Current assets</b>		
Inventories	20,737,672	21,239,727
Trade receivables and of other nature	21,598,049	30,346,557
Prepayments	66,886	1,066,966
Short-term financial investments	7,082,314	20,820,540
Cash and cash equivalents	15,238,576	7,387,071
<b>TOTAL CURRENT ASSETS</b>	<b>64,723,497</b>	<b>80,860,861</b>
<b>TOTAL ASSETS</b>	<b>115,335,771</b>	<b>133,249,071</b>
Trade liabilities and of other nature	17,197,859	27,308,581
Loans bearing short-term interest	2,967,093	8,851,235
Other liabilities	19,129,622	24,042,783
<b>SHORT-TERM LIABILITIES</b>	<b>39,294,574</b>	<b>60,202,599</b>
Long-term loans	871,357	528,095
Long-term deferred income		
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>871,357</b>	<b>528,095</b>
Current tax liabilities		
Deferred tax liabilities		
<b>TOTAL LIABILITIES</b>	<b>40,165,931</b>	<b>60,730,694</b>
<b>Deferred income - out of which investment subsidies</b>	<b>3,931,918</b>	<b>3,036,085</b>
<b>Provisions</b>	<b>6,433,112</b>	<b>6,483,652</b>
Share capital	6,976,465	6,976,465
- Subscribed capital	6,976,465	6,976,465
- Share capital adjustment to hyperinflation	0	0
Share premium	0	0
Capital reserves	1,617,005	1,617,005
Legal reserves adjustment to hyperinflation	2,540,349	2,540,349
Reserves from the revaluation of tangible assets	1,756,292	1,719,391
Revaluation reserves	0	0
Earnings related to capital instruments	1,132,496	1,132,496
Retained earnings from revaluation reserve surplus	12,326,909	12,363,810
Other reserves	29,750,378	33,062,995
Other reserves adjustment to hyperinflation	3,309,306	3,309,306
Differences from the fair value evaluation of financial assets	-5,921,511	-10,470,554
Profit carried forward	0	0
<b>Retained earnings from the adoption of IFRS</b>	<b>0</b>	<b>0</b>
Cumulative profit	12,874,619	12,273,345
Distribution of profit	1,557,498	1,525,968
<b>TOTAL EQUITY</b>	<b>64,804,810</b>	<b>62,998,640</b>
<b>TOTAL LIABILITIES AND EQUITY (TOTAL LIABILITIES)</b>	<b>115,335,771</b>	<b>133,249,071</b>

**CHAIRMAN OF THE BOARD OF DIRECTORS,  
 STEFAN CONSTANTIN**

**PREPARED BY,  
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**STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2018**

		LEI
	31.12.2017	31.12.2018
Production sold	189,419,331	189,99,165
Income from sale of goods	4,235,267	1,372,364
Income related to the cost of the product inventories	4,809,195	41,879,603
Income from trade discounts	-43,888	-51,425
Income from tangible and intangible assets production	27,124	0
Income from operating subsidies	1,724,820	54,918
Other operating income	141,336	2,203,205
<b>TOTAL OPERATING INCOME</b>	<b>200,313,185</b>	<b>235,452,830</b>
Raw material and consumables expenses	145,393,093	188,351,270
Expenses on goods	3,606,862	1,322,924
Trade discounts received	-27,326	-33,367
Expenses on staff benefits	19,985,128	21,012,970
Value adjustments on assets	2,958,726	3,531,611
Expenses	2,958,726	3,531,611
Income	0	0
Value adjustments on current assets	192,745	33,381
Expenses	226,031	332,988
Income	33,286	299,607
Value adjustments on provisions	2,864,238	-29,000
Expenses	2,969,029	0
Income	104,791	29,000
Other operating costs	12,827,639	14,052,827
<b>TOTAL OPERATING COSTS</b>	<b>187,801,105</b>	<b>228,242,617</b>
<b>OPERATING PROFIT</b>	<b>12,512,080</b>	<b>7,210,213</b>
Financial income	4,389,540	18,434,189
Financial expenses	1,868,348	11,177,885
<b>FINANCIAL PROFIT</b>	<b>1,521,102</b>	<b>7,256,304</b>
<b>TOTAL INCOME</b>	<b>204,702,635</b>	<b>253,887,019</b>
<b>TOTAL COSTS</b>	<b>189,669,453</b>	<b>239,420,502</b>
<b>GROSS PROFIT</b>	<b>15,033,182</b>	<b>14,466,517</b>
<b>INCOME TAX EXPENSE</b>	<b>2,158,563</b>	<b>2,193,173</b>
<b>NET PROFIT</b>	<b>12,874,619</b>	<b>12,273,344</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THIS PERIOD</b>	<b>12,874,619</b>	<b>12,273,344</b>
<b>BASIC/DILUTED EARNINGS PER SHARE</b>	<b>0.1845</b>	<b>0.1759</b>

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**CASH FLOW STATEMENT  
 ON 31.12.2018**

<i>Indirect method</i>	<i>- LEI-</i>	
Item name	Cash flow 01.01.2018	Cash flow 31.12.2018
1	2	3
+/- Business income	12,874,619	12,273,345
+ Depreciation included in cost	2,958,726	3,531,611
- Changes in inventories (+/-)	(+1,155,226	(+502,055
- Changes in receivables (+/-)	(+4,471,785	(+8,748,508
+ Changes in suppliers and client lenders (+/-)	(+821,198	(+10,110,722
- Changes in other asset items (+/-)	(-)5,050,443	(+5,123,832
+ Changes in other liability items	(-)22,723,622	(-)19,430,286
<b>A = Cash flow from operating activities</b>	<b>(-)6,645,647</b>	<b>(-)7,889,003</b>
+ Amounts from sale of assets and fixed assets	867,701	915,513
- Acquisitions of tangible assets	3,563,279	11,390,410
<b>+ =B Cash flow from investment activities</b>	<b>(-)2,695,578</b>	<b>(-)10,474,897</b>
+ Changes in loans (+/-) out of which:	(+2,650,236	(+5,540,880
* Short-term loans	(+2,967,093	(+5,884,142
+ Paid dividends	6,395,773	4,971,515
<b>+ = C Cash flow from financial activities</b>	<b>9,046,009</b>	<b>(+)10,512,395</b>
+ Liquid assets at the beginning of 2018	15,533,792	15,238,576
<b>+ Net cash flow (A+B+C)</b>	<b>(-)295,216</b>	<b>(-)7,851,505</b>
= Liquid assets at the end of the period	15,238,576	7,387,071

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## STATEMENT OF CHANGES IN EQUITY ON 31.12.2018

Elements of shareholders' equity	Balance on 31.12.2017	Increases		Decreases		Balance on 31.12.2018
		Total, out of which	By transfer	Total, out of which	By transfer	
Capital subscribed and fully paid	6,976,465	-	-	-	-	6,976,465
Other elements of equity	-71,856	152,896	-	4,701,938	-	-4,620,898
Revaluation reserves	1,756,292	-	-	36,901	-	1,719,391
Legal reserves	1,617,005	-	-	-	-	1,617,005
Other reserves	29,750,378	3,312,616	-	-	-	33,062,994
Retained earnings representing the undistributed profit or the uncovered loss 1171	12,537,328	12,874,619	-	12,874,619	-	12,537,328
Retained earnings from the correction of accounting errors 1174	-433,171	-	-	-	-	-433,171
Retained earnings representing the surplus from the revaluation reserves 1175	222,752	36,901	-	-	-	259,653
Financial year result	12,874,619	12,273,345	-	12,874,619	-	12,273,345
Distribution of profit 129	1,557,498	1,525,968	-	1,557,498	-	1,525,968
Earnings related to the sale or cancellation of equity instruments	1,132,496	-	-	-	-	1,132,496
<b>Total equity</b>	<b>64,804,810</b>	<b>30,176,345</b>	<b>0</b>	<b>32,045,575</b>	<b>16,577,153</b>	<b>62,998,640</b>

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