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C.U.I.: R0 67329
Nr. înreg. ORC-Bihor: J.05/197/1991
Cont EXIM: RO48EXIM109000019389RO01
Banca : EXIM BANK ORADEA
Cont BTRL: RO86BTRL00501202N98396X
Banca : Transilvania Oradea
Cont BRD: RO79BRDE050SV07449460500
Banca : BRD Oradea

BOARD REPORT

31.12.2016

Annual report as :	Law no. 297/2004 on the capital market ;
	In accordance with the C.N.V.M. Regulation no. 1/2006
For the year:	2016
Date of the report:	31.12.2016
Company' name:	S.C. Sinteza S.A. Oradea
Headquarters:	Oradea,BorsuluiRoad, No.35,Bihor County
Tel. No./fax:	0259.456.116 / 0259.462.224
VAT Reg. No.:	67329
Reg.No.at Commerce Register:	J/05/197/1991
Regulated market:	Bucharest Stock Exchange
Subscribed and paid capital:	9.916.889 lei
The main characteristics of shares issued:	Shares issued in dematerialized form

1. Analysis of the company's activity

1.1. Description of the company's core business

S.C."SINTEZA"- S.A. was founded by H.G. no. 1213/20.11.1990, the chemical company "SINTEZA", it is registered to Commerce Register under no. J/05/197/1991, VAT no. RO 67329 and is headquartered in Oradea, 35 Borşului Road, Bihor county.

During 2016 there were no mergers or reorganizations of the company, of any kind.

In May 2016, the shareholder of the company was change, by acquisition of a 51.89% shares of Fund BT Invest 1 managed by BT Asset Management S.A.I. S.A.

1.1.1. Elements of general evaluation

In 2016 the company obtained the following indicators:

1. Total revenues: 51.593.709 lei, of which:
 - net turnover: 26.647.594 lei, of which 24.670.326 lei represents export sales;
 - sales of assets: 22.979.013 lei;
 - revenue growth stocks: 1.434.438 lei;
 - financial revenue: 532.664 lei
2. Total expenses: 48.833.297 lei, of which:
 - operating expenses: 47.852.680 lei;
 - financial expenses: 980.617 lei.
3. Net operating result: 2.760.412 lei;
4. Net income from sales of assets (surplus reserve): 15.015.774 lei;
5. Cash at end of period: 3.101.497 lei equivalent.

1.1.2 Evaluation of the technical level of the company

The company operates plants benzoic acid and salicylic acid, located in Oradea Borsului Road no. 35, a technically advanced systems and products that are obtained mainly for the external market.

Organic synthesis products manufactured are intended for applications highly technical industrial chemicals, their use is in an uptrend in the chemical industry.

At the same time, the company continued in 2016 its leasing activity of available locations, obtaining rental income .

The company plans further development of highly technical fabrications.

The main products manufactured in 2016 and proceeds from their sale, compared to previous years are:

Crt. issue	Products	2016		2015	
		lei	%	lei	%
1	Operation industrial platform	1.742.824	6,54	2.231.835	8,18
2	Manufacture of organic synthesis products	24.904.770	93,46	25.037.385	91,82
	Total	26.647.594	100	27.269.220	100

1.1.3. Evaluation of the technical-material supply

The company acquires industrial engineering from a reputable company in the field, such as: Comes, Atlas Copco, Emerson, Magnatex.

In terms of acquisition of raw materials, energy, the company operates freely competitive market, major suppliers are: NIS Serbia, Slovnaft Slovakia, Novacyl France RCS & RDS, Distrigaz Vest.

1.1.4. Evaluation of sale

S.C. Sinteza S.A. sell products manufactured in markets such as being: Europe, Turkey, Russia, Africa, Asia .

The company sells free competitive market without significant reliance on a customer or group of customers.

The company uses in both direct sales as well as sales through distributors.

The main customers in 2016 were: Stanchem Poland, Brenntag Turkey, Biochem Germany, Tricon Energy Turkey, Globe Chemical Germany, Penpet Germany, Helios Slovakia, Caffaro Italy.

1.1.5. Assessment on the company's staff

In 2016 the average number of staff was 86 people. The company made a total of 20 employment and 17 termination of contracts. Of the total staff, 19 are university graduates. The unionisation was 34%.

In employment relationships were not conflicting elements.

The company regularly organizes training courses and plans financing of vocational school classes leading organic synthesis chemists.

1.1.6 Assessment on environmental impact

The company obtained all the authorizations and permits required by legislation. No major impact on the environment and there is litigation related to violation of environmental protection legislation.

1.1.7 Evaluation of Research and Development

The company has organized its own compartment for this activity, the expectations being oriented implementation of new products and technologies. In the next financial year is expected commissioning of new capacities in the field of organic synthesis, focusing on benzoic acid and its derivatives.

1.1.8 Evaluation of risk management

The company operates a free competitive market, being exposed to the normal risks this view. No major or significant exposure to the prices or liquidity. The company implements risk management system, covering the identification, analysis, management and monitoring of risks it is exposed.

Price risk - there is a permanent monitoring of this risk considering the market in which the company is specialized. The company apply and apply in the future, policy sales price depending on the price of raw materials (minimum sale price = raw material purchase price + margin). We mention that resort to this form of pricing is a common practice on the specific market in which the company operates;

Credit risk - the company has ongoing and will use the funds raised in the future, especially for financing investment objectives. The cost is negotiated and resources in general dimensioned about baseline rates in the financial market so as to be sustainable in terms of the contract. They are taken into account potential changes in interest rates;

Liquidity risk - there is a constant concern for maintaining the level higher than one immediate liquidity. In 2016 this index was 1.46;

Cash flow risk is monitored daily, weekly and monthly by forecasts of receipts and payments. The company applied to commercial credit policy in relation to traditional customers and correlates with maturity deadlines for cashing payments (suppliers, banks, budgets, salaries).

1.1.9 Elemente de perspectiva privind activitatea societatii comerciale

In the next period, the company continues to open industrial platform on Borsului Road no. 35 and convert it to private industrial park and will invest in the development of production capacities of the products of organic synthesis. The company will work to reduce funding previously owned and seek to generate financial resources for investment activity on disposal of non core business assets it holds. In this way, the main priority will be the second manufacturing benzoic acid plant, that Sinteza SA will realize from its own resources and attracted.

In parallel, the company will develop programs that aim at creating liquidity in renting or selling of assets which are no longer affected core business.

1.1.10 Information on internal control

In the Sinteza SA internal control activities aimed at internal control and internal audit. In the area of internal control was specific for the company pursued regulatory compliance, compliance with internal rules, the decisions of the leadership and financial rules - accounting.

Internal audit is performed by a service contract with an independent company. The internal auditor assesses through a systematic and methodical approach control and governance processes of the company and to inform the

General Manager and administrators significant issues identified by the audit report.

2 Tangible assets of the company

2.1 Location and description

The company owns and manages the following assets:

a) Industrial platform: 35 Borşului Road - dedicated to the development and manufacture: Industrial Park, benzoic acid, salicylic acid and fine organic synthesis products.

b) Industrial platform: 21 Borşului Road- real estate leasing

c) Industrial platform: 159 Clujului Road - for decommissioning and for rent or sale

d) Residential real estate – rented

e) Dump slam – operating dark and program closure

2.2 Potential problems related to ownership

There are no ownership issues.

3 Market securities issued by the company

The share capital of the company is 9,916,889 lei, divided into 66,112,590 shares with a nominal value of 0.15 lei / share. The shares are traded on the Bucharest Stock Exchange, Standard category . On 31.12.2016 the shareholder structure was as follows:

F.I.I. BT Invest 1	51,8898 %
Mr.Tibor Tincău	28,1346 %
Other individuals and companies	19,9756 %
Total :	100,0000 %

In the last year General Meeting of Shareholders decided not to distribute dividends, the entire profit going towards development.

The Company has not acquired its own shares and has not issued bonds.

4 Management company

On 31.12.2016 Board of the company consisted of:

Claudiu Sorin Pasula	- chairman of the Board
Radu Vasilescu	- member of the Board
Gavin Nicolas Ryan	- member of the Board

and executive management of the company was made up of :

Căţalin Mariaş	- General Manager
Dinu Vancea	- Sales Manager
Constantin Hantaru	- Product Manager
Ionel Sabau	- Development Manager
Viorel Florut Vese	- Financial Manager

None of the above were not involved in litigation or administrative procedures related to the ability to perform their duties.

5. Declaration on corporate governance

Sinteza SA, the company whose securities are traded on the Bucharest Stock Exchange (B.V.B) is in the process of implementing the Regulation of Corporate Governance of B.V.B. A statement of compliance status and its explanation is found in the appendix to this report.

Sinteza SA is a company managed in an integrated system. The highest leadership of the company is the General Meeting of Shareholders, in according with the Founding Document. General meetings can be ordinary and extraordinary (AGOA and AGEA).

The General Meeting of Shareholders shall be convened at least once per year within 5 months from the closing of the financial year. The main responsibilities of AGOA are stipulated in the Company Law.

Extraordinary General Meeting of Shareholders shall meet whenever need to decide according to the law.

Convening General Meetings of Shareholders shall be made by the Board of Directors whenever needed or when the companies legislation requires. Information on the date of the meeting, place, agenda and other information necessary for shareholders convening notices are made public through the Official Gazette and shall be published in the local press.

Each share of the Company entitles to one vote at general meetings. The vote is exercised directly or through representation. Organizing and conducting general meetings are stipulated in the in Founding Document of the company and meet the requirements of the Company Law.

The Company is managed by a Board of Directors consisting of 3 directors elected for a term of 4 years, re-elected and revocable.

Most board members are non-executive and independent.

The Board of Directors meets whenever necessary, but at least once every three months at the headquarters.

The Management Board shall be convened by its Chairman, or his deputy.

In accordance with the Founding Document, the Board shall:

a.- approve the company's organizational structure and number of posts and establishing normative functional departments and production;

b.- approve the rights and obligations by collective labor agreement rules of organization and functioning and the rules of procedure;

c.- forward annually to the general meeting of shareholders within 5 months of the financial year, the report on the company's business, balance sheet and profit and loss account for the previous year and the draft budget for the current year;

d.-approve the depreciation of fixed assets owned by the company, decommissioning and shift in their conservation and declassification and disposal of material assets other than fixed assets;

e.- decide to grant sponsorships;

f.- approved management tactics and strategy of the company;

g.- extraordinary general meeting of shareholders proposed bond issuance;

h.- appoint the members of the steering committee, as appropriate.

i.- approve firm action concerning the future development of the company, its production capacity, introducing technical progress and technical manufacturing products at world level;

j.- resolve any other issues determined by the general meeting of shareholders and the law.

k.- approve the acquisition, transfer, exchange, constituting the guarantee of goods owned by the company, contracting finance for investment and working capital as AGEA resolutions.

The current management of the Company is delegated by mandate by the Director General appointed by the Board of Directors for a period of 4 years.

The Company applies the diversity policy in terms of its management.

The company will continuously improve communication in relationships with shareholders and investors by complying with the growing number of BVB Code requirements. In this respect, it proposes reconfiguring its site and develop a website dedicated to the relationship with investors to present information relevant to them.

6. Statement of financial accounting

Individual statement of financial position Sinteza SA in 2016 compared to 2015 is as follows:

Indicator	(RON)	(RON)
	31.12.2015	31.12.2016
Tangible assets		
Land an land design	13.485.777	13.971.880
Building	16.636.357	15.951.950
Technical installations and means of transport	15.252.700	16.237.119
Furniture, office equipment	24.050	18.837
Tangible assets under construction	5.617.536	5.527.632
Advance payment for tangible assets	17.924	0
Intangible assets		
Development expenses	0	0
Concessions, patents, licenses, trademarks, similar rights and assets and other intangible assets	637.785	610.506
Financial assets		
Shares in subsidiaries and other long term investments	257.358	110.332
Total Tangible and Intangible assets	51.929.487	52.428.256
Current assets		
Stocks	4.597.091	6.183.475
Trade receivables and other receivables	18.631.083	11.773.419
Expenses in advance	535.745	434.940
Cash and cash equivalents	574.360	3.101.497
Assets classified as held for sale	19.430.931	4.164.340
Total Current assets	43.769.210	25.657.671
Total Assets	95.698.697	78.085.927
Equity		
Capital	9.916.889	9.916.889
Share premium	0	0
Reserves	139.673.828	55.531.330
Result for the year	15.825	2.760.412
Earnings	- 76.694.700	-2.737.739
Other components of equity	-6.254	-1.352.345
Total Equity	72.905.588	64.118.547
Long term liabilities		
Long term loans and other liabilities	4.061.107	3.780.741
Advance recorded revenue	0	0
Provisions	0	0
Deferred tax liabilities	0	0

Total Long Term Liabilities	4.061.107	3.780.741
Current liabilities		
Short term loans	11.317.946	220.644
Trade payables and other liabilities, including derivatives	7.377.720	9.948.886
Advance recorded revenue	36.335	17.109
Provisions	0	0
Liabilities classified as held for sale	0	0
Total Current Liabilities	18.732.001	10.186.639
Total Liabilities	22.793.109	13.967.380
Total Equity and Liabilities	95.698.697	78.085.927

For fiscal year 2016, the parent company Sinteza SA has prepared consolidated financial statements, included in the consolidation of the company CHIMPROD S.A., with the following identification data:

Company Name: SC CHIMPROD S.A.
Headquarters: Oradea, No.35 sos.Borsului
Phone number / fax: 0259 456 110
Fiscal registration code: RO 67345
Register Register of Commerce: J 05/1984/1992
Share capital: 90.000 Lei

Company shares CHIMPROD S.A. they are not traded on the regulated market of securities. Stake of SC Sinteza S.A. is 99,765 % and the stake of non-controlling interest is 0,235%.

The company is managed by money by SC Summary S.A., having appointed a permanent representative in this regard.

Consolidated statement of financial position in 2016 compared to 2015 is as follows:

Indicator	(RON)	(RON)
	31.12.2015	31.12.2016
Tangible assets		
Land an land design	13.485.777	13.971.880
Building	16.636.357	15.951.950
Technical installations and means of transport	15.418.791	16.384.756
Furniture, office equipment	24.050	18.837
Tangible assets under construction	5.414.139	4.621.871
Advance payment for tangible assets	17.924	0
Intangible assets		
Development expenses	0	0
Concessions, patents, licenses, trademarks, similar rights and assets and other intangible assets	637.785	610.506
Financial assets		
Shares in subsidiaries and other long term investments	174.007	26.981
Total Tangible and Intangible assets	51.808.830	51.586.781
Current assets		
Stocks	4.936.822	6.457.159
Trade receivables and other receivables	17.141.868	10.365.708
Expenses in advance	535.745	434.940
Cash and cash equivalents	580.180	3.108.976
Assets classified as held for sale	19.430.931	4.164.340
Total Current assets	42.625.546	24.531.123
Total Assets	94.434.376	76.117.904
Equity		

Capital	9.920.639	9.920.639
Share premium	0	0
Reserves	141.016.139	56.875.357
Result for the year	-183.921	1.887.468
Earnings	-79.143.512	-5.182.899
Other components of equity	-6.254	-1.354.061
Total Equity	71.603.091	62.146.504
Long term liabilities		
Long term loans and other liabilities	4.061.107	3.780.741
Advance recorded revenue	0	0
Provisions	0	0
Deferred tax liabilities	0	0
Total Long Term Liabilities	4.061.107	3.780.741
Current liabilities		
Short term loans	11.317.946	220.644
Trade payables and other liabilities, including derivatives	7.415.897	9.952.906
Advance recorded revenue	36.335	17.109
Provisions	0	0
Liabilities classified as held for sale	0	0
Total Current Liabilities	18.770.178	10.190.659
Total Liabilities	22.831.285	13.971.400
Total Equity and Liabilities	94.434.376	76.117.904

The financial statements of 2016 are prepared in accordance with Order MFP no. 881/2012, Order MFP no. 2844/2016, Order MFP no. 1802/2014 and the Order MFP no. 166/2017 applicable to companies whose securities are traded on a regulated market.

Company management is not aware of events that cast doubt on the future continuity of operation, a claim supported by the financial results and the existence of contracts to ensure the sale of production pursued.

Chairman of Board of Directors

Claudiu Sorin Pasula

**The statement of compliance with the BSE Corporate Governance Code
as of 31 December 2016**

Governance Code of BSE	Compliance	Non-compliance or partial compliance	Reason for non-compliance
A. - RESPONSIBILITIES			
A.1. All companies should have internal regulation of the Board which includes terms of reference/ responsibilities for Board and key management functions of the company, applying, among others, the General Principles of this Section.		X	Terms of Reference / responsibilities of the Board and key management are contained only in constituent documents of the company, updated in 2012.
A.2. Provisions for the management of conflict of interest should be included in Board regulation. In any event, the members of the Board must notify the Board of any conflicts of interest that have arisen or may arise and refrain from participating in discussions (including by default, unless that failure would prevent the formation of quorum) and vote for the adoption of a decision on the matter giving rise to this conflict of interest.		X	Provisions on the management of conflict of interest will be included in the Council Regulation which will be developed by the Board
A.3. The Supervisory Board should have at least five members.		X	The current organizational structure and leadership of the SC Sinteza SA, contained in the foundation document, sets out a number of three members to the Board of Directors. Changing the number of members will be approved by the General Shareholders Meeting and updating foundation document.
A.4. The majority of the members of the Board of Directors should be non-executive. At least one member of the Board of Directors or Supervisory Board should be independent, in the case of Standard Tier companies. Not less than two non-executive members of the Board of Directors or Supervisory Board should be independent, in the case of Premium Tier Companies. Each member of the Board of Directors or Supervisory Board, as the case may be, should submit a declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by	X		All three current members of the Board of Directors are non-executive. Two of the three members of the Board of Directors are independent.

<p>demonstrating the ground on which he/she is considered independent in character and judgement in practice and according to the following criteria:</p> <p>A.4.1. Not to be the CEO/executive officer of the company or of a company controlled by it and not have been in such position for the previous 5 years;</p> <p>A.4.2. Not to be an employee of the company or of a company controlled by it and not have been in such position for the previous five (5) years;</p> <p>A.4.3. Not to receive and not have received additional remuneration or other advantages from the company or from a company controlled by it, apart from those corresponding to the quality of non-executive director;</p> <p>A.4.4. Is not or has not been an employee of, or has not or had not any contractual relationship, during the previous year, with a significant shareholder of the company, controlling more than 10% of voting rights or with a company controlled by it;</p> <p>A.4.5. Not to have and not have had during the previous year a business or professional relationship with the company or with a company controlled by it, either directly or as a customer, partner, shareholder, member of the Board/ Director, CEO/executive officer or employee of a company having such a relationship if, by its substantial character, this relationship could affect his/her objectivity;</p> <p>A.4.6. Not to be and not have been in the last three years the external or internal auditor or a partner or salaried associate of the current external financial or internal auditor of the company or a company controlled by it;</p> <p>A.4.7. Not to be a CEO/executive officer in another company where another CEO/executive officer of the company is a non-executive director;</p> <p>A.4.8. Not to have been a non-executive director of the company for more than twelve years;</p>			
<p>A.5. Alte angajamente și obligații profesionale relativ permanente ale unui membru al Consiliului, inclusiv poziții executive și neexecutive în Consiliul unor societăți și instituții non-profit, trebuie dezvăluite acționarilor și investitorilor potențiali înainte de nominalizare și în cursul mandatului său.</p>		X	<p>On the company's website or BSE, professional biographies of Board members are not published. This requirement will be met with reconfiguring the internet site of the Company.</p>
<p>A.6. Any member of the Board should submit to the Board, information on any relationship with a shareholder who holds directly or indirectly, shares representing more than 5% of all voting rights.</p>		X	<p>There was no such information deemed necessary by the Council.</p>
<p>A.7. The company should appoint a Board secretary responsible for supporting the work of the Board.</p>	X		<p>There is a nominated person who held the post in the Council</p>

A.8. The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.		X	Corporate Governance Statement is being Development and will include such policy
A.9. The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (in person and in absentia) and a report of the Board and committees on their activities.	X		The Board of Directors meets regularly once a month and whenever deemed necessary for the proper development of the company's activity
A.10 The corporate governance statement should contain information on the precise number of the independent members of the Board of Directors or of the Supervisory Board.	X		The Board of Directors has a total of 3 members of which 2 are independent members
A.11. The Board of Premium Tier companies should set up a nomination committee formed of non-executives, which will lead the process for Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent.	X		This requirement does not apply SC Sinteza SA listed on the BSE Standard Category
B . RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM			
B.1 The Board should set up an audit committee, and at least one member should be an independent non-executive. In the case of Premium Tier companies, the audit committee should be composed of at least three members and the majority of the audit committee should be independent.	X		In the council it works an audit committee which meets the requirements of independence and competence required by BSE Code
B.2 The audit committee should be chaired by an independent non-executive member.	X		
B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control.		X	Annual Audit Report contains references to the Company's internal control system.
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and their submission of relevant reports to the Board.		X	Internal audit assessment is made in the Annual Report of Board
B.5. The audit committee should review conflicts of interests in transactions of the company and its subsidiaries with related parties.	X		Evaluation of conflict of interest is made when deciding such transactions

B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.	X		There are references in the Annual Report of directors regarding this issue
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	X		Internal audit reports are made available annually to the audit committee
B.8. Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by cyclical (at least annual), or ad-hoc reports to be submitted to the Board afterwards	X		
B.9. No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties.	X		There are no such provisions in the foundation document or other internal regulations of the company
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the audit committee.		X	It will consider the adoption by the Council of such a policy.,And including it in its corporate governance rules
B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by retaining an independent third-party entity.	X		The internal audit of the company is conducted by an independent third party entity based service contract
B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the audit committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, it should report directly to the chief executive officer.	X		The internal auditor reports functionally to the Board and the administratively by the General Manager.
C. FAIR REWARDS AND MOTIVATION			
C.1. The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period under review. Remuneration policy should be formulated so as to allow shareholders understanding principles and arguments underlying the remuneration of Board members and the CEO and the Executive Board in the dual system. It should describe how the management process and making decisions regarding remuneration, detailing the components of the remuneration of executive management (such as salary, annual bonus, long-term incentives linked to shareholder value, benefits in kind, pension and others) and describe purpose, principles and assumptions underlying each component (including the general performance criteria		X	According to the foundation document, the Board members remuneration is the prerogative of the General Meeting of Shareholders . After developing and approving the remuneration policy will be posted on the company website.

related to any form of variable remuneration). In addition, the remuneration policy should specify the length of the contract Executive Director and the period of notice stipulated in the contract, and any compensation for unjust dismissal. Any significant change occurred in the remuneration policy to be timely published on the website of the company.			
D . BUILDING VALUE THROUGH INVESTORS' RELATIONS			
D.1. The company should have an Investor Relations function - indicated, by person (s) responsible or an organizational unit, to the general public. In addition to information required by legal provisions, the company should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:		X	The requirement will be implemented after it is set up the website of the company.
D.1.1. Principal corporate regulations: the articles of association, general shareholders' meeting procedures.		X	The requirement will be implemented after it is set up the website of the company.
D.1.2. Professional CVs of the members of its governing bodies, a Board member's other professional commitments, including executive and non-executive Board positions in companies and not-for-profit institutions;		X	The requirement will be implemented after it is set up the website of the company.
D.1.3. Current reports and periodic reports (quarterly, semi-annual and annual reports) including current reports with detailed information on compliance with this Code;	X		These reports and information are published on the company website
D.1.4. Information related to general meetings of shareholders: agenda and information materials; procedure for electing board members; arguments supporting nominations for election to the Council, together with their professional CVs; Shareholders with questions regarding the items on the agenda and responses from the company, including decisions adopted;	X		This information is published on the company website
D.1.5. Information on corporate events, such as the payment of dividends and other distributions to shareholders, or other events that lead to the acquisition or limitation of rights of a shareholder, including the deadlines and principles for such operations. This information will be published within a period to allow investors to take investment decisions;		X	The requirement will be implemented after it is set up the website of the company.
D.1.6. The name and contact data of a person who should be able to provide knowledgeable information on request;		X	The requirement will be implemented after it is set up the website of the company.
D.1.7. Corporate presentations (e.g. IR presentations, quarterly results	X		This information is published on the company website

presentations, etc.), financial statements (quarterly, semiannual, annual), auditor reports and annual reports.			
D.2. A company should have an annual cash distribution or dividend policy. The annual cash distribution or dividend policy principles should be published on the corporate website.		X	Payment of dividends is by resolution of the General Meeting of Shareholders according to the foundation document. Publication on the company's website the annual dividend distribution policy, will be made after the elaboration and approval by the company management .
D3. The company will adopt a policy regarding forecasts, whether they are made public or not. The forecast refers to findings quantified studies aimed at determining the overall impact of a number of factors relating to a future period (so-called hypotheses) by its nature, this project has a high level of uncertainty, actual results may differ significantly from forecasts initially presented. Policy regarding projections will determine the frequency and content of the period covered by the forecast. If published, the forecast can only be included in the annual, biannual or quarterly. Policy regarding projections will be published on the website of the company.		X	Publication on the company's website the annual forecasts, will be made after the elaboration and approval by the company management .
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	X		Rules General Meeting of Shareholders will be mentioned every meeting notice published in accordance with legal requirements about 45 days before each meeting.
D.5. The external auditors should attend the shareholders' meetings when their reports are presented there.	X		
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.	X		Annual Report Directors, presented the annual General Meeting of Shareholders with the financial statements, contain the Board evaluation of internal control systems management and significant risks.
D.7. Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairman of the Board. Accredited journalists may also participate in the general meeting of shareholders, unless the Chairman of the Board decides otherwise.	X		SC Sinteza SA is open to the participation of specialists, consultants, experts or analysts at shareholders' meetings. A general set of rules and procedures in this regard will be submitted for discussion and approval of the Board
D.8. The quarterly and semi-annual financial reports should include information in both Romanian and English regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-onquarter and year-on-year terms.	X		Starting to 2016, reports will be published both in Romanian and English
D.9. A company should organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the company	X		SC Sinteza SA organizes twice a year such meetings, according to the annual calendar submitted to BSE

website at the time of the meetings/conference calls.			
D.10. If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company part of its business mission and development strategy, it should publish the policy guiding its activity in this area		X	A policy in this regard will be developed by the Council if will considered appropriate

S.C. Sinteza S.A.

Individual and consolidated financial statements
31 December 2016

Prepared in accordance with
International Financial Reporting Standards (IFRS)
adopted by the European Union

Contents:

Financial statements

Individual and consolidated statement of financial position

Individual and consolidated statement of comprehensive income

Statement of changes in equity individual and consolidated

Individual and consolidated statement of cash flows

Notes to the financial statements

Individual Financial Statements

31 December 2016

Indicator	(RON)	(RON)
	31.12.2015	31.12.2016
Tangible assets		
Land and land design	13.485.777	13.971.880
Building	16.636.357	15.951.950
Technical installations and means of transport	15.252.700	16.237.119
Furniture, office equipment	24.050	18.837
Tangible assets under construction	5.617.536	5.527.632
Advances for property and equipment	17.924	0
Intangible assets		
Development expenses	0	0
Concessions, patents, licenses, trademarks, similar rights and assets and other intangibles	637.785	610.506
Financial assets		
Shares in subsidiaries and other long term investments	257.358	110.332
Total Tangible and Intangible assets	51.929.487	52.428.256
Current assets		
Stocks	4.597.091	6.183.475
Trade receivables and other receivables	18.631.083	11.773.419
Expenses in advance	535.745	434.940
Cash and cash equivalents	574.360	3.101.497
Assets classified as held for sale	19.430.931	4.164.340
Total Current assets	43.769.210	25.657.671
Total Assets	95.698.697	78.085.927
Equity		
Capital	9.916.889	9.916.889
Share premium	0	0
Reserves	139.673.828	55.531.330
Result for the year	15.825	2.760.412
Earnings	- 76.694.700	-2.737.739
Other components of equity	-6.254	-1.352.345
Total Equity	72.905.588	64.118.547
Long term liabilities		
Long term loans and other liabilities	4.061.108	3.780.741
Advance recorded revenue	0	0
Provisions	0	0
Deferred tax liabilities	0	0
Total Long Term Liabilities	4.061.108	3.780.741
Current liabilities		
Short term loans	11.317.946	220.644
Trade payables and other liabilities, including derivatives	7.377.720	9.948.886
Advance recorded revenue	36.335	17.109
Provisions	0	0
Liabilities classified as held for sale	0	0
Total Current Liabilities	18.732.001	10.186.639
Total Liabilities	22.793.109	13.967.380
Total Equity and Liabilities	95.698.697	78.085.927

General Manager

Financial Manager

Consolidated statement of financial position

31 December 2016

Indicator	(RON)	(RON)
	31.12.2015	31.12.2016
Tangible assets		
Land and land design	13.485.777	13.971.880
Building	16.636.357	15.951.950
Technical installations and means of transport	15.418.791	16.384.756
Furniture, office equipment	24.050	18.837
Tangible assets under construction	5.414.139	4.621.871
Advances for property and equipment	17.924	0
Intangible assets		
Development expenses	0	0
Concessions, patents, licenses, trademarks, similar rights and assets and other intangibles	637.785	610.506
Financial assets		
Shares in subsidiaries and other long term investments	174.007	26.981
Total Tangible and Intangible assets	51.808.830	51.586.781
Current assets		
Stocks	4.936.822	6.457.159
Trade receivables and other receivables	17.141.868	10.365.708
Expenses in advance	535.745	434.940
Cash and cash equivalents	580.180	3.108.976
Assets classified as held for sale	19.430.931	4.164.340
Total Current assets	42.625.546	24.531.123
Total Assets	94.434.376	76.117.904
Equity		
Capital	9.920.639	9.920.639
Share premium	0	0
Reserves	141.016.139	56.875.357
Result for the year	-183.921	1.887.468
Earnings	-79.143.512	-5.182.899
Other components of equity	-6.254	-1.354.061
Total Equity	71.603.091	62.146.504
Long term liabilities		
Long term loans and other liabilities	4.061.107	3.780.741
Advance recorded revenue	0	0
Provisions	0	0
Deferred tax liabilities	0	0
Total Long Term Liabilities	4.061.107	3.780.741
Current liabilities		
Short term loans	11.317.946	220.644
Trade payables and other liabilities, including derivatives	7.415.897	9.952.906
Advance recorded revenue	36.335	17.109
Provisions	0	0
Liabilities classified as held for sale	0	0
Total Current Liabilities	18.770.178	10.190.659
Total Liabilities	22.831.285	13.971.400
Total Equity and Liabilities	94.434.376	76.117.904

General Manager

Financial Manager

Individual Statement of Comprehensive Income

31 December 2016

Indicator	(RON)	(RON)
	31.12.2015	31.12.2016
Continue activities		
Revenue	27.269.220	26.647.594
Other income	2.668.473	22.979.013
Stock variations	-1.791.334	1.434.438
Total operating income	28.146.359	51.061.045
Expenditure on stocks	15.572.724	16.253.711
Expenditure on utilities	3.874.315	3.444.950
Employee benefits expense	2.891.459	3.298.070
Depreciation and amortization of fixed assets	2.019.227	2.022.026
Wins / losses on disposal of property	406.830	15.961.754
Adjustment of current assets		73.558
Adjustments for provisions		241.396
Other expenses	2.533.476	3.322.827
Total operating expenses	27.298.031	44.618.292
Result operational activities	848.328	6.442.753
Financial income	762.418	532.664
Financial expenses	1.496.465	980.617
Net Financial Result	-734.047	-447.953
Result before tax	114.281	5.994.800
Current income tax expense	98.456	3.234.388
Deferred income tax expense		
Income from deferred taxes		
The result from continuing operations	15.825	2.760.412
Earnings per share	0.0001	0.0418
Total comprehensive income for the period	15.825	2.760.412

General Manager

Financiar Manager

Consolidated Statement of Comprehensive Income
31 December 2016

Indicator	(RON)	(RON)
	31.12.2015	31.12.2016

Continue activities		
Revenue	26.733.908	25.908.430
Other income	2.668.473	22.979.013
Stock variations	-1.791.334	1.434.438
Total operating income	27.611.047	50.321.881
Expenditure on stocks	15.602.828	16.351.921
Expenditure on utilities	3.874.315	3.444.950
Employee benefits expense	3.288.563	3.783.427
Depreciation and amortization of fixed assets	2.037.682	2.040.481
Wins / losses on disposal of property	406.830	15.961.754
Adjustment of current assets		73.558
Adjustments for provisions		241.396
Other expenses	1.752.247	2.833.192
Total operating expenses	26.962.465	44.730.679
Result operational activities	648.582	5.591.202
Financial income	762.418	532.664
Financial expenses	1.496.465	980.617
Net Financial Result	-734.047	-447.953
Result before tax	-85.465	5.143.249
Current income tax expense	98.456	3.255.781
Deferred income tax expense		
Income from deferred taxes		
The result from continuing operations	-183.921	1.887.468
Total comprehensive income for the period	-183.921	1.887.468

General Manager

Financiar Manager

Statement of changes in equity - consolidated
31 December 2016

Amending equity sources	Capital	Share premium	Equity instruments issued	Other equity	The cumulative value of other comprehensive income	Retained earnings	Revaluation reserves	Other reserves	(-) Own shares	Profit or loss (-) attributable to equity holders of parent company	(-) Dividends Interim	Minority interest		Total
	1	2	3	4	5	6	7	8	9	10	11	The cumulative value of other compreh. income	Other elements	
0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Opening Balance (before restatement)														
The effect of corrections of errors														
The effect of changes in accounting policies														
Opening Balance (current period)	9920639				-189636	-79143512	136825862	4190277	540					71603090
Ordinary bond issue														
Preferred shares issued														
Other capital instruments issued														
Exercise or expiration of other capital instruments issued														
Conversion of debt into equity														
Capital reduction														
Dividends														
Purchase of own shares														
The sale or cancellation of own shares														
The reclassification of financial instruments from equity into debt														
Transfers between components of equity					190176	85439096	-85329396	-106048						193828
Increases or (-) decreases in equity resulting from business combinations														
Payments in shares														
Other increases or (-) decreases in equity					-1354061	-11478483	-68970	1363632						-11537882
Total comprehensive income for the year					1887468									1887468
Balance at closing (current period)	9920639				533947	-5182899	51427496	5447861	540					62146504

Individual Statement of Cash Flows
31 December 2016

Statement of Cash Flows

- lei -

	31.12.2015	31.12.2016
Cash flows from operating activities		
Receipts from customers for sales	27.835.299	28.422.738
Other revenues (including net VAT refunds)	1.633.800	1.658.039
Payments to suppliers	22.282.581	23.702.713
Net payments to employees	1.579.678	1.942.042
Payments to budget	1.646.717	2.104.998
Other payments	314.213	1.539.428
Net cash from operating activities	3.645.910	791.596
Cash flows from investing activities		
Payments for the acquisition of fixed assets	417.960	3.952.088
Proceeds from sale of tangible assets	126.786	19.906.276
Interest received		
Net cash from investing activities	-291.174	15.954.188
Net cash from financing activities		
Proceeds from borrowings	36.812.028	18.142.934
Interest paid and refund loans	40.525.081	31.499.351
Dividends paid	0	862.230
Net cash from financing activities	-3.713.053	-14.218.647
Increase / (Decrease) net cash	-358.317	2.527.137
Cash and cash equivalents at beginning of period	932.677	574.360
Cash and cash equivalents at end of period	574.360	3.101.497

Consolidated Statement of Cash Flows
31 December 2016

Statement of Cash Flows

- lei -

	31.12.2015	31.12.2016
Cash flows from operating activities		
Receipts from customers for sales	29.110.618	30.153.254
Other revenues (including net VAT refunds)	1.633.800	1.658.039
Payments to suppliers	23.031.006	24.795.751
Net payments to employees	1.803.989	2.217.263
Payments to budget	1.864.659	2.365.367
Other payments	399.616	1.639.657
Net cash from operating activities	3.645.148	793.255
Cash flows from investing activities		
Payments for the acquisition of fixed assets	417.960	3.952.088
Proceeds from sale of tangible assets	126.786	19.906.276
Interest received		
Net cash from investing activities	-291.174	15.954.188
Net cash from financing activities		
Proceeds from borrowings	36.812.028	18.142.934
Interest paid and refund loans	40.525.081	31.499.351
Dividends paid	0	862.230
Net cash from financing activities	-3.713.053	-14.218.647
Increase / (Decrease) net cash	-359.079	2.528.796
Cash and cash equivalents at beginning of period	939.259	580.180
Cash and cash equivalents at end of period	580.180	3.108.976

Notes to the financial statements

1. The entity which reports

The company Sinteza S.A. has headquartered in Oradea, Borsului Road No.35, Trade Register No. J 05/197/1991. It is a joint stock company and operates in Romania in accordance with Law No.31 / 1990 relating to commercial companies.

The basic object of activity of the Company is manufacturing and marketing of basic organic chemicals - CAEN code 2014.

The Company's shares are listed on the Bucharest Stock Exchange, Standard category, with the indicative STZ.

On 31.12.2016, the Company is owned by the following shareholders:

Current issue	Name	Percentage held (%)
1	F.I.I. BT Invest 1 administrat de BT Asset Management SA	51,8898
2	Tincau Tibor	28,1346
3	Other shareholders	19,9756
	Total	100,0000

Closed Investment Fund (F.I.I.) BT Invest 1 acquired a majority stake of 51,89% in May 2016 to CHEMPARK Invest SRL, through a secondary market transaction, notifying the Financial Supervision Authority (ASF) and Bucharest stock Exchange (BVB).

Evidence shares and shareholders is kept by Depozitarul Central S.A. Bucharest.

The entity that enters into consolidation

For fiscal year 2016 was included in the consolidation of the commercial company SC CHIMPROD S.A., with the following identification data:

Company Name:	SC CHIMPROD S.A.
Headquarters:	Oradea, No.35 Borsului Road
Phone number / fax:	0259 456 110
Fiscal registration code:	(RO) 67 345
Trade Register No.:	J /05/1984/1992
Share capital:	90,000 Lei

Company shares S.C. CHIMPROD S.A. , they are not traded on the regulated market of securities.

The company is managed by mandate by SC Sinteza S.A., having as permanent representative Mr. Catalin Marias.

Stake of SC Sinteza S.A. is 99,765% and the stake of non-controlling interest is 0,235%.

Publishing date of approval of financial statements

Financial communication calendar is approved by the Company's executive management in accordance with the statutory provisions and shall be made public by publication on the Company's website.

2. Basis of preparation

Statement of Compliance

Individual and consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS). Beginning with fiscal year 2012, the Company and the Group are required to apply International Financial Reporting Standards (IFRS).

Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company S.C. Sinteza S.A. and those of company in the consolidation (subsidiary) SC CHIMPROD S.A. as an entity controlled by the parent company.

Presentation of Financial Statements

Individual and consolidated financial statements are presented according to the requirements of IAS 1 "Presentation of Financial Statements", based on liquidity in the statement of financial position and based on the nature of income and expenses in the statement of comprehensive income.

Functional and presentation currency

The functional currency is the RON (LEU) . Individual and consolidated financial statements are presented in RON.

Basis of assessment

The individual financial statements and statements have been prepared on a historical cost basis, except tangible assets which are measured at fair value every two years.

The accounting policies have been applied consistently for the periods presented in these financial statements.

Was going concern.

Use of estimates and judgments

Preparation and presentation of consolidated and individual financial statements according to International Financial Reporting Standards (IFRS) requires the use of estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts. Estimates, judgments and assumptions are based on historical experience. The results of these estimates form the basis for judgments about the carrying amounts that can not be obtained from other sources.

When some elements of the annual financial statements can not be measured accurately, it is estimated.

The estimates are made based on the most recent reliable information at their disposal.

To changing circumstances on which the estimate was based or as a result of new information or a best experiences may lead to a modification of the initial estimate.

Any change in accounting estimates will be recognized prospectively by including it in the result:

- ♣ period of the change if it affects only that period; or
- ♣ period in which the change occurs and future periods if the change has an effect on them.

The group estimates used to determine:

- ♣ bad debts and doubtful debts related adjustments;
- ♣ value of provisions for risks and charges amounted at year-end litigation, decommissioning of tangible assets, restructuring for pensions and similar obligations for taxes.
- ♣ lifetime of depreciable assets for which the revaluation, fair value is determined and a new term economic use.

Judgments and assumptions are reviewed periodically by the Company and are recognized in the periods in which the estimates are revised.

3. Significant accounting policies

Parent and subsidiary companies organize and lead the financial accounting according to the Accounting Law no. 82/1991, as amended and supplemented.

Financial accounting provides chronological and systematic registration, processing, publish and maintain information about the financial position, financial performance and other information related to the work.

The accounting policies have been developed so as to ensure supply, the annual financial statements, certain information must be understandable, relevant to the needs of users in decision making, credible meaning to represent faithfully the assets, liabilities, financial position and profit or loss of the company do not contain significant errors, not to be biased, to be prudent, complete in all material respects, comparable so that users can compare the financial statements of the company over time to identify trends in financial

position and performance and can compare financial statements with those of other companies to assess the financial position and performance.

The accounting policies have been applied consistently to all periods presented in these financial statements.

The individual financial statements are prepared on the assumption that the Company will continue its operations in the foreseeable future.

Transactions in foreign currencies

Operations in foreign currencies are recorded in RON at the exchange rate on the date of the transaction.

At the end of each month, the liabilities in foreign currency are valued at the exchange rate of the currency market, announced by the National Bank of Romania the last banking day of the month in question. Exchange differences are recognized in the accounts recorded in income or expense from foreign exchange differences, if applicable.

Exchange differences arising during the settlement of foreign currency debts at rates different from those at which they were originally recorded during the month or to those which are accounted to be recognized in the month in which they appear as income or expense in exchange rate differences.

Value differences arising during the settlement of debts denominated in RON, according to an exchange rate different from that to which they were originally recorded during the month or to those which are accounted to be recognized in the month in which they appear to other financial income and expenses.

Accounting for the effect of hyperinflation

In accordance with IAS 29 "Financial reporting in hyperinflationary economies" in the financial statements of an entity that used the currency as the functional currency of a hyperinflationary economy, monetary items must be restated use a general index of price growth.

Both the parent company and its subsidiary have not done adjusting for non-cash items for 2016, because they were regularly evaluated and values were included in share capital to the data. At the date of transition to IFRS implementation (2012) was made a reprocessing and an evaluation of all assets and liabilities, thereby encircling the balance sheet and the effects of hyperinflation which affected the Romanian economy until 2004.

Financial instruments

Parent Company and subsidiary owning non-derivative financial assets: trade receivables, cash and cash equivalents.

The claims include:

- ♣ trade receivables, which are amounts owed by customers for goods sold or services rendered in the ordinary course of business;
- ♣ receivable effects, commercial acceptance, third party tools;

♣ amounts owed by directors, shareholders, employees and affiliates. The claims outlined in accrual basis, according to legal or contractual provisions

The effects can be expected receivable before maturity.

At the end of each month, foreign currency receivables are valued at the exchange rate of the currency market, announced by the National Bank of Romania the last banking day of the month in question. Exchange differences are recognized in the accounts recorded in income or expense from foreign exchange differences, if applicable.

At the end of each month, receivables denominated in RON, whose settlement is based on a foreign currency are valued at the exchange rate of the currency market, announced by the National Bank of Romania the last banking day of the month in question. In this case, the differences are recognized in the accounts at other financial income or other financial expenses, as appropriate.

Exchange differences arising during the settlement of claims in foreign currency at rates different from those at which they were originally recorded during the month or to those which are accounted to be recognized in the month in which they appear as income or expense in exchange rate differences.

Value differences arising during the settlement of claims expressed in lei, according to an exchange rate different from that to which they were originally recorded during the month or to those which are accounted to be recognized in the month in which they appear to other financial income and expenses.

Accounts from banks comprise:

- ♣ Values receivable (checks and notes deposited in banks)
- ♣ availabilities and foreign currency
- ♣ The checks issued by the company
- ♣ short-term bank loans
- ♣ availability and interest on loans granted by banks in current accounts.

Interest payable and receivable, financial year in progress is recorded in financial income or financial expenses, as appropriate.

The operations of sale of foreign currency, including those carried out under contracts settled on time, are recorded in the accounting rate used by commercial bank undergoing tender currency; They generate accounting exchange differences against the National Bank of Romania.

Foreign currency deposits are evaluated monthly at the rate of the National Bank of Romania for the last business day of the month.

Liquidation deposits in foreign currency shall be made at the exchange rate of the National Bank of Romania from the date of the liquidation.

Exchange differences between the exchange rate at the date of incorporation or which are accounted for and the National Bank of Romania from the date of liquidation of bank deposits are recorded in income or expense from foreign exchange differences, if applicable.

Tangible assets

Tangible assets are assets that:

- ♣ are owned by a company for use in the production of goods or services, for rental to others or for administrative purposes; and
- ♣ are used over a period longer than one year.

Tangible assets include:

- ♣ land and buildings;
- ♣ technical installations and machines;
- ♣ equipment and furniture;
- ♣ real estate investments;
- ♣ advances to suppliers of fixed assets;
- ♣ tangible in progress;
- ♣ investment property under construction;
- ♣ tangible exploration and evaluation of mineral resources.

Tangible assets are initially measured at cost. This is the cost of acquisition or production cost, depending on the mode of entry into society of property and equipment.

Trade discounts granted by the supplier and included in the purchase invoice adjusted downwards acquisition cost of assets.

The production cost of assets includes direct costs related to production such as direct materials, energy consumption for technological purposes, the costs of salaries, contributions to legal and other expenses related thereto, directly resulting from the construction of property and equipment, costs of site preparation costs initial delivery and handling, installation and assembly costs, testing costs of the proper functioning of the asset, professional fees and fees paid in connection with the asset, the cost of designing products and obtain necessary permits;

Subsequent expenditure on a tangible asset is recognized:

- ♣ as expenses in the period in which they were incurred if they are considered repairs or purpose of these expenditures is to ensure the continued use of the asset while maintaining the original technical parameters; or
- ♣ as a component of the asset, as subsequent expenses, if the conditions to be considered investment on fixed assets.

Tangible assets shown in the balance sheet at their fair value.

Tangible assets are revalued at an interval of 2 years.

In years not performed revaluation, tangible assets are presented in the financial statements at the value set last revaluation less accumulated depreciation and adjustments for impairment loss.

Depreciation of tangible assets is calculated starting with next month commissioning and until full recovery of their input.

The Group calculated and accounted depreciation of tangible leased, rented or leased by management.

Land is not depreciated.

Economic lifetime is the period in which an asset is expected to be available for use.

The useful lives of the main categories established by the company of its intangible heritage are the usual chemical industries.

Depreciation is recorded in the accounts as still life and depreciation method initially set. Depreciation of tangible assets, the Company uses straight-line depreciation, by including uniform operating expenses of fixed amounts determined in proportion to the number of years of the life of their economic use, the following categories of assets:

- building;
- technical installations and machines;
- equipment and furniture

Lifetime originally set to be revised (downward or growth) whenever there are changes in the conditions of use initially estimated, there is an aging of a tangible asset, when there is a shelf-life or find a technical state that it allows a longer life than the initially estimated.

Following the initial estimate established life, depreciation expense will be recalculated for the remaining period of use.

Tangible assets held under finance leases are accounted according to the provisions of leases concluded.

The classification of leases to finance leases or operating leases are carried at the beginning of the contract.

Intangible assets

Within intangible assets include:

- ♣ development costs;
- ♣ concessions, patents, licenses, trademarks, rights and similar assets and other intangible assets;
- ♣ goodwill;
- ♣ advance payments for intangible assets;
- ♣ intangible exploration and evaluation of mineral resources

An intangible asset must be recognized if and only if:

- ♣ it is estimated that future economic benefits that are attributable to the asset will be obtained by the company; and
- ♣ cost of the asset can be measured accurately.

An intangible asset is initially recorded at cost or production depending on the mode of entry heritage.

Development costs are recognized at their cost of production.

The production cost of property from the development phase includes direct costs associated with the production as direct materials, energy consumption for technological purposes, the costs of salaries, contributions to legal costs of testing correct operation of the asset, professional fees and fees paid in connection with the asset, the cost of obtaining the necessary permits. Development costs which are recognized as intangible development costs are amortized over the contract period or duration of use, where appropriate.

Financial assets

Within financial assets include:

- ♣ shares in subsidiaries;
- ♣ loans granted to entities in the group;
- ♣ shares in associates and jointly controlled entities;
- ♣ loans to associates and jointly controlled entities;
- ♣ other long term investments;
- ♣ other loans.

Financial assets are recognized at the entrance to the heritage value of the acquisition.

Periodic adjustment for the impairment proposes to the General Meeting of Shareholders and affects the fiscal year to which it relates.

Items of stocks

Registration in stocks accounting entry is made at the date of transfer of risks and rewards.

Entry into society, stocks are assessed and accounted at cost, which is determined as follows:

- ♣ the cost of acquisition - for purchased stocks;
- ♣ the production cost of default - for stocks produced in the society;
- ♣ the input value, following the evaluation - for stocks representing the company capital;
- ♣ at fair value - for stocks obtained free of charge or addition to inventory found.

Trade discounts granted by the supplier and included in the purchase invoice reduces the acquisition cost of goods.

In determining the cost of production using standard cost method, taking into account normal levels of materials and supplies, labor, efficiency and production capacity.

Considered normal levels of material consumption shall be reviewed within 12 months.

Exit from inventory they assess and record by applying the FIFO method, namely the nature of inventory items that were purchased or produced first are those that consume or sell first . Items remaining in stock at the end are those who were purchased or produced most recently.

At balance sheet date inventories are valued at the lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary sales.

When the company decides to change the use of a property, meaning that it will be sold at the time the decision on change of destination, accounting records transfer of tangible asset category in the inventory held for sale.

Income

Revenue represents increases in economic benefits, incurred during the year, which generated an increase in equity in forms other than those which express the company's contributions's new owners.

Both revenue category includes amounts received or receivable in his own name and gains from any source.

Revenues are classified as follows:

- ♣ Operating income;
- ♣ Financial income;

Revenues are recognized on an accrual basis.

Revenues from sales of goods are recorded when handing goods to the buyers of their delivery based on the invoice or other conditions stipulated in the contract, evidencing the transfer of ownership of such goods to customers.

Revenues from sale of goods is recognized when the following conditions are met:

a) have been transferred to the buyer the significant risks and rewards of ownership of the goods;

b) the company no longer manages the goods sold at levels that would have done normally, if ownership over them and no longer have effective control over them;

c) the revenue can be measured reliably;

d) it is probable that the economic benefits associated with the transaction will flow to the company; and

e) transaction costs can be measured reliably.

Revenues from provision of services are recorded in the accounts are made, related to the stage of completion of the work.

The stage of completion of the work shall be determined on the basis of the papers accompanying bills, minutes of acceptance or other documents evidencing the state of development and acceptance of services rendered.

Interest income is recognized periodically, proportionally, the respective revenue is generated.

Revenues from royalties and rents are recognized as the maturity of the contract.

Dividend income is recognized when it established the shareholder's right to receive them.

Income from reduction or cancellation of provisions or adjustments for depreciation or impairment is recorded where no longer justify maintaining their realization risk occurs or becomes chargeable expense.

It is measured at the value determined by agreement between seller and buyer, taking into account the amount of any trade discounts granted.

Income received before the balance sheet for the financial year which are subsequently shown to revenues in advance.

Costs

The expenses of the parent company and the subsidiary represents the amounts paid or payable to:

- ♣ consumption stocks;
- ♣ works executed and services provided that benefit society;
- ♣ employees expenses;
- ♣ execution of legal or contractual obligations;
- ♣ provisions;
- ♣ depreciation;
- ♣ adjustments for depreciation or loss of value.

Keep the expenditure accounts of expenses, as follows:

- ♣ operating expenses;
- ♣ financial expenses.

Synthetic spending accounts that contain multiple items with different tax deductibility regime develops analytical, so that each analytic reflect specific content.

Debts

Debts evidenced by accounting accounts on behalf of third parties. Accounting suppliers and other liabilities take into categories and each person or entity.

Personal rights shall be accounted by withholding contributions

Profit tax payment should be recognized as a liability to the extent unpaid.

Deferred tax is the amount of income tax payable in a future period. Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

Is calculated based on tax rates that are expected to be applicable to temporary differences at their resumption, under the legislation in force at the reporting date.

Deferred tax assets are the amounts of income taxes recoverable in future periods.

Representing deferred tax assets and liabilities are compensated only if there is a legal right to offset current tax liabilities and debts.

Debt in foreign currency are recorded in the accounts in lei (RON) and in foreign currency.

At the end of each month, the liabilities in foreign currency are valued at the exchange rate of the currency market, announced by the National Bank of Romania the last banking day of the month in question. Exchange differences are recognized in the accounts recorded in income or expense from foreign exchange differences, if applicable.

Exchange differences arising during the settlement of foreign currency debts at rates different from those at which they were originally recorded during the month or to those which are accounted to be recognized in the month in which they appear as income or expense in exchange rate differences.

Valuation of liabilities in the financial statements at their value is likely to pay.
The measurement of foreign currency and the settlement in lei by a foreign currency is made at the exchange rate of the National Bank of Romania, valid on the date of each financial year.

Provisions

A provision will be recognized in the accounts when:

- ♣ Company has a present obligation generated by a previous event;
- ♣ it is probable that an outflow of resources will be required to settle the obligation; and
- ♣ a reliable estimate can be made of the amount of the obligation.

Provisions are not recognized for future operating losses.

Provisions are reviewed at individual financial statement date and adjusted to reflect the current best estimate.

Where to settle an obligation is no longer probable that an outflow of resources, provision is invalidated by resuming revenue.

Commercial and financial discounts

Trade discounts granted by the supplier and included in the purchase invoice adjusted downwards acquisition cost of goods.

Trade discounts to customers in order to reduce the amount of income adjusted for the transaction.

Contingent assets and liabilities

Contingent assets and liabilities are presented in the notes if the inflows are likely to arise economic benefits.

They are assessed annually to determine if it became probable that an outflow of resources embodying economic benefits and requires recognition of a liability or a provision in the financial statements for the period of this change in classification of the event.

Events after the preparation of financial statements

Events after the balance sheet date are those events, favorable or unfavorable, that occur between the balance sheet date and the date the annual financial statements are authorized for issue. They are presented in the notes when they are considered significant.

Standards and new interpretations

New interpretations have been issued, amendment or standards, which became effective for fiscal year 2016 or that were not adopted.

They have not been applied in preparing the financial statements of 2016.

The Company does not expect these new standards or interpretations amendamente significantly affect its financial statements.

4. Determination of fair values

Disclosure requirements of the information contained in the financial statements as well as some of the Company's accounting policies determine the need for their presentation.

The Company assessed the fair value of property items at the date of transition to IFRS and the financial statements of prior periods presented at fair value.

The market price of property items does not require significant adjustments to the current period's financial statements.

5. Tangible assets

Individual situation at its parent company shows:

	Land	Buildings	Equipment and other	Tangible assets under construction	Total
<i>Cost or appraised value</i>					
Balance at January 1, 2016	13.485.777	18.153.975	19.705.138	5.617.536	56.962.426
Increases	976.364	23.827	2.521.695	3.056.078	6.577.964
Decreases	490.261	319.992	53.683	3.145.982	4.009.918
Balance December 31, 2016	13.971.880	17.857.810	22.173.150	5.527.632	59.530.472
<i>Depreciation and write-downs</i>					
Balance at January 1, 2016		1.517.618	4.428.388		5.946.006
Increases		482.983	1.510.364		1.993.347
Decreases		94.741	21.559		116.300
Balance December 31, 2016		1.905.860	5.917.193		7.823.053

At Group level, the situation is:

	Land	Buildings	Equipment and other	Tangible assets under construction	Total
<i>Cost or appraised value</i>					
Balance at January 1, 2016	13.485.777	18.153.975	19.926.593	5.414.139	56.980.484
Increases	976.364	23.827	2.521.695	2.353.714	5.875.600
Decreases	490.261	319.992	53.683	3.145.982	4.009.918
Balance December 31, 2016	13.971.880	17.857.810	22.394.605	4.621.871	58.846.166
<i>Depreciation and write-downs</i>					
Balance at January 1, 2016		1.517.618	4.483.752		6.001.370
Increases		482.983	1.528.819		2.011.802
Decreases		94.741	21.559		116.300
Balance December 31, 2016		1.905.860	5.991.012		7.896.872

Tangible assets include assets affected the company carrying out production. Some of these assets are mortgaged or pledged to guarantee loans taken from banks.

Tangible assets represent investments are being finalized in order to increase production capacities.

The depreciation method used by the company for all classes of depreciable assets is the linear method.

The formula used to calculate the annual depreciation (Aa) and the rate of depreciation (R) is:

$$Aa = Ra \times Va$$

$$Ra = \frac{100}{DUN}$$

Where: Ra = annual rate of amortization depreciable value
DUN = normal period of use or useful life.

The useful lives of fixed assets at the commissioning were employed within the limits stipulated by the internal regulations regarding the classification of fixed assets and were not modified during 2016.

For proper closure of the financial year 2016 the Company proceeded to the revaluation of tangible assets. Was brought from revaluation at fair value, the value not amortized as follows:

- Land value increase of 663.654 lei;
- Buildings, lowering the value of 593.433,57 lei;
- Technological equipment, decrease the value of 219.792,68 lei;
- Devices for measuring, control, regulation, decrease the value 99.017,26 lei;
- Transport, increase value 113.748,74 lei;
- Furniture and office 1.103,98 lei decrease value.

Revaluation differences were recorded on account of revaluation reserve account.

6. Intangible assets

In the parent Company are highlighted in this group of property value paid licenses of European regulators manufacture and sale of chemicals. Also during 2016 the company purchased a license extension antivirus software.

7. Financial assets

The parent Company holds 99,765% of the subsidiary SC CHIMPROD S.A. Oradea and another shares:

1. A total of 337.454 shares with nominal value of 0,16 RON to SSIF BRK Financial Group SA headquartered in Cluj Napoca, 0,0999% of the share capital.

2. A total of 1.000 shares with nominal value of 1 RON, the Organization of Employers Chemical Petrochemical Bucharest.

The carrying value of securities held by the Company at SSIF BRK Financial Group SA was adjusted to market value of 31.12.2016 by their depreciation value of 147.025,65 lei compared to book value.

8. Stocks

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Raw materials	687.206	844.396
Finished product	2.980.300	4.467.153
Products in progress	834.557	778.803
Goods	23.202	23.089
Packing	71.826	70.034
Assets held for sale	19.430.931	4.164.340
Total	24.028.022	10.347.815

At Group level, the situation is:

	31.12.2015	31.12.2016
Raw materials	947.266	1.184.942
Finished product	2.980.300	4.399.653
Products in progress	913.575	778.803
Goods	23.217	23.089
Packing	72.464	70.672
Assets held for sale	19.430.931	4.164.340
Total	24.367.753	10.621.499

In the month of October 2016 Sinteza SA closed a transaction for the sale of land in heritage revealed in accounting in account Assets held for sale. The transaction value was EUR 4.8675 million payable in several installments, the last being in 15.01.2017.

9. Trade receivables

Individual situation at its parent company shows:

31.12.2015	31.12.2016
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Customers	4.108.217	8.419.456
Doubtful and disputed	25.102	0
Debtors Suppliers	0	32.653
Customer Bills drafted		
Advance payments		
Impairment of receivables	0	-94.371
Total	4.133.319	8.325.085

At Group level, the situation is:

	31.12.2015	31.12.2016
Customers	2.555.113	6.870.937
Doubtful and disputed	88.991	63.889
Debtors Suppliers	0	32.653
Customer Bills drafted		
Advance payments		
Impairment of receivables		-94.371
Total	2.644.104	6.873.108

The company's commercial relations continued to be formalized by commercial farms contracts in 2016, and during this time customers are traditional ones. Over 90% of products manufactured exports were delivered to beneficiaries in member countries of the European Union or Non EU. There is a definite dependence of the EU Community market where the company delivers about 70% of production exported.

On the 31.12.2016, the Company outstanding receivables were in the amount of 2.569.460 RON. Of these, receivables in the amount of 349.220 RON had been working less than 30 days and the remaining 2.220.240 RON was represented by receivables older than 30 days. At the reporting date the company has not classified the claims as impaired nor was the risk provisions for their non-collection.

10. Cash and cash equivalents

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Current bank accounts	567.272	3.095.038

Cash	6.903	6.248
Other values	185	211
Total	574.360	3.101.497

At Group level, the situation is:

	31.12.2015	31.12.2016
Current bank accounts	572.731	3.101.720
Cash	7.264	7.045
Other values	185	211
Total	580.180	3.108.976

11. Other receivables

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Settlement of transactions pending clarification	0	471
Other receivables related to staff	0	1.100
Other receivables related to state budget (VAT recoverable)	628.397	804.122
Deferred income tax (receivable)	13.869.367	2.609.988
Total	14.497.764	3.415.681

At Group level, the situation is:

	31.12.2015	31.12.2016
Settlement of transactions pending clarification	0	471
Other receivables related to staff	0	1.100
Other receivables related to state budget (VAT recoverable)	628.397	804.433
Deferred income tax (receivable)	13.869.367	2.609.988
Total	14.497.764	3.415.992

12. Assets classified as held for sale

In this category were recorded in the preceding years fixed and parts of decommissioned installations that can be realized as individual assets, totaling in the balance at 31.12.2016 of 4.164.340 lei.

13. Share capital and share premium

Sinteza SA shareholding structure is as follows (percentage):

	31.12.2015	31.12.2016
SC Chempark Invest SRL	51,8898	0
F.I.I. BT Invest 1	0	51,8898
Tincau Tibor	28,1346	28,1346
Other shareholders	19,9756	19,9756
Total	100	100

During 2016 change occurred shareholder of Sinteza SA by acquisition of a 51,89% shares of F.I.I. BT Invest 1 managed by BT Asset Management S.A.I. S.A.

Subsidiary's shareholding structure is as follows (percentage):

	31.12.2015	31.12.2016
SC Sinteza SA	99,765	99,765
Other shareholders	0,235	0,235
Total	100	100

As required by law, the mother Company level and entity entered in the consolidation, it creates legal reserves in the proportion of 5% of profits recorded up to the amount representing 20% of the share capital.

Regarding the change in equity of the parent company by lowering their value at 31.12.2016 value of 8.787.041 RON, this is due to the following changes in the structure:

- Decrease in the revaluation reserve of 85.398.366 lei, caused the greatest extent switching to retained earnings of the revaluation surplus for land sold in the month of October 2016.
- Decrease in the outstanding balance of retained earnings of 73.956.961 lei caused by the same land sale transaction in October 2016 (the revaluation reserve recorded on transition to IFRS, negative)
- Increase the legal reserve of 299.740 lei
- Increase of other reserves 956.128 lei by incorporating gross amounts representing tax exempt under the provisions of the Tax Code for investment commissioned in 2016 by the Company - Central steam.
- Net profit growth for the year with 2.744.587 lei compared to 2015;
- Samplings of net profit increase compared to 2015 by shares 1.346.091 lei to the legal reserve and the tax incentives for tax reduction related to the steam plant was put into operation.

Reserves held by the company amounted to 55.531.330 lei consisted of:

- Revaluation reserves in the amount of 51.427.496 lei;
- Legal reserves in the amount of 1.213.255 lei;
- Other reserves in the amount of 2.890.579 lei

These elements of equity have been restated, following last evaluation at fair value for tangible performed at the end of 2016.

Company continued in 2016 to manage capital and considering all its components as defined by the Romanian legislation. There were no cases of exclusion of quantitative or consideration as a component of equity in the balance sheet items other than those covered in domestic legislation.

14. Trade payables and other liabilities

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Commercial suppliers	3.637.580	4.391.760
Suppliers investment	145.722	379.198
Suppliers - Contributors	0	11.211
Amounts debts to credit institutions	15.379.054	2.827.608
Debts to the state budget	114.341	137.025
Debts to the employees	93.789	109.093
Current income tax	0	3.058.824
Other debts	3.422.623	1.861.775
Total	22.793.109	12.776.494

At Group level, the situation is:

	31.12.2015	31.12.2016
Commercial suppliers	3.583.912	4.344.728
Suppliers investment	145.722	379.198
Suppliers - Contributors	0	11.211
Amounts debts to credit institutions	15.379.054	2.827.608
Debts to the state budget	195.334	174.822
Debts to the employees	104.640	120.956
Current income tax	0	3.060.215
Other debts	3.422.623	1.861.775
Total	22.831.285	12.780.513

15. Loans

Regarding loans company, continued the policy of appealing to funds raised to finance working capital.

Bank loans in progress at the end of 2016 are contracted only in the parent company S.C. Sinteza S.A. and are the following:

1. Credit investments to expand and modernize manufacturing facility benzoic acid, guaranteed by mortgage on land and buildings located in Oradea Borsului Road No.35 and with pledge on current account of the company opened at the financing bank and the assignment of the insurance policy on the property pledged as collateral.
2. Credit line to support current activity, guaranteed by mortgages on land and buildings located in Oradea, Borsului Road No.35, pledge on the current account of the company opened with bank financing and divestment of the insurance policy on the property pledged as collateral;
3. Credit for current activity in the short term, credit card, guaranteed by pledge on the current account of the company opened with bank financing.

Besides loans contracted, the company has other financial commitments related to current activity and investment, namely:

1. Letter of guarantee in favor of the principal supplier of raw materials;
2. Guarantee in favor of the Ministry of Finance to guarantee payment obligations to the budget that benefit society rescheduled CHIMPROD SA

In the month of May 2016 the company contracted a real estate financial lease (leaseback) transaction value was 400,000 euros, the contract being valid for 5 years.

16. Impairment of receivables - customers

In the year 2016, the company made adjustments for doubtful debts amounting to 94.370,54 lei. The Company entered into consolidation CHIMPROD SA did not record such operations.

17. Income in advance

In 2016 the company reflected in the statement of income amounts received in advance from customers in future deliveries account. Account balance on 31.12.2016 amounting to 17.109 lei highlights the value of these advances for merchandise contract has not been invoiced and delivered to beneficiaries.

18. Turnover

The turnover of financial year 2016 is as follows:

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Revenue from the sale of finished products	25.037.385	24.903.526
Income from sale of goods	9.559	1.244
Income from rents and locations	1.506.082	1.459.393
Revenue from rendering of services	192.508	259.203
Other revenue (invoicing, waste products)	523.686	24.228
Total	27.269.220	26.647.594

At Group level, the situation is:

	31.12.2015	31.12.2016
Revenue from the sale of finished products	25.037.385	24.697.822
Income from sale of goods	9.559	1.244
Income from rents and locations	966.082	919.393
Revenue from rendering of services	197.196	265.743
Other revenue (invoicing, waste products)	523.686	24.228
Total	26.733.908	25.908.430

A reportable segment is a component of an entity that engages in business activities from which it can get revenues from which can incur expenditure, the results of which are reviewed periodically and for which separate financial information is available.

The company did not hold separate components that engage in business activities, items of income derived from activities other than industrial production data being incidental.

The share is the main business activity of industrial production, the result of which is reviewed periodically by the chief operating

19. Raw material costs and consumables

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Raw materials	14.899.106	15.347.023
Consumables	141.037	274.227
Combustible	63.991	63.326

Spare parts	33.701	46.043
Labor protection and other materials	24.058	26.333
Total	15.161.893	15.756.952

At Group level, the situation is:

	31.12.2015	31.12.2016
Raw materials	14.899.106	15.347.023
Consumables	162.656	383.411
Combustible	66.023	64.344
Spare parts	34.319	46.590
Labor protection and other materials	27.257	30.495
Total	15.189.361	15.871.863

20. Other material expenses

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Packing	364.695	449.833
Materials inventory objects	36.071	42.990
Other materials anstocked	491	2.494
Total	401.257	495.317

At Group level, the situation is:

	31.12.2015	31.12.2016
Packing	364.695	449.833
Materials inventory objects	37.848	49.131
Other materials anstocked	1.349	3.106
Total	403.892	502.070

21. Expenses for employees

Individual situation at its parent company shows:

31.12.2015	31.12.2016
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Expenditure on staff salaries	2.353.834	2.641.687
Social security and social protection	537.625	656.383
Total	2.891.459	3.298.070

At Group level, the situation is:

	31.12.2015	31.12.2016
Expenditure on staff salaries	2.675.530	3.034.404
Social security and social protection	613.033	749.023
Total	3.288.563	3.783.427

Company employees are paid according to the salary negotiated individual contracts of employment with the full range of social benefits provided by Romanian legislation. At the company level there is a collective agreement and therefore not awarded additional benefits in the short term, long term or post-employment benefits Share-based payment. Key management personnel of the company enjoy the same rights as the rest of the employees salary without existing rights and additional benefits.

Board members are paid a fixed monthly allowance, established by the General Meeting of Shareholders. During 2016 total expenditure allowance administrators were 187.986 lei.

22. Expenses external supply

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Maintenance and repairs	7.381	459.292
Post and telecommunications	26.468	32.147
Advertising and publicity	250	83
Transport	433.924	757.600
Banking services	256.442	178.896
Trips and delegations	22.064	25.598
Protocol	6.026	4.205
Collaborators	0	196.552
Rents	7.911	84.975
Fees	40.600	53.665
Insurance	14.012	27.210
Other expenses for third party services	1.319.709	886.823
Total	2.134.787	2.707.046

At Group level, the situation is:

	31.12.2015	31.12.2016
Maintenance and repairs	7.381	137.234
Post and telecommunications	26.634	32.318
Advertising and publicity	250	83
Transport	433.924	757.600
Banking services	258.912	181.723
Trips and delegations	22.773	26.219
Protocol	6.026	4.205
Collaborators	0	196.552
Rents	7.911	84.975
Fees	40.600	58.365
Insurance	14.012	27.210
Other expenses for third party services	933.824	710.927
Total	1.752.247	2.217.411

23. Financial income and expenses

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
Interest income	20	1.658
Income from exchange rate differences	762.398	531.006
Total	762.418	532.664
Interest expenses	587.956	433.992
Expences from exchange rate differences	908.509	546.625
Total	1.496.465	980.617

At Group level, the situation is:

	31.12.2015	31.12.2016
Interest income	20	1.658
Income from exchange rate differences	762.398	531.006
Total	762.418	532.664
Interest expenses	587.956	433.992
Expences from exchange rate differences	908.509	546.625

Total	1.496.465	980.617
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24. Income tax

Individual situation at its parent company shows:

	31.12.2015	31.12.2016
<i>Current income tax</i>		
Current income tax expense	98.456	3.234.388
<i>Tax (receivable) Deferred income</i>		
Tax (receivable) Deferred income	13.869.367	2.609.988

At Group level, the situation is:

	31.12.2015	31.12.2016
<i>Current income tax</i>		
Current income tax expense	98.456	3.255.781
<i>Tax (receivable) Deferred income</i>		
Tax (receivable) Deferred income	13.869.367	2.609.988

25. Earnings per share

SC Sinteza SA achieved in 2016 a net profit of 2.760.412 lei, of which 299.740 lei was taken to constitute legal reserve and the amount of 1.052.065 lei was taken to Other reserves, representing profit for that benefits of exemption from tax as a result of its investment in a steam power plant commissioned in 2016.

The calculation of earnings per share was made on the basis of annual net profit attributable to shareholders, based on the number of shares held. This is 0,0213 lei / share (basic earnings per share).

In the course of 2016 was transferred to retained earnings, the revaluation surplus realized by selling an asset (land). The amount so established, 15.015.774 lei, becomes available for use. Earnings per share calculated and depending on the result (cumulative) is 0,2484 lei / share.

In the shareholding structure does not register with right holders for distribution of dividends in other parts odds.

No shares are distributed free or preferential rights in respect the allocation of dividends.

In a reasonable period no intention of diluting shares through a Preferential distribution. This leads to a draw between earnings per share basic and diluted one, as above.

In the course of 2016 have not been proposed or declared dividends from the profit year, prior to approving the financial statements by the Board of Directors.

The Company has recorded in the dividends paid account, amounts representing dividends approved for distribution earlier financial years of 2016.

26. Related parties

Related parties are considered persons on the Board of Directors and directors (executive management) parent company:

On 31.12.2016 Board consisted of:

Claudiu Sorin Pasula, Chairman of the Board
Radu Vasilescu, member of the Board
Gavin Ryan, member of the Board

On 31.12.2016 executive management consisted of:

General Manager	Catalin Marias
Sales Manager	Dinu Vancea
Product Manger	Constantin Hantaru
Financial Manager	Viorel Florut – Vese
Devloperment Manager	Ionel Sabau

27. Transactions between the parent company and subsidiary

In terms of transactions between the parent company and its subsidiary, they were of a commercial nature, resulting in rental space for this activity and sale / purchase of maintenance works and investments as follows:

- Sales of the parent company to the subsidiary: 745.704 RON
- Purchases from the subsidiary of the parent company: 1.444.438 RON.

Revenues from sales of SC Sinteza SA in relation to affiliated company SC CHIMPROD come from the monthly equivalent rent for space used inside the industrial platform, according to the lease contract between the parties, but other sales.

SC Sinteza SA purchases from affiliated company SC CHIMPROD SA are embodied in the provision of services which the latter they carry monthly maintenance production units and administrative spaces, but the investment works.

28. Other liabilities

The parent company amounted to pledge in favor of the Ministry of Finance - Public Finance Administration Oradea - to guarantee installment payment of obligations SC CHIMPROD SA to the state budget.

The guarantee is made on real estate owned by the company in Oradea, Borsului Road, no. 9.

29. Assets and Contingent Liabilities

There are no other contingent assets or liabilities at the company or group.

30. Events after the financial statements

There were no events subsequent to the date of the financial statements.

31. Standards and new interpretations

New interpretations have been issued, amendment or standards that have either entered into force for the financial year or have not been adopted.

- IFRS 10 - Consolidated financial statements

For fiscal year 2016, similarly to the previous financial year, it was included in the consolidation of the commercial company SC CHIMPROD S.A.

It does not require any changes in the accounting policies of the Company and not adjusting elements.

- IFRS 11 - Joint Commitments

- IFRS 12 - Presentation of existing interests in other entities

Notes are presented in the content information regarding these positions. The company is not expected to significantly affect the financial statements.

- IFRS 13 - Fair value measurement

The company proceeded to the revaluation of property items from the date of transition to IFRS, presenting them at fair value (financial year 2012). For the end of 2016, revaluation of assets was made taking into account the provisions of the accounting policies adopted which ordered the revaluation every two years.

- IFRS 14 - Accounts exclusion regulators with effect from 01.01.2016;

- IFRS 15 - Revenue from contracts with customers with effect from 01.01.2017 was not applied in 2016.

32. Financial Risk Management

The Group is exposed to credit risk, liquidity risk and market risk

In order to limit the exposure is being developed risk management policy, so as to ensure the identification and analysis of risks, establishing appropriate limits and controls, and monitoring compliance limits set.

Policies and risk management systems will be revised regularly to adapt to changes occurring in business and market conditions.

The parent company aims to develop an orderly and constructive control environment so that the standards of training, roles and employees understand their obligations.

Credit risk is the risk that the group may incur a financial loss as a result of non-fulfillment of contractual obligations by a customer. The parent company has established credit policy analyze each individual client again before i offer standard payment and delivery terms.

However, market conditions specific concrete (chemicals based on a market with specialized suppliers and customers) sometimes requires grant facilities in terms of collection.

All this characteristic of the market requires the company to not require collateral for its receivables.

However, after analyzing individual customers sometimes request payment in advance or upon delivery (extra markets).

Liquidity risk is the risk the Company or the Subsidiary to difficulties in meeting its financial obligations associated with financial or who are settled in cash or cash equivalents.

Addressing parent company in liquidity management is to ensure sufficient liquidity to pay obligations due under normal conditions.

In this regard, the Company shall ensure it has sufficient cash to meet operational needs.

Market risk is the risk that variation in market prices, foreign exchange rate, interest rate and price of equity instruments, affecting the Company's income or the value of financial instruments held.

The objective of market risk management is to manage and control exposure within acceptable parameters.

The parent company is exposed to currency risk due to sales, acquisitions and borrowing in a currency other than the functional.

Exposure is presented below:

At the parent company level:

	Lei	Euro (RON Equivalent)	USD (RON Equivalent)
<i>31,12,2016</i>			
Financial assets			
Trade receivables and other receivables	9.491.031	2.249.735	0
Cash and cash equivalents	2.953.018	146.673	1.806
Total	12.444.049	2.396.408	1.806
Financial liabilities			
Loans	0	4.001.385	0
Trade payables and other liabilities	6.428.949	2.080.019	1.439.918
Total	6.428.949	6.081.404	1.439.918

At Group level:

	Lei	Euro (RON Equivalent)	USD (RON Equivalent)
<i>31,12,2016</i>			
Financial assets			
Trade receivables and other receivables	8.115.973	2.249.735	0

Cash and cash equivalents	2.960.497	146.673	1.806
Total	11.076.470	2.396.408	1.806

Financial liabilities

Loans	0	4.001.385	0
Trade payables and other liabilities	6.432.969	2.080.019	1.439.918
Total	6.432.969	6.081.404	1.439.918

Tax risk targeting aspects in certain transactions to be perceived differently by the tax authorities in comparison to treatment Company. This lies in the adoption of EU fiscal regulations from 1 January 2007 to Romania, given that the interpretation of texts and practical implementation procedures may vary. Also, the Government authorized the operation of a large number of agencies and bodies responsible for carrying out various checks on the companies operating in Romania. The work of these agencies and bodies not only covers tax issues but also issues relating to regulations and procedures in other areas (safety and health at work, civil protection, security and fire protection etc).

It is possible that the Company will be subject to checks as issuing new regulations.

33. Segments

In 2016 the company Sinteza SA has been operating base as written in the declaration of the activity. There exist other financial information by business segment that be pursued separately.

Compared to 2015 no change in terms of products and services market or geographical areas in which they operate. The main customers continued to be in 2016, the traditional external customers owning more than 90% of company sales.

Business is affected by the global credit and liquidity crisis that began in 2008 and which led to a low level and difficult access to funds on the capital market effects perpetuated today. This led to low levels of liquidity throughout the banking system in Romania, also causing an increase in rates on loans that could be accessed. In the last year, however, even if there is an excess banking system liquidity, financiers excessive caution amid slowed substantially reducing the interest of the Company access to financing needed to develop.

This policy imposed by the financing banks could affect the Company's ability to access new loans and refinance those already obtained in terms and conditions relating to past transactions.

Also, borrowers Company may be affected by low levels of available liquidity, which could affect their ability to repay maturing debt, which will have an impact on the ability to forecast cash flows.

The Company can not predict all the events that would impact on the financial sector and any effects which might occur on the financial statements.

The Company can not estimate the effects on the financial statements of future decreases liquidity in the financial market, the devaluation of financial

assets or credit market contraction, or increasing volatility of the national currency.

However, the Company believes that, in specific conditions of the market where it operates, characterized by specialization strong participants and a small number of their evaluation and risk management can be achieved by following the daily flow of incoming and outgoing cash and by making short-term forecasts net liquidity.

Capital adequacy involves maintaining a solid capital base necessary to maintain investor confidence and to sustain future development of the Company.

In this respect, equity includes share capital, reserves and retained earnings different.

The Company is not subject to externally imposed capital requirements

General Manager

Financial Manager

Catalin Marias

Viorel Florut - Vese

DECLARATION

In accordance with art. 30 of law no. 82/1991

They have been prepared annual financial statements for 31.12.2016:

Legal entity:	S.C. Sinteza S.A.
County:	05-Bihor
Address:	Oradea, Borsului Road, 35
Trade Register number:	J/05/197/1991
Ownership:	34-Stock company
Activity:	2014- manufacture of other basic organic chemicals
VAT Reg. No.	: 67329
Financial situation type:	According to the Order 881/2012, Order 2844/2016, Order 1804/2014 and Order 166/2017, on the application of IFRS, applicable to companies whose securities are admitted to trading on a regulated market.

Mr.Claudiu Sorin Pasula, Chairman of the Board of Directors of the Company, assumes responsibility for drawing annual financial statements and confirms that, to his knowledge, this was drafted according to the applicable accounting standards, it offers a fair and accurate picture of assets, liabilities, equity, income and expenses, and that the Board Report includes an analysis correct administration of the development and performance of the company and a description of the principal risks and uncertainties specific to the activity

Chairman of the Board of Directors

Claudiu Sorin Pasula

INDEPENDENT AUDITOR'S REPORT

To, **S.C. SINTEZA SA** affiliates

Attention **S.C. SINTEZA SA** administrators
Oradea, str. Borsului, nr. 35, J05/197/1991, CUI : 67329

1. The auditor's opinion

We have audited the individual financial statements of SC SINTEZA SA, which comprise the statement of financial position at 31 December 2016 and income statement, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying individual financial statements present fairly, in all material respects the financial position of SC SINTEZA SA, as at 31 December 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS). These relate to:

- Total equity: 64.118.547 lei
- Individual overall result of the year: 2.760.412 lei.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these standards are described in detail in the section Auditor's Responsibilities in an audit of financial statements in our report. We are independent of the company, according to the Code of Ethics for Professional Accountants (the Code IESBA) issued by the Council for International Ethics Standards for Accountants in conjunction with the ethical requirements relevant to the audit of financial statements and we met other ethical responsibilities according to these requirements and Code IESBA. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key aspects of audit

Key audit issues are those issues that, in our professional reasoning, had the greatest importance to audit the financial statements of the current period. These issues were addressed in the context of the overall financial statement audit and forming our opinion on them and do not provide a separate opinion on these issues.

5. Management's Responsibility for Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS. (Considering OMFP No: 881/2012 on the application by the companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards and OMFP No: 2844/2016 for the approval of accounting regulations compliant with standards international Financial Reporting).

Also, the company is responsible for internal controls that management considers necessary to enable the preparation of consolidated financial statements free of any material misstatement, caused either by fraud or error.

In preparing consolidated financial statements, management is responsible for assessing the company ability to continue working, giving, if any, aspects of business continuity and using the accounts on a going concern basis unless management either intends to liquidate the company or close down operations or has no realistic alternative beyond.

Those charged with governance are responsible for overseeing the financial reporting process of the company.

6. Auditor's Responsibility

Our responsibility is to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as issuing an auditor's report which includes our opinion. Reasonable assurance is a high level of assurance, but there is no guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement, if any. Distortions can be caused either by fraud or error and are considered significant if it can be expected, reasonably, that they, individually or in aggregate, will influence the economic decisions of users taken on the basis of these consolidated financial statements.

An audit involves the performance of procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, due either fraud or error. In achieving those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the entity's financial statements in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the entity. An audit also includes assessing the adequacy of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for a qualified audit opinion.

6. Limiting the scope of the auditor's work

Our audit was conducted in order to report the Company's shareholders those matters we are required to report in the auditor's report and for no other purpose. To the extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its associates as a whole, for our audit work, for this report, or for the opinions we have formed.

The accompanying financial statements are intended to present the financial position and comprehensive income of the Company in accordance with accounting principles and practices contained in IFRS. Therefore, the accompanying financial statements are not designed for those who do not know IFRS accounting rules, regulations contained in OMFP No: 881/2012, OMFP No: 2844/2016 and the accounting policies described in the notes to the financial statements.

7. Report on conformity of the management report with the financial statements

In accordance with accounting regulations contained in IFRS and considering, OMFP no: 2844/2016 and the accounting policies described in the notes to the financial statements, we have read the administrator's Report. Administrator's report is not part of the financial statements.

In the Administrators' Report we have not identified any financial information which is in all material respects with the information presented in the accompanying financial statements, administrator's report is consistent with the financial statements presented.

8. Business Continuity

In connection with the scale of productive activity and its relation to the volume of fixed assets, it is found that their size would allow a larger scale activity. This aspect was taken into account in the context of ensuring business continuity of business entity in terms of its normal activity.

9. Other issues

This report is made solely to the company's shareholders, to report those matters we are required to report them in an auditor's report and for no other purposes. To the extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders, for this report and for the opinions we have formed.

The report was issued on 10.03.2017.

Financial Auditor,

Ioan Dan Morar

Registered with the Chamber of Financial Auditors of Romania with nr.708

Cabinet de audit financiar Morar Ioan Dan ;
Oradea, str. Biczului, nr. 11;
CUI: 20207990
NR. inreg. CAFR: 708.

INDEPENDENT AUDITOR'S REPORT

To shareholders group **S.C. SINTEZA S.A.**
To, **S.C. SINTEZA SA** affiliates

Attention **S.C. SINTEZA SA** administrators
Oradea, str. Borsului, nr. 35, J05/197/1991, CUI : 67329

1. The auditor's opinion

We have audited the consolidated financial statements of SC SINTEZA SA and its subsidiary, which comprise the consolidated statement of financial position at 31 December 2016 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year 31.12.2016 ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

These relate to:

- Total equity: 62.146.504 lei
- consolidated net result for the financial year: 1,887,468 lei

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects the financial position The Group's consolidated SC SINTEZA SA, on December 31, 2016 and its financial performance and strengthened its cash flows consolidated for the year then ended in accordance with International Financial Reporting standards (IFRS).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these standards are described in detail in the section Auditor's Responsibilities in an audit of consolidated financial statements in our report. We are independent of the company, according to the Code of Ethics for Professional Accountants (the Code IESBA) issued by the Council for International Ethics Standards for Accountants in conjunction with the ethical requirements relevant to the audit of financial statements and we met other ethical responsibilities according to these requirements and Code IESBA. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key aspects of audit

Key audit issues are those issues that, in our professional reasoning, had the greatest importance to audit the consolidated financial statements of the current period. These issues were addressed in the context of the overall financial statement audit and forming our opinion on them and do not provide a separate opinion on these issues.

4. Assessing the risks of material misstatement

Our audit procedures also include assessing risks of material misstatement of the information contained in the financial statements. Our findings from carrying out these procedures did not influence our audit opinion on the statutory annual financial statements.

Auditing of the risk related to accounting concerning mechanisms for determining revenues and expenditures did not find any distortion on preparing the income and pirdere, prepare the income statement and determining financial results are in line with national accounting regulations and the Group's accounting policies.

5. Management's Responsibility for Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS. (Considering OMFP No: 881/2012 on the application by the companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards and OMFP No: 2844/2016 for the approval of accounting regulations compliant with standards international Financial Reporting).

Also, the company is responsible for internal controls that management considers necessary to enable the preparation of consolidated financial statements free of any material misstatement, caused either by fraud or error.

In preparing consolidated financial statements, management is responsible for assessing the Group's ability to continue working, giving, if any, aspects of business continuity and using the accounts on a going concern basis unless management either intends to liquidate the Group or close down operations or has no realistic alternative beyond.

Those charged with governance are responsible for overseeing the financial reporting of the Group.

6. Auditor's Responsibility

Our responsibility is to obtain reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as issuing an auditor's report which includes our opinion. Reasonable assurance is a high level of assurance, but there is no guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement, if any. Distortions can be caused either by fraud or error and are considered significant if it can be expected, reasonably, that they, individually or in aggregate, will influence the economic decisions of users taken on the basis of these consolidated financial statements.

An audit involves the performance of procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, due either fraud or error. In achieving those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the entity's financial statements in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the entity. An audit also includes assessing the adequacy of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for a qualified audit opinion.

7. Limiting the scope of the auditor's work

Our audit was conducted in order to report Group members those matters we are required to report in the auditor's report and for no other purpose. To the extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and its associates as a whole, for our audit work, for this report, or for the opinions we have formed.

The accompanying financial statements are intended to present the financial position and comprehensive income of the Group in accordance with accounting principles and practices contained in IFRS. Therefore, the accompanying financial statements are not designed for those

who do not know IFRS accounting rules, regulations contained in OMFP No: 881/2012, OMFP No: 2844/2016 and the accounting policies described in the notes to the financial statements.

8. Report on conformity of the management report with the financial statements

In accordance with accounting regulations contained in IFRS and considering, OMFP no: 2844/2016 and the accounting policies described in the notes to the financial statements, we have read the Administrators attached consolidated financial statements. Administrator's report is not part of the consolidated financial statements

In the Administrators 'Report we have not identified any financial information which is in all material respects with the information presented in the accompanying consolidated financial statements, administrator's report is consistent with the financial statements presented.

9. Business Continuity

In connection with the scale of productive activity and its relation to the volume of fixed assets, it is found that their size would allow a larger scale activity. This aspect was taken into account in the context of ensuring business continuity of business entity in terms of its normal activity.

10. Alte issues

This report is made solely to Group shareholders as a whole to the shareholders those matters we are required to report in an auditor's report and for no other purposes. To the extent permitted by law, we do not accept or assume responsibility to anyone other than the group and to its shareholders, for this report and for the opinions we have formed. Also, the report includes the Annexes 1 and 2, shown below.

The report was issued on 10.03.2017.

Financial Auditor,

Ioan Dan Morar

Registered with the Chamber of Financial Auditors of Romania
with nr.708

Annex. 1 audit report - the exercise of judgment professional

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

- a). Identify and assess the risks of material misstatement of the consolidated financial statements, due either to fraud or error, and execute design audit procedures in response to such risks and obtain sufficient appropriate audit evidence to provide a basis for our opinion. Detection risk that a material misstatement due to fraud is higher than the detection of significant distortions it caused error because fraud may involve collusion, forgery, deliberate omissions, misrepresentations and avoiding internal control.
- b). We understand internal control relevant to the audit, in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group.
- c). Assess the appropriateness of accounting policies used and the reasonableness of accounting estimates and related presentations made by management.
- d). Form a conclusion on the appropriateness of the use by management of accounts on a going concern basis and determine, based on the audit evidence obtained, whether a material uncertainty exists regarding events or conditions that may cast significant doubt on the Group's ability to continue the work. If we conclude that there is significant uncertainty, we must note the auditor's report on the consolidated financial statements related presentations or, where such disclosures are inadequate to change our opinion. Our conclusions are based on the audit evidence obtained until the auditor's report. However, future events or conditions may cause the Group will no longer operate on a going concern basis.
- e). Evaluate the presentation, structure and general content of the consolidated financial statements, including disclosures, and whether the consolidated financial statements reflect basic transactions and events in a manner that achieve fair presentation.
- f). Obtain sufficient appropriate audit evidence regarding the financial information of entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the coordination, supervision and execution of group audit. We are only responsible for our audit opinion. Communicate those responsible for governance, among other things, the planned scope and timing of the audit and the main audit findings, including any significant deficiencies in internal control that we identified during the audit. Also, provide those responsible for governance statement that we comply with ethical requirements relevant to independence and that we communicate all relationships and other matters which might assume, reasonably, that affect our independence and, where appropriate protection measures related.
- g). Dintre comunicate to the persons responsible governance issues, determine which are the most important to audit the consolidated financial statements for the current period and is therefore key audit issues. We describe these issues in the auditor's report, unless laws or regulations prohibit public disclosure of their appearance or where, in extremely rare circumstances, we determine that it should not be communicated in our report as envisaged in reasonably the public interest to overcome the negative consequences of this communication.

Financial Auditor,
Ioan Dan Morar
Registered with the Chamber of Financial Auditors of Romania
with nr.708

Annex 2 to the audit report, significant analytical information

1. ADMINISTRATION OF THE COMPANY

SC SINTEZA SA is managed by the Board of Administrator's consists of:

Claudiu Sorin Pasula - President

Radu Vasilescu - Member

Gavin Nicolas Ryan - Member

2 CAPITAL STRUCTURE AT 31.12.2016

The share capital of SC SINTEZA SA at 31.12.2016 is 9,916,889 lei, divided into 66.112.590 shares with face value of 0.15 lei / share. The shares are traded on the Bucharest Stock Exchange, Standard category. At the end of 2016 the shareholder structure was as follows:

F.I.I. BT Invest	51.8898%
Tibor Tincău	28.1346%
Other natural and legal persons	19.9756%
Total:	100.0000%

3.STRUCTURE TURNOVER AND REVENUE(lei)

Net turnover	26,647,594
Changes in inventories prod.finite	1,434,438.
Ven.din fixed assets	204.750
Other operating income	22.774.263
Total operating income	51.061.045
Financial income	532.664
Extraordinary income	-
INCOME-total	51.593.709

4. Preparation and Presentation of Financial Statements

Financial statements prepared and presented by the company for the year 2016 have been prepared in accordance with IFRS. (OMFP No: 881/2012 on the application by the companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards and OMFP No: 2844/2016 for the approval of accounting regulations compliant with standards international Financial Reporting).

The financial statements are presented on the company website

Financial Auditor,
Ioan Dan Morar
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with nr.708