



S.C. CONTED S.A.

Confecții textile

Str. 1 Decembrie 1918 nr. 8, Dorohoi, jud. Botoșani, Cod poștal: 715200, România
C.I.F.: RO 622445, Nr. ORC: J07/107/1991, TEL/FAX: 0231610064/0231610026
www.conted.ro, e-mail: secretariat@conted.ro

Current report

According to the regulation A.S.F. no. 5/2018

Date of report: 28.02.2020

Name of the company: S.C. CONTED S.A.

Head office: Dorohoi, 1 Decembrie Street, No. 8, Botoșani County

Number in the trade registry: J07/107/1991

Tax identification number: RO 622445

Share capital subscribed: 2,284,360.06 RON

Trade Market: B.V.B. standard category

Important events to report: **Preliminary financial results at 31st of December 2019**

The company presents the main indicators achieved in 2019 according to the International Standards of Financial Report. The currency for financial reporting is leu.

The situation preliminary of the financial position, the situation preliminary of the profit or the loss and other elements of the global result, components of the individual financial situations ended at 31st of December 2019 comprise information from the accounting records corresponding to the end of the financial year of reporting and the end of the financial year previous to the one of reporting.

From the analysis of the presented elements compared to the same period of time of the previous year 2018 are seen the following situations:

From the situation of the financial position it was seen an increase of the **fixed assets** with 17.54% and **the current assets** with 9.24%. The balance of the debts in total assets was only 16.34%, minimum level in the last 2 years, and in this period of time, the own capitals oscillated between 84.53% and 83.66% from the total of assets.

The company's **turnover** afferent to 2019 is of 13,649,397 lei from which 9,612,101 lei export and 4,037,296 lei internal, compared to 2018 when we recorded 10,464,376 lei, from which 5,737,139 lei export and 4,727,237 lei internal. In its structure, the turnover was achieved mainly by the sale of own production in a proportion of 95%. The value of the export sales in 2019 represents 70.42%, and the value of the internal sales represent 29.58% from the turnover.

The recorded turnover of 2019 to the amount of 13,649,397 lei has increased by a 30.44%, as against 2018.

The volume of total income achieved was to the amount of 13,689,123 lei, representing an increase by 28.29% as against the total income obtained in 2018 to the amount of 10,670,076 lei.

The volume of total expenses to the amount of 13,350,748 lei has increased by 6.95%, compared to 2018, when we recorded the amount of 12,483,184 lei. In the volume of total expenses, the staff expenses have the highest percentage of 76.30%. The staff expenses to the amount of 10,186,906 lei, have increased by 0.39%, compared to 2018 when they recorded the amount of 10,146,862 lei, representing 74.63% from the turnover.

The exploitation income to the amount of 13,606,427 lei has increased in 2019 by 27.90%, compared to 2018 when they recorded the amount of 10,638,587 lei as well as the **exploitation expenses**, to the amount of 13,315,674 lei have increased by 6.99%, compared to 2018 when they recorded the amount of 12,445,307 lei.

In the total of the exploitation income, the sold production has the highest percentage, and from the exploitation expenses, the staff expenses has the highest percentage, to the amount of 10,186,906 lei, representing 76.50% from the total of the exploitation expenses.



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The exploitation activity was concluded with a profit to the amount of 290,753 lei, as against 2018 when we have recorded a loss to the amount of (1,806,720) lei.

The financial income to the amount of 82,696 lei comes from interests, exchange differences and other incomes. **The financial expenses** to the amount of 35,074 lei come from other financial expenses (unfavorable exchange differences). The financial result is a profit to the amount of 47,622 lei as against the same period of 2018 when we recorded loss to the amount of (6,388) lei.

In the financial year 2019, the company records a **profit** of 338,375 lei compared to the previous year when we recorded a loss to the amount of (1,813,108) lei. The profit made will cover the loss recorded in previous years.

At the end of 2019, the cash flow was a negative growth of net cash amount of (511,719) lei, reflected in the balance of accounts at banks and house. On 31.12.2019, a decrease of the average number of employees was registered, compared to the same period of 2018 year, from 332 to 327 employees.

The financial situations were drawn up according to the:

- Order 881 from 25th of June 2012 related the application by the trade companies of securities are admitted for trading on a regulated market of the International Standards of Financial Reporting;
- The International Standards of Financial Reporting (IFRS) adopted by the European Union
- The Law 82 from 24th of December 1991 of the accountancy republished and updated;
- The Order 2844 from 12th of December 2016 for the acceptance of the bookkeeping regulations according to the International Standards of Financial Reporting, applicable to the trade companies of which movable values are admitted for trading on a regulated market;

The financial situations were approved by the Administration Board in the meeting from 04th of February 2020. We mention that the preliminary financial statements are not audited and can be modified according to the eventual bookkeeping and tax regulations that can occur in the following period of time until the General Meeting of the Shareholders.



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PRELIMINARY STATEMENT OF FINANCIAL POSITION

	<u>31.12.2019</u>	<u>31.12.2018</u>
Assets		
Tangible assets	5,593,493	4,764,754
Intangible assets	8,137	18,676
Real estate investments	-	120,845
Tangible fixed assets under construction	95,846	-
Advances granted for tangible assets	67,227	-
Total Non-current Assets	5,764,703	4,904,275
Inventories	1,610,978	1,855,085
Trade receivables and other receivables	2,942,659	1,787,652
Prepayments	14,913	9,277
Cash and cash equivalents	167,244	678,963
Total Current Assets	4,735,794	4,330,977
Total Assets	10,500,497	9,235,252
Equity		
Share capital subscribed	2,284,360	2,284,360
Other items of equity	(341,216)	(238,518)
Revaluation reserve	2,804,029	2,162,168
Legal reserve	456,661	456,661
Other reserves	4,080,948	4,080,948
Retained earnings	(838,422)	874,365
Year result	338,375	(1,813,108)
Total Equity	8,784,735	7,806,876
Payables		
Long Term Payables		
Payables regarding the deferred income tax	341,216	238,518
Total Long Term Payables	341,216	238,518
Current Payables		
Trade payables and other payables	1,061,530	1,016,296
Provisions for employee benefits	313,016	173,562
Total Current Payables	1,374,546	1,189,858
Total Payables	1,715,762	1,428,376
Total Equity and Payables	10,500,497	9,235,252



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PRELIMINARY STATEMENT OF PROFIT OR LOSS AND OTHER ITEMS OF THE GLOBAL RESULT

	<u>31.12.2019</u>	<u>31.12.2018</u>
Continuos activities		
Incomes	13,649,397	10,464,376
Other incomes	61,052	20,030
Revenue from costs of product stocks and production in progress	(104,022)	154,181
Total Operational incomes	13,606,427	10,638,587
Expenses with raw materials and consumables	1,000,049	531,334
Expenses with merchandise	114,555	273,236
Expenses with facilities	961,306	801,073
Expenses with salaries, social securities and other benefits	10,186,906	10,146,862
Expenses with amortization	325,972	342,976
Adjustments for provisions	139,454	(204,243)
- Expenses	297,000	159,898
- Incomes	157,546	364,141
Other expenses	587,432	554,069
Total Operational expenses	13,315,674	12,445,307
Operational activities result	290,753	(1,806,720)
Financial incomes	82,696	31,489
Financial expenses	35,074	37,877
Financial result	47,622	(6,388)
Result before taxation	338,375	(1,813,108)
Result continuous activities	338,375	(1,813,108)
Other items of the global result	639,484	18,309
- Deferred income tax recognized in equity account, for the surplus realized from the revaluation reserve to the extent amortized using the asset transferred to retained earnings	16,051	18,309
- Deferred income tax recognized on equity account of the increase of the reserve from the revaluation of the tangible assets "constructions" and "land arrangements"	(118,749)	-
- Increase of the reserve from the re-evaluation of the tangible assets "constructions" and "land arrangements"	742,182	-
Total global result related to the term	977,859	(1,794,799)
Attributable profit/loss	338,375	(1,813,108)
Result per basic action	1.4116	(7.5640)
Result per diluted action	1.4116	(7.5640)

**Chairman of the Board of Directors,
 Eng. HAMIDI HAISSAM**

**Chief Economic Office,
 Ec. Mihai Elena**