



## **1<sup>st</sup> Quarter 2020 CONSOLIDATED REPORT**

### **Board of Administrators of Farmaceutica REMEDIA S.A.**

#### **Farmaceutica REMEDIA S.A.**

Registered office: Deva 330160, No. 2 Nicolae Bălcescu Bld. (former No. 43 Dorobanților Street), Hunedoara County, Telephone: + 40 254 223 260, Fax: +40 254 226 197  
Operational office: Bucharest, 041836, sector 4, No. 78 Metalurgiei Bld., Telephone/fax: + 40 213 211 640  
[remedia@remedia.ro](mailto:remedia@remedia.ro), [www.remedia.ro](http://www.remedia.ro)

Trade Register J20/700/1991, TIN: RO2115198; Share capital: RON 10.608.980  
IBAN: RO33 RZBR 0000 0600 0266 5747, Raiffeisen Unirii, Bucharest

**1<sup>st</sup> QUARTER 2020 CONSOLIDATED REPORT**  
**According to F.S.A. Regulation No. 5/2018**

Date of the report: 11.05.2020

Name of the commercial company: **Farmaceutica REMEDIA S.A.**

Subscribed share capital: 10.608.980 **Lei**  
Paid-up share capital: 10.608.980 **Lei**  
Registered office: **DEVA, No. 2 Nicolae Bălcescu Bd., pc  
330160**  
Tel./fax.: **+40 254 223 260, +40 254 226 197**  
No. and date of registration  
with the Trade Register Office: **J20/700/25.07.1991**  
Tax registration number: **RO2115198**

Securities: **RMAH shares**  
**(Registration certificate No. 1470/04.05.2009)**  
Type: **Common Nominative**  
Date of registration: **17.03.1997**  
Nominal value: **0,10 Lei**  
Position in RNSC Register: **1636**  
Total number: **106.089.800**  
R.N.S.C. code of shares: **16368**

Registration	Date	Number of shares	Issue value
1	10.11.1999	3.370.107	337.010,70 Lei
2	06.09.2001	1.500.000	150.000,00 Lei
3	23.07.2003	42.402	4.240,20 Lei
4	05.01.2006	5.696.471	569.647,10 Lei
5	21.12.2007	87.905.969	8.790.596,90 Lei
6	08.04.2009	7.574.851	757.485,10Lei
	<b>TOTAL</b>	<b>106.089.800</b>	<b>10.608.980,00 Lei</b>

Organised market on which securities are traded:

**Bucharest Stock Exchange – Standard category**

The total market value as at 08.05.2020 is of 49.650.026,4 Lei

The value of a RMAH share is of 0,468 Lei. (as at 08.05.2020)

## 1. Important events to report

During the period 01.01.2020 – 31.03.2020 there were no important events that have a particular impact on the financial position of the company Farmaceutica REMEDIA S.A.

## 2. The general description of the financial position and of the issuer's performances and of its branches related to 1<sup>st</sup> quarter 2020

During 01.01.2020 – 31.03.2020, the commercial company Farmaceutica REMEDIA S.A. recorded the following consolidated financial results:

Crt. No.	Indicator	Realisations Jan-March 2019 (Lei)	Realisations Jan-March 2020 (Lei)**	Evolution 2019/2018 (%)
1.	Net sales of goods *	105.414.733	118.057.971	+ 11,99
2.	Other operating revenues	1.473.304	617.336	- 58,09
3.	Total operating income	106.888.037	118.675.307	+ 11,02
4.	Total operational costs *	105.716.096	119.382.660	+ 12,92
5.	Operating result	1.171.941	-707.352	- 160,35
6.	Financial result	-245.495	-113.631	- 53,71
7.	Gross result	926.446	-820.983	- 188,61

\* Including trade discounts granted/received

A breakdown of sales of goods by segments of activity is presented as follows:

Lei

REMEDIA Pharmacies	28.468.710	24,07%
Distribution	64.868.158	54,83%
Hospitals & Clinics Distribution	23.917.338	20,21%
Other operations	1.056.133	0,89%
<b>Total</b>	<b>118.310.339</b>	<b>100,00 %</b>

**"Other operating revenues"** mainly comprise the following categories of revenues:

- collected rents
- marketing services
- sale of assets
- logistic services
- other services
- inventory pluses / accounting account adjustments

**3. The financial statements as of 31.03.2020 were not audited by the independent financial auditor.**

#### 4. Economic-Financial Indicators as of 31.03.2020

<b>LIQUIDITY AND WORKING CAPITAL</b>	<b>FR</b>	<b>FRDL</b>
<b>Current liquidity (Current assets / Current debts)</b>	<b>1,23</b>	<b>1,01</b>
Current assets	44.099.306	192.448.321
Current debts	35.764.765	189.722.742
<b>Degree of indebtedness (Borrowed capital / Equity x 100)</b>	<b>0%</b>	<b>0,21%</b>
Borrowed capital	0	8.165
Equity	44.390.631	3.802.631
<b>Turnover speed for client debit items (Average customer balance / turnover *365)</b>	<b>53 zile</b>	<b>111 zile</b>
Average customer balance	16.963.611	134.414.171
Net turnover	28.955.626	108.933.924
<b>Turnover speed of stocks (average stock/ net COGS)*365</b>	<b>48 zile</b>	<b>47 zile</b>
Average stock	12.085.150	53.126.719
COGS net	22.511.547	101.590.804

\*including financial leasing

#### **Notes:**

1) **Current liquidity** – the indicator level reflects a good payment capacity, therefore a reduced risk for creditors in case of FR, certifying that the company is able to cover their short-term debts based on receivables and cash availabilities. The indicator evolved positively both as compared to the same period of last year (1,19) and depreciated compared to December 2019 (1,3). In the case of FRDL, the indicator presents an average risk, especially as slightly deteriorated compared to the same period of the previous financial year (from 1,02) and December 2019 (1,02).

2) **Degree of indebtedness** expresses the effectiveness of credit risk management, indicating potential financing, liquidity problems, with influences in honouring the assumed commitments. In the case of FR, there is no risk, while for FRDL, the value of the indicator indicates an almost non-existent risk. As compared to the same period last year, the indicator degraded (from 1,18%). In the calculation of this indicator, the borrowed capital comprises both bank credits, and financial leasing debts.

3) **Turnover speed for client debit items** expresses company effectiveness in collecting its receivables, respectively the number of days until the date on which debtors pay their debts to the company. Considering the dynamics of sales and the specific of collecting receivables in the distribution of drugs, we believe that the value of the indicator is normal for the both companies, under the circumstances. Compared to the same period of the last year, the indicator deteriorated in the case of FR (from 42 days) and improved considerably in the case of FRDL (from 131 days).

4) The value of the **No. of storage Days** indicator (48 days) can be considered as falling within the specifics of the activity, exceeding the limit imposed by the internal procedures of the company (45 days) in the case of FR. Compared to March 2019, the indicator has improved both in the case of FR (from 66 days) and in the case of FRDL (from 76 days).

Chairman of the Board of Administrators  
"TARUS" Valentin Norbert TARUS e.U.  
by representative

Valentin Norbert TARUS

## STATEMENT OF COMPREHENSIVE INCOME - consolidated (Lei)

		31-Mar-20	31-Mar-19
<b>Net turnover</b>	<b>NOTA 4</b>	<b>118,615,854</b>	<b>106,344,485</b>
Income from the sale of goods		118,310,339	105,916,924
Commercial discounts granted		-252,367	-502,190
Income from services provided and rents		557,883	929,751
<b>Other operating income</b>		<b>59,453</b>	<b>543,552</b>
<b>OPERATING INCOME - TOTAL</b>		<b>118,675,307</b>	<b>106,888,037</b>
<b>Expenses with materials</b>	<b>NOTA 5</b>	<b>106,532,833</b>	<b>93,453,050</b>
Expenses regarding goods		106,743,059	93,722,248
Commercial discounts received		-1,596,956	-1,538,137
Expenses with raw materials and consumables		831,608	781,782
Other expenses with materials (inventory objects)		123,874	108,991
Energy and water expenses		431,248	378,166
<b>Expenses with personnel</b>	<b>NOTA 6</b>	<b>9,712,468</b>	<b>8,544,254</b>
Salaries and allowances		8,779,189	7,737,595
Expenses with insurance and social protection		327,070	241,570
Other personnel expenses		606,209	565,089
<b>Amortisations and provisions</b>		<b>305,735</b>	<b>257,384</b>
Amortisations		304,847	179,226
Net provisions		0	1,192
Losses from receivables		888	76,967
<b>Other operating expenses</b>	<b>NOTA 7</b>	<b>2,831,624</b>	<b>3,461,408</b>
Expenses on external services		2,656,824	2,794,864
Expenses with other taxes, charges and assimilated payments		128,372	145,738
Other expenses		46,429	520,806
<b>OPERATING EXPENSES - TOTAL</b>		<b>119,382,660</b>	<b>105,716,096</b>
<b>OPERATING RESULT</b>		<b>-707,352</b>	<b>1,171,941</b>
<b>Financial income</b>	<b>NOTA 8</b>	<b>57,389</b>	<b>50,588</b>
Interest income		2,472	8,366
Income from exchange rate differences		21,617	33,541
Income from dividends		0	0
Advance payment discounts		33,300	8,681
Other financial income		0	0
<b>Financial expenses</b>	<b>NOTA 8</b>	<b>171,020</b>	<b>296,083</b>
Expenses regarding interests		65,959	142,948
Operational leasing interests (IFRS16)		17,055	22,986
Expenses due to exchange rate differences		47,637	108,566
Discounts received in advance		40,369	21,583
Other financial expenses		0	0
<b>FINANCIAL RESULT</b>		<b>-113,631</b>	<b>-245,495</b>
<b>TOTAL INCOME</b>		<b>118,732,697</b>	<b>106,938,625</b>
<b>TOTAL EXPENSES</b>		<b>119,553,680</b>	<b>106,012,179</b>

<b>GROSS RESULT</b>	<b>NOTA 9</b>	<b>-820,983</b>	<b>926,446</b>
Profit tax		0	241,451
<b>TOTAL NET PROFIT of which distributable</b>		<b>-820,983</b>	<b>684,995</b>
Shareholders of the company		-820,983	684,995
Minority interest			
<b>Other elements of comprehensive income</b>		<b>0</b>	<b>0</b>
Revaluation of tangible assets			
Tax related to other elements of comprehensive income			
Minority interest			
<b>COMPREHENSIVE INCOME AFFERENT TO THE PERIOD - TOTAL of which attributable</b>		<b>-820,983</b>	<b>684,995</b>
Shareholders of the company		-820,983	684,995
Minority interest			
Earnings per share (in Lei)			
- basic		-0.0077	0.0065
- diluted		-0.0077	0.0065
* retreated according to IFRS 16			

"TARUS" - Valentin Norbert TARUS e.U.  
by representative  
Valentin – Norbert TARUS

## STATEMENT OF FINANCIAL POSITION - consolidated (Lei)

		31-Mar-20	31-Dec-19
<b>ASSETS</b>			
<b>Fixed assets</b>		<b>39,643,247</b>	<b>39,948,736</b>
Tangible assets	NOTA 10	25,774,329	25,824,336
Real estate investments	NOTA 10	6,808,175	6,808,175
Operational leasing assets		1,299,368	1,429,930
Software licences	NOTA 11	182,954	207,353
Pharmacy licences	NOTA 11	5,004,938	5,004,938
Participations held in group companies	NOTA 12	289,520	289,520
Participations held in companies outside the group	NOTA 12	5,316	5,316
Deposits and guarantees paid	NOTA 12	278,648	379,169
<b>Current assets</b>		<b>215,622,240</b>	<b>220,077,654</b>
Stocks	NOTA 13	60,101,832	74,812,167
Trade receivables	NOTA 14	127,077,274	132,399,134
Other receivables		2,482,216	2,590,617
Cash and cash equivalents	NOTA 15	25,960,919	10,275,736
<b>Accrued expenses</b>		<b>454,759</b>	<b>343,549</b>
<b>TOTAL ASSETS</b>		<b>255,720,246</b>	<b>260,369,939</b>
<b>EQUITIES AND DEBTS</b>			
<b>Equities</b>		<b>48,101,464</b>	<b>49,061,524</b>
Share capital	NOTA 16	10,921,209	10,921,209
Share premiums		757,485	757,485
Reserves	NOTA 17	31,092,868	31,092,868
Current result		-820,983	2,441,116
Retained earnings	NOTA 19	6,575,741	4,407,169
Retained earnings - retreatment		-312,229	-312,229
Profit distribution		0	-133,467
Own shares	NOTA 21	-112,628	-112,628
<b>Long-term debts</b>		<b>3,018,989</b>	<b>3,147,081</b>
Debts from financial leasing	NOTA 22	0	0
Debts from operational leasing		1,350,694	1,478,785
Provisions	NOTA 23	0	0
Debts with deferred income tax		1,668,296	1,668,296
<b>Current debts</b>		<b>204,599,793</b>	<b>208,161,335</b>
Bank loans	NOTA 24	0	319,234
Debts from financial leasing		8,165	17,932
Suppliers and other similar debts		199,906,752	202,648,537
Provisions		0	0
Current tax debts		0	138,801
Other short-term debts	NOTA 25	4,684,876	5,036,832
<b>Total debts</b>		<b>207,618,782</b>	<b>211,308,416</b>
<b>TOTAL EQUITIES AND DEBTS</b>		<b>255,720,246</b>	<b>260,369,939</b>

\* retreated according to IFRS 16

Chairman of the Board of Administrators

"TARUS" - Valentin Norbert TARUS e.U.

by representative

Valentin – Norbert TARUS

# Farmaceutica REMEDIA S.A. –Consolidated financial statements concluded on 31.03.2020

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## NOTE 1 INFORMATION ABOUT THE COMPANY

Farmaceutica REMEDIA S.A. («the Company») is a commercial company with registered office in Deva, No. 43 Dorobantilor Street, Hunedoara County, Romania.

It was established in 25 July 1991 as a commercial company with fully state-owned capital by reorganisation of Oficiul Farmaceutic Deva. On 13.10.2000, V.TARUS RoAgencies S.R.L. has purchased from FPS the majority shares package (55.802 %). In January 2006, Farmaceutica REMEDIA S.A. merged by absorption with V.TARUS RoAgencies S.R.L.

On **01 January 2016**, Farmaceutica REMEDIA S.A. completed the transfer to Farmaceutica REMEDIA Distribution & Logistics S.R.L., **a company owned 100 %**, of wholesale drug distribution activities (by a network of 8 warehouses) together with related activities (logistics services, registration, promotion and marketing of medicines etc), maintaining the operation of the chain of 100 pharmacies and local distribution offices.

Although the legal provision on separation of activities has been abrogated, Farmaceutica REMEDIA has decided to keep the two legal entities.

In this context, on 31.03.2020 Farmaceutica REMEDIA S.A. held majority holdings (100%) at the Farmaceutica REMEDIA Distribution & Logistics S.R.L. company.

During the 1<sup>st</sup> quarter of 2020, Farmaceutica REMEDIA S.A. did not attend in mergers.

During the same period, the company did not alienate assets of significant values (buildings, lands, shares etc.).

## NOTE 2 BASES FOR DRAFTING THE FINANCIAL STATEMENTS

The financial statements of the company were drafted in compliance with the provisions of Order No. 1286/2012 for the approval of the Accounting regulations in compliance with the International Financial Reporting Standards (IFRS), adopted by the European Union, applicable to commercial companies whose securities are admitted to trading on a regulated market, with all subsequent modifications and clarifications.

For the purpose of drafting these financial statements, in compliance with the legislative provisions in Romania, the functional currency of the company is considered to be the Romanian Leu (RON).

For all the periods until the year concluded on 31 December 2011, inclusive, the company prepared the financial statements in compliance with the Romanian Accounting Standards (RAS). The financial statements for the year concluded on 31 December 2012, are the first financial statements drafted in compliance with the International Financial Reporting Standards (IFRS), as adopted by the European Union.

## Farmaceutica REMEDIA S.A. –Consolidated financial statements concluded on 31.03.2020

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The financial statements were drafted based on the historic cost, except for the buildings and lands which are assessed at their fair value (the market value determined by assessment by an expert evaluator). The historic cost is generally based on the fair value of the counterperformance carried out in exchange for the assets.

The company presents in the financial statements at the fair value all the asset and passive elements for which the assessment at the fair value is imposed, the methods used for its establishment being inventory and revaluation (IFRS 13).

The company does not have financial statements which would involve the use of other fair value estimation methods.

Certain amounts from the financial position statement, the global result statement, as well as from the explanatory notes were reclassified to ensure comparability between previous years and the current year.

Preparation of the IFRS financial statements involves the use by the management of professional judgments, estimations and hypotheses that may affect the application of the accounting policies and the reported value of assets, debts, incomes and expenses. Under these conditions, the actual results may differ from the estimated values. Estimates and hypotheses that are based on them are periodically reviewed. The review of accounting estimates is recognised during the period in which the estimate was reviewed and in the future periods affected. The following are critical professional judgments / reasoning which the Company management made with a significant impact on the values recognized in the financial statements:

- Lifetime of fixed assets
- Deferred taxes
- Provisions
- Segment reporting
- Retreatment of operational leasing contracts according to IFRS 16

The company holds participations in other companies, in one of them having the control over the financial and operational policies. An entity is consolidated if, based on the assessment of its relations with the Company, it is found that it is controlled by the Company.

The companies whose financial statements are consolidated are:

- Farmaceutica REMEDIA S.A.
- Farmaceutica REMEDIA Distribution & Logistics S.R.L.

Starting with 2012, for the class of tangible assets « Lands and buildings », the Company passed from the cost-based accounting model to the reassessment model.

**Consolidated financial statements on 31.03.2020 were not audited by the independent financial auditor.**

Farmaceutica REMEDIA S.A. –Consolidated  
financial statements concluded on 31.03.2020

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**NOTE 3 SALES REVENUES AND OTHER OPERATING REVENUES**

During the period 01.01.2020 – 31.03.2020 the commercial company Farmaceutica REMEDIA S.A. recorded the following consolidated financial results:

Nr. Crt.	Indicator	Realizari ian-mar 2019 (Lei)	Realizari ian-mar 2020 (Lei)	Evolutietie 2020/2019 (%)
1.	Vinzari nete de marfuri *	105.414.733	118.057.971	+ 11,99
2.	Alte venituri din exploatare	1.473.304	617.336	- 58,09
3.	Total venituri din exploatare	106.888.037	118.675.307	+ 11,02
4.	Total costuri operationale *	105.716.096	119.382.660	+ 12,92
5.	Rezultat operational	1.171.941	-707.352	- 160,35
6.	Rezultat financiar	-245.495	-113.631	- 53,71
7.	Rezultat brut	926.446	-820.983	- 188,61

\* Including commercial discounts granted/received

\*\*Some amounts were retreated according to IFRS 16. There are differences as compared to the previous reporting.

**“Other operating revenues”** mainly comprise the following categories of revenues:

- logistic services
- rents
- clinical studies
- marketing services
- sales of assets
- other services
- inventory pluses / accounting accounts adjustments

Farmaceutica REMEDIA S.A. –Consolidated  
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**NOTE 4 ECONOMIC-FINANCIAL INDICATORS**

<b>LICHIDITATE ȘI CAPITAL DE LUCRU</b>	<b>FR</b>	<b>FRDL</b>
<b>Lichiditate curentă (Active curente / Datorii curente)</b>	<b>1,23</b>	<b>1,01</b>
Active curente	44.099.306	192.448.321
Datorii curente	35.764.765	189.722.742
<b>Gradul de îndatorare (Capital împrumutat / Capital propriu x 100)</b>	<b>0%</b>	<b>0,21%</b>
Capital împrumutat*	0	8.165
Capital propriu	44.390.631	3.802.631
<b>Viteza de rotație a debitelor clienți (sold mediu clienți/cifra de afaceri*90)</b>	<b>53 zile</b>	<b>111 zile</b>
Sold mediu clienți	16.963.611	134.414.171
Cifra de afaceri neta	28.955.626	108.933.924
<b>Viteza de rotație a stocurilor (stoc mediu/COGS net)*90</b>	<b>48 zile</b>	<b>47 zile</b>
Stoc mediu	12.085.150	53.126.719
COGS net	22.511.547	101.590.804

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\*including financial leasing

**Note:**

1) **Current liquidity** – the indicator level reflects a good payment capacity, therefore a reduced risk in the case of FR, certifying that the company is capable of covering its short-term debts based on the receivables and cash availability. The indicator evolved positively from the same period of the last year. In the case of FRDL, the indicator presents an average risk, especially that it slightly degraded as compared to the same period of the previous financial year (from 1,02).

2) **Degree of indebtedness** expresses the effectiveness of credit risk management, indicating potential financing, liquidity problems, with influences in honouring the assumed commitments. In the case of FR, there is no risk, while for FRDL, the value of the indicator indicates an almost non-existent risk. In the calculation of this indicator, the borrowed capital comprises both bank credits, and financial leasing debts.

3) **Turnover speed for client debit items** expresses company effectiveness in collecting its receivables, respectively the number of days until the date on which debtors pay their debts to the company. Considering the dynamics of sales and the specific of collecting receivables in the distribution of drugs, we believe that the value of the indicator is normal for both companies, under the circumstances. As compared to the same period of last year, the indicator

## Farmaceutica REMEDIA S.A. –Consolidated financial statements concluded on 31.03.2020

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improved in the case of FR (from 42 days) and significantly degraded in the case of FRDL (from 131 days).

<sup>4)</sup> The value of the **Days on hand** indicator (48 days) can be considered as falling within the specifics of the activity, exceeding the limit imposed by the internal procedures of the company (45 days) in the case of FR. As compared to March 2019, the indicator has improved in the case of FR (from 66 days) and in the case of FRDL (from 76 days).

## Farmaceutica REMEDIA S.A. –Consolidated financial statements concluded on 31.03.2020

NOTE 5		Reporting on activity segments							
		Hospitals & Clinics	Distribution channels.*	Pharmacies	REMEDIA provided and rents	Other operations	TOTAL *		
							<b>31.03.2020</b>		
<b>Net turnover</b>		<b>23,917,339</b>	<b>64,615,790</b>	<b>1,056,134</b>	<b>28,535,980</b>	<b>490,612</b>	<b>0</b>	<b>118,615,855</b>	
	Income from the sale of goods	23,917,339	64,868,157	1,056,134	28,468,709	0	0	<b>118,310,339</b>	
	Commercial discounts granted	0	-252,367	0	0	0	0	<b>-252,367</b>	
	Income from services provided and rents	0	0	0	67,271	490,612	0	<b>557,883</b>	
<b>Other operating income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59,453</b>	<b>59,453</b>	
<b>OPERATING INCOME - TOTAL</b>		<b>23,917,339</b>	<b>64,615,790</b>	<b>1,056,134</b>	<b>28,535,980</b>	<b>490,612</b>	<b>59,453</b>	<b>118,675,308</b>	
		<b>22,339,224</b>	<b>59,840,301</b>	<b>959,009</b>	<b>22,511,547</b>	<b>0</b>	<b>-503,978</b>	<b>105,146,103</b>	
<b>Expenses with goods</b>		<b>22,871,345</b>	<b>60,288,372</b>	<b>959,009</b>	<b>22,906,279</b>	<b>0</b>	<b>-281,946</b>	<b>106,743,059</b>	
	Expenses regarding goods	-532,121	-448,071	0	-394,732	0	-222,032	<b>-1,596,956</b>	
	Commercial discounts received	<b>1,578,115</b>	<b>4,775,489</b>	<b>97,125</b>	<b>5,957,162</b>	<b>0</b>	<b>503,978</b>	<b>12,911,869</b>	
		<b>1,605,477</b>	<b>5,234,464</b>	<b>49,762</b>	<b>6,599,716</b>	<b>72,059</b>	<b>675,079</b>	<b>14,236,557</b>	
<b>Gross margin from sales of goods</b>		<b>533,589</b>	<b>1,943,505</b>	<b>309</b>	<b>5,174,507</b>	<b>56,162</b>	<b>17,009</b>	<b>7,725,081</b>	
		<b>669,712</b>	<b>2,184,048</b>	<b>28,846</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,882,606</b>	
<b>Other operating costs</b>		<b>402,176</b>	<b>1,106,911</b>	<b>20,607</b>	<b>1,425,209</b>	<b>15,897</b>	<b>658,070</b>	<b>3,628,870</b>	
	Direct costs	<b>23,944,701</b>	<b>65,074,765</b>	<b>1,008,771</b>	<b>29,111,263</b>	<b>72,059</b>	<b>171,101</b>	<b>119,382,660</b>	
	Logistics costs								
	Indirect costs	<b>-27,362</b>	<b>-458,975</b>	<b>47,363</b>	<b>-575,283</b>	<b>418,553</b>	<b>-111,648</b>	<b>-707,352</b>	
<b>OPERATING EXPENSES - TOTAL</b>								<b>-113,631</b>	
								<b>-820,983</b>	
<b>Operating result</b>								<b>0</b>	
<b>Financial result</b>								<b>-820,983</b>	
<b>Gross result</b>								<b>0</b>	
	Profit tax							<b>-820,983</b>	
<b>Net profit</b>									
* includes unallocated amounts									

Farmaceutica REMEDIA S.A. –Consolidated financial statements concluded on 31.03.2020

<b>NOTE 6</b>										
<b>CAPITAL CHANGES</b>										
	<b>Share capital</b>	<b>Legal reserves</b>	<b>Revaluation reserves</b>	<b>Other reserves</b>	<b>Share premiums</b>	<b>Retained earnings</b>	<b>Profit distribution</b>	<b>Current result</b>	<b>Own shares</b>	<b>TOTAL</b>
<b>Balance at 01.01.2020</b>	10,921,209	1,756,937	17,442,767	11,893,163	757,485	4,094,940	-133,467	2,441,116	-112,628	49,061,524
<b>Restoration of profit account retreatments 2019</b>						-2,000,000		1,912,131		-87,869
<b>Profit transfer 2019 (FR) to retained earnings</b>						2,429,739		-2,429,739		0
<b>Profit distribution 2019 (FR) to dividends</b>						0				0
<b>Profit distribution 2019 (FR) to other reserves</b>			0			0				0
<b>Account closure 129 (legal reserve 2019) FR</b>							133,467	-133,467		0
<b>Profit transfer 2019 (FRDL) to retained earnings</b>						1,790,041		-1,790,041		0
<b>Profit distribution 2018 (FRDL) to dividends</b>						0				0
<b>Accounting result 2020 FR + FRDL</b>								-780,840		-780,840
<b>Legal reserve 2020 FR</b>	0									0
<b>Profit account retreatment 2020</b>						0		-40,143		-40,143
<b>Outputs of buildings + lands</b>			0							0
<b>Revaluation of buildings and lands</b>			0							0
<b>Deferred tax</b>			0							
<b>Retreatment of operational leasing (IFRS 16)</b>						-24,797				-24,797
<b>Corection of accounting errors 2019</b>						-26,410				-26,410
<b>Balance at 31.03.2020</b>	10,921,209	1,756,937	17,442,767	11,893,163	757,485	6,263,513	0	-820,982	-112,628	48,101,464

Farmaceutica REMEDIA S.A. –Consolidated financial  
statements concluded on 31.03.2020

<b>NOTE 7 TREASURY FLOWS STATEMENT (RON)</b>	
	<b>Consolidated</b>
	<b>3 months 2020</b>
<b>Cash flows from operating activities</b>	
Collections from the sale of goods and from the provision of services	135,754,703
Other cash inflows	250,377
Payments to suppliers of goods and services	-114,778,200
Payments to and on behalf of employees (incl. taxes on salaries)	-8,924,127
Corporate tax payments	-138,801
Payments to other taxes and fees	-4,935,629
Paid interests	-65,830
Collected interests (current account)	2,472
Other cash outflows	-565,149
<b>Total operating cash flow</b>	<b>6,599,816</b>
<b>Cash flow from investment activities</b>	
Proceeds from the sale of long-term assets and financial investments	9,540,414
Collected interests (from deposits)	0
Collected dividends	0
Payments for the purchase of long-term assets	-142,822
<b>Total cash flow from investments</b>	<b>9,397,592</b>
<b>Cash flow from financing activities</b>	
Short-term loan withdrawals	36,987,371
Repayment of short-term loans	-37,306,604
Net foreign exchange differences	11,036
Funding received from shareholders	0
Repayments of long-term loans, including interest	0
Payments to shareholders (dividends)	-4,027
Payments of own shares	0
<b>Total cash flow from financing</b>	<b>-312,225</b>
<b>Total cash flow</b>	<b>15,685,182</b>
<b>Cash at the beginning of the period</b>	<b>10,275,737</b>
<b>Cash at the end of the period</b>	<b>25,960,919</b>

**Farmaceutica REMEDIA S.A.**

Chairman of the Board of Administrators  
"TARUS" Valentin Norbert TARUS e.U.  
by representative

Valentin Norbert TARUS



## **1<sup>st</sup> Quarter 2020 UNCONSOLIDATED REPORT**

### **Board of Administrators of Farmaceutica REMEDIA S.A.**

#### **Farmaceutica REMEDIA S.A.**

Registered office: Deva 330160, No. 2 Nicolae Bălcescu Bld. (former No. 43 Dorobanților Street), Hunedoara County, Telephone: + 40 254 223 260, Fax: +40 254 226 197  
Operational office: Bucharest, 041836, sector 4, No. 78 Metalurgiei Bld., Telephone/fax: + 40 213 211 640  
[remedia@remedia.ro](mailto:remedia@remedia.ro), [www.remedia.ro](http://www.remedia.ro)

Trade Register J20/700/1991, TIN: RO2115198; Share capital: RON 10.608.980  
IBAN: RO33 RZBR 0000 0600 0266 5747, Raiffeisen Unirii, Bucharest

**1<sup>st</sup> QUARTER 2020 REPORT - unconsolidated**  
**According to F.S.A. Regulation No. 5/2018**

Date of the report: 11.05.2020

Name of the commercial company: **Farmaceutica REMEDIA S.A.**

Subscribed share capital: 10.608.980 **Lei**  
Paid-up share capital: 10.608.980 **Lei**  
Registered office: **DEVA, No. 2 Nicolae Bălcescu Bd., pc**  
**330160**  
Tel./fax.: **+40 254 223 260, +40 254 226 197**  
No. and date of registration  
with the Trade Register Office: **J20/700/25.07.1991**  
Tax registration number: **RO2115198**

Securities: **RMAH shares**  
**(Registration certificate No. 1470/04.05.2009)**  
Type: **Common Nominative**  
Date of registration: **17.03.1997**  
Nominal value: **0,10 Lei**  
Position in RNSC Register: **1636**  
Total number: **106.089.800**  
R.N.S.C. code of shares: **16368**

Registration	Date	Number of shares	Issue value
1	10.11.1999	3.370.107	337.010.70 Lei
2	06.09.2001	1.500.000	150.000,00 Lei
3	23.07.2003	42.402	4.240,20 Lei
4	05.01.2006	5.696.471	569.647,10 Lei
5	21.12.2007	87.905.969	8.790.596,90 Lei
6	08.04.2009	7.574.851	757.485,10Lei
	<b>TOTAL</b>	<b>106.089.800</b>	<b>10.608.980,00 Lei</b>

Organised market on which securities are traded:

**Bucharest Stock Exchange – Standard category**

The total market value as at 08.05.2020 is of 49.650.026,4 Lei

The value of a RMAH share is of 0,468 Lei. (as at 8.05.2020)

## 1. Important events to report

During the period 01.01.2020 – 31.03.2020 there were no important events that have a particular impact on the financial position of the company Farmaceutica REMEDIA S.A.

## 2. The general description of the financial position and of the issuer's performances and of its branches related to the 1<sup>st</sup> quarter 2020

During the period 01.01.2020 – 31.03.2020 the commercial company Farmaceutica REMEDIA S.A. recorded the following financial results:

Crt. No.	Indicator	Realisations Jan-March 2019 (Lei)	Realisations Jan-March 2020 (Lei)	Evolution 2020/2019 (%)
1.	Net sales of goods *	26.642.814	28.468.710	+ 6,85
2.	Other operating revenues	565.406	506.091	- 10,49
3.	Total operating revenues	27.208.220	28.974.801	+ 6,49
4.	Total operating costs *	27.369.232	29.137.440	+ 6,46
5.	Operating result	- 161.012	-162.640	-1,01
6.	Financial result	14.559	32.207	+ 121,21
7.	Gross result (profit)	- 146.453	-130.433	+ 10,93

\* Including commercial discounts granted/received

The depreciation of the operating result, despite the increase of sales, is based on two factors:

- Increase of salary costs by almost 5%
- Reduction by 1.05 pp of the gross margin obtained from the sales of goods.

**"Other operating revenues"** mainly comprise the following categories of revenues:

- collected rents – 82,85% out of "Other operating revenues"
- marketing services – 13,29%
- sales of assets – 3,78 %
- other revenues - 0,08 %

## 3. The financial statements as at 31.03.2020 were not audited by the independent financial auditor.

#### 4. Economic-Financial Indicators

<b>LIQUIDITY AND WORKING CAPITAL</b>	<b>31.03.2020</b>
<b>Current liquidity (Current assets / Current debts)</b>	<b>1,23</b>
Current assets	44.099.306
Current debts	35.764.765
<b>Degree of indebtedness (Borrowed capital / Equity x 100)</b>	<b>0,00%</b>
Borrowed capital	0
Equity	44.390.631
<b>Turnover speed for client debit items (Average customer balance /turnover *365)</b>	<b>53 days</b>
Average customer balance	16.963.611
Net turnover	28.955.626
<b>Turnover speed of stocks (average stock balance/cogs)*365</b>	<b>48 days</b>
Average stock balance	12.085.150
Net COGS	22.511.547

#### **Notes:**

1) **Current liquidity** – the indicator level reflects a good payment capacity, therefore a reduced risk for creditors, certifying that the company is capable of covering its short-term debts based on the receivables and cash availability. The indicator evolved positively as compared to the same period last year (1,19) and depreciated compared to December 2019 (1,3).

2) **Degree of indebtedness** expresses the effectiveness of credit risk management, indicating potential financing, liquidity problems, with influences in honouring the assumed commitments. The 0% value indicates that the company has no financing or liquidity problem. In the calculation of this indicator, the borrowed capital comprises both bank credits, and financial leasing debts.

3) **Turnover speed for client debit items** expresses company effectiveness in collecting its receivables, respectively the number of days until the date on which debtors pay their debts to the company. Considering the dynamics of sales and the specific of collecting receivables in the distribution of drugs, we believe that the value of 53 days is a normal one under the circumstances. (42 days at 31.03.2019 and 44 days at 31.12.2019)

4) The value of the **Nr. Of the Storage Days** indicator (48 days), can be considered as falling within the specifics of the activity, exceeding the limit imposed by the internal procedures of the company (45 days). The indicator evolved positively both as compared to the same period last year (66 days) and as compared to 31.12.2019 (60 days).

Chairman of the Board of Administrators

„TARUS” – Valentin Norbert TARUS e.U.

**STATEMENT OF COMPREHENSIVE INCOME - unconsolidated (Lei)**

	<b>31-Mar-20</b>	<b>31-Mar-19</b>
<b>Net turnover</b>	<b>28,955,626</b>	<b>27,164,473</b>
Income from the sale of goods	28,468,710	26,642,814
Commercial discounts granted	0	0
Income from services provided and rents	486,916	521,659
<b>Other operating income</b>	<b>19,175</b>	<b>43,747</b>
<b>OPERATING INCOME - TOTAL</b>	<b>28,974,800</b>	<b>27,208,220</b>
<b>Expenses with materials</b>	<b>23,056,801</b>	<b>21,250,634</b>
Expenses regarding goods	22,906,280	21,424,471
Commercial discounts received	-394,732	-636,764
Expenses with raw materials and consumables	252,541	182,798
Other expenses with materials (inventory objects)	41,494	56,012
Energy and water expenses	251,218	224,118
<b>Expenses with personnel</b>	<b>4,919,985</b>	<b>4,688,292</b>
Salaries and allowances	4,428,957	4,209,853
Expenses with insurance and social protection	147,895	132,122
Other personnel expenses	343,133	346,317
<b>Amortisations and provisions</b>	<b>73,492</b>	<b>107,856</b>
Amortisations	72,605	85,276
Net provisions	0	-54,370
Losses from receivables	888	76,951
<b>Other operating expenses</b>	<b>1,087,162</b>	<b>1,322,450</b>
Expenses on external services	1,001,241	1,186,704
Expenses with other taxes, charges and assimilated payments	46,169	68,807
Other expenses	39,752	66,938
<b>OPERATING EXPENSES - TOTAL</b>	<b>29,137,440</b>	<b>27,369,232</b>
<b>OPERATING RESULT</b>	<b>-162,640</b>	<b>-161,012</b>
<b>Financial income</b>	<b>35,494</b>	<b>16,736</b>
Interest income	1,871	339
Income from exchange rate differences	2,641	10,708
Income from dividends	0	0
Advance payment discounts	30,982	5,689
Other financial income	0	0
<b>Financial expenses</b>	<b>3,287</b>	<b>2,177</b>
Expenses with interests	0	0
Operational leasing interests (IFRS16)	0	0
Expenses due to exchange rate differences	548	1,145
Discounts received in advance	<b>2,739</b>	<b>1,032</b>
Other financial expenses	<b>0</b>	<b>0</b>
<b>FINANCIAL RESULT</b>	<b>32,207</b>	<b>14,559</b>

<b>TOTAL INCOME</b>	<b>29,010,295</b>	<b>27,224,957</b>
<b>TOTAL EXPENSES</b>	<b>29,140,727</b>	<b>27,371,410</b>

<b>GROSS RESULT</b>	-130,433	-146,453
Profit tax	0	0
<b>TOTAL NET PROFIT of which distributable</b>	<b>-130,433</b>	<b>-146,453</b>
Shareholders of the company	-130,433	-146,453
Minority interest		

Other elements of comprehensive income	0	0
Revaluation of tangible assets		
Tax related to other elements of comprehensive income		
Minority interest		
<b>COMPREHENSIVE INCOME AFFERENT TO THE PERIOD - TOTAL of which i</b>	<b>-130,433</b>	<b>-146,453</b>
Shareholders of the company	-130,433	-146,453
Minority interest		

Earnings per share (in Lei)		
- basic	-0.0012	-0.0014
- diluted	-0.0012	-0.0014

"TARUS" - Valentin Norbert TARUS e.U.

by representative  
Valentin – Norbert TARUS

**STATEMENT OF FINANCIAL POSITION - unconsolidated (Lei)**

	<b>31-Mar-20</b>	<b>31-Dec-19</b>
<b>ASSETS</b>		
<b>Fixed assets</b>	<b>37,630,403</b>	<b>37,650,247</b>
Tangible assets	25,288,659	25,286,321
Real estate investments	6,808,175	6,808,175
Software licences	2,158	3,627
Pharmacy licences	5,004,938	5,004,938
Participations held in group companies	292,320	292,320
Participations held in companies outside the group	5,316	5,316
Deposits and guarantees paid	228,837	249,551
<b>Current assets</b>	<b>44,099,306</b>	<b>36,893,890</b>
Stocks	12,378,881	12,667,433
Trade receivables	13,955,181	14,980,027
Other receivables	162,233	279,056
Cash and cash equivalents	17,603,010	8,967,374
<b>Accrued expenses</b>	<b>93,983</b>	<b>54,346</b>
<b>TOTAL ASSETS</b>	<b>81,823,692</b>	<b>74,598,483</b>
<b>EQUITIES AND DEBTS</b>		
<b>Equities</b>	<b>44,390,631</b>	<b>44,547,474</b>
Share capital	10,921,209	10,921,209
Share premiums	757,485	757,485
Reserves	30,863,898	30,863,898
Current result	-130,433	2,563,206
Retained earnings	2,403,329	0
Retained earnings - retreatment	-312,229	-312,229
Profit distribution	0	-133,467
Own shares	-112,628	-112,628
<b>Long-term debts</b>	<b>1,668,296</b>	<b>1,668,296</b>
Debts from financial leasing	0	0
Provisions	0	0
Debts with deferred income tax	1,668,296	1,668,296
<b>Current debts</b>	<b>35,764,765</b>	<b>28,382,713</b>
Bank loans	0	0
Debts from financial leasing	0	0
Suppliers and other similar debts	33,810,912	25,921,795
Provisions	0	0
Current tax debts	0	29,864
Other short-term debts	1,953,853	2,431,054
<b>Total debts</b>	<b>37,433,061</b>	<b>30,051,009</b>
<b>TOTAL EQUITIES AND DEBTS</b>	<b>81,823,692</b>	<b>74,598,483</b>

Chairman of the Board of Administrators  
"TARUS" - Valentin Norbert TARUS e.U.  
by representative  
Valentin – Norbert TARUS

# Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded on 31.03.2020

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## NOTE 1 INFORMATION ABOUT THE COMPANY

Farmaceutica REMEDIA S.A. («the Company») is a commercial company with registered office in Deva, B-dul Nicolae Balcescu nr.2 (former No. 43 Dorobantilor Street), Hunedoara County, Romania.

It was established in 25 July 1991 as a commercial company with fully state-owned capital by reorganisation of Oficiul Farmaceutic Deva. On 13.10.2000, V.TARUS RoAgencies S.R.L. has purchased from FPS the majority shares package (55.802 %). In January 2006, Farmaceutica REMEDIA S.A. merged by absorption with V.TARUS RoAgencies S.R.L.

On **01 January 2016**, Farmaceutica REMEDIA S.A. completed the transfer to Farmaceutica REMEDIA Distribution & Logistics S.R.L., **a company owned 100 %**, of wholesale drug distribution activities (by a network of 8 warehouses) together with related activities (logistics services, registration, promotion and marketing of medicines etc), maintaining the operation of the chain of 100 pharmacies and local distribution offices.

Although the legal provision on separation of activities has been abrogated, Farmaceutica REMEDIA has decided to keep the two legal entities.

In this context, on 31.03.2020 Farmaceutica REMEDIA S.A. held majority holdings (100%) at the Farmaceutica REMEDIA Distribution & Logistics S.R.L. company.

During the 1<sup>st</sup> quarter 2020, Farmaceutica REMEDIA S.A. did not attend in mergers.

. During the same period, the company did not alienate assets of significant values (buildings, lands, shares etc.).

## NOTE 2 BASES FOR DRAFTING THE FINANCIAL STATEMENTS

The financial statements of the company were drafted in compliance with the provisions of Order No. 2844/2016 for the approval of the Accounting regulations in compliance with the International Financial Reporting Standards (IFRS), adopted by the European Union, applicable to commercial companies whose securities are admitted to trading on a regulated market, with all subsequent modifications and clarifications.

For the purpose of drafting these financial statements, in compliance with the legislative provisions in Romania, the functional currency of the company is considered to be the Romanian Leu (RON).

For all the periods until the year concluded on 31 December 2011, inclusive, the company prepared the financial statements in compliance with the Romanian Accounting Standards (RAS). The financial statements for the concluded year on 31 December 2012, are the first financial statements drafted in compliance with the International Financial Reporting Standards (IFRS), as adopted by the European Union.

The financial statements were drafted based on the historic cost, except for the buildings and lands which are assessed at their fair value (the market value determined by assessment by an expert evaluator). The historic cost is generally

## Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded on 31.03.2020

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based on the fair value of the counterperformance carried out in exchange for the assets.

The company presents in the financial statements at the fair value all the asset and passive elements for which the assessment at the fair value is imposed, the methods used for its establishment being inventory and revaluation (IFRS 13).

The company does not have financial statements which would involve the use of other fair value estimation methods.

Certain amounts from the financial position statement, the global result statement, as well as from the explanatory notes were reclassified to ensure comparability between previous years and the current year.

Preparation of the IFRS financial statements involves the use by the management of professional judgments, estimations and hypotheses that may affect the application of the accounting policies and the reported value of assets, debts, incomes and expenses. Under these conditions, the actual results may differ from the estimated values. Estimates and hypotheses that are based on them are periodically reviewed. The review of accounting estimates is recognised during the period in which the estimate was reviewed and in the future periods affected. The following are critical professional judgments / reasoning which the Company management made with a significant impact on the values recognized in the financial statements:

- Lifetime of fixed assets
- Deferred taxes
- Provisions
- Segment reporting

The company holds participations in other companies, within which it has control over the financial and operational policies. An entity is consolidated if, based on the assessment of its relations with the Company, it is found that it is controlled by the Company.

Starting with 2012, for the class of tangible assets « Lands and buildings », the Company passed from the cost-based accounting model to the reassessment model.

**Financial statements on 31.03.2020 were not audited by the independent financial auditor.**

Farmaceutica REMEDIA S.A. – unconsolidated  
financial statements concluded on 31.03.2020

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**NOTE 3 SALES REVENUES AND OTHER OPERATING REVENUES**

During the period 01.01.2020 – 31.03.2020 the commercial company Farmaceutica REMEDIA S.A. recorded the following financial results:

Crt. No.	Indicator	Realisations January-March 2020(Lei)	Realisations January-March 2019 (Lei)	Evolution 2020/2019 (%)
1.	Net sales of goods *	26.642.814	28.468.710	+ 6,85
2.	Other operating revenues	565.406	506.091	- 10,49
3.	Total operating revenues	27.208.220	28.974.801	+ 6,49
4.	Total operating costs *	27.369.232	29.137.440	+ 6,46
5.	Operating result	- 161.012	-162.640	-1,01
6.	Financial result	14.559	32.207	+ 121,21
7.	Gross result (profit)	- 146.453	-130.433	+ 10,93

\* Including commercial discounts granted/received

The depreciation of the operating result, despite the increase of sales, is based on two factors:

- Increase of salary costs by almost 5%
- Reduction by 1.05 pp of the gross margin obtained from the sales of goods.

**“Other operating revenues”** mainly comprise the following categories of revenues:

- collected rents – 82,85% out of “Other operating revenues”
- marketing services – 13,29%
- sales of assets – 3,78 %
- other revenues - 0,08 %

Farmaceutica REMEDIA S.A. – unconsolidated  
financial statements concluded on 31.03.2020

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**NOTE 4. Economic-Financial Indicators**

<b>LIQUIDITY AND WORKING CAPITAL</b>	<b>31.03.2020</b>
<b>Current liquidity (Current assets / Current debts)</b>	<b>1,23</b>
Current assets	44.099.306
Current debts	35.764.765
<b>Degree of indebtedness (Borrowed capital / Equity x 100)</b>	<b>0,00%</b>
Borrowed capital	0
Equity	44.390.631
<b>Turnover speed for client debit items (Average customer balance /turnover *365)</b>	<b>53 days</b>
Average customer balance	16.963.611
Net turnover	28.955.626
<b>Turnover speed of stocks (average stock balance/cogs)*365</b>	<b>48 days</b>
Average stock balance	12.085.150
Net COGS	22.511.547

**Notes:**

<sup>1)</sup> **Current liquidity** – the indicator level reflects a good payment capacity, therefore a reduced risk for creditors, certifying that the company is capable of covering its short-term debts based on the receivables and cash availability. The indicator evolved positively as compared to the same period last year (1,19) and depreciated compared to December 2019 (1,3).

<sup>2)</sup> **Degree of indebtedness** expresses the effectiveness of credit risk management, indicating potential financing, liquidity problems, with influences in honouring the assumed commitments. The 0% value indicates that the company has no financing or liquidity problem. In the calculation of this indicator, the borrowed capital comprises both bank credits, and financial leasing debts.

<sup>3)</sup> **Turnover speed for client debit items** expresses company effectiveness in collecting its receivables, respectively the number of days until the date on which debtors pay their debts to the company. Considering the dynamics of sales and the specific of collecting receivables in the distribution of drugs, we believe that the value of 53 days is a normal one under the circumstances. (42 days at 31.03.2019 and 44 days at 31.12.2019)

<sup>4)</sup> The value of the **Nr. Of the Storage Days** indicator (48 days), can be considered as falling within the specifics of the activity, exceeding the limit imposed by the internal procedures of the company (45 days). The indicator evolved positively both as compared to the same period last year (66 days) and as compared to 31.12.2019 (60 days).

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded on 31.03.2020

NOTE 5 - Reporting on activity segments		Region WEST	Region CENTER	Region BUCURESTI	Region SOUTH- EST	Other sales	Other operations	Rents	Services	TOTAL * 3 months 2020
Net turnover		14,310,056	4,403,680	6,796,010	2,398,641	627,593	0	419,305	340	28,955,625
	Income from the sale of goods	14,276,906	4,392,189	6,780,910	2,391,111	627,593				28,468,709
	Commercial discounts granted	0	0	0	0	0	0	0	0	0
	Income from services provided and rents	33,150	11,491	15,100	7,530	0	0	419,305	340	486,916
Other operating income							19,174			19,174
<b>OPERATING INCOME - TOTAL</b>		<b>14,310,056</b>	<b>4,403,680</b>	<b>6,796,010</b>	<b>2,398,641</b>	<b>627,593</b>	<b>19,174</b>	<b>419,305</b>	<b>340</b>	<b>28,974,799</b>
Expenses with goods		11,231,021	3,414,000	5,461,950	1,815,900	588,676	0	0	0	22,511,547
	Expenses regarding goods	11,451,522	3,467,371	5,551,089	1,847,621	588,676	0	0	0	22,906,279
	Commercial discounts received	-220,501	-53,371	-89,139	-31,721	0	0	0	0	-394,732
Gross margin from sales of goods		3,045,885	978,189	1,318,960	575,211	38,917	0	0	0	5,957,162
Other operating costs		3,070,726	849,657	1,959,888	698,530	20,915	17,009	9,160	7	6,625,892
	Direct costs	2,303,248	671,474	1,600,136	599,649	0	17,009	975	0	5,192,491
	Logistics costs	0	0	0	0	0	0	0	0	0
	Indirect costs	767,478	178,183	359,752	98,881	20,915	0	8,185	7	1,433,401
<b>OPERATING EXPENSES TOTAL</b>										
		14,301,747	4,263,657	7,421,838	2,514,430	609,591	17,009	9,160	7	29,137,439
Operating result										
Financial result		8,309	140,023	-625,828	-115,789	18,002	2,165	410,145	333	-162,640
Gross result										32,207
	Profit tax									-130,433
Net profit										0
	* includes unallocated amounts									-130,433

Farmaceutica REMEDIA S.A. – unconsolidated financial statements concluded on 31.03.2020

NOTE 6 CAPITAL CHANGES	Share capital	Legal reserves	Revaluation reserves	Other reserves	Share premiums	Retained earnings	Current result	Profit distribution	Own shares	TOTAL
Balance on 01.01.2020	10,921,209	1,756,377	17,442,767	11,664,754	757,485	-312,229	2,563,206	-133,467	-112,628	44,547,474
Profit transfer 2019 to retained earnings						2,429,739	-2,429,739			0
Profit distribution 2019 to dividends										0
Profit distribution 2019 to other reserves										0
Result 2019							-130,433			-130,433
Legal reserve 2019										0
Account closure 129 (legal reserve 2019)							-133,467	133,467		0
Outputs buildings + lands										0
Revaluation of buildings and lands										0
Deferred tax										0
Corection of accounting errors						-26,410				-26,410
Balance at 31.03.2020	10,921,209	1,756,377	17,442,767	11,664,754	757,485	2,091,100	-130,433	0	-112,628	44,390,631

Farmaceutica REMEDIA S.A. – unconsolidated  
financial statements concluded on 31.03.2020

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**NOTE 7 TREASURY FLOWS STATEMENT (RON)**

unconsolidated

	<b>2020</b>
	3 months
<b>Cash flows from operating activities</b>	
Collections from the sale of goods and from the provision of services	33,243,706
Other cash inflows	221,036
Payments to suppliers of goods and services	(27,998,432)
Payments to and on behalf of employees (incl. taxes on salaries)	(4,619,831)
Corporate tax payments	(29,864)
Payments to other taxes and fees	(1,115,548)
Paid interests	0
Collected interests (current account)	1,871
Other cash outflows	(501,961)
<b>Total operating cash flow</b>	<b>(799,023)</b>
<b>Cash flow from investment activities</b>	
Proceeds from the sale of long-term assets and financial investments	9,540,414
Collected interests (from deposits)	0
Collected dividends	0
Payments for the purchase of long-term assets	(104,078)
<b>Total cash flow from investments</b>	<b>9,436,336</b>
<b>Cash flow from financing activities</b>	
Short-term loan withdrawals (incl. interests)	0
Repayment of short-term loans	0
Net foreign exchange differences	2,351
Funding received from shareholders	0
Repayments of long-term loans, including interest	0
Payments to shareholders (dividends)	(4,027)
Payments of own shares	0
<b>Total cash flow from financing</b>	<b>(1,676)</b>
<b>Total cash flow</b>	<b>8,635,636</b>
<b>Cash at the beginning of the period</b>	<b>8,967,374</b>
<b>Cash at the end of the period</b>	<b>17,603,010</b>

Chairman of the Board of Administrators  
"TARUS" Valentin Norbert TARUS e.U.  
by representative  
Valentin Norbert TARUS