

QUARTERLY REPORT according to C.N.V.M. Regulation no. 1/2006

Report Data: 15/05/2018
Name of issuing company: S.C.SINTEZA S.A
Headquarters: Oradea, 35 Borsului Road
Tel/Fax: 0259456116; 0259444969, Fax: 0259462224
VAT Reg. No.: RO 67329
Reg.No.at Commerce Register: J05/197/1991
Share capital: 9.916.888,50 LEI
Regulated market where the issued securities are traded: Bucharest Stock Exchange

This Quarterly Report includes:

- 1) The financial statements on 31/03/2018, prepared in accordance with International Financial Reporting Standards (IFRS).
 - Statement of financial position at 31/03/2018
 - Statement of Comprehensive Income on 31/03/2018
- 2) Notes to the financial statements ended 31/03/2018
- 3) Economic and financial indicators specified in Appendix 30 B of Regulation No.1 / 2006.

* Note that first quarter 2018 financial statements were not audited.

General Manager
Cosmin Turcu

1. Financial statements at 31.03.2018:

Individual Financial Statements
31.03.2018

Indicator	Individual		Consolidated	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Tangible assets				
Land and land design	13.971.880	13.971.880	13.971.880	13.971.880
Building	15.702.589	15.495.896	15.702.589	15.495.896
Technical installations and means of transport	15.328.061	14.573.186	15.452.630	14.702.368
Furniture, office equipment	19.759	16.610	19.759	16.610
Tangible assets under construction	5.346.671	6.595.283	5.300.081	6.228.499
Advances for tangible assets	0	0	0	0
Intangible assets				
Development expenses	0	0	0	0
Concessions, patents, licenses, trademarks, similar rights and assets and other intangible assets	538.806	553.146	538.806	553.146
Financial assets				
Shares in subsidiaries and other long term investments	29.751	26.444	32.651	29.238
Total Tangible and Intangible assets	50.937.517	51.232.445	51.018.396	50.997.637
Current assets				
Stocks	2.558.601	3.732.108	2.831.416	4.005.010
Trade receivables and other receivables	4.285.478	4.511.264	2.720.745	3.150.254
Expenses in advance	617.503	343.402	617.503	343.402
Cash and cash equivalents	1.298.000	251.264	1.298.256	252.048
Assets classified as held for sale	4.164.340	4.164.340	4.164.340	4.164.340
Total Current assets	12.923.922	13.002.378	11.632.260	11.915.054
Total Assets	63.861.439	64.234.823	62.650.656	62.912.691
Equity				
Capital	9.916.889	9.916.889	9.916.889	9.916.889
Share premium	0	0	0	0
Reserves	30.640.785	30.622.043	32.080.431	32.061.281
Result for the year	-1.142.384	-5.595.140	-1.361.922	-6.015.232
Earnings	6.268.969	11.864.110	3.866.142	9.514.485
Other components of equity	-540	-540	-540	-540
Minority interests	0	0	-2.676	-2.270
Total Equity	45.683.719	46.807.362	44.498.324	45.474.613
Long term liabilities				
Long term loans and other liabilities	941.945	1.037.734	941.945	1.037.734
Advance recorded revenue	0	0	0	0
Provisions	0	0	0	0
Deferred tax liabilities	4.524.067	4.540.257	4.524.067	4.540.257
Total Long Term Liabilities	5.466.012	5.577.991	5.466.012	5.577.991
Current liabilities				
Short term loans	4.755.736	4.991.902	4.755.736	4.991.902
Trade payables and other liabilities, including derivatives	5.599.234	6.439.567	5.570.274	6.441.679
Advance recorded revenue	2.235.782	281.102	2.235.782	281.102
Provisions	120.956	136.899	124.528	145.404
Liabilities classified as held for sale	0	0	0	0
Total Current Liabilities	12.711.708	11.849.470	12.686.320	11.860.087
Total Liabilities	18.187.720	17.427.461	18.152.332	17.438.078
Total Equity and Liabilities	63.861.439	64.234.823	62.650.656	62.912.691

General Manager
Cosmin Turcu

Financial Manager
Corina Ilies

Statement of comprehensive income, individual and consolidated
31.03.2018

Indicator	Individual		Consolidated	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Continue activities				
Revenue	6.102.899	7.299.657	5.968.598	7.164.657
Other income	19.250	73.244	24.183	73.244
Stock variations	-708.388	404.842	-708.388	404.842
Total operating income	5.413.761	7.777.743	5.284.393	7.642.743
Expenditure on stocks	3.371.678	4.788.389	3.375.588	4.794.105
Expenditure on utilities	849.297	847.603	849.297	847.603
Employee benefits expense	971.759	942.214	1.092.410	1.074.970
Depreciation and amortization of fixed assets	577.423	555.608	582.036	560.222
Wins / losses on disposal of property	25.061	25.061	25.061	25.061
Adjustment of current assets	0		84.823	
Adjustments for provisions				
Other expenses	741.580	1.358.636	617.753	1.125.924
Total operating expenses	6.536.798	8.517.511	6.626.966	8.427.885
Result operational activities	-1.123.037	-739.768	-1.342.575	-785.142
Financial income	85.534	124.914	85.534	124.914
Financial expenses	102.330	132.832	102.330	132.832
Net Financial Result	-16.796	-7.918	-16.796	-7.918
Result before tax	-1.139.833	-747.686	-1.359.371	-793.060
Current income tax expense	0	0	0	0
Deferred income tax expense	2.551	0	2.551	0
Income from deferred taxes	0	0	0	0
The result from continuing operations	-1.142.384	-747.686	-1.361.922	-793.060
Total comprehensive income for the period	-1.142.384	-747.686	-1.361.922	-793.060

General Manager
Cosmin Turcu

Financial Manager
Corina Ilies

2. Notes to the financial statements ended 31/03/2018

The entity reported:

SC SINTEZA S.A. it is headquartered Oradea, Borsului Road No.35, Registration No. J 05/197/1991 T. It is a joint stock company and operates in Romania in accordance with Law No.31 / 1990 on commercial companies.

The activity of the Company is based on the production and marketing of basic organic chemical products - CAEN code 2014.

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

On this, the company is owned by the following shareholders:

Crt. Iss.	Name	Percentage owned
1	F.I.I. BT Invest 1 administered by BT Asset Management S.A.	51,8898
2	Tincau Tibor	28,1346
3	Other shareholders	19,9756
	Total	100,00

Evidence shares and shareholders is held according to the law, by SC Depozitarul Central S.A. Bucharest

Presentation of Financial Statements

The individual financial statements are presented in accordance with International Financial Reporting Standards requirements (IFRS).

Functional and presentation currency

The functional currency is the leu chosen. The financial statements are presented in RON.

Significant accounting policies

The Company organizes and manages financial accounting, according to the Accounting Law no. 82/1991, with subsequent amendments and IFRS

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

Transactions in foreign currencies

Operations in foreign currency 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 in the last working day of the month in question.

Financial instruments

The company owns the non-derivative financial assets: trade receivables, cash and cash equivalents.

Tangible assets

Tangible assets are assets that:

□ are held 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.

Production cost includes direct costs related to the production assets such as direct materials, energy consumption for technological purposes, the costs of salaries, contributions and other legal related expenses, arising directly from the construction of property and equipment, costs of site preparation costs initial delivery and handling, installation and assembly costs, testing costs for 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 an expense in the period in which they were incurred if they are considered repairs or purpose of these expenditures is to ensure continued use of the asset while maintaining the original technical parameters; or

□ as part of the asset, as subsequent expenses, if the conditions to be considered investments on fixed assets.

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

The Company calculated and accounted for depreciation of tangible leased, rented or management location. Land is not depreciated.

Intangible assets:

Within intangible assets include:

- up costs;
- development costs;
- concessions, patents, licenses, trademarks, rights and similar assets, except those created by society;
- goodwill;
- other intangible assets;
- advance payments for intangible assets;
- intangible assets in progress.

Amortization of intangible assets is allocated on a systematic basis over the best estimate of its useful life. The method of amortization of intangible assets is a straight.

Items of stocks

Registration in inventory accounting entry shall be made after the transfer of risks and rewards.

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.

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

Revenue

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

Revenues are recognized on an accrual basis.

Expenditure

Company expenses are amounts paid or payable.

Accounting expenses take the kinds of expenses as follows:

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

Debts of company

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

Personal rights shall be accounted for retaining contributions

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

Foreign currency debt rating and those with settlement in lei depending on the course of currencies is made at the exchange rate of the National Bank of Romania, valid on the date of each financial year.

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 is presented in the notes if the inflows are likely to arise economic benefits.

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 considered significant.

Events or uncertainty factors that affect or could affect the company's activity

Business is affected by the global crisis of credit and liquidity constraints that led to a low level and difficult access to funds on the capital market.

Signaled contraction in the financial market, generated in part by developments in the euro zone lately, could affect the Company's ability to access new loans and refinance those already obtained in terms and conditions related to past transactions.

Also, borrowers Company may be affected by low levels of available liquidity, which could affect their ability to repay debt when due, 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 that would interfere with 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 currency volatility.

However, the Company believes that, in specific market conditions that works, characterized by a strong specialization of a small number of participants and their risk assessment and management can be achieved through daily monitoring of incoming and outgoing flows of cash and by making short-term forecasts net liquidity.

The Company is not subject to externally imposed capital requirements.

3. Economic and financial indicators

Current iss.	Indicator	Calculation	Result
1	Current liquidity	$\text{Current Assets} / \text{Current Liabilities}$	1,02
2	Indebtedness percentage	$\text{Borrowed capital} / \text{Equity} * 100$ $\text{Equity} / \text{Capital employed} * 100$	5,52 94,48
3	The rotation speed of debits - clients	$\text{The average balance of clients} / \text{Turnover} * 90$	57.80
4	The rotation speed of fixed assets	$\text{Turnover} / \text{Fixed assets}$	0.12

General Manager
Cosmin Turcu

Financial Manager
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