



CONSOLIDATED REPORT 1st SEMESTER 2017

**of the Board of Administrators of
Farmaceutica REMEDIA SA**

Farmaceutica REMEDIA S.A.

Registered Office: Deva 330160, Str. Dorobantilor 43 Hunedoara

Branch office: Bucharest sector 4, Bld. Metalurgiei 78 Telephone/fax: +40 21 321 16 40

Telephone/fax: + 40 254 223 260 remedia@remedia.ro www.remedia.ro;

TRO J20/700/1991, CUI: R02115198; Share capital RON 10.608.980

IBAN: RO 61 BTRL RON CRT 00G7133302 BANCA TRANSILVANIA Marriott Branch

CONSOLIDATED REPORT
1st SEMESTER 2017
according to the R.N.S.C. Regulation No. 1 / 2006

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, Str. Dorobanților nr. 43, postal code 330160**
 Tel./Fax. : **0254 22 32 60 / 0254 22 61 97**
 No and date of registration with the Trade Register : **J20/700/25.07.1991**
 Tax identification 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**

Lei

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

The company is free for trading and is active at **the standard category of Bucharest Stock Exchange.**

The total market value as at 28.07.2017 is of 31.720.850,2 Lei

The value of a RMAH share was of 0,299 Lei. (on 28.07.2017)

1. General Information

The companies whose results were consolidated are Farmaceutica REMEDIA S.A. (FR) and Farmaceutica REMEDIA Distribution & Logistics S.R.L. (FRDL). Following the legislative enactments, starting with 01.01.2016, the wholesale distribution activities, as well as their related services were transferred from FR to FRDL, while FR will continue to operate the chain of 100 own pharmacies. FRDL is held 100 % by FR.

2. General description of the financial position and of the performances of the issuer and of its subsidiaries afferent to the 1st semester of 2017

Lei			
Indicator	30.06.2017	30.06.2016	Variation %
FIXED ASSETS	38.997.103	40.043.272	-2,61
Intangible assets	7.789.832	8.170.301	-4,66
Tangible assets	30.455.103	30.749.759	-0,96
Financial assets	752.168	1.123.212	-33,03
CURRENT ASSETS	131.062.087	97.439.132	+34,51
Stocks	36.361.780	30.570.855	+18,94
Trade receivables*	83.194.993	53.419.555	+55,74
Other receivables	1.174.931	1.097.864	+7,02
Cash and bank	10.191.092	12.186.727	-16,38
Accrued expenses	139.291	164.131	-15,13
CURRENT LIABILITIES, out of which	127.114.752	96.247.445	+32,07
-suppliers	122.947.906	93.571.651	+31,39
-provisions	0	0	-
-bank loans**	0	0	-
LONG-TERM LIABILITIES	1.415.448	1.653.224	-14,38
- of which bank credits	0	0	
EQUITY CAPITAL	41.528.990	39.581.735	+4,92
share capital	10.608.980	10.608.980	-
capital premiums	757.485	757.485	-
reserves	28.057.758	28.150.603	-0,33
current result	1.317.395	177.294	+643,06
result carried forward	900.000	0	-
own shares	-112.628	-112.628	-

(*) including provisions for the depreciation of receivables

(**) The two companies (FR and FRDL) have a common total facility opened (credit line) of 3.200.000 EUR made available by Banca Transilvania.

On 30.06.2017, the two companies had constituted the following provisions:

Lei	
Provisions for the depreciation of client receivables	3.577.171
Provisions for risks and expenses	0
Provisions for stocks depreciation	187.268
TOTAL PROVISIONS	3.764.439

Provisions for the depreciation of client receivables were constituted for balances older than 365 days, with zero or very low collection probability.

During the first semester of 2017, no new provisions were constituted, but provisions were reversed for the depreciation of receivables in the amount of 478.231 lei. The reversal of provisions did not influence the financial results of the period

because the revenues were recorded to offset the removal of some clients with balance from the accounting records that were removed from the Trade Register by court order.

The consolidated financial result at the end of the 1st semester of 2017 indicates a **net profit of 1.317.395 Lei**.

Revenues from net sales of merchandise increased by 47,43 % as compared to the same period of last year, following the contribution brought by the increase in sales in the pharmacies opened in Bucharest, but especially following the increase in sales to other pharmacies of the Distribution division.

In what concerns total expenses, they have increased as compared to the same period of 2016 by 45,57%, below the recorded level of revenues (+46,81), as a result of strict cost control policy.

Lei

Indicator	30.06.2017	30.06.2016	Variation %
Net sales of goods *	156.747.074	106.316.444	+47,43
Other operating revenues	2.110.806	1.504.807	+40,27
Financial revenues, out of which:	167.600	501.111	-66,55
- exchange rate differences	20.381	498.536	-95,91
TOTAL REVENUES	159.025.480	108.322.362	+46,81
Goods related expenses (net) **	137.789.171	90.851.267	+51,66
Personnel costs	12.051.420	9.821.017	+22,71
Other operating expenses, out of which:	7.427.299	6.910.911	+7,47
- expenses with provisions	0	0	-
- Revenues from provisions	478.231	100.000	+378,23
Financial expenses, out of which:	92.380	515.673	-82,09
- exchange rate differences	21.833	506.102	-95,69
TOTAL EXPENSES	157.360.270	108.098.868	+45,57
Income tax	347.815	46.200	+652,85
NET RESULT	1.317.395	177.294	+643,06

(*) Including commercial discounts granted

(**) Including commercial discounts received

Business segments were not stopped or alienated during the analysed period. A repartition of the sale of goods on activity segments is presented as follows:
Lei - 1st semester 2017

Farmacii REMEDIA	44.068.444	27,98%
Distribution of Pharmacies & KA	75.163.830	47,72%
Distribution of Hospitals & Private Clinics	32.937.261	20,91%
Other operations	5.212.909	3,31%
Other sales	111.974	0,08%
Total	157.494.418	100,00 %

Financial statements on 30.06.2017 are not audited.

3. Changes that affect the share capital and the administration of the commercial company.

On 30.06.2017, the structure of Farmaceutica REMEDIA S.A. shareholding was the following:

Shareholder	Shares owned	%
TARUS Valentin Norbert	70.555.514	66,5055
PAVEL Ionica - Mirela	17686319	16,6711
NATURAL PERSONS	8.173.139	7,7040
LEGAL PERSONS	9.674.828	9,1195
TOTAL	106.089.800	100,00

The nominal value of a share remained unmodified to 0,1 lei since 5.12.1996. The rights of securities holders with Farmaceutica REMEDIA S.A. are unmodified.

The company is free to trading and is active at the standard category of the Bucharest Stock Exchange.

Starting with 01.05.2017, Farmaceutica REMEDIA S.A. is managed by a Board of Administrators composed of 5 members and namely:

1. Chairman of the Board of Administrators: "TARUS" - Valentin Norbert TARUS e.U. by TARUS Valentin - Norbert, an Austrian citizen, born on 20.03.1952 in Deva, identified with identity card issued by the Republic of Austria under No. 10184374;
2. Member of the Board of Administrators: CHIRITA Zoe, a Romanian citizen, born on 07.10.1954 in Bucharest, identified with identity card series RD No. 597851, PIN 2541007400082;
3. Member of the Board of Administrators: BANCIU Mircea, a Romanian citizen, born on 31.03.1965 in Brad, identified with identity card series HD No. 741486, PIN 1650331200019;
4. Member of the Board of Administrators: BACIU Ioan, a Romanian citizen, born on 11.03.1975 in Bacau, identified with identity card series RD No. 834003, PIN 1750311044451;
5. Member of the Board of Administrators: CHIVU Corina-Andreea, a Romanian citizen, born on 08.09.1988 in Bucharest, identified with identity card series RD No. 812126, PIN 2880908450018;

The mandate of the Administrators expires on 30.04.2018.

4. Own shares

On 30.06.2017 Farmaceutica REMEDIA S.A held a number of 300.100 own shares.

5. Signatures

Chairman of the Board of Administrators

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