



## UNCONSOLIDATED REPORT 1<sup>ST</sup> SEMESTER 2017

of the Board of Administrators of  
Farmaceutica REMEDIA SA

**Farmaceutica REMEDIA S.A.**

Registered Office: Deva 330160, Str. Dorobantilor 43, Hunedoara County, Telephone/fax: + 40 254 223 260

Branch Office: Bucharest, 041836, sector 4, Bld. Metalurgiei 78, Telephone/fax: + 40 213 211 640

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**UNCONSOLIDATED REPORT**  
**1<sup>ST</sup> 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**  
 Par 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
	<b>TOTAL</b>	<b>106.089.800</b>	<b>10.608.980,00</b>

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

The total market value on 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

Farmaceutica REMEDIA S.A. 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.

According to the law 95/2006 republished in August 2015, commercial companies can no longer carry out at the same time wholesale and retail activities of drugs. (Art. 800 paragraph 2). In this context, Farmaceutica REMEDIA S.A. transferred to Farmaceutica REMEDIA Distribution & Logistics S.R.L., **a company owned 100%**, the wholesale distribution activities of drugs (by a network of 8 warehouses) together with related activities (logistical services, recordings, promotion and marketing of drugs, etc.), keeping the operation of the chain of 100 pharmacies and local distribution offices.

Thus, on 30.06.2017, Farmaceutica REMEDIA S.A. holds majority participations (100%) with the Farmaceutica REMEDIA Distribution & Logistics S.R.L. Company, former Sibmediaca S.R.L., a company with suspended activity since 16.12.2013 and reactivated under the new name on 19.01.2015.

Following the change of the main activity object imposed by the laws above mentioned, the company was forced to buy back from the market (in 2015) a number of 300.100 shares at a price of 0.3753 lei/share, a price established by an authorised assessor.

In the first semester of 2017, Farmaceutica REMEDIA S.A. did not participate in mergers.

During the same period, the company recorded the pharmacy licence from Cluj Napoca following constant losses recorded by the pharmacy operating this licence.

## 2. General description of the financial position and of the performances of the issuer and of its subsidiaries afferent to the 1<sup>st</sup> semester of 2017

Lei

Indicator	30.06.2017	30.06.2016	Variation %
<b>FIXED ASSETS</b>	<b>38.322.895</b>	<b>38.908.716</b>	<b>-1,50</b>
Intangible assets	7.682.248	8.163.980	-5,90
Tangible assets	30.059.992	30.140.301	-0,27
Financial assets	580.655	604.435	-3,93
<b>CURRENT ASSETS</b>	<b>27.070.961</b>	<b>33.014.284</b>	<b>-18,00</b>
Stocks	12.252.089	9.237.774	+32,63
Trade receivables*	6.902.779	15.958.848	-56,75
Other receivables	176.890	580.861	-69,55
Cash and bank	7.692.120	7.097.162	+8,38
Accrued expenses	47.083	139.639	-66,28
<b>CURRENT LIABILITIES, out of which</b>	<b>24.502.752</b>	<b>30.941.970</b>	<b>-20,81</b>
Suppliers	22.068.990	29.393.022	-24,92
Provisions	0	0	<b>1.</b>
Bank loans**	0	0	<b>2.</b>

<b>LONG-TERM LIABILITIES</b>	<b>1.273.137</b>	<b>1.326.162</b>	<b>-3,99</b>
-of which bank credits	0	0	<b>3.</b>
<b>EQUITY CAPITAL</b>	<b>39.617.967</b>	<b>39.654.869</b>	<b>-0,09</b>
share capital	10.608.980	10.608.980	-
capital premiums	757.485	757.485	-
reserves	27.828.787	28.149.315	-1,14
current result	535.343	251.716	+112,68
result carried forward	0	0	<b>4.</b>
own shares	-112.628	-112.628	-

(\*) including provisions for the depreciation of receivables

(\*\*) The 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 company had constituted the following provisions:

#### Lei

Provisions for the depreciation of client receivables	3.493.330
Provisions for risks and expenses	0
Provisions for stocks depreciation	0
<b>TOTAL PROVISIONS</b>	<b>3.493.330</b>

Provisions for the depreciation of client receivables were constituted for balances older than 365 days, with zero or very low collection probability. These provisions were constituted during the period 2009 – 2014.

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 financial result at the end of the 1<sup>st</sup> semester of 2017 indicated a **net profit of 535.343 Lei.**

Revenues from net sales of merchandise increased by 5,4%, as compared to the same period of last year, following the contribution brought by the increase in sales in the pharmacies opened in Bucharest.

In what concerns total expenses, they have increased as compared to the same period of 2016 by 3,51%, below the recorded level of revenues, as a result of strict cost control policy.

#### Lei

Indicator	30.06.2017	30.06.2016	Variation %
Net sales of goods *	44.065.085	41.807.704	+5,40
Other operating revenues	1.890.192	1.842.110	+2,61
Financial revenues, out of which:	97.556	441.825	-77,92
2. exchange rate differences	2.800	440.688	-99,36

<b>TOTAL REVENUES</b>	<b>46.052.833</b>	<b>44.091.639</b>	<b>+4,45</b>
Goods related expenses (net) **	34.006.021	32.602.649	+4,30
Personnel costs	7.139.532	6.552.769	+8,95
Other operating expenses, out of which:	4.188.782	4.181.326	+0,18
3. expenses with provisions	0	0	4.
5. Revenues from provisions	478.231	100.000	+378,23
Financial expenses, out of which:	8.427	466.900	-98,20
6. exchange rate differences	203	461.014	-99,96
<b>TOTAL EXPENSES</b>	<b>45.342.762</b>	<b>43.803.644</b>	<b>+3,51</b>
Income tax	174.728	36.279	+381,62
<b>NET RESULT</b>	<b>535.343</b>	<b>251.716</b>	<b>+112,68</b>

(\*) 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 areas is presented as follows:

Lei – 1<sup>st</sup> semester 2017

West	23.350.824	52,99%
Bucharest	8.594.738	19,50%
Centre	6.761.311	15,34%
South/West	5.297.169	12,02%
Other sales	64.402	0,15%
<b>Total</b>	<b>44.068.444</b>	<b>100,00 %</b>

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	17.686.319	16,6711
NATURAL PERSONS	8.173.139	7,7040
LEGAL PERSONS	9.674.828	9,1195
<b>TOTAL</b>	<b>106.089.800</b>	<b>100,00</b>

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