



SINTEZA S.A.  
Șos. Borsului no. 35  
410605 ORADEA - ROMANIA



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VAT Reg.No.: RO 67329  
Reg.No.at Commerce Register: J.05/197/1991  
BANK: EXIM BANK ORADEA  
IBAN EURO:RO05EXIM109000019389EU01  
SWIFT CODE: EXIMROBU  
BANK: BANCA TRANSILVANIA ORADEA  
IBAN EURO:RO61BTRL00504202N98396XX  
SWIFT CODE: BTRL RO22XXX

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

Report Data:	11/05/2017
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 31/03/2017, prepared in accordance with International Financial Reporting Standards (IFRS).
  - Statement of financial position at 31/03/2017
  - Statement of Comprehensive Income on 31/03/2017
- 2) Notes to the financial statements ended 31/03/2017
- 3) Economic and financial indicators specified in Appendix 30 B of Regulation No.1 / 2006.

\* Note that first quarter 2017 financial statements were not audited.

General Manager  
Catalin Marias

1. Financial statements at 31.03.2017:

Individual Financial Statements  
31.03.2017

Indicator	Individual		Consolidated	
	31.03.2017	31.12.2016	31.03.2017	31.12.2016
Tangible assets				
Land an land design	13.971.880	13.971.880	13.971.880	13.971.880
Building	15.832.760	15.951.950	15.832.760	15.951.950
Technical installations and means of transport	15.817.133	16.237.119	15.960.156	16.384.756
Furniture, office equipment	18.145	18.837	18.145	18.837
Tangible assets under construction	5.921.292	5.527.632	5.876.008	4.621.871
Advances for tangible assets	0	0		0
Intangible assets				
Development expenses	0	0		0
Concessions, patents, licenses, trademarks, similar rights and assets and other intangible assets	596.166	610.506	596.166	610.506
Financial assets				
Shares in subsidiaries and other long term investments	121.502	110.332	38.151	26.981
<b>Total Tangible and Intangible assets</b>	<b>52.278.878</b>	<b>52.428.256</b>	<b>52.293.266</b>	<b>51.586.781</b>
Current assets				
Stocks	7.034.522	6.183.475	7.375.596	6.457.159
Trade receivables and other receivables	6.938.597	11.773.419	5.521.530	10.365.708
Expenses in advance	752.462	434.940	752.462	434.940
Cash and cash equivalents	56.080	3.101.497	62.368	3.108.976
Assets classified as held for sale	4.164.340	4.164.340	4.164.340	4.164.340
<b>Total Current assets</b>	<b>18.946.001</b>	<b>25.657.671</b>	<b>17.876.296</b>	<b>24.531.123</b>
<b>Total Assets</b>	<b>71.224.879</b>	<b>78.085.927</b>	<b>70.169.562</b>	<b>76.117.904</b>
Equity				
Capital	9.916.889	9.916.889	9.920.639	9.920.639
Share premium	0	0	0	0
Reserves	55.531.330	55.531.330	56.875.357	56.875.357
Result for the year	-747.686	2.760.412	-793.060	1.887.468
Earnings	-1.329.131	-2.737.739	-3.675.690	-5.182.899
Other components of equity	-540	-1.352.345	-540	-1.354.061
<b>Total Equity</b>	<b>63.370.862</b>	<b>64.118.547</b>	<b>62.326.706</b>	<b>62.146.504</b>
Long term liabilities				
Long term loans and other liabilities	3.428.479	3.780.741	3.428.479	3.780.741
Advance recorded revenue	0	0	0	0
Provisions	0	0	0	0
Deferred tax liabilities	0	0	0	0
<b>Total Long Term Liabilities</b>	<b>3.428.479</b>	<b>3.780.741</b>	<b>3.428.479</b>	<b>3.780.741</b>
Current liabilities				
Short term loans	366.499	220.644	366.499	220.644
Trade payables and other liabilities, including derivatives	4.041.930	9.948.886	4.030.769	9.952.906
Advance recorded revenue	17.109	17.109	17.109	17.109
Provisions	0	0	0	0
Liabilities classified as held for sale	0	0	0	0
<b>Total Current Liabilities</b>	<b>4.425.538</b>	<b>10.186.639</b>	<b>4.414.377</b>	<b>10.190.659</b>
<b>Total Liabilities</b>	<b>7.854.017</b>	<b>13.967.380</b>	<b>7.842.856</b>	<b>13.971.400</b>
<b>Total Equity and Liabilities</b>	<b>71.224.879</b>	<b>78.085.927</b>	<b>70.169.562</b>	<b>76.117.904</b>

General Manager  
Catalin Marias

Financial Manager  
Viorel Florut Vese

31.03.2017

Indicator	Individual		Consolidated	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Continue activities				
Revenue	7.299.657	7.103.466	7.164.657	6.968.466
Other income	73.244	636.985	73.244	636.985
Stock variations	404.842	424.554	404.842	424.554
<b>Total operating income</b>	<b>7.777.743</b>	<b>8.165.005</b>	<b>7.642.743</b>	<b>8.030.005</b>
Expenditure on stocks	4.788.389	4.063.497	4.794.105	4.137.785
Expenditure on utilities	847.603	1.255.378	847.603	1.255.378
Employee benefits expense	942.214	705.414	1.074.970	802.193
Depreciation and amortization of fixed assets	555.608	504.465	560.222	509.079
Wins / losses on disposal of property	25.061	83.355	25.061	83.355
Adjustment of current assets				
Adjustments for provisions				
Other expenses	1.358.636	842.210	1.125.924	703.882
<b>Total operating expenses</b>	<b>8.517.511</b>	<b>7.454.319</b>	<b>8.427.885</b>	<b>7.491.672</b>
<b>Result operational activities</b>	<b>-739.768</b>	<b>710.686</b>	<b>-785.142</b>	<b>538.333</b>
Financial income	124.914	250.866	124.914	250.866
Financial expenses	132.832	302.863	132.832	302.863
<b>Net Financial Result</b>	<b>-7.918</b>	<b>-51.997</b>	<b>-7.918</b>	<b>-51.997</b>
<b>Result before tax</b>	<b>-747.686</b>	<b>658.689</b>	<b>-793.060</b>	<b>486.336</b>
Current income tax expense	0	124.541	0	124.541
Deferred income tax expense	0	0	0	0
Income from deferred taxes	0	0	0	0
<b>The result from continuing operations</b>	<b>-747.686</b>	<b>534.148</b>	<b>-793.060</b>	<b>361.795</b>
<b>Total comprehensive income for the period</b>	<b>-747.686</b>	<b>534.148</b>	<b>-793.060</b>	<b>361.795</b>

General Manager  
Catalin Marias

Financial Manager  
Viorel Florut Vese

## 2. Notes to the financial statements ended 31/03/2017

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	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	4,28
2	Indebtedness percentage	$\frac{\text{Borrowed capital}}{\text{Equity}} * 100$ $\frac{\text{Equity}}{\text{Capital employed}} * 100$	5,41 94,87
3	The rotation speed of debits - clients	$\frac{\text{The average balance of clients}}{\text{Turnover}} * 90$	49,73
4	The rotation speed of fixed assets	$\frac{\text{Turnover}}{\text{Fixed assets}}$	0,14

General Manager  
Marias Catalin

Financial Manager  
Viorel Florut Vese