



3rd Quarter 2023 CONSOLIDATED REPORT

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

Farmaceutica REMEDIA S.A.

Registered office: Deva 330040, Nicolae Balcescu Bld. no 2 (former No. 43 Dorobantilor Street), Hunedoara County, Telephone: + 40 254 223 260, Fax: +40 254 226 197

Branch office: Bucharest, 041836, sector 4, Bld. Metalurgiei 78, Telephone/fax: + 40 213 211 640
remedia@remedia.ro, www.remedia.ro

Trade Register J20/700/1991, TIN: RO2115198; Share capital: RON 9.548.082

IBAN: RO61 BTRL RONC RT00 G713 3302, Transilvania Bank, Bucharest

IBAN: RO33 RZBR 0000 0600 0266 5747, Raiffeisen Unirii, Bucharest

3rd QUARTER 2023 CONSOLIDATED REPORT
According to F.S.A. Regulation No. 5/2018

Date of the report: 13.11.2023

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

Subscribed share capital: **9.548.082 Lei**
Paid-up share capital: **9.548.082 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. AC-1470-7/17.06.2021)
Type: **Common Nominative**
Date of registration: **17.03.1997**
Nominal value: **0,10 Lei**
Position in RNSC Register: **1636**
Total number: **95.480.820**
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
7	09.06.2021	- 10.608.980	- 1.060.898,00 Lei
	TOTAL	95.480.820	9.548.082,00 Lei

Organised market on which securities are traded:

Bucharest Stock Exchange – Standard category

The total market value on 13.11.2023 is of 63.494.745 Lei, at a value of a 0,6650 Lei/RMAH share

1. Important events to report

In **February 2023**, Farmaceutica REMEDIA SA sold one pharmaceutical license for the pharmacy Remedea Aviației in Bucharest.

On **02.03.2023**, Farmaceutica REMEDIA SA completed a share buyback transaction carried out with purpose of a Stock Option Plan. Number of shares repurchased on 02.03.2023, according to ASF Decision 122/08.02.2023 is 2.864.425 shares, representing 3% of the share capital. Total number of shares subscribed in operation: 2.864.425 shares, representing 100% of the Offer. Total amount paid by Farmaceutica REMEDIA was 2.148.319 Lei. The price for repurchase was 0,75 Lei per share.

In **July 2023**, Farmaceutica REMEDIA Distribution & Logistics SRL closed the logistics warehouse in Craiova, in order to improve the profitability of the area, by reducing costs.

2. The general description of the financial position and of the issuer's performances and of its branches related to 3rd quarter 2023

During 01.01.2023 – 30.09.2023, the commercial company Farmaceutica REMEDIA S.A. recorded the following consolidated financial results:

Crt. No.	Indicator	Realisations Jan-Sept 2023 (Lei)	Realisations Jan-Sept 2022 (Lei)	Evolution 2023/2022 (%)
1.	Net sales of goods *	414.603.271	384.275.658	7,89%
2.	Other operating revenues	9.460.626	6.439.592	46,91%
3.	Total operating income	424.063.897	390.715.249	8,54%
4.	Total operational costs *	417.278.843	384.801.308	8,44%
5.	Operating result	6.785.054	5.913.942	14,73%
6.	Financial result	577.583	-688	84079%
7.	Gross result	7.362.636	5.913.254	24,51%

* Including trade discounts granted/received

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

Lei

REMEDIA Pharmacies	8.475.726	2%
Distribution	264.638.181	64%
Hospitals & Clinics Distribution	141.489.365	34%
Total	414.603.271	100,00 %

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

- collected rents
- BD Rowa services
- sale of assets
- real estate investments
- other services

3. The financial statements as of 30.09.2023 were not audited by the independent financial auditor.

4. Economic-Financial Indicators as of 30.09.2023

LIQUIDITY AND WORKING CAPITAL	FR	FRDL	PES
Current liquidity (Current assets / Current debts)	1,98	1,07	0,29
Current assets	13.168.161	234.914.475	946.368
Current debts	6.635.918	218.834.295	3.265.375
Degree of indebtedness (Borrowed capital / Equity x 100)	0,00%	6%	2.436%
Borrowed capital	0	963.688	1.284.900
Equity	49.768.600	16.845.478	52.752
Turnover speed for client debit items (Average customer balance /turnover *270)	32 days	105 days	44 days
Average customer balance	1.336.725	160.871.202	765.000
Net turnover	11.386.195	414.732.724	4.739.218
Turnover speed of stocks (average stock/ net COGS)*270	85 days	29 days	0
Average stock	2.207.242	41.508.664	-
COGS net	7.040.054	382.740.916	-

*including financial leasing

Notes:

1) **Current liquidity** – the indicator level reflects a good payment capacity, therefore a reduced risk for creditors, certifying that the companies are able to cover their short-term debts based on receivables and cash availabilities.

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 the FR & FRDL there is no risk. PES has a high degree of indebtedness, caused by financial leasing. 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, under the circumstances. In the case of the companies in the group the indicator shows a good collection of receivables.

⁴⁾ The value of the **No. of storage Days** indicator can be considered as falling within the specifics of the activity.

Chairman of the Board of Administrators

"TARUS" Valentin Norbert TARUS e.U.

by representative

Valentin-Norbert TARUS

Farmaceutica REMEDIA S.A.

STATEMENT OF COMPREHENSIVE INCOME - consolidated (Lei)

	30.09.2023	30.09.2022
Net turnover	421.067.764	390.167.581
Income from the sale of goods	416.247.627	386.084.179
Commercial discounts granted	-1.644.356	-1.808.521
Income from services provided and rents	6.464.493	5.891.923
Other operating income	2.996.133	547.668
OPERATING INCOME - TOTAL	424.063.897	390.715.249
Expenses with materials	386.578.726	357.103.159
Expenses regarding goods	390.993.157	359.479.487
Commercial discounts received	-7.612.161	-5.875.755
Expenses with raw materials and consumables	2.358.506	2.545.115
Other expenses with materials (inventory objects)	84.226	90.379
Energy and water expenses	754.998	863.933
Expenses with personnel	16.765.709	16.158.698
Salaries and allowances	14.464.675	14.215.486
Expenses with insurance and social protection	614.364	618.913
Other personnel expenses	1.686.670	1.324.299
Amortisations and provisions	3.764.431	1.304.174
Amortisations	3.487.024	1.072.311
Net provisions	246.174	-74.812
Losses from receivables	31.233	306.676
Other operating expenses	10.169.977	10.235.277
Expenses on external services	7.791.612	8.312.337
Expenses with other taxes, charges and assimilated payments	1.820.933	1.078.832
Other expenses	557.432	844.107
OPERATING EXPENSES - TOTAL	417.278.843	384.801.308
OPERATING RESULT	6.785.054	5.913.942
Financial income	879.923	407.270
Interest income	597.771	209.527
Income from exchange rate differences	93.474	70.083
Income from dividends	68.305	79.826
Advance payment discounts	116.376	30.771
Other financial income	3.996	17.063
Financial expenses	302.340	407.957
Expenses regarding interests	33.965	93.701
Operational leasing interests (IFRS16)	4.390	48.636
Expenses due to exchange rate differences	119.155	117.452
Discounts received in advance	127.123	131.767
Other financial expenses	17.707	16.401
FINANCIAL RESULT	577.583	-688
TOTAL INCOME	424.943.820	391.122.519
TOTAL EXPENSES	417.581.183	385.209.265

GROSS RESULT	7.362.636	5.913.254
Profit tax	1.381.790	1.096.230
TOTAL NET PROFIT of which distributable	5.980.846	4.817.024
Shareholders of the company	5.980.846	4.817.024
Minority interest		
Other elements of comprehensive income		
Revaluation of tangible assets		
Tax related to other elements of comprehensive income		
Minority interest		
COMPREHENSIVE INCOME AFFERENT TO THE PERIOD - TOTAL of which attributable:	5.980.846	4.817.024
Shareholders of the company	5.980.846	4.817.024
Minority interest		
Earnings per share (in Lei)		
- basic	0,0626	0,0505
- diluted	0,0626	0,0505

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

by representative
Valentin – Norbert TARUS

Farmaceutica REMEDIA S.A.

STATEMENT OF FINANCIAL POSITION - consolidated (Lei)

	30.09.2023	31.12.2022
ASSETS		
Fixed assets	44.362.946	44.484.546
Tangible assets	25.738.360	24.760.379
Real estate investments	16.545.703	16.545.703
Operational leasing assets	410.976	1.002.094
Software licences	503.987	109.054
Pharmacy licences	459.901	689.200
Participations held in group companies	588.620	588.620
Participations held in companies outside the group	5.916	5.916
Deposits and guarantees paid	109.483	783.580
Current assets	244.960.692	240.890.648
Stocks	41.443.539	46.262.314
Trade receivables	172.834.166	173.704.309
Other receivables	4.482.687	2.840.680
Cash and cash equivalents	26.200.299	18.083.345
Accrued expenses	696.962	829.696
TOTAL ASSETS	290.020.600	286.204.891
EQUITIES AND DEBTS		
Equities	66.637.538	68.433.434
Share capital	9.860.311	9.860.311
Share premiums	757.485	757.485
Reserves	38.702.704	39.953.756
Current result	5.980.846	5.809.133
Retained earnings	13.909.417	12.477.605
Retained earnings - retreatment	-312.229	-312.229
Profit distribution	0	0
Own shares	-2.260.996	-112.628
Long-term debts	3.578.618	3.175.842
Debts from financial leasing		
Debts from operational leasing		
Provisions		
Debts with deferred income tax	3.578.618	3.175.842
Current debts	219.804.444	214.595.615
Bank loans	963.688	
Debts from financial leasing	1.284.900	421.384
Debts from operational leasing	137.169	777.861
Suppliers and other similar debts	211.838.856	209.969.435

Provisions	217.307	217.307
Current tax debts	554.298	155.049
Other short-term debts	4.808.227	3.054.580
Total debts	223.383.062	217.771.457
TOTAL EQUITIES AND DEBTS	290.020.600	286.204.891

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Farmaceutica REMEDIA S.A. – Consolidated financial statements concluded on 30.09.2023

NOTE 1 INFORMATION ABOUT THE COMPANY

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

On **July 25th 1991**, it was established as a commercial company with fully state-owned capital by reorganisation of Oficiul Farmaceutic Deva.

On **October 13th 2000**, V. TARUS RoAgencies S.R.L. purchased from FPS the majority shares package (55,802%).

On **January 1st 2006**, Farmaceutica REMEDIA S.A. merged by absorption with V. TARUS RoAgencies S.R.L.

According to Law 95/2006, republished in August 2015, companies were prohibited from carrying out, at the same time, wholesale and retail distribution of medicines. (Art. 800 paragraph 2). Therefore,

On **January 1st 2016** Farmaceutica REMEDIA S.A. completed the transfer to Farmaceutica REMEDIA Distribution & Logistics S.R.L., a new company, 100% owned, of the wholesale distribution activities of medicines together with related activities (logistic services, registration of pharmaceutical products, promotion and marketing of medicines, etc.), Farmaceutica REMEDIA S.A. kept the operation of the chain of pharmacies and local offices.

In **April 2022**, Farmaceutica REMEDIA SA purchased a 50% participation in the share capital of the Romanian legal entity PHARMA EXPERTSPEDITION S.R.L., with registered office in Bucharest, Bd. Metalurgiei, nr. 130E, Sector 4, registered at the Commercial Register of Bucharest with nr. J40/20206/2005, with TIN 18178346, in order to develop and strengthen the distribution and logistics activity.

In this context, **on 30.06.2023** Farmaceutica REMEDIA S.A. held a majority participation (100%) in the company Farmaceutica REMEDIA Distribution & Logistics S.R.L. and a 50% participation in the company PHARMA EXPERTSPEDITION S.R.L.

During the first 9 months of 2023 Farmaceutica REMEDIA S.A. did not participate in mergers.

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

In **February 2023**, Farmaceutica REMEDIA SA sold one pharmaceutical license for the pharmacy Remedie Aviației in Bucharest.

On **02.03.2023**, Farmaceutica REMEDIA SA completed a share buyback operation carried out for the purpose of a Stock Option Plan. The number of shares repurchased on 02.03.2023, according to ASF Decision 122/08.02.2023 is 2.864.425 shares, representing 3% of the share capital. Total number of shares subscribed in the operation: 2.864.425 shares, representing 100% of the Offer. The total amount paid by Farmaceutica REMEDIA was 2.148.319 Lei. Repurchase price: 0,75 Lei per share.

In **July 2023**, Farmaceutica REMEDIA Distribution & Logistics SRL closed the logistics warehouse in Craiova, in order to improve the profitability of the area, by reducing costs.

Farmaceutica REMEDIA S.A. – Consolidated financial statements concluded on 30.09.2023

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 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.

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:

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

Farmaceutica REMEDIA S.A. – Consolidated financial statements concluded on 30.09.2023

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.
- PHARMA EXPERTSPEDITION 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.

The consolidated financial statements on 30.09.2023 were not audited by the independent financial auditor.

Farmaceutica REMEDIA S.A. – Consolidated financial statements concluded on 30.09.2023

NOTE 3 SALES REVENUES AND OTHER OPERATING REVENUES

During the period 01.01.2023 – 30.09.2023, the commercial company Farmaceutica REMEDIA S.A. recorded the following consolidated financial results:

Crt. No.	Indicator	Realisations Jan-Sep 2023 (Lei)	Realisations Jan-Sep 2022 (Lei)	Evolution 2023/2022 (%)
1.	Net sales of goods *	414.603.271	384.275.658	7,89%
2.	Other operating revenues	9.460.626	6.439.592	46,91%
3.	Total operating revenues	424.063.897	390.715.249	8,54%
4.	Total operating costs *	417.278.843	384.801.308	8,44%
5.	Operating result	6.785.054	5.913.942	14,73%
6.	Financial result	577.583	-688	84079%
7.	Gross result	7.362.636	5.913.254	24,51%

* Including trade discounts granted/received

A breakdown of goods sales by business segment is as follows:

REMEDIA Pharmacies	8.475.726	2%
Distribution	264.638.181	64%
Hospitals & Clinics Distribution	141.489.365	34%
Total	414.603.271	100,00 %

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

- collected rents
- BD Rowa services
- sale of assets
- real estate investments
- other services

Farmaceutica REMEDIA S.A. – Consolidated financial
statements concluded on 30.09.2023

NOTE 4 ECONOMIC-FINANCIAL INDICATORS

LIQUIDITY AND WORKING CAPITAL	FR	FRDL	PES
Current liquidity (Current assets / Current debts)	1,98	1,07	0,29
Current assets	13.168.161	234.914.475	946.368
Current debts	6.635.918	218.834.295	3.265.375
Degree of indebtedness (Borrowed capital / Equity x 100)	0,00%	6%	2.436%
Borrowed capital	0	963.688	1.284.900
Equity	49.768.600	16.845.478	52.752
Turnover speed for client debit items (Average customer balance / turnover *270)	32 days	105 days	44 days
Average customer balance	1.336.725	160.871.202	765.000
Net turnover	11.386.195	414.732.724	4.739.218
Turnover speed of stocks (average stock/ net COGS)*270)	85 days	29 days	0
Average stock	2.207.242	41.508.664	-
COGS net	7.040.054	382.740.916	-

*including financial leasing

Notes:

1) **Current liquidity** – the indicator level reflects a good payment capacity, therefore a reduced risk for creditors, certifying that the companies are able to cover their short-term debts based on receivables and cash availabilities.

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 the FR & FRDL there is no risk. PES has a high degree of indebtedness, caused by financial leasing. 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, under the circumstances. In the case of the companies in the group the indicator shows a good collection of receivables.

4) The value of the **No. of storage Days** indicator can be considered as falling within the specifics of the activity.

Chairman of the Board of Administrators

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by representative
Valentin-Norbert TARUS

Farmaceutica REMEDIA S.A. – Consolidated financial statements concluded on 30.09.2023

NOTE 5 - Reporting on activity segments

	Hospitals & Clinics	Distribution	REMEDIA Pharmacies & E-commerce	Services Provided and rents	BD ROWA Robots	TOTAL * 2023
Net turnover	141.489.365	264.638.181	8.475.726	5.987.230	477.264	421.067.764
Income from the sale of goods	141.489.365	266.282.537	8.475.726	0		416.247.627
Commercial discounts granted	0	-1.644.356	0	0		-1.644.356
Income from services provided and rents			0	5.987.230	477.264	6.464.494
Other operating income	49.573	42.750	0	2.903.810		2.996.133
OPERATING INCOME - TOTAL	141.538.938	264.680.931	8.475.726	8.891.040	477.264	424.063.897
Expenses with goods	138.479.718	237.913.654	7.040.054	-52.429	0	383.380.997
Expenses regarding goods	144.337.928	239.596.708	7.058.522		0	390.993.158
Commercial discounts received	-5.858.210	-1.683.054	-18.468	-52.429		-7.612.161
Gross margin from sales of goods	3.059.220	26.767.277	1.435.671	8.943.469	477.264	40.682.900
						0
Other operating costs	2.345.024	21.007.713	6.155.234	3.858.414	531.461	33.897.847
Direct costs	1.854.549	14.356.996	1.910.324	2.100.828	521.916	20.744.613
Logistics costs	321.054	4.198.829	0			4.519.883
Indirect costs	169.421	2.451.888	4.244.910	1.757.586	9.545	8.633.351
OPERATING EXPENSES - TOTAL	140.824.742	258.921.367	13.195.289	3.805.985	531.461	417.278.844
						0
Operating result	714.196	5.759.564	-4.719.563	5.085.055	-54.197	6.785.054
Financial result						577.583
Gross result						7.362.637
Profit tax						-1.381.790
Net profit						5.980.847

Farmaceutica REMEDIA S.A. – Consolidated financial statements concluded on 30.09.2023

NOTE 6 – CAPITALS CHANGES

consolidated	Share	Legal	Revaluation	Other	Share	Retained	Current	Own	TOTAL
	capital	reserves	reserves	reserves	premiums	earnings	result	shares	
Balance on 01.01.2023	9.860.311	2.122.376	21.435.743	16.395.639	757.485	12.165.375	5.809.133	-112.628	68.433.434
Profit transfer 2022 (PES) to retained earnings		0				-279.047	279.047		0
Restoration of profit account retreatments 2022						-4.589.451	4.365.217		-224.234
Profit transfer 2022 (FR) to retained earnings						2.916.025	-2.916.025		0
Profit distribution 2022(FR) to dividends				-1.699.789		-2.916.025			-4.615.814
Profit distribution 2022(FR) to other reserves									0
Account closure 129									0
Profit transfer 2022 (FRDL) to retained earnings						7.537.371	-7.537.371		0
Profit distribution 2022(FRDL) to dividends						-5.000.000			-5.000.000
Profit distribution 2022(FRDL) to other reserves				0		0			0
Accounting result 2023 FR + FRDL							9.758.899		9.758.899
Profit account retreatment						3.778.052	-3.778.052		0
Buildings + lands outputs									0
Revaluation of buildings and lands			448.737						448.737
Correction of accounting errors						-288.922			-288.922
Buy own shares								-2.148.368	-2.148.368
Deferred tax									0
Retreatment of operational leasing (IFRS 16)						273.806			273.806
Balance on 30.09.2023	9.860.311	2.122.376	21.884.480	14.695.850	757.485	13.597.184	5.980.847	-2.260.996	66.637.538

Farmaceutica REMEDIA S.A. – Consolidated financial statements
concluded on 30.09.2023

NOTE 7 TREASURY FLOWS STATEMENT (RON)

	30.09.2023
Cash flows from operating activities	
Collections from the sale of goods and from the provision of services	459.506.493
Other cash inflows	7.385.196
Payments to suppliers of goods and services	-423.873.044
Payments to and on behalf of employees (incl. taxes on salaries)	-15.248.587
Corporate tax payments	-1.050.722
Payments to other taxes and fees	-13.670.266
Paid interests	0
Collected interests (current account)	597.761
Other cash outflows	-801.533
Total operating cash flow	12.845.298
Cash flow from investment activities	
Proceeds from the sale of long-term assets and financial investments	345.513
Collected interests (from deposits)	0
Collected dividends	68.305
Payments for the purchase of long-term assets	-420.440
Total cash flow from investments	-6.622
Cash flow from financing activities	
Short-term loan withdrawals	963.688
Repayment of short-term loans	0
Net foreign exchange differences	8.458
Funding received from shareholders	0
Repayments of long-term loans, including interest	0
Payments to shareholders (dividends)	-4.190.000
Payments of own shares	-1.503.869
Loans granted between subsidiaries	
Total cash flow from financing	-4.721.723
Total cash flow	8.116.954
Cash at the beginning of the period	18.083.345
Cash at the end of the period	26.200.299

Farmaceutica REMEDIA S.A.

Chairman of the Board of Administrators

“TARUS” Valentin Norbert TARUS e.U.

by representative

Valentin-Norbert TARUS



3rd Quarter 2023 UNCONSOLIDATED REPORT

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

Farmaceutica REMEDIA S.A.

Registered office: Deva 330040, Nicolae Balcescu Bld. no 2 (former No. 43 Dorobantilor Street), Hunedoara County, Telephone: + 40 254 223 260, Fax: +40 254 226 197

Branch office: Bucharest, 041836, sector 4, Bld. Metalurgiei 78, Telephone/fax: + 40 213 211 640
remedia@remedia.ro, www.remedia.ro

Trade Register J20/700/1991, TIN: RO2115198; Share capital: RON 9.548.082

IBAN: RO61 BTRL RONC RT00 G713 3302, Transilvania Bank, Bucharest

IBAN: RO33 RZBR 0000 0600 0266 5747, Raiffeisen Unirii, Bucharest

3rd QUARTER 2023 REPORT - unconsolidated
According to F.S.A. Regulation No. 5/2018
Date of the report: 13.11.2023

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

Subscribed share capital: **9.548.082 Lei**
Paid-up share capital: **9.548.082 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. AC-1470-7/17.06.2021)
Type: **Common Nominative**
Date of registration: **17.03.1997**
Nominal value: **0,10 Lei**
Position in RNSC Register: **1636**
Total number: **95.480.820**
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
7	09.06.2021	- 10.608.980	- 1.060.898,00 Lei
	TOTAL	95.480.820	9.548.082,00 Lei

Organised market on which securities are traded:

Bucharest Stock Exchange – Standard category

The total market value on 13.11.2023 is of 63.494.745 Lei, at a value of a 0,6650 Lei/RMAH share

1. Important events to report

In **February 2023**, Farmaceutica REMEDIA SA sold one pharmaceutical license for the pharmacy Remedia Aviației in Bucharest.

On **02.03.2023**, Farmaceutica REMEDIA SA completed a share buyback transaction carried out with purpose of a Stock Option Plan. Number of shares repurchased on 02.03.2023, according to ASF Decision 122/08.02.2023 is 2.864.425 shares, representing 3% of the share capital. Total number of shares subscribed in operation: 2.864.425 shares, representing 100% of the Offer. Total amount paid by Farmaceutica REMEDIA was 2.148.319 Lei. The price for repurchase was 0,75 Lei per share.

2. The general description of the financial position and of the issuer's performances and of its branches related to the 3rd quarter 2023

During the period 01.01.2023 – 30.09.2023 the commercial company Farmaceutica REMEDIA S.A. recorded the following financial results:

Crt. No.	Indicator	Realisations Jan-Sept 2023 (Lei)	Realisations Jan-Sept 2022 (Lei)	Evolution 2023/2022 (%)
1.	Net sales of goods *	8.475.726	12.034.901	-29,57%
2.	Other operating revenues	5.733.104	2.650.516	116,3%
3.	Total operating revenues	14.208.829	14.685.417	-3,25%
4.	Total operating costs *	15.449.809	15.878.852	-2,7%
5.	Operating result	-1.240.980	-1.193.435	-3,98%
6.	Financial result	4.347.587	3.214.564	35,25%
7.	Gross result (profit)	3.106.607	2.021.128	53,71%

* Including commercial discounts granted/received

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

- collected rents – 41%
- BD Rowa robots services – 8%
- sales of assets – 15 %
- real estate investments – 35%
- other services – 1%

3. The financial statements as at 30.09.2023 were not audited by the independent financial auditor.

4. Economic-Financial Indicators

LIQUIDITY AND WORKING CAPITAL	30.09.2023
Current liquidity (Current assets / Current debts)	1,98
Current assets	13.168.161
Current debts	6.635.918
Degree of indebtedness (Borrowed capital / Equity x 100)	0,00%
Borrowed capital	0
Equity	49.768.600
Turnover speed for client debit items (Average customer balance /turnover *270)	32 days
Average customer balance	1.336.725
Net turnover	11.386.195
Turnover speed of stocks (average stock balance/cogs) *270	85 days
Average stock balance	2.207.242
Net COGS	7.040.054

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.
- 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.
- 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 32 days is a normal one under the circumstances.
- 4) The value of the Nr. Of the Storage Days** indicator (85 days), can be considered as falling within the specifics of the activity.

Chairman of the Board of Administrators

“TARUS” Valentin Norbert TARUS e.U.

by representative
Valentin-Norbert TARUS

Farmaceutica REMEDIA S.A.

STATEMENT OF COMPREHENSIVE INCOME - unconsolidated (Lei)

	30.09.2023	30.09.2022
Net turnover	11.386.195	14.487.095
Income from the sale of goods	8.475.726	12.034.901
Commercial discounts granted	0	0
Income from services provided and rents	2.910.470	2.452.194
Other operating income	2.822.634	198.323
OPERATING INCOME - TOTAL	14.208.829	14.685.417
Expenses with materials	7.460.686	10.904.481
Expenses regarding goods	7.058.522	10.505.812
Commercial discounts received	-18.468	-61.977
Expenses with raw materials and consumables	234.124	244.752
Other expenses with materials (inventory objects)	17.538	42.916
Energy and water expenses	168.970	172.978
Expenses with personnel	3.225.447	3.276.756
Salaries and allowances	2.577.321	2.633.058
Expenses with insurance and social protection	68.261	124.734
Other personnel expenses	579.865	518.964
Amortisations and provisions	2.793.994	128.340
Amortisations	2.793.553	132.225
Net provisions	0	-9.191
Losses from receivables	442	5.305
Other operating expenses	1.969.682	1.569.276
Expenses on external services	1.015.513	964.479
Expenses with other taxes, charges and assimilated payments	705.947	273.640
Other expenses	248.222	331.157
OPERATING EXPENSES - TOTAL	15.449.809	15.878.852
OPERATING RESULT	-1.240.980	-1.193.435
Financial income	4.349.206	3.225.058
Interest income	279.678	141.547
Income from exchange rate differences	1.222	3.685
Income from dividends	4.068.305	3.079.826
Advance payment discounts	0	0
Other financial income	0	0
Financial expenses	1.619	10.495
Expenses with interests	0	0
Operational leasing interests (IFRS16)		
Expenses due to exchange rate differences	1.619	10.495
Discounts received in advance	0	0
Other financial expenses		
FINANCIAL RESULT	4.347.587	3.214.564
TOTAL INCOME	18.558.035	17.910.475
TOTAL EXPENSES	15.451.427	15.889.347

GROSS RESULT	3.106.607	2.021.128
Profit tax	0	2.560
TOTAL NET PROFIT of which distributable	3.106.607	2.018.568
Shareholders of the company	3.106.607	2.018.568
Minority interest		
Other elements of comprehensive income		
Revaluation of tangible assets		
Tax related to other elements of comprehensive income		
Minority interest		
COMPREHENSIVE INCOME AFFERENT TO THE PERIOD - TOTAL of which attributable:	3.106.607	2.018.568
Shareholders of the company	3.106.607	2.018.568
Minority interest		
Earnings per share (in Lei)		
- basic	0,0325	0,0211
- diluted	0,0325	0,0211

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

by representative
Valentin – Norbert TARUS

Farmaceutica REMEDIA S.A.

STATEMENT OF FINANCIAL POSITION - unconsolidated (Lei)

	30.09.2023	31.12.2022
ASSETS		
Fixed assets	46.429.857	47.370.124
Tangible assets	23.406.880	23.487.049
Real estate investments	16.545.703	16.545.703
Operational leasing assets		
Software licences	77.349	63.649
Pharmacy licences	459.901	689.200
Participations held in group companies	891.720	891.720
Participations held in companies outside the group	5.916	5.916
Deposits and guarantees paid	5.042.388	5.686.888
Current assets	13.168.161	14.704.786
Stocks	2.324.553	2.179.248
Trade receivables	3.192.872	3.085.858
Other receivables	580.715	542.286
Cash and cash equivalents	7.070.021	8.897.395
Accrued expenses	385.118	439.812
TOTAL ASSETS	59.983.136	62.514.723
EQUITIES AND DEBTS		
Equities	49.768.600	52.977.439
Share capital	9.860.311	9.860.311
Share premiums	757.485	757.485
Reserves	38.168.734	39.419.786
Current result	3.106.607	2.916.026
Retained earnings	448.688	448.688
Retained earnings - retreatment	-312.229	-312.229
Profit distribution	0	0
Own shares	-2.260.996	-112.628
Long-term debts	3.578.618	3.175.842
Debts from financial leasing		
Debts from operational leasing		
Provisions	3.578.618	3.175.842
Debts with deferred income tax		
	6.635.918	6.361.443
Current debts		
Bank loans		
Debts from financial leasing		
Suppliers and other similar debts	5.301.976	5.531.838
Provisions		
Current tax debts		

Other short-term debts	1.333.942	829.605
Total debts	10.214.536	9.537.284
TOTAL EQUITIES AND DEBTS	59.983.136	62.514.723

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 30.09.2023

NOTE 1 INFORMATION ABOUT THE COMPANY

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

On **July 25th 1991**, it was established as a commercial company with fully state-owned capital by reorganisation of Oficiul Farmaceutic Deva.

On **October 13th 2000**, V. TARUS RoAgencies S.R.L. purchased from FPS the majority shares package (55,802%).

On **January 1st 2006**, Farmaceutica REMEDIA S.A. merged by absorption with V. TARUS RoAgencies S.R.L.

According to Law 95/2006, republished in August 2015, companies were prohibited from carrying out, at the same time, wholesale and retail distribution of medicines. (Art. 800 paragraph 2). Therefore,

On **January 1st 2016** Farmaceutica REMEDIA S.A. completed the transfer to Farmaceutica REMEDIA Distribution & Logistics S.R.L., a new company, 100% owned, of the wholesale distribution activities of medicines together with related activities (logistic services, registration of pharmaceutical products, promotion and marketing of medicines, etc.), Farmaceutica REMEDIA S.A. kept the operation of the chain of pharmacies and local offices.

In **April 2022**, Farmaceutica REMEDIA SA purchased a 50% participation in the share capital of the Romanian legal entity PHARMA EXPERTSPEDITION S.R.L., with registered office in Bucharest, Bd. Metalurgiei, nr. 130E, Sector 4, registered at the Commercial Register of Bucharest with nr. J40/20206/2005, with TIN 18178346, in order to develop and strengthen the distribution and logistics activity.

In this context, **on 30.06.2023** Farmaceutica REMEDIA S.A. held a majority participation (100%) in the company Farmaceutica REMEDIA Distribution & Logistics S.R.L. and a 50% participation in the company PHARMA EXPERTSPEDITION S.R.L.

During the first 9 months of 2023 Farmaceutica REMEDIA S.A. did not participate in mergers.

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

In **February 2023**, Farmaceutica REMEDIA SA sold one pharmaceutical license for the pharmacy Remedie Aviației in Bucharest.

On **02.03.2023**, Farmaceutica REMEDIA SA completed a share buyback operation carried out for the purpose of a Stock Option Plan. The number of shares repurchased on 02.03.2023, according to ASF Decision 122/08.02.2023 is 2.864.425 shares, representing 3% of the share capital. Total number of shares subscribed in the operation: 2.864.425 shares, representing 100% of the Offer. The total amount paid by Farmaceutica REMEDIA was 2.148.319 Lei. Repurchase price: 0,75 Lei per share.

Farmaceutica REMEDIA S.A. – Unconsolidated financial statements concluded on 30.09.2023

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 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.

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:

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

Farmaceutica REMEDIA S.A. – Unconsolidated financial statements concluded on 30.09.2023

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.

The financial statements on 30.09.2023 were not audited by the independent financial auditor.

Farmaceutica REMEDIA S.A. – Unconsolidated financial statements concluded on 30.09.2023

NOTE 3 SALES REVENUES AND OTHER OPERATING REVENUES

În During the period 01.01.2023 – 30.09.2023, the commercial company Farmaceutica REMEDIA S.A. recorded the following financial results:

Crt. No.	Indicator	Realisations Jan-Sep 2023 (Lei)	Realisations Jan-Sep 2022 (Lei)	Evolution 2023/2022 (%)
1.	Net sales of goods *	8.475.726	12.034.901	-29,57%
2.	Other operating revenues	5.733.104	2.650.516	116,3%
3.	Total operating revenues	14.208.829	14.685.417	-3,25%
4.	Total operating costs *	15.449.809	15.878.852	-2,7%
5.	Operating result	-1.240.980	-1.193.435	-3,98%
6.	Financial result	4.347.587	3.214.564	35,25%
7.	Gross result (profit)	3.106.607	2.021.128	53,71%

* Including commercial discounts granted/received

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

- collected rents – 41%
- BD Rowa services - 8%
- sales of assets – 15%
- real estate investments – 35%
- other services – 1%

Farmaceutica REMEDIA S.A. – Unconsolidated financial statements
concluded on 30.09.2023

NOTE 4 ECONOMIC-FINANCIAL INDICATORS

LIQUIDITY AND WORKING CAPITAL	30.09.2023
Current liquidity (Current assets / Current debts)	1,98
Current assets	13.168.161
Current debts	6.635.918
Degree of indebtedness (Borrowed capital / Equity x 100)	0,00%
Borrowed capital	0
Equity	49.768.600
Turnover speed for client debit items (Average customer balance /turnover *270)	32 days
Average customer balance	1.336.725
Net turnover	11.386.195
Turnover speed of stocks (average stock balance/cogs)*270	85 days
Average stock balance	2.207.242
Net COGS	7.040.054

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.

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.

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 32 days is a normal one under the circumstances.

⁴⁾ The value of the **Nr. Of the Storage Days** indicator (85 days), can be considered as falling within the specifics of the activity.

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 30.09.2023

NOTE 5 - Reporting on activity segments

	Remedia farmacies	BD ROWA/Robots	Rents for spaces/auto	Provided services	TOTAL * 2023
Net turnover	8.475.726	477.264	2.365.379	67.827	11.386.195
Income from the sale of goods	8.475.726				8.475.726
Commercial discounts granted	0		0	0	0
Income from services provided and rents	0	477.264	2.365.379	67.827	2.910.470
Other operating revenues	0			2.822.634	2.822.634
OPERATING REVENUES - TOTAL	8.475.726	477.264	2.365.379	2.890.460	14.208.829
					0
Expenses with goods	7.040.054	0	0	0	7.040.054
Expenses regarding goods	7.058.522	0	0	0	7.058.522
Commercial discounts received	-18.468		0	0	-18.468
Gross margin from sales of goods	1.435.671	0	0	0	1.435.671
					0
Other operating costs	6.155.234	531.461	1.653.409	69.650	8.409.755
Direct costs	1.910.324	521.916	468.753	35.680	2.936.673
Logistics costs	0		0	0	0
Promotion costs	0		0	0	0
Indirect costs	4.244.910	9.545	1.184.656	33.970	5.473.082
OPERATING EXPENSES - TOTAL	13.195.289	531.461	1.653.409	69.650	15.449.809
Operating result	-4.719.563	-54.197	711.970	2.820.811	-1.240.980
Financial result					4.347.587
Gross result					3.106.607
Profit tax					0
Net profit					3.106.607

Farmaceutica REMEDIA S.A. – Unconsolidated financial statements concluded on 30.09.2023

NOTE 6 – CAPITALS CHANGES

	Share	Legal	Revaluation	Other	Share	Retained	Current	Own	TOTAL
	capital	reserves	reserves	reserves	premiums	earnings	result	shares	
Balance on 01.01.2023	9.860.311	2.121.796	21.435.741	15.862.249	757.485	136.459	2.916.025	-112.628	52.977.438
									0
Profit transfer 2022 to retained earnings						2.916.025	-2.916.025		0
Profit distribution 2022 to dividends				-1.699.789		-			-4.615.814
Profit distribution 2022 to other reserves						2.916.025			0
Profit distribution 2022 to other reserves									0
Result 2023							3.106.607		3.106.607
Legal reserve 2022									0
Account closure 129									0
Buildings + lands outputs									0
Revaluation of buildings and lands			448.737						448.737
Deferred tax									0
Correction of accounting errors 2022									0
Buy own shares								-2.148.368	-2.148.368
Balance on 30.09.2023	9.860.311	2.121.796	21.884.478	14.162.460	757.485	136.459	3.106.607	-2.260.996	49.768.600

Farmaceutica REMEDIA S.A. – Unconsolidated financial
statements concluded on 30.09.2023

NOTE 7 TREASURY FLOWS STATEMENT (RON)

	30.09.2023
Cash flows from operating activities	
Collections from the sale of goods and from the provision of services	14.132.877
Other cash inflows	381.182
Payments to suppliers of goods and services	-11.215.561
Payments to and on behalf of employees (incl. taxes on salaries)	-2.655.609
Corporate tax payments	0
Payments to other taxes and fees	-1.111.671
Paid interests	0
Collected interests (current account)	279.678
Other cash outflows	-357.995
Total operating cash flow	-547.099
Cash flow from investment activities	
Proceeds from the sale of long-term assets and financial investments	345.513
Collected interests (from deposits)	0
Collected dividends	4.068.305
Payments for the purchase of long-term assets	
Total cash flow from investments	4.413.818
Cash flow from financing activities	
Short-term loan withdrawals	0
Repayment of short-term loans	0
Net foreign exchange differences	-225
Funding received from shareholders	0
Repayments of long-term loans, including interest	0
Payments to shareholders (dividends)	-4.190.000
Payments of own shares	-1.503.869
Loans granted between subsidiaries	
Total cash flow from financing	-5.694.093
Total cash flow	-1.827.374
Cash at the beginning of the period	8.897.395
Cash at the end of the period	7.070.021

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

by representative
Valentin-Norbert TARUS