

Materials of O Ordinary General Meeting of Shareholders on 16/17 April 2021

Point 2 – of the agenda of the O.G.M.S.

**Proposal for the distribution
of the net profit of the financial year 2020**

The Board of Directors of SC "BERMAS" SA proposes the distribution of the net profit for the financial year 2020 amounted to 1.662.575 lei as follows:

	Lei
Net profit 2020	1.662.575
Legal reserve to be constituted in 2020	62.173
Dividends	1.508.713
Other reserves	91.689

The gross dividend per share which is to be given for one share held on the registration date, is fixed at 0,07 lei / share.

The payment date of dividends on 17.08.2021, in compliance with the 6 month term since the date of the Ordinary General Meeting of Shareholders, to the shareholders registered in the consolidated register of shareholders on the registration date, ie. 27.07.2021 (ex-date of July 26, 2021).

Until 27.07.2021, SC "BERMAS" SA will provide shareholders with the ways of distributing dividends.

Point 4 – of the agenda of the O.G.M.S.

***INCOME AND EXPENDITURE BUDGET
FOR THE YEAR 2021***

For 2021, the company has set the income volume, their structure on chapters and subchapters, the expenditures volume on destinations and respectively on economic structure by their nature and also the results to be achieved from the performed activity during the year.

The income and expenditure budget is based on a production and sales program approved by the Board of Directors for the year 2021.

To achieve the production program the resources of main raw materials such as malt and hops are provided until the end of 2021.

The malt production program in the fourth quarter of 2021 will be achieved by providing the basic raw materials of the harvest of 2021, and the malt manufacturing process will begin in the third decade of September 2021 and it will be completed in the first decade of December 2021.

From the new harvest is necessary to purchase 2.800 tons of barley of which 2.500 tons of barley for malting, quantity to be purchased and paid in the months of July to September 2021 and about 15 tons of pellets with at least 5% alpha acids, thus ensuring the continuity of the production process and the material basis for the production of beer in quarters I, II and III of 2022.

The main materials necessary for the production of consumables in the manufacturing process of production, fermentation - maturation, filtering, bottling and delivering beer are rhythmically supplied under contracts concluded with the suppliers according to the production volume for the period, permanently ensuring safety stocks for normal production process.

Referring to the coverage of the beer sales program with contracts we mention that we

have already contracted the entire beer quantity for 2021, having signed contracts with 35 resellers and wholesalers.

The necessary conditions for selling beer in the commercial network by proper equipment of customers (during the commercial relationships):

- KEG type Stainless steel barrels for selling beer on mug; dispensers for cooling and distributing keg bottled beer;
- "BERMAS" 1/24 and 1/20 customised crates, 0.5l MOLD and NRW bottles;
- transport vehicles for distribution according to our possibilities and specialized personnel for the hygiene of facilities, control of the network and marketing;
- promotional materials and advertising logistics.

During the year, given the current competitive environment on the beer market, in order to maintain market segments, the company will provide supplementary equipment if necessary and following the customers' demands.

In the general activity of our company we have also considered auxiliary activities to maintain the normal operation of equipment, plants, the protection and maintenance of buildings and space inside the premises, by performing ordinary maintenance and repairs, current and capital overhaul servicing of the production facilities.

The summary of income and expenditure budget detailed for income in chapters according to their nature and for expenditure in the economic structure by the type of activity is attached in its annexes.

The basic indicators of economic activity for 2021 have the following estimated levels:

- **Total income: 39.829.414 lei, of which:**
 - Operating income: 39.829.414 lei
- **Total expenditure: 37.475.287 lei, of which: -**
 - Operating expenses: 36.111.307 lei
 - Financial expenditure: 1.363.980 lei
- **Net turnover: 33.929.414 lei**
- **Gross profit: 2.354.128 lei**
- **Net profit: 1.930.385 lei.**

Compared to the results of the previous year, preliminary indicators for 2021 have the following developments:

- Production and sales volume was set over the result of the previous year by 13%;
- Total revenue: increase by about 14%
- Net turnover: increase by about 17%
- Net profit is estimated down 16%

For the elaboration and substantiation of income and expenditure budget we have made assessments of the production potential both in terms of technical performance, of existing facilities and manpower and also projected estimates for work in progress, of some economic, financial and contractual factors.

We have considered the following elements:

- the stocks of basic raw materials (malt, barley, hops) existing at the beginning of the year at purchase or production price, as appropriate;
- insignificant increase in prices for basic raw materials (barley, hops) from the harvest of 2020 and a EURO course of 5 lei;
- increase in the price of natural gas of up to a maximum of 10% compared to December 1, 2020;
- moderate increase in the price of drinking water and canal starting from January 2021 already modified as well as an increase of another 4 - 5% by the end of the year;
- maintaining the price for electricity for the whole of 2021 at the level recorded on December 31, 2020;
- increase in total labor costs, given the need to increase the salaries of all employees during 2021 by at least 15%, motivated by the fact that the average net salary / employee currently represents about 80% of the average salary in the economy, the the last collective growth operated was aton 01.08.2018;

- appropriate sizing of the cost for repairs, maintenance, spare parts and other similar charges;
- optimization of the specific consumption of raw materials, materials and technological utilities;
- an estimated exchange rate of the national currency against the EURO of maximum 5 lei / € for the evaluation of acquisitions for production activities;
- maintaining the delivery prices for the beer assortments manufactured on 31.12.2020 conditioned by the achievement of the sales volume established for 2021.

The achievement of forecast indicators for 2021 is conditioned by:

- The performance of the production and sales;
- Maintenance of the unitary excise unit / degree Plato / hl at the current level;
- Purchase of new raw materials from the new harvest at competitive prices;
- Maintenance of the employment costs within the limits prescribed in the income and expenditure budget correlated with the possibility of increasing the forecast delivery prices according to the market conjuncture;
- The stability and predictability of the overall economic performance that is favorable to the business environment.

Considering the factors that could affect the achievement of indicators in this income and expenditure budget during the year in case of major influences, we will proceed to rectify it periodically, once with the financial-accounting reports for that period.

Point 6 – of the agenda of the O.G.M.S.

Determination and approval of the general remuneration limits for the members of the Board of Directors and the mandate of the Board of Directors through its President as representative to determine the remunerations for the executive managers and the fees for the financial auditor

For the period April 2020 - April 2021, the members of the Board of Directors had a net monthly allowance at the level approved for the previous year (2019 - 2020) differentiated as follows:

- President of the Board of Directors – 7.000 lei;
- Vice President of the Board of directors – 3.200 lei;
- Member of the Board of Directors – 3.000 lei.

For the period April 2021 - April 2022 the Board of Directors proposes to the General Meeting of Shareholders the increase of the net allowances as follows:

- President of the Board of Directors – 8.200 lei;
- Vice President of the Board of directors – 4.000 lei;
- Member of the Board of Directors – 3.500 lei.

At the same time, the General Meeting of Shareholders approves the mandate of the Board of Directors for the establishment of the executive directors' remuneration and the financial auditor's fees.

*President of the Board of Directors
ec. Anisoï Elena*