SC “BERMAS” SA Suceava
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Sistem Integrat Certificat

Financial statements
as of 31 December 2021

Prepared in accordance with the International Financial Reporting Standards adopted by the European Union according the Order of the Ministry of Finances no. 2844/2016 as subsequently amended

RON	*Note*	31.12.2020	31.12.2021
ACTIVE			
Tangible assets	5	14.651.605	13.860.669
Intangible assets	6	11.963	0
Financial assets measured at cost	7	84.000	84.000
Other non-current assets		46.530	15.510
Total assets		**14.794.098**	**13.960.179**
Inventories	8	16.495.658	17.835.520
Trade receivables	9	1.082.324	834.403
Prepaid expenses	19	84.636	86.522
Cash and cash equivalents	10	17.700	9.747
Other receivables	11	752.627	1.107.219
Total current assets		**18.432.945**	**19.873.411**
TOTAL ASSETS		**33.227.043**	**33.833.590**
EQUITY			
Share capital	12	15.087.134	15.087.134
Tangible assets revaluation reserves		1.002.585	1.002.585
Reported result	12	1.832.123	2.013.115
Other reserves	12	5.828.989	5.920.132
Total equity		**23.750.831**	**24.022.966**
PAYABLES			
Medium-term credits		2.014.113	1.118.952
Deferred tax payables	13	169.874	202,088
Total long-term payables		**2.183.987**	**1.321.040**
Trade payables	14	890.499	499,001
Short-term loans from banks	15	4.076.977	5.39.,163
Provisions		400.000	400.000
Other payables	14	1.924.749	2.197.420
Total current payables		**7.292.225**	**8.489.584**
TOTAL PAYABLES		**9.476.212**	**9.810.624**
TOTAL EQUITY AND PAYABLES		**33.227.043**	**33.833.590**

Financial statements have been approved by the Board of Directors on 15.03.2022.

Statement of comprehensive income
for the year ended on 31.12. 2021

in RON	*Note*	31.12.2020	31.12.2021
Turnover	17	28.982.485	28.716.050
Variation in inventory of finished products and production in progress	18	3.400.907	5.380.904
Other revenues	18	2.531.998	1.531.694
Raw materials and consumables	20	(12.439.545)	(13.177.775)
Personnel expenses	20	(12.579.001)	(14.229.609)
Amortization and depreciation of assets	5.6	(1.674.333)	(1.717.609)
Other third party services		(814.749)	(1,012,302)
Other expenses	19	(4.499.327)	(2.423.089)
Operational profit / Operational loss		**2.908.435**	**3.068.264**
Financial revenues			9.219
Financial expenses	21	(1.199.263)	(1.123.640)
Profit / Loss		**1.709.172**	**1.953.843**
Profit tax expense / Deferred tax income	22	(46.597)	(284.157)
Profit /Loss over the reporting period		**1.662.575**	**1.669.686**
Other elements of comprehensive income			
Increase/(Decrease) of reserve from the revaluation of tangible assets. net of deferred tax			
TOTAL COMPREHENSIVE INCOME OF THE PERIOD		**1.662.575**	1.669.686
Earnings per share			
Basic	16	**0,077**	**0,077**
Diluted			

Statement of changes in equity
for the year ended on 31.12.2020

	Share capital	Adjustments in share capital	Reserves from the revaluation of tangible assets	Other reserves	Reported result	Total equity
Balance on 1.01.2020	**15.087.134**		**1.002.585**	**5.647.299**	**2.006.219**	**23.743.237**
Total comprehensive income of the period						
Net income of the period					1.662.575	1.662.575
Other elements of comprehensive income						
Distribution to other reserves				181.690	(181.690)	
Change in reserve from the revaluation of tangible assets						
Changes in reserve from the distribution of treasury shares						
Hedging of financial loss reported to adjustments in share capital						
Change in reported income from the use of fair value as deemed cost					68.778	68.778
Total other elements of comprehensive income						
Total comprehensive income for the period						
Shareholders changes directly recorded in equity						
Distribution of dividends from the comprehensive income					(1.723.759)	(1.723.759)
Shareholders changes directly recorded in equity						
Balance on 31.12.2020	**15.087.134**		**1.002.585**	**5.828.929**	**1.832.123**	**23.750.831**

for the year ended on 31.12.2021

	Share capital	Adjustments in share capital	Reserves from the revaluation of tangible assets	Other reserves	Reported result	Total equity
Balance on 1.01.2021	**15.087.134**		**1.002.585**	**5.828.989**	**1.832.123**	**23.750.831**
Total comprehensive income of the period						
Net income of the period					1.669.686	1.669.686
Other elements of comprehensive income						
Distribution to other reserves				91.143	(91.143)	0
Hedging of financial loss reported to adjustments in share capital						
Change in reported income from the use of fair value as deemed cost					111.708	111.708
Total other elements of comprehensive income						
Total comprehensive income for the period						
Shareholders changes directly recorded in equity						
Distribution of dividends from the comprehensive income					(1.509.259)	(1.509.259)
Shareholders changes directly recorded in equity						
Balance on 31.12.2021	**15.087.134**		**1.002.585**	**5.920.132**	**2.013.115**	**24.022.966**

Statement of cash flow
for the year ended on 31.12.2021

în lei	*31.12.2020*	*31.12.2021*
Cash flow from operating activity:		
Collections from clients	37.727.670	37.631.031
Payments for suppliers	(14.291.445)	(15.280.940)
Payments for employees	(6.377.004)	(7.153.326)
Payments for local budget	(78.365)	(77.301)
Payments for state budget	(11.424.969)	(10.167.162)
Paid excises	(2.500.904)	(2.482.543)
Paid income tax	(320.824)	(354.922)
Cash flow from operating activity	**2.734.159**	**2.114.837**
Cash flow from investment activity:		
Payments for the acquisition of shares	(1.000)	
Payments for the acquisition of assets	(2.881.280)	(1.114.880)
Collections from sale of tangible assets	9.520	15.078
Collected interests		35
Dividends received		9.183
Net cash flow from investment activities	**(2.872.760)**	**(1.090.584)**
Net cash flow from financing activities		
Proceeds from the share issue		
Receipts from long-term loans	1.337.084	0
Receipts from loans	942.139	1.316.185
Paid interests and credit repayments	(145.783)	(120.245)
Payment of long term loans instalments	(485.887)	(895.161)
Paid dividends	(1.520.611)	(1.332.985)
Net treasury of financing activities	**126.942**	**(1.032.206)**
Net treasury increase/decrease and treasury equivalents	**(11.659)**	**(7.953)**
Treasury and treasury equivalents at the beginning of the reporting period	**29.359**	**17.700**
Treasury and treasury equivalents at the end of the reporting period	**17.700**	**9.747**

Notes to financial statements
for the year ended on 31.12.2021

1. Reporting entity

SC Bermas S.A. Suceava (the "Company") is a limited liability company operating in Romania in accordance with the Law 31/1990 on trade companies, which was established as a joint stock company by GD 1353 / 27.12.1990 by transforming the former Beer and Malt Company of Suceava.
The company is based in Suceava, str. Humorului no.61, tax identification number RO723636, registration number with the Trade Register J33/37/1991.

The company has as object of activity the production and marketing of beer. malt and other alcoholic and soft drinks, derivatives and by-products resulted of manufacturing and services rendered to third-parties.

The company shares have been listed on the Bucharest Stock Exchange, category II, with the indicative BRM since 16 April 1998.

As of 31 December 2021, the company is owned in proportion of 30.87% by the Victoria Bermas Suceava Association, Suceava County, in a proportion of 20.80% of PAS Bermas Suceava Suceava county and by other shareholders in a proportion of 48.33%.
The records on shares and shareholders are held according to the law by SC Depozitarul Central S.A. Bucharest.

2. Preparation bases

(a) Declaration of conformity

Separate financial statements are prepared by the Company in accordance with the Order 881/2012 on the application by companies whose securities are admitted to trading on a regulated market. International Financial Reporting Standards adopted by the European Union, the Order 2844 / 12.12.2016 for the approval of accounting regulations in accordance with international Financial Reporting standards.

The date of transition to International Financial Reporting Standards was January 1. 2012.

The interim financial statements for the 6 month period ended 30.06.2021 were prepared in accordance with IAS 34 Interim Financial Reporting.

(b) Presentation of financial statements

Individual financial statements are presented in accordance with IAS 1 "Presentation of Financial Statements". The Company has adopted a presentation based on liquidity in the statement of the financial position and a presentation of income and expenditure according their nature in the statement of comprehensive income, considering that these presentation methods provide information that is reliable and more relevant than the ones that would have been presented under other methods allowed by IAS 1.

(c) Functional and presentation currency

The Company management considers that the functional currency as defined by IAS 21 "The Effects of exchange rate variation" is Romanian leu (RON). Individual financial statements are presented in RON, rounded to the nearest leu, currency that the Company management chose as presentation currency.

(d) Evaluation bases

Individual financial statements have been prepared on the historical cost basis except for lands and buildings which are evaluated at fair value.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and to the preparation of the statement of financial position as of 30 December 2021. These financial statements have been prepared on a business continuity basis.

(e) Use of estimates and judgements

The preparation of individual financial statements in accordance with the International Financial Reporting Standards requires the management's use of estimates, reasoning and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Reasoning and assumptions associated to these estimates are based on historical experience and on other factors deemed reasonable in the context of estimates. The results of these estimates form the basis for reasoning about the accounting value of assets and liabilities that cannot be obtained from other sources of information. Results may differ from these estimates.

3. Significant accounting policies

The accounting policies have been applied consistently to all periods presented in the financial statements prepared by the Company.

Individual financial statements are prepared based on the assumption that the Company will continue its activity in the foreseeable future. To assess the applicability of this hypothesis, the management reviews the forecasts of future cash flows.

(a) Transactions in foreign currency

Transactions in foreign currency are recorded in RON at the official exchange rate on the date of the transaction. Monetary assets and liabilities in foreign currencies at the balance sheet date are converted into the functional currency at the exchange rate of the day.

Gains or losses resulting from the settlement thereof and from the conversion of assets and liabilities denominated in foreign currencies using the exchange rate at the end of the financial year are recognized in the statement of comprehensive income.

Currency exchange rates of main foreign currencies were:

Currency	31 December 2021	31 December 2020	Variation
Euro (EUR)	4,9481	4,8694	+1,62%
American dollar (USD)	4,3707	3,9660	+10,20%

(b) Financial instruments

Non-derivate financial instruments

The Company initially recognizes financial assets (loans, receivables and deposits) the date on which they were initiated. All other financial assets are initially recognized on the trade date when the Company becomes part of the contractual terms of the instrument.

The Company initially recognizes non-derivative financial liabilities on the trade date when the Company becomes part of the contractual terms of the instrument. They are initially recognized at fair value plus any directly attributable transaction costs. Subsequently to their initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The Company derecognises a financial asset when the contractual rights on cash flow from the asset expire or when rights to collect the contractual cash flows of the financial asset are transferred in a transaction in which risks and benefits of proprietary right on the financial asset are significantly transferred. Any interest in the transferred financial assets that is created or retained by the Company is separately recognized as asset or liability.

The Company derecognises a financial liability when its contractual obligations are fulfilled or cancelled or expire.

Financial assets and liabilities are offset and in the statement of financial position the net value is presented only when the Company has the legal right to offset the amounts and intends either to settle them on a net basis, or to realize the asset and to settle the liability at the same time.

The Company has the following non-derivative financial assets: receivables, cash and cash equivalents and financial assets available for sale.

Receivables

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequently to their initial recognition, receivables are measured at amortized cost using the effective interest method less impairment losses value. Receivables comprise trade receivables and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise: cash balances and current accounts.

Share capital

(i) Ordinary shares

Ordinary shares are classified as part of equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognized as a deduction from equity at their net value by tax effects.

(ii) Share capital buy-back and re-issue (treasury shares)

When share capital recognized as part of equity is bought-back, the value of the consideration paid, including directly attributable costs and other costs, net of tax effects, is recognized as a deduction from equity. Bought-back shares are classified as treasury shares and presented as a reserve on own shares. When treasury shares are subsequently sold or reissued, the amount received is recognized as an increase in equity and the surplus or deficit on the transaction is presented as share premium.

(c) Tangible assets

(i) Recognition and evaluation

Tangible assets are initially recognized by the Company as assets at cost. The cost of an item of tangible asset comprises the purchase price, including non-recoverable taxes, after deducting any commercial discounts and any costs directly attributable to bringing the asset to the location and condition necessary for its use for the purposes intended by the management, such as personnel expenses arising directly from the construction or acquisition of the asset, cost for site preparation, initial cost for delivery and handling, installation and assembly costs, professional fees.

The cost of an item of tangible asset built by the entity includes:

- cost of materials and direct personnel expenses;
- other costs directly attributable to bringing the asset to the condition required for the current use;
- when the Company is required to move the asset and restore the site. the estimated costs of dismantling and moving the items and of restoring the site in which they have been capitalized;
- capitalized borrowing costs.

The value of tangible and intangible assets of the Company as of 31 December 2021 is detailed in Notes 5 and 6.

Tangible assets are classified by the Company in the following classes of assets of the same kind and with similar uses:

- lands;
- constructions;
- equipment, technical equipment and machinery;
- vehicles;
- other tangible assets.

Land and buildings are highlighted at revaluated value, this one representing the fair value at the date of revaluation less any subsequently accumulated depreciation and any accumulated impairment losses.

Equipment, technical equipment and machinery and vehicles are highlighted using the deemed cost, this one representing the fair value at the date of the last revaluation (31 December 2010) made at the transaction date.

Fair value is based on market prices and adjusted, if necessary, so that to reflect differences in the nature, location or conditions of that asset.

Revaluations are conducted by specialized reviewers. ANEVAR members. The frequency of revaluations is dictated by market dynamics the land and buildings owned by the Company belong to.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the value of future economic benefits embodied in the value of the asset it is intended for. Expenditure on repairs and maintenance is recognized in the statement of comprehensive income when incurred.

(iii) Depreciation

The tangible assets items are depreciated from the date they are available for use or are in working condition and for assets built by the entity, from the date the asset is completed and ready for use.

Generally depreciation is calculated using the straight-line method over the estimated useful life of the assets as follows:

Constructions	40 years
Equipment	2-12 years
Vehicles	4-8 years
Furniture and other tangible assets	4-12 years

Land is not depreciated.

In case of technological equipment, machinery and working equipment, computers and peripherals, the Company applied the method of accelerated depreciation by a depreciation percentage of up to 50% of the input value.

Depreciation is generally recognized in profit or loss, unless the amount is included in the accounting value of another asset.

Depreciation methods, estimated useful lifetimes and residual values are reviewed by the company management at each reporting date and adjusted if appropriate.

(iv) Sale /scrapping of tangible assets

Tangible assets that are scrapped or sold are eliminated from the balance sheet with their corresponding accumulated depreciation. Any profit or loss resulting from such operations is included in current profit or loss.

(d) Intangible assets

(i) Recognition and evaluation

Intangible assets acquired by the Company and having a determined useful lifetime are evaluated at cost less accumulated depreciation and accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the value of future economic benefits embodied in the value of the asset it is intended for. All other expenditure, including expenditure on trade fund and internally generated brands are recognized in profit or loss when incurred.

(iii) Depreciation of intangible assets

Depreciation is calculated on the cost of the asset less its residual value.

Depreciation is recognized in profit or loss using the straight-line method for the estimated useful life of intangible assets other than trade fund, from the date they are available for use. The estimated useful lives for the current period and for comparative periods are as follows:

- software 4 years.

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(e) Inventories

Inventories are evaluated at the lower value between cost and net realizable value.

The cost of inventories is based on the first-in first-out method (FIFO) for materials and on the weighted average cost method (WAC) for raw materials, semi-finished and finished products and includes expenditure incurred for the purchase, production or processing of inventories and other costs incurred in bringing the inventories to the current form and location.

For Inventories produced by the Company and for those with production in progress, costs include appropriate share of administrative expenses of production based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

Determining the fair values

Certain accounting policies of the Company and presentation conditions require the determination of fair value for financial assets and liabilities and for non-financial assets. Fair values were determined for evaluation and / or presentation of information based on the methods described below.

Fair value measurement (effective for annual financial statements covering periods starting on or after 1 January 2013), IFRS 13 sets a single framework for all fair value measurements when fair value is required or permitted by the International Financial Reporting Standards. IFRS 13 describes how fair value should be measured in accordance with the International Financial Reporting Standards when it is required or permitted by the International Financial Reporting Standards. The standard does not introduce additional requirements for the evaluation of assets and liabilities at fair value but it does not eliminate exceptions to fair value measurement existing in the current standard. The existing standard has some additional information that allow users of financial statements to evaluate the methods used for fair value measurements and the assessment effect on profit or loss or on other comprehensive income for fair value measurements using significant unobservable elements. As stated in the financial statements of 2012. IFRS 13 had no significant impact on the financial statements as the methods and assumptions used to measure the fair value of assets are in accordance with IFRS 13. Tangible assets recognized as assets are initially measured at cost by the Company. The cost of an item of tangible assets comprises the purchase price, including non-recoverable taxes, after deducting any commercial discounts and any costs directly attributable to bringing the asset to the location and condition necessary for the intended use by the management, such as: personnel expenses arising directly from the construction or acquisition of the asset, cost for site preparation, initial costs for delivery and handling, installation and assembly costs, professional fees. The cost of an item of tangible assets built by the entity includes:

- cost of materials and direct personnel costs;
- other costs directly attributable to bringing the asset to the condition for use;
- when the Company is required to move the asset and restore the related space, the estimated costs of dismantling and removing the items and restoring the space in which they have been capitalized;
- capitalized borrowing costs.

SC BERMAS SA uses fair value as deemed cost for an item of tangible or intangible assets. When opening the financial position of the entity's financial statements prepared in accordance with International Financial Reporting Standards. SC BERMAS SA presented each item in the statement of opening financial position in accordance with International Financial Reporting Standards: aggregate value of those fair values and aggregate adjustment of the reported accounting values in accordance with the previous accounting principles.

Land and buildings are highlighted at revaluated amount, this one representing the fair value at the date of revaluation less any subsequently accumulated depreciation and any accumulated impairment losses. Equipment, technical equipment and machinery and vehicles are highlighted using the deemed cost, this one representing the fair value at the date of the last revaluation (31 December 2010) made at the transaction date.

Fair value is based on market prices and adjusted, if necessary, so that to reflect differences in the nature, location or conditions of that asset.

Revaluations are conducted by specialized reviewers, ANEVAR members. The frequency of revaluations is dictated by market dynamics the land and buildings owned by the Company belong to.

In order to improve consistency and comparability in fair value measurements and the information presented. IFRS 13 establishes a fair value hierarchy that inputs used in fair value measurement techniques are classified in three levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity has access to at the reporting date;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability concerned. either directly or indirectly;
- Level 3 - inputs that are not based on observable market data.

Leven 1 input

- quoted prices in active markets for identical items best reflecting the fair value;
- if there is a level 1 price, an entity must use this price to the fair value measurement. Exceptions include:
  - ✓ The entity may, in certain cases, an alternative methodology for pricing not based exclusively on quoted prices available but rather on the relationship between securities and other reference titles listed (for instance, the determination of fair value based on a pricing matrix);
  - ✓ In certain circumstances, the quoted price in an active market may differ from the fair value at the measurement date (for instance, when significant events occur after the market closes, but before the valuation date).

Level 2 input

- Level 2 input includes:
  - ✓ quoted prices in active markets for similar assets or liabilities;
  - ✓ quoted prices in markets that are not active for identical or similar assets or liabilities;
  - ✓ observable inputs other than quoted prices for the asset or liability (such as interest rates and yield curves, volatilities, prepayments, rates of default);

- ✓ input data mainly resulted in conjunction with observable market data by correlation or other means;
- an adjustment of Level 2 inputs not based on observable data and is significant for the whole valuation leads to a Level 3 assessment.

Level 3 input

- the objective of fair value does not change when fair value is measured on the basis of unobservable inputs;
- unobservable inputs should reflect assumptions used by market participants in pricing the asset or liability, including assumptions about risk;
- an entity should determine unobservable inputs using the best available information, which may include the entity's own data.

As stated in the financial statements of 2020, certain accounting policies of the Company and disclosure conditions require the determination of fair value for financial assets and liabilities and for non-financial assets. Fair values were determined for evaluation and / or disclosure of information based on the methods described below. When applicable, additional information on the assumptions used in determining fair values is presented in the notes specific to that asset or liability.

Short-term receivables, which have no stated interest rate, are measured at initial invoice amount if the effect of updating is insignificant. Fair value is determined at initial recognition and for presentation purposes, at each reporting date.

When applicable, further information on the assumptions made in determining fair values is presented in the notes specific to the asset or the liability.

(i) Tangible assets

The fair value of lands and buildings is based on the market method using quoted market prices for similar items when available.

(ii) Intangible assets

The fair value of intangible assets is based on updated cash flows that are expected to incur as a result of the use and finally the sale of these assets.

(iii) Inventories

The fair value of inventories is determined based on estimated selling price that could be obtained in the ordinary course of business less the estimated costs of completion and sale and a reasonable profit margin based on the effort required to complete and sell inventories.

(iv) Trade receivables and other receivables

The fair value of trade receivables and other receivables is estimated as the current value of future cash flows, updated at the market interest rate at the reporting date.

Short-term receivables, which have no stated interest rate, are measured at initial invoice amount if the effect of updating is insignificant. Fair value is determined at initial recognition and. for presentation purposes, at each annual reporting date.

(f) Impairment of non-financial assets

The accounting value of the Company's non-financial assets that are not financial in nature, other than deferred tax assets, is reviewed at each reporting date in order to identify the existence of impairment indications. If such indication exists, the recoverable value of those assets is estimated.

An impairment loss is recognized when the accounting value of the asset or its cash-generating unit exceeds the recoverable value of the asset or cash-generating unit. A cash-generating unit is the smallest identifiable group that generates cash and independently from other assets and groups of assets has the ability to generate cash flows. Impairment losses are recognized in the statement of comprehensive income.

The recoverable value of an asset or cash-generating unit is the maximum between its value in use and its fair value less costs to sell the asset or units. To determine the value in use, the expected future cash flows are updated using a pre-tax discount rate that reflects the current market conditions and the risks specific to the asset.

Impairment losses recognized in prior periods are assessed at each reporting date to determine whether they have decreased or no longer exists. An impairment loss is reviewed in case of any change in the estimates used to determine the recoverable value. An impairment loss is reviewed only if the asset's accounting value does not exceed the accounting value that would have been determined. net of depreciation and amortization, if no impairment loss had been recognized.

(g) Dividends to be distributed

Dividends are treated as a distribution of profit in the period in which they were declared and approved by the General Meeting of Shareholders. Dividends declared before the reporting date, are recorded as liabilities at the reporting date.

Dividends distributed to shareholders, proposed or declared after the reporting period and other similar distributions from the profit determined under IFRS and included in the annual financial statements should not be recognized as liability at the end of the reporting period.

(h) Revaluation reserves

Revaluations are performed with sufficient regularity so that the accounting value does not be materially different from that which would be determined using fair value at the balance sheet date. In this regard, the Company conducted revaluation of lands and buildings by independent auditors on 31 December 2012.

The difference between the value resulting from revaluation and the net accounting value of tangible assets is shown in the revaluation reserve as a distinct sub-item in "Equity".

If the revaluation result is an increase over the net accounting value, then it is treated as follows: as an increase in revaluation reserve presented in equity, if there was a decrease previously recognized as an expense for that asset or as income to compensate the previously recognized decrease in the asset.

If the revaluation result is a decrease over the net accounting value, it is treated as an expense when the entire amount of depreciation when in the revaluation reserve there is no record on an amount related to that asset (revaluation surplus) or as a decrease in revaluation reserve with the minimum between that value and the amount of decrease and the eventual uncovered difference is recorded as an expense.

The revaluation surplus included in the revaluation reserve is transferred to the comprehensive income when the surplus represents a realised gain. The gain is considered realized while the amortisation of the asset for which the revaluation reserve was established, respectively at its deregistration if it was not fully amortized. No part of the revaluation reserve may be distributed, directly or indirectly, unless the revaluated asset was valued, in which case the revaluation surplus is actually a realized gain.

Since 1 May 2009, as a result of changes in tax legislation, revaluation reserves recorded after 1 January 2004 are taxable on fixed asset amortization. Accordingly, the Company recorded a deferred tax liability related to revaluation which is reflected in the value of the asset.

(i) Legal reserves

Legal reserves are constituted at a proportion of 5% of gross statutory profit at the end of the financial year until the total legal reserves reach 20% of the nominal (statutory) share capital paid-up in accordance with the law. These reserves are tax deductible and are not distributable than at the liquidation of the Company.

(j) Related parties

Parties are considered related if one party has the ability to control, directly or indirectly, or significantly influence the other party either through ownership or under contractual rights, family relationship or otherwise, as defined in IAS 24 "Related Party Disclosures”.

(k) Employee Benefits

(i) Short-term benefits

Short-term employee benefits include salaries, bonuses and social security contributions. Obligations with short-term benefits to employees are not updated and are recognized in the statement of comprehensive income as the related service is provided.

(ii) Defined contribution plans

The Company makes payments on behalf of their employees at the Romanian State pension scheme, health fund and unemployment fund in the normal course of business.

All members and employees of the Company are also legally obliged to contribute (through social contributions) to the Romanian State pension scheme (a defined State contribution scheme). All related contributions are recognized in profit or loss for the period when incurred. The Company has no further obligations.

The Company is not engaged in any independent pension scheme and consequently, has no other obligations in this regard. The Company is not engaged in any other postretirement benefit system. The Company has no obligation to provide further services to current or former employees.

(l) Revenues

(i) Sale of goods

Revenue from sale of goods during the current activities are measured at the fair value of the consideration received or receivable, less returns, trade discounts and volume rebates.

Revenue is recognized when consistent evidence exists, usually in the form of an executed sales contract and the risks and benefits arising from ownership are significantly transferred to the buyer, the recovery of the consideration is probable, the costs and possible returns of goods can be estimated in a credible manner, the entity not involved in the management of sold goods and the amount of revenue can be reliably measured. If it is likely that certain discounts or rebates to be granted and their value can be reliably measured, then they are recognized as a reduction of revenue as the sales are recognized.

(ii) Rendering of services

Revenue from rendering of services is recorded in the accounts as they are rendered. Rendering of services includes execution of works and any other operations that cannot be treated as supplies of goods.

The stage of work completion is determined based on the work progress reports accompanying invoices, acceptance reports or other documents attesting the completion and acceptance of rendered services.

(m) Financial revenues and expenses

Financial revenues comprise interest income on invested funds and other financial revenues. Interest income is recognized in profit or loss on an accrual basis using the effective interest method.

Financial expenses comprise interest expense related to loans and other financial expenses. Starting on 01.01.2014 the financial discounts are recorded as financial expenses.

All borrowing costs that are not directly attributable to the acquisition, construction or production of assets with long production cycle are recognized in profit or loss using the effective interest method.

Gains and losses on exchange differences related to financial assets and liabilities are reported on a net basis or as financial income or financial expense depending on the currency fluctuations: net gain or net loss.

(n) Income tax

Income tax for the financial year comprises current tax and deferred tax.

Income tax is recognized in the statement of comprehensive income or in other comprehensive income if the tax is related to capital items.

(i) Current tax

Current tax is the payable tax on the profit realized in the current period, determined using tax rates applicable at the reporting date and any adjustment for previous periods.

(ii) Deferred tax

Deferred tax is determined by the Company using the balance sheet method for temporary differences arising between the tax basis for the assets and liabilities and their accounting value used for reporting individual financial statements.

Deferred tax is calculated using tax rates expected to apply to the resumption of temporary differences in accordance with the applicable laws at the reporting date.

Deferred tax receivables and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and receivables and if they are related to the tax collected by the same tax authority on the same entity subject to taxation or for different tax authorities seeking to settle receivables and current tax liabilities using a net basis or related assets and liabilities will be simultaneously realized.

Deferred tax receivables are recognized by the Company only to the extent that it is probable the realisation of future profits that could be used to cover the tax loss. Deferred tax receivables are reviewed at the end of each financial year and are reduced to the extent that the related tax benefit is unlikely to be realized. Additional taxes that arise from the distribution of dividends are recognized at the same date as the obligation to pay dividends.

(iii) Tax exposures

For the determination of current and deferred tax, the Company takes into account the impact of uncertain tax positions and the possibility of additional taxes and interest. This assessment is based on estimates and assumptions and involves a series of reasoning about future events. New information may become available, thereby making the Company amend its reasoning in terms of estimation accuracy of existing tax liabilities; such changes in tax liabilities affect the tax expense in the period in which such determination is performed.

(o) Earnings per share

The Company presents basic earnings per share and diluted earnings per ordinary shares. Basic earnings per share are determined by dividing the profit or loss attributable to ordinary shareholders of the Company to the weighted average number of ordinary shares for the period under review. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares with dilution effects generated by potential ordinary shares.

(p) Contingent Assets and Liabilities

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is removed.

A contingent asset is not recognized in the financial statements. it is disclosed when an inflow of economic benefits is probable.

(q) Subsequent events

The financial statements reflect events after the end of the year, events that provide additional information about the Company's position at the reporting date or those that indicate a possible violation of the activity continuity principle (events that determine adjustments). Events after the end of the year that do not represent events determining adjustments are disclosed in the notes when considered significant.

(r) Comparative figures

The Statement of financial position for the period ended on 31 December 2021 show comparability with the statement of financial position for the period ended on 31 December 2020. Statement of comprehensive income on 31 December 2021 shows comparability with the statement of comprehensive income on 31 December 2020.

(s) Reporting on segments

A segment is a distinct component of the company providing certain products or services (operating segment) or providing products or services within a particular geographical environment (geographical segment), which is subject to risks and benefits different from those of other segments.

(ş) New Standards and Interpretations

New standards, amendments to standards and interpretations have been issued which have not yet entered into force until 31.12.2021 or have not been adopted by the European Union ("EU") and have not been applied in the preparation of these financial statements.

The following sections are presented: List of new standards, amendments and interpretations of standards adopted by the International Accounting Standards Board (IASB) and the European Union in force on 31 December 2021, as well as those not yet in force and the list of new standards, amendments and interpretations of standards adopted by the International Accounting Standards Committee but not yet adopted by the European Union until 31.12.2021.

(*i) Standards and interpretations adopted by the International Accounting Standards Committee and the European Union in force during the current period*

IFRS 16 Leases applicable for annual periods beginning on or after 1 January 2019. IFRS 16 lays down the principles for recognition, evaluation, presenting and providing information about the two parties' leases on a contract. The new standard provides that tenants recognize most of the lease in the financial statements. Lessors will have a single accounting model for all contracts, with some exceptions. Lessor's accounting remains insignificant unchanged.

Implementation of the IFRS 9 impairment model in the context of the current COVID-19 crisis: the methodology used to determine whether it needs to be updated / adapted to current market conditions needs to be assessed. Given the current crisis and its economic impact on financial instruments, the principles and models previously developed may no longer be applicable.

Lease treatment as a result of the COVID-19 crisis: The IASB amended IFRS 16 to lease concessions, directly affected by the current COVID-19 pandemic and under certain conditions set by the IASB, including a limited time frame (only rents originally due in 2020) and limited to periods beginning on or after 1 June 2020. The standard will also be applied retrospectively and can be applied in advance.

IAS 28 Long-term interests in associates and joint ventures. The changes refer to whether the assessment and in particular the requirements regarding the impairment of long-term interests in joint ventures and joint ventures which, in essence, are part of the net investment in the respective associate, should be governed by IFRS 9, IAS 28 or a combination of of these two standards. The amendments clarify that an entity applying IFRS 9 prior to applying IAS 28 to those long-term interests that do not apply the equity method in applying IFRS 9 does not take into account adjustments to the carrying amount of long-term interests that are generated by application of IAS 28.

IFRS Annual Improvements - The 2015-2017 Cycle is a collection of IFRS changes, changes that entered into force on or after January 1, 2019. These changes to some standards, amendments to existing standards and interpretations refer to:

IFRS 3 Business combinations and IFRS 11 Common commitments. The changes made to IFRS 3 clarify that when an entity gains control over a company that is a joint venture. it re-evaluates previously held interests in the respective enterprise. The amendments made to IFRS 11 clarify that when an entity gains joint control over a company that is a joint venture, the entity does not re-evaluate the interests previously held in that enterprise.

IAS 12 Income tax. The amendments clarify that the effects on corporate income tax payments of financial instruments classified as equity must be recognized in the manner in which past transactions or events that have generated distributable profit have been recognized.

IAS 23 Borrowing costs. The amendments clarify point 14 of the standard that, when a qualifying asset is available for its intended use or for sale and some of the specific loans related to that qualifying asset remain outstanding at that time, that loan must be included in the funds that an entity borrows. in general.

IAS 19 Modification, reduction or settlement of the employee benefit plan (changes). The changes require entities to use updated actuarial assumptions to determine the cost of current services and net interest for the rest of the reporting period after changes, reductions or settlements of the plan have taken place. The changes also clarify how accounting for the modification, reduction or settlement of a plan affects the application of the requirements on the asset ceiling.

IFRS 9 Negative clearing prepayment features. The amendment enters into force for annual periods beginning on or after January 1, 2019. The amendment allows financial assets with advance payment features that allow or require a party to a contract to either pay or receive reasonable compensation for early termination of the contract. the contract (so that from the perspective of the asset holder it is possible to have a negative compensation) to be evaluated at amortized cost or at the fair value through other elements of the overall result.

IFRIC Interpretation 23 Uncertainty regarding the treatments applicable to the corporate tax. The interpretation is effective for annual periods beginning on January 1, 2019. The interpretation addresses the accounting of corporate income tax when the tax treatments involve a degree of uncertainty affecting the application of IAS 12. The interpretation provides guidance on the analysis of certain tax treatments at the level. individually or together, the tax authorities checks, the appropriate method that reflects the uncertainty and the accounting for the change of events and circumstances

ii) Standards and Interpretations issued by the International Accounting Standards Committee and adopted by the European Union. but not yet applicable

At the time of reporting these financial statements, the following standards of revision and interpretation were issued by the IASB and not adopted by the EU:

Amendments to IAS 1 Presentation of Financial Statements and **IAS 8** Accounting Policies, Changes in Accounting Estimates and Correction of Errors - definition of the term “significant”; The new definition states that the information is significant if the omissions, misstatements or concealment of such information would reasonably affect the decisions that primary users of general purpose financial statements make on the basis of those financial statements that provide financial information about a particular entity. reporting (applicable for annual periods beginning on or after 1 January 2022)

Complements to **IFRS 3** “Business Combinations”, **IAS 16** Property, Plant and Equipment, **IAS 37** Provisions, Contingent Liabilities and Contingent Assets, Annual Improvements 2018-2020 (all issued on May 14, 2020 effective for annual periods beginning on or after January 1, 2022) .

IFRS 17 “Insurance Contracts” adopted by the IASB on May 18, 2017 including amendments to IFRS 17 published on June 25, 2020 effective for annual periods beginning on or after January 1, 2021.

Amendments to IFRS 4 "Insurance Contracts" - deferral of the application of IFRS 9 (applicable to annual periods beginning on or after January 1, 2021).

4. Reporting on segments

In terms of business segments, the company has not identified distinct components in terms of associated risks and benefits.

The factors used to identify reportable segments: segments have been identified as discrete components of the company that provides products or services (business segment) and that are subject to risks and benefits that are different from those of other segments. Reporting on segments is done in a manner consistent with the internal reporting to the main operational decision maker. The main operational decision maker responsible for allocating resources and assessing the performance of the operating segments has been identified is the Board of Directors that makes strategic decisions.

Sales on products	*Financial year 2021*
Sold production. of which:	**28.716.050**
- sales of beer	28.391.238
-sales of semi-fabricated products	520
- sales of residual products	319.027
- services	5.265
Total	**28.716.050**

The net turnover on 31.12.2021 is amounted to 28.716.050 lei and it represents in a proportion of 98.87% the beer. the difference of 1.13% being represented by the by-products and services.

SC BERMAS SA does not report separately the information by business segment as revenues from the main sector of activity "production and marketing of beer" represents over 99% of total revenues.

5. Tangible assets

*Cost (**in lei**)*	Lands	Buildings	Technical equipment and machinery	Other equipment. machinery and furniture	Fixed assets in progress	Total
Balance on 31 December 2020	**1,774,100**	**7,232,440**	**22,619,625**	**296,954**	**231,768**	**32,154,887**
Input			576,029	4,037	296,274	**876,340**
Transfers by commissioning			528,042			**528,042**
Revaluation decrease						**-**
Outputs			281,536	11,270	528,042	**820,848**
Balance on 31 December 2021	**1,774,100**	**7,232,440**	**23,442,160**	**289,721**	**0**	**32,738,421**
Accumulated amortisation						
Balance on 31 December 2020		**(6,288,647)**	**(11,045,830)**	**(168,805)**		**(17,503,282)**
Expense		(175,256)	(1,451,252)	(31,504)		**(1,658,012)**
Revaluation decreases						-
Output amortisation			(276,309)	(7,233)	-	**(283,542)**
Balance on 31 December 2021		**(6,463,903)**	**(12,220,773)**	**(193,076)**	**-**	**(18,877,752)**
Net accounting value						
Balance on 31 December 2020	**1,774,100**	**943,793**	**11,573,795**	**128,149**	**231,768**	**14,651,605**
Balance on 31 December 2021	**1,774,100**	**768,537**	**11,221,387**	**96,645**	**0**	**13,860,669**

Some of the tangible assets of the Company are mortgaged or pledged to secure borrowings from banks.

BERMAS SA uses fair value as deemed cost for an item of tangible or intangible assets. When opening the financial position, the first entity's financial statements prepared in accordance with International Financial Reporting Standards. SC BERMAS SA presented for each element in the situation of opening the financial position in accordance with International Financial Reporting Standard: the aggregate amount of those fair values and aggregate adjustment to the accounting amounts reported under previous accounting principles. We present below the input data used in the evaluations:

Cost	**Lands**	**Buildings**	**Technical equipment and machinery**
Balance on 1 January 2011	751.661	6.644.923	28.590.425
Revaluation for 2010	777.739	196.942	(16.436.299)
Revaluation for 2010			511.474
Input			506.845
Outputs			(1.682)
Balance on 31 December 2011	**1.529.400**	**6.841.865**	**13.170.763**
Accumulated amortisation			
Balance on 1 January 2011		(3.593.456)	(16.436.298)
Revaluation for 2010		(102.009)	16.436.298
Depreciation for the period		(262.440)	(1.199.054)
Output depreciation			210
Balance on 31 December 2011		**(3.957.905)**	**(1.198.844)**
Net accounting value			
Balance on 1 January 2011	751.661	3.051.467	12.154.127
Balance on 31 December 2011	1.529.400	2.883.960	11.971.919

Cost	Lands	Buildings	Technical equipment and machinery
Balance on 31 December 2011	1.529.400	6.841.865	13.170.763
Revaluation	244.700	74.279	
Input			265.574
Output			
Balance on 31 December 2012	**1.774.100**	**6.916.144**	**13.436.337**
Cumulated depreciation			
Balance on 31 December 2011		(3.957.905)	(1.198.844)
Expense		(273.045)	(1.217.485)
Increase from revaluation		(42.798)	
Balance on 31 December 2012		(4.273.748)	(2.416.329)
Net accounting value			
Balance on 31 December 2011	1.529.400	2.883.960	11.971.919
Balance on 31 December 2012	1.774.100	2.642.396	11.020.008

In accordance with IAS 36, both intangible and tangible assets are periodically reviewed to identify whether there are indications of impairment at the balance sheet date.

If the net accounting value of an asset exceeds its recoverable amount, an impairment loss is recognized in order to reduce the net accounting value of the asset at the recoverable value. If the reasons for the recognition of an impairment loss disappear in the next period, the net accounting value of the asset is increased up to the net accounting value that would have been determined no impairment loss would be not recognized.

SC BERMAS SA has not recorded impairment losses, depreciation and amortization expenses presented in the statement of comprehensive income with amortization in year 2021 recognized in profit or loss account being allocated systematically over the useful life of the assets. Depreciation methods, useful life durations and estimated residual values are reviewed by the entity's management at each reporting date and adjusted if appropriate. Regarding the fair value hierarchy, input data for the valuation techniques used to determine fair value measurements are Level 2 for both 2020 and 2021.

The accounting value of asset classes, if the assets were submitted on the basis of cost is as follows:

in lei	Lands	Buildings	Technical equipment and machinery	Other equipment. machinery and furniture	Fixed assets in progress	Total
Cost						
Balance on 31 December 2020	**1.774.100**	**7.232.440**	**37.916.397**	**394.989**	**231.768**	**47.549.694**
Input			576.029	4037	296.274	**876.340**
Transfers by commissioning			528.042			**528.042**
Decrease from revaluation						**-**
Output			393.244	11.270	528.042	**932.556**
Balance on 31 December 2021	**1.774.100**	**7.232.440**	**38.627.224**	**387.756**	**0**	**48.021.520**
Cumulated depreciation						
Balance on 31 December 2020		**(6.288.647)**	**(26.394.299)**	**(263.974)**		**(32.946.920)**
Expense		(175.256)	(1.634.638)	(31.504)		**(1.841.398)**
Decrease from revaluation						-
Output depreciation			(392.312)	(7.234)	-	**(399.546)**
Balance on 31 December 2021	**-**	**(6.463.903)**	**(27.636.625)**	**(288.244)**	**-**	**(34.388.772)**
Net accounting value						
Balance on 31 December 2020	**1.774.100**	**943.793**	**11.522.098**	**131.015**	**231.768**	**14.602.774**
Balance on 31 December 2021	**1.774.100**	**768.537**	**10.990.599**	**99.512**	**0**	**13.632.748**

6. Intangible assets

Cost	Other intangible assets	Total
Balance on 31 December 2020	**207.702**	**207.702**
Inputs		
Transfers		
Balance on 31 December 2021	**207,702**	**207.702**
Accumulated depreciation		
Balance on 31 December 2020	**(173.742)**	**(195.739)**
Expense	(21.997)	(11.963)
Transfers		
Balance on 31 December 2021	**(195.739)**	**(207.702)**
Net accounting value		
Balance on 31 December 2020	**11.963**	**11.963**
Balance on 31 Decembrie 2021	**11.963**	**0**

7. Financial assets available for sale

	31 December 2020	31 December 2021
To “Victoria” Social-cultural foundation of Suceava	83.000	83.000
Environment Business Consulting SRL	**1.000**	1.000
Total	**84.000**	**84.000**

SC BERMAS SA holds financial assets available for sale, resulting from the establishment of a 19.88% share to the patrimony of the "Victoria" Social-Cultural Foundation which was established in 2002 and registered in the Register of non-profit Associations and Foundations, these financial assets being evaluated at historical cost. These financial assets were reclassified in 2015 as financial assets measured at cost due to the fact that, since the duration of the Foundation is indefinite and its scope defined as "partnerships with public authorities, NGOs and other institutions in order to conduct social, scientific and humanitarian activities of local and regional interest" has present and perspective, the board of directors has not expressed its intention of closing the foundation, the foundation being recognized as of public utility. The financial statements submitted show that it is operating, not being in liquidation procedure, the capital contribution being the one established at its foundation.

Through the contract Assignment Agreement no. 1 of 18.02.2020, SC BERMAS SA received the property right for 100 registered shares in a total value of 1,000 lei held in CLEAN RECYCLE SA.

8. Inventory

	31 December 2020	31 December 2021
Production in progress	6.728.483	8.167.680
Raw materials and consumables	9.481.796	9.348.305
Finished products and goods	285.379	319.535
Total	**16.495.658**	**17.835.520**

Assets such as inventories are valued at their accounting value, less adjustments for impairment. Impairment adjustments recognized as expense at the end of the reporting year represent the value of inventory without movement at the level of 2020 If the accounting value of inventories is higher than the book value, the value of inventories is decreased up to the net achievable value. by setting up adjustments for impairment. The value of adjustments for inventories without movement on 31.12.2021 is amounted to 118.679,77 lei.

9. Trade receivables

	31 December 2020	31 December 2021
Clients	650.080	400.721
Suppliers – debtors for the purchase of inventory goods	453.258	454.696
Advance payments for intangible assets		
Adjustments for the depreciation of receivables	(21.014)	(21.014)
TOTAL	**1.082.324**	**834.403**

10. Cash and cash equivalents

	31 December 2020	31 December 2021
Cash in the cash register	5.710	2.367
Current bank accounts	11.390	6.030
Cash advances	-	-
Other values	600	1.350
Total	**17.700**	**9.747**

11. Other receivables

	31 December 2020	31 December 2021
Diverse debtors	907.518	1.348.314
Other receivables related to personnel		
Adjustments for depreciation different debtors	(689.311)	(728.773)
Total	**218.207**	**619.541**

The valuation for impairment of receivables is performed individually and is based on management's best estimate of the present value of the cash flows expected to be received. Quarterly and at the end of the financial year 2021, following the analysis of the uncertain customers and the various debtors with whom we are in dispute, it was not considered necessary to make any adjustments.

12. Share capital

Company's shareholder structure

Balance on 31 december 2021	Number of shares	Suma (RON)	(%)
Other shareholders	10.416.771	7.291.739.70	48.33%
Victoria Bermas Association	6.653.009	4.657.106.30	30.87%
PAS Bermas	4.483.269	3.138.288.30	20.80%
Total	**21.553.049**	**15.087.134**	**100%**

Information on the objectives, policies and processes for managing the share capital according to IAS 1.134 complying with the information included in IAS 1.135 qualitative information about its objectives, policies and processes for managing its share capital, including the description of share capital it manages, the way in which objectives are met, quantitative data regarding the share capital and changes from one period to another.

The **share capital** of the company on 31.12.2021 is amounted to 15.087.134.30 lei fully subscribed and paid up. divided in 21.553.049 registered shares of 0,70 lei each. The company's shares are ordinary, nominative, dematerialized, registered into account, their records being kept by the Depozitarul Central SA Bucharest. Shares have equal value and grant equal rights for each share.

The structure of shareholders holding over 10% of the share capital is as follows:

Balance on 31 December 2021	Number of shares	Amount (RON)	(%)
Victoria Bermas Association	6.653.009	4.657.106.30	30.87%
PAS Bermas	4.483.269	3.138.288.30	20.80%
SC Vivat Construct SRL	2.931.765	2.052.235.50	13.60%

The legal reserves of the company as of 31.12.2021 are in the amount of 3.017.427 lei as a result of the establishment of the legal reserve (within the limit of 5% of the accounting profit and up to 20% of the share capital according to Law 227/2015 with subsequent amendments and completions and of Law 31/1900 with subsequent amendments and completions).

Other reserves

SC BERMAS SA records on 31.12.2021 in the account 1068 Other reserves the amount of 2.902.704,62 with the following structure:

Reserves for restatement according to IFRS	554.644,00
Reserves for development	245.079,65
Other reserves G.O. 70 /1994	195.909,33
Other reserves G.D. 40/2002	635.870,11
Reserves for dividend capitalisation	1.214.907,24
Other reserves the Law 55/1995. Decree 834/1991	56.294,29
TOTAL	**2.902.704,62**

SC BERMAS SA records on 31.12.2020 in the account 1068 Other reserves the amount of 2.902.704,62 with the following structure:

Reserves for restatement according to IFRS	554.644,00
Reserves for development	153.937,07

Other reserves G.O. 70 /1994	195.909,33
Other reserves G.D. 40/2002	635.870,11
Reserves for dividend capitalisation	1.214.907,24
Other reserves the Law 55/1995. Decree 834/1991	56.294,29
TOTAL	**2.811.562,04**

13. Accounts payable for deferred profit tax

Accounts payable for the deferred tax as of 31 December 2021 are detailed below:

31 December 2021	Assets	Liabilities	Net
Tangible assets	1.421.475		1.421.475
Inventory	(118.680)		(118.680)
Trade receivables	(5.903)		(5.903)
Other receivables	(33.839)		(33.839)
Total	**1.263.053**		**1.263.053**
Net temporary differences – rate 16%			**1.263.053**

Accounts payable for deferred tax = 202.088 lei.

14. Trade payables

Description	31 December 2020	31 December 2021
Trade payables	890.499	499.001
TOTAL	**890.499**	**499.001**

Other payables

Description	31 December 2020	31 December 2021
Diverse creditors and other payables	862.124	1.039.274
Payables to the local budget	755.874	773.607
Payables to employees	306.751	384.539
Payables to the state budget	(534.420)	(487.678)
TOTAL	**1.390.329**	**1.709.742**

The provision on 31.12.2021 in the amount of 400,000 lei are set up for any additional obligations to the state budget.

15. Short-term bank credits

Description	31 December 2020	31 December 2021
Short-term bank credits	4.076.977	5.393.163
TOTAL	**4.076.977**	**5.393.163**
Bank	**31 December 2020**	**31 December 2021**
Raiffeisen Bank Suceava	1.405.809	269.881
BRD Suceava	2.671.168	123.282
BRD SUCEAVA Program AGRO IMM INVEST		5.000.000
TOTAL	**4.076.977**	**5.393.163**

On 31 December 2021, short-term payables to banks refer to the following:

- secured overdraft with BRD Suceava amounted to 1.000.000 lei. The remaining balance on 31.12.2021 is amounted to 123.282 lei. The interest charged is a fluctuating interest at

ROBOR annual rate 3M + 1.40%. which is calculated on the credit balance from the date of provision and until full repayment thereof;

- secured overdraft with Raiffeisen amounted to 4.000.000 lei. The remaining balance on 31.12.2021 is amounted to 269.881 lei. The interest charged on the daily debtor balance of the current account is a fluctuating interest at ROBOR annual rate 1M + 1.10%. calculated on the actual number of days of the reference month compared to the year of 360 days. The reference rate will be daily updated;
- tip revolving credit line from BRD Groupe Societe Generale Suceava, granted within the Program for the support of small and medium enterprises and small enterprises with medium market capitalization IMM INVEST ROMANIA, within the AGRO IMM INVEST subprogram with the objective of providing facilities guarantee in a transparent and non-discriminatory manner for the loans granted, in the amount of 5,000,000 lei for the financing of the working capital and the current activity, with an interest subsidized from the state budget in proportion of 100% for a period of 8 months from the first use, the commissions being covered by the Ministry of Finance through a grant in the form of a grant for the entire duration of the contract. The amount used on 31.12.2021 was 44.668,72 lei. As this State aid was transferred directly to the bank and did not pass through the company's bank accounts, it was not recorded in the company's accounts on the income and expenditure accounts

Bank overdrafts are secured by:

- mortgage on tangible assets with a net accounting value of 2.513.549 lei on 31 December 2021;
- first-ranking pledge and mortgage on current accounts;
- mortgage on liquid assets in the accounts opened with BRD and Raiffeisen Suceava;
- FNGCIMM guarantee of 4.000.000 lei.

Guarantees:

Pledges + mortgages on equipment with BRD on 31.12.2021

Nr. Crt	*Name of the fixed asset or equipment*	*Value*
1	PARCELA CURTI CONSTRUCTII 2.144 mp - C.F. 31100	124.352,00
2	CORP PRINCIPAL CENTRU FRIG	255.200,00
3	PARCELA CURTI CONSTRUCTII 595 mp - C.F 31129	34.510,00
4	PAVILION ADMINISTRATIV	179.630,00
5	PARCELA CURTI CONSTRUCTII 517 mp - C.F. 31116	29.986,00
6	CLADIRE ATELIER AUTO	132.620,00
7	PARCELA CURTI CONSTRUCTII 700 mp - C.F. 31107	40.600,00
8	CLADIRE INDUSTRIALA AUXILIARA	143.160,00
		940.058,00

Pledges + mortgages on equipment with Raiffeisen Bank – 31.12.2021

Nr. Crt	*Name of the fixed asset or equipment*	*Value*
1	SUPRAFATA TEREN- 3.851 mp	223.358,00
2	CORP PRINCIPAL GERMINARE etapa I+II	151.510,00
3	CORP PRINCIPAL DE INMUIERE(extindere)	177.360,00
4	CORP PRINCIPAL USCARE	317.520,00
5	CORP PRINCIPAL CASA MASINII	263.090,00
6	CORP GERMINARE SILOZ 19 CELULE	272.500,00

7	CORP PRINCIPAL DE LEGATURA	82.100,00
8	ECHIPAMENTE TEHNOLOGICE SECTIA MALT	86.052,68
	TOTAL	**1.573.490,68**

Referring to the assertion that overdrafts are secured by a first-ranking pledge on current accounts we mention that on 31.12.2021, the value of the pledge on the available current accounts is amounted to 0 lei, banks automatically proceeding to the transfer of available funds in the overdraft account.

Medium-term loans to bank

On 31.12.2021, SC BERMAS SA had in progress the credit facility in the form of a term loan, employer, non-revolving in a maximum amount of 2,500,000 lei granted in order to finance the beer boiling and filtration installations for the Boiling section. During the year 2021, refunds were made according to the schedules of 895,161 lei. On 31.12.2021, the amount used was 1,118,952 lei. The credit facility is for a period of 36 months starting with the month immediately following the period of use. The interest charged is a fluctuating interest rate at an annual rate of ROBOR 1M + 1.40% per annum, calculated on the basis of the actual number of calendar days of the reference month compared to the 360-day period. This credit facility is secured by a high-priority movable mortgage on the machinery and equipment that is the object of the financing.

16. Earnings per share

The calculation of basic earnings per share was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares:

	31 December 2020	31 December 2021
Profit attributable to ordinary shareholders	1,662,575	1.669.686
Weighted average number of ordinary shares	21,553,049	21.553.049
Basic earnings per share	**0.077**	**0,077**

The Board of Directors of SC "BERMAS" has proposed the distribution of net profit for the financial year ended in 1mounted to 1.662.575 lei as follows:

Net profit 2021 = 1.669.686 lei
Dividends = 1.616.479 lei
Other reserves = 53.207 lei

The gross dividend per share that would to be granted for one share held on the registration date is 0,075 lei / share which would represent a rate of 91% of the net profit for the financial year ended in 2021.

17. Revenue from turnover

	31.12.2020	31.12.2021
Revenue from the sale of finished products	28.688.916	28.391.238
Revenues from the sale of semi-fabricated products		
Revenues from the sale of residual products		520
Revenue from services rendered	288.649	319.027
Total	4.920	5.265

18. Other revenue

	31.12.2020	31.12.2021
Revenue from production of tangible and intangible assets	24.750	352.400
Revenues from donations	1.500.000	43.005

Operating revenue for impairment adjustments for current assets	1.007.248	1.136.289
Other operating revenue	**2.531.998**	**1.531.694**
Total	24.750	352.400

19.a). Other expenses

	31.12.2020	31.12.2021
Entertainment. advertising and publicity	234.181	398.981
Operating Expenses on Provisions	400.000	-
Operation expenses for adjustments of current assets impairment	19.275	19.275
Other taxes. duties and payments	2.352.927	328.376
Insurance premiums	169.954	198.701
Compensations. fines and penalties	31.516	44.629
Travel expenses	54.477	65.141
Postage and telecommunications	57.533	62.114
Commissions and fees	10.754	14.620
Rental and royalty expenses	2.811	1.962
Bad debts written off	-	-
Net loss from the sale of tangible assets	-	-
Other operating expenses	1.165.899	1.298.290
Total	**4.499.327**	**2.423.089**

b). Prepaid expenses

PREPAID EXPENSES ON 31.12.2020

NAME OF THE ACCOUNT	*BALANCE DEBIT*
Insurance premiums	34.073,36
Postage and telecommunications	2.615,47
Services rendered by third parties	1.674,82
Other taxes. duties and payments	16.344,73
Other financial expenses	29.792,18
Beer loss December	135,54
	84.636,10

PREPAID EXPENSES 31.12.2021

NAME OF THE ACCOUNT	*BALANCE DEBIT*
Insurance premiums	39.588,16
Postage and telecommunications	2.910,70
Other taxes. duties and payments	21.443,03
Other financial expenses	22.483,66
Beer loss December	96,40
	86.521,95

20. Personnel expenses

	2020	2021
Salaries	11.511.971	12.972.121
Social security and welfare contributions	399.650	467.708
Meal vouchers	667.380	789.780
Total	**12.579.001**	**14.229.609**

On 31 December 2021 the average number of employees of the company was 189.

21. Financial revenues and expenses

	2020	2021
Financial revenues		9.219
Net gain from exchange differences		
Interest revenues		36
Other financial revenues		9.183

	2020	2021
Financial expenses		
Interest expenses	145.783	120.245
Net loss from exchange differences	2.638	1.847
Other financial expenses	1.050.842	1.001.548
Total	**1.199.263**	**1.123.640**

22. Income tax expense

	31.12.2020	31.12.2021
Current income tax expense	43.542	251.943
	43.542	**251.943**
Deferred income tax		
Deferred income tax expenses	3.055	32.214
Deferred income tax revenues	-	-
	3.055	**32.214**
Total	**46.597**	**284.157**

	31.12.2020	31.12.2021
Profit before tax	1.706.117	1.921.629
Tax acc. to the statutory tax rate of 16%	272.979	307.461
Effect on the income tax of:		
Legal reserve	(9.948)	
Non-deductible expenses	94.841	39.522
Non-taxable revenues	(240.000)	(8.350)
Sponsoring within legal limits	(23.574)	(67.727)
Bonus applied cf GEO 30/2020	(50.756)	(18.963)
Registration and review of temporary differences	3.055	32.214
Income tax	**46.597**	**284.157**

23. Related parties

The persons who are part of the Board of Directors and the Executive Committee represent related parties.

31.12.2021 - List of members of the Board of Directors

Anisoi Elena	President of the B.D.
Dragan Sabin Adrian	Vice-president
Vescan Maria Aurora	Member

List of the persons in the Executive Committee

Anisoi Elena	General Manager
Tebrean Iridenta	Economic Manager
Sîngeap Cristina	Commercial Manager

24. Commitments

The Company had no capital commitments on 31 December 2021.

25. Contingent assets and liabilities

The Company had no contingent assets or liabilities on 31 December 2021.

26. Subsequent events

There were no events subsequent the balance sheet date.

27. Financial risk management

Overview

The company operates on a free competitive market, being exposed to normal risks from that point of view. No major or significant exposure in terms of prices and liquidity.
The company is implementing the risk management system, covering the identification, analysis, management and monitoring of risk it is exposed to.
Price risk requires constant monitoring of it, given the market share the company operates on. In fact, the company applies and will apply in the future training policies of the selling price based on the price of raw material and other cost elements which have a share of over 10% of total production costs.

The Company is exposed to the following risks due to the use of financial instruments:

- credit risk;
- liquidity risk;
- market risk.

These notes present information about the Company's exposure to each of the above risks, the company’s objectives, policies and processes for risk assessing and managing and procedures used for managing capital. In these financial statements there is also other quantitative information.

The Company's risk management policies are defined to ensure the risks identification and analysis the Company is dealing with, to set appropriate limits and controls, to monitor risks and to comply with the set limits. Risk policies and management systems are regularly reviewed to reflect changes in market conditions and the Company's activities.

a) Credit risk

Credit risk is the risk that the Company could incur a financial loss as a result of failure to meet contractual obligations by a customer or counterparty to a financial instrument and this risk mainly results from trade receivables of the Company.

The accounting value of financial assets represents the maximum exposure to credit risk. The maximum exposure to credit risk was:

(i) Exposure to credit risk

Accounting value	31.12. 2020	31.12. 2021
Trade receivables and other current assets	1.300.531	1,.453.944
Cash and bank deposits	17.700	9.747
TOTAL	**1.318.231**	**1.463.691**

The Company's exposure to credit risk is mainly influenced by the individual characteristics of each customer.

The management has established a credit policy under which each new customer is individually analysed in terms of creditworthiness before offering the Company’s standard conditions for payment and delivery.

The Company establishes an adjustment for impairment that represents its estimate of losses on trade receivables. The adjustments for impairment of receivables mainly relate to specific components corresponding to the significant individual exposures incurred and identified.

(ii) Depreciation

Analysis of the number of days of delay for trade receivables and other receivables:

		31.12. 2021
in lei	**Gross value**	**Depreciation**
Not outstanding and outstanding between 0 and 30 days	188.011	
Outstanding between 31 and 60 days	254.238	
Outstanding between 61 and 120 days	244.239	
Outstanding between 121 and 180 days	8.370	
Outstanding between 181 and 360 days	370.166	
Over 360 days	759.000	(749.787)
Total	**1.824.024**	**(749.787)**

b). Liquidity risk

Liquidity risk is the risk that the Company could have difficulty in meeting obligations associated with financial liabilities that are settled in cash or by transferring another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, both under normal and stressed conditions, without incurring unacceptable losses or putting the Company’s reputation at risk.

Overall the Company makes sure that it has sufficient cash to cover operating expenses. The following table shows the residual contractual maturities of financial liabilities at the end of the reporting period. including estimated interest payments:

31 December 2021	Accounting value	Contractual cash flows	Less than 2 months	2 - 12 months	Over 12 months
Trade payables	499.001	499.001	499.001		
Medium-term credits	1.118.952	1.118.952	74.597	820.564	223.791
Bank short-term loans	5.393.163	5.393.163		5.393.163	
Other payables	2.197.420	2.197.420	2.197.420		
Total	**9.208.536**	**9.208.536**	**2.771.018**	**6.213.727**	**223.791**

c). Market risk

Market risk is the risk that the change in market prices, such as foreign exchange rate, interest rate and price of equity instruments, affects the Company's income or the value of financial instruments held.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters and simultaneously to optimize return on investment.

d). Interest rate risk

(i) Profile of the risk exposure

At the reporting date, the profile of interest rate exposure corresponding to the interest-bearing financial instruments held by the Company was:

Instruments with variable rate	***31 December 2020***	***31 December 2021***
Medium-term credits	2.014.113	1.118.952
Bank short-term loans	4.076.977	5.393.163
Total	**6.091.090**	**6.512.115**

(ii) Sensitivity analysis of fair value for instruments with fixed interest rate

The Company has not classified financial assets or liabilities with fixed interest rates at fair value through profit or loss or available for sale. Therefore, a change in interest rates at the reporting date would not affect the statement of comprehensive income.

(iii) Sensitivity analysis of cash flow for instruments with variable interest rate

An increase in interest rates by 1% at the reporting date would have resulted in a increase in loss by 47.351 lei as of 31 December 2021 (31 December 2020: 51.944 lei). This analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

A depreciation of interest rates by 100 basis points on 31 December 2021 would have led to the same effect, but to the contrary, the amounts presented above, considering that all other variables remain constant.

e). Currency risk

The Company is exposed to currency risk due to acquisitions and liabilities that are denominated in a currency other than the functional one, respectively in euro.

Company's exposure to currency risk is shown below:

31 December 2021	RON	EUR	USD	Other currency
Financial assets				
Trade receivables and other current assets	1.453.944	-		
Cash and bank deposits	9.469	278	-	-
	1.463.413	**278**	-	-
Financial payables				**-**
Trade payables	499.001			
Short-term loans	5.393.163	-	-	-
Other payables	2.197.420	-	-	-
	8.089.584	**-**	-	-

Sensitivity analysis

An appreciation by 10 percentage points of the RON currency on 31 December 2021 compared to euro would have resulted in a increase of profit by 19.080 lei.

f) Taxation risk

Starting on 1 January 2007, following the accession of Romania to the European Union, the Company had to apply EU tax regulations and implement the changes brought by the EU law. The way in which the Company has implemented these changes remains open to tax audit for five years.

The interpretation of the text and the practical implementation procedures of the new EU tax regulations in force may vary, and there is a risk that certain transactions, for example, could be viewed differently by the tax authorities compared to their treatment by the Company.

In addition, the Romanian Government has an important number of agencies authorized to audit companies operating in Romania. These controls are similar to tax audits in other countries and can cover not only tax aspects, but also other regulatory and legal aspects of interest to these agencies. It is possible that the Company is subject to tax audits as new tax regulations are issued.

g) Business environment

During 2021, the volume of physical sales decreased by 4.4% compared to the previous year, and compared to 2019 (before the pandemic) the decrease is 19.1%.

The decrease in sales volume is the result of the impact of the COVID - 19 epidemic on the activity of the company whose main object of activity is the production and sale of beer with a share of 99% in turnover.

Thus, the set of measures taken by the authorities to prevent the spread of the new coronavirus also included the suspension of activities of serving and consuming food and alcoholic and non-alcoholic beverages in restaurants, hotels, cafes and other public places, indoors and outdoors.

Considering that the share of draft KEG beer sales for draft consumption has a share of 20% of total sales, due to the total or partial closure in various periods of indoor and outdoor serving spaces, compared to 2019 (before the pandemic) draft sales volumes decreased by 31.91% to which is added a decrease of about 10% in beer sales.

The decrease in sales volume affected the company's liquidity at the same time as the slowdown in the recovery of raw material stocks by not carrying out the production program, the company's activity having a seasonal cyclical character in the sense that it supplies full raw materials (barleys, hops) from the current harvest. of each year to ensure the production of beer the following year, stocks partially financed by short-term loans.

For the year 2022, the company is not able to make a fair assessment of the effects that COVID - 19 may have, depending on the unpredictable evolution of the epidemic which could attract restrictive measures from the authorities with effects on the activity of selling beer in restaurants, terraces, events, etc.

As a result, it remains for the company to be constantly concerned with appropriate measures to limit losses as much as possible and to ensure the necessary financial resources for the payment of salaries and other employee rights, as it did in 2021.

From a conjunctural point of view, the Romanian beer industry presents the features of an oligopoly industry with high barriers to market entry and vertical differentiation, the general characteristic of the beer production sector being represented by the excess capacity which creates the premises of a pressure on the price level. .

SC „BERMAS” SA is the only local factory in the beer industry that has continued its activity on the old technical and technological structure, since its establishment in 1974, managing to, through sustained investment efforts in refurbishment and modernization of production streamline the activity, to be present on the market with superior quality beer assortments, ensuring a stable, consolidated market share.

In 2021, the company had concluded beer sales contracts with a number of 35 distributors and wholesalers and by 2022 it has contracted the entire quantity of beer for sale.

Currently on the Romanian market are active producers representing groups with an international presence in the beer sector as well as domestic producers who have developed large production capacities. According to their own estimates, these entities own about 93% of the beer market in Romania, the difference of about 7% is owned by the small and medium producers of which BERMAS SA is a part.

The massive concentration of production in the beer industry sector in Romania has produced a major imbalance between the competitive capacity of the two market segments.

In order to face the competition, SC „BERMAS” SA, as an independent beer producer with a below average capacity, must permanently identify the possibilities for efficiency and profitability of the activity at the same time as maintaining the gained market segment and their development.

The Company's management considers that the Company's liquidity is affected on 31.12.2021 and will be the course of 2022 by the existence and spread of the epidemic with COVID -19, to which are added a series of events or factors of uncertainty such as:

♣ The increase of the RON / Euro exchange rate during the year which will be reflected in the level of all prices for raw materials, main materials, etc .;

♣ An unfavorable market situation that would lead to an inability to compete, given the economic concentrations that have taken place in recent years on the beer market, a situation that has created a major imbalance between the competitive capabilities of the major players in this market (multinationals and producers who have developed large production capacities) and small producers with below average capacities of which BERMAS SA is a part;

♣ An unfavorable agricultural year with poor harvests of basic raw materials used in the brewing process, which would lead to higher barley and hops prices;

♣ Possible further increase in prices for fuels, energy and natural gas with major implications for production costs given the length of the production cycle of malt and beer based on traditional technology which involves a total (malt + beer) about 120 days ;

♣ Further decrease in the purchasing power of the population (consumers);

♣ The insolvency of some customers of the company - beer distributors as a result of the deterioration of the economic conditions of the business environment which would involve risks when collecting the goods in the insolvency - bankruptcy procedure.

Management considers that it is taking all necessary measures to support the sustainability and growth of the company's business, in the current conditions by:

• constant monitoring of liquidity;
• making short-term forecasts on net liquidity;
• monitoring cash inflows and outflows (daily), assessing the effects on debtors.

h) Capital adequacy

SC BERMAS SA has a policy of maintaining equity for the development of the company and the reach of the intended objectives. The main objective of the company is to continue its activity in terms of profitability for its shareholders. Over the past two years. the net asset value of the SC BERMAS SA has exceeded 1.5 times the level of the share capital. The management of SC BERMAS SA intends. in the next financial year to maintain at least the same level.

The equity of SC BERMAS SA consists of share capital. created reserves, current profit and reported result. On 31.12.2021 the equity of SC BERMAS SA is amounted to 24.022.966 lei compared to 23.750.831 lei on 31.12.2020. SC BERMAS SA is not subject to statutory capital adequacy requirements.