



SC "BERMAS" SA Suceava

Str. Humorului nr. 61 Șcheia
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RINA SIMTEX
ISO 9001 REGISTERED
ISO 22000 REGISTERED

INTERIM REPORT

According to the CNVM Regulation no. 1/2006

Date of the report: 30.06.2015

Headquarters: Șcheia locality, Str. Humorului, Nr.61, Suceava county

Phone/fax no.: 0230/526545; 0230/526542

Tax identification number: RO 723636

Number with the Trade Register: J33/37/1991

Share capital subscribed and paid up: 15.087.134

Regulated market where the securities issued are traded: Bucharest Stock Exchange

1. ECONOMICAL AND FINANCIAL SITUATION

1.1. S.C."BERMAS" S.A. Suceava has conducted its economic activity during the period January 1st, 2015 - June 30, 2015 according to the production and investment program, the budget of revenue and expenditure approved by resolutions of the general meetings of shareholders (ordinary and extraordinary) on April 7, 2015 in compliance with the law applicable and the provisions of the Articles of Incorporation.

a) BALANCE SHEET ELEMENTS

▶ ASSETS

	- lei-	
<i>SPECIFICATION</i>	<i>30.06.2014</i>	<i>30.06.2015</i>
TOTAL CURRENT ASSETS	32.467.078	30.624.274
Of which:		
• Fixed assets	16.406.223	15.079.693
• Inventory	10.614.307	10.655.803
• Cash and bank accounts	19.015	4.720
• Receivables	5.274.445	4.736.349
• Accrued expenses	153.088	147.709

▶ LIABILITIES

	- lei-	
<i>SPECIFICATION</i>	<i>30.06.2014</i>	<i>30.06.2015</i>
TOTAL CURRENT LIABILITIES -- of	32.467.078	30.624.274
which:		
• Equity	21.099.066	22.105.900
• Payables	11.368.012	8.518.374

Analysing the total assets and the total liabilities compared to the same period of the previous year we find that they decreased by 5,68%.

On main asset groups, the situation is as follows:

► **The tangible assets** on June 30, 2015 have a net value amounted to 15.079.693 lei decreased by 8% compared to those on 30/06/2014 when they reached a level of 16.406.223 lei and they hold a 49.24% share from total assets.

The tangible assets have a share of 99.26% in the fixed assets group.

The operations related to the movement of tangible assets and depreciations consist of:

- Increases of tangible assets as a result of commissioning of fixed assets for the equipment of the production department and of the sales network.

In the first half of 2015 we have commissioned and upgraded fixed assets amounted to 127.824 lei.

- The increase of total depreciations which for the first half of 2015 was amounted to 720.531 lei.

The decommissioning of certain fixed assets due to wear and tear, their value being amounted to 2.098 lei.

► **Inventories** have a capital value of 10.655.803 lei on 30.06. 2015 recording an increase by 0.39% compared to the corresponding period of the previous year when the recorded level was amounted to 10,614,307 lei and a share in total assets of 34, 80%.

A share of 53.67% in the total inventory is held by semi-fabricated products such as beer malt and beer respectively as production in progress (in primary and secondary fermentation), followed by packaging for beer bottling and delivery, including recent acquisitions of KEG barrels, with a share of 36, 62%, then the raw materials (barley, hops) and main materials used in technological process with a share of 4.45% and the remaining 5% is held by other inventories (finished goods, spare parts etc.).

Inventories without movement or with slow movement have an insignificant share of 0.50% and they have been provisioned for impairment at 100%.

► **Cash and bank accounts** on 30.06.2015 registered a level of 4.720 lei, in decrease compared to the similar period of the previous year when they reached a level of 19.873 lei;

► **Receivables** decreased by 10.2% compared to the corresponding period of the previous year respectively from 5.274.445 lei to 4.736.349 lei.

► Referring to the liability elements, on 30.06.2015 equity holds a share of 72.18% in current liabilities and total debts hold a share of 27.82%.

Compared to the corresponding period of the previous year, equity registered an increase by 4.77% and total debts decreased by 25.07%.

Given the level of total debts on 30.06.2015, in absolute figures respectively 8.518.374 lei, we state that the whole amount represents term liabilities, the company having not recorded any outstanding debts and loans unpaid at maturity.

The structural debt situation is as follows:

- current short-term loans (under 1 year), amounted to 3.430.654lei;
- medium-term loans amounted to 875.139 lei, for the financing of investment costs for the heating plant with maturity by 30.06.2016
- trade payables amounted to 1.559.914 lei represent payment obligations to suppliers for current production and investment activity, including payables;
- dividends payable to shareholders amounted to 774.374 lei;
- debts related to the second part of salaries for the month of June and payment obligations including payroll taxes with maturity in July 2015 amounted to 426.535 lei paid in full at maturity;
- VAT payable for the month of June 2015 amounted to 672.753 lei, with maturity in July 2015;
- tax on dividends paid in June 2015 with maturity in July 2015 amounted to 28.858 lei;
- the excise duty for the month of June with maturity in July 2015 amounted to 494.749 lei;
- income tax amounted to 20.550 lei;

- deferred income tax amounted to 203.518 lei;
 - other liabilities, diverse creditors and guarantees collected for patrimony goods under temporary use of clients amounted to 31.330 lei.
- **The equity** on 30.06.2015 has the following structure:
- The share capital subscribed and paid up is amounted to 15.087.134 lei composed of 21.553.049 shares with a nominal value of 0,7 lei each, unchanged compared to the beginning of the year;
 - total reserves on June 30, 2015 are amounted to 5.603.727 lei, increased by 0.24% compared to the beginning of the year due to the 2014 profit allocation;
 - the result for the financial year January 1, 2015 -- June 30, 2015 is a net profit amounted to 404.407 lei;

The synthetic shareholder structure on 30.06.2015, according to the excerpt from the Register of Shareholders transmitted to the registry service of SC "DEPOZITARUL CENTRAL" SA Bucharest is:

1. The Employees' Association "Victoria" Bermas holding 6.653.009 shares, representing a total of 30.87% of the share capital;
2. PAS Bermas Association holding 4.483.269 shares, representing a total of 20.80% of the share capital;
3. Other shareholders individuals and legal entities holding 10.167.771 shares representing 48.33% of the share capital.

b) PROFIT AND LOSS ACCOUNT

<i>SPECIFICATION</i>	- lei-	
	<i>30.06.2014</i>	<i>30.06.2015</i>
► TOTAL REVENUES -- of which:	12.859.470	12.594.443
• Turnover (net sales)	11.434.823	11.471.588
► TOTAL EXPENSES -- of which cost and expense elements with a share over 20% of net sales	12.566.200	12.112.387
• Expenses for raw material, consumables and energy	52,58%	50,12%
• Expenses for the employees including the insurance and social security	28,24%	29,41%
• Expenses for the depreciation of tangible assets, external services and others	14,81%	16,35%
► GROSS PROFIT	293.770	482.056
► NET PROFIT	234.631	404.407
► NET LOSS		

The levels of indicators presented in the profit and loss statement for the period January 1, 2015 - June 30, 2015 are comparable to the corresponding period of the previous year in terms of total revenues, expenses and net turnover excluding excise duties which for the reporting period are amounted to 1.556. 511 lei.

Net sales of 98% belong to the BEER product.

c) CASH FLOW -- At the beginning of that period from 01 January 2015, the existing cash was amounted to 19.873 lei, the collections during the period 1 January-30 June 2015 were amounted to 14.285.086 lei and the cash balance at the end of the period was amounted to 4.720 lei.

Payments made during the period January 1-June 30, 2015 were amounted to 14.300.239 lei of which payments for current production activity amounted to 12.166.250 lei, payments for investment activities amounted to 158.204 lei and payments for financing activities amounted to 1.975.785 lei.

2. ANALYSIS OF THE ACTIVITY CONDUCTED BY SC „BERMAS” SA

Following the activity conducted during this period, the company achieved total revenue amounted to **12.594.443 lei** with total expenses amounted to **12.112.387 lei**, the result being a gross profit amounted to **482.056 lei**.

The structure and by activities, the revenue, expenses and results achieved are as follows:

► **THE OPERATING ACTIVITY** was conducted with expenditures amounted to **11.613.016 lei**, revenues amounted to **12.594.443 lei** and a gross profit amounted to **981.427 lei**.

► **THE FINANCIAL ACTIVITY** generated financial expenses amounted to 499.371 lei, not achieving financial income.

As a result there has been a loss amounted to **499.371 lei**.

By nature, financial expenses have the following structure:

- interest expense paid on short-term loans: **101 688 lei**
- other financial expenses amounted to **397.683 lei** representing: **46.903 lei** - fees for granting and managing loans under contracts with banks as well as for the operations on current accounts, 349.980 lei - financial discounts and 800 lei - exchange differences on currency payments.

The net turnover in the period January 1st, 2015 - June 30, 2015 is amounted to **11.471.588 lei**.

Compared to the corresponding period of the previous year, basic indicators of economic activity recorded the following evolutions:

- net turnover in comparable figures increased by 0.32%;
- total income decreased by 2.06%;
- total expenses decreased by 3.61%;
- profit recorded in the first half of 2015 amounted to 482.056 lei that compared to the corresponding period of the previous year increased by 64%.

► In terms of the strategy adopted, taking into account the market requirements in order to maintain the activity at the quality standards required in the future, we have made significant expenditures for marketing and promotion of the varieties of beer, which have had a significant impact on the financial situation of the company.

The total amount of purchases of this nature is 1.377.350 lei and represents: KEG barrels, crates, bottles, beer dispensers, refrigeration showcases, umbrellas, personalized glasses and mugs, CO2 tubes, covered terraces facilities, various other advertising materials, radio and TV advertising etc.

2.1. The company's liquidity

1. General liquidity:

$$\text{General liquidity 1}^{\text{st}} \text{ half 2014} = \frac{\text{Current _ assets}}{\text{Shor - term _ debts}} = \frac{15.907.767}{10.269.138} = 1,55$$

$$\text{General liquidity 1}^{\text{st}} \text{ half 2015} = \frac{\text{Current _ assets}}{\text{Short - term _ debts}} = \frac{15.396.872}{8.314.856} = 1,85$$

2. Reduced liquidity:

$$\text{Reduced liquidity 1}^{\text{st}} \text{ half 2014} = \frac{\text{Current _ assets} - \text{Inventory}}{\text{Short _ term _ debts}} = 0,52$$

$$\text{Reduced liquidity 1}^{\text{st}} \text{ half 2015} = \frac{\text{Current _ assets} - \text{Inventory}}{\text{Short - term _ debts}} = 0,57$$

3. Immediate liquidity:

$$\text{Immediate liquidity 1}^{\text{st}} \text{ half 2014} = \frac{\text{Liquidities}}{\text{short-term_debts}} = 0,002$$

$$\text{Immediate liquidity 1}^{\text{st}} \text{ half 2015} = \frac{\text{Liquidities}}{\text{Short-termdebts}} = 0,0006$$

2.2. Capital expenditures related to the first half of 2015 amount to 158.204 lei, accounting for purchases of fixed assets and upgrades without significant impact on the financial situation of the company.

2.3. Regarding the events, transactions or economic changes affecting income from basic activities, in recent years there have been important mergers that created monopoly positions for multinational companies, simultaneously with the entry into the market of new producers with large capacities, leading to a great obvious polarization in terms of production and financial capacities which have led to some distortions in terms of competition on the domestic beer market.

As a local manufacturer with regional sales, SC "BERMAS" feels the effects of these distortions, in addition to the lack of economic measures to boost the business environment.

3. Changes affecting the share capital and management of the trade company

3.1. The company was not unable to meet its financial obligations.

3.2. During the period 30.06. 2014 - 30.06.2015 there were no changes in the rights of holders of security of issued by the company.

4. Significant transactions: - In the first half of 2015 there were no major transactions concluded by the issuer with persons acting in concert or involving these persons.

4. Signatures

*President of the Board of Directors
and GENERAL MANAGER of the company
ec. Anisoi Elena*

*ECONOMIC MANAGER,
ec. Tebrean Iridenta*