



## SC "BERMAS" SA Suceava

Str. Humorului nr. 61 Șcheia  
Tax identification number: RO 723636  
Phone no.: 0230/526543; 526544  
Fax: 0230/526542; 526543  
E-mail: bermasv@yahoo.com;office@bermas.ro



### **INTERIM REPORT** **According to the CNVM Regulation no. 1/2006** **Date of the report: 30.06.2016**

#### **The Trade Company "BERMAS" SA Suceava**

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 1<sup>st</sup>, 2016 - June 30, 2016 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, 2016 in compliance with the law applicable and the provisions of the Articles of Incorporation.

##### **a) BALANCE SHEET ELEMENTS**

###### **► ASSETS**

<i>SPECIFICATION</i>	<i>30.06.2015</i>	<i>30.06.2016</i>
TOTAL CURRENT ASSETS	30.624.274	29.514.535
Of which:		
• Fixed assets	15.079.693	14.369.323
• Inventory	10.655.803	11.126.590
• Cash and bank accounts	4.720	53.930
• Receivables	4.736.349	3.799.387
• Accrued expenses	147.709	165.305

###### **► LIABILITIES**

<i>SPECIFICATION</i>	<i>30.06.2015</i>	<i>30.06.2016</i>
TOTAL CURRENT LIABILITIES -- of	30.624.274	29.514.535
which:		
• Equity	22.105.900	22.671.177
• Payables	8.518.374	6.843.358

Analysing the total assets and the total liabilities compared to the same period of the previous year we find that they decreased by 3,62%.

On main asset groups, the situation is as follows:

► **The tangible assets** on June 30, 2016 have a net value amounted to 14.369.323 lei decreased by 4,71% compared to 30.06.2015 when they reached a level of 15.079.693 lei and they represent 48,69% of total assets.

The tangible assets represent 99,37 % of 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 2016 we have commissioned and upgraded fixed assets amounted to 520.876 lei.

- The increase of total depreciations which for the first half of 2016 was amounted to 742.028 lei.

The decommissioning of certain fixed assets due to wear and tear, their value being amounted to 110.363 lei.

► **Inventories** have a capital value of 11.126.590 lei on 30.06.2016 recording an increase by 4,42% compared to the corresponding period of the previous year when the recorded level was amounted to 10.655.803 lei and a share in total assets of 37,70%.

A share of 52,53% 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 4,09% and the remaining 7% is held by other inventories (finished goods, spare parts etc.).

Inventories without movement or with slow movement have an insignificant share of 0,77% and they have been provisioned for impairment at 100%.

► **Cash and bank accounts** on 30.06.2016 registered a level of 53.930 lei, in decrease compared to the similar period of the previous year when they reached a level of 8.879 lei;

► **Receivables** decreased by 19,78% compared to the corresponding period of the previous year respectively from 4.736.349 lei to 3.799.387 lei.

► Referring to the liability elements, on 30.06.2016 **equity** holds a share of 76,81% in current liabilities and total debts hold a share of 23,19%.

Compared to the corresponding period of the previous year, equity registered an increase by 2,56% and total debts decreased by 19,66%.

Given the level of **total debts** on 30.06.2016, in absolute figures respectively 6.843.358 lei, we state that the whole amount represents term liabilities, the company having not recorded any outstanding debts or loans unpaid at maturity.

The structural debt situation is as follows:

- current short-term loans (under 1 year), amounted to 3.227.468 lei;
- trade payables amounted to 1.126.523 lei represent payment obligations to suppliers for current production and investment activity, including payables;
- dividends payable to shareholders amounted to 746.343 lei;
- debts related to the second part of salaries for the month of June and payment obligations including payroll taxes with maturity in July 2016 amounted to 566.218 lei paid in full at maturity;
- VAT payable for the month of June 2016 amounted to 566.659 lei, with maturity in July 2016;
- tax on dividends paid in June 2016 with maturity in July 2016 amounted to 14.035 lei;
- excise duty for the month of June with maturity in July 2016 amounted to 373.684 lei;
- deferred income tax amounted to 192.890 lei;
- other liabilities, diverse creditors and guarantees collected for patrimony goods under temporary use of clients amounted to 29.538 lei.

► **The equity** on 30.06.2016 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, 2016 are amounted to 5.864.825 lei, increased by 2,97% compared due to the allocation of profit for 2015;
- the result for the financial year January 1, 2016 -- June 30, 2016 is a net profit amounted to 690.860 lei;

The synthetic shareholder structure on 30.06.2016, 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>30.06.2015</i>	<i>30.06.2016</i>
► TOTAL REVENUES -- of which:	12.594.443	13.515.933
• Turnover (net sales)	11.471.588	11.852.823
► TOTAL EXPENSES -- of which cost and expense elements with a share over 20% of net sales	12.112.387	12.716.014
• Expenses for raw material, consumables and energy	50,12%	48,35%
• Expenses for the employees including the insurance and social security	29,41%	33,58%
• Expenses for the depreciation of tangible assets, external services and others	16,35%	15,13%
► GROSS PROFIT	482.056	799.919
► NET PROFIT	404.407	690.860
► NET LOSS		

**The levels of indicators presented in the profit and loss statement for the period January 1, 2016 - June 30, 2016 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 1.270.192 lei.**

Net sales of 98% are represented by the BEER product.

**c) CASH FLOW** -- At the beginning of the period from 01 January 2016, the existing cash was amounted to 8.879 lei, the collections during the period 1 January-30 June 2016 were amounted to 14.063.080 lei and the cash balance at the end of the period was amounted to 53.930 lei.

Payments made during the period January 1-June 30, 2016 were amounted to 14.300.239 lei of which payments for current production activity amounted to 11.869.892 lei, payments for investment activities amounted to 610.590 lei and payments for financing activities amounted to 1.537.547 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 **13.515.933 lei** with total expenses amounted to **12.716.014 lei**, the result being a gross profit amounted to **799.919 lei**.

According to the structure and activities, the revenue, expenses and results achieved are as follows:

► **THE OPERATING ACTIVITY** was conducted with expenditures amounted to **12.243.053 lei**, revenues amounted to **13.515.928 lei** and a gross profit amounted to **1.272.875 lei**.

► **THE FINANCIAL ACTIVITY** generated financial expenses amounted to **472.961 lei**, the financial income being amounted to **5 lei**.

As a result there has been a loss amounted to **472.956 lei**.

By nature, financial expenses have the following structure:

□ interest expense paid on short-term loans: **49.611 lei**

□ other financial expenses amounted to **43.350 lei** representing: **45.305 lei** - fees for granting and managing loans under contracts with banks as well as for the operations on current accounts, 375.797 lei - financial discounts and 2,248 lei - exchange differences on currency payments.

The net turnover in the period January 1, 2016 - June 30, 2016 is amounted to **11.852.823 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 3,32%;

□ total income decreased by 7,32%;

□ total expenses decreased by 4,98%;

□ profit recorded in the first half of 2016 amounted to 690.860 lei that compared to the corresponding period of the previous year increased by 71%.

► 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 1.181.448 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:

$$\text{General liquidity 1}^{\text{st}} \text{ half 2014} = \frac{\text{Current \_ assets}}{\text{Shor - term \_ debts}} = \frac{15.396.872}{8.314.856} = 1,85$$

$$\text{General liquidity 1}^{\text{st}} \text{ half 2015} = \frac{\text{Current \_ assets}}{\text{Short - term \_ debts}} = \frac{14.979.907}{6.650.468} = 2,25$$

### 2. Reduced liquidity:

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

$$\text{Reduced liquidity 1}^{\text{st}} \text{ half 2016} = \frac{\text{Current \_ assets} - \text{Inventory}}{\text{Short - term \_ debts}} = 0,60$$

### 3. Immediate liquidity:

$$\text{Immediate liquidity 1}^{\text{st}} \text{ half 2015} = \frac{\text{Liquidities}}{\text{short-term\_debts}} = 0,0006$$

$$\text{Immediate liquidity 1}^{\text{st}} \text{ half 2016} = \frac{\text{Liquidities}}{\text{Short-termdebts}} = 0,81$$

**2.2.** Capital expenditures related to the first half of 2016 amount to 610.590 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. 2015 - 30.06.2016 there were no changes in the rights of holders of security of issued by the company.

4. **Significant transactions:** - In the first half of 2016 there were no major transactions concluded by the issuer with persons acting in concert or involving these persons.

### **5. Signatures**

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

*ECONOMIC MANAGER,  
ec. Tebrean Iridenta*