



**1827**  
S I N C E

# Purcari Wineries Public Company Limited

## INTERIM FINANCIAL REPORT

Including the Non-Audited, Interim Condensed Consolidated  
Financial Statements for the three-month period ended  
31 March 2021

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

---

**Name of the issuing entity:** Purcari Wineries Public Company Limited

**Social headquarters:** 1 Lampousas Street, 1095 Nicosia, Cyprus

**Fax number:** +357 22 779939

**Unique registration code:** HE 201949

**Registration number in the Trade Register:** HE 201949

**Issued share capital:** 200,000 EUR

**The regulated market on which the issued securities are traded:** Bucharest Stock Exchange

## Contents

I.	Condensed Consolidated Interim Statement of Financial Position	3
II.	Condensed Consolidated Interim Statement of Comprehensive Income	4
III.	Condensed Consolidated Interim Statement of Cash Flows	5
IV.	Condensed Consolidated Interim Statement of Changes in Equity	6
V.	Notes to the Condensed Consolidated Interim Financial Statements	8

Note: These financial statements have been prepared in accordance with the international reporting standards adopted by the European Union ("IFRS").

Base of Reporting: According to Regulation C.N.V.M. no. 5/2018 on Issuers and Operations with Securities and Law 24/2017 on Issuers of Financial Instruments and Market Operations; according to Section 10 of the Cyprus Transparency Requirements (Securities for Trading on Regulated Markets) Law of 2007 as amended

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**I. Condensed Consolidated Interim Statement of Financial Position as at 31 March 2021**

	<b>31 March 2021</b> <b>(unaudited)</b>	<b>31 December 2020</b> <b>(audited)</b>	<b>Variation</b>
<b>Assets</b>			
Property, plant and equipment	141,808,671	141,815,513	0%
Intangible assets	1,187,583	1,187,013	0%
Non-current receivables	2,376,136	2,348,704	1%
Inventories	48,823,378	46,497,027	5%
Investments in associates	636,490	558,109	14%
<b>Total non-current assets</b>	<b>194,832,258</b>	<b>192,406,366</b>	<b>1%</b>
Inventories	87,175,564	83,021,797	5%
Trade and other receivables	43,090,266	51,714,357	-17%
Cash and cash equivalents	50,271,835	50,788,605	-1%
Income tax assets	691,205	362,406	91%
Prepayments	4,669,627	3,276,990	42%
Other current assets	373,908	166,918	124%
<b>Total current assets</b>	<b>186,272,405</b>	<b>189,331,073</b>	<b>-2%</b>
<b>Total assets</b>	<b>381,104,663</b>	<b>381,737,439</b>	<b>0%</b>
<b>Equity</b>			
Share capital	728,279	728,279	0%
Share premium	82,533,921	82,533,921	0%
Treasury shares reserve	(4,424,086)	(4,424,086)	0%
Foreign currency translation reserve	5,163,215	3,375,006	53%
Other reserves	5,034,750	3,029,812	144%
Retained earnings	130,754,298	121,125,160	7%
<b>Equity attributable to owners of the Company</b>	<b>219,790,377</b>	<b>206,368,092</b>	<b>7%</b>
<b>Non-controlling interests</b>	<b>17,104,595</b>	<b>16,262,285</b>	<b>5%</b>
<b>Total equity</b>	<b>236,894,972</b>	<b>222,630,377</b>	<b>6%</b>
<b>Liabilities</b>			
Loans and borrowings	36,509,322	42,479,687	-14%
Deferred income	5,360,317	3,922,919	37%
Deferred tax liability	6,764,628	6,481,383	4%
<b>Total non-current liabilities</b>	<b>48,634,267</b>	<b>52,883,989</b>	<b>-8%</b>
Loans and borrowings	49,274,389	54,102,685	-9%
Deferred income	532,394	614,664	-13%
Current tax liabilities	914,278	2,075,584	-56%
Employee benefits	3,781,235	3,457,842	9%
Trade and other payables	34,186,959	38,457,018	-11%
Provisions	6,886,169	7,515,280	-8%
<b>Total current liabilities</b>	<b>95,575,424</b>	<b>106,223,073</b>	<b>-10%</b>
<b>Total liabilities</b>	<b>144,209,691</b>	<b>159,107,062</b>	<b>-9%</b>
<b>Total equity and liabilities</b>	<b>381,104,663</b>	<b>381,737,439</b>	<b>0%</b>

These Condensed Consolidated Interim Financial Statements were approved by management on 14<sup>th</sup> of May 2021 and were signed on its behalf by:

Victor Bostan, CEO

Victor Arapan, CFO

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 23.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

## II. Condensed Consolidated Interim Statement of Comprehensive Income for the three-month period ended 31 March 2021

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>	<b>Variation</b>
Revenue	49,845,667	46,359,781	8%
Cost of sales	(23,811,295)	(22,769,369)	5%
<b>Gross profit</b>	<b>26,034,372</b>	<b>23,590,412</b>	<b>10%</b>
Other operating income	194,368	(16,236)	-1297%
Marketing and sales expenses	(4,974,972)	(3,940,457)	26%
General and administrative expenses	(6,043,198)	(5,555,263)	9%
Other operating expenses	908,213	(152,163)	-697%
Impairment loss on trade and loan receivables	157,372	145,430	8%
<b>Result from operating activities</b>	<b>16,276,155</b>	<b>14,071,723</b>	<b>16%</b>
Finance income	453	-	100%
Finance costs	(3,092,487)	(4,673,776)	-34%
<b>Net finance costs</b>	<b>(3,092,034)</b>	<b>(4,673,776)</b>	<b>-34%</b>
Share of profit of equity-accounted investees, net of tax	78,381	220,884	-65%
<b>Profit before tax</b>	<b>13,262,502</b>	<b>9,618,831</b>	<b>38%</b>
Income tax expense	(2,981,054)	(1,585,799)	88%
<b>Profit for the period</b>	<b>10,281,448</b>	<b>8,033,032</b>	<b>28%</b>
<b>Profit attributable to:</b>			
Owners of the Company	9,629,138	7,301,586	32%
Non-controlling interests	652,310	731,446	-11%
<b>Profit for the period</b>	<b>10,281,448</b>	<b>8,033,032</b>	<b>28%</b>

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 23.

**Purcari Wineries Public Company Limited**Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise***III. Condensed Consolidated Interim Statement of Cash Flow for the three-month period ended 31 March 2021**

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>
<b>Cash flow from operating activities</b>		
Profit for the period	<b>10,281,448</b>	<b>8,033,032</b>
<b>Adjustments for:</b>		
Depreciation and amortization	3,271,717	3,066,713
Non-cash items	2,815,142	(2,017,231)
Income tax expense	2,981,054	1,585,799
Net finance costs	3,092,034	2,673,776
<b>Operating profit before working capital changes</b>	<b><u>22,441,395</u></b>	<b><u>13,342,089</u></b>
<i>Changes in:</i>		
Inventories	(6,480,118)	1,741,129
Trade and other receivables	7,024,459	9,462,170
Trade and other payables	(2,940,942)	(12,333,896)
<b>Cash generated from operating activities</b>	<b>20,044,794</b>	<b>12,211,492</b>
Income tax paid	(4,187,914)	(3,221,173)
Interest paid	(1,035,652)	(1,548,326)
<b>Net cash generated from operating activities</b>	<b><u>14,821,228</u></b>	<b><u>7,441,993</u></b>
<b>Cash flows from investing activities</b>		
Payments for acquisition of property, plant and equipment and intangible assets	(3,313,440)	-
Redemption of own shares	-	(298,535)
Proceeds from sale of property, plant and equipment	47,995	59,438
<b>Net cash used in investing activities</b>	<b><u>(3,265,445)</u></b>	<b><u>(239,097)</u></b>
<b>Cash flows from financing activities</b>		
Change in loans and borrowings and finance lease	(10,798,661)	(5,268,034)
Dividends paid	(1,005,724)	-
<b>Net cash generated from/ (used in) financing activities</b>	<b><u>(11,804,385)</u></b>	<b><u>(5,268,034)</u></b>
<b>Net increase in cash and cash equivalents</b>	<b>(248,602)</b>	<b>1,934,861</b>
Cash and cash equivalents at beginning of the period	50,788,605	12,573,775
Effect of movements in exchange rates on cash held	(268,168)	(528,388)
<b>Cash and cash equivalents at end of period</b>	<b><u>50,271,835</u></b>	<b><u>13,980,248</u></b>

The condensed consolidated interim statement of cash flow is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 23.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

*all amounts are in RON, unless stated otherwise***IV. Condensed Consolidated Interim Statement of Changes in Equity for the three-month period ended 31 March 2021**

Below is presented the statement of changes in equity for the three-month period ended 31 March 2021:

	Attributable to owners of the Company						Non-controlling interests	Total equity	
	Share capital	Share premium	Treasury shares reserve	Other reserves	Translation reserve	Retained earnings			Total
<b>Balance at 1 January 2021</b>	<b>728,279</b>	<b>82,533,921</b>	<b>(4,424,086)</b>	<b>3,029,812</b>	<b>3,375,001</b>	<b>121,125,160</b>	<b>206,368,087</b>	<b>16,262,285</b>	<b>222,630,372</b>
<b>Total comprehensive income</b>									
Profit for the year	-	-	-	-	-	9,629,138	9,629,138	652,310	10,281,448
Foreign currency translation differences	-	-	-	-	1,788,214	-	1,788,214	190,000	1,978,214
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,788,214</b>	<b>9,629,138</b>	<b>11,417,352</b>	<b>842,310</b>	<b>12,259,662</b>
<b>Transaction with owners of the Company</b>									
Treasury shares acquired	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners of the company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other changes in equity</b>									
Equity-settled share-based payment	-	-	-	2,004,938	-	-	2,004,938	-	2,004,938
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-
<b>Total Other changes in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,004,938</b>	<b>-</b>	<b>-</b>	<b>2,004,938</b>	<b>-</b>	<b>2,004,938</b>
<b>Balance at 31 March 2021</b>	<b>728,279</b>	<b>82,533,921</b>	<b>(4,424,086)</b>	<b>5,034,750</b>	<b>5,163,215</b>	<b>130,754,298</b>	<b>219,790,377</b>	<b>17,104,595</b>	<b>236,894,972</b>

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 23.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

*all amounts are in RON, unless stated otherwise*

Below is presented the statement of changes in equity for the three-month period ended 31 March 2020:

	Attributable to owners of the Company						Non-controlling interests	Total equity	
	Share capital	Share premium	Treasury shares reserve	Other reserves	Translation reserve	Retained earnings			Total
<b>Balance at 1 January 2020</b>	<u>728,279</u>	<u>82,533,921</u>	<u>(4,573,126)</u>	<u>1,946,882</u>	<u>15,160,426</u>	<u>64,739,104</u>	<u>160,535,486</u>	<u>16,734,268</u>	<u>177,269,754</u>
<b>Total comprehensive income</b>									
Profit for the year	-	-	-	-	-	7,301,586	7,301,586	731,446	8,033,032
Foreign currency translation differences	-	-	-	-	(2,425,160)	(10)	(2,425,170)	(392,616)	(2,817,786)
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,425,160)</u>	<u>7,301,576</u>	<u>4,876,416</u>	<u>338,830</u>	<u>5,215,246</u>
<b>Transaction with owners of the Company</b>									
Treasury shares acquired	-	-	298,535	-	-	-	298,535	-	298,535
<b>Total transactions with owners of the company</b>	<u>-</u>	<u>-</u>	<u>298,535</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>298,535</u>	<u>-</u>	<u>298,535</u>
<b>Other changes in equity</b>									
Equity-settled share-based payment	-	-	-	-	-	-	-	-	-
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-
<b>Total Other changes in equity</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Balance at 31 March 2020</b>	<u>728,279</u>	<u>82,533,921</u>	<u>(4,274,591)</u>	<u>1,946,882</u>	<u>12,735,266</u>	<u>72,040,680</u>	<u>165,710,437</u>	<u>17,073,098</u>	<u>182,783,535</u>

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 23.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**V. Notes to the Condensed Consolidated Interim Financial Statements****Note 1. Reporting entity (Background)**

These unaudited interim financial statements are the consolidated financial statements of Purcari Wineries Public Company Limited (the “Company”) and its subsidiaries (together “the Group”).

The Company was incorporated in Cyprus on 14 June 2007 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. As at 11 January 2018 the Company has been transformed into a public company and its shares started being traded at Bucharest Stock Exchange on February 15, 2018.

Its registered office is at 1 Lampousas Street, 1095 Nicosia, Cyprus and its Tax Identification Number is 12201949I.

The Group is primarily involved in the production and sale of wine and brandy. It is one of the largest wine groups in the Central and Eastern Europe (CEE) region. The Group manages circa 1,300 hectares of vineyards and operates four production platforms in Romania and Moldova, three of which are dedicated to wine production using grapes from own vineyards and from third-party suppliers and one is dedicated to brandy production. In March 2021, the Group had over 700 employees in its four production platforms.

The Group is the leader in the premium wine segment in Romania and the largest wine exporter from Moldova, delivering to over 40 countries, primarily in Europe (Poland, the Czech Republic, Slovakia, Ukraine, Norway, UK, etc.), Asia (China, Japan, South Korea) and in North America (Canada and USA).

*Subsidiaries*

The Group’s subsidiaries and information related to the Company’s ownership interest, are presented below:

		<b>Ownership interest</b>	
		<b>31 March 2021</b>	<b>31 December 2020</b>
Vinorum Holdings Ltd	Gibraltar	100%	100%
West Circle Ltd	British Virgin Islands	100%	100%
Crama Ceptura SRL	Romania	100%	100%
Vinaria Bostavan SRL	Republic of Moldova	99.54%	99.54%
Vinaria Purcari SRL	Republic of Moldova	100%	100%
Vinaria Bardar SA	Republic of Moldova	56.05%	56.05%

The structure of the Group as at 31 March 2021 is as follows:

- Purcari Wineries Public Company Limited is a holding company and is domiciled in Cyprus;
- Vinorum Holdings Ltd is a holding company and is domiciled in Gibraltar;
- West Circle Ltd is a holding company and is domiciled in British Virgin Islands;
- Crama Ceptura SRL is domiciled in Romania. Its major activity is the production, bottling and sale of wines;
- Vinaria Bostavan SRL and Vinaria Purcari SRL are domiciled in Republic of Moldova. Their major activity is the production, bottling and sale of wines;
- Vinaria Bardar SA is domiciled in Republic of Moldova. Its major activity is the production, bottling and sale of brandy and divin. The nominal ownership interest of the Group in Vinaria Bardar SA is 53.91% as at 31 March 2021 (31 December 2020: 53.91%). However, because 3.83% of shares of Vinaria Bardar SA are treasury shares, the effective ownership interest of the Group in the subsidiary is equal to 56.05% as at 31 March 2021 (31 December 2020: 56.05%).



## **Note 2. Basis of preparation**

### **(a) Statement of compliance**

These condensed consolidated interim financial statements (hereinafter “consolidated financial statements” or “financial statements”) have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended 31 December 2020.

These Interim Condensed Consolidated Financial Statements have not been audited by the external auditors of the Company.

### **(b) Basis of measurement**

These consolidated financial statements have been prepared on the historical cost basis, except for:

- biological assets (grapes on vines) which are measured at fair value less costs to sell;
- equity securities measured at FVTPL.

### **(c) Functional and presentation currency**

The consolidated financial statements are presented in Romanian Leu (“RON”) as the Group is listed on the Bucharest Stock Exchange (BVB), beginning 15 February 2018. All amounts have been rounded to the nearest unit, unless otherwise indicated.

Each entity of the Group determines its own functional currency, and items included in its financial statements are measured using the functional currency.

The currencies of the primary economic environment in which the companies of the Group operate were as follows:

- Purcari Wineries Public Company Limited, Vinorum Holdings Ltd, West Circle Ltd - US Dollar (USD),
- Crama Ceptura SRL - Romanian Leu (RON),
- Vinaria Bardar SA, Vinaria Bostavan SRL and Vinaria Purcari SRL - Moldovan Leu (MDL).

When converting functional currency to RON as presentation currency, IAS 21 requires that assets and liabilities are converted using the closing exchange rate prevailing at each reporting date. Revenue and expenses are converted using the exchange rates prevailing at the transaction date. Equity elements, other than Profit or loss for the year and Translation reserve, are translated using the historical exchange rate at the transaction date.

All foreign exchange rate differences resulting from the translation from functional currency to presentation currency are recognized as a separate component of equity (“Translation reserve”) in the Consolidated Statement of Financial Position and in other comprehensive income in the Consolidated Statement of Comprehensive Income.

### **(d) Going concern**

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and the satisfaction of liabilities in the normal course of business. Most of the Group’s funding comes from cash generated from its normal operating activities.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

---

**(e) Use of estimates and judgments**

In preparing this interim financial information, management makes judgements, estimates and assumptions that affect the application of Group's accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended 31 December 2020.

**Note 3. Significant accounting policies**

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company in its annual consolidated financial statements as at and for the year ended 31 December 2020.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Note 4. Property, plant and equipment**

The movements of property, plant and equipment from 1 January 2021 to 31 March 2021 were as follows:

	<u>Assets under construction</u>	<u>Land</u>	<u>Buildings and constructions</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Other</u>	<u>Grape vines</u>	<u>Total</u>
<b>Cost</b>								
<b>Balance at 1 January 2021</b>	<b>5,553,185</b>	<b>7,266,688</b>	<b>115,797,408</b>	<b>103,760,190</b>	<b>9,242,775</b>	<b>5,729,686</b>	<b>28,724,442</b>	<b>276,074,374</b>
Additions	1,326,774	-	388,765	164,365	-	-	46,465	1,926,369
Transfers	(1,199,816)	-	190,176	692,733	309,834	7,073	-	-
Disposals	-	-	-	(616,690)	(69,334)	(469)	-	(686,493)
Effect of movement in exchange rates	7,420	55,084	1,245,988	1,035,877	72,953	65,786	166,450	2,649,558
<b>Balance at 31 March 2021</b>	<b>5,687,563</b>	<b>7,321,772</b>	<b>117,622,337</b>	<b>105,036,475</b>	<b>9,556,228</b>	<b>5,802,076</b>	<b>28,937,357</b>	<b>279,963,808</b>
<b>Accumulated depreciation and impairment losses</b>								
<b>Balance at 1 January 2021</b>	-	<b>415,351</b>	<b>66,498,725</b>	<b>52,469,986</b>	<b>3,877,758</b>	<b>4,496,603</b>	<b>6,500,438</b>	<b>134,258,861</b>
Depreciation for the year	-	28,659	864,587	1,677,056	271,109	109,390	289,571	3,240,372
Impairment loss, net	-	-	(19,762)	-	-	-	-	(19,762)
Disposals	-	-	8,165	(584,475)	(28,889)	(457)	-	(605,656)
Effect of movement in exchange rates	-	6,884	716,470	490,240	17,897	47,021	2,810	1,281,322
<b>Balance at 31 March 2021</b>	-	<b>450,894</b>	<b>68,068,185</b>	<b>54,052,807</b>	<b>4,137,875</b>	<b>4,652,557</b>	<b>6,792,819</b>	<b>138,155,137</b>
<b>Carrying amounts</b>								
<b>At 1 January 2021</b>	<b>5,553,185</b>	<b>6,851,337</b>	<b>49,298,683</b>	<b>51,290,204</b>	<b>5,365,017</b>	<b>1,233,083</b>	<b>22,224,004</b>	<b>141,815,513</b>
<b>At 31 March 2021</b>	<b>5,687,563</b>	<b>6,870,878</b>	<b>49,554,152</b>	<b>50,983,668</b>	<b>5,418,353</b>	<b>1,149,519</b>	<b>22,144,538</b>	<b>141,808,671</b>

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

The movements of property, plant and equipment from 1 January 2020 to 31 March 2020 were as follows:

	<b>Assets under construction</b>	<b>Land</b>	<b>Buildings and constructions</b>	<b>Equipment</b>	<b>Vehicles</b>	<b>Other</b>	<b>Grape vines</b>	<b>Total</b>
<b>Cost</b>								
<b>Balance at 1 January 2020</b>	<b>9,880,808</b>	<b>7,765,691</b>	<b>116,795,162</b>	<b>96,958,803</b>	<b>8,334,121</b>	<b>5,420,057</b>	<b>28,486,725</b>	<b>273,641,367</b>
Additions	18,901,808	3,811	29,211	21,793	640,411	-	1,948,662	21,545,696
Transfers	(22,772,867)	-	7,126,241	13,576,081	938,064	722,842	409,639	-
Disposals	-	-	(1,074,409)	(309,237)	(277,642)	(7,936)	-	(1,669,224)
Effect of movement in exchange rates	(456,564)	(502,814)	(7,078,801)	(6,487,246)	(392,179)	(405,277)	(2,120,584)	(17,443,465)
<b>Balance at 31 December 2020</b>	<b>5,553,185</b>	<b>7,266,688</b>	<b>115,797,404</b>	<b>103,760,194</b>	<b>9,242,775</b>	<b>5,729,686</b>	<b>28,724,442</b>	<b>276,074,374</b>
<b>Accumulated depreciation and impairment losses</b>								
<b>Balance at 1 January 2020</b>	-	<b>328,150</b>	<b>67,907,450</b>	<b>50,294,492</b>	<b>3,132,570</b>	<b>4,240,770</b>	<b>6,249,158</b>	<b>132,152,590</b>
Depreciation for the period	-	105,951	3,237,807	6,159,843	1,127,372	563,230	729,573	11,923,776
Impairment loss, net	-	-	(80,598)	-	-	-	-	(80,598)
Disposals	-	-	(644,593)	(305,672)	(223,425)	(7,936)	-	(1,181,626)
Effect of movement in exchange rates	-	(18,750)	(3,921,341)	(3,678,677)	(158,759)	(299,461)	(478,293)	(8,555,281)
<b>Balance at 31 December 2020</b>	-	<b>415,351</b>	<b>66,498,725</b>	<b>52,469,986</b>	<b>3,877,758</b>	<b>4,496,603</b>	<b>6,500,438</b>	<b>134,258,861</b>
<b>Carrying amounts</b>								
<b>At 1 January 2020</b>	<b>9,880,808</b>	<b>7,437,541</b>	<b>48,887,712</b>	<b>46,664,311</b>	<b>5,201,551</b>	<b>1,179,287</b>	<b>22,237,567</b>	<b>141,488,777</b>
<b>At 31 December 2020</b>	<b>5,553,185</b>	<b>6,851,337</b>	<b>49,298,679</b>	<b>51,290,208</b>	<b>5,365,017</b>	<b>1,233,083</b>	<b>22,224,004</b>	<b>141,815,513</b>

**Capital commitments**

As at 31 March 2021 the Company has contracts to purchase property, plant and equipment for about RON 20 million. Delivery is expected during next six months.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Note 5. Intangible assets**

The movements in intangible assets from 1 January 2021 to 31 March 2021 are the following:

	<b>31 March 2021</b> <b>(unaudited)</b>	<b>31 December 2020</b> <b>(audited)</b>
<b>Cost</b>		
Balance at 1 January 2021/1 January 2020	1,762,638	1,759,433
Additions	107,497	265,191
Disposals	(21,173)	(157,477)
Effect of movement in exchange rates	(101,311)	(104,509)
<b>Balance at 31 March 2021/31 December 2020</b>	<b>1,747,651</b>	<b>1,762,638</b>
<b>Amortization</b>		
Balance at 1 January 2021/1 January 2020	575,625	572,865
Amortization for the period	31,349	168,550
Effect of movement in exchange rates	(46,906)	(165,790)
<b>Balance at 31 March 2021/31 December 2020</b>	<b>560,068</b>	<b>575,625</b>
<b>Carrying amounts</b>		
<b>At 1 January 2021/1 January 2020</b>	<b>1,187,013</b>	<b>1,186,568</b>
<b>At 31 March 2021/31 December 2020</b>	<b>1,187,583</b>	<b>1,187,013</b>

**Note 6. Trade and other receivables**

As at 31 March 2021 and 31 December 2020 trade and other receivables were as follows:

	<b>31 March 2021</b> <b>(unaudited)</b>	<b>31 December 2020</b> <b>(audited)</b>
<b><i>Financial receivables</i></b>		
Gross trade receivables	40,420,988	50,139,801
Allowance for impairment of trade receivables	(1,479,766)	(1,839,795)
<b>Total financial receivables</b>	<b>38,941,222</b>	<b>48,300,006</b>
<b><i>Non-financial receivables</i></b>		
Other receivables	2,600,895	1,203,540
VAT receivable	1,349,005	1,980,636
Other taxes receivable	(53,653)	113,412
Excise receivable	252,797	116,763
<b>Total non-financial receivables</b>	<b>4,149,044</b>	<b>3,414,351</b>
<b>Total trade and other receivables</b>	<b>43,090,266</b>	<b>51,714,357</b>

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Note 7. Equity-accounted investees**

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the equity-accounted investees include the Group's share of the profit or loss and other comprehensive income of associates, until the date on which significant influence ceases.

Unrealised gains or losses arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee.

As at 31 March 2021 and 31 December 2020 interests in equity-accounted investees are as follows:

	<b>31 March 2021</b> <b>(unaudited)</b>	<b>31 December 2020</b> <b>(audited)</b>
Investment in Ecosmart Union SA	636,490	558,109
<b>Total interests in equity-accounted investees</b>	<b>636,490</b>	<b>558,109</b>

***Ecosmart Union SA***

In March 2017 the Group, through its subsidiary Crama Ceptura SRL, contributed to the foundation of Ecosmart Union SA, contributing RON 108,000 for a 27% in share capital. The main activity of Ecosmart Union SA is providing waste management services.

**Note 8. Inventories**

As at 31 March 2021 and 31 December 2020 inventories are as follows:

	<b>31 March 2021</b> <b>(unaudited)</b>	<b>31 December 2020</b> <b>(audited)</b>
Bottled Wine	15,832,930	14,986,565
Bottled Brandy	815,096	567,570
Bulk Wine	64,748,309	62,463,294
Bulk Brandy	34,759,431	34,157,180
Packaging	15,444,793	12,909,969
Other	4,398,383	4,434,246
<b>Total inventories</b>	<b>135,998,942</b>	<b>129,518,824</b>

The inventories that are expected to be recovered in more than 12 months after the end of the reporting date have been classified to non-current assets and amount to RON 48,823,378 as at 31 March 2021 (31 December 2020: RON 46,497,027). These relate to wine, distilled alcohol and divin kept in barrels for maturation.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Note 9. Cash and cash equivalents**

As at 31 March 2021 and 31 December 2020 cash and cash equivalents were as follows:

	<u>31 March 2021</u> <u>(unaudited)</u>	<u>31 December 2020</u> <u>(audited)</u>
Bank accounts	50,162,523	50,652,861
Petty cash	109,312	135,744
<b>Total cash and cash equivalents</b>	<b><u>50,271,835</u></b>	<b><u>50,788,605</u></b>

Cash and cash equivalents consist of cash in hand, current accounts and short-term deposits with banks, which are at the free disposal of the Group.

**Note 10. Share Capital and Premium**

At the Extraordinary General Meeting of the Shareholders held on 29 March 2021 it was decided to:

- (a) increase the authorised share capital of the Company from EUR 210,000 divided into 21,000,000 shares of nominal value EUR 0.01 each to EUR 410,000 divided into 41,000,000 shares of nominal value EUR 0.01 each, and
- (b) increase the issued share capital of the Company from EUR 200,000 to EUR 400,000 through issuance on 21 July 2021 of 20,000,000 bonus shares to all shareholders of the Company registered in the shareholders' registry on the record date 20.07.2021 (including the Company, in respect of own treasury shares). The 20,000,000 bonus shares will be issued at nominal value and paid out of the share premium reserve of the Company. The right to receive bonus shares by entitled shareholders could not be opted out.

At the reporting date, the issued share capital of the Company is comprised of 20,000,000 ordinary shares with nominal value of one 0.01 EUR each. All issued shares are fully paid.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of shares. Share premium account can only be resorted to limited purposes, which do not include the distribution of dividends and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

**Note 11. Trade and other payables**

As at 31 March 2021 and 31 December 2020 trade and other payables were as follows:

	<u>31 March 2021</u> <u>(unaudited)</u>	<u>31 December 2020</u> <u>(audited)</u>
<b><i>Financial payables</i></b>		
Trade accounts payable	31,967,006	32,994,820
Trade payables due to related parties	1,891,152	1,724,323
<b>Total financial payables</b>	<b><u>33,858,158</u></b>	<b><u>34,719,143</u></b>
<b><i>Non-financial payables</i></b>		
Other tax liabilities	(563,451)	1,847,172
Advances received	130,989	142,336
Dividend payables	761,263	1,748,367
<b>Total non-financial payables</b>	<b><u>328,801</u></b>	<b><u>3,737,875</u></b>
<b>Total trade and other payables</b>	<b><u>34,186,959</u></b>	<b><u>38,457,018</u></b>

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Note 12. Borrowings and finance lease**

This note provides information about the contractual terms of the Group's interest-bearing liabilities, borrowings and finance lease, which are measured at amortized cost.

As at 31 March 2021 and 31 December 2020 borrowings and finance lease were as follows:

	<b>31 March 2020</b> <b>(unaudited)</b>	<b>31 December 2020</b> <b>(audited)</b>
<i>Non-current liabilities</i>		
Secured bank loans	36,509,322	42,479,687
<i>Current liabilities</i>		
Current portion of secured bank loans	49,274,389	54,102,685
<b>Total borrowings and finance lease</b>	<b>85,783,711</b>	<b>96,582,372</b>

The split of borrowings and finance lease by currency at 31 March 2021 and 31 December 2020 was as follows:

	<b>31 March 2021</b> <b>(unaudited)</b>	<b>31 December 2020</b> <b>(audited)</b>
MDL	15,512,049	15,792,994
EUR	51,480,010	63,026,317
USD	11,319,728	10,475,428
RON	7,471,924	7,287,633
<b>Total borrowings and finance lease</b>	<b>85,783,711</b>	<b>96,582,372</b>

The split of borrowings and finance lease by lender at 31 March 2021 and 31 December 2020 was as follows:

	<b>31 March 2021</b> <b>(unaudited)</b>	<b>31 December 2020</b> <b>(audited)</b>
BC Moldova Agroindbank SA	53,978,820	65,830,168
Ministry of Finance of Republic of Moldova	719,433	834,372
BC Mobiasbanca-OTP Group SA	11,319,728	10,475,428
UNICREDIT BANK SA	12,293,806	12,154,771
Finance Lease Liabilities	7,471,924	7,287,633
<b>Total borrowings and finance lease</b>	<b>85,783,711</b>	<b>96,582,372</b>

**Note 13. Revenue**

Revenues for the 3 months ended at 31 March 2021 and 3 months ended at 31 March 2020 are as follows:

	<b>3-month ended</b> <b>31 March 2021</b> <b>(unaudited)</b>	<b>3-month ended</b> <b>31 March 2020</b> <b>(unaudited)</b>
Wine	44,363,989	39,858,341
Brandy	4,623,053	5,344,827
Other	858,625	1,156,613
<b>Total revenue</b>	<b>49,845,667</b>	<b>46,359,781</b>



**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

The management monitors the performance of the Group as a single segment, however it analyses the gross margin per categories of products, as presented above.

Sales of finished goods by brand and geographic region for the 3 months ended 31 March 2021 are as follows:

	<b>Bostavan wine (unaudited)</b>	<b>Purcari Wine (unaudited)</b>	<b>Crama Ceptura wine (unaudited)</b>	<b>Bardar divin and brandy (unaudited)</b>	<b>Total (unaudited)</b>
Romania	599,615	17,765,680	7,144,144	544,964	26,054,403
Republic of Moldova	1,018,075	3,241,498	-	2,430,323	6,689,896
Poland	4,643,237	44,238	11,918	17,422	4,716,815
Belarus	-	-	-	1,093,532	1,093,532
Czech Rep. and Slovakia	2,185,134	45,214	-	-	2,230,348
Asia	1,033,285	354,883	197,370	197,691	1,783,229
Baltic countries	2,011,290	308,125	48,909	35,892	2,404,216
Ukraine	670,931	823,400	-	-	1,494,331
Other	792,057	969,898	455,088	303,229	2,520,272
<b>Total</b>	<b>12,953,624</b>	<b>23,552,936</b>	<b>7,857,429</b>	<b>4,623,053</b>	<b>48,987,042</b>

Sales of finished goods by brand and geographic region for the 3 months ended 31 March 2020 are as follows:

	<b>Bostavan wine (unaudited)</b>	<b>Purcari Wine (unaudited)</b>	<b>Crama Ceptura wine (unaudited)</b>	<b>Bardar divin and brandy (unaudited)</b>	<b>Total (unaudited)</b>
Romania	647,376	13,774,313	7,192,293	247,477	21,861,459
Republic of Moldova	882,042	2,709,469	-	2,487,265	6,078,776
Poland	6,017,718	43,119	8,705	16,538	6,086,080
Belarus	-	-	-	1,968,846	1,968,846
Czech Rep. and Slovakia	2,181,578	-	-	-	2,181,578
Asia	389,864	718,162	276,589	70,959	1,455,574
Baltic countries	1,816,705	-	-	123,025	1,939,730
Ukraine	1,024,805	384,524	-	-	1,409,329
Other	862,546	651,449	277,084	430,717	2,221,796
<b>Total</b>	<b>13,822,634</b>	<b>18,281,036</b>	<b>7,754,671</b>	<b>5,344,827</b>	<b>45,203,168</b>

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Note 14. Cost of sales**

Cost of sales for 3 months ended at 31 March 2021 and 3 months ended at 31 March 2020 are as follows:

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>
<b>Sales of finished goods</b>		
Wine	21,438,831	18,571,526
Divin	1,572,630	3,073,013
Brandy	34,311	97,837
<b>Total sales of finished goods</b>	<b>23,045,772</b>	<b>21,742,376</b>
<b>Sales of other goods</b>		
Merchandise	382,145	261,792
Other	33,301	26,186
Wine materials	44,130	474,290
<b>Total sales of other goods</b>	<b>459,576</b>	<b>762,268</b>
<b>Services</b>		
Hotel and restaurant services	291,952	209,786
Agricultural services	13,995	54,939
<b>Total services</b>	<b>305,947</b>	<b>264,725</b>
<b>Total cost of sales</b>	<b>23,811,295</b>	<b>22,769,369</b>

**Note 15. Marketing and sales expenses**

Marketing and Selling distribution expenses for 3 months ended at 31 March 2021 and 3 months ended at 31 March 2020 are as follows:

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>
Transport	909,867	1,078,240
Salary and related expense of marketing and sales	2,024,389	1,364,297
Marketing and selling	1,854,150	1,310,638
Certification of production	96,014	121,137
Other expenses	90,552	66,145
<b>Total marketing and sales expenses</b>	<b>4,974,972</b>	<b>3,940,457</b>

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

---

**Note 16. General and administrative expenses**

General and administrative expenses for 3 months ended at 31 March 2021 and 3 months ended at 31 March 2020 are as follows:

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>
Employee benefits	3,741,813	3,649,530
Depreciation	631,264	674,797
Professional fees	580,688	373,851
Taxes and fees	363,105	259,497
Travel	3,237	62,670
Security	3,111	3,794
Rent	19,296	19,189
Bank charges	63,232	119,657
Repairs and maintenance	95,209	66,800
Communication	56,985	82,999
Fuel	51,685	38,856
Penalties	157,053	1,053
Insurance	33,635	44,643
Materials	21,639	51,205
Other	221,246	106,722
<b>Total general and administrative expenses</b>	<b>6,043,198</b>	<b>5,555,263</b>

**Note 17. Other operating income**

Other operating income for 3 months ended at 31 March 2021 and 3 months ended at 31 March 2020 are as follows:

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>
Release of deferred income	38,673	(72,822)
Gains on write-off of trade and other payables	118,583	-
Net gain/ (loss) from sale of other materials	(10,140)	1,314
Other	47,252	55,272
<b>Total other operating income</b>	<b>194,368</b>	<b>(16,236)</b>

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Note 18. Other operating expenses**

Other operating expenses for 3 months ended at 31 March 2021 and 3 months ended at 31 March 2020 are as follows:

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>
Impairment of property, plant and equipment, net	(19,761)	(20,220)
Change in provisions, net	(976,640)	-
Unallocated overheads	85,838	94,769
Adjustment to fair value of harvest of grapes from own grape vines	(15,238)	(1,910)
Adjustment to fair value of harvest of grapes from joint operation / operating leasing	30,746	96,697
Net loss from disposal of property, plant and equipment and intangible assets	(13,158)	(28,592)
Other	-	11,419
<b>Total other operating expenses</b>	<b><u>(908,213)</u></b>	<b><u>152,163</u></b>

**Note 19. Net finance cost**

The net finance costs for 3 months ended at 31 March 2021 and 3 months ended at March 2020 are as follows:

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>
Interest expenses	1,035,984	1,548,327
Foreign exchange loss	2,056,050	3,125,449
<b>Net finance costs</b>	<b><u>3,092,034</u></b>	<b><u>4,673,776</u></b>

**Note 20. Related parties**

The Group's related parties for the three-month period ended 31 March 2021 were the following:

<b>Name of the entity</b>	<b>Relationship with the Company</b>
Key management personnel	Members of board of directors of the Company, CEOs, CFO and Sales Director of the Group companies
Victor Bostan	CEO and majority shareholder of Amboselt Universal Inc.
Agro Sud Invest SRL	Entity controlled by a key member of management through a significant shareholding
BSC Agro SRL	Entity controlled by a key member of management through a significant shareholding
Victoriavin SRL	Entity controlled by Victor Bostan through a significant shareholding
Moldova Agroindbank SA	Financing bank with Vasile Tofan as Member in Board of Directors
Ecosmart Union SA	Associate

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Transactions with key management personnel and other related parties:**

	Transaction value for period – income/(expenses)		Outstanding balance – receivable/(payable) as at	
	3-month ended 31 March 2021 (unaudited)	12-month ended 31 December 2020 (audited)	31 March 2021 (unaudited)	31 December 2020 (audited)
<b>Victor Bostan</b>				
- Salaries and bonuses for performance	(256,149)	(591,122)	(615,810)	(446,923)
<b>Moldova Agroindbank SA</b>				
- Interest expense	(641,339)	(3,532,395)		
- Sales of merchandise	1,780	-		
- Bank charges	(49,197)	(198,988)		
- Secured bank loans			(55,708,368)	(65,830,168)
- Cash and cash equivalents			14,954,368	35,849,318
<b>Victoriavin SRL</b>				
- (De)Recognition of right-of-use assets	-	(407,495)		
- Lease liabilities			(3,655,500)	(3,522,152)
- Interest expense	(92,725)	(407,749)		-
- Trade payables			(6,070)	(6,002)
- Operating lease	(11,098)	(47,301)		
- Acquisition of inventories	-	(4,706)		
<b>Agro Sud Invest SRL</b>				
- Agricultural services	(662,296)	(3,752,623)		
- Trade payables			(650,838)	(462,055)
<b>BSC Agro SRL</b>				
- Agricultural services	(983,666)	(5,310,851)		
- Trade payables			(1,072,757)	(735,446)
<b>Ecosmart Union SA</b>				
- Trade payables			(161,487)	(520,820)
- Other expenses	(577,148)	(2,303,522)		
<b>Key management personnel</b>				
- Salaries and bonuses for performance	(762,985)	(4,383,690)	(1,885,447)	(1,575,844)
- Equity-settled share-based payment	(415,041)	(2,250,359)	(2,498,441)	(2,083,400)

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

**Note 21. EBITDA**

Earnings before Interest, Tax, Depreciation and Amortisation (“EBITDA”) is calculated as profit/(loss) for the period (as presented in the condensed consolidated statement of profit or loss and other comprehensive income), and adding back the income tax, net finance result and total amortization of intangible assets and total depreciation of property plant and equipment.

The management of the Group routinely tracks the EBITDA metrics and considers it relevant for a better understanding of the Group’s financial performance.

EBITDA is not an IFRS measure and should not be treated as an alternative to IFRS measures. Moreover, EBITDA is not uniformly defined. The method used to calculate EBITDA by other companies may differ significantly from that used by the Group. Therefore, the EBITDA presented in this note cannot, as such, be relied upon for the purpose of comparison to EBITDA of other companies.

The EBITDA for 3 months ended at 31 March 2021 and 3 months ended at 31 March 2020 are as follows:

	<b>3-month ended 31 March 2021 (unaudited)</b>	<b>3-month ended 31 March 2020 (unaudited)</b>
<b>EBITDA</b>	<b>19,626,253</b>	<b>17,359,320</b>
Less: depreciation	(3,240,368)	(3,026,081)
Less: amortization	(31,349)	(40,632)
<b>Result from operating activities</b>	<b>16,354,536</b>	<b>14,292,607</b>
Less: net finance costs	(3,092,034)	(4,673,776)
<b>Earnings Before Taxes</b>	<b>13,262,502</b>	<b>9,618,831</b>
Less: income tax	(2,981,054)	(1,585,799)
<b>Profit for the period</b>	<b>10,281,448</b>	<b>8,033,032</b>

**Note 22. Financial indicators**

Below are presented important ratios used to assess the financial position of the Company.

Liquidity ratio – represents the ability of the company to pay off its current debt obligations without raising external capital. It is calculated by dividing Current Assets to Current Liabilities. A company with a current ratio less than one does not, in many cases, have the capital on hand to meet its short-term obligations if they were all due at once, while a current ratio greater than one indicates the company has the financial resources to remain solvent in the short-term. However, because the current ratio at any one time is just a snapshot, it is usually not a complete representation of a company’s liquidity or solvency. In the reported period the liquidity ratio for the Company reached 1.95, which is an improvement compared to 1.78 recorded at 2020-year end.

Gearing ratio – represents a measurement of the entity’s financial leverage, which demonstrates the degree to which a firm's activities are funded by shareholders' funds versus creditor's funds. A gearing ratio between 25% and 50% is typically considered optimal or normal for well-established companies. An optimal gearing ratio is primarily determined by the individual company relative to other companies within the same industry.

**Purcari Wineries Public Company Limited**

Non-Audited, Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021  
*all amounts are in RON, unless stated otherwise*

Receivables Turnover – represents an accounting measure used to quantify a company's effectiveness in collecting its receivables or money owed by clients. Considering the seasonality of our business we can see that at the end of the year Receivables turnover indicator slightly increases but recovers in the middle of the year. This indicates that a company's collection of accounts receivable is efficient and that the company has a high proportion of quality customers that pay their debts quickly.

Non-current Assets Turnover – determines the efficiency with which a business uses its non-current assets to generate revenue for the business. A higher ratio implies that management is using its fixed assets more effectively. A high ratio does not tell anything about a company's ability to generate solid profits or cash flows. This indicator decreased from 1.1 to 1.0 comparing to 2020-year end because of continuous capital expenditures.

<b>Item, RON</b>	<b>31 March 2021</b>		<b>31 December 2020</b>	
<b>Liquidity ratio</b>				
Current Assets	186,272,405	1.95	189,331,073	1.78
Current liabilities	95,575,424		106,223,073	
<b>Gearing ratios</b>				
Debt	85,783,711	36%	96,582,372	43%
Equity	236,894,972		222,630,377	
Debt	85,783,711	27%	96,582,372	30%
Total Capital Employed	322,678,683		319,212,749	
<b>Receivables Turnover, days</b>				
Receivables	43,090,266	78	51,714,357	91
Net Sales Annualized / 360	553,841		565,756	
<b>Non-current Assets Turnover</b>				
Net Sales Annualized	199,382,668	1.0	203,672,077	1.1
Non-current Assets	194,832,258		192,406,366	

**Note 23. Events after the reported balance sheet date**

There were no material post balance sheet events, which have a bearing on the understanding of these consolidated financial statements, except:

On 28 April 2021 the shareholders approved a final dividend for year 2020 in amount of RON 26,000,000 representing RON 1.30 per share, as per outstanding issued shares at that date.

On 13 May 2021 the Company has entered a transaction to buy 10% minority stake into the business of 8Wines.com, a fast-growing online retailer of wines, with its operational base in Prague (Czechia).