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Purcari Wineries Public Company Limited

INTERIM FINANCIAL REPORT

Including the Non-Audited, Interim Condensed Consolidated
Financial Statements for the nine-month period ended
30 September 2020

Purcari Wineries Public Company Limited

Non-Audited, Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2020
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

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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

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I. Condensed Consolidated Interim Statement of Financial Position as at 30 September 2020

	30 September 2020 (unaudited)	31 December 2019 (audited)	Variation
Assets			
Property, plant and equipment	148,251,310	141,488,777	5%
Intangible assets	1,250,051	1,186,568	5%
Investments in associates	878,117	1,298,680	-32%
Equity instruments at fair value through profit or loss	12,655,662	12,766,688	-1%
Other non-current assets	-	50,933	-100%
Total non-current assets	163,035,140	156,791,646	4%
Inventories	132,531,124	124,928,680	6%
Trade and other receivables	45,243,294	53,887,343	-16%
Cash and cash equivalents	11,702,732	12,573,775	-7%
Income tax assets	1,265,375	236,000	436%
Prepayments	5,364,195	5,652,967	-5%
Other current assets	275,132	108,691	153%
Total current assets	196,381,852	197,387,456	-1%
Total assets	359,416,992	354,179,102	1%
Equity			
Share capital	728,279	728,279	0%
Share premium	82,533,921	82,533,921	0%
Foreign currency translation reserve	13,645,403	15,160,426	-10%
Other reserves	(883,632)	(2,626,244)	-66%
Retained earnings	88,411,677	64,739,104	37%
Equity attributable to owners of the Company	184,435,648	160,535,486	15%
Non-controlling interests	16,385,745	16,734,268	-2%
Total equity	200,821,393	177,269,754	13%
Liabilities			
Loans and borrowings	84,114,332	65,565,824	28%
Deferred income	4,800,516	3,477,902	38%
Deferred tax liability	6,888,355	7,601,643	-9%
Total non-current liabilities	95,803,203	76,645,369	25%
Loans and borrowings	11,414,206	45,212,255	-75%
Deferred income	372,379	561,616	-34%
Current tax liabilities	919,267	1,970,066	-53%
Employee benefits	3,103,301	3,024,711	3%
Trade and other payables	40,260,604	42,700,446	-6%
Provisions	6,722,639	6,794,885	-1%
Total current liabilities	62,792,396	100,263,979	-37%
Total liabilities	158,595,599	176,909,348	-10%
Total equity and liabilities	359,416,992	354,179,102	1%

These Condensed Consolidated Interim Financial Statements were approved by management on 13th of November 2020 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 25.

Purcari Wineries Public Company Limited

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all amounts are in RON, unless stated otherwise

II. Condensed Consolidated Interim Statement of Comprehensive Income for the three-month and nine-month period ended 30 September 2020

	3-month ended 30 September 2020 (unaudited)	3-month ended 30 September 2019 (unaudited)	9-month 2020 (unaudited)	9-month 2019 (unaudited)	Variation
Revenue	53,430,027	50,765,110	138,322,411	138,559,236	0%
Cost of sales	(26,045,282)	(24,641,569)	(70,066,341)	(69,214,364)	1%
Gross profit	27,384,745	26,123,541	68,256,070	69,344,872	-2%
Other operating income	290,204	(91,978)	456,187	123,127	271%
Marketing and sales expenses	(5,306,455)	(3,852,238)	(14,182,652)	(10,691,540)	33%
General and administrative expenses	(4,755,437)	(6,803,000)	(14,614,103)	(18,215,640)	-20%
Other operating expenses	(3,241,003)	(692,133)	(3,446,351)	(398,227)	765%
Impairment loss on trade and loan receivables	(1,035,388)	(866,877)	(1,142,021)	(1,090,094)	5%
Result from operating activities	13,336,666	13,817,315	35,327,130	39,072,498	-10%
Finance income	-	1,775,921	-	(956,520)	-100%
Finance costs	(1,412,856)	(1,473,360)	(5,429,177)	(4,168,961)	30%
Net finance costs	(1,412,856)	302,561	(5,429,177)	(5,125,481)	6%
Share of profit of equity-accounted investees, net of tax	(363,166)	(238,905)	119,433	198,187	-40%
Profit before tax	11,560,644	13,880,971	30,017,386	34,145,204	-12%
Income tax expense	(1,539,129)	(1,587,348)	(4,421,851)	(4,733,508)	-7%
Profit for the period	10,021,515	12,293,623	25,595,535	29,411,696	-13%
Profit attributable to:					
Owners of the Company	9,076,647	10,915,477	23,672,554	26,165,133	-10%
Non-controlling interests	944,868	1,378,146	1,922,981	3,246,563	-41%
Profit for the period	10,021,515	12,293,623	25,595,535	29,411,696	-13%

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 25.

Purcari Wineries Public Company Limited

Non-Audited, Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2020
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III. Condensed Consolidated Interim Statement of Cash Flow for the nine-month period ended 30 September 2020

	<u>9-month 2020</u> <u>(unaudited)</u>	<u>9-month 2019</u> <u>(unaudited)</u>
Cash flow from operating activities		
Profit (Loss) for the period	25,595,535	29,411,696
Adjustments for:		
Depreciation and amortization	8,744,245	6,963,181
Equity-settled share-based payment transactions	2,066,247	-
Non-cash items	(2,077,255)	6,446,212
Income tax expense/(benefit)	4,421,851	4,733,508
Net finance costs	5,429,176	4,168,958
Operating profit before working capital changes	<u>44,179,799</u>	<u>51,723,555</u>
<i>Changes in:</i>		
Inventories	(7,602,444)	6,284,516
Trade and other receivables	8,766,380	14,412,669
Trade and other payables	(2,361,252)	(2,659,565)
Cash generated from operating activities	42,982,483	69,761,175
Income tax paid	(7,215,313)	(5,571,561)
Interest paid	(4,085,217)	(4,168,959)
Net cash generated from operating activities	<u>31,681,953</u>	<u>60,020,655</u>
Cash flows from investing activities		
Payments for acquisition of property, plant and equipment and intangible assets	(15,817,288)	(47,482,394)
Proceeds from sale of property, plant and equipment	297,955	455,454
Net cash used in investing activities	<u>(15,519,333)</u>	<u>(47,026,940)</u>
Cash flows from financing activities		
Change in loans and borrowings and finance lease	(15,249,540)	6,311,932
Acquisition of treasury shares	(323,635)	(2,303,162)
Dividends paid	(1,839,547)	(20,203,060)
Net cash generated from/ (used in) financing activities	<u>(17,412,722)</u>	<u>(16,194,290)</u>
Net increase in cash and cash equivalents	(1,250,102)	(3,200,575)
Cash and cash equivalents at beginning of the period	12,573,775	21,803,241
Effect of movements in exchange rates on cash held	379,059	(552,850)
Cash and cash equivalents at end of period	<u>11,702,732</u>	<u>18,049,816</u>

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 25.

Purcari Wineries Public Company Limited

Non-Audited, Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2020

*all amounts are in RON, unless stated otherwise***IV. Condensed Consolidated Interim Statement of Changes in Equity for the nine-month period ended 30 September 2020**

Below is presented the statement of changes in equity for the nine-month period ended 30 September 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
Balance at 1 January 2020	<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>
Total comprehensive income									
Profit for the year	-	-	-	-	-	23,672,554	23,672,554	1,922,981	25,595,535
Foreign currency translation differences	-	-	-	-	(1,515,023)	19	(1,515,004)	(166,660)	(1,681,664)
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,515,023)</u>	<u>23,672,573</u>	<u>22,157,550</u>	<u>1,756,321</u>	<u>23,913,871</u>
Transaction with owners of the Company									
Treasury shares acquired	-	-	(323,635)	-	-	-	(323,635)	-	(323,635)
Total transactions with owners of the company	<u>-</u>	<u>-</u>	<u>(323,635)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(323,635)</u>	<u>-</u>	<u>(323,635)</u>
Other changes in equity									
Equity-settled share-based payment	-	-	-	2,066,247	-	-	2,066,247	-	2,066,247
Dividends to non-controlling interests	-	-	-	-	-	-	-	(2,104,844)	(2,104,844)
Total Other changes in equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,066,247</u>	<u>-</u>	<u>-</u>	<u>2,066,247</u>	<u>(2,104,844)</u>	<u>(38,597)</u>
Balance at 30 September 2020	<u>728,279</u>	<u>82,533,921</u>	<u>(4,896,761)</u>	<u>4,013,129</u>	<u>13,645,403</u>	<u>88,411,677</u>	<u>184,435,648</u>	<u>16,385,745</u>	<u>200,821,393</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 25.

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Below is presented the statement of changes in equity for the nine-month period ended 30 September 2019:

	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
Balance at 1 January 2019	<u>728,279</u>	<u>82,533,921</u>	<u>-</u>	<u>-</u>	<u>9,658,866</u>	<u>47,358,345</u>	<u>140,279,411</u>	<u>13,842,222</u>	<u>154,121,633</u>
Total comprehensive income									
Profit for the year	-	-	-	-	-	26,165,127	26,165,127	3,246,569	29,411,696
Foreign currency translation differences	-	-	-	-	3,843,207	-	3,843,207	557,160	4,400,367
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,843,207</u>	<u>26,165,127</u>	<u>30,008,334</u>	<u>3,803,729</u>	<u>33,812,063</u>
Transaction with owners of the Company									
Treasury shares acquired	-	-	(2,303,168)	-	-	-	(2,303,168)	-	(2,303,168)
Dividends	-	-	-	-	-	(18,999,998)	(18,999,998)	-	(18,999,998)
Total transactions with owners of the company	<u>-</u>	<u>-</u>	<u>(2,303,168)</u>	<u>-</u>	<u>-</u>	<u>(18,999,998)</u>	<u>(21,303,166)</u>	<u>-</u>	<u>(21,303,166)</u>
Other changes in equity									
Equity-settled share-based payment	-	-	-	-	-	-	-	-	-
Dividends to non-controlling interests	-	-	-	-	-	-	-	(1,984,411)	(1,984,411)
Total Other changes in equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,984,411)</u>	<u>(1,984,411)</u>
Balance at 30 September 2019	<u>728,279</u>	<u>82,533,921</u>	<u>(2,303,168)</u>	<u>-</u>	<u>13,502,073</u>	<u>54,523,474</u>	<u>148,984,579</u>	<u>15,661,540</u>	<u>164,646,119</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 25.

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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 around 1,400 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 September 2020, the Group had 820 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 30 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:

		Ownership interest	
		30 September 2020	31 December 2019
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 30 September 2020 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 30 September 2020 (31 December 2019: 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 30 September 2020 (31 December 2019: 56.05%).

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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 2019.

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

(b) Basis of measurement

Management has prepared these consolidated financial statements under the going concern basis, which assumes the realisation of assets and settlement of liabilities in the course of ordinary economic activity.

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. The majority of the Group’s funding comes from cash generated from its normal operating activities.

(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.

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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 2019.

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 2019.

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Note 4. Property, plant and equipment

The movements of property, plant and equipment from 1 January 2019 to 30 September 2020 were as follows:

	Assets under construction	Land	Buildings and constructions	Equipment	Vehicles	Other	Grape vines	Total
Cost								
Balance at 1 January 2020	9,880,808	7,765,691	116,795,162	96,958,803	8,334,121	5,420,057	28,486,725	273,641,367
Additions	14,566,709	-	11,717	1,572,553	1,250,270	-	1,882,500	19,283,749
Transfers	(6,039,117)	-	1,341,378	2,899,417	946,226	438,539	413,197	-
Disposals	(656,807)	-	322,300	(1,992,711)	(341,256)	-	-	(2,668,474)
Effect of movement in exchange rates	(249,376)	(79,772)	(909,505)	(546,319)	(54,390)	(46,803)	(239,256)	(2,125,421)
Balance at 30 September 2020	17,502,217	7,685,919	117,561,412	98,891,743	10,134,971	5,811,793	30,543,166	288,131,221
Accumulated depreciation and impairment losses								
Balance at 1 January 2020	-	328,150	67,907,450	50,294,492	3,132,570	4,240,770	6,249,158	132,152,590
Depreciation for the period	-	107,907	3,038,642	3,699,178	871,032	344,353	553,243	8,614,355
Impairment loss, net	-	-	(60,164)	(29,186)	(57,767)	-	-	(147,117)
Disposals	-	-	377,502	(251,532)	(121,605)	-	-	4,365
Effect of movement in exchange rates	-	(9,612)	(539,417)	(80,221)	(45,498)	(36,302)	(33,232)	(744,282)
Balance at 30 September 2020	-	426,445	70,724,013	53,632,731	3,778,732	4,548,821	6,769,169	139,879,911
Carrying amounts								
At 1 January 2020	9,880,808	7,437,541	48,887,712	46,664,311	5,201,551	1,179,287	22,237,567	141,488,777
At 30 September 2020	17,502,217	7,259,474	46,837,399	45,259,012	6,356,239	1,262,972	23,773,997	148,251,310

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	<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>
Cost								
Balance at 1 January 2019	5,182,283	2,479,682	102,041,126	85,326,021	6,562,761	4,746,974	21,134,237	227,473,084
Recognition of right-of-use asset on initial application of IFRS 16	-	3,546,510	135,888	-	-	-	-	3,682,398
Adjusted balance at 1 January 2019	5,182,283	6,026,192	102,177,014	85,326,021	6,562,761	4,746,974	21,134,237	231,155,482
Additions	31,424,913	1,335,873	3,879,734	2,008,722	1,129,443	27,245	6,895,281	46,701,211
Transfers	(26,182,737)	291,953	6,940,252	16,953,028	1,233,648	763,856	-	-
Disposals	(684,951)	-	(388,777)	(10,566,564)	(752,291)	(323,657)	(475,997)	(13,192,237)
Effect of movement in exchange rates	141,300	111,673	4,186,939	3,237,596	160,560	205,639	933,204	8,976,911
Balance at 31 December 2019	9,880,808	7,765,691	116,795,162	96,958,803	8,334,121	5,420,057	28,486,725	273,641,367
Accumulated depreciation and impairment losses								
Balance at 1 January 2019	-	192,728	63,055,025	53,745,939	3,051,754	4,012,231	5,155,880	129,213,557
Depreciation for the year	-	137,541	2,775,934	4,562,926	711,882	389,196	878,173	9,455,652
Impairment loss, net	-	-	(80,160)	-	-	-	-	(80,160)
Disposals	-	-	(342,275)	(9,729,612)	(705,216)	(322,398)	(17,456)	(11,116,957)
Effect of movement in exchange rates	-	(2,119)	2,498,926	1,715,239	74,150	161,741	232,561	4,680,498
Balance at 31 December 2019	-	328,150	67,907,450	50,294,492	3,132,570	4,240,770	6,249,158	132,152,590
Carrying amounts								
At 1 January 2019	5,182,283	2,286,954	38,986,101	31,580,082	3,511,007	734,743	15,978,357	98,259,527
At 31 December 2019	9,880,808	7,437,541	48,887,712	46,664,311	5,201,551	1,179,287	22,237,567	141,488,777

Capital commitments

As at 30 September 2020 the Company has contracts to purchase property, plant and equipment for about RON 1 million. Delivery is expected during next three months.

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Note 5. Intangible assets

The movements in intangible assets from 1 January 2019 to 30 September 2020 are the following:

	30 September 2020 (unaudited)	31 December 2019 (audited)
Cost		
Balance at 1 January 2020/1 January 2019	1,759,433	1,946,704
Additions	284,744	560,187
Disposals	(114,361)	(923,634)
Effect of movement in exchange rates	(18,043)	176,176
Balance at 30 September 2020/31 December 2019	1,911,773	1,759,433
Amortization		
Balance at 1 January 2020/1 January 2019	572,865	873,128
Amortization for the period	127,624	112,754
Disposals	-	(452,117)
Effect of movement in exchange rates	(38,762)	39,100
Balance at 30 September 2020/31 December 2019	661,727	572,865
Carrying amounts		
At 1 January 2020/1 January 2019	1,186,568	1,073,576
At 30 September 2020/31 December 2019	1,250,046	1,186,568

Note 6. Trade and other receivables

As at 30 September 2020 and 31 December 2019 trade and other receivables were as follows:

	30 September 2020 (unaudited)	31 December 2019 (audited)
Financial receivables		
Gross trade receivables	36,957,668	47,245,561
Allowance for impairment of trade receivables	1,111,578	(1,753,281)
Total financial receivables	38,069,246	45,492,280
Non-financial receivables		
Other receivables due from related parties	-	14,693
Assigned receivable	-	986,725
Other receivables	3,882,796	1,777,016
VAT receivable	3,549,335	4,584,212
Other taxes receivable	(334,105)	8,556
Excise receivable	76,022	1,023,861
Total non-financial receivables	7,174,048	8,395,063
Total trade and other receivables	45,243,294	53,887,343

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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 30 September 2020 and 31 December 2019 interests in equity-accounted investees are as follows:

	<u>30 September 2020</u> <u>(unaudited)</u>	<u>31 December 2019</u> <u>(audited)</u>
Investment in Ecosmart Union SA	878,117	1,298,680
Total interests in equity-accounted investees	<u>878,117</u>	<u>1,298,680</u>

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% share. The main activity of Ecosmart Union SA is providing recycling management services.

Note 8. Equity instruments at fair value through profit or loss

Equity instrument at fair value through profit or loss recognised for the period ended as at 30 September 2020 and 31 December 2019 is as follows:

	<u>30 September 2020</u> <u>(unaudited)</u>	<u>31 December 2019</u> <u>(audited)</u>
Investment in IM Glass Container Company SA Grup	12,655,662	12,766,688
Total equity instruments at fair value through profit or loss	<u>12,655,662</u>	<u>12,766,688</u>

In March 2017 the Group, through its subsidiary Vinaria Purcari SRL, purchased 31.415% ownership interest in IM Glass Container Company SA group (which include IM Glass Container Company SA and its subsidiary Glass Container Company-SP SRL) for a consideration in cash of RON 6,406,685 (the equivalent of MDL 29,498,035). This ownership interest was acquired from the Moldovan State as a result of privatization round launched in this period. The consideration was paid entirely during the year ended 31 December 2017. The main activity of IM Glass Container Company SA group is the production of glass bottles. On 31 July 2020, Vinaria Purcari SRL has entered a transaction to sell the 31.415% stake owned in Glass Container Company SA to Vetropack Group, a leading Swiss corporate group in the European glass packaging industry. The transaction is subject to customary regulatory approvals and is expected to be closed in November 2020.

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Note 9. Inventories

As at 30 September 2020 and 31 December 2019 inventories are as follows:

	30 September 2020 (unaudited)	31 December 2019 (audited)
Bottled Wine	18,511,182	13,506,208
Bottled Brandy	627,414	728,733
Bulk Wine	62,102,818	64,508,791
Bulk Brandy	30,697,689	30,857,305
Packaging	14,019,786	11,856,999
Other	6,572,235	3,470,644
Total inventories	132,531,124	124,928,680

Note 10. Cash and cash equivalents

As at 30 September 2020 and 31 December 2019 cash and cash equivalents were as follows:

	30 September 2020 (unaudited)	31 December 2019 (audited)
Bank accounts	11,266,321	12,551,146
Petty cash	436,413	22,629
Total cash and cash equivalents	11,702,734	12,573,775

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 11. Share Capital and Premium

On 29 April 2020, the shareholders unanimously voted in favor of approval of the increase of the authorized share capital of the Company from EUR 200,000.00 divided into 20,000,000 shares of nominal value EUR 0.01 each to EUR 210,000.00 divided into 21,000,000 shares of nominal value EUR 0.01 each.

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.

As at 30 September 2020 the share capital structure and the ownership of registered shares was as follows:

	Number of shares	% of ownership
Amboselt Universal Inc.	4,006,172	20.0309%
East Capital	1,580,747	7.9037%
Fiera Capital	1,531,467	7.6573%
Dealbeta Investment (Horizon Capital)	1,586,377	7.9318%
Conseq	1,237,473	6.1874%
Paval Holding	1,000,000	5.0000%
Others	9,057,764	45.2889%
Total	20,000,000	100%

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As at 31 December 2019 the share capital structure and the ownership of registered shares was as follows:

	<u>Number of shares</u>	<u>% of ownership</u>
Amboselt Universal Inc.	5,006,172	25.0309%
Fiera Capital	1,885,297	9.4265%
Conseq	1,242,673	6.2134%
East Capital	1,135,156	5.6759%
SEB	1,101,873	5.5094%
Franklin Templeton	1,023,987	5.1199%
Others	8,604,842	43.0242%
Total	<u>20,000,000</u>	<u>100%</u>

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.

On 13 June 2019, the Company started the share redemption program for 200,000 shares, approved by AGM on 25 April 2019, as part of Management Incentive Program. The buyback was finished on 13 November 2019.

As of 30 September 2020, the Company transferred free of charge to its management and employees 128,352 shares.

On 29 April 2020, the AGM voted a new buy-back program for a maximum 300,000 shares, in order to meet the Company's obligations arising from Management Incentive Program. The program started on 7 September 2020 and 13,727 shares were bought back till the reporting date.

Note 12. Trade and other payables

As at 30 September 2020 and 31 December 2019 trade and other payables were as follows:

	<u>30 September 2020</u> <u>(unaudited)</u>	<u>31 December 2019</u> <u>(audited)</u>
<i>Financial payables</i>		
Trade accounts payable	32,103,359	37,340,540
Trade payables due to related parties	2,828,900	1,362,849
Total financial payables	<u>34,932,259</u>	<u>38,703,389</u>
<i>Non-financial payables</i>		
Other tax liabilities	2,643,154	1,158,244
Advances received	545,249	899,685
Dividend payables	2,139,942	1,939,128
Total non-financial payables	<u>5,328,345</u>	<u>3,997,057</u>
Total trade and other payables	<u>40,260,604</u>	<u>42,700,446</u>

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Note 13. 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 30 September 2020 and 31 December 2019 borrowings and finance lease were as follows:

	30 September 2020 (unaudited)	31 December 2019 (audited)
<i>Non-current liabilities</i>		
Secured bank loans	84,114,332	65,565,824
<i>Current liabilities</i>		
Current portion of secured bank loans	11,414,205	45,212,255
Total borrowings and finance lease	95,528,537	110,778,079

The split of borrowings and finance lease by currency at 30 September 2020 and 31 December 2019 was as follows:

	30 September 2020 (unaudited)	31 December 2019 (audited)
MDL	17,850,298	28,610,633
EUR	70,279,878	71,586,494
USD	5,966,166	4,993,340
RON	1,432,195	5,587,612
Total borrowings and finance lease	95,528,537	110,778,079

The split of borrowings and finance lease by lender at 30 September 2020 and 31 December 2019 was as follows:

	30 September 2020 (unaudited)	31 December 2019 (audited)
BC Moldova Agroindbank SA	66,671,512	71,924,540
Ministry of Finance of Republic of Moldova	1,265,653	2,111,821
BC Mobiasbanca – OTP Group SA	5,966,166	4,993,340
UNICREDIT BANK SA	13,587,961	23,468,352
Finance Lease Liabilities	8,037,245	8,280,026
Total borrowings and finance lease	95,528,537	110,778,079

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Note 14. Revenue

Revenues for the Q3 and 9 months 2020 and Q3 and 9 months 2019 are as follows:

	3-month ended 30 September 2020 (unaudited)	3-month ended 30 September 2019 (unaudited)	9-month 2020 (unaudited)	9-month 2019 (unaudited)
Wine	45,731,194	41,110,162	121,105,370	114,696,961
Brandy	5,791,874	8,450,188	13,841,247	20,524,104
Other	1,906,959	1,204,760	3,375,794	3,338,171
Total revenue	53,430,027	50,765,110	138,322,411	138,559,236

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 9 months ending 30 September 2020 are as follows:

	Bostavan wine (unaudited)	Purcari Wine (unaudited)	Crama Ceptura wine (unaudited)	Bardar divin and brandy (unaudited)	Total (unaudited)
Romania	1,671,850	44,864,574	21,707,508	906,836	69,150,768
Republic of Moldova	2,756,670	7,305,704	-	6,961,115	17,023,489
Poland	16,348,849	298,384	35,592	25,293	16,708,118
Belarus	358,445	97,013	-	4,822,161	5,277,619
Czech Rep. and Slovakia	6,282,120	54,579	-	-	6,336,699
Asia	1,313,880	2,611,109	369,756	332,109	4,626,854
Baltic countries	5,414,688	0	-	175,047	5,589,735
Ukraine	2,498,947	2,360,045	-	-	4,858,992
Other	1,808,271	2,293,152	654,234	618,686	5,374,343
Total	38,453,720	59,884,560	22,767,090	13,841,247	134,946,617

Sales of finished goods by brand and geographic region for the 9 months ending 30 September 2019 are as follows:

	Bostavan wine (unaudited)	Purcari Wine (unaudited)	Crama Ceptura wine (unaudited)	Bardar divin and brandy (unaudited)	Total (unaudited)
Romania	2,015,807	33,025,297	19,350,980	601,939	54,994,023
Republic of Moldova	4,171,595	13,908,415	-	13,481,145	31,561,155
Poland	13,926,874	162,050	8,705	24,087	14,121,716
Belarus	314,341	55,441	-	5,186,580	5,556,362
Czech Rep. and Slovakia	6,500,517	7,735	-	-	6,508,252
Asia	3,916,443	4,480,138	947,358	306,210	9,650,149
Baltic countries	3,933,087	-	-	320,265	4,253,352
Ukraine	2,104,838	1,848,481	-	-	3,953,319
Other	2,109,072	1,256,626	653,161	603,878	4,622,737
Total	38,992,574	54,744,183	20,960,204	20,524,104	135,221,065

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Sales of finished goods by brand and geographic region for the 3rd quarter of 2020 are as follows:

	Bostavan wine (unaudited)	Purcari Wine (unaudited)	Crama Ceptura wine (unaudited)	Bardar divin and brandy (unaudited)	Total (unaudited)
Romania	487,542	17,266,230	8,048,408	404,667	26,206,847
Republic of Moldova	1,112,666	3,560,960	-	3,355,492	8,029,118
Poland	5,580,674	152,015	17,823	8,552	5,759,064
Belarus	-	-	-	1,638,271	1,638,271
Czech Rep. and Slovakia	1,779,462	49,772	-	-	1,829,234
Asia	735,365	1,893,761	93,481	260,275	2,982,882
Baltic countries	1,683,206	-	-	12,639	1,695,845
Ukraine	690,226	627,216	-	-	1,317,442
Other	601,258	1,155,308	195,821	111,978	2,064,365
Total	12,670,399	24,705,262	8,355,533	5,791,874	51,523,068

Sales of finished goods by brand and geographic region for the 3rd quarter of 2019 are as follows:

	Bostavan wine (unaudited)	Purcari Wine (unaudited)	Crama Ceptura wine (unaudited)	Bardar divin and brandy (unaudited)	Total (unaudited)
Romania	786,800	11,697,496	7,957,136	249,434	20,690,866
Republic of Moldova	1,590,566	5,838,123	-	6,630,723	14,059,412
Poland	3,606,663	88,768	-	7,853	3,703,284
Belarus	106,135	-	-	1,115,521	1,221,656
Czech Rep. and Slovakia	1,783,626	-	-	-	1,783,626
Asia	1,283,327	2,385,197	153,378	202,156	4,024,058
Baltic countries	1,494,353	-	-	22,822	1,517,175
Ukraine	658,654	927,945	-	-	1,586,599
Other	372,113	191,743	188,139	221,679	973,674
Total	11,682,237	21,129,272	8,298,653	8,450,188	49,560,350

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Note 15. Cost of sales

Cost of sales for Q3 and 9 months ended at 30 September 2020 and Q3 and 9 months ended at September 2019 are as follows:

	3-month ended 30 September 2020 (unaudited)	3-month ended 30 September 2019 (unaudited)	9-month 2020 (unaudited)	9-month 2019 (unaudited)
Sales of finished goods				
Wine	21,736,734	19,669,238	60,590,151	56,996,505
Divin	2,588,924	3,765,876	6,366,844	8,877,396
Brandy	13,134	20,808	131,208	268,875
Total sales of finished goods	24,338,792	23,455,922	67,088,203	66,142,776
Sales of other goods				
Merchandise	1,022,591	(77,297)	1,514,423	428,615
Other	89,114	28,155	110,556	90,407
Wine materials	69,666	241,314	516,534	445,561
Agricultural products	214	-	11,400	-
Total sales of other goods	1,181,585	192,172	2,152,913	964,583
Services				
Hotel and restaurant services	511,575	988,413	702,984	1,859,674
Agricultural services	13,341	5,062	122,241	247,331
Total services	524,916	993,475	825,225	2,107,005
Total cost of sales	26,045,293	24,641,569	70,066,341	69,214,364

Note 16. Marketing and sales expenses

Marketing and Selling distribution expenses for Q3 and 9 months ended at 30 September 2020 and Q3 and 9 months ended at 30 September 2019 are as follows:

	3-month ended 30 September 2020 (unaudited)	3-month ended 30 September 2019 (unaudited)	9-month 2020 (unaudited)	9-month 2019 (unaudited)
Transport	1,023,938	875,906	2,823,376	2,752,511
Salary and related expense of marketing and sales	1,947,608	788,655	4,778,567	2,472,091
Marketing and selling	2,209,094	2,072,278	6,090,374	4,959,046
Certification of production	106,778	65,432	336,180	334,913
Other expenses	19,023	49,967	154,155	172,979
Total marketing and sales expenses	5,306,441	3,852,238	14,182,652	10,691,540

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Note 17. General and administrative expenses

General and administrative for Q3 and 9 months ended at 30 September 2020 also Q3 and 9 months ended at 30 September 2019 are as follows:

	<u>3-month ended 30 September 2020 (unaudited)</u>	<u>3-month ended 30 September 2019 (unaudited)</u>	<u>9-month 2020 (unaudited)</u>	<u>9-month 2019 (unaudited)</u>
Employee benefits	2,821,640	4,503,385	8,857,132	11,479,800
Depreciation	480,225	490,859	1,934,907	1,128,592
Professional fees	308,944	187,617	906,549	861,989
Taxes and fees	334,165	415,253	1,032,462	1,145,564
Travel	5,861	120,065	69,384	386,895
Security	1,830	4,705	6,776	8,204
Rent	38,952	237,023	78,368	669,315
Bank charges	113,844	157,639	312,680	618,174
Repairs and maintenance	73,640	104,750	219,779	214,722
Communication	93,684	91,708	254,774	227,558
Fuel	41,872	46,612	111,111	124,799
Penalties	1,445	3,814	2,870	20,340
Insurance	45,854	50,527	147,207	140,034
Materials	5,206	226,443	82,360	474,154
Other	388,269	162,600	597,747	715,500
Total general and administrative expenses	<u><u>4,755,431</u></u>	<u><u>6,803,000</u></u>	<u><u>14,614,106</u></u>	<u><u>18,215,640</u></u>

Note 18. Other operating income

Other operating income for Q3 and 9 months ended at 30 September 2020 and Q3 and 9 months ended at 30 September 2019 are as follows:

	<u>3-month ended 30 September 2020 (unaudited)</u>	<u>3-month ended 30 September 2019 (unaudited)</u>	<u>9-month 2020 (unaudited)</u>	<u>9-month 2019 (unaudited)</u>
Release of deferred income	83,202	(18,184)	477	(45,027)
Gains on write-off of trade and other payables	(4)	(201,745)	4,382	-
Net gain/ (loss) from sale of other materials	(17,504)	13,307	169,477	(39,091)
Other	224,515	114,762	281,851	207,363
Total other operating income	<u><u>290,209</u></u>	<u><u>(91,860)</u></u>	<u><u>456,187</u></u>	<u><u>123,245</u></u>

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Note 19. Other operating expenses

Other operating expenses for Q3 and 9 months ended at 30 September 2020 and Q3 and 9 months ended at 30 September 2019 are as follows:

	<u>3-month ended 30 September 2020 (unaudited)</u>	<u>3-month ended 30 September 2019 (unaudited)</u>	<u>9-month 2020 (unaudited)</u>	<u>9-month 2019 (unaudited)</u>
Impairment of property, plant and equipment, net	(20,197)	(20,282)	(60,401)	(60,022)
Change in provisions, net	(1,572)	8,853	88,573	8,853
Unallocated overheads	88,402	45,473	281,496	187,885
Adjustment to fair value of harvest of grapes from own grape vines	2,831,722	1,814,835	2,767,827	728,654
Adjustment to fair value of harvest of grapes from joint operation / operating leasing	238,676	(1,311,915)	286,471	(414,364)
Net (gain)/ loss from disposal of property, plant and equipment and intangible assets	78,069	142,739	26,256	(78,372)
Other	25,904	12,432	56,129	25,593
Total other operating expenses	<u>3,241,004</u>	<u>692,135</u>	<u>3,446,351</u>	<u>398,227</u>

Note 20. Net finance cost

The net finance costs for Q3 and 9 months ended at 30 September 2020 also Q3 and 9 months ended at 30 September 2019 are as follows:

	<u>3-month ended 30 September 2020 (unaudited)</u>	<u>3-month ended 30 September 2019 (unaudited)</u>	<u>9-month 2020 (unaudited)</u>	<u>9-month 2019 (unaudited)</u>
Interest expenses	1,287,049	1,473,360	4,085,217	4,168,959
Foreign exchange (gain)/loss	125,807	(1,775,921)	1,343,960	956,523
Net finance costs	<u>1,412,856</u>	<u>(302,561)</u>	<u>5,429,177</u>	<u>5,125,481</u>

Note 21. Related parties

The Group's related parties for the nine-months period ended 30 September 2020 were the following:

<u>Name of the entity</u>	<u>Relationship with the Company</u>
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

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Transactions with key management personnel and other related parties:

	Transaction value for nine-month period ended – income/(expenses)		Outstanding balance – receivable/(payable) as at	
	30 September 2020 (unaudited)	31 December 2019 (audited)	30 September 2020 (unaudited)	31 December 2019 (audited)
Victor Bostan				
- Salaries and bonuses for performance	(376,226)	(969,956)	(400,501)	(258,842)
Moldova Agroindbank SA				
- Secured bank loans			(66,855,340)	(71,924,540)
- Interest expense	(2,761,217)	(3,203,997)		
- Sales of merchandise		31,376		
- Bank charges	(149,523)	(219,093)		
- Cash and cash equivalents			7,044,822	6,043,948
Victoriavin SRL				
- Recognition of right-of-use assets	4,100,453	3,952,874		
- Lease liabilities			(4,345,296)	(4,076,628)
- Other receivables				14,693
- Trade payables				(25,710)
- Operating lease	(35,592)	(46,301)		
- Acquisition of inventories	(1,317)	(9,630)		
Agro Sud Invest SRL				
- Agricultural services	(3,088,946)	(3,793,775)		
- Trade payables			(1,330,854)	(294,341)
BSC Agro SRL				
- Agricultural services	(4,306,570)	(5,575,080)		
- Trade payables			(1,498,046)	(767,357)
Ecosmart Union SA				
- Trade payables				(275,441)
- Other expenses	(1,487,206)	(1,818,968)		
Key management personnel				
- Salaries and bonuses for performance	(2,334,255)	(5,359,895)	(261,162)	(1,356,038)
- Equity-settled share-based payment	(1,408,883)	(1,946,882)	(1,385,807)	(1,946,882)

Note 22. 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. As a consequence, the EBITDA presented in this note cannot, as such, be relied upon for the purpose of comparison to EBITDA of other companies.

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The EBITDA for Q3 and 9 months ended at 30 September 2020 and Q3 and 9 months ended at 30 September 2019 are as follows:

	3-month ended 30 September 2020 (unaudited)	3-month ended 30 September 2019 (unaudited)	30 September 2020 (unaudited)	30 September 2019 (unaudited)
EBITDA	15,891,875	16,123,252	44,190,808	46,233,866
Less: depreciation	(2,872,198)	(2,398,271)	(8,614,355)	(6,780,110)
Less: amortization	(46,177)	(146,570)	(129,890)	(183,071)
Result from operating activities	12,973,500	13,578,411	35,446,563	39,270,685
Less: net finance costs	(1,412,856)	302,561	(5,429,177)	(5,125,481)
Earnings Before Taxes	11,560,644	13,880,972	30,017,386	34,145,204
Less: income tax	(1,539,129)	(1,587,340)	(4,421,851)	(4,733,508)
Profit for the period	10,021,515	12,293,632	25,595,535	29,411,696

Note 23. 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 3.13, which is a significant improvement compared to 1.97 recorded at 2019 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.

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 1.3 to 1.1 comparing to year end because during the nine months of 2020 the Company continued to make capital expenditures, required to support future increase of sales.

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<u>Item, RON</u>	<u>30 September 2020</u>		<u>31 December 2019</u>	
Liquidity ratio				
<u>Current Assets</u>	<u>196,381,852</u>	<u>3.13</u>	<u>197,387,456</u>	<u>1.97</u>
<u>Current liabilities</u>	<u>62,792,396</u>		<u>100,263,979</u>	
Gearing ratios				
<u>Debt</u>	<u>95,528,538</u>	<u>48%</u>	<u>110,778,079</u>	<u>62%</u>
<u>Equity</u>	<u>200,821,393</u>		<u>177,269,754</u>	
<u>Debt</u>	<u>95,528,538</u>	<u>32%</u>	<u>110,778,079</u>	<u>38%</u>
<u>Total Capital Employed</u>	<u>296,349,931</u>		<u>288,047,830</u>	
Receivables Turnover, days				
<u>Receivables</u>	<u>45,243,294</u>	<u>88</u>	<u>53,887,343</u>	<u>97</u>
<u>Net Sales Annualized / 360</u>	<u>512,305</u>		<u>553,054</u>	
Non-current Assets turnover				
<u>Net Sales Annualized</u>	<u>184,429,881</u>	<u>1.1</u>	<u>199,099,390</u>	<u>1.3</u>
<u>Non-current Assets</u>	<u>163,035,140</u>		<u>156,791,646</u>	

Note 24. 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 31 July 2020, Vinaria Purcari SRL, a wholly owned subsidiary of Purcari Wineries PLC, has entered a transaction to sell the 31.415% stake owned in Glass Container Company SA to Vetropack Group, a leading Swiss corporate group in the European glass packaging industry. The transaction is subject to customary regulatory approvals and is expected to be closed by end of November 2020.