



SINTEZA SA
Șos. Borșului no. 35
410605 ORADEA - ROMANIA



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VAT Reg.No.: RO 67329
Reg.No.at Commerce Register: J.05/197/1991

BANK: BANCA TRANSILVANIA ORADEA
IBAN EURO:RO61BTRL00504202N98396XX
IBAN RON: RO86BTRL00501202N98396XX
SWIFT CODE: BTRL RO22XXX

QUARTERLY REPORT ACCORDING TO ASF REGULATION NO.5/2018

| | |
|--|----------------------------------|
| Date of report: | 30.09.2020 |
| Name of the company: | S.C. SINTEZA S.A |
| Headquarters: | 410605 Oradea, Borșului, road 35 |
| Phone: | 40 259 456 116 |
| Fax: | 40 259 462 224 |
| Tax Identification Code: | 67329 |
| Number of registration in the Commercial Register: | J/05/197/1991 |
| Subscribed and paid capital: | 9.916.888,50 RON |
| Regulated market where the issued securities are traded: | BUCHAREST STOCK EXCHANGE |

This Quarterly Report includes:

- 1) The financial statements on 30.09.2020, prepared in accordance with International Financial Reporting Standards (IFRS).
 - Statement of financial position at 30.09.2020
 - Statement of Comprehensive Income on 30.09.2020
 - Statement of the modification shareholders' equities on 30.09.2020
 - Cash flow statement
- 2) Notes to the financial statements ended 30.09.2020
- 3) Economic and financial indicators specified in Appendix 13 A of ASF Regulation No.5 / 2018.
 - Note that third quarter 2020 financial statements were not audited.

SINTEZA SA ORADEA informs the investors that Q3 REPORT is available for consultation at the company's headquarters in Oradea, Borșului Street No. 35, daily from 9 to 12, on the company's website www.sinteza.ro, as well as in link below, starting on 16.11.2020 at 09:00.

GENERAL MANAGER
TUDOR-IOAN STOIA

1. Financial statements at 30.09.2020

Individual and consolidated Financial Statements 30.09.2020

| INDICATOR | INDIVIDUAL | | CONSOLIDATED | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 31-Dec-2019 | 30-Sep-2020 | 31-Dec-2019 | 30-Sep-2020 |
| Tangible assets | | | | |
| Freehold land and land improvements | 14.565.500 | 14.565.500 | 14.565.500 | 14.565.500 |
| Buildings | 11.724.640 | 11.294.111 | 11.724.640 | 11.294.111 |
| Technical installations and transport means | 14.552.554 | 13.510.666 | 14.552.554 | 13.510.666 |
| Furniture, office automation equipments | 23.789 | 52.842 | 23.789 | 52.842 |
| Tangible assets in progress | 1.922.367 | 1.992.667 | 1.922.367 | 1.992.667 |
| Advance payments for tangible assets | | | | |
| Total of tangible assets | 42.788.850 | 41.415.786 | 42.788.850 | 41.415.786 |
| Intangible assets | | | | |
| Concessions, patents, licences, trademarks | 205.062 | 174.080 | 205.062 | 174.080 |
| Intangible fixed assets in progress | | 45.414 | | 45.414 |
| Investment assets | | | | |
| Shares owned at branch offices and other fixed securities | 32.114 | 25.162 | 35.014 | 28.062 |
| Rights to use the assets leased | 74.898 | 61.417 | 74898 | 61417 |
| Total of intangible assets | 43.100.924 | 41.721.859 | 43.103.824 | 41.724.759 |
| Current assets | | | | |
| Stocks | 3.239.102 | 1.105.703 | 3.242.773 | 1.109.374 |
| Trade receivables and other receivables | 3.052.091 | 2.749.355 | 1.274.370 | 971.634 |
| Accrued expenses | 225.379 | 392.214 | 225.379 | 392.214 |
| Cash and cash equivalent | 38.444 | 23.854 | 61.916 | 45.871 |
| Assets classified as being held for sale | 3.602.553 | 3.602.553 | 3.602.553 | 3.602.553 |
| Total of current assets | 10.157.569 | 7.873.679 | 8.406.991 | 6.121.646 |
| Total of assets | 53.258.493 | 49.595.538 | 51.510.815 | 47.846.405 |
| Shareholders' equities | | | | |
| Share capital | 9.916.889 | 9.916.889 | 9.916.889 | 9.916.889 |
| Share premiums | | | | |
| Reserves | 27.500.241 | 27.500.241 | 28.939.479 | 28.939.479 |
| Result of the year | -4.061.287 | -4.659.902 | -4.114.704 | -4.700.349 |
| Result carried forward | 3.300.876 | -760.411 | 263.744 | -3.850.961 |
| Other elements of shareholders' equities | -540 | -540 | -540 | -540 |
| Minority interests | | | -3.891 | -3.985 |
| Total of shareholders' equities | 36.656.179 | 31.996.277 | 35.000.977 | 30.300.533 |
| Long-term liabilities | | | | |
| Long-term loans and other liabilities | 790.277 | 376.973 | 790.277 | 376.973 |
| Deferred income | | | | 0 |
| Provisions | | | | 0 |
| Deferred tax liabilities | 3.652.504 | 3.652.504 | 3.652.504 | 3.652.504 |
| Total of long-term liabilities | 4.442.781 | 4.029.477 | 4.442.781 | 4.029.477 |
| Current liabilities | | | | |
| Short-term loans | 5.897.336 | 5.834.706 | 5.897.336 | 5.834.706 |
| Trading liabilities and other liabilities, including derivatives | 6.124.802 | 7.566.838 | 6.032.326 | 7.513.449 |
| Deferred income | 30.820 | 61.665 | 30.820 | 61.665 |
| Provisions | 106.575 | 106.575 | 106.575 | 106.575 |
| Liabilities classified as being held for sale | | | | 0 |
| Total of current liabilities | 12.159.533 | 13.569.784 | 12.067.057 | 13.516.395 |
| Total of liabilities | 16.602.314 | 17.599.261 | 16.509.838 | 17.545.872 |
| Total of shareholders' equities and liabilities | 53.258.493 | 49.595.538 | 51.510.815 | 47.846.405 |

Statement of the individual and consolidated overall result 30.09.2020

| INDICATOR | INDIVIDUAL | | CONSOLIDATED | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 30.09.2019 | 30.09.2020 | 30.09.2019 | 30.09.2020 |
| Continuous activities | | | | |
| Income | 18.745.544 | 15.169.075 | 18.745.544 | 15.169.075 |
| Other income | 340.462 | 20.247 | 343.478 | 20.247 |
| Changes in inventories | 993.594 | -2.372.075 | 993.594 | -2.372.075 |
| Total of operating income | 20.079.600 | 12.817.247 | 20.082.616 | 12.817.247 |
| Expenses related to inventories | 11.802.535 | 6.756.945 | 11.802.535 | 6.756.945 |
| Expenses related to utilities | 2.316.818 | 2.544.677 | 2.316.818 | 2.544.677 |
| Expenses with the employees' benefits | 3.526.659 | 4.049.798 | 3.567.975 | 4.086.534 |
| Amortization and depreciation of fixed assets | 1.623.236 | 1.567.305 | 1.623.236 | 1.567.305 |
| Gains (-)/losses from the assignation of fixed assets (+) | 137.223 | | 137.223 | |
| Value adjustment of current assets | | | | |
| Adjustments related to provisions | | | | |
| Other expenses | 2.526.158 | 2.239.497 | 2.528.987 | 2.243.303 |
| Total of operating expenses | 21.932.629 | 17.158.222 | 21.976.774 | 17.198.764 |
| Result of the Operating Activities | -1.853.029 | -4.340.975 | -1.894.158 | -4.381.517 |
| Financial income | 120.477 | 45.535 | 120.477 | 45.535 |
| Financial expenses | 522.285 | 364.462 | 522.285 | 364.462 |
| Net financial result | -401.808 | -318.927 | -401.808 | -318.927 |
| Result before the taxation | -2.254.837 | -4.659.902 | -2.295.966 | -4.700.444 |
| Expense with the current income tax | | | | |
| Expenses with the deferred income tax | | | | |
| Deferred income tax-related income | | | | |
| Result of the Continuous Activities | -2.254.837 | -4.659.902 | -2.295.966 | -4.700.444 |
| Minority interests | | | 97 | 95 |
| Total of the overall result afferent to the period | -2.254.837 | -4.659.902 | -2.295.869 | -4.700.349 |

Statement of the modifications in the individual shareholders' equities

30.09.2020

| Modification resources of the shareholders' equities | Share capital | Share premiums | Issued capital instruments | Other shareholders' equities | Cumulated value of other elements of the overall result | Result carried forward | Revaluation reserves | Other reserves | (-) Own shares | Profit or loss (-) attributable to the holders of shareholders' equities in the parent company | (-) Interim dividends | Minority interests | | Total |
|---|---------------|----------------|----------------------------|------------------------------|---|------------------------|----------------------|----------------|----------------|--|-----------------------|---|----------------|----------|
| | | | | | | | | | | | | Cumulated value of other elements of the overall result | Other elements | |
| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| Opening balance (before the restatement) | | | | | | | | | | | | | | |
| Effect of errors' correction | | | | | | | | | | | | | | |
| Effect of the modification in the accounting policies | | | | | | | | | | | | | | |
| Opening balance (current period) | 9916889 | | | | -4061287 | 3300876 | 23396407 | 4103834 | -540 | | | | | 36656179 |
| Ordinary bonds issue | | | | | | | | | | | | | | |
| Preference shares issue | | | | | | | | | | | | | | |
| Issue of other capital instruments | | | | | | | | | | | | | | |
| Exercise or expiry of other issued capital instruments | | | | | | | | | | | | | | |
| Conversion of liabilities in shareholders' equities | | | | | | | | | | | | | | |
| Capital reduction | | | | | | | | | | | | | | |
| Dividends | | | | | | | | | | | | | | |
| Purchase of own shares | | | | | | | | | | | | | | |
| Sale or annulment of own shares | | | | | | | | | | | | | | |
| Reclassification of financial instruments from shareholders' equities into liabilities | | | | | | | | | | | | | | |
| Transfer between the components of the shareholders' equities | | | | | 4607158 | -4607158 | | | | | | | | |
| Increases or (-) decreases of the shareholders' equities derived from the combined activities | | | | | | | | | | | | | | |
| Shares-based payments | | | | | | | | | | | | | | |
| Other increases or (-) decreases of the shareholders' equities | | | | | | | | | | | | | | |
| Total overall result for the period | | | | | -4659902 | | | | | | | | | -4659902 |
| Closing balance (current period) | 9916889 | | | | -4659902 | -760411 | 23396407 | 4103834 | -540 | | | | | 31996277 |

Statement of the modifications in the consolidated shareholders' equity
30.09.2020

| Modification resources of the shareholders' equities | Share capital | Share premiums | Issued capital instruments | Other shareholders' | Cumulated value of other elements of the overall result | Result carried forward | Revaluation reserves | Other reserves | (-) Own shares | Profit or loss (-) attributable to the holders of shareholders' equities in the parent company | (-) Interim dividends | Minority interests | | Total |
|---|---------------|----------------|----------------------------|---------------------|---|------------------------|----------------------|----------------|----------------|--|-----------------------|--------------------|----|----------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | |
| Opening balance (before the restatement) | | | | | | | | | | | | | | |
| Effect of errors' correction | | | | | | | | | | | | | | |
| Effect of the modification in the accounting policies | | | | | | | | | | | | | | |
| Opening balance (current period) | 9916889 | | | | -4114704 | 263744 | 23432342 | 5507136 | -540 | | | -3890 | | 35000977 |
| Ordinary bonds issue | | | | | | | | | | | | | | |
| Preference shares issue | | | | | | | | | | | | | | |
| Issue of other capital instruments | | | | | | | | | | | | | | |
| Exercise or expiry of other issued capital instruments | | | | | | | | | | | | | | |
| Conversion of liabilities in shareholders' equities | | | | | | | | | | | | | | |
| Capital reduction | | | | | | | | | | | | | | |
| Dividends | | | | | | | | | | | | | | |
| Purchase of own shares | | | | | | | | | | | | | | |
| Sale or annulment of own shares | | | | | | | | | | | | | | |
| Reclassification of financial instruments from shareholders' equities into liabilities | | | | | | | | | | | | | | |
| Transfer between the components of the shareholders' equities | | | | | 4114704 | -4114704 | | | | | | | | |
| Increases or (-) decreases of the shareholders' equities derived from the combined activities | | | | | | | | | | | | | | |
| Shares-based payments | | | | | | | | | | | | | | |
| Other increases or (-) decreases of the shareholders' equities | | | | | | | | | | | | -95 | | -95 |
| Total overall result for the period | | | | | -4700349 | | | | | | | | | -4700349 |
| Closing balance (current period) | 9916889 | | | | -4700349 | -3850961 | 23432342 | 5507136 | -540 | | | -3985 | | 30300533 |

**Individual and consolidated cash flow statement
30.09.2020**

Cash flow statement

| | INDIVIDUAL | CONSOLIDATED |
|--|-----------------|-----------------|
| Cash flows from operating activity | | |
| Receipts from sales to customers | 14.891.819 | 14.927.619 |
| Other receipts (including net VAT refunds) | 185.656 | 185.656 |
| Payments to suppliers | 11.825.730 | 11.825.730 |
| Payments of net wages | 2.224.788 | 2.246.610 |
| Payments to budgets | 1.021.631 | 1.033.158 |
| Other payments | 759.901 | 763.807 |
| Net cash from operating activities | -754.575 | -756.030 |
| Cash flows from investments activities | | |
| Payments for acquisition of fixed assets | 122.772 | 122.772 |
| Receipts from sales of tangible fixed assets | | |
| Interest received | 0 | |
| Net cash from investment activities | -122.772 | -122.772 |
| Net cash from financing activities | | |
| Proceeds from loans | 11.764.121 | 11.764.121 |
| Interest paid and loan refunds | 10.901.364 | 10.901.364 |
| Dividends paid | | |
| Net cash from financing activities | 862.757 | 862.757 |
| Net increase/(decrease) of cash | -14.590 | -16.045 |
| Cash and cash equivalent at the beginning of the period of time | 38.444 | 61.916 |
| Cash and cash equivalent at the end of the period of time | 23.854 | 45.871 |

2. Notes to the financial statements ended 30.09.2020

The entity reported:

SINTEZA S.A. it is headquartered Oradea, Borsului Road No.35, Registration No. J 05/197/1991 T. It is a joint stock company and operates in Romania in accordance with Law No.31 / 1990 on commercial companies.

The activity of the Company is based on the production and marketing of basic organic chemical products - CAEN code 2014.

The Company's shares are listed on the Bucharest Stock Exchange, Standard category , with the indicative STZ.

On this, the company is owned by the following shareholders:

| Crt. Iss. | Name | Percentage owned |
|-----------|---|------------------|
| 1 | F.I.I. BT Invest 1 administered by BT Asset Management S.A. | 33,8898 |
| 2 | Tincau Tibor | 28,1346 |
| 3 | Platforma ROCA SA | 18,0000 |
| 4 | Other shareholders | 19,9756 |
| | Total | 100,00 |

Evidence shares and shareholders is held according to the law, by SC Depozitarul Central S.A. Bucharest

Presentation of Financial Statements

The individual financial statements are presented in accordance with International Financial Reporting Standards requirements (IFRS).

Functional and presentation currency

The functional currency is the leu chosen. The financial statements are presented in RON.

Significant accounting policies

The Company organizes and manages financial accounting, according to the Accounting Law no. 82/1991, with subsequent amendments and IFRS

Financial accounting provides a chronological and systematic recording, processing, publish and maintain information about the financial position, financial performance and other information related to the work.

Transactions in foreign currencies

Operations in foreign currency are recorded in RON at the exchange rate on the date of the transaction.

At the end of each month, the liabilities in foreign currency are valued at the exchange rate of the currency market, announced by the National Bank of Romania in the last working day of the month in question.

Financial instruments

The company owns the non-derivative financial assets: trade receivables, cash and cash equivalents.

Tangible assets

Tangible assets are assets that:

- are held by a company for use in the production of goods or services, for rental to others or for administrative purposes; and
- are used over a period longer than one year.

Production cost includes direct costs related to the production assets such as direct materials, energy consumption for technological purposes, the costs of salaries, contributions and other legal related expenses, arising directly from the construction of property and equipment, costs of site preparation costs initial delivery and handling, installation and assembly costs, testing costs for the proper functioning of the asset, professional fees and fees paid in connection with the asset, the cost of designing products and obtain necessary permits;

Subsequent expenditure on a tangible asset is recognized:

as an expense in the period in which they were incurred if they are considered repairs or purpose of these expenditures is to ensure continued use of the asset while maintaining the original technical parameters; or

as part of the asset, as subsequent expenses, if the conditions to be considered investments on fixed assets.

Depreciation of tangible assets is calculated starting with next month commissioning and until full recovery of their input.

The Company calculated and accounted for depreciation of tangible leased, rented or management location.

Land is not depreciated.

Intangible assets:

Within intangible assets include:

- up costs;
- development costs;
- concessions, patents, licenses, trademarks, rights and similar assets, except those created by society;
- goodwill;
- other intangible assets;
- advance payments for intangible assets;
- intangible assets in progress.

Amortization of intangible assets is allocated on a systematic basis over the best estimate of its useful life.

The method of amortization of intangible assets is a straight.

Items of stocks

Registration in inventory accounting entry shall be made after the transfer of risks and rewards.

Trade discounts granted by the supplier and included in the purchase invoice reduces the acquisition cost of goods.

In determining the cost of production using standard cost method, taking into account normal levels of materials and supplies, labor, efficiency and production capacity.

The levels considered normal consumption of material shall be reviewed within 12 months.

Revenue

Revenue represents increases in economic benefits, incurred during the year, which generated an increase in equity in forms other than those expressing consideration nterprise's new owners.

Revenues are recognized on an accrual basis.

Expenditure

Company expenses are amounts paid or payable.

Accounting expenses take the kinds of expenses as follows:

Synthetic spending accounts covering multiple items with different tax deductibility regime develops analytical, analytical so that each reflect specific content.

Debts of company

Debts evidenced by accounting company on behalf of third-party accounts. Accounting suppliers and other liabilities take into categories and each person or entity.

Personal rights shall be accounted for retaining contributions

Income tax payment as a liability should be recognized to the extent unpaid.

Foreign currency debt rating and those with settlement in lei depending on the course of currencies is made at the exchange rate of the National Bank of Romania, valid on the date of each financial year.

Commercial and financial discounts

Trade discounts granted by the supplier and included in the purchase invoice adjusted downwards acquisition cost of goods.

Trade discounts to customers in order to reduce the amount of income adjusted for the transaction.

Contingent assets and liabilities

Contingent assets and liabilities is presented in the notes if the inflows are likely to arise economic benefits.

Events after the preparation of financial statements

Events after the balance sheet date are those events, favorable or unfavorable, that occur between the balance sheet date and the date the annual financial statements are authorized for issue. They are presented in the notes when considered significant.

Events or uncertainty factors that affect or could affect the company's activity

Business is affected by the global crisis of credit and liquidity constraints that led to a low level and difficult access to funds on the capital market.

Signaled contraction in the financial market, generated in part by developments in the euro zone lately, could affect the Company's ability to access new loans and refinance those already obtained in terms and conditions related to past transactions.

Also, borrowers Company may be affected by low levels of available liquidity, which could affect their ability to repay debt when due, which will have an impact on the ability to forecast cash flows.

The Company can not predict all the events that would impact on the financial sector and any effects that would interfere with the financial statements.

The Company can not estimate the effects on the financial statements of future decreases liquidity in the financial market, the devaluation of financial assets or credit market contraction or increasing currency volatility.

However, the Company believes that, in specific market conditions that works, characterized by a strong specialization of a small number of participants and their risk assessment and management can be achieved through daily monitoring of incoming and outgoing flows of cash and by making short-term forecasts net liquidity.

The Company is not subject to externally imposed capital requirements.

3. Economic and financial indicators

| Current iss. | Indicator | Calculation | Result |
|---------------------|--|---|---------------|
| 1 | Current liquidity | Current Assets / Current Liabilities | 0,58 |
| 2 | Indebtedness percentage | Borrowed capital / Equity *100 Equity / Capital employed * 100 | 1,18 88,82 |
| 3 | The rotation speed of debits - clients | The average balance of clients /Turnover* 90 | 46,97 |
| 4 | The rotation speed of fixed assets | Turnover/Fixed assets | 0,36 |

GENERAL MANAGER
TUDOR-IOAN STOIA

FINANCIAL MANAGER
SANDA IOVAN