



VRANCART S.A.

625100 Adjud-Vrancea, România, Str. Ecaterina Teodoroiu 17
RO 1454846, J39/239/1991
Capital social subscris și vărsat 103.168.354,70 RON
RO54 RNCB 0268 0087 9340 0001 - BCR Adjud
RO95 RZBR 0000 0600 0094 5306 - Raiffeisen Bank Adjud
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**Consolidated quarterly report for the 3rd quarter of 2019 according to the
Financial Supervisory Authority Regulation no. 5/2018**

Date of report:	November 15 th , 2019
Name of the issuing entity:	VRANCART S.A.
Registered office:	Adjud, 17 Ecaterina Teodoroiu Street, Vrancea county
Tel./fax number:	0237-640.800; 0237-641.720
Tax Identification Number:	1454846
Trade Registry registration number:	J39/239/1991
Subscribed and paid-in share capital:	RON 103.168.354,70
The regulated market onto which the securities issued are traded.	The Bucharest Stock Exchange

A. Group overview as at September 30th, 2019

- Major events that occurred during the first nine months of 2019 and their impact onto the Group's financial position
- Overview of the Group's financial position and performances achieved during the reporting period

Vrancart Group ("the Group") includes the company Vrancart S.A., having its registered office in Adjud, 17 Ecaterina Teodoroiu Street, Vrancea county, and its branch Rom Paper S.R.L. based in Cristian township, Brasov county.

Vrancart Group applies the accounting regulations approved through the Public Finance Ministry Order no. 2844/2016 for the approval of the Accounting regulations compliant with the International Financial Reporting Standards.

Branch	Field of activity	Shareholding as at September 30th, 2019	Shareholding as at December 31st, 2018
Rom Paper SRL	Production of napkins and tissue paper products	100%	100%

As at September 30th, 2019 and during the period between January 1st – September 30th, 2019, the evolution of the main financial indicators was as follows:

- The equity amount as at September 30th, 2019 is RON 209.090.993, up by 3% from the amount recorded at the beginning of the year, following the profit achieved during the first nine months of 2019.
- The volume of the Group's current assets increased by 11% during the analysed period due to the increase of inventories by 14%. The amount of current assets at as September 30th, 2019 is RON 135.375.502.
- The total liabilities recorded as at September 30th, 2019 amounted to RON 117.360.971, up by 11% from the amount recorded as at January 1st, 2019, due to the new loans contracted, both by the parent-company and by its branch Rom Paper.
- The operating income for the period amounted to RON 285.262.797, up by 6% from the same period of the previous year, due, on the one hand to the increase of the Group's turnover by 3% during the same analysed period, and on the other hand, due to the increase of income from the variation of inventories by approximately RON 10 million.
- The operating expenses for the period amounted to RON 262.749.874, up by 6% from the same period of the previous year, due to the increase of expenses related to raw materials and commodities, and also due to the increase of personnel-related expenses.
- The operating result for the period amounted to RON 22.512.923, up by 4% from the same period of the previous year. The Group's gross result recorded a reduction by 11% during the first nine months of 2019 compared to the first nine months of the previous year, due to the increase of financial expenses (bank interests).

The account report drawn up as at September 30th, 2019 was not audited by the financial auditor, as this is not a legal or statutory requirement.

B. Economic and financial indicators as at September 30th, 2019, according to Appendix no. 13 to the Financial Supervisory Authority Regulation no. 5/2018.

Indicator's name	Calculation modality	M.U.	Result
Current liquidity indicator	Current assets/Current liabilities	ratio	1,15
Indebtedness degree indicator	Borrowed capital /Equity ^x 100	%	71,39*
	Borrowed capital/Employed capital ^x 100	%	41,66*
Debts-customers turnover	Average customer balance/Turnover ^x 270	days	73,62
Non-current assets turnover	Turnover/Non-current assets	ratio	0,89

* Borrowed capital includes credit lines, short-term and long-term bank loans, long-term trade loans, short-term and long-term liabilities from financial leasing agreements and loans from bond issues.

CIUCIOI Ionel-Marian
Chairman of the Board of Directors

ARSENE Vasilica-Monica
Financial Manager