



ARGUS S.A. Str. Industriala nr. 1, 900147 Constanta, Romania
Tel: 40/241/676840 Fax: 40/241/634367; Cod LEI (Legal Entity Identifier): 315700M31ZOTBZMMBE46
R.C.:J13/550/1991; C.U.I.: RO 1872644; Capital social: 53.670.699 lei
IBAN: RO70 BTRL 0140 1202 F767 76XX – Banca Transilvania Suc.Constanta

QUARTERLY REPORT
ACCORDING TO THE F.S.A. REGULATION No. 5/2018
FOR THE THIRD TRIMESTER OF 2018

Report date: **29.11.2018**

Company name: ARGUS S.A. CONSTANȚA

Headquarters: Industrială Street, no. 1

Phone/Fax: 0241/67.68.40/63.43.67

Trade Register Number: J 13/550/1991;

Fiscal Registration Code: 1872644: Tax attribute RO

LEI Code (Legal Entity Identifier): 315700M31ZOTBZMMBE46

Share capital subscribed and paid: 53.670.699 lei

Regulated market on which the issued securities are traded on: AeRO – Market symbol **UARG**

A.

1. Presentation of important events that have occurred during the relevant time period and their impact on the issuers and its subsidiaries financial position.

The turnover registered by ARGUS SA in the first 9 (nine) months is higher with about 23% compared to the same period of 2017. The loss registered at 30.09.2018 was due to the following factors:

- Romanian Interbank Offer Rate increased with approximately 1.5 points, fact that lead to an increase of the interest rate and implicitly of the financial costs;
- Increase, at national level, of the energy price with 50% as the price practiced in the same period of last year;
- The late start of the sunflower seed harvest, and implicitly of the oil production, as in the previous year;
- Pressure from the Key Accounts for lowering the sales price of the bottled oil, because of the decreasing prices on the international markets for the sunflower oil, sold in bulk.

2. General description of the financial position and the issuers and its subsidiaries performances incurred in the relevant time period.

Financial position at 30.09.2018 is presented as follows:

BALANCE SHEET
September 30st, 2018

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Indicator name	Row no.	BALANCE AT	
		01.01.2018	30.09.2018
A	B	1	2
A. FIXED ASSETS			
I. INTANGIBLE ASSETS			
1. Establishment costs (acct. 201-2801)	01	0	0
2. Development costs (acct.203-2803-2903)	02	0	0
3. Concessions, patents, licenses,trademarks, rights and similar assets and other intangible assets (acct.2051+2052+208-2805-2808-2905-2908)	03	13.033	3.611
4. Godwill (acct.2071-2807-2907-2075)	04	0	0
5. Intangible assets exploration and evaluation of mineral resources (acct.206-2806-	05	0	0

	2906)			
	6. Advances (acct.409.4)	06	0	0
	TOTAL (row 01 to 06)	07	13.033	3.611
II. TANGIBLE ASSETS				
	1. Land and constructions (acct. 211+212-2811-2812-2911-2912)	08	38.005.109	36.965.584
	2. Technical installations and machines (acct. 213+223-2813-2913)	09	6.079.233	6.197.288
	3. Other installations, equipment and furniture (acct. 214+224-2814-2914)	10	430.210	440.219
	4. Real estate investments (acct. 215-281.5-291.5)	11	46.846	45.730
	5. Tangible assets in the course of execution (acct. 231-293.1)	12	452.886	1.336.070
	6. Real estate investment in the course of execution (acct. 235-2935)	13	0	0
	7. Tangible assets exploration and evaluation of mineral resources (acct. 216-2816-2916)	14	0	0
	8. Biologically productive assets (acct. 217+227-2817-2917)	15	0	0
	9. Advances (acct. 409.3)	16	3.193	47.040
	TOTAL (row 08 to 16)	17	45.017.477	45.031.931
III. FINANCIAL ASSETS				
	1. Shares held in subsidiaries (acct.261-2961)	18	15.894.313	15.894.313
	2. Loans granted to affiliated entities (acct.2671+2672-2964)	19	0	0
	3. Participation interests (acct.263-2962)	20	6.592	6.592
	4. Loans granted to entities of which the company is linked by virtue of participating interests (acct.2673+2674-2965)	21	0	0
	5. Other fixed titles (acct.265+266-2963)	22	0	0
	6. Other loans (acct.2675+2676+2677+2678+2679-2966-2968)	23	10.409	10.409
	TOTAL (row 18 la 23)	24	15.911.314	15.911.314
	ACTIVE IMOBILIZATE - TOTAL (row 07+17+24)	25	60.941.824	60.946.856
B. CURRENT ASSETS				
I. STOCKS				
	1. Raw materials and consumables (acct. 301+3021+3022+3023+3024+3025+3026+3028+322+303+323+/-308+351+358+381+328+/-388-391-3921-3922-3951-3958-398)	26	65.558.002	72.201.657
	2. Production under execution (acct. 331+332+341+/-348-393-3941-3952+327)	27	29.775.945	10.575.811
	3. Finished products and goods for sale (acct. 345+346+/-348+354+356+357+361+326+/-368+371+/-378 -3945-3946-3953-3954-3956-3957-396-397-4428)	28	5.265.883	3.171.869
	4. Payments in advance for stocks purchase (acct. 4091)	29	210.945	8.659
	TOTAL (row 26 la 29)	30	100.810.775	85.957.996
II. RECEIVABLES				
	1. Trade receivables (acct. 2675+2676+2678+2679-2966-2968+4092+4111+4118+413+418-491)	31	24.081.379	11.060.777
	2. Receivable amounts from affiliated entities (acct. 451-495)	32	0	0
	3. Receivable amounts from entities with which the company is linked by virtue of participating interests (acct. 453+ -495)	33	0	0
	4. Other receivables (acct. 425+4282+431+437+4382+441+4424+4428+444+445+446+ 447+4482+4582+461+473-496+5187)	34	589.607	596.877
	5. Subscribed and unpaid capital (acct. 456-495)	35	0	0
	TOTAL (row 31 la 35)	36	24.670.986	11.657.654
III. SHORT – TERM INVESTMENTS				
	1. Shares held in affiliated entities (acct.501-591)	37	0	0
	2. Other short-term investments (acct.505+506+508+5113+5114-595-596-598)	38	0	0
	TOTAL (row 37 la 38)	39	0	0
	IV. CASH AND BANK ACCOUNTS (acct. 5112+5121+5124+5125+5311+5314+5321+5322+5323+5328+5411+5412+542)	40	3.888.528	11.952.676

	CURRENT ASSETS - TOTAL (row.30+36+39+40)	41	129.370.289	109.568.326
C. ADVANCE PAYMENT COSTS				
	1. Advance payment costs (acct. 471) (row 43+row 44)	42	60.464	490.146
	Amounts to be resumed in a period of up to one year (acct. 471)	43	60.464	490.146
	Amounts to be resumed in a period of more than 1 year (acct. 471)	44	0	0
D. DEBTS: AMOUNTS TO BE PAID IN A PERIOD OF UP TO ONE YEAR				
	1. Loans resulted from issued bonds, presenting separately the loans from the issued convertible bonds (acct. 161+1681-169)	45	0	0
	2. Amounts owed to credit intitutions (acct. 1621+1622+1624+1625+1627+1682+5191+ 5192+5198)	46	102.594.165	90.093.983
	3. Advance payments received for orders (acct. 419)	47	50.752	20.868
	4. Commercial debts - suppliers (acct. 401+404+408)	48	6.656.673	11.900.997
	5. Payable bills of exchange (acct. 403+405)	49	0	0
	6. Amounts owed to affiliated entities (acct. 1661+1685+2691+451)	50	0	903.750
	7. Amounts owed to entities which the company is linked by virtue of participating interests (acct. 1663+1686+2692+453)	51	0	0
	8. Other liabilities, including tax debts and debts regarding social insurances (acct. 1623+1626+167+1687+2693+421+423+424+426+427+4281+431+437+4381+441+4423+4428+444+446+447+4481+4551+4558+456+457+4581+462+473+509+5186+5193+5194+5195+5196+5197)	52	2.131.983	1.406.184
	TOTAL (row 45 la 52)	53	111.437.429	104.325.782
E. NET CURRENT ASSETS/NET CURRENT LIABILITIES (row 41+43-53-70-73-76)		54	17.989.647	5.729.141
F. TOTAL ASSETS MINUS CURRENT LIABILITIES (row 25+44+54)		55	78.931.469	66.675.998
G. DEBTS: AMOUNTS TO BE PAID OVER A PERIOD OF MORE THAN ONE YEAR				
	1. Loans from issued bonds (acct. 161+1681-169)	56	0	0
	2. Amounts owed to credit institutions (acct. 1621+1622+1624+1625+1627+1682+5191+ 5192+5198)	57	0	0
	3. Advance payments received for orders (acct. 419)	58	0	0
	4. Commercial debts (acct. 401+404+408)	59	0	0
	5. Payable bills of exchange (acct. 403+405)	60	0	0
	6. Amounts owed to affiliated entities (acct. 1661+1685+2691+451)	61	0	0
	7. Amounts owed to entities which the company is linked by virtue of participating interests (acct. 1663+1686+2692+453)	62	0	0
	8. Other liabilities, including tax debts and debts regarding social insurances (acct. 1623+1626+167+1687+2693+421+423+424+426+427+4281+431+437+4381+441+4423+4428+444+446+447+4481+455+456+457+4581+462+473+509+5186+5193+5194+5195+5196+5197)	63	0	0
	TOTAL (row 56 la 63)	64	0	0
H. PROVISIONS				
	1. Provision for employee benefits (acct. 151.5+151.7)	65	0	0
	2. Provisions for taxes (acct. 1516)	66	315.699	315.699
	3. Other provisions (acct. 151.1+151.2+151.3+151.4+151.8)	67	359.975	359.975
	TOTAL (row 65 la 67)	68	675.674	675.674
I. DEFERED INCOME				
	1. Investment grants (acct. 475)(row 70+row 71)	69	3.675	3.549
	Amounts to be resumed within a period f up to one year (din acct. 475)	70	168	168
	Amount to be reseumed in a period longer than one year (din acct. 475)	71	3.507	3.381
	2. Deferred income (acct. 472) - Total (row 73+74), din care:	72	0	0
	Amounts to be resumed within a period f up to one year (acct. 472)	73	0	0
	Amount to be reseumed in a period longer than one year (acct. 472)	74	0	0
	3. Deferred income by transferring assets from clients (acct. 478) (row 76+77)	75	0	0
	Amounts to be resumed within a period f up to one year (acct. 478)	76	0	0

	Amount to be resumed in a period longer than one year (acct. 478)	77	0	0
	4. Negative commercial fund (acct. 2075)	78	0	0
	TOTAL (row 69+72+75+78)	79	3.675	3.549
J. CAPITAL AND RESERVES				
I. CAPITAL				
	1. Subscribed capital paid (acct. 1012)	80	53.670.699	53.670.699
	2. Subscribed capital unpaid (acct. 1011)	81	0	0
	3. Patrimony (acct. 1015)	82	0	0
	4. Patrimony of national research and development institutions (acct. 101.8)	83	0	0
	5. Other elements of equity (acct. 103.1)	84	0	0
	TOTAL (row 80 la 84)	85	53.670.699	53.670.699
	II. SHARE PREMIUMS (acct. 104)	86	97.248	97.248
III. REVALUATION RESERVE				
	Balance - Credit (acct. 105)	87	31.963.147	31.963.147
IV. RESERVES				
	1. Legal reserves (acct. 1061)	88	6.806.595	6.806.595
	2. Statutory or contractual reserves (acct. 1063)	89	0	0
	3. Other reserves (acct. 1068)	90	1.873.159	1.873.159
	TOTAL (row 88 la 90)	91	8.679.754	8.679.754
	Own shares (acct. 109)	92	0	0
	Earnings related to equity instruments (acct. 141)	93	0	0
	Losses related to equity instruments (acct. 149)	94	578.989	578.989
V. PROFIT OR LOSS BROUGHT FORWARD				
	C Balance (acct. 117)	95	0	0
	D Balance (acct. 117)	96	6.350.389	15.568.351
VI. PROFIT OR LOSS FOR FINANCIAL YEAR				
	C Balance (acct. 121)	97	0	0
	D Balance (acct. 121)	98	9.217.962	12.263.185
	Profit distribution (acct. 129)	99	0	0
	SHAREHOLDERS EQUITY - TOTAL (row 70+71+72+77-78+79-80+81-82+83-84-85)	100	78.263.508	66.000.323
	Public patrimony (acct. 1016)	101	0	0
	Public patrimony (acct. 1017)	102	0	0
	EQUITY-TOTAL (row 100+101+102)	103	78.263.508	66.000.323

The company's performances at 30.09.2018 are presented as follows:

PROFIT AND LOSS ACCOUNT
September 30st, 2018

Indicator name	Row no.	Reporting period	
		30.09.2017	30.09.2018
Form 20 - page 1			
1. Net turnover (row 02 + 03 - 04 + 05 + 06)	1	107.106.362	131.687.335
Sold production (acct. 701+702+703+704+705+706+708)	2	109.935.489	134.477.314
Revenue from sale of goods (acct. 707)	3	1.315.629	2.073.978
Trade discounts granted (acct. 709)	4	4.144.755	4.863.958
Interest income recorded by the entities removed from the general register and who have ongoing leases (ct 766*)	5	0	0
Income from operating grants related to net turnover (acct. 7411)	6	0	0
2. Variation of finished products stocks and production in progress (acct. 711+712)	7	7.084.614	0

Credit Balance			
Debit balance	8	0	22.980.264
3. Income from production of tangible and intangible assets (acct. 721+722)	9	28.562	0
4. Income from revaluation of tangible assets (acct. 755)	10	0	0
5. Income from real estate investment production (acct. 725)	11	0	0
6. Income from operating grants (acct. 742+7413+7414+7415+7416+7417+7419)	12	0	0
7. Other operating incomes, of which: (acct. 751+758+7815)	13	90.141	79.181
- income from negative commercial fund (acct. 7815)	14	0	0
- income from investment grants (acct. 7584)	15	363	126
OPERATING INCOME - Total (row 01+07-08+09+10+11+12+13)	16	114.309.679	108.786.252
8.a) Expenses with raw materials and consumables (acct. 601+602-7412)	17	102.899.790	99.002.372
Other material expenses (acct. 603+604+606+608)	18	234.333	107.819
b) Other external expenses (with energy and water) (acct. 605-7413)	19	3.283.167	3.884.567
c) Expenses regarding goods (acct. 607)	20	1.179.945	1.940.966
c) Commercial discounts received (acct. 609)	21	0	4.233
9. Personnel related expenses (row 23+24)	22	5.983.271	6.202.178
a) Salaries and allowances (acct. 641+642+643+644)	23	4.875.170	6.062.423
b) Social insurance and protection expenses (acct. 645)	24	1.108.101	139.755
10. a) Value adjustments for tangible and intangible assets (row 26-27)	25	2.335.639	2.363.756
a.1) Expenses (acct. 6811+6813+6817)	26	2.335.639	2.363.756
a.2) Incomes (acct. 7813)	27	0	0
b) Value adjustments of current assets (row 29-30)	28	-21.116	0
b.1) Expenses (acct. 654+6814)	29	225.000	375.000
b.2) Incomes (acct. 754+7814)	30	246.116	375.000
11. Other operating expenses (row 32 la 38)	31	6.720.160	7.360.453
11.1 Expenses related to external services (acct. 611 la 615 + 621 la 628)	32	6.261.665	6.472.205
11.2 Expenses with taxes, fees and other similar payments; expenses representing transfers and contributions owed based on special regulations (acct. 635+658.6)	33	455.590	616.887
11.3 Expenses with environmental protection (acct. 652)	34	0	0
11.4 Expenses from revaluation of tangible assets (acct. 655)	35	0	0
11.5 Expenditure on calamities and other similar events (acct. 6587)	36	0	0
11.6 Other expenses (acct. 652 + 6581+6582+6583+6588)	37	2.905	271.361
Expenditures on refinancing interest recorded by entities that have been removed from the General Register and which have in progress leasing contracts (acct. 666)	38	0	0
Adjustments for provisions (row 40-41)	39	0	0
- Expenses (acct. 6812)	40	0	4.500
- Incomes (acct. 7812)	41	0	4.500
OPERATING EXPENSES - Total (row 17 to 20-21+22+25+28+31+39)	42	122.615.189	120.857.877
OPERATING PROFIT OR LOSS			
- Profit (row 16-42)	43	0	0
- Loss (row 42-16)	44	8.305.510	12.071.625
12. Income from participation interests (acct. 7611+7612+7613)	45	830.400	1.866.555
- out of which, income from affiliated entities	46	830.400	1.866.555
13. Interest income (acct. 766)	47	3.002	2.470
- out of which, income from affiliated entities	48	0	0
14. Income from operating grants for due interest (acct. 7418)	49	0	0
15. Other financial income (acct. 7615+762+764+765+767+768)	50	401.902	531.528
- Out of which, income from other financial assets (acct. 761.5)	51	0	0
FINANCIAL INCOME - Total (row 45+47+49+50)	52	1.235.304	2.400.553
16. Value adjustments of financial assets and investments held as current assets (row 54-55)	53	0	0
- Expenses (acct. 686)	54	0	0
- Income (acct. 786)	55	0	0
17. Interest expenses (acct. 666)	56	757.082	1.951.950

- of which expenses in relation to affiliated entities	57	0	0
Other financial expenses (acct. 663+664+665+667+668)	58	262.962	640.162
FINANCIAL EXPENSES - Total (row 53+56+58)	59	1.020.044	2.592.113
FINANCIAL PROFIT OR LOSS - Profit (row 52-59)	60	215.260	0
- Loss (row 59-52)	61	0	191.560
TOTAL INCOME (row 16+52)	62	115.544.983	111.186.806
TOTAL EXPENSES (row 42+59)	63	123.635.233	123.449.990
18. GROSS PROFIT OR LOSS - Profit (row 62-63)	64	0	0
- Loss (row 63-61)	65	8.090.250	12.263.185
19. INCOME TAX (acct. 691)	66	0	0
20. Other expenses with taxes that do not appear in the above elements (acct. 698)	67	0	0
21. NET PROFIT OR LOSS OF THE FINANCIAL - Profit (row 64-66-67)	68	0	0
- Loss (row 65+66+67);(row 66+67-64)	69	8.090.250	12.263.185

B. ECONOMIC – FINANCIAL INDICATORS at 30.09.2018

Name of the indicator	Calculation method	Result
1. Current liquidity	Current assets / Current liabilities	0,23
2. Degree of indebtedness	Borrowed capital / Equity capital x 100	158,06%
3. Rotation speed of the debts - clients	Average balance of commercial debts of suppliers / Net turnover x 273	37,65 days
4. Rotation speed of non-current assets	Net turnover / Non-current assets	2,161

Please note that the Financial Statements for the third quarter of 2018 have not been audited.

**Chairman of Board of Directors,
Cristian Buşu**

**General Manager,
Emilian – Mihai Niculescu**

**Chief Accountant,
Valentina Trandafir**