

**SEVERNAV S.A.**

**SITUATII FINANCIARE INDIVIDUALE / INDIVIDUAL FINANCIAL REPORS**

Intocmite in conformitate cu **Ordinul Ministrului Finantelor Publice nr. 1802/2014 / Written according to Public Finance Minister's Order no. 1802/2014**

**31 DECEMBRIE 2018**

**SEVERNAV S.A.**

**Situatii Financiare / Financial Reports**

Intocmite in conformitate cu **OMFP nr. 1802/2014 / Written according to PFMO no. 1802/2014**

**31 decembrie 2018**

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# SC SEVERNAV SA

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**S.C.SEVERNAV S.A.**  
**DR.TR.SEVERIN**

## **RAPORTUL ADMINISTRATORILOR** **pentru exercitiul financiar 2018**

### **I. PROFILUL SC SEVERNAV SA**

SC SEVERNAV SA are sediul in localitatea Drobeta Turnu Severin, str. Timisoarei nr.204, Judetul Mehedinti.

SC SEVERNAV SA is located in Drobeta Turnu Severin, 204 Timisoarei str., Mehedinti county.

Societatea este inregistrata la Registrul Comertului sub nr. J25/3/1990, avand CUI nr.1606030, atribut fiscal RO.

The company is registered at the Registry of Commerce under no. J25/3/1990, having Fiscal Code no. 1606030, fiscal attribute RO.

Societatea isi desfasoara activitatea in localitatea Drobeta Turnu Severin.

The activity takes place in Drobeta Turnu Severin.

In componenta societatii nu se afla si puncte de lucru.

The company has no registered workstations

SC Severnav SA are un capital social de 12.603.865 lei impartit in 5.041.546 actiuni, cu o valoare nominala pe actiune de 2,5 lei.

Severnav's has a shareholders' equity of 12.603.865 lei, divided into 5.041.546 shares, each with a face value of 2,5 lei.

Actiunile societatii se tranzactioneaza pe piata bursiera AERO, avand simbolul SEVE. Valoarea nominala a unei actiuni este de 2,50 lei.

The company's shares are traded on the AERO stock exchange, having the symbol SEVE. The face value of each share is 2,50 lei.

Structura actionariatului la data de 31.12.2018 conform structurii sintetice consolidate a detinatorilor de instrumente financiare.

Ownership structure at 31.12.2018, according to the consolidated sintetic structure of the owners of financial intruments.

<b>DENUMIRE ACTIONAR / SHAREHOLDER NAME</b>	<b>NUMAR ACTIUNI / NUMBER OF SHARES</b>	<b>PROCENT %</b>	<b>VALOARE CAPITAL SOCIAL (LEI) / SHAREHOLDERS' EQUITY VALUE (LEI)</b>
TIRLEA VICTOR	1.587.036	31.4792%	3,967,590
CFR MARFA	1,464,388	29.0464%	3,660,970
MEROLA GIANCARLO MICHELE	1,460,000	28.9594%	3,650,000
ALTI ACTIONARI	530,122	10.5151%	1,325,305
<b>TOTAL</b>	<b>5,041,546</b>	<b>100%</b>	<b>12,603,865</b>

Principala activitate desfasurata de SC Severnav SA o reprezinta constructia de nave si structuri plutitoare.  
Severnav's main activity field is Construction of ships and floating structures.

Ponderea fiecărei categorii de activitati in totalul cifrei de afaceri 2018 este urmatoarea:  
Each activity's share in the total 2018 turnover is as follows:

Indicatorul / Indicator	2017	Ponderea veniturilor in cifra de afaceri(%) / Income share in turnover (%)	2018	Ponderea veniturilor in cifra de afaceri(%) / Income share in turnover (%)
<b>CIFRA DE AFACERI, total, din care:</b> Total TURNOVER, out of which:	<b>65.017.667</b>	<b>100,00%</b>	<b>82.588.676</b>	<b>100,00%</b>
Venituri din constructia de nave Income from ship building	62.710.661	96,45%	79.980.743	96,84%
Venituri din constructii metalice diverse Income from various metal constructions	20.604	0,03%	373.419	0,45%
Venituri din servicii reparatii nave Income from ship repair	933.719	1,44%	225.474	0,27%
Venituri din vanzarea de produse reziduale Income from selling of residual products	1.231.650	1,89%	1.558.293	1,89%
Venituri din chirii Income from rent	17.647	0,03%	186.590	0,23%
Alte venituri Other income	103.386	0,16%	264.157	0,32%

## II. CONDUCEREA SOCIETATII COMERCIALE / MANAGEMENT OF THE COMPANY

Conducerea executiva in anul 2018 a fost asigurata de o echipa de directori condusa de Dl. Tirlea Victor, in calitate de director general, Videscu Marilen – director productie, Borintis Grigore – director economic, Miu Cristian – director dezvoltare.

The executive management during 2018 has been performed by a team of directors lead by Mr. Tirlea Victor, as general Director, Mr. Videscu Marilen – production director, Mr. Borintis Grigore – financial director and cercetation director Mr. Miu Cristian.

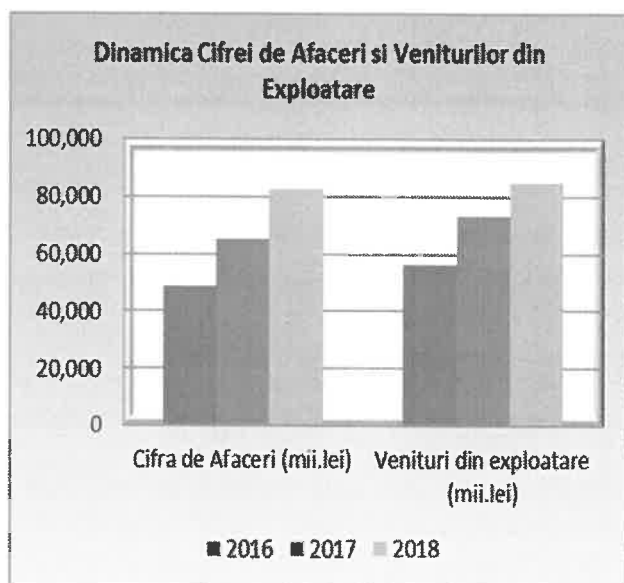
Societatea a fost administrata in perioada anului 2018 de un Consiliul de Administratie, aprobat de Adunarea Generala a Actionarilor, in urmatoare componenta : Tirlea Victor – presedinte, Merola Giancarlo Michele – membru, Negescu Pericle – membru, Fanica Grigorie – membru, Kessler Mihai – membru.

The company has been administrated during 2018 by a Board of Director, approved in a General Shareholders' Meeting, with the following members: Tirlea Victor – president, Merola Giancarlo Michele – member, Negescu Pericle – member, Fanica Grigorie – member, Kessler Mihai – member.

## III. CIFRE PRINCIPALE 2018 / MAIN FIGURES 2018

### a) Indicatori principali / Main Indicators

	2016	2017	2018
Cifra de Afaceri (mii.lei) Turnover (klei)	48.512	65.018	82.589
Venituri din exploatare (mii.lei) Operating income (klei)	56.347	73.064	84.766
Rezultat exploatare (mii.lei) Operating earnings (klei)	2.220	9.669	4.517
Rezultat financiar (mii.lei) Financial earnings (klei)	-1.061	-1.790	-2.036
Rezultat net (mii.lei) Net earnings (klei)	804	6.761	1.745
Capitaluri (mii.lei) Equity (klei)	84.217	92.177	93.922
Nr. mediu angajati Average no. of employees	440	496	523



**Cifra de afaceri** realizata in anul 2018 a fost 82.589 mii.lei, mai mare cu 17.571 mii.lei fata de cea realizata in anul 2017 (65.018 mii.lei), cresterea fiind rezultatul executiei si finalizarii unui numar mai mare de comenzi, vandute si incasate.

The 2018 **turnover** is 82.589 klei, higher by 17.571 klei than the 2017 one (65.018 klei), the drop being the result of long term manufacturing cycle, which registers the turnover at delivery and cashing the ships.

**Veniturile din exploatare** care includ productia de nave, productia diverselor constructii metalice si serviciile prestate pentru reparatii de nave, au evoluat crescator in ultimii 3 ani. Astfel, veniturile din exploatare au crescut de la 73.064 mii.lei in anul 2017 la 84.766 mii.lei in anul 2018 (crestere cu 16%). Cresterea in 2018 fata de 2016 a fost de 50%.

**Operating income** which include ship building, the production of various metal constructions and the services in ship repairs, have grown over the past 3 years. Operating income have increased from 73.064 klei in 2017 to 84.766 klei in 2018 (16% increase). The 2018 increase compared to the 2016 has been 50%.

Evolutia veniturilor a fost rezultatul repositionarii comerciale a societatii, reusind in acest fel sa obtina mai multe comenzi pentru productie.

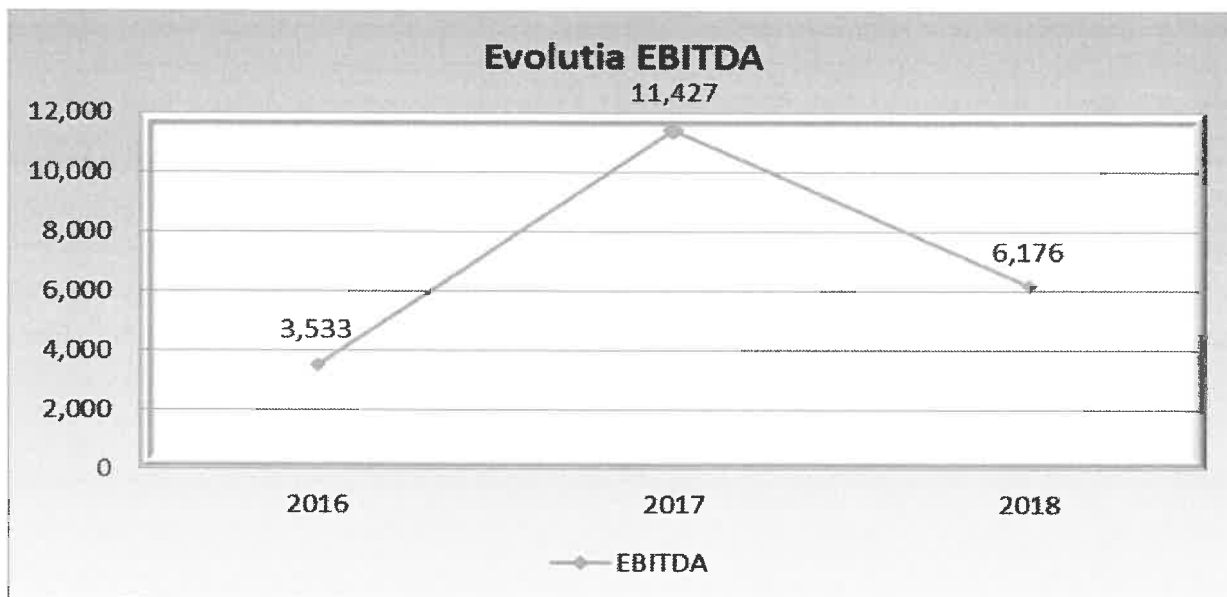
The positive trend of the income has been the result of the company's reorientation, by means of which more orders have been gained.

**Rezultatul din exploatare** a inregistrat un profit in anul 2018 de 4.517 mii.lei.

**Operating earnings** has registered profit in 2018 of 4.517 klei.

**Rezultatul financiar** a inregistrat pierdere in 2018 de 2.036 mii.lei, in crestere cu 246 mii.lei fata de anul 2017 (1.790 mii.lei), datorat in principal cheltuielilor ocazionale de imprumuturile bancare angajate pentru finantarea productiei.

**Financial earnings** has registered loss of 2.036 klei in 2018, decreasing by 246 klei compared to 2017 (1.790 klei), mainly due to ocazional expenses and banking loans contracting for financing production.



Randamentul societatii, inainte de dobanzi, amortizari si deprecieri, a fost de 6.176 mii.lei (2017: 11.427 mii.lei, 2016: 3.533 mii.lei) in crestere fata de 2016 si in scadere fata de 2017. Scaderea din 2018 fata de 2017 a fost cauzata in cea mai mare parte de:

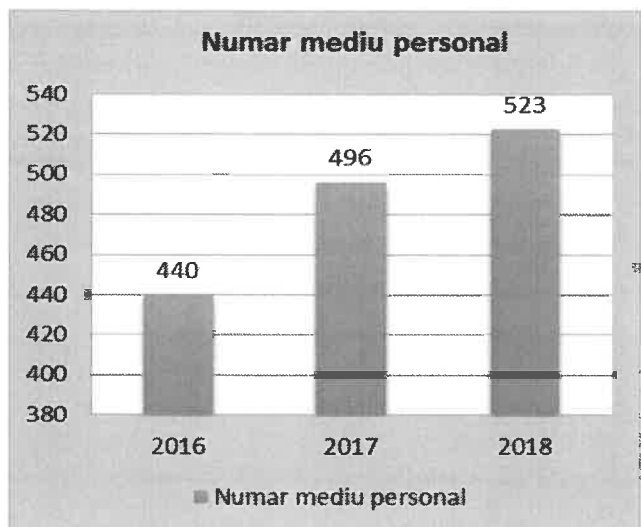
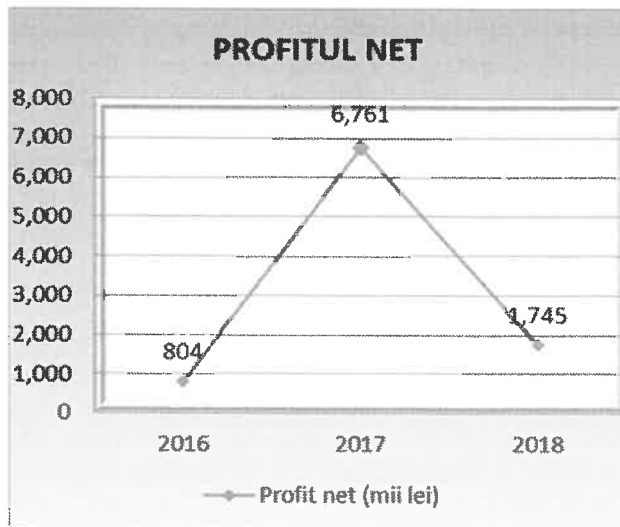
- a) costul cu infiintarea/angajarea/pregatirea profesionala a ucenicilor, a personalului necalificat si incepator, neacoperit de productivitatea muncii, 2.300 mii.lei;
- b) costul materialelor si a energiei electrice consumate de catre ucenici/necalificati/incepatori, in scop didactic si/sau ineficient pentru productie, 380 mii.lei;
- c) costul angajarii transportului gratuit la/de la locul de munca acordat angajatilor incepand cu anul 2018, 600 mii.lei;
- d) costul suplimentar datorat bugetului de stat pentru contributia persoanelor cu handicap, pe baza noii legislatii in vigoare din 2018, 200 mii.lei;

Toate acestea, la care se adauga cresterea salariilor impusa de numarul tot mai redus de personal calificat sau chiar necalificat, au erodat rentabilitate generala a societatii in anul 2018.

The company's return before interest, depreciation and amortization was 6,176 klei (2017: 11,427 klei, 2016: 3,533 klei) increasing compared to 2016 and decreasing compared to 2017. The decrease in 2018 compared to 2017 was caused mostly by:

- a) the cost of setting up / hiring / professional training of apprentices, unskilled and beginner, not covered by labor productivity, 2,300 klei;
- b) cost of materials and electricity consumed by apprentices / unskilled / beginners, for didactic and / or inefficient production purposes, 380 klei;
- c) the cost of employing free transportation to / from the workplace provided to employees starting with 2018, 600 klei.
- d) the additional cost due to the state budget for the contribution of disabled people, based on the new legislation in force from 2018, 200 klei;

All this, plus the increase in wages imposed by the lower number of qualified or even unqualified staff, eroded the overall profitability of the company in 2018.



**Profitul** net de repartizat a fost de 1.745 mii.lei si a fost rezervat in cea mai mare parte pentru consolidarea patrimoniului (2017: 6.761 mii.lei, 2016: 804 mii.lei)  
The company's 2018 **net profit**, of 1.745 klei was mostly reserved for heritage consolidation (2017: 6.761 klei, 2016: 804 klei)

**Numarul mediu de personal** a crescut fata de anul anterior cu 27 persoane, de la 496 la 523 angajati, corelat nu numai cu productia in crestere, dar si cu nevoia de a reorganiza si dezvolta activitatile de inginerie ale santierului.

The **average no. of employees** has increased by 27 people compared to the previous year, from 496 to 523 employees, in relation not only with the increase in production, but also with the need to reorganize and develop the engineering activities of the yard.

#### IV. ACTIVITATEA COMERCIALA / COMMERCIAL ACTIVITY

Cea mai mare parte a cifrei de afaceri (96,84%) a fost realizata din vanzarea de nave fluviale, urmata de venituri din vanzare produse reziduale (1,89%), veniturile din reparatii nave si structuri plutitoare (0,27%), alte venituri (1,00%).

The most important part of the turnover (96,84%) has been achieved from selling of inland vessels, followed by the income out of various metal constructions (1,89%), income from ship repair and floating structures (0,27%), other income (1,00%).

Intersele societatii au continuat sa fie promovate pe piata europeana a constructiilor de nave, fie direct catre clienti, fie prin participarea la targurile specializate organizate in Olanda si Germania. Pentru acest scop au fost alocate bugete adecvate. Pentru anii urmasi strategia comerciala a societatii se va pastra in directia promovarii pe piata, pe de o parte a experientei acumulata in constructia de nave pentru transport gaze lichefiate (santierul a construit de-a lungul timpului 19 nave pentru transport gaze cu o valoare cumulata de circa 323.000.000 EUR), pe de alta parte a experientei castigate in realizarea navelor fluviale pentru transport marfuri si pasageri.

The company's entrances continued to be promoted on the European shipbuilding market, either directly to customers or by participating in specialized fairs organized in the Netherlands and Germany. Appropriate budgets have been allocated for this purpose. For the coming years, the company's commercial strategy will remain in the direction of market promotion, on the one hand, of the experience gained in the construction of vessels for the transport of liquefied gases (the site has built over the years 19 gas transport vessels with a cumulative value of about EUR 323,000,000), on the other hand, the experience gained in the development of river and goods vessels for the transport of goods and passengers.

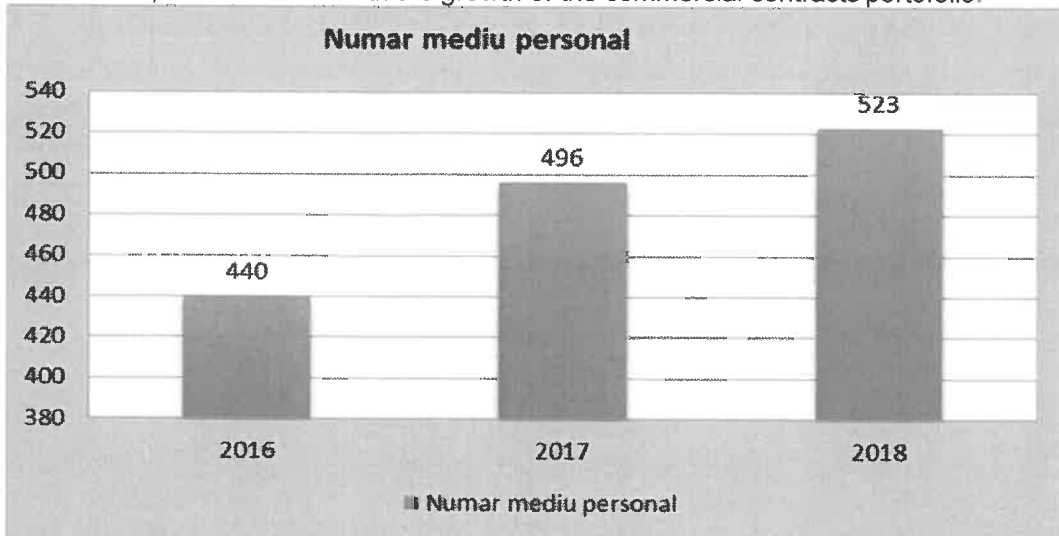
In portofoliu societatea are nu numar de 14 contracte ferm incheiate, cu o valoare cumulata de 31.109.000 EUR, care asigura capacitatea de productie programata pentru 2019, unele din acestea extinzindu-se si in anul 2020.

In the portfolio, the company has 14 firmly concluded contracts, with a cumulative 31.109.000 EUR value, which ensures production capacity scheduled for 2019, some of them expanding in 2020.

## V. RESURSE UMANE / HUMAN RESOURCES

Numarul mediu de angajati a evoluat in crestere de la 440 persoane in 2016, la 496 persoane in 2017 si 523 persoane in 2018, in concordanta cu dinamica cifrei de afaceri si a portofoliului de contracte comerciale.

The average number of employees has grown from 440 persons in 2016 to 496 persons in 2017 and 523 persons in 2018, in accordance with the growth of the commercial contracts' portfolio.

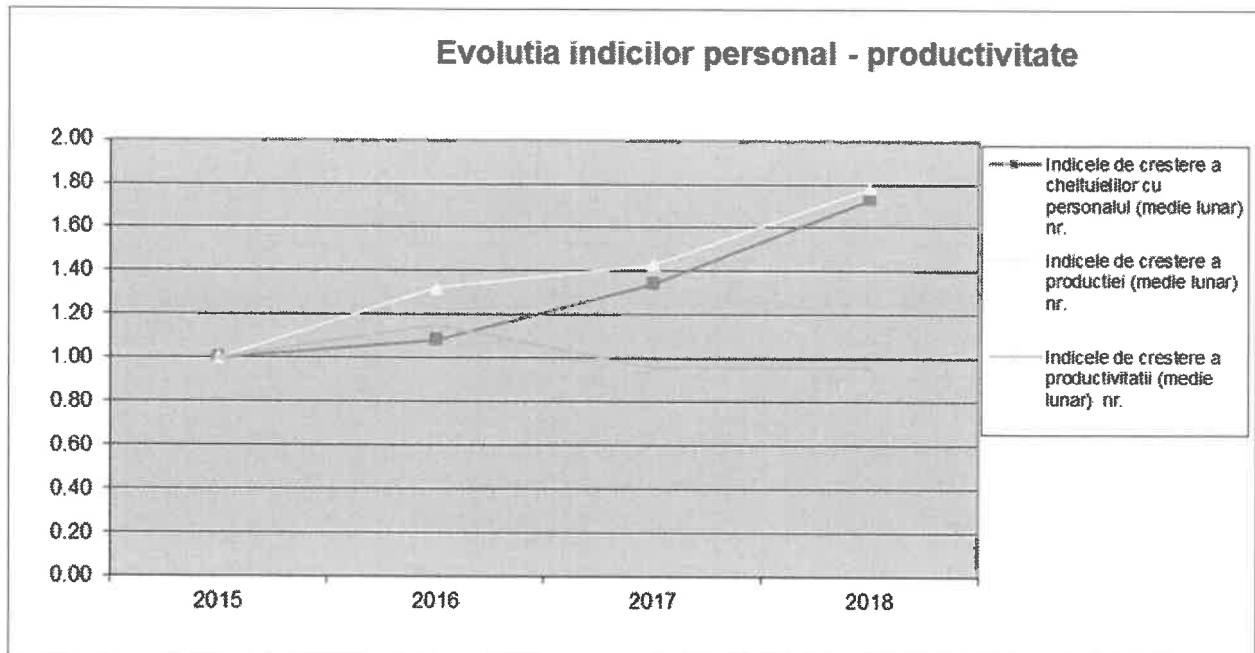


Salariatii societatii sunt organizati intr-un sindicat si au incheiat un contract colectiv de munca valabil pentru perioada 2016 -2018 inregistrat la Directia Muncii si Protectiei Sociale Mehedinti.

The company's employees are organized in a trade union and have a valid collective labor contract for the period 2016-2018 registered at Mehedinti Directorate of Labor.

Evolutia indicilor productivitatii muncii pe intervalul 2015 -2018 este:

The evolution of labor productivity indicators for 2015-2018 is:



Incepand cu anul 2018 piata resurselor umane disponibila constructiei de nave a devenit foarte limitata in volum si calitate. Urmare a disparitiei scolilor profesionale, nu mai exista persoane disponibile sau calificate pentru a fi recrutate. Prima optiune este de a recruta si pregati pe costurile proprii persoane necalificate, asumand in acelasi timp scaderea productivitatii muncii si randamentul global al societatii.

Starting in 2018, the human resources market available for shipbuilding has become very limited in volume and quality. As a result of the disappearance of vocational schools, there are no longer available



or qualified persons to be recruited. The first option is to recruit and prepare unskilled people on their own costs, while at the same time taking down labor productivity and the overall performance of the company.

Astfel, incepand cu anul 2018 a fost infiintata propria scoala de ucenici sudori si lacatusi, iar in parteneriat cu un liceu local am dezvoltat doua clase pentru invatamant profesional tehnic.

Thus, starting with 2018, our own school of welders and locksmiths was set up and in partnership with a local high school we developed two classes for technical vocational education.

Cea mai mare provocare intampinata de societate in exercitiul financiar 2018 a fost recrutarea fortei de munca necesare sustinerii cresterii cifrei de afaceri, care a condus la costuri mai mari in conditii de productivitate redusa. La un numar mediu de personal in 2018 de 523 angajati, fluctuatia personalului a fost: 248 nou angajati si 162 plecati, respectiv o fluctuatie a personalului de peste 30%.

The biggest challenge facing society in the financial year 2018 was the recruitment of the workforce needed to sustain the increase in turnover, which led to higher costs in conditions of reduced productivity. At an average number of staff in 2018 of 523 employees, staff turnover was: 248 new employees and 162 outgoing employees, respectively a staff turnover of over 30%.

## VI. ANALIZA SITUATIILOR FINANCIARE / FINANCIAL REPORTS ANALYSIS

### 1. SITUATIA ACTIVEI IMOBILIZATE / FIX ASSETS REPORT

SC Severnav SA dispune de (lei) / Severnav's disposes of (lei):

Denumirea activului imobilizat / Fix asset's name	Valoare bruta / Gross value		Valoare contabila neta / Net accounting value	
	Sold la / Balance at 01.01.2018	Sold la / Balance at 31.12.2018	Sold la / Balance at 01.01.2018	Sold la / Balance at 31.12.2018
0	1	2	3	4
<b>a) Imobilizari necorporale/Intangible assets</b>				
Cheltuieli de constituire si dezvoltare, brevete, concesiuni, fond comercial / Setting-up and development expences, patents, concessions, commercial resources	-	152.295	-	145.950
Alte imobilizari necorporale / Intangible assets	469.971	467.680	0	-
Avansuri si imobilizari necorporale in curs / Advances and intangible assets in progress	-	-	-	-
<b>Total imobilizari necorporale / Total intangible assets</b>	<b>469.971</b>	<b>619.975</b>	<b>0</b>	<b>145.950</b>
<b>b) Imobilizari corporale / Tangible assets</b>				
Terenuri si amenajari teren / Land and land development	60.066.211	60.269.701	60.066.211	60.269.701
Constructii / Buildings	28.889.313	30.399.591	24.855.644	25.459.253
Echipamente tehnologice si masini / Technological equipment and machinery	21.663.958	23.588.413	3.097.333	4.532.339
Alte imobilizari corporale / Other tangible assets	201.974	234.396	82.198	95.104
Imobilizari in curs / Assets in progress	358.898	602.898	358.898	602.898
Avansuri pentru imobilizari corporale/ Advances	120.000	224.465	120.000	224.465
<b>Total imobilizari corporale / Total tangible assets</b>	<b>111.300.354</b>	<b>115.319.464</b>	<b>88.580.284</b>	<b>91.183.760</b>
<b>c) Imobilizari financiare / Financial assets</b>				
	<b>23.476</b>	<b>9.153</b>	<b>23.476</b>	<b>9.153</b>
<b>Total / Total</b>	<b>111.793.801</b>	<b>115.948.592</b>	<b>88.603.760</b>	<b>91.338.863</b>

Potrivit celor de mai sus, patrimonial societatea detine structura de mai jos:

- Terenuri in suprafata de 315.873,94 mp, si cu o valoare actualizata la piata de 60.270 mii.lei, reprezentand 67% din totalul activelor imobilizate nete;
- Constructii cu o valoare actualizata la piata de 25.459 mii.lei, reprezentand 28% din activul total imobilizat net;
- Echipamente tehnologice si masini cu o valoare neta de 4.532 mii.lei, reprezentand 4% din activul total imobilizat net.

According to the above, patrimonial society has the following structure:

- A land area of 315.873,94 sqm, having an actual market value of 60.270 klei, representing 67% of the total net assets;
- Buildings having an actual market value of 25.459 klei, representing 28% of the total net assets;
- Technological equipment and machinery having a gross value of 4.532 klei, representing 4% of the total net asstes.

Severnav SA a folosit in anul 2018 pentru investitii 4.359.491 lei, din care pentru investitii noi 3.781.114 lei si modernizari 578.377 lei.

During 2018 the compaby has invested in working equipment and in modernizing of some buildings, their cumulated value being of 4.359.491 lei.

## **2. SITUATIA ACTIVELOR CIRCULANTE / CURRENT ASSETS REPORT**

### **a) Situatia stocurilor la 31.12.2018 a fost urmatoarea (lei) / At 31.12.2018 the Stocks' situation was as follows:**

Denumire / Name	2017	2018
Materii prime si materiale consumabile / Raw materials and consumables	13.447.109	17.965.467
Productie in curs de executie / Production in progress	17.705.893	18.060.998
Produse finite si marfuri / Finished goods and merchandise	0	0
Avansuri/ Advances	1.897.453	959.289
TOTAL / TOTAL	33.050.455	36.985.754

Stocurile de materii si materiale au reprezentat 49% din totalul activelor circulante inregistrate la 31.12.2018.

The stocks of raw materials and consumables have represented 49% of the current assets registered at 31.12.2018.

Productia in curs de executie in valoare de 18.061 mii.lei se refera la navele aflate in executie, cu termene de livrare in anul 2019.

Production in progress, in vale of 18.061 klei, refers to vessels launched in production, but with the delivery term in 2019.

Avansul stocurilor 959 mii.lei se refera la avansurile achitate pentru achizitia metalului pentru constructia de nave.

The advance of inventories 959 klei refers to advances paid for the acquisition of metal for shipbuilding.

### **b) Situatia inventarierii / Inventory Report**

Organizarea si efectuarea inventarierii s-a realizat potrivit Legii Contabilitatii nr.82/1991, a OMFP nr. 2861/2009 privind inventarierea si in baza deciziei nr. 223/02.10.2018 emisa de catre directorul general al societatii.

The planning and development of the inventory process have been made according to the Accounting Law no. 82/1991, to OMFP no. 2861/2009 regarding inventory and on the basis of decision no. 223/02.10.2018 issued by the general director of the company.

Au fost inventariate in baza acestei decizii toate elementele de natura activelor, datoriilor si capitalurilor proprii.

According to this decision, all assets, liabilities and own capital have been inventoried.

Rezultatele inventarierii au fost inregistrate in situatiile financiare anuale.

The inventory results have been registered in the annual financial situations.

### c) Situatia creantelor / Receivables report

Valoarea creantelor nete inregistrate de societate la 31.12.2018 au fost de 14.811 mii.lei, dintre care / The value of the company's net receivables at 31.12.2018 was of 14.811 klei, out of which:

	<b>Creante / Receivables</b>	<b>Sold la / Balance at 31.12.2017</b>	<b>Sold la / Balance at 31.12.2018</b>
1	Creante comerciale-cu entitatile afiliate / alte parti legate / Commercial receivables – including affiliated entities / other involved parties	0	0
2	Creante comerciale – terti / Commercial receivables – third parties	3.971.429	13.791.820
	<b>Total creante comerciale / Total commercial receivables</b>	<b>3.971.429</b>	<b>13.791.820</b>
3	Provizioane creante comerciale/ Commercial receivable provisions	(43.020)	(1.138)
4	<b>Creante comerciale, net / Net commercial receivables</b>	<b>3.928.409</b>	<b>13.790.682</b>
5	Alte creante / Other receivables	512.775	1.021.621
6	Provizioane alte creante / Other receivables provisions	(85.331)	(1.222)
7	<b>Alte creante, net / Net other receivables</b>	<b>427.444</b>	<b>1.020.399</b>
8	<b>Total creante comerciale si alte creante / Total other commercial receivables and other receivables</b>	<b>4.355.853</b>	<b>14.811.081</b>

Soldul creantelor catre terti la decembrie 2018 contine sume de incasat pentru constructia navelor care au termen de livrare in anul 2018.

Commercial receivable towards third parties includes mostly for the construction of the vessels to be delivered in 2018.

In structura altor creante sunt incluse, in principal: TVA de recuperat de la bugetul statului 588.770 lei (solicitat si aprobat la compensare cu obligatiile catre stat), TVA neexigibila 25.647 lei, debitori diversi, etc. In cazul debitorilor cu recuperare incerta au fost constituite provizioane in suma de 1.222 lei.

Other receivables include mainly: VAT to be recovered from the state budget 588.770 lei (asked and agreed to be compensated with state payables), VAT under settlement 25.647 lei, sundry debtors, etc. For the debtors with a questionable collection provisions of 1.222 lei have been registered.

### 3. SITUATIA DATORIILOR SOCIETATII / COMPANY'S DEBT REPORT

La data de 31.12.2018 societatea a inregistrat datoriile dupa cum urmeaza (lei) / On 31.12.2018 the company has registered the following debts (lei):

	<b>Datorii / Debts</b>	<b>Sold la / Balance at 31.12.2017</b>	<b>Sold la / Balance at 31.12.2018</b>	<b>Termen de exigibilitate pentru soldul de la / Maturity of the balance at 31.12.2018</b>	
				<b>Sub 1 an / Under 1 year</b>	<b>Peste 1 an / Over 1 year</b>
1	Imprumuturi din emisiunea de obligatiuni / Debenture loans	0	0	0	0
2	Sume datorate institutiilor de credit / Amounts owed to credit institutions	22.693.325	40.254.776	40.254.776	0
3	Avansuri incasate in contul comenzilor / Advances cashed for orders	11.148.535	9.548.364	9.548.364	0
4	Datorii comerciale - furnizori entitati afiliate si alte parti legate / Commercial debts – suppliers, affiliated entities and other connected parties	0	0	0	0

5	Datorii comerciale - furnizori terti / Commercial debts – third party suppliers	1.849.333	1.695.877	1.695.877	0
6	Efecte de comert de platit / Commercial effects to be paid	0	0	0	0
7	Sume datorate entitatilor affiliate / Amounts owed to related parties	0	0	0	0
8	Datorii fata de bugetul statului / Debts to the state budget	1.065.127	1.114.450	1.114.450	0
9	Alte datorii / Other debts	1.390.573	1.802.449	1.065.262	737.187
11	<b>Total / Total</b>	<b>38.146.893</b>	<b>54.415.916</b>	<b>53.678.729</b>	<b>737.187</b>

- a) 74% sunt credite curente catre banci. Din acestea 1.574 mii lei reprezinta o linie de credit pentru activitatea curenta si 38.681 mii. lei sunt credite angajate pentru productie, in cadrul contractelor comerciale incheiate;  
74% are current banks loans. Out of these 1.574 klei are current activity credit line and 38.681 klei are production loans, contracted for the signed commercial contracts;
- b) 18% sunt creante curente incasate sub forma de avansuri de la clienti (clienti creditor), inregistrate tranzitoriu in datorii pana la livrarea navelor;  
18% are current receivables cashed as advances from clients (crediting clients), temporary registered in debts until the delivery of the ships;
- c) 4% sunt datorii fata de furnizori;  
4% are debts to suppliers;
- d) 2% sunt datorii curente fata de bugetul statului;  
2% are current debts towards the state budget;
- e) 2% sunt alte datorii curente ( salarii personal, retineri salariale, etc).  
2% are current debts (salaries, wage withholdings, etc).

In functie de termenul de exigibilitate datoriile sunt in proportie de 99% pana la 1 an si 1% peste 1 an. / According to their maturity, the debts are 99% under 1 year and 1% over 1 year.

Pe acest interval de timp evolutia datoriilor a fost subordonata nevoii de sustinere a productiei societatii, si alocarea unor resurse in investitii de echipament.

During this whole period of time the debt evolution has been determined by the need to support the production.

Toate datoriile societatii sunt strict corelate cu productia si vanzarea acesteia, fiecare datorie si scadenta avand identificate sursa de plata.

#### 4. SITUATIA CONTULUI DE PROFIT / PROFIT AND LOSS ACCOUNT REPORT

	Denumirea indicatorilor / Name of the indicators	Exercitiul financiar / Financial year		
		2017	2018	2018/2017(%)
1	<b>VENITURI DIN EXPLOATARE / OPERATING INCOME</b>	<b>73.064.348</b>	<b>84.766.003</b>	<b>115%</b>
2	<b>CHELTUIELI DE EXPLOATARE, din care / OPERATING EXPENCES, out of which:</b>	<b>63.395.386</b>	<b>80.249.493</b>	<b>126%</b>
	a) Cheltuieli cu materiile prime, materialele consumabile si alte material / Raw materials, consumables and other materials expenses	31.232.879	39.812.201	127%
	b) Cheltuieli externe (cu energie și apă) / External expenses (with electricity and water)	1.100.513	1.468.732	133%
	c) Cheltuieli privind mărfurile / Merchandise expenses	3.892	143.212	3.680%
	d) Cheltuieli cu personalul / Personnel expences	21.962.632	27.215.362	124%
	e) Ajustări de valoare privind imobilizările corporale și necorporale / Adjusted value regarding tangible and intangible assets	1.758.137	1.659.941	94%
	f) Ajustări de valoare privind activele circulante / Adjusted value regarding current assets	(508.202)	(13.541)	
	g) Cheltuieli privind prestațiile externe / External services expenses	7.043.422	7.621.497	108%

	h) Cheltuieli cu alte impozite, taxe și vărsăminte asimilate / Expenses regarding other income taxes, taxes and related payments	736.239	932.660	127%
	i) Alte cheltuieli / Other expenses	968.738	1.544.590	159%
	j) Ajustări privind provizioanele / Adjusted value regarding provisions	(901.979)	(133.370)	
3	<b>PROFIT DIN EXPLOATARE / OPERATING PROFIT</b>	<b>9.668.962</b>	<b>4.516.510</b>	<b>47%</b>
4	<b>VENITURI FINANCIARE / FINANCIAL INCOME</b>	<b>735.403</b>	<b>1.124.722</b>	<b>153%</b>
5	<b>CHELTUIELI FINANCIARE / FINANCIAL EXPENSES</b>	<b>2.525.009</b>	<b>3.160.800</b>	<b>125%</b>
6	<b>PIERDERE FINANCIARA / FINANCIAL LOSS</b>	1.789.606	2.036.078	114%
7	Impozitul pe profit / Income tax	1.118.365	735.423	66%
8	<b>PROFIT NET / NET PROFIT</b>	<b>6.760.991</b>	<b>1.745.009</b>	<b>26%</b>

**Venituri totale din exploatare** realizate in anul 2018 in valoare de 84.766 mii.lei au crescut cu 15% fata de cele realizate in anul 2017. In aceeași perioadă cheltuielile din exploatare au fost in suma de 80.249 mii.lei, in crestere cu 26% fata de cele ale anului 2017. Veniturile din exploatare au relatat astfel cu **cheltuielile**:

- cheltuielile cu materiile prime, materiale consumabile si alte materiale au crescut cu 27%, de la 31.233 mii.lei la 39.812 mii.lei. evolutie conjuncturala generata in principal de tipologia constructiei de nave, respectiv de momentul lansarii navelor in executie;
- cheltuielile cu energia au crescut cu 33%, de la 1.101 mii.lei la 1.469 mii.lei, crestere peste ritmul veniturilor, determinata de ineficienta personalului incepator necalificat si a ucenicilor scolarizati;
- cheltuielile cu personalul au crescut cu 24%, de la 21.963 mii.lei la 27.215 mii.lei, urmare a angajarii de personal pentru acoperirea cresterii de productie (numarul mediu de personal a crescut in 2018 fata de 2017 cu 27 persoane), dar cel mai mult fiind internalizate costurile celor necalificati/incepatori/ucenici si a fluctuatiei foarte mare de personal. Acestea nu au reusit sa fie compensate cu o productie adecvata.
- cheltuielile cu prestatiile externe au crescut de la 7.043 mii lei in anul 2017 la 7.621 mii lei anul 2018, sub ritmul dinamicii veniturilor;
- cheltuielile cu alte impozite si taxe (impozite si taxe pe proprietate, taxe mediu, contributii pentru persoanele cu handicap) au crescut cu 27%, de la 736 mii.lei in 2017 la 933 mii.lei in 2018, crestere determinata de schimbarile legislative intervenite.

**Total operating income** in 2018 amounting to 84,766 klei have increased by 15% compared to the ones realized in 2017. During the same period, the operating expenses were in the amount of 80,249 klei, up 26% of those of 2017. Operating income have interacted with expenses in the following manner:

- expenditures on raw materials, consumables and other materials increased by 27%, from 31,233 thousand lei to 39,812 thousand lei. contextual evolution generated mainly by the shipbuilding typology and the moment of launching of the ships in execution;
- energy expenditures increased by 33%, from 1,101 thousand lei to 1,469 thousand lei, increase over the rate of income, determined by the inefficiency of the unskilled beginner and the apprentices trained;
- the personnel expenses increased by 24% from 21,963 thousand lei to 27,215 thousand lei as a result of employing staff to cover the production increase (the average number of staff increased in 2018 compared to 2017 by 27 persons), but the more that the costs of the unskilled / beginners / apprentices and the great fluctuation of staff were internalized. These were not compensated with adequate production.
- expenditures with external benefits increased from 7.043 thousand lei in 2017 to 7,621 thousand lei in 2018, under the dynamics of income;
- the expenses with other taxes and duties (property taxes and fees, average taxes, disability contributions) increased by 27%, from 736 thousand lei in 2017 to 933 thousand lei in 2018, increase due to legislative changes occurred.

**Veniturile financiare**, in cea mai mare parte formate din diferente favorabile de curs valutar, au crescut cu 390 mii.lei in anul 2018 fata de anul 2017, de la 735 mii.lei la 1.125 mii.lei, cauzat pe de o parte de evolutia cursului de schimb eur/ron, si pe de alta parte de specificul productiei cu ciclu lung de fabricatie, finantata partial cu avansuri de la clienti.

**Financial income**, mostly due to positive foreign exchange rate differences, have decreased by 390 klei in 2018 compared to 2017, from 735 klei to 1.125 klei, caused on one hand by the eur/ron exchange rate evolution and on the other hand by the specificity of long term production, partially financed by advances from clients.

**Cheltuielile financiare** in suma de 3.161 mii.lei au crescut cu 636 mii.lei fata de cele din anul 2017. In 2018 acestea au inclus cheltuieli cu diferente de curs valutar 1.586 mii.lei si 1.575 mii.lei cheltuieli cu dobanzile bancare.

**Financial expenses**, in the amount of 3.161 klei have decreased by 636 klei compared to 2017. In 2018 they included exchange rate expences in value of 1.586 klei and 1.575 klei expenses with banking interests.

Consiliul de administratie propune spre aprobare AGA repartizarea profitului net astfel:

- 124.022 lei rezerva legala;
- 1.396.699 lei rezerve din profitul reinvestit in anul 2018;
- 224.288 lei pentru alte rezerve;

The Board of Directors submits to the approval of the General Shareholders' Meeting the following distribution of net profit:

- 124.022 lei for legal reservation;
- 1.396.699 lei for reserves from reinvested earnings;
- 224.288 lei for other reservs.

#### 5. SITUATIA CAPITALURILOR / CAPITAL REPORT

	INDICATORI / INDICATORS	31.12.2017	31.12.2018
1	<b>TOTAL CAPITALURI, din care / TOTAL CAPITALS, out of which:</b>	<b>92.176.919</b>	<b>93.921.928</b>
2	Capital social subscris si varsat / Subscribed and paid share capital	12.603.865	12.603.865
3	Rezerve din reevaluare / Reevaluation reserves	77.081.454	76.321.563
4	Rezerve legale / Legal reserves	1.565.488	1.689.510
5	Alte rezerve / Other reserves	6.288.767	12.281.705
6	Rezultat reportat – pierdere din anii anteriori / Retained earnings – loss from previous years	(23.921.855)	(23.921.855)
7	Rezultat reportat – corectare erori contabile / Retained earning – accounting errors correction	1.808.961	1.808.961
8	Rezultatul reportat – rezerve din reevaluare / Retained earnings – reevaluation reserves	10.335.442	11.095.333
9	Profit curent / Current profit	6.760.991	1.745.009

Capitalurile proprii au crescut fata de perioada precedenta cu 1.745 mii.lei, de la 92.177 mii.lei la 93.921 mii.lei.

Own capital have increased by 1.745 klei compared to the previus period, from 92.177 klei to 93.921 klei.

Rezultatul reportat include si este influentat in mare parte de pierderile inregistrate in perioada 2007-2008, nerecuperate pana la 31.12.2018:

- Pierdere provenita din exercitiul financiar 2007: 5.972.707 lei.
- Pierdere provenita din exercitiul financiar 2008: 17.949.148 lei.

Retained earnings mostly includes the losses registered during 2007-2008 and unrecovered until 31.12.2018:

- Loss generated during 2007 financial year: 5.972.707 lei
- Loss generated during 2008 financial year: 17.949.148 lei.

## 6. PRINCIPALII INDICATORI ECONOMICI FINANCIARI / MAIN ECONOMIC-FINANCIAL INDICATORS

	An / Year 2017	An / Year 2018
<b>1. Indicatori de lichiditate / Liquidity indicators</b>		
Indicatorul lichiditatii curente / Quick ratio indicator	1.11	1.06
Indicatorul lichiditatii imediate / Immediately liquidity indicator	0.23	0.49
<b>2. Indicatori de risc / Risk indicators</b>		
Indicatorul gradului de indatorare / Indebtedness ratio	29%	42%
<b>3. Indicatori de activitate / Activity indicators</b>		
Viteza de rotatie a debitelor clienti / Clients turnover ratio	15	40
Viteza de rotatie a creditelor furnizor / Suppliers turnover ratio	18	11
Viteza de rotatie a activelor imobilizate / Fix assets turnover ratio	0.73	0.91
Viteza de rotatie a activelor totale / Assets turnover ratio	0.50	0.52

**Lichiditatea curenta** s-a diminuat, inregistrand o scadere cu 5%, de la 1,11 la 1,06, activele curente evoluand sub ritmul indatorarii, cauzat de o productivitate a muncii mai redusa si costuri de operare mai mari.

**Quick ratio** declined by 5%, from 1.11 to 1.06, with current assets evolving below debt, driven by lower labor productivity and higher operating costs.

**Lichiditatea imediata** a inregistrat crestere, de la 0.23 la 0.49 determinata de stocarea productiei in curs de executie mai mari, ce urmeaza sa fie livrata in 2019.

**Immediately liquidity** has registered an increase from 0.23 to 0.49 due to the stockpiling of higher production, to be delivered in 2019.

**Gradul de indatorarea** a crescut, de la 29% in 2017 la 42% in 2018, urmare a cresterii soldului avasurilor incasate in anul 2018 pentru navele in curs de executie ce au termene de livrare in anul 2019 si datoriilor catre banci necesare executiei productiei contractate.

**Indebtedness ratio** has increased from 29% in 2017 to 42% in 2018, as a result of the increase in the balance of receipts collected in 2018 for ships under execution which have delivery deadlines in 2019 and debts to banks required to execute the contracted production.

## VII. GUVERNATA CORPORATIVA / THE CORPORATE MANAGEMENT

### VII.1. Prevederi generale / VII.1. General Provisions

(1)Sistemul de guvernanță corporativă al SEVERNAV SA cuprinde ansamblul regulilor prevăzute de Actul constitutiv, și de celelalte reglementări interne, prin care se reglementează conducerea și controlul activității SEVERNAV SA.

(1) The corporate governance system of SEVERNAV SA includes the set of rules set out in the Articles of Incorporation and other internal regulations regulating the management and control of the SEVERNAV SA activity.

(2)Sistemul de guvernanță corporativă al SEVERNAV SA are în vedere realizarea următoarelor obiective generale:

- Respectarea drepturilor si intereselor legitime ale acționarilor;
- Tratamentul echitabil, egal și corect al acționarilor;
- Respectarea drepturilor și intereselor legitime ale deținătorilor de interese;
- Definirea de roluri, competențe și responsabilități clare pentru Consiliul de Administrație și conducerea executivă;
- Integritatea, comportamentul etic și competența profesională a echipei de management și a salariaților SEVERNAV SA;

- f) Transparența activității și prezentarea corectă a rezultatelor și perspectivelor viitoare ale SEVERNAV SA;
- g) Dezvoltarea durabilă a SEVERNAV SA.
- h) Implementarea și aplicarea Codului de Governanță Corporativă al Bursei de Valori București

(2) The corporate governance system of SEVERNAV SA aims at achieving the following general objectives:

- a) Respecting the rights and legitimate interests of shareholders;
- b) fair, equal and fair treatment of shareholders;
- c) Respecting the legitimate rights and interests of interest holders;
- d) Defining clear roles, skills and responsibilities for the Board of Directors and executive management;
- e) Integrity, ethical behavior and professional competence of the management team and employees of SEVERNAV SA;
- f) Transparency of activity and correct presentation of future results and prospects of SEVERNAV SA;
- g) Sustainable development of SEVERNAV SA.
- h) Implementation and application of the Corporate Governance Code of the Bucharest Stock Exchange

## VII.2. Conducerea companiei / VII.2. Company leadership

**1. Adunarea Generală a Acționarilor** poate fi Ordinara sau Extraordinară. Competențele și condițiile de întrunire ale adunărilor generale sunt prezentate în Actul Constitutiv al Severnav SA, în cuprinsul Capitolului V, articolele 12 – 22.

Ultima actualizare a Actului Constitutiv a fost realizată în decursul anului 2017 și a intrat în vigoare la data de 25.04.2017. Actul Constitutiv al Severnav SA poate fi consultat public pe site-ul companiei ([www.severnav.ro](http://www.severnav.ro))

1. The General Meeting of Shareholders may be Ordinary or Extraordinary. The powers and conditions for the meeting of the general meetings are presented in the Articles of Incorporation of Severnav SA, in the contents of Chapter V, Articles 12-22.

The last update of the Constitutive Act was made in 2017 and entered into force on 25.04.2017. The Articles of Incorporation of Severnav SA can be consulted publicly on the company's website ([www.severnav.ro](http://www.severnav.ro))

Competențele generale ale adunărilor generale sunt cele stipulate de Legea nr.31/1990 a Societăților Comerciale. Competențele și limitele specifice acordate de acționarii Severnav SA sunt reprezentate de acordul AGEA pentru aprobarea de plafoane de creditare mai mari de 10 mil EUR și de un necesar de 2/3 din drepturile de vot prezente și reprezentate la AGEA pentru schimbarea obiectului principal de activitate, modificarea valorii capitalului social, schimbarea formei juridice, fuziunea, divizarea sau lichidarea voluntară a companiei.

The general powers of the general meetings are those stipulated by the Law no. 31/1990 of the Commercial Companies. The specific competencies and limits agreed by the shareholders of Severnav SA are represented by the AGEA approval for the approval of credit ceilings exceeding EUR 10 million and by a 2/3 of the voting rights present and represented at the EGMS for the change of the main object of activity, changing the value of the share capital, changing the legal form, merging, dividing or voluntarily liquidating the company.

**2. Consiliul de Administrație** al Severnav SA este format dintr-un număr de 5 membri, 4 membri neexecutivi iar Președintele CA detine și funcția de Director General. Membri CA sunt aleși pe o durată a mandatului de 4 ani.

Atribuțiile CA sunt cuprinse în Actul Constitutiv la Capitolul VI, art. 24-28.

În decursul exercitiului financiar 2018, Consiliul de Administrație al Severnav SA s-a întrunit într-un număr de 8 ședințe.

2. The Board of Directors of Severnav SA consists of 5 members, 4 non-executive members and the President of the Board of Directors holds the position of General Manager. Members of the CA are elected for a term of office of 4 years.

The powers of CA are contained in the Articles of Incorporation at Chapter VI, art. 24-28.

During the financial year 2018, the Board of Directors of Severnav SA met in a number of 8 sessions.



### VII.3. Codul de Governanta Corporativa al BVB / VII.3. The Corporate Governance Code of the BVB

Severnav SA a aderat la Codul de Governanta Corporativa al BVB in anul 2016. Codul reprezinta un set de reguli recomandate companiilor emitente ale caror actiuni se tranzactioneaza pe piata AeRO a BVB, guvernate de principiul "Aplici sau Explici", care obliga compania la a da explicatii atunci cand considera ca o regula nu este oportuna sau necesara.

Severnav SA adhered to the Corporate Governance Code of the BVB in 2016. The code represents a set of rules recommended to issuers whose shares are traded on the AeRO market of the BSE, governed by the "Apply or Explain" principle, which obliges the company to give explanations when he considers that a rule is not appropriate or necessary.

Din cuprinsul prevederilor Sectiunii A – Responsabilitati ale Consiliului de Administratie si B – Sistemul de Control Intern, Severnav SA indeplineste toate cerintele Codului.

From the provisions of Section A - Responsibilities of the Administration Council and B - Internal Control System, Severnav SA fulfills all the requirements of the Code.

Referitor la Sectiunea C, Severnav SA nu a publicat remuneratia membrilor CA si a Directorului General, avand in vedere ca acestea sunt stabilite de Adunarea Generala Ordinara a Actionarilor iar eventualele bonificatii financiare sunt aprobate in acelasi for.

Concerning Section C, Severnav SA did not publish the remuneration of the CA members and the General Manager, given that they are established by the Ordinary General Meeting of Shareholders and any financial bonuses are approved in the same forum.

Privitor la Sectiunea D a Codului de Governanta Corporativa al BVB, societatea nu a publicat materiale privitoare la informarea continua in limba engleza avand in vedere ca nu a fost determinat un interes al investitorilor straini in legatura cu actiunile societatii. Societatea detine insa un site de internet in limba engleza. Website-ul societatii contine prevederile cuprinse la punctele D.1.1. - D.1.7 ale codului.

Regarding Section D of the Corporate Governance Code of the BVB, the company did not publish materials on continuous information in English as no interest of foreign investors in the company's shares was determined. The company owns an English website. The company website contains the provisions of paragraphs D.1.1. - D.1.7 of the code.

Adunarea Generala nu a implementat o politica de dividende, deoarece Societatea nu a definitivat procesul de restructurare si reinnoire a capacitatilor de productie. Eventuala acordare de dividende va fi propusa de Consiliul de Administratie si aprobata de AGOA, insa nu este vizata in acest moment elaborarea unei politici specifice.

The General Assembly did not implement a dividend policy because the Company did not complete the process of building and renewing its production capacities. The eventual allocation of dividends will be proposed by the Board of Directors and approved by the OGAS, but it is not intended at this time to develop a specific policy.

In legatura cu politica de prognoze precizata la punctul D.3 al Codului, Severnav SA nu a elaborat o astfel de politica, dificil de realizat in contextul specificului activitatii de constructie de nave de tonaj mediu, in care constructia unui reper se intinde pe o durata de timp de mai multe luni sau ani.

In relation to the forecasting policy specified in point D.3 of the Code, Severnav SA did not elaborate such a policy, which is difficult to achieve in the context of the specific activity of building medium-sized ships, where the construction of a landmark is a long- for several months or years.

Severnav SA respecta prevederile punctului D.4 al Codului si face eforturi in a atrage cat mai multi actionari la sedintele Adunarilor Generale.

Severnav SA observes the provisions of point D.4 of the Code and strives to attract as many shareholders as possible to the meetings of the General Assemblies.

Societatea nu vizeaza in acest moment publicarea de materiale in limba engleza si intalniri cu analistii financiari, deoarece nu a fost identificat pana in acest moment un interes semnificativ al investitorilor straini sau al celor institutionali privind achizitiile de instrumente financiare ale companiei.

The company is not currently targeting the publication of English materials and meetings with financial analysts, as no significant interest of foreign or institutional investors in the acquisition of financial instruments has been identified so far.

## VIII. MODIFICARI SURVENITE IN SOCIETATE / COMPANY MODIFICATIONS

Bilantul contabil si contul de profit si pierdere, au fost intocmite pe baza Balantei de verificare la 31 decembrie 2018, iar registrele si jurnalele obligatorii sunt operate la zi.

The balance sheet and the profit and loss account have been completed on the basis of the 31<sup>st</sup> December 2018 trial balance and the compulsorily registers and journals are operated to the current day.

Evidenta contabila a societatii se tine in conformitate cu:

- Legea Contabilitatii 82/1991 (republicata).
- Reglementarile contabile conforme cu Directiva a IV-a a Comunitatii Economice Europene si Standardele Internationale de Contabilitate.
- Ordinul Ministerului de Finante 1802/2014 privind aprobarea reglementarilor contabile conforme cu directivele europene.

The Company's accounting evidence is kept according to:

- Accounting Law 82/1991 (republished)
- Accounting regulations complying with the 4<sup>th</sup> Directive of the Economic European Community and International Accounting Standards
- The Ministry of Finance Order 1802/2014 concerning the approval of accounting regulations comping with the European directives.

**Presedinte Consiliul de Administratie,**

**Tirlea Victor**





## **Declaratie a Administratorilor / Adimistrators' declaration S.C. SEVERNAV SA**

Administratorii SC Severnav SA declara prin prezenta ca isi asuma raspunderea pentru intocmirea Situatiilor Financiare anuale ale societatii la data de 31 decembrie 2018.

The administrators of SC Severnav SA hereby acknowledge that they take full responsibility regarding the completion of the Annual Financial Situations of the company at 31<sup>st</sup> of December 2018.

Administratorii SC Severnav SA confirma in ceea ce priveste Situatiile Financiare anuale ale societatii la data de 31 decembrie 2018, urmatoarele:

- a) Situatiile Financiare anuale sunt intocmite in conformitate cu reglementarile contabile conforme cu Directiva Comunitatii Economice Europene;
- b) Politicile contabile utilizate la intocmirea Situatiile Financiare anuale sunt in conformitate cu reglementarile contabile aplicate, conform OMFP 1802/2014;
- c) Situatiile Financiare anuale ofera o imagine corecta si conforma cu realitatea a activelor, obligatiilor, pozitiei financiare, contului de profit si pierdere si a celorlalte informatii referitoare la activitatea desfasurata;
- d) Raportul Consilului de Administratie cuprinde o analiza corecta a dezvoltarii si performantelor societatii, precum si o descriere a principalelor riscuri si incertitudini specifice activitatii deasfasurate;
- e) Societatea isi desfasoara activitatea in conditii de continuitate.

Severnav's administrators confirm the following information concerning the Annual Financial Situations at 31<sup>st</sup> December 2018:

- a) The Annual Financial Situations are completed in accordance with the accounting procedures agreed by the Economic European Community Directive;
- b) The accounting policies used to complete the Annual Financial Situations are complying with the accounting rules applied by OMFP 1802/2014;
- c) The Annual Financial Situations offer a correct and real image of the assets, liabilities, financial position, profit and loss account and the other information regarding the day to day activity;
- d) The Board of Director's Report consists in a correct analysis of the development and performance of the company, as well as in a description of the main risks and weak points of the current activity;
- e) The company works under continuity conditions.

Prezenta declaratie este in conformitate cu prevederile art. 30 din Legea Contabilitatii nr. 82/1991 republicata.

The present declaration conforms to the provisions of art. 30 from the Accounting Law no. 82/1991 republished.

**Presedinte Consiliu de Administratie,  
President of the Board of Directors  
Tirlea Victor**



JUDET: MEHEDINTI	FORMĂ DE PROPRIETATE: 34
PERSONĂ JURIDICĂ: S.C. SEVERNAV S.A.	ACTIVITATE PREPONDERENTĂ
ADRESĂ: DROBETA TURNU SEVERIN	(denumire grupa CAEN): constructii nave
Calea Timisoarei nr. 204	
TELEFON: 0252 / 308000	COD GRUPĂ CAEN: 3011
NUMĂR DIN REGISTRUL COMERTULUI: J/25/003/1990	COD UNIC DE INREGISTRARE FISCALĂ: 1606030

**BILANT la / BALANCE SHEET at  
31 decembrie 2018**

	Denumirea elementului / Name	Nr. rd.	Sold la / Balance at:		
			01 ianuarie 2017 1	31 decembrie 2017 2	31 decembrie 2018 3
<b>A</b>		<b>B</b>			
<b>A.</b>	<b>ACTIVE IMOBILIZATE / NON-CURRENT ASSETS</b>				
	<b>I. IMOBILIZARI NECORPORALE / INTANGIBLE ASSETS</b>				
	1. Cheltuieli de constituire / Setting up costs	1			
	2. Cheltuieli de dezvoltare / Development costs	2			145.950
	3. Concesiuni, brevete, licente, marci comerciale, drepturi si active similare si alte imobilizari necorporale / Concessions, patents, licences, trademarks and similar rights and assets and other intangible assets	3	-		
	4. Fond comercial / Goodwill	4			
	5. Avansuri si imobilizari necorporale in curs de executie / Advances and intangible assets in progress	5			
	<b>TOTAL (rd. 01 la 05)</b>	<b>6</b>			<b>145.950</b>
	<b>II. IMOBILIZARI CORPORALE / TANGIBLE ASSETS</b>				
	1. Terenuri si constructii / Freehold land and buildings	7	86.857.065	84.921.855	85.728.954
	2. Instalatii tehnice si masini / Plant and machinery	8	3.427.209	3.097.333	4.532.339
	3. Alte instalatii, utilaje si mobilier / Other plant and machinery and fixtures and fittings	9	89.225	82.198	95.104
	4. Imobilizari corporale in curs de executie / Tangible assets under construction	10		358.898	602.898
	5. Avansuri si imobilizari corporale in curs de executie / Advances and tangible assets in progress	11	120.000	120.000	224.465
	<b>TOTAL (rd. 07 la 12)</b>	<b>12</b>	<b>90.493.499</b>	<b>88.580.284</b>	<b>91.183.760</b>
	<b>III. IMOBILIZARI FINANCIARE / FINANCIAL ASSETS</b>				
	1. Actiuni detinute la entitatile afiliate / Investments in related parties	13			
	2. Imprumuturi acordate entitatilor afiliate / Loans to related parties	14			
	3. Interese de participare / Investments in associates	15			
	4. Imprumuturi acordate entitatilor de care compania este legata in virtutea intereselor de participare / Loans to parties related by participation interests	16			
	5. Investitii detinute ca imobilizari / Investments owned as assets	17			
	6. Alte imprumuturi / Other loans	18	18.572	23.476	9.153
	<b>TOTAL (rd. 13 la 18)</b>	<b>19</b>	<b>18.572</b>	<b>23.476</b>	<b>9.153</b>
	<b>ACTIVE IMOBILIZATE – TOTAL / NON-CURRENT ASSETS - TOTAL</b>	<b>20</b>	<b>90.512.071</b>	<b>88.603.760</b>	<b>91.338.863</b>
<b>B.</b>	<b>ACTIVE CIRCULANTE / CURRENT ASSETS</b>				
	<b>I. STOCURI / STOCKS</b>				
	1. Materii prime si materiale consumabile / Raw materials and consumables	21	12.232.546	13.447.109	17.965.467
	2. Productia in curs de executie / Work in progress	22	9.935.002	17.705.893	18.060.998
	3. Produse finite si marfuri / Finished goods and merchandise	23			
	4. Avansuri pentru cumparari de stocuri / Advances for stock purchasing	24	1.809.260	1.897.453	959.289

Notele de la 1 la 10 fac parte integranta din situatiile financiare.

## SEVERNAV SA

## BILANT SI CONT DE PROFIT SI PIERDERE / BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

la 31 decembrie 2018 / at 31<sup>st</sup> December 2018

(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all amounts are expressed in new lei (RON), if otherwise specified)

	<b>TOTAL (rd. 21 la 24)</b>	<b>25</b>	<b>23.976.808</b>	<b>33.050.455</b>	<b>36.985.754</b>
	<b>II. CREANTE / RECEIVABLES</b>				
	1. Creante comerciale / Commercial receivables	26	1.492.031	3.928.409	13.790.682
	2. Sume de incasat de la entitatile affiliate / Receivables from related parties	27			
	3. Sume de incasat de la entitati de care compania este legata in virtutea intereselor de participare / Receivables from parties related by participation interests	28			
	4. Alte creante / Other receivables	29	1.231.994	427.444	1.020.399
	5. Capital subscris si nevarsat / Subscribed and not paid in share capital	30			
	<b>TOTAL (rd. 26 la 30)</b>	<b>31</b>	<b>2.724.025</b>	<b>4.355.853</b>	<b>14.811.081</b>
	<b>III. INVESTITII PE TERMEN SCURT / SHORT TERM INVESTMENTS</b>				
	1. Actiuni detinute la entitatile affiliate / Shares in related parties	32			
	2. Alte investitii pe termen scurt / Other short term investments	33			
	<b>TOTAL (rd. 32 la 33)</b>	<b>34</b>			
	<b>IV. CASA SI CONTURI LA BANCII / PETTY CASH AND BANK ACCOUNTS</b>	<b>35</b>	<b>3.150.311</b>	<b>4.323.236</b>	<b>17.251.463</b>
	<b>ACTIVE CIRCULANTE (rd. 25 + 31 + 34 + 35) / CURRENT ASSETS</b>	<b>36</b>	<b>29.851.144</b>	<b>41.729.544</b>	<b>69.048.298</b>
<b>C.</b>	<b>CHELTUIELI IN AVANS / ACCRUED EXPENSES</b>	<b>37</b>	<b>0</b>	<b>163.090</b>	<b>57.133</b>
<b>D.</b>	<b>DATORII: SUMELE CARE TREBUIE PLATITE INTR-O PERIOADA DE PANA LA UN AN / DEBTS: AMOUNTS TO BE PAID WITHIN ONE YEAR</b>				
	1. Imprumuturi din emisiunea de obligatiuni, prezentandu-se separat imprumuturile din emisiunea de obligatiuni convertibile / Debenture loans, separate position for loans for convertible bond issue	38			
	2. Sume datorate institutiilor de credit / Amounts owed to credit institutions	39	20.395.723	22.693.325	40.254.776
	3. Avansuri incasate in contul comenzilor / Advances cashed for orders	40	6.972.148	11.148.535	9.548.364
	4. Datorii comerciale – furnizori / Commercial debts - suppliers	41	4.711.364	1.849.333	1.695.877
	5. Efecte de comert de platit / Bills of exchange payable	42			
	6. Sume datorate entitatilor affiliate / Amounts owed to related parties	43			
	7. Sume datorate entitatilor de care compania este legata in virtutea intereselor de participare / Amounts owed to parties related by participation interests	44			
	8. Alte datorii, inclusiv datoriile fiscale si datoriile privind asigurarile sociale / Other debts, including fiscal and social security debts	45	2.229.789	2.099.338	2.179.712
	<b>TOTAL (rd. 38 la 45)</b>	<b>46</b>	<b>34.309.024</b>	<b>37.790.531</b>	<b>53.678.729</b>
<b>E.</b>	<b>ACTIVE CIRCULANTE NETE / DATORII CURENTE NETE / NET CURRENT ASSETS / NET CURRENT DEBTS</b>	<b>47</b>	<b>(4.457.880)</b>	<b>4.102.103</b>	<b>4.523.712</b>
	<b>(rd. 36 + 37 - 46 - 64)</b>				

## SEVERNAV SA

## BILANT SI CONT DE PROFIT SI PIERDERE / BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

la 31 decembrie 2018 / at 31<sup>st</sup> December 2018

(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all amounts are expressed in new lei (RON), if otherwise specified)

<b>F.</b>	<b>TOTAL ACTIVE MINUS DATORII CURENTE / TOTAL ASSETS MINUS CURRENT DEBTS</b>	<b>48</b>	86.054.191	92.705.863	95.862.575
	(rd. 20 + 47)				
<b>G.</b>	<b>DATORII: SUMELE CARE TREBUIE PLATITE INTR-O PERIOADA MAI MARE DE UN AN / DEBTS: AMOUNTS TO BE PAID</b>				
	1. Imprumuturi din emisiunea de obligatiuni, prezentandu-se separat imprumuturile din emisiunea de obligatiuni convertibile / Debenture loans, separate position for loans for convertible bond issue	49			
	2. Sume datorate institutiilor de credit / Amounts owed to credit institutions	50	0		
	3. Avansuri incasate in contul comenzilor / Advances cashed for orders	51			
	4. Datorii comerciale – furnizori / Commercial debts - suppliers	52			
	5. Efecte de comert de platit / Bills of exchange payable	53			
	6. Sume datorate entitatilor afiliate / Amounts owed to related parties	54			
	7. Sume datorate entitatilor cu interese de participare / Amounts owed to parties related by participation interests	55			
	8. Alte datorii, inclusiv datoriile fiscale si datoriile privind asigurarile sociale / Other debts, including fiscal and social security debts	56	738.747	356.362	737.187
	<b>TOTAL (rd. 49 la 56)</b>	<b>57</b>	<b>738.747</b>	<b>356.362</b>	<b>737.187</b>
<b>H.</b>	<b>PROVIZIOANE / PROVISIONS</b>				
	1. Provizioane pentru beneficiile angajatilor / Provisions for employees benefits	58	127.479	133.370	0
	2. Provizioane pentru impozite / Provisions for taxes	59	278.943	0	0
	3. Alte provizioane / Other provisions	60	628.927	0	0
	<b>TOTAL (rd. 58 la 60)</b>	<b>61</b>	<b>1.035.349</b>	<b>133.370</b>	<b>0</b>
<b>I.</b>	<b>VENITURI IN AVANS / DEFERRED INCOME</b>				
	1. Subventii pentru investitii / Investment subsidies	62	63.459	39.212	1.203.460
	2. Venituri inregistrate in avans-total / Deffered income – total	63			10.902.990
	(rd. 64 + 65), din care:				
	Sume de reluat intr-o perioada de pana la un an / Amounts to be recalculated within one year	64			
	Sume de reluat intr-o perioada mai mare de un an / Amounts to be recalculated over a period of time longer than one year	65			
	<b>TOTAL (rd. 62 + 63)</b>	<b>66</b>	<b>63.459</b>	<b>39.212</b>	<b>12.106.450</b>
<b>J.</b>	<b>CAPITAL SI REZERVE / CAPITAL AND RESERVES</b>				
	<b>I. CAPITAL / CAPITAL</b>				
	1. Capital subscris varsat / Subscribed and paid in share capital	67	12.603.865	12.603.865	12.603.865
	2. Capital subscris nevarsat / Subscribed and not paid in share capital	68			
	3. Patrimoniul regiei / Patrimony (autonomous companies)	69			

**SEVERNAV SA**  
**BILANT SI CONT DE PROFIT SI PIERDERE / BALANCE SHEET AND PROFIT AND LOSS**  
**ACCOUNT**

la 31 decembrie 2018 / at 31<sup>st</sup> December 2018

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<b>TOTAL (rd. 67 la 69)</b>	<b>70</b>	<b>12.603.865</b>	<b>12.603.865</b>	<b>12.603.865</b>
<b>II. PRIME DE CAPITAL / PREMIUM RELATED TO CAPITAL</b>	<b>71</b>			
<b>III. REZERVE DIN REEVALUARE / REEVALUATION RESERVES</b>	<b>72</b>	<b>79.081.112</b>	<b>77.081.454</b>	<b>76.321.563</b>
<b>IV. REZERVE / RESERVES</b>				
1. Rezerve legale / Legal reserves	73	1.219.294	1.565.488	1.689.510
2. Rezerve statutare sau contractual / Statutory or contractual capital reserve	74		421.859	1.818.558
3. Rezerve reprezentand surplusul realizat din rezerve din reevaluare / Reserves representing the reevaluation reserve surplus	75	0		
4. Alte rezerve / Other reserves	76	6.288.767	6.288.767	12.281.705
<b>TOTAL (rd. 73 la 76)</b>	<b>77</b>	<b>7.508.061</b>	<b>8.276.114</b>	<b>15.789.773</b>
Actiuni proprii / Own shares	78			
Castiguri legate de instrumentele de capitaluri proprii / Earnings related to equities	79			
Pierderi legate de instrumentele de capitaluri proprii / Losses related to equities	80			
<b>V. PROFITUL SAU PIERDEREA REPORTAT(A) / RETAINED PROFIT OR LOSS</b>	<b>81</b>			
	<b>82</b>	<b>15.780.741</b>	<b>11.777.452</b>	<b>11.017.561</b>
<b>VI. PROFITUL SAU PIERDEREA EXERCITIULUI FINANCIAR / CURRENT PROFIT OR LOSS</b>	<b>83</b>	<b>804.339</b>	<b>6.760.991</b>	<b>1.745.009</b>
	<b>84</b>			
Repartizarea profitului / Profit appropriation	85		<b>768.053</b>	<b>1.520.721</b>
<b>CAPITALURI PROPRII – TOTAL (rd. 70+71+72+77-78+79-80+81-82+83-84-85) / OWN CAPITAL - TOTAL</b>	<b>86</b>	<b>84.216.636</b>	<b>92.176.919</b>	<b>93.921.928</b>
Patrimoniul public / Public patrimony	87			
<b>CAPITALURI - TOTAL (rd. 86 + 87) / CAPITAL - TOTAL</b>	<b>88</b>	<b>84.216.636</b>	<b>92.176.919</b>	<b>93.921.928</b>

**Director General / General director,**  
**TIRLEA VICTOR**

Semnatura / Signature

Stampila unitatii / Company's stamp



**Intocmit / Completed by,**  
**BORINTIS GRIGORE**

Director Economic / Economic director

Semnatura / Signature

Nr. De inregistrare in organismul profesional / Registry number

**SEVERNAV SA**  
**BILANT SI CONT DE PROFIT SI PIERDERE / BALANCE SHEET AND PROFIT AND LOSS**  
**ACCOUNT**

**la 31 decembrie 2018 / at 31<sup>st</sup> December 2018**

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**CONTUL DE PROFIT SI PIERDERE la 31.12.2018 / PROFIT AND LOSS ACCOUNT at 31.12.2018**

	Denumirea elementului / Name		Nr.	Exercitiul financiar / Fiscal year	
				rd.	rd.
A			B	1	2
1	<b>Cifra de afaceri neta (rd. 02 +03-04+ 05+06) / Turnover</b>		1	<b>65.017.667</b>	<b>82.588.676</b>
	Productia vanduta / Sold production		2	64.998.346	82.443.458
	Venituri din vanzarea marfurilor / income out sold merchandise		3	19.321	145.218
	Reduceri comerciale acordate/ Given commercial discounts		4		
	Venituri din dobanzi inregistrate de entitatile radiate din Registrul general si care mai au in derulare contracte de leasing / Income from interests collected by no longer existing entities that still have leasing contracts in progress		5		
	Venituri din subventii de exploatare aferente cifrei de afaceri nete / Income from operating grants for the net turnover		6		
2	Venituri aferente costului productiei in curs de executie / Income from in progress production costs	Sold C	7	7.838.036	518.242
		Sold D	8	0	0
3	Productia realizata de entitate pentru scopurile sale proprii si capitalizata / Capitalised company production for its own purposes		9	57.065	927.086
4	Venituri din subventii de exploatare		10	0	662.509
5	Alte venituri din exploatare / Oter operating income		11	151.580	69.490
	<b>VENITURI DIN EXPLOATARE - TOTAL / OPERATING INCOME - TOTAL</b> (rd. 01 + 07 - 08 + 09 +10+ 11)		12	<b>73.064.348</b>	<b>84.766.003</b>
6	a) Cheltuieli cu materiile prime si materialele consumabile / Raw materials, consumables and other materials expenses		13	29.959.343	38.235.720
	Alte cheltuieli material / Other materials expenses		14	1.273.536	1.576.481
	b) Alte cheltuieli externe (cu energie si apa) / Other external expenses (electricity and water)		15	1.100.513	1.468.732
	c) Cheltuieli privind marfurile / Merchandise expenses		16	3.892	143.212
	Reduceri comerciale primite / Received commercial discounts		17	885	1.791
7	Cheltuieli cu personalul (rd. 19 + 20), din care: /Personnel expenses (line 19+20), out of which:		18	21.962.632	27.215.362
	a) Salarii si indemnizatii / Salaries and wages		19	17.871.290	26.346.832
	b) Cheltuieli cu asigurarile si protectia sociala / Social security and insurance expenses		20	4.091.342	868.530
8	a) Ajustari de valoare privind imobiliarile corporale si necorporale (rd. 22 - 23) and non-tangible assets (lines 22-23)		21	1.758.137	1.659.941
	a.1) Cheltuieli / Expenses		22	1.991.816	1.659.941

Notele de la 1 la 10 fac parte integranta din situatiile financiare. / Notes from 1 to 10 are an integral part of the financial reports



**SEVERNAV SA**  
**BILANT SI CONT DE PROFIT SI PIERDERE / BALANCE SHEET AND PROFIT AND LOSS**  
**ACCOUNT**

**la 31 decembrie 2018 / at 31<sup>st</sup> December 2018**

*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all amounts are expressed in new lei (RON), if otherwise specified)*

	a.2) Venituri / Income	23	233.679	
	b) Ajustari de valoare privind activele circulante (rd. 25 - 26) / Adjusted values concerning current assets (lines 25-26)	24	(508.202)	(13.541)
	b.1) Cheltuieli / Expenses	25	128.351	112.450
	b.2) Venituri / Income	26	636.553	125.991
9	Alte cheltuieli de exploatare (rd. 28 la 31) / Other operating expenses (lines 28 to 31)	27	8.748.399	10.098.747
	8.1. Cheltuieli privind prestatiile externe / Expenses concerning third parties services	28	7.043.422	7.621.497
	8.2. Cheltuieli cu alte impozite, taxe si varsaminte assimilate / Expenses with other income taxes, taxes and similar payments	29	736.239	932.660
	8.3. Cheltuieli cu protectia mediului inconjurator / Environment protection expenses		132.131	138.312
	8.34. Alte cheltuieli / Other expenses	30	836.607	1.406.278
	Cheltuieli cu dobanzile de refinantare inregistrate de entitatile radiate din Registrul general si care mai au in derulare contracte de leasing / Expenses with interests collected by no longer existing entities that still have leasing contracts in progress	31		
	Ajustari privind provizioanele (rd. 33 - 34) / Adjustments regarding provisions lines 33-34)	32	(901.979)	(133.370)
	- Cheltuieli / Expenses	33	133.370	
	- Venituri / Income	34	1.035.349	133.370
	<b>CHELTUIELI DE EXPLOATARE – TOTAL / OPERATING EXPENSES - TOTAL</b> (rd. 13 la 16 -17+18 + 21 + 24 + 27+32)	<b>35</b>	<b>63.395.386</b>	<b>80.249.493</b>
10	<b>PROFITUL SAU PIERDEREA DIN EXPLOATARE / OPERATING PROFIT OR LOSS</b>			
	- Profit (rd. 12 - 35) / Profit	36	<b>9.668.962</b>	<b>4.516.510</b>
	- Pierdere (rd. 35 - 12) / Loss	37		
11	Venituri din interese de participare / Income from participating interests	38		
	- din care, veniturile obtinute de la entitatile afiliate / out of which income from affiliated entities	39		
12	Venituri din alte investitii si imprumuturi care fac parte din activele imobilizate / Income from other investments and loans part of fixed assets	40		
	- din care, veniturile obtinute de la entitatile afiliate / out of which income from affiliated entities	41		
13	Venituri din dobanzi / Income from interests	42	1.028	204
	- din care, veniturile obtinute de la entitatile afiliate / out of which income from affiliated entities	43		
	Alte venituri financiare / Other financial income	44	734.375	1.124.518
	<b>VENITURI FINANCIARE - TOTAL (rd. 38 + 40 + 42 + 44) / FINANCIAL INCOME - TOTAL</b>	<b>45</b>	<b>735.403</b>	<b>1.124.722</b>
14	Ajustari de valoare privind imobiliarile financiare si investitiile detinute ca active circulante (rd. 47 - 48) / Adjusted values concerning financial assets and investments owned as current assets (lines 47-48)	46		
	- Cheltuieli / Expenses	47		

Notele de la 1 la 10 fac parte integranta din situatiile financiare. / Notes from 1 to 10 are an integral part of the financial reports

## SEVERNAV SA

## BILANT SI CONT DE PROFIT SI PIERDERE / BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

la 31 decembrie 2018 / at 31<sup>st</sup> December 2018

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	- Venituri / Income		48		
15	Cheltuieli privind dobanzile / Expenses with interests		49	999.781	1.574.830
	- din care, cheltuielile in relatia cu entitatile affiliate / out of which expenses in relation with affiliated entities		50		
	Alte cheltuieli financiare / other financial expenses		51	1.525.228	1.585.970
	<b>CHELTUIELI FINANCIARE - TOTAL (rd. 46 + 49 + 51) / FINANCIAL EXPENSES - TOTAL</b>		<b>52</b>	<b>2.525.009</b>	<b>3.160.800</b>
	<b>PROFITUL SAU PIERDEREA FINANCIAR(A): / FINANCIAL PROFIT OR LOSS</b>				
	- Profit (rd. 45 - 52) / Profit		53		
	- Pierdere (rd. 52 - 45) / Loss		54	1.789.606	2.036.078
16	<b>PROFITUL SAU PIERDEREA CURENT(A): / CURRENT PROFIT OR LOSS</b>				
	- Profit (rd. 12 + 45 - 35 - 52) / Profit		55		
	- Pierdere (rd. 35 + 52 - 12 - 45) / Loss		56		
17	Venituri extraordinare / Extraordinary income		57		
18	Cheltuieli extraordinare / Extraordinary expenses		58		
19	<b>PROFITUL SAU PIERDEREA DIN ACTIVITATEA EXTRAORDINARA: / EXTRAORDINARY ACTIVITY PROFIT OR LOSS:</b>				
	- Profit (rd. 57 - 58) / Profit		59		
	- Pierdere (rd. 58 - 57) / Loss		60		
	<b>VENITURI TOTALE (rd. 12 + 45 + 57) / TOTAL INCOME</b>		<b>61</b>	<b>73.799.751</b>	<b>85.890.725</b>
	<b>CHELTUIELI TOTALE (rd. 35 + 52 + 58) / TOTAL EXPENSES</b>		<b>62</b>	<b>65.920.395</b>	<b>83.410.293</b>
	<b>PROFITUL SAU PIERDEREA BRUTA: / GROSS PROFIT OR LOSS</b>				
	- Profit (rd. 61 - 62) / Profit		63	7.879.356	2.480.432
	- Pierdere (rd. 62 - 61) / Loss		64		
20	Impozitul pe profit / Income tax		65	1.118.365	735.423
21	Alte impozite ne reprezentate la elementele de mai sus / Other taxes not mentioned to the a/m items		66		
22	<b>PROFITUL SAU PIERDEREA NET(A) A EXERCITIULUI FINANCIAR:/ NET FISCAL YEAR PROFIT OR LOSS</b>				
	- Profit (rd. 63 - 65 - 66) / Profit		67	6.760.991	1.745.009
	- Pierdere (rd. 64 + 65 + 66);(rd. 65 + 66 - 63) / Loss		68		

Director General / General director,  
TIRLEA VICTORSemnatura / Signature  
Stampila unitatii / Company's stampIntocmit / Completed by,  
BORINTIS GRIGORE  
Director Economic / Economic director

Semnatura / Signature

Nr. De inregistrare in organismul profesional  
/ Registry number

**SEVERNAV SA**

**BILANT SI CONT DE PROFIT SI PIERDERE / BALANCE SHEET AND PROFIT AND LOSS  
ACCOUNT**

**la 31 decembrie 2018 / at 31<sup>st</sup> December 2018**

*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all amounts are  
expressed in new lei (RON), if otherwise specified)*

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**SEVERNAV SA**  
**SITUATIA MODIFICARILOR CAPITALURILOR PROPRII**  
**pentru exercitiul financiar incheiat la 31 decembrie 2018**  
*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel)*

2018

Denumirea elementului / Item name	Sold la inceputul exercitiului financiar / Balance at the beginning of the fiscal year	Cresteri / Increases		Reduceri / Decreases		Sold la sfarsitul exercitiului financiar / Balance at the end of the fiscal year
		Total, din care: / Total out of which	Prin Transfer / Through transfer	Total, din care: / Total out of which	Prin Transfer / Through transfer	
Capital substs / Subscribed share capital	12.603.865	-	-	-	-	12.603.865
Patrimoniul regiei / Patrimony	-	-	-	-	-	-
Prime de capital / Premium related to capital	-	-	-	-	-	-
Rezerve din reevaluare / Reevaluation reserves	77.081.454	-	-	759.891	-	76.321.563
Rezerve legale / Legal reserves	1.565.488	124.022	-	-	-	1.689.510
Rezerve din profitul reinvestit	421.859	1.396.699	-	-	-	1.818.558
Rezerve reprezentand surplusul realizat din rezerve din reevaluare / Reserves representing the reevaluation reserve surplus	0	-	-	-	-	0
Alte rezerve/ Other reserves	6.288.767	5.992.938	-	-	-	12.281.705
Actiuni proprii / Own shares	-	-	-	-	-	-
Castiguri legate de instrumentele de capitaluri proprii / Earnings related to equities	-	-	-	-	-	-
Pierderi legate de instrumentele de capitaluri proprii / Losses related to equities	-	-	-	-	-	-
Rezultatul reportat reprezentand profitul nerepartizat sau pierderea neacoperita / Retained earning representing the unappropriated profit or the not covered loss	-	-	-	-	-	-
Sold C	-	-	-	-	-	-
Sold D	23.921.855	-	-	-	-	23.921.855
Sold C	1.808.961	-	-	-	-	1.808.961
Sold D	-	-	-	-	-	-
Sold C	10.335.442	769.607	9.717	9.717	9.717	11.095.333
Sold D	-	-	-	-	-	-
Sold C	-	-	-	-	-	-
Rezultatul reportat provenit din trecerea la aplicarea Reglementarilor contabile conforme cu Directiva a patra a Comunitatilor Economice Europene / Retained earnings from transiting to applying accounting rules according to the European Economic Communities Directives	-	-	-	-	-	-
Profitul sau pierderea exercitiului financiar / Profit or	6.760.991	1.745.009	-	6.760.991	-	1.745.009
Sold C	-	-	-	-	-	-

Notele de la 1 la 10 fac parte integranta din situatiile financiare. \ The Notes from 1 to 10 are part of the financial situations.

**SEVERNAV SA**  
**SITUATIA MODIFICARILOR CAPITALURILOR PROPRII**  
**pentru exercitiul financiar incheiat la 31 decembrie 2018**  
*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel)*

loss of the financial year	Sold D					
Repartizarea profitului / Retained earnings	Sold D	768.053	752.668			1.520.721
<b>Total capitaluri proprii / Total own capital</b>		<b>92.176.919</b>	<b>9.275.607</b>	<b>9.717</b>	<b>7.530.599</b>	<b>93.921.928</b>

**Director General / General director**  
**TIRLEA VICTOR**

**Intocmit / Completed by,**  
**BORINTIS GRIGORE**  
 Director Economic / Economic director



*[Handwritten signature]*  
 Semnatura / Signature

*[Handwritten signature]*  
 Semnatura / Signature

Stampila unitatii / Company's stamp

Nr. De inregistrare in organismul profesional  
 / Registry number

**SEVERNAV SA**  
**SITUATIA MODIFICARILOR CAPITALURILOR PROPRII**  
**pentru exercitiul financiar incheiat la 31 decembrie 2018**  
*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel)*

2017

Denumirea elementului / Item name	Sold la inceputul exercitiului financiar / Balance at the beginning of the fiscal year	Cresteri / Increases		Reduceri / Decreases		Sold la sfarsitul exercitiului financiar / Balance at the end of the fiscal year
		Total, din care: / Total out of which	Prin Transfer / Through transfer	Total, din care: / Total out of which	Prin Transfer / Through transfer	
Capital subscris / Subscribed share capital	12.603.865	-	-	-	-	12.603.865
Patrimoniul regiei / Patrimony	-	-	-	-	-	-
Prime de capital / Premium related to capital	-	-	-	-	-	-
Rezerve din reevaluare / Reevaluation reserves	79.081.111	-	-	1.999.657	1.999.657	77.081.454
Rezerve legale / Legal reserves	1.219.294	346.194	-	-	-	1.565.488
Rezerve statutare sau contractual / Statutory or contractual capital reserve	-	-	-	-	-	-
Rezerve reprezentand surplusul realizat din rezerve din reevaluare / Reserves representing the reevaluation reserve surplus	0	-	-	-	-	0
Alte rezerve/ Other reserves	6.288.767	-	-	-	-	6.288.767
Actiuni proprii / Own shares	-	-	-	-	-	-
Castiguri legate de instrumentele de capitaluri proprii / Earnings related to equities	-	-	-	-	-	-
Pierderi legate de instrumentele de capitaluri proprii / Losses related to equities	-	-	-	-	-	-
Rezultatul reportat reprezentand profitul nerepartizat sau pierderea neacoperita / Retained earning representing the unappropriated profit or the not covered loss	-	-	-	-	-	-
	Sold C	-	-	-	-	-
	Sold D	24.726.193	-	804.339	804.339	23.921.855
	Sold C	-	-	2.937.218	-	1.808.961
	Sold D	658.303	469.955	-	-	-
	Sold C	9.603.756	2.003.448	1.271.761	-	10.335.442
	Sold D	-	-	-	-	-
	Sold C	-	-	-	-	-
Rezultatul reportat provenit din trecerea la aplicarea Reglementarilor contabile conforme cu Directiva a patra a Comunitatilor Economice Europene / Retained earnings from transiting to applying accounting rules according to the European Economic Communities Directives	Sold D	-	-	-	-	-

Notele de la 1 la 10 fac parte integranta din situatiile financiare. \ The Notes from 1 to 10 are part of the financial situations.

**SEVERNAV SA**  
**SITUATIA MODIFICARILOR CAPITALURILOR PROPRII**  
**pentru exercitiul financiar incheiat la 31 decembrie 2018**  
*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel)*

Profitul sau pierderea exercitiului financiar / Profit or loss of the financial year	Sold C	804.339	6.760.991	804.339	804.339	6.760.991
Repartizarea profitului / Retained earnings	Sold D	0	768.053			768.053
<b>Total capitaluri proprii / Total own capital</b>		<b>84.216.636</b>	<b>9.233.994</b>	<b>4.880.096</b>	<b>536.054</b>	<b>92.176.919</b>

**Director General / General director**  
**TIRLEA VICTOR**

*(Handwritten signature)*



Semnatura / Signature

Stampila unitatii / Company's stamp

**Intocmit / Completed by,**  
**BORINTIS GRIGORE**

Director Economic / Economic director

Semnatura / Signature *(Handwritten signature)*

Nr. De inregistrare in organismul profesional / Registry number

**SITUATIA FLUXURILOR DE NUMERAR / CASH FLOW SITUATION**

pentru exercitiul financiar incheiat la 31 decembrie 2018 /for the fiscal year concluded on 31st dec.2018

(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)

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**Nota / Note:**

In anul 2018 nu au fost miscari semnificative la nivelul capitalului propriu. / Throughout the year 2018 there have been significant changes on the structure of the share capital.

La 31.12.2018 capitalurile SC Severnav SA sunt formate astfel:

- Capitalul social subscris si varsat 12.603.865 lei,
- Rezerve din reevaluare in sold 76.321.563 lei,
- Rezerve legale constituite din profitul anilor anteriori 1.689.510 lei,
- Alte rezerve in valoare de 12.281.705 lei, constituite in principal din prime subscrise pentru majorare capital social 2004 in suma de 6.288.767 lei si repartizarea profitului anului 2017 in suma de 5.992.938 lei
- Rezerve din reevaluare reportate provenite din vanzari/casari/amortizari nedeductibile fiscal in suma de 11.095.333 lei, provenite din anii anteriori inclusiv 2018,
- Profitul net realizat in exercitiul financiar 2018 in suma de 1.745.009 lei,
- Pierderi (-) reportate din anii 2007-2008, nerecuperate, cu un sold de 23.921.855 lei, din care:
  - o Pierdere provenita din exercitiul financiar 2007: 5.972.707 lei.
  - o Pierdere provenita din exercitiul financiar 2008: 17.949.148 lei.
- Profit (+) provenite din corectarea erorilor contabile reportate in suma de 1.808.961 lei, provenite din exercitiile anterioare.

At 31.12.2018 the capital of SC Severnav SA has the following structure:

- Subscribed and paid share capital 12.603.865 lei;
- Reevaluation reserves 76.321.563 lei;
- Legal reserves from previous years'profit 1.689.510 lei;
- Other reserves 12.281.705 lei, mainly from share premium since 2004 6.288.767 lei;
- Retained reevaluation reserves from sales/cashings/depreciation fiscally non-deductable 11.095.333 lei, from previous years including 2018;
- Net profit of fiscal year 2018: 1.745.009 lei;
- Retained losses (-) from 2007-2008, un receivable, with a balance of 23.921.855 lei, out of which:
  - o Loss from fiscal year 2007: 5.972.707 lei
  - o Loss from fiscal year 2008: 17.949.148 lei.
- Profit (+) from retained corrections of accounting errors in value of 1.808.961 lei, coming from previous exercises.

Soldul capitalurilor proprii la 31.12.2018 a fost de 93.921.928 lei.

The final balance of share capital at 31.12.2018 was in value of 93.921.928 lei.



**SITUATIA FLUXURILOR DE NUMERAR / CASH FLOW SITUATION**

pentru exercitiul financiar incheiat la 31 decembrie 2018 /for the fiscal year concluded on 31st dec.2018

(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)

Metoda indirecta / The indirect method

Denumirea elementului / Name of the item	Exercitiul financiar / Fiscal year	
	Precedent / Previous	Curent / Current
A	1	2
<b>Fluxuri de trezorerie din activitati de exploatare: / Cash flows from operating activities</b>		
<b>Profit net inainte de impozitare si elemente extraordinare / Net profit before tax and extraordinary elements</b>	<b>6.760.991</b>	<b>1.746.602</b>
<b>Ajustari pentru: / Adjustments for:</b>		
Amortizare si depreciere aferenta imobilizarilor corporale / Amortization and depreciation for fixed assets	1.991.816	1.659.941
Amortizare si depreciere aferenta imobilizarilor necorporale / Amortization and depreciation for intangible assets	0	0
Provizioane pentru deprecierea imobilizarilor reversate/anulate / Provisions for depreciations of reversed / canceled assets	0	0
Miscari in provizioane pentru active circulante,net / Movement of provisions for current assets, net	-508.202	-13.541
Miscari in alte provizioane, net / Movements of other provisions, net	-901.979	-133.370
Cheltuieli privind dobanzile / Interest expenses	0	0
Venituri privind dobanzile / Interest income	0	0
Pierderi / (profit) din vanzarea de active (mijloace fixe) / Loss / (profit) from assets' sale (fixed assets)	0	0
Corectarea rezultatului raportat / Retained earnings correction	0	0
Diferente de curs valutar din reevaluarea creantelor si datoriilor / Exchange rate differences from receivables and debt reevaluation	0	0
<b>Impozit pe profit platit / Paid income tax</b>	<b>1.118.365</b>	<b>733.830</b>
<b>Profitul din exploatare inainte de schimbari in capitalul circulant / Operating profit before changes in the working capital</b>	<b>8.460.991</b>	<b>3.993.462</b>
Descrestere / (Crestere) a creantelor comerciale si de alta natura / Decrease / (increase) of commercial receivables and of other nature	-1.631.828	-10.455.228
Descrestere / (Crestere) a altor creante si cheltuieli in avans / Decrease / (increase) of other receivables and advance expenses	-163.090	105.957
Descrestere / (Crestere) a stocurilor / Decrease / (increase) of stocks	-9.073.647	-3.935.299
(Descrestere) / Crestere a datoriilor comerciale si de alta natura / Decrease / (increase) of commercial debt and of other nature	671.749	1.314.889
Venituri din subventii / Income from grants	0	662.509
Dobanzi platite / Paid interests	0	0
<b>Numerar generat din activitatea de exploatare / Cash generated by the operationg activity</b>	<b>-1.735.825</b>	<b>-8.313.710</b>
<b>Fluxuri de trezorerie din activitati de investitie: / Cash flows from investment activities</b>		
Plati pentru achizitionarea de imobilizari corporale si necorporale / Payments for purchasing of tangible and non-tangible assets	-1.162.803	-4.359.497
Incasari din vanzarea de imobilizari corporale si necorporale / Cashing from the sale of tangible and non-tangible assets	0	0
Dobanzi incasate / Cashed interests	0	0
<b>Trezorerie neta din activitati de investitie / Net cash flow from investment activities</b>	<b>-1.162.803</b>	<b>-4.359.497</b>
<b>Fluxuri de trezorerie din activitati de finantare: / Cash flows from financing activities</b>		
Imprumuturi primite / Loans	44.830.743	71.934.516
Rambursari de imprumuturi / Loan repayments	-39.358.402	-44.047.386
Dividende platite / Paid dividends	0	0
Plata datoriilor aferente contractelor de leasing financiar / Payment of financial leasing contract debts	-401.007	-710.866

**SEVERNAV SA****SITUATIA FLUXURILOR DE NUMERAR / CASH FLOW SITUATION**

pentru exercitiul financiar incheiat la 31 decembrie 2018 /for the fiscal year concluded on 31st dec.2018

(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)

Dobanzi platite / Paid interests	-999.781	-1.574.830
<b>Trezorerie neta din activitati de finantare / Net cash flow from financing activities</b>	<b>4.071.553</b>	<b>25.601.434</b>
Descresterea neta a trezoreriei si echivalentelor de trezorerie / Net decrease of cash flow and equivalents	1.172.925	12.928.227
<b>Trezorerie si echivalente de trezorerie la inceputul exercitiului financiar / Cash flow and equivalents at the beginning of the fiscal year</b>	<b>3.150.311</b>	<b>4.323.236</b>
<b>Trezorerie si echivalente de trezorerie la sfarsitul exercitiului financiar / Cash flow and equivalents at the end of the fiscal year</b>	<b>4.323.236</b>	<b>17.251.463</b>

**Director General / General director,**  
**TIRLEA VICTOR**

Semnatura / Signature

Stampila unitatii / Company's stamp




**Intocmit / Completed by,**  
**BORINTIS GRIGORE**

Director Economic / Economic director

Semnatura / Signature

Nr. De inregistrare in organismul profesional / Registry number



**NOTE LA SITUATIILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS**  
**pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018**  
*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)*

**NOTA 1: ACTIVE IMOBILIZATE / NOTE 1: NON CURRENT ASSETS**

2018

Denumirea activului imobilizat / Name of non current asset	Valoare bruta / Gross value				Ajustari de valoare (amortizari si ajustari pentru depreciere sau pierdere de valoare) / Value adjustments (amortization and adjustments for depreciation or loss of value)			
	Sold la / Balance at 01.01.2018	Cresteri / Increases	Cedari, transferuri si alte reduceri / Lease, transfers and other discounts	Sold la / Balance at 31.12.2018	Sold la / Balance at 01.01.2018	Ajustari in cursul exercitiului financiar / Current fiscal year adjustments	Reduceri sau reluari / Discounts	Sold la / Balance at 31.12.2018
0	1	2	3	4 = 1 + 2 - 3	5	6	7	8 = 5 + 6 - 7
<b>a) Imobilizari necorporale / Non tangible assets</b>								
Cheltuieli de constituire si dezvoltare, brevete, concesiuni, fond comercial / Setting-up and development expenses, patents, concessions, commercial resources	-	-	-	-	-	-	-	-
Alte imobilizari necorporale / Other non tangible assets	469.971	152.295	2.291	619.975	469.971	6.345	2.291	474.025
Avansuri si imobilizari necorporale in curs / Advances and current non tangible assets								
<b>Total imobilizari necorporale / Total non tangible assets</b>	<b>469.971</b>	<b>152.295</b>	<b>2.291</b>	<b>619.975</b>	<b>469.971</b>	<b>6.345</b>	<b>2.291</b>	<b>474.025</b>
<b>b) Imobilizari corporale / Tangible assets</b>								
Terenuri si amenajari teren / Lands and buildings	60.066.211	203.490		60.269.701				
Constructii / Buildings	28.889.313	1.522.767	12.490	30.399.590	4.033.669	913.342	6.674	4.940.337
Echipamente tehnologice si masini / Machinery and equipment	21.663.958	2.048.978	234.572	23.478.364	18.566.625	720.600	231.151	19.056.074
Alte imobilizari corporale / Other tangible assets	201.974	32.559	137	234.396	119.776	19.653	137	139.292
Avansuri si Imobilizari in curs / Advances and in progress assets	478.898	3.322.680	2.864.166	937.412				
<b>Total imobilizari corporale / Total tangible assets</b>	<b>111.300.354</b>	<b>7.130.474</b>	<b>3.111.365</b>	<b>115.319.463</b>	<b>22.720.070</b>	<b>1.653.595</b>	<b>237.962</b>	<b>24.135.703</b>
<b>c) Imobilizari financiare / Financial assets</b>								
	23.476		14.323	9.153	0			
<b>Total / Total</b>	<b>111.793.801</b>	<b>7.282.769</b>	<b>3.127.979</b>	<b>115.948.591</b>	<b>23.190.041</b>	<b>1.659.940</b>	<b>240.253</b>	<b>24.609.728</b>

**NOTE LA SITUATIILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS**  
**pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018**  
*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)*

Denumirea activului imobilizat / Name of non current asset	Valoare contabilă Neta / Net accounting value 1 ianuarie 2018	Valoare contabilă Neta / Net accounting value 31 decembrie 2018
	0	
<b>a) Imobilizari necorporale / Intangible assets</b>		
Cheptuile de constituire si dezvoltare, brevete, concesiuni, fond comercial / Setting-up and development expenses, patents, concessions, commercial resources	0	145.950
Alte imobilizari necorporale / Other intangible assets	-	-
Avansuri si imobilizari necorporale in curs / Advances and in progress intangible assets	-	-
<b>Total imobilizari necorporale / Total intangible assets</b>	<b>0</b>	<b>145.950</b>
<b>b) Imobilizari corporale / Tangible assets</b>		
Terenuri si amenajari teren / Lands and buildings	60.066.211	60.269.701
Constructii / Buildings	24.855.644	25.459.253
Echipeamente tehnologice si masini / Mechnary and equipment	3.097.333	4.422.290
Alte imobilizari corporale / Other tangible assets	82.198	95.104
Imobilizari in curs / In progress assets	358.898	712.947
Avansuri / Advances	120.000	224.465
<b>c) Imobilizari financiare / Financial assets</b>	<b>23.476</b>	<b>9.153</b>
<b>Total / Total</b>	<b>88.603.760</b>	<b>91.338.863</b>

**NOTE LA SITUATIILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS**

**pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018**

*(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)*

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**NOTA 1: ACTIVE IMOBILIZATE (continuare) / NOTE 1: NON CURRENT ASSETS (sequel)**

**1.a. Imobilizari necorporale / Intangible assets**

La 31 decembrie 2018 imobilizarile necorporale sunt reprezentate de programele informatice, licente antivirus, autocad si domeniu site Severnav achizitionate de societate în valoare de 467.681 lei, complet amortizate.

At 31<sup>st</sup> dececember 2018 the intangible assets are represented by software, antivirus licences, autocad and the Severav site hosting provider, out of which 467.681 lei fully amortized.

La 31 decembrie 2018 Societatea inregistreaza cheltuieli de dezvoltare in valoare de 152.295 lei.

At 31<sup>st</sup> December 2018 the company has register development expences in value of 152.295 lei.

**1.b. Imobilizari corporale / Tangible assets**

**Reevaluarea imobilizarilor corporale / Tangible assets reevaluation**

Terenurie si constructiile societatii au fost reevaluate, diferentele din reevaluare fiind transferate in contul 1052 "diferente din reevaluare".

Valorile astfel determinate, au fost amortizate incepand din 1 ianuarie al anului urmator anului in care a avut loc reevaluarea.

All company's lands and buildings have been reevaluated, reevaluation differences have been transferred to account 1052 "Reevaluation differences".

For the new values depreciation has been calculated starting with January 1<sup>st</sup>.

Reevaluarea s-a efectuat la valoarea justa de piata de catre firma SC AGRIMONT PREST SRL TG. JIU, membra ANEVAR, in conformitate cu OMF 1286/2012.

Reevaluation has been done to the right market value, by SC AGRIMONT PREST SRL TG JIU, member of ANEVAR, according to OMF 1286/2012.

Incepand cu 1 mai 2009 rezerva din reevaluare se taxeaza pe masura ce mijlocul fix aferent se amortizeaza si la momentul vanzarii/casarii.

Starting with the 1<sup>st</sup> of May 2009 the reevaluation rezerve is being taxed as the respective asset depreciates and at the moment of sale/cashing.

Activele imobilizate sunt amortizate prin metoda liniara. Duratele de viata utila si ratele de amortizare folosite sunt cele precizate de catre Legea nr.15/1990 a mijloacelor fixe si Catalogul privind clasificarea și duratele normale de funcționare a mijloacelor fixe – aprobat prin Hotărârea nr. 2.139/30.11.2004.

The non-current assets are being depreciated by means of the straight-line method. The length of usefull life and depretiation ratio used are those required by The Law no. 15/1990 for fixed assets and the Catalogue concerning the clasification and regular life expectancy of fixed assets – aproved by HG no. 2.139/30.11.2004.

**1.c. Active detinute in leasing financiar sau achizitionate in rate / Assets owned in financial leasing or bought on installments**

La 31 decembrie 2018, Societatea are inregistrate contracte tip leasing financiar avand o valoare neta contabila de 1.279.026 lei. Activele detinute in leasing sau achizitionate in rate sunt grevate de gajuri aferente datoriilor de leasing sau ratelor.

At 31<sup>st</sup> December 2018, the Company registered as financial leasing fixed assets with an accounting value of 1.279.026 lei. The assets owned in financial leasing or bought on installments are free of any linens due to leasing or installments debts.

**NOTE LA SITUATILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS**

**pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018**

(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)

**1.d. Active grevate / ipotecate de garantii / Encumbered assets / mortgage guarantees**

La 31 decembrie 2018 societatea avea grevate in favoarea CEC Bank si San Paolo Bank o parte din activele societatii.

At December 31<sup>st</sup> 2018 the company had encumbered assets in favour of CEC Bank and San Paolo.

Activele grevate in favoarea CEC Bank sunt urmatoarele: / Encumbered assets in favour CEC Bank

Garantii patrimoniale constituite in favoarea CEC Bank / Patrimonial guarantees in favour of CEC Bank	Valoare luata in garantie / Guarantee value	Explicatii cu privire la valoarea ipotecii / Explanations regarding the value of the mortgage	Suma garantata / Guaranteed amount	Ce reprezinta suma garantata / What does the guaranteed amount represent	Observatii / Observations
Ipoteca rang I, II, III, IV pe sector Constructii Nave nr cad. 956/1	3.511.200	Raport Cebuc Marian Viorel	14,000,000.00 3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II, III, IV pe sector Armare nr cad. 956/2	977.250	Raport Cebuc Marian Viorel	14,000,000.00 3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II pe sector Cheu Incarcare-Descarcare nr cad. 956/3	254.475	Raport Cebuc Marian Viorel	14,000,000.00 3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II pe sector Cheu Probe nr cad. 956/4	244.350	Raport Cebuc Marian Viorel	14,000,000.00 3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II, III, IV pe sector Amenajare Nave nr cad. 956/5	419.250	Raport Cebuc Marian Viorel	14,000,000.00 3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II, III, IV pe sector Intretinere nr cad. 956/6	823.500	Raport Cebuc Marian Viorel	14,000,000.00 3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II, III, IV pe sector Depozite nr cad. 55145	377.250	Raport Cebuc Marian Viorel	14,000,000.00 3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II pe sector Fabrica de Oxigen nr cad. 956/8	140.325	Raport Cebuc Marian Viorel	14,000,000.00 3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II, III pe sector Reparatii nave nr cad. 958/1	323.700	Raport Cebuc Marian Viorel	3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II, III pe sector PAFS nr cad. 53531	523.575	Raport Cebuc Marian Viorel	3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II, III pe sector Cheu-sector 2 nr cad. 958/3	361.725	Raport Cebuc Marian Viorel	3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I pe sector Constructii Aluminiu nr cad. 958/4	607.950	Raport Cebuc Marian Viorel	3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930,

**SEVERNAV SA****NOTE LA SITUATIILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS****pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018***(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)*

					169, 170
Ipoteca rang I,II, III pe sector Prelucrare lemn 2 nr cad. 958/5	163.650	Raport Cebuc Marian Viorel	3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
Ipoteca rang I, II, III pe sector Prelucrare la cald nr cad. 56194	216.075	Raport Cebuc Marian Viorel	3,700,000.00	Garantare activitate curenta;	Contract comercial / Commercial contract 923, 924, 925, 926, 927, 928, 929, 930, 169, 170
<b>TOTAL</b>	<b>8.944.275</b>		<b>17.700.000</b>		

Actiunile grevate in favoarea Intesa San Paolo Bank sunt urmatoarele: / Encumbered assets in favour of San Paolo Bank

Garantii patrimoniale constituite in favoarea Intesa San Paolo Bank / Patrimonial guarantees in favour of Intesa San Paolo Bank	Valoare luata in garantie / Guarantee value	Explicatii cu privire la valoarea ipotecii / Explanations regarding the value of the mortgage	Suma garantata / Guaranteed amount	Ce reprezinta suma garantata / What does the guaranteed amount represent	Observatii / Observations
Ipoteca rang I CTZ // 1 <sup>st</sup> rank mortgage CTZ	310.100 EUR	Raport Cebuc Marian Viorel	350.000 EUR	Linie de credit Revolving / Credit line Revolving	Intesa San Paolo Bank
<b>TOTAL/ Total</b>	<b>310.100 EUR</b>				

**1.e. Altele / Others**

Valoarea bruta contabila a imobilizarilor corporale complet amortizate la 31 decembrie 2018 este de 14.113.818 lei (2017: 11.739.362 lei).

The gross accounting value of the tangible assets completely depreciated at 31<sup>st</sup> December 2018 is of 14.113.818 lei (2017: 11.739.362 lei).

Severnav SA a folosit in anul 2018 pentru investitii 4.359.491 lei, din care pentru investitii noi 3.781.114 lei si modernizari 578.377 lei.

During 2018 the company has invested in working equipment and in modernizing of some buildings, their cumulated value being of 4.359.491 lei.

**1.f. Imobilizari financiare / Financial assets**

Societatea detine imobilizari financiare la 31.12.2018 in valoare de 9.153 lei si reprezinta garantie platita si taxe timbre judiciare.

The company owned at 31.12.2018 financial assets in value of 9.153 lei, consisting in warranty paid and judiciary taxes.

**NOTE LA SITUATIILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS****pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018***(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)***NOTA 2: PROVIZIOANE / NOTE 2: PROVISIONS**

Denumirea provizionului/ Provision name	Sold la inceputul exercitiului financiar / Balance at the beginning of the fiscal year	Transfer in cont / Transfer into account	Transfer din cont / Transfer into account	Sold la sfarsitul exercitiului financiar / Balance at the end of the fiscal year
0	1	2	3	4 = 1 + 2 - 3
Provizioane pentru litigii / Litigations' provizons	0	0	0	0
Provizioane pentru pensii si obligatii asimilate / Pensions and collateral obligations provizons	133.370	0	133.370	0
Provizioane pentru impozite / Taxes' provizons	0	0	0	0
<b>TOTAL / TOTAL</b>	<b>133.370</b>	<b>0</b>	<b>133.370</b>	<b>0</b>

La inceputul anului 2018 au fost inregistrate provizioane in suma de 133.370 lei pentru pensii si obligatii asimilate.

At the beginning of 2018 provisions of 133.370 lei have been registered, for pensions and obligation assimilated.

In cursul anului 2018 au avut loc urmatoarele modificari:

- Provizionul pentru pensii si obligatii asimilate in valoare de 133.370 lei a fost folosit integral pentru a acoperi obligatiile Severnav fata de persoanele care s-au pensionat in anul 2018, obligatii prevazute in Contractul Colectiv de Munca;  
During 2018 the following changes occurred:
- The provision for pensions and respective contributions in value of 133.370 lei has been created to cover Severnav's obligations towards the employees due to retire during 2018, obligations according to the Collective Labor Contract;

La sfarsitul anului 2018 soldul provizioanelor este de 0 lei.

At the end of 2018 the final balance of provisions is 0 lei.

**NOTA 3: REPARTIZAREA PROFITULUI / NOTE 3: PROFIT APPROPRIATION**

Repartizarea profitului / Profit appropriation	Exercitiul financiar incheiat la 31.12.2017 / Fiscal year concluded on 31.12.2017	Exercitiul financiar incheiat la 31.12.2018 / Fiscal year concluded on 31.12.2018
Rezultat reportat la inceputul exercitiului financiar ... / Retained earning at the begning of the fiscal year....	-23.921.855	-23.921.855
Profit net de repartizat: / Retained net profit:	6.760.991	1.745.009
- rezerva legala / legal reserve	346.194	124.022
- acoperirea pierderii contabile / coverage of the accounting loss	0	0
- dividende	0	0
- altele / others	421.859	1.396.699
Profit nerepartizat la sfarsitul exercitiului financiar / Profit carried forward at the end of the fiscal year	5.992.938	224.288



**NOTE LA SITUATIILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS****pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018***(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)*

In anul 2018 a fost realizat si inregistrat un profit net in suma de 1.745.009 lei, ce urmeaza sa fie repartizat conform hotararii AGA.

A profit of 1.745.009 lei has been achieved and registered in 2018 and it is going to be appropriated according to the General Share Holders' decision.

Rezultatul reportat in suma de -23.921.855 lei reprezinta pierderi din exercitiile financiare 2007 si 2008, nerecuperate.

Retained earning in value of -23.921.855 lei represents un-recovered losses from 2007 and 2008 fiscal years.

**NOTA 4: ANALIZA REZULTATULUI DIN EXPLOATARE / NOTE 4: THE ANALYSIS OF THE OPERATIONAL EARNINGS**

	Curent / Current	Curent / Current
<b>1. Cifra de afaceri neta / Net turnover</b>	<b>65,017,667</b>	<b>82,588,676</b>
2. Costul bunurilor vandute si al serviciilor prestate, din care (3 + 4 + 5) / Cost of sold goods and performed services, out of which (3+4+5)	50,594,265	71,002,012
3. Cheltuielile activitatii de baza/ Current activity expences	43,743,972	56,541,484
4. Cheltuielile activitatilor auxiliare / Auxiliary activity expences	714,582	1,061,785
5. Cheltuieli indirecte de productie / Indirect production expences	6,135,711	13,398,743
<b>6. Rezultatul brut aferent cifrei de afaceri nete (1 - 2) / Gross earnings corresponding to the net turnover (1-2)</b>	<b>14,423,402</b>	<b>11,586,664</b>
7. Cheltuieli de desfacere / Selling expences		
8. Cheltuieli generale si de administratie / General and administrative expences	5,789,789	7,203,524
9. Alte venituri din exploatare / Other operational income	1,035,349	133,370
<b>10. Rezultatul din exploatare (6 - 7 - 8 + 9) / Operational earnings</b>	<b>9,668,962</b>	<b>4,516,510</b>

Cheltuielile mentionate in nota 4 includ urmatoarele:

- cheltuielile activitatii de baza: toate cheltuielile legate direct de activitatea constructiilor de nave, cheltuieli cu materii prime si materiale, cheltuieli cu personalul direct productiv, etc;
- cheltuielile activitatilor auxiliare: cheltuieli cu reparatiile curente ale societatii;
- cheltuieli indirecte de productie: cheltuieli legate de personalul indirect productiv si asimilate, cheltuieli cu regia sectiei, etc;
- cheltuieli generale si de administratie: cheltuielile legate de regia generala;
- alte venituri din exploatare: trecerea in venituri a reversarilor de provizioane.

The expences mentioned in note 4 include the following:

- current activity expences: expences directly related to the shipbuilding process, raw material and consumables expences, production personnel expences, etc;
- auxiliary activity expences: company's current repair expences;
- indirect production expences: indirect personnel and related expences, maintenance expences of the building lane, etc;
- general and administrative expences: general maintenance expences;
- other operational income: income from the return of raw materials and consumables.

**NOTE LA SITUATIILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS****pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018***(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)***NOTA 5: SITUATIA CREANTELOR SI DATORIILOR / NOTE 5: RECEIVABLES AND DEBT SITUATION**

	Creante / Receivables	Sold la 31.12.2017 / Balance at 31.12.2017	Sold la 31.12.2018 / Balance at 31.12.2018	Termen de lichiditate pentru soldul de la 31.12.2018 / Liquidity term for the balance at 31.12.2018	
				Sub 1 an / Less than 1 year	Peste 1 an / More than 1 year
	<b>Creante comerciale / Commercial receivables</b>				
1	Creante comerciale-cu entitatile afiliate / alte parti legate / Commercial receivables – including affiliated entities / other involved parties	0	0	0	0
2	Creante comerciale – terti / Commercial receivables – third parties	3.971.429	13.791.820	13.791.820	0
3	<b>Total creante comerciale / Total commercial receivables</b>	<b>3.971.429</b>	<b>13.791.820</b>	<b>13.791.820</b>	<b>0</b>
4	Provizioane creante comerciale / Provisions commercial receivables	(43.020)	(1.138)	(1.138)	0
5	<b>Creante comerciale, net / Commercial receivables, net</b>	<b>3.928.409</b>	<b>13.790.682</b>	<b>13.790.682</b>	<b>0</b>
	<b>Alte creante si debite / Other receivables and debits</b>				
6	Sume de incasat de la entitatile afiliate / Receivables amounts from affiliated entites	0	0	0	0
7	Sume de incasat de la entitati cu interese de participare / Receivables amounts from entites with investments in associates	0	0	0	0
8	Alte creante / Other receivables	512.775	1.021.621	1.021.621	0
9	Provizioane alte creante / Provisions other receivables	(85.331)	(1.222)	(1.222)	0
10	<b>Alte creante, net / Other receivables, net</b>	<b>427.444</b>	<b>1.020.399</b>	<b>1.020.399</b>	<b>0</b>
11	<b>Capital subscris si nevarsat / Subscribed but not paid share capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12	<b>Total creante comerciale si alte creante / Total commercial receivables and other receivables</b>	<b>4.355.853</b>	<b>14.811.081</b>	<b>14.811.081</b>	<b>0</b>

Pentru conditii si termene privind creantele de la partile afiliate / legate, a se vedea Nota 10 b.  
For conditions and terms regarding receivables from affiliated entites, see Note 10b.

Soldul creantelor catre terti la decembrie 2018 contine sume de incasat pentru constructia navelor care au termen de livrare in anul 2019.

Commercial receivable towards third parties includes mostly for the construction of the vessels to be delivered in 2019.

Creantele companiei au la baza contracte comerciale ferm incheiate.

In anul 2018 creantele au fost evaluate la valoarea justa estimata a se realiza, constituindu-se urmatoarele deprecieri:

- a) pentru clientii in curs de incasare sau in litigiu suma de 1.138 lei.
- b) pentru debitorii – fosti salariati suma de 1.222 lei reprezentand debite nerecuperate.

**NOTE LA SITUATILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS****pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018***(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)*

In structura altor creante sunt incluse, in principal: TVA de recuperat de la bugetul statului 588.770 lei (solicitat si aprobat la compensare cu obligatiile catre stat), TVA neexigibila 25.647 lei, debitori diversi, etc. In cazul debitorilor cu recuperare incerta au fost constituite provizioane in suma de 1.222 lei.

Other receivables include mainly: VAT to be recovered from the state budget 588.770 lei (asked and agreed to be compensated with state payables), VAT under settlement 25.647 lei, sundry debtors, etc. For the debtors with a questionable collection provisions of 1.222 lei have been registered.

Linia de alte creante net este detaliata in tabelul urmatoare: / The line of other receivables is detailed in the following table:

Creante / Receivables	Sold la 31 decembrie 2017 / Balabce at Dec 31 <sup>st</sup> 2017	Sold la 31 decembrie 2018 / Balabce at Dec 31 <sup>st</sup> 2018	Termen de exigibilitate / Maturities		
			Sub 1 an / Under 1 year	1 - 5 ani / 1-5 years	Peste 5 ani / Over 5 years
Debitori diversi / Sundry debtors	88.328	4.824	4.824	0	0
Impozit pe profit de incasat / Receivable tax income				0	0
Alte creante in legatura cu bugetul statului (TVA, Concedii medicale de recuperat) / Other receivables regarding the state budget (VAT, medical leaves to be recovered)	420.629	775.859	775.859	0	0
Alte creante / Other receivables	3.818	240.938	240.938	0	0
<b>Total alte creante / Total other receivables</b>	<b>512.775</b>	<b>1.021.621</b>	<b>1.021.621</b>	<b>0</b>	<b>0</b>
Ajustari de valoare pentru alte creante / Adjusted value for other receivables	(85.331)	(1.222)	(1.222)	0	0
<b>Alte creante, net / Other receivables, net</b>	<b>427.444</b>	<b>1.020.399</b>	<b>1.020.399</b>	<b>0</b>	<b>0</b>

Miscarile in ajustarea creantelor comerciale si a altor creante au fost urmatoarele:

The movements in commercial receivables and other receivables adjustment have been as follows:

	31 decembrie 2017	31 decembrie 2018
<b>La 1 ianuarie / At January 1<sup>st</sup></b>	<b>136.553</b>	<b>128.351</b>
Cresteri in timpul anului / Growth during the year	128.351	0
Sume trecute pe cheltuiala / Sums considered expences	-	-
Reversari in timpul anului / Reversals throughout the year	136.553	125.991
<b>La 31 decembrie / At December 31<sup>st</sup></b>	<b>128.351</b>	<b>2.360</b>

La inceputul anului 2018 soldul deprecierei creantelor a fost de 128.351 lei, din care:

- pentru clienti in curs de incasare 43.020 lei,
- pentru debitori diversi (fosti salariatii) 85.331 lei.

At the beginning of the year 2018 the balance of receivables depreciation was of 128.351 lei, out of which:

- for client to be cashed 43.020 lei
- for sundry debtors (former employees) 85.331 lei.

In cursul anului 2018 in structura deprecierei creantelor au intervenit urmatoarele modificari:

- pentru clientii incasati a fost reversat un provizion in suma de 41.882 lei;
- pentru debitori diversi incasati a fost reversat un provizion in suma de 84.108 lei.

During 2018 in the structure of receivables depreciation the following changes have occurred:

- for cashed clients a provision of 41.882 lei has been reversed (the most significant amount);
- for cashed sundry debtors a provision of 84.108 lei has been reversed.

**NOTE LA SITUATIILE FINANCIARE INDIVIDUALE / NOTES TO INDIVIDUAL FINANCIAL SITUATIONS**

**pentru exercitiul financiar incheiat la 31 decembrie 2018 / for the fiscal year concluded at 31<sup>st</sup> dec 2018**

(toate sumele sunt exprimate in lei noi ("RON"), daca nu este specificat altfel) / (all sums are expressed in Romanian New Leu ("RON"), if otherwise specified)

La sfarsitul anului 2018 soldul deprecierilor creantelor de 2.360 lei reprezinta:

- clientii in curs de incasare suma de 1.138 lei;
- debitorii – fosti salariatii suma de 1.222 lei pentru debite nerecuperate.

At the end of 2018 the balance of receivables depreciated in value of 2.360 lei represented:

- clients to be cashed in sum of 1.138 lei;
- debtors – former employees in sum of 1.222 lei for unrecovered debts.

**Datorii / Debts**

	Datorii / Debts	Sold la 31.12.2017 / Balance at 31.12.2017	Sold la 31.12.2018 / Balance at 31.12.2018	Termen de exigibilitate pentru soldul de la 31.12.2018 / Maturities for the 31.12.2018 balance		
				Sub 1 an	1 - 5 ani	Peste 5 ani
1	Imprumuturi din emisiunea de obligatiuni / Debenture loans	0	0	0	0	0
2	Sume datorate institutiilor de credit / Amounts owed to credit institutions	22.693.325	40.254.776	40.254.776	0	0
3	Avansuri incasate in contul comenzilor / Advances cashed for placed orders	11.148.535	9.548.364	9.548.364	0	0
4	Datorii comerciale - furnizori entitati afiliate si alte parti legate / Commercial debts – suppliers affiliated entites and others	0	0	0	0	0
5	Datorii comerciale - furnizori terti / Commercial debts – third party suppliers	1.849.333	1.695.877	1.695.877	0	0
<b>6=3+4+5</b>	<b>Total datorii comerciale / Total commercial debts</b>	<b>35.691.193</b>	<b>51.499.017</b>	<b>51.499.017</b>	0	0
7	Efecte de comert de platit / Bills of exchange payable	0	0	0	0	0
8	Sume datorate entitatilor afiliate / Amounts owed to affiliated entites	0	0	0	0	0
9	Sume datorate entitatilor cu interese de participare / Amounts owed to parties related by participation interests	0	0	0	0	0
10	Datorii fata de bugetul statului / Debts towards the state budget	1.065.127	1.114.450	1.114.450	0	0
11	Alte datorii / Other debts	1.390.573	1.802.449	1.065.262	737.187	0
<b>12</b>	<b>Total / Total</b>	<b>38.146.893</b>	<b>54.415.916</b>	<b>53.678.729</b>	<b>737.187</b>	0

- f) 74% sunt credite curente catre banci. Din acestea 1.574 mii lei reprezinta o linie de credit pentru activitatea curenta si 38.681 mii. lei sunt credite angajate pentru productie, in cadrul contractelor comerciale incheiate;  
74% are current banks loans. Out of these 1.574 klei are current activity credit line and 38.681 klei are production loans, contracted for the signed commercial contracts;
- g) 18% sunt creante curente incasate sub forma de avansuri de la clienti (clienti creditorii), inregistrate tranzitoriu in datorii pana la livrarea navelor;  
18% are current receivables cashed as advances from clients (crediting clients), temporary registered in debts until the delivery of the ships;
- h) 4% sunt datorii fata de furnizori;

- 4% are debts to suppliers;
- i) 2% sunt datorii curente fata de bugetul statului;  
2% are current debts towards the state budget;
  - j) 2% sunt alte datorii curente ( salarii personal, retineri salariale, etc).  
2% are current debts (salaries, wage withholdings, etc).

In functie de termenul de exigibilitate datoriile sunt in proportie de 99% pana la 1 an si 1% peste 1 an. / According to their maturity, the debts are 99% under 1 year and 1% over 1 year.

Pe acest interval de timp evolutia datoriilor a fost subordonata nevoii de sustinere a productiei societatii si in mai mica masura platii costurilor istorice, reziduale proceselor de reorganizare intervenite incepand cu anul 2009.

During this whole period of time the debt evolution has been determined by the need to support the production and to some small extent to paying historical debts, resulting from reorganizational process started in 2009.

Toate datoriile societatii sunt strict corelate cu productia si vanzarea acesteia, fiecare datorie si scadenta avand identificate sursa de plata.

## **NOTA 6: PRINCIPII, POLITICI SI METODE CONTABILE / NOTE 6: PRICIPLES, POLITICS AND ACCOUNTING METHODS**

### **A. Bazele intocmirii situatiilor financiare / The basis of financial situations**

#### **A.1. Informatii generale / General information**

Acestea sunt situatiile financiare individuale ale Societatii S.C. SEVERNAV S.A. pregatite in conformitate cu Ordinul Ministerului Finantelor Publice nr. 1802/2014 si Legea Contabilitatii nr. 82/1991 republicata.

These are the financial situations/reports of the company SC SEVERNAV SA written in compliance with OMFP no. 1802/2014 and Accounting Lawno. 82/1991 republished.

Situatiile financiare se refera doar la S.C. SEVERNAV S.A. / The financial reports are mjust for SC SEVERNAV SA.

Societatea nu are filiale care sa faca necesara consolidarea. / The company has no other branches so it does not require consolidation.

Inregistrările contabile pe baza carora au fost intocmite aceste situatii financiare sunt efectuate in lei ("RON") la cost istoric, cu exceptia situatiilor in care a fost utilizata valoarea justa, conform politicilor contabile ale Societatii si conform OMF 1802/2014.

The accounting records have been written in lei ("RON") at a historical cost, excepting the reports where the just value has been used, in compliance with the accounting policies of the company and OMF 1802/2014.

Aceste situatii financiare sunt prezentate in mii lei ("RON") cu exceptia cazurilor in care nu este mentionata specific o alta moneda utilizata.

Those financial reports are presented in klei ("RON"), except the cases when an other currency is not speciffically mentioned.

#### **A.2. Utilizarea estimarilor contabile / A.2. The use of accounting estimated**

Intocmirea situatiilor financiare ale Societatii in conformitate cu prevederile OMF 1802/2014, cu modificarile ulterioare, solicita conducerii Societatii realizarea de estimari si ipoteze care afecteaza valorile raportate pentru venituri, cheltuieli, active si pasive, ca si prezentarea datoriilor si activelor contingente la sfarsitul perioadei. Totusi, inerenta incertitudine existenta in legatura cu aceste estimari si

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ipoteze ar putea rezulta intr-o ajustare viitoare semnificativa asupra valorii contabile a activelor si pasivelor inregistrate.

The recording of the Company's financial reports in compliance with OMF 1802/2014 with its further modifications, requires the Company's management to make estimates and assumptions that affect the reported values of income, expenses, assets and liabilities, as well as to present the debts and contingent assets at the end of each period. However, the inevitable degree of uncertainty of these estimations and assumptions might result in a future important adjustment of the accounting value of registered assets and liabilities.

**A.3. Continuitatea activitatii / A.3. Activity continuity**

Natura activitatii Societatii, ciclul de fabricatie al unei nave poate fi intre 6 – 12 luni, poate aduce variatii imprevizibile in ceea ce priveste intrarile de numerar in viitor. Conducerea a analizat problema oportunitatii intocmirii situatiilor financiare avand la baza principiul continuitatii activitatii.

The Company's activity, the fabrication cycle of a vessel can be between 6-12 month, can arise unpredictable variations of future cashflow. The management has looked into the issue of drawing the financial reports on the basis of activity continuity.

La 31 decembrie 2018 societatea a raportat active circulante nete de 95.862.575 lei (31 decembrie 2017: 92.705.863 lei). Pentru anul incheiat la 31 decembrie 2018, societatea a raportat un profit din exploatare de 4.516.510 lei (2017: 9.668.962 lei, profit), si o pierdere din activitatea financiara de 2.036.078 lei (2017: 1.789.606 lei, pierdere). Pierderile financiare sunt cauzate de reevaluarea valutilor la cursul de schimb comunicat de BNR la sfarsitul fiecarei perioade si de dobanzile platite pentru creditele angajate de la banci.

At 31.12.2018 the company has reported net current assets of 95.862.575 lei (31 decembrie 2017: 92.705.863 lei). For the year concluded at 31.12.2018 the company has reported an operational profit of 4.516.510 lei (2017: 9.668.962 lei, profit) and a financial loss of 2.036.078 lei (2017: 1.789.606 lei loss). The financial losses are caused by the foreign currency reevaluation at the exchange rate communicated by the NBR at the end of each period and by the interest paid for the ongoing credit facilities contracted with different banks.

La 31 decembrie 2018, activele curente ale societatii au depasit datoriile curente cu 4.523.712 lei (31 decembrie 2017: datoriile curente depaseau activele curente cu 4.102.103 lei). Conducerea societatii se preocupa in continuare de cresterea activelor curente si diminuarea datoriilor, in principal prin: proiecte de reducere a costurilor si eficienta operationala (reducerea personalului, valorificare stocuri vechi, etc), accesarea de noi contracte si pietee noi. Conducerea considera ca aceste progrese vor avea ca rezultat imbunatatirea capacitatii societatii de a suporta continuitatea activitatii.

At 31.12.2018 the company's current debts have exceeded the current assets by 4.523.712 lei (31.12.2017: current debts exceeded current assets by 4.102.103 lei). The company's management is continuously looking into the growth of current assets and diminishing debts, mainly by: cost cutting projects and production efficiency (personnel downsizing, selling of old stock, etc), signing of new contracts on new markets. The management considers that those measures will result in improving the company's capacity to deal with activity continuity.

Societatea are incheiat un portofoliu ferm de contracte in valoare de 31.109.000 EUR cu executie si livrare in anul 2019.

The company has a firm portfolio of contracts in value of 31.109.000 EUR with building and delivery in 2019.

Pentru exercitiul financiar 2019 societatea a bugetat venituri in valoare de aprox. 18.500.000 EUR.

For the 2019 financial year the company has budgeted revenues of aprox. 18.500.000 EUR.

Proiectiile realizate de conducere au in vedere ca activitatea sa devina profitabila pe termen mediu. In aceasta perioada, societatea este dependenta, in primul rand, de sprijinul continuu acordat de banci prin creditele acordate.

The estimates of the management aim that the activity to generate short term profit. During this period, the company mainly depends on banks' financial support, by means of credit facilities.

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Conducerea considera ca actualul portofoliu de contracte comerciale precum si viitoarele oportunitati vor fi suficiente pentru a permite continuarea activitatii.

The management considers the current contract portfolio as well as the future opportunities to be sufficient to allow the activity to continue.

**Conversii valutare / Currency exchange**

Tranzactiile realizate in valuta sunt transformate in lei la rata de schimb valabila la data tranzactiei.

The foreign currency transactions are transformed into lei using the exchange rate valid at the date of the transaction.

Ratele de schimb folosite pentru conversia soldurilor exprimate in valuta la 31 decembrie 2018 a fost de 1 EUR = 4,6639 RON, respectiv 1 USD = 4,0736 RON.

Exchange rates used for the conversion of foreign currency balances at 31.12.2018 have been 1 EUR = 4,6639 RON, respectively 1 USD = 4,0736 RON.

Activele si pasivele monetare exprimate in valuta (disponibilitati si alte elemente asimilate, cum sunt depozitele bancare, creantele si datoriile in valuta) sunt evaluate si raportate utilizand cursul de schimb comunicat de Banca Nationala a Romaniei valabil la data incheierii fiecarei luni a exercitiului financiar 2018. Diferentele de curs valutar, favorabile sau nefavorabile, intre cursul de la data inregistrarii creantelor sau datoriilor in valuta sau cursul la care au fost raportate in situatiile financiare anterioare si cursul de schimb de la data incheierii exercitiului financiar, se inregistreaza, la venituri sau cheltuieli financiare, dupa caz.

Monetary assets and liabilities expressed in foreign currency (cash and other similar elements, such as bank deposits, receivables and payables in foreign currency) are evaluated and reported using the exchange rate communicated by the National Bank of Romania, valid for the last day of each month of the fiscal year 2018. Foreign exchange differences, positive or negative, between the rate at the date of the recording of the receivables or payables and the rate used for reporting done in previous situations, are being registered as financial income or expenses, as the case may be.

**C. Situatii comparative / C. Comparative reports**

In cazul in care valorile aferente perioadei precedente nu sunt comparabile cu cele aferente perioadei curente, acest aspect este prezentat si argumentat in notele explicative, fara a modifica cifrele comparative aferente anului precedent.

Should the values of the precedent reports not be comparable to those of the current period, the situation is presented and justified in written notice, without modifying the figures of the previous year.

**D. Active Imobilizate / Non current assets**

Activele imobilizate sunt active generatoare de beneficii economice viitoare si detinute pe o perioada mai mare de un an. Aceste active sunt inregistrate initial la costul de achizitie / costul de productie/ costul reevaluat si ajustate acolo unde este cazul.

Non current assets are assets generating future economic benefits and owned for a period longer than one year. Those assets are initially registered at the purchasing cost / production cost / reevaluated cost and adjusted where necessary.

**Imobilizari necorporale /**

**D.1. Imobilizari necorporale / D.1. Intangible assets**

**Softuri informatice / Software**

Costurile aferente achizitionarii de softuri informatice sunt capitalizate si amortizate pe baza metodei liniare pe durata celor 3 ani de durata utila de viata.

The cost of purchasing software are capitalized and depreciated by use of linear method during the 3 years life expectancy.

**D.2. Mijloace fixe / Fixed assets****Costul / Evaluarea / Cost / Evaluation**

Costul initial al imobiliarilor corporale consta in pretul de achizitie, incluzand taxele de import sau taxele de achizitie nerecuperabile si orice costuri directe atribuibile aducerii activului la locul si in conditiile de functionare. Cheltuielile survenite dupa ce mijlocul fix a fost pus in functiune, cum ar fi reparatiile, intretinerea si costurile administrative, sunt in mod normal inregistrate in contul de profit si pierdere in perioada in care au survenit. In situatia in care poate fi demonstrat ca aceste cheltuieli au avut ca rezultat o crestere in beneficiile economice viitoare asteptate a fi obtinute din utilizarea unui element de mijloace fixe peste standardele de performanta initial evaluate, cheltuiala este capitalizata ca si cost additional in valoarea activului.

The initial cost of tangible assets consists of the purchasing price, including all import taxes and unrecovered purchasing taxes and any direct costs generated by the transport and installing the asset. The expences generated after the fixed asset has been installed, such as repairs, maintenance and administrative costs, are usually registered in the profit and loss account in the period they have occurred. Should it be proven that these expences resulted in a growth of future expected economical benefits due to using an element of these fixed assets over the initially evaluated performance, the expence is capitalisez in the value of the asset.

Imobiliarile in curs includ costul constructiei, al imobiliarilor corporale si orice alte cheltuieli directe. Acestea nu se amortizeaza pe perioada de timp pana cand activele relevante sunt finalizate si puse in functiune. Cheltuielile cu intretinerea si reparatia mijloacelor fixe sunt incluse in contul de profit si pierdere pe masura ce au fost efectuate. Sunt recunoscute ca o componenta a activului investitiile efectuate la imobiliarile corporale, sub forma cheltuielilor ulterioare. Pentru a fi capitalizate trebuie sa aiba ca efect imbunatatirea parametrilor tehnici initiali ai acestora si sa conduca la obtinerea de beneficii economice viitoare, suplimentare fata de cele estimate initial.

Non current assets in progress include the construction costs, the costs of the tangible assets and any other direct expences. These do not depreciate until the relevant assets are not finalized and installed. The maintenance and repair costs of the fixed assets are included in the profit and loss account as they appear. The investments in tangible assets are considered a part of assets under the form of future expences. In order to be capitalized they must lead to improving their initial technical parameters and to obtaining future economical benefits, additional to those already initially estimated.

Cheltuielile cu modernizarea unor active pe termen lung luate in chirie sunt capitalizate in contabilitatea locatarului si sunt amortizate pe durata contractului de chirie sau sunt recunoscute drept cheltuieli in perioada in care au fost efectuate, in functie de beneficiile economice care ar putea rezulta din modernizare. La expirarea contractului de chirie, daca aceste active au fost capitalizate ele sunt transferate locatorului (vanzare sau alt mod de cedare).

The expences for modernizing long term rented assets are capitalized in the tenant's books or are considered expences for that period, depending on the economic benefits that might result out of the modernization. At the lease expiration period, if those assets have been capitalized they are tranfered to the tenant (sold or other way transferred).

In cazul inlocuirii unei componente a unui activ pe termen lung, Societatea recunoaste costul inlocuirii partiale, valoarea contabila a partii inlocuite fiind scoasa din evidenta, cu amortizarea aferenta, daca informatiile necesare sunt disponibile.

In case of the replacement of an asset's spare part, the company recognizes the cost of the partial replacement, the accounting value of the replaced part being removed from the books with its depreciation, shoul the necessary information be available.

Daca un element de imobilizare corporala este reevaluat, toate celelalte active din grupa din care face parte trebuie reevaluate, cu exceptia situatiei cand nu exista nicio piata activa pentru acel activ. Daca valoarea justa a unei imobilizari corporale nu mai poate fi determinata prin referinta la o piata activa, valoarea activului prezentata in bilant trebuie sa fie valoarea sa reevaluat la data ultimei reevaluari, din care se scad ajustarile cumulate de valoare.



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If a tangible asset element is being reevaluated, than all the other assets from its group should be reevaluated, except the case when there is no active market for the respective asset. If the real value of a tangible asset can no longer be determined by reference to an active market, the value of the asset in the balance sheet must be the last reevaluated value, minus the cumulated adjustments.

**Amortizarea / Depreciation**

Durata de utilizare economica este perioada in care un activ este prevazut a fi disponibil pentru utilizare de catre o entitate.

The period of economical use is the period destined for an asset to be used by a company.

Amortizarea este calculata folosind metoda amortizarii liniare pe intreaga durata de viata a activelor. Terenul nu se amortizeaza.

Depreciation is being calculated using the straight line depreciation method for the life expectancy of the assets. Land does not depreciate.

Duratele de viata pentru principalele categorii de imobilizari corporale sunt prezentate in tabelul de mai jos: Life expectancy for the main categories of tangible assets are presented in the table below:

Tip / Type	Ani / Years
Cladiri / Buildings	10-50
Masini de productie / Production machinery	3-15
Vehicule de transport / Transport vehicles	5-15

Durata de viata si metoda de amortizare sunt revizuite periodic, astfel incat sa existe o concordanta intre metoda, perioada de depreciere si estimarile privind beneficiile economice aduse de respectivele active.

Life expectancy and depreciation methods are being periodically revised, do that a correspondence exists between the depreciation method and the estimated of economical benefits of the respective asset.

**D.3. Vanzarea si inchirierea unui activ pe termen lung / Long term selling and leasing of an asset**

Vanzarile unui activ pe termen lung cu inchirierea ulterioara a acestuia de la locator este contabilizata diferit in functie de tipul contractului de leasing incheiat intre parti:

- in cazul unui contract de leasing financiar, nu se inregistreaza vanzarea mijlocului fix deoarece respectiva tranzactie nu este o vanzare, ci o tranzactie de finantare. Ca urmare, se evidentiaza in contabilitate finantarea locatarului de catre locator (ex: intrarea de numerar si datoria pe termen lung)
- in cazul unui contract de leasing operational, locatarul isi inregistreaza atat vanzarea mijlocului fix catre locator, cat si cheltuiala cu ratele de leasing lunare conform contractului.

Long term selling of an asset followed by its lease is redistered depending on the type of lease contract concluded between the parties:

- for a financial leasing contract there will be no record of the selling of the fixed asset because the respective transaction is not a sale, but a financial transaction. Consequently, the records will mention the financing of the tenant by the locator (ie: the cash inflow and the long term debt)
- for an operational leasing contract, the tenant registers both the sale of the fixed asset to the locator and expence with the monthly leasing installments according to the contract.

**E. Deprecierea activelor imobilizate / Depreciation of fixed assets**

Pentru elementele de activ, deprecierea acestora reprezinta un proces de scadere al valorii lor.

Cauzele deprecierei pot fi:

- uzura naturala si/sau anormala datorita exploatarii normale si/sau prea intense a activelor respective;
- deficiente in activitatea de intretinere si reparatii;
- aparitia unor imobilizari mai performante din punct de vedere tehnic, tehnologic, al performantelor, etc.

For assets depreciation means a process of decreasing their value.

The causes of depreciation can be:

- normal and/or abnormal wear and tear due to regular and/or intense exploitation of the respective assets;
- deficient maintenance and repair works;
- the appearance of assets with higher technical and technological performance, etc.

#### **F. Stocuri / Stocks**

Costul stocurilor cuprinde toate costurile aferente achizitiei si prelucrarii, precum si alte costuri suportate pentru a aduce stocurile in forma si in locul in care se gasesc, respectiv:

- i) Materiile prime si consumabilele: costul actual (inclusiv taxele nerecuperabile, mai putin transportul), actualizat in functie de ultimul pret negociat cu furnizorii. Transportul aferent marfurilor se inregistreaza in contul "Diferente de pret aferente materiilor prime".
- ii) Productia in curs: costul materialelor directe si cele cu manopera plus cheltuielile de regie atribuibile, la costul actual aferent fazei in care se afla produsul.
- iii) Produsele finite, costul materialelor directe si cele cu manopera plus cheltuielile de regie atribuibile, la cost actual . Diferenta dintre pretul de vanzare si costul actual de productie se inregistreaza in contul 348 "Diferente de pret aferente produselor finite".

The cost of stocks includes all costs related to purchasing and processing, as well as other costs generated to transport the stocks to their current location and form, such as:

- i) Raw materials and consumables: the present cost (including unrecovered taxes, minus the transport), updated with the last negotiated price with the suppliers. The respective transport is registered in the account "Price differences related to raw materials".
- ii) Production in progress: the cost of direct consumables and those with workmanship plus maintenance, at the present phase of the product cost.
- iii) Finished products, the cost of direct consumables and those with workmanship plus maintenance, at the present cost. The difference between the sale price and the present cost of production is being registered in the account 348 "Price differences related to finished products."

Incepand cu exercitiul financiar 2016 la iesirea din gestiune a stocurilor acestea se evalueaza si inregistreaza in contabilitate pe baza metodei FIFO (primul intrat-primul iese). Schimbarea metodei de evaluare a stocurilor la iesirea din gestiune a fost aprobata de catre Consiliul de Administratie prin Hotararea nr. 13/21.12.2015.

Starting with the fiscal year 2016 at inventory outflow, the stocks are reevaluated and registered using the FIFO method. The method change for inventory outflow was approved by the Board of Directors by Decision no. 13/21.12.2015. This method was chosen in order to cancel the important price differences and with the purpose of leveling the cost divided on orders.

La data bilantului, stocurile sunt evaluate la valoarea cea mai mica dintre cost si valoarea realizabila neta. Valoarea realizabila neta este pretul de vanzare estimat a fi obtinut pe parcursul desfasurarii normale a activitatii, mai putin costurile estimate pentru finalizarea bunului, atunci cand este cazul, si costurile estimate necesare vanzarii.

At the date of the balance sheet, the stocks are evaluated at the smaller value between the cost and the net achievable value. The net achievable value is the sale price estimated to be obtained during the regular activity lane, minus the estimated costs of finishing the good, if any, and the estimated costs for the sale.

Acolo unde este cazul se constituie provizion pentru stocuri inechite, cu miscare lenta sau cu defecte. Where necessary a provision is made for old stocks, slow movement stocks or stocks with defects.

Productia in curs de executie se determina prin inventarierea productiei neterminate la sfarsitul perioadei, prin metode tehnice de constatare a gradului de finalizare sau a stadiului de efectuare a operatiilor tehnologice si evaluarea acestuia pe baza costurilor de productie.

In progress production is calculated by intorying the unfinished production at the end of the period, by technical methods of evaluating the degree of completion or the phase of the technological work and evaluating it on the basis of production costs.

Costul produselor finite si a productiei in curs de executie cuprinde cheltuielile directe aferente productiei, si anume: materiale directe, energie consumata in scopuri tehnologice, manopera directa si alte cheltuieli directe de productie, precum si cota cheltuielilor indirecte de productie alocata in mod rational ca fiind legata de fabricatia acestora.

The cost of finished goods and in progress production include the production expences as follows: direct consumables, energy used for technological purposes, direct workmanship and other production direct expences, such as percentage of indirect production expences rationally allocated as being connected to their production.

Incepand cu 01 ianuarie 2011 s-a modificat tratamentul contabil al veniturilor si cheltuielilor aferent contractelor de constructii. Severnav a inceput sa aplice prevederile IAS 15 (fost IAS 11) – Contracte de constructii conform caruia recunoasterea veiturilor si cheltuielilor sa se faca pe etape in functie de stadiul de executie al lucrarilor.

Aplicarea acestei abordari are urmatoarele avantaje:

- permite includerea in situatiile financiare a cifrei de afaceri, a veniturilor si respectiv cheltuielilor in functie de stadiul lucrarilor, acestea fiind recunoscute in contul de profit si pierdere in perioadele contabile in care este prestata activitatea la care ele se refera;
- incasarile primite de la clienti sunt considerate venituri aferente perioadei in care sunt incasate.

Beginning with January 1<sup>st</sup> 2011 the accounting register system of income and expences for ship building has been modified. Severnav started to apply the IAS 15 (IAS 11) stipulations – Building contracts – according to which the income and expences are registered step by step, accordingly to the stage of the construction.

#### **G. Creante comerciale / Commercial receivables**

Creantele comerciale sunt recunoscute si inregistrate la suma originala a facturilor minus provizioanele pentru sumele necolectabile. Provizionul este constituit cand exista dovezi conform carora Societatea nu va putea incasa creantele la scadenta initial agreata. Creantele neincasabile sunt inregistrate pe cheltuieli cand sunt identificate.

Commercial receivables are acknowledged and registered at the original value of the invoices, minus the provisions for the uncollectable amounts. The provision is initiated when the Company has proof that the receivables will not be cashed at their original maturity. The uncollectable receivables are registered as expences the moment they are identified.

#### **H. Numerar si echivalente numerar / Cash and cash equivalent**

Disponibilitatile banesti sunt formate din numerar, conturi la banci, depozite bancare pe termen scurt, cecuri si efectele comerciale depuse la banci fiind inregistrate la cost. Descoperitul de cont este inclus in bilant in cadrul sumelor datorate institutiilor de credit ce trebuie platite intr-o perioada de un an.

Cash liquidities are formed by cash, bank accounts, short term bank deposits, ceques and bills of exchange registered at cost. In the balance sheet overdrafts are included in the sums owed to credit institutions that need to be repaid in a period shorter than one year.

#### **I. Imprumuturi / Loans**

Imprumuturile pe termen scurt si lung sunt inregistrate la suma primita, net de costurile aferente obtinerii imprumuturilor.

Short and long term loans are registered at the net received value, not including the costs of obtaining the loans.

Portiunea pe termen scurt a imprumuturilor pe termen lung este clasificata in "Datorii: Sumele care trebuie platite intr-o perioada de pana la un an" si inclusa impreuna cu dobanda preliminara la data bilantului contabil in "Sume datorate institutiilor de credit" din cadrul datoriilor curente.

The short term part of the long term loans is registered in "Debts: amounts to be paid in a period shorter than one year" and included, together with the preliminary interest at the date of the balance sheet in "Amounts owed to credit institutions" from current debt.

#### **J. Datorii / Debts**

Obligatiile comerciale sunt inregistrate la cost, care reprezinta valoarea obligatiei ce va fi platita in viitor pentru bunurile si serviciile primite, indiferent daca au fost sau nu facturate catre Societate.

Commercial obligations are cost registered, representing the future payable value of the obligation for the received goods and services, not depending on whether they have been invoiced to the Company or not.

#### **K. Contracte de leasing / Leasing contracts**

##### **Leasing financiar / Financial leasing**

Contractele de leasing financiar, care transfera Societatii toate riscurile si beneficiile aferente mijloacelor fixe detinute in leasing, sunt capitalizate la data inceperii leasingului la valoarea de achizitie a mijloacelor fixe finantate prin leasing. Platile de leasing sunt separate intre cheltuiala cu dobanda si reducerea datoriei de leasing. Cheltuiala cu dobanda este inregistrata direct in contul de profit si pierdere.

The financial leasing contracts that transfer to the Company all risks and benefits of the leasing owned fixed assets are capitalized at the date of leasing commencement at their purchasing value. Leasing payments are done separately for the interest expence and leasing principal. The interest expence is directly registered in the profit and loss account.

Actiunile capitalizate in cadrul unui contract de leasing financiar sunt amortizate pe o baza consecventa cu politica normala de amortizare pentru bunuri similare.

Capitalized assets during a financial leasing contract are amortized on a constant basis, with a regular amortization policy for similar goods.

#### **L. Provizioane / Provisions**

Provizioanele sunt recunoscute atunci cand Societatea are o obligatie curenta (legala sau implicita) generata de un eveniment anterior. Este probabil ca o iesire de resurse sa fie necesara pentru a onora obligatia, iar datoria poate fi estimata in mod credibil.

Provisions are formed when the Company has a current debt (legal or implicit) generated by a previous event. An outflow of resources might be necessary in order to honor the debt and the debt can be estimated correctly.

Societatea recunoaste in contabilitate un provizion pentru restructurare in masura in care urmatoarele conditii sunt indeplinite cumulativ:

- a) Societatea dispune de un plan oficial detaliat de restructurare care stipuleaza activitatea sau partea de activitate la care se refera, principalele locatii afectate de planul de restructurare, numarul aproximativ de angajati care vor primi compensatii pentru incetarea activitatii, distributia si posturile acestora, cheltuielile implicate, si data de la care se va implementa planul de restructurare;
- b) Societatea a determinat aparitia unei asteptari privind realizarea restructurarii prin inceperea implementarii acelui plan sau prin anuntarea principalelor sale caracteristici celor afectati de acesta.

The Company accountingly acknowledges a restructuring provision should the following conditions be cumulatively met:

- a) The Company has an official restructuring plan that mentions the activity or part of the activity referred to, the main locations of the restructuring plan, the approximate number of employees

meant to receive compensatory payments for ceasing work, their distribution and jobs, the expenses involved, as well as the date of implementing the restructuring plan;

- b) The Company has generated expectations concerning the restructuring by beginning to implement the respective plan or by announcing its main characteristics to those affected by it.

Un provizion aferent restructurarii va include numai costurile directe generate de restructurare, si anume cele care - sunt generate in mod necesar de procesul de restructurare si nu sunt legate de continuarea activitatii entitatii.

A provision for the restructuring will include only direct costs generated by the restructuring, more specifically those which – are particularly generated by the restructuring process and are not connected to the company continuing work.

Provizioanele pentru impozite se constituie pentru sumele de plata datorate bugetului de stat, in conditiile in care sumele respective nu apar reflectate ca datorie in relatia cu statul.

Provisions for taxes are made for the amounts owed to the state budget, considering that the respective amounts are not reflected as a debts towards the state.

Provizioanele sunt revizuite la data fiecarui bilant si ajustate pentru a reflecta cea mai buna estimare curenta a Conducerii in aceasta privinta. In cazul in care pentru stingerea unei obligatii nu mai este probabila o iesire de resurse, provizionul trebuie anulat prin reluare la venituri.

Provisions are revised at the date of each balance sheet and adjusted in order to reflect the best current estimation of the management on this matter. In case that for extinguishing a debt there is no estimated outflow of resources, the provision must be canceled and resent to income.

#### **M. Pensii si beneficii ulterioare angajarii / Pensions and benefits following hiring**

In cadrul activitatii curente pe care o desfasoara, societatea efectueaza plati catre statul roman in beneficiul angajatilor sai. Toti salariatii societatii sunt inclusi in planul de pensii al Statului Roman. Societatea nu opereaza nicio alta schema de pensii sau plan de beneficii post-pensionare si, in consecinta, nu are nicio obligatie in ce priveste pensiile. In plus, Societatea nu are obligatia de a furniza beneficii suplimentare fostilor sau actualilor salariatii.

As a current activity, the company pays towards the Romanian state different benefits for its employees. All employees are included in the Romanian state pension programme. The company doesn't run any other pension programme or post-pension benefit plan and, consequently it has no obligation concerning pensions. Moreover, the Company has no obligation to offer further benefits to former or present employees.

Beneficii acordate la pensionare: / Retiring benefits:

Conform Contractului Colectiv de Munca, Societatea acorda salariatilor intre 1 si 2 salarii de baza in functie de vechimea in cadrul Societatii la momentul pensionarii dupa cum urmeaza:

- pentru un angajat cu o vechime de munca cuprinsa intre 1 si 20 ani, politica acesteia este sa acorde un beneficiu in valoare de 1 salariu brut impozabil;
- pentru un angajat cu o vechime de munca peste 20 ani, politica acesteia este sa acorde un beneficiu in valoare de 2 salarii brute impozabile.

According to the Collective Labour Agreement, the Company offers employees 1 to 2 salaries depending on the seniority in the Company at the time of retirement, as follows:

- for an employee with a work seniority between 1 and 20 years, the company's policy is to offer 1 taxable gross salary;
- for an employee with a work seniority of over 20 years, the company's policy is to offer 2 taxable gross salaries.

Politica Societatii este de a inregistra aceste sume atunci cand este identificata datoria de a plati.

The Company's policy is to register those amounts when the payable debts is identified.

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In cursul anului 2018 au plecat din societate un numar de 162 salariati si au fost angajati un numar de 246 persoane. In anul 2018 nu au mai avut loc concedieri individuale sau colective.

During 2018 a number of 162 employees have left the company and 246 have been hired. During 2018 there were no collective or individual dismissals.

**N. Subventii / Grants**

Subventiile pentru active, inclusiv subventiile nemonetare la valoarea justa, se inregistreaza in contabilitate ca subventii pentru investitii si se recunosc in bilant ca venit amanat. Venitul amanat se inregistreaza in contul de profit si pierdere pe masura inregistrarii cheltuielilor cu amortizarea sau la casarea ori cedarea activelor.

Grants for assets, including non-monetary subsidies at their just value, are register as investments grants and in the balance sheet as postponed income. Postponed income is registered in the profit and loss account as the amortization expences are being registered or at the cassation or sale of the assets.

Subventiile aferente veniturilor cuprind toate subventiile, altele decat cele pentru active.

Subventiile se recunosc, pe o baza sistematica, in perioada in care au fost recunoscute cheltuielile corespunzatoare acestor subventii.

Income grants include all grants, other than those for assets.

Grants are registered, on a systematic basis, in the same period that the expences for these respective grants have been registered.

**O. Capital social / Share capital**

Capitalul social compus din actiuni comune este inregistrat la valoarea stabilita pe baza actelor de constituire si a actelor aditionale, dupa caz, cat si a documentelor justificative privind varsamintele de capital.

The share capital made out of common shares is registered at a value established on the basis of the foundation papers plus addendums, from case to case, and of the supporting documents regarding the capital payments.

Castigurile sau pierderile legate de emiterea, vanzarea, cedarea cu titlu gratuit sau anularea instrumentelor de capitaluri proprii ale entitatii (actiuni, parti sociale ) sunt recunoscute direct in capitalurile proprii in liniile de „Castiguri / sau Pierderi legate de instrumentele de capitaluri proprii”.

The earnings or losses in connection with the issue, sale, free of charge concession or annulment of the company's own capital instruments (shares, bonds...) are directly registered in the account "Profit or loss regarding share capital instruments".

**P. Venituri / Income**

Veniturile sunt inregistrate in momentul in care riscurile semnificative si avantajele detinerii proprietatii asupra bunurilor sunt transferate clientului. Sumele reprezentand veniturile nu includ taxele de vanzare (TVA), dar includ discounturile comerciale acordate.

Income are registered at the time when all major risks and benefits of owning the assets are transferred to the client. The amounts registered as income do not include sale taxes (VAT), but include given commercial discounts.

Veniturile din prestarea de servicii sunt recunoscute in perioada in care au fost prestate si in corespondenta cu stadiul de executie.

Income from services are registered at the time they are performed and corresponding to the execution stage.

Veniturile din dobanzi se recunosc periodic, in mod proportional, pe masura generarii venitului respectiv, pe baza contabilitatii de angajamente.

Intrest income are registered periodically, proportionally, as the respective income is being generated, on the basis of accruals.

Redeventele se recunosc pe baza contabilitatii de angajamente, conform contractului.  
Royalties are registered on the basis of accruals, according to the contract.

#### **Q. Impozite si taxe / Income taxes and taxes**

Societatea inregistreaza impozit pe profit curent in conformitate cu legislatia romana in vigoare la data situatiilor financiare. Datoriile legate de impozite si taxe sunt inregistrate in perioada la care se refera.  
The company registers taxes on income accordingly to the existing valid Romanian laws at the time of the financial reports. Debts regarding income taxes and taxes are registered during the respective period.

#### **R. Costurile indatorarii / Costs of debts**

Dobanda la capitalul imprumutat pentru finantarea achizitiei, constructiei sau productiei de active cu ciclu lung de fabricatie este capitalizata in costurile de productie.  
The interest of the borrowed capital for financing the respective purchase, construction or production of long term fabrication cycle assets is capitalized in the production costs.

Celelalte cheltuieli cu dobanzile sunt recunoscute in contul de profit si pierdere in perioada la care se refera. / All other interest expenses are registered in the profit and loss account during the respective period.

#### **S. Erori contabile / Accounting errors**

Erorile constatate în contabilitate se pot referi fie la exercițiul financiar curent, fie la exercițiile financiare precedente. Corectarea erorilor se efectuează la data constatării lor.

Accounting errors can be either from the current fiscal year, either from previous financial years. The correction of errors is done at the date of their discovery.

Erorile din perioadele anterioare sunt omisiuni și declarații eronate cuprinse în situațiile financiare ale entității pentru una sau mai multe perioade anterioare rezultând din greșeala de a utiliza sau de a nu utiliza informații credibile care:

a) erau disponibile la momentul la care situațiile financiare pentru acele perioade au fost aprobate spre a fi emise;

b) ar fi putut fi obținute în mod rezonabil și luate în considerare la întocmirea și prezentarea acelor situații financiare anuale.

Errors from previous years are omissions and misstatements of the company's financial records for one or more previous fiscal years, resulting from the mistake of using or not using accurate information which:

a) were available at the time the respective records have been approved for issuing;

b) might have been reasonably been obtained and considered when preparing and presenting the annual financial records.

Astfel de erori includ efectele greșelilor matematice, greșelilor de aplicare a politicilor contabile, ignorării sau interpretării greșite a evenimentelor și fraudelor.

Those errors include the effects of calculation mistakes, misapplying of accounting policies, ignoring or misinterpreting events and frauds.

Corectarea erorilor aferente exercițiului financiar curent se efectuează pe seama contului de profit și pierdere. Corectarea erorilor semnificative aferente exercițiilor financiare precedente se efectuează pe seama rezultatului reportat.

The correction of current year mistakes is done by usage of the profit and loss account. Correcting major previous years' mistakes is done by usage of Retained earnings.

Erorile nesemnificative aferente exercițiilor financiare precedente se corectează, de asemenea, pe seama rezultatului reportat. Totuși, pot fi corectate pe seama contului de profit și pierdere erorile nesemnificative.

Erorile nesemnificative sunt cele de natură să nu influențeze informațiile financiar-contabile. Se consideră că o eroare este semnificativă dacă aceasta ar putea influența deciziile economice ale utilizatorilor, luate pe baza situațiilor financiare anuale. Analizarea dacă o eroare este semnificativă sau nu se efectuează în context, având în vedere natura sau valoarea individuală sau cumulată a elementelor.

Minor previous fiscal years errors are also corrected by use of Retained earnings. However, minor errors can also be corrected through the profit and loss account. Minor errors are those that do not influence the accounting and finance information. An error is considered major if it can influence the economic decisions of its users, decisions taken on the basis of the annual financial reports. Deciding whether an

error is a minor or major one is done taken into account the nature or the individual or cumulative value of the elements.

Corectarea erorilor aferente exercițiilor financiare precedente nu determină modificarea situațiilor financiare ale acelor exerciții. În cazul erorilor aferente exercițiilor financiare precedente, corectarea acestora nu presupune ajustarea informațiilor comparative prezentate în situațiile financiare. Informații comparative referitoare la poziția financiară și performanța financiară, respectiv modificarea poziției financiare, sunt prezentate în notele explicative.

The correction of previous fiscal years' errors does not lead to the modification of their financial reports. In this case the correction does not imply the adjustment of the comparative information presented in the financial reports. Comparative information regarding the financial position and performance, respectively the modification of the financial position, are presented in explanatory notes.

Înregistrarea stornării unei operațiuni contabile aferente exercițiului financiar curent se efectuează fie prin corectarea cu semnul minus a operațiunii inițiale (stornare în roșu), fie prin înregistrarea inversă a acesteia (stornare în negru), în funcție de politica contabilă și programele informatice utilizate.

The registration of a reversal of an accounting registration of the current fiscal year can be done either by recording it with a minus (red reversal), either by the reverse registration (black reversal), depending on the accountin policy and the sotware used.

#### **T. Parti afiliate si alte parti legate / Affiliated parties and connected parties**

In conformitate cu OMF 1802/2014, o entitate este afiliata unei societati daca se afla sub controlul aceleiasi societati.

According to OMF 1802/2014, an entity is affiliated to a accompany if it is controlled by that company.

Controlul exista atunci cand societatea - mama indeplineste unul din urmatoarele criterii:

- a) detine majoritatea drepturilor de vot asupra unei societati;
- b) este actionar sau asociat al unei societati iar majoritatea membrilor organelor de administratie, conducere si de supraveghere ale societatii in cauza, care au indeplinit aceste functii in cursul exercitiului financiar, in cursul exercitiului financiar precedent si pana in momentul intocmirii situatiilor financiare anuale, au fost numiti doar ca rezultat al exercitarii drepturilor sale de vot;
- c) este actionar sau asociat al societatii si detine singura controlul asupra majoritatii drepturilor de vot ale [actionarilor sau asociatilor], ca urmare a unui acord incheiat cu alti actionari sau asociati;
- d) este actionar sau asociat al unei societati si are dreptul de a exercita o influenta dominanta asupra acelei societati, in temeiul unui contract incheiat cu entitatea in cauza sau al unei clauze din actul constitutiv sau statut, daca legislatia aplicabila societatii permite astfel de contracte sau clauze;
- e) Societatea-mama detine puterea de a exercita sau exercita efectiv, o influenta dominanta sau control asupra Societatii;
- f) este actionar sau asociat al societatii si are dreptul de a numi sau revoca majoritatea membrilor organelor de administratie, de conducere si de supraveghere ale Societatii;
- g) Societatea-mama si entitatea afiliata sunt conduse pe o baza unificata de catre Societatea-mama.

Control exists when the mother-company meets one of the following criteria:

- a) It controls the majority of the voting rights over one company;
- b) Is shareholder or associate of a company and the majority of the members of the administrative and surveillance bodies of the respective company, in office during the current or previous fiscal year and up to the moment of completing the annual financial reports, has been appointed exclusively on exercising their right to vote;
- c) Is shareholder or associate of a company and it has control over the majority voting rights of the shareholders or associates, based on an agreement signed with other shareholders or associates;



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- d) Is shareholder or associate of a company and it has the right to exercise a dominant influence over that company, based on a contract signed with the respective entity or on a clause of the articles of incorporation or statute, if the applicable law allows such contracts or clauses;
- e) The mother company exercises or has the power to exercise a dominant influence or control over the company;
- f) Is shareholder or associate of the company and it has the right to appoint or dismiss the majority of the members of the administrative, management and surveillance bodies of the company;
- g) The mother company and the affiliated entity are run on a common basis by the mother company.

O entitate este legata de o alta entitate daca:

- a) direct sau indirect, prin una sau mai multe entitati:
  - controleaza sau este controlata de cealalta entitate ori se afla sub controlul comun al celeilalte entitati (aceasta include societatile-mama, filialele sau filialele membre);
  - are un interes in respectiva entitate, care ii ofera influenta semnificativa asupra acesteia; sau
  - detine controlul comun asupra celeilalte entitati;
- b) reprezinta o entitate asociata a celeilalte entitati;
- c) reprezinta o asociere in participatie in care cealalta entitate este asociat;
- d) reprezinta un membru al personalului-cheie din conducere al entitatii sau al societatii-mama a acesteia;
- e) reprezinta un membru apropiat al familiei persoanei mentionate la lit. a) sau d);
- f) reprezinta o entitate care este controlata, controlata in comun sau influentata semnificativ ori pentru care puterea semnificativa de vot intr-o asemenea entitate este data, direct sau indirect, de orice persoana mentionata la lit. d) sau e); sau
- g) entitatea reprezinta un plan de beneficii postangajare pentru beneficiul angajatilor celeilalte entitati sau pentru angajatii oricarei entitati legata de o asemenea societate.

An entity is connected to another entity if:

- a) directly or indirectly, through one or more entities:
  - controls or is being controlled by the other entity or is under common control of the other entity (including the mother company, branches or member branches);
  - has an interest in the respective entity, which grants it major influence over this one; or
  - is in common control over the other entity;
- b) it represents an associate entity of the other entity;
- c) it represents a venturer to which the other entity is associated with;
- d) it represents a key member of the management of the entity or its mother company;
- e) it represents a family member of the person mentioned under pts a) or d);
- f) it represent an entity controlled, commonly controlled or significantly influenced or for which the major voting power is given, directly or indirectly, by any person mentioned under pts d) or e); or
- g) the entity represents a posthiring benefits plan for the employees of the other entity or for the employees of any entity connected with such a company.

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	<b>Sold la inceputul exercitiului financiar / Balance at the beginning of the fiscal year</b>	<b>Sold la sfarsitul exercitiului financiar / Balance at the end of the fiscal year</b>
	<b>Numar / Number</b>	<b>Numar / Number</b>
Capital subscris – in parti sociale / Subscribed capital – in shares	5.041.546	5.041.546
		<b>lei</b>
Valoarea nominativa a unei parti actiuni / Nominative value of a share part	2,50	2,50
	<b>Lei</b>	<b>lei</b>
Capital subscris – valoric / Subscribed capital - value	12.603.865	12.603.865

Capitalul social al Societatii este integral varsat la 31 decembrie 2018.

The company's share capital is fully paid at 31.12.2018.

**Actiuni rascumparabile / Redeemed shares**

Societatea nu are actiuni rascumparabile la 31 decembrie 2018 (2017: nu exista actiuni rascumparabile).

The company has no redeemed shares at the 31.12.2018 (2017: there are no redeemed shares).

**Obligatiuni / Bonds**

Societatea nu a emis obligatiuni in timpul anului incheiat la 31 decembrie 2018 (2017: nu au fost emise obligatiuni).

The company has not issued bonds during the fiscal year finished at 31.12.2018 (2017: no bonds were issued).

**Structura actionariatului / Shareholders' structure**

	<b>Sold la Inceputul exercitiului financiar Balance at the beginning of the fiscal year</b>	<b>%</b>	<b>Sold la sfarsitul exercitiului financiar Balance at the end of the fiscal year</b>	<b>%</b>
TIRLEA VICTOR	1.587.036	31,4792	1.587.036	31,4792
CFR MARFA	1.464.388	29,0464	1.464.388	29,0464
MEROLA GIANCARLO MICHELE	1.460.000	28,9594	1.460.000	28,9594
ALTI ACTIONARI / OTHER SHAREHOLDERS	530.122	10,5151	530.122	10,5151
<b>TOTAL</b>	<b>5.041.546</b>	<b>100,00</b>	<b>5.041.546</b>	<b>100,00</b>

Actiunile societatii se tranzactioneaza pe piata bursiera AERO, avand simbolul SEVE. Valoarea nominala a unei actiuni este de 2,50 lei.

The company's shares are traded on the AERO trade market, using the symbol SEVE. The nominative value of each share is 2,50 lei.

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In timpul anului 2018, Societatea a platit urmatoarele indemnizatii, brute, membrilor Consiliului de Administratie ("C.A."), conducerii executive:

During 2018 the company has paid the following gross indemnities to the members of the Board of Directors ("C.A."), the executive management:

	Precedent / Previous	Curent / Current
Membri ai C.A. / Members of the Board of Directors	242,535	232,320
Directori / Directors		
- conducere executiva / executive management	927.527	1,330,985

Principala structura decizionala este Adunarea Generala a Actionarilor. Conducerea operativa a societatii este asigurata de Consiliul de Administratie, conducerea executiva este asigurata de 4 directori executivi. Salariile directorilor si eventualele premii se aproba de administratori.

The main decisional structure is the General Shareholders' Meeting. The operational management of the company is provided by the Board of Directors, the executive management is provided by 4 executive directors. The directors' salaries and any bonifications are approved by the administrators.

La 31 decembrie 2018 societatea nu avea nicio obligatie privind plata pensiilor catre fostii membri ai C.A. si conducerii executive.

At 31.12.2018 the company had no outstanding obligation concerning pension payments towards the former Board of Directors members and executive management.

La incheierea exercitiului financiar nu exista garantii sau obligatii viitoare preluate de Societate in numele administratorilor sau directorilor.

At the end of the fiscal year there are no guarantees or future obligations taken over by the company in the name of administrators or directors.

**8.b. Salariati / Employees**

Numarul mediu al salariatilor in cursul anului 2018 (respectiv 2017) este urmatorul:

The average number of employees during 2018 (repespectively 2017) is as follows:

	Precedent / Previous	Curent / Current
Personal conducere / Management personnel	4	4
Personal direct productiv / Direct production personnel	349	376
Personal indirect productiv / Indirect production personnel	143	143
<b>Total / Total</b>	<b>496</b>	<b>523</b>

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Cheltuielile cu salariile si taxele aferente inregistrate in cursul anului 2018 (respectiv 2017) sunt urmatoarele:

Expences regarding salaries and corresponding taxes registered during 2018 (respectively 2017) are as follows:

	<b>An curent 2017/ Current year 2017</b>	<b>An curent 2018 / Current year 2018</b>
Salarii brute aferente exercitiului / Gross salaries for the fiscal year	16.540.620	24.393.567
Cheltuieli cu asigurarile sociale / Social security expences	2.946.455	59.177
Cheltuieli cu asigurarile sociale de sanatate / Health insurance expences	1.023.197	254.658
Cheltuieli cu contributia pentru protectia sociala a somerilor / Expences for the social security of the unemployed	121.690	0
Cheltuieli cu contributia asiguratorie pentru munca	0	554.695
Cheltuieli cu tichete de masa	1.321.270	1.788.215
Cheltuieli cu tichete cadou	9.400	165.050
<b>Total/ Total</b>	<b>21.962.632</b>	<b>27.215.362</b>

**NOTA 9: PRINCIPALILOR INDICATORI ECONOMICO-FINANCIARI / NOTE 9: MAIN ECONOMIC-FINANCIAL INDICATORS**

	<b>An / Year 2017</b>	<b>An / Year 2018</b>
<b>1. Indicatori de lichiditate / Liquidity indicators</b>		
Indicatorul lichiditatii curente / Quick ratio indicator	1.11	1.06
Indicatorul lichiditatii imediate / Immediately liquidity indicator	0.23	0.49
<b>2. Indicatori de risc / Risc indicators</b>		
Indicatorul gradului de indatorare / Indebtedness ratio	42%	42%
<b>3. Indicatori de activitate / Activity indicators</b>		
Viteza de rotatie a debitelor clienti / Clients turnover ratio	15	40
Viteza de rotatie a creditelor furnizor / Suppliers turnover ratio	18	11
Viteza de rotatie a activelor imobilizate / Fix assets turnover ratio	0.73	0.91
Viteza de rotatie a activelor totale / Assets turnover ratio	0.50	0.52

**Lichiditatea curenta** s-a diminuat, inregistrand o scadere cu 5%, de la 1,11 la 1,06, activele curente evoluand sub ritmul indatorarii, cauzat de o productivitate a muncii mai redusa si costuri de operare mai mari.

**Quick ratio** declined by 5%, from 1.11 to 1.06, with current assets evolving below debt, driven by lower labor productivity and higher operating costs.

**Lichiditatea imediata** a inregistrat crestere, de la 0.23 la 0.49 determinata de stocarea productiei in curs de executie mai mari, ce urmeaza sa fie livrata in 2019.

**Immediately liquidity** has registered an increase from 0.23 to 0.49 due to the stockpiling of higher production, to be delivered in 2019.

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**Gradul de indatorarea** a crescut, de la 29% in 2017 la 42% in 2018, urmare a cresterii soldului avasurilor incasate in anul 2018 pentru navele in curs de executie ce au termene de livrare in anul 2019 si datoriilor catre banci necesare executiei productiei contractate.

**Indebtedness ratio** has increased from 29% in 2017 to 42% in 2018, as a result of the increase in the balance of receipts collected in 2018 for ships under execution which have delivery deadlines in 2019 and debts to banks required to execute the contracted production.

**NOTA 10: ALTE INFORMATII / NOTE 10: OTHER INFORMATION**

**a) Informatii despre Societate / Information about the company**

S.C. SEVERNAV S.A. ("Societatea") este o societate pe actiuni infiintata in anul 1990 prin restructurarea fostei intreprinderi ICNPC, sediul social fiind inregistrat la adresa calea Timisoarei nr. 204, Dr.Tr.Severin, Mehedinti, Romania. Societatea este inregistrata la Registrul Comertului cu numarul J25/003/1990, avand atribuit codul unic RO 1606030.

SC SEVERNAV S.A. ("The company") is a joint-stock company founded in 1990 after the restructuring of the former enterprise ICNPC, having its head office address on Timisoarei Str. 204, Dr-Tr-Severin, Mehedinti, Romania. The company is registered at the Trade Register Office under no. J25/003/1990, having the fiscal code RO 1606030.

Societatea produce nave maritime si fluviale, ansamble si accesorii si presteaza servicii, atat pentru clienti atat de pe piata interna cat si piata internationala.

The company produces inland and seagoing vessels, blocksections and accessories and offers services both to inner and foreign market clients.

Piata organizata pe care se tranzactioneaza valorile mobiliare, actiunile societatii, este pe sistemul tehnic al BVB, pe piata bursiera AERO, avand simbolul SEVE.

The company's shares are traded on the technical system of BVB, the AERO trade market, having the symbol SEVE.

**b) Informatii privind relatiile cu entitatile afiliate si alte parti legate / Information regarding relations with the affiliated entities and other connected parties**

**b1) Natura tranzactiilor cu entitatile afiliate si alte parti legate / The nature of the transactions with alliliated entities and other connected parties**

**b2) Sume datorate si de primit de la entitatile afiliate si alte parti legate / Amounts owed and to be received from related entities and other connected parties**

**(i) Creante de la entitatile afiliate / alte parti legate / Receivables from related entities / other connected parties**

**(ii) Datorii catre entitatile afiliate / alte parti legate / Debts towards affiliated entities / other connected parties**

**b3) Informatii cu privire la tranzactiile cu entitatile afiliate si alte parti legate / Information concerning transactions with**

**(i) Vanzari de bunuri si servicii si / sau active imobilizate / Sales of goods and services and / or fixed assets**

**(ii) Achizitii de bunuri si servicii / Purchasing of goods and services**

**(iii) Imprumuturi primite de la entitatile afiliate si alte parti legate / Loans received from the affiliated entities and other connected parties**

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Descriere in Nota 6, paragraful c) "Conversii valutare / Description in Note 6, item c) "Foreign exchange"

**d) Informatii despre impozitul pe profit / Information about income tax**

	Precedent / Previous	Curent / Current
<b>Profit (pierdere) contabil(a) brut / Gross accounting profit (loss)</b>	<b>6,923,876</b>	<b>2.480.432</b>
Elemente similare veniturilor/cheltuielilor din alte retratari / Elements similar to income and other restatements	2,937,218	0
Venituri neimpozabile (-) / Tax free income (-)	1,905,581	259.361
Rezerva legala deductibila	346,194	124.022
Cheltuieli nedeductibile (+) / Non deductible expenses (+)	4,143,494	4.238.306
Alte elemente (-) / Other elements (-)		
<b>Profit impozabil/(Pierdere fiscala) a anului / Taxable profit / Current fiscal loss</b>	<b>11,752,813</b>	<b>6.335.355</b>
Pierdere fiscala din anii precedenti (-) / Previous fiscal loss	-	-
<b>Profit impozabil total / Total taxable profit</b>	<b>11,752,813</b>	<b>6.335.355</b>

In anul 2018, Severnav a inregistrat un profit impozabil in valoare de 6.335.355 mii lei.  
 During 2018, Severnav has registered a taxable profit of 6.335.355 lei.

**e) Total vanzari – produse finite / Total sales – finished products****Vanzari pe arii geografice / Sales on geographical areas**

	Sold la Inceputul exercitiului financiar / Balance at the begining of the fiscal year	Sold la sfarsitul Exercitiului financiar / Balance at the end of the fiscal year
Export / Export		
- Europa	63,154,727	80,104,295
- SUA, Mexic, Canada	-	-
- Africa	-	-
- Europa de Est / Eastern Europe	-	-
- Orientul Mijlociu / Middle East	-	-
- America de Sud / South America	-	-
- Altele / Other	-	-
<b>Total Export / Total Export</b>	<b>63,154,727</b>	<b>80,104,295</b>
Vanzari la intern / Internal sales	1,862,940	2,484,381
<b>Total vanzari / Total sales</b>	<b>65,017,667</b>	<b>82,588,676</b>

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	<b>Sold la inceputul exercitiului financiar/ Balance at the begining of the fiscal year</b>	<b>Sold la sfarsitul exercitiului financiar/ Balance at the end of the fiscal year</b>
Productia marfa realizata si vanduta, din care: / Accomplished and sold production, out of which	63,664,984	80,579,636
- nave / vessels	62,710,661	79,434,055
- reparatii nave / ship repairs	933,719	772,162
- constructii metalice / metal constructions	20,604	373,419
- altele / otehr	-	-
Diverse / Miscellaneous	1,352,683	2,009,040
<b>Total vanzari / Total sales</b>	<b>65,017,667</b>	<b>82,588,676</b>

**f) Evenimente ulterioare / Future vents**

Nu este cazul.

**g) Elemente extraordinare si venituri/cheltuieli inregistrate in avans / Extraordinary elements and income/expenses registered in advance**

Nu exista situatii semnificative care sa fie prezentate./ There are no significant situations to be presented.

**h) Cheltuieli cu chirii si leasing / Rental and leasing expenses**

Nu exista situatii semnificative legate de chirii care sa fie prezentate./ There are no significant situations to be presented.

La 31 decembrie 2018, Societatea are inregistrate 16 leasinguri financiare avand o valoare neta contabila de 1.279.026 lei. Activele detinute in leasing sau achizitionate in rate sunt grevate de gajuri aferente datoriilor de leasing sau ratelor.

At 31.12.2018, the company has 16 fixed assets registered as financial leasing, having an accounting value of 1.279.026 lei. The assets owned in leasing or bought on installments are free of any leasing or installment liens and encumbrances.

**i) Cheltuieli de audit / Audit expenses**

Costurile contractuale pentru servicii de audit si consultanta prestate de auditor si facturate in cursul anului 2018 au fost in suma de 39.683 lei, din care:

- Audit situatii financiare – 16.807 lei;
- Audit periodic certificare sistem de management – 22.876 lei;

The contractual expenses for audit and consultancy services performed by the auditor during 2018 have been in the amount of 39.683 lei, out of which:

- Financial reports audit – 16.807 lei;
- Periodical audit for certification of the quality system – 22.876 lei.

**j) Contingente / Quotas****Taxare / Taxation**

Toate sumele datorate Statului pentru taxe si impozite au fost platite sau inregistrate la data bilantului. Sistemul fiscal din Romania este in curs de consolidare si armonizare cu legislatia europeana, putand exista interpretari diferite ale autoritatilor in legatura cu legislatia fiscala, care pot da nastere la impozite, taxe si penalitati suplimentare. In cazul in care autoritatile statului descopera incalcare ale prevederilor legale din Romania, acestea pot determina dupa caz: confiscarea sumelor in cauza, impunerea

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obligatiilor fiscale suplimentare, aplicarea unor amenzi, aplicarea unor majorari de intarziere (aplicate la sumele de plata efectiv ramase). Prin urmare, sanctiunile fiscale rezultate din incalcare ale prevederilor legale pot ajunge la sume importante de platit catre Stat.

All amounts due to the State budget for taxes and income taxes have been paid or registred at the date of the balance sheet report. The Romanian fiscal system is in a process of consolidation and harmonization with the European laws, allowing different interpretations of the fiscal law, which can lead to additional income taxes, taxes and penalties. In case the authorities find breaches of the Romanian laws, they can decide according to the case: the seizure of the respective amounts, further additional taxation, fining, applying penalty for late payments (calculated to the outstanding amounts). Therefore, fiscal penalties generated by breaches of the laws can lead to important amounts to be paid towards the State budget.

Societatea considera ca si-a achitat la timp si in totalitate toate taxele, impozitele, penalitatile si dobanzile penalizatoare, in masura in care este cazul.

The company considers that it has paid on time and fully all taxes, income taxes, penalties and penalty interests, to the extent applicable.

Autoritatile fiscale romane au efectuat controale referitor la TVA, pana la data de 30.06.2016.

Romanian fiscal authorities have checked VAT were calculated up to 30.06.2016.

In Romania, exercitiul fiscal ramane deschis pentru verificari o perioada de 5 ani.

In Romania, the fiscal year is opened for checking for a period of 5 years.

**Pretentii de natura juridica / Juridical claims**

La data de 31 decembrie 2018, Societatea este implicata in urmatoarele litigii, litigii care sunt in curs de desfasurare: / At 31.12.2018 the company is involved in the following on going litigations:

1. **litigii in care societatea are calitatea de PĂRÂT**, astfel: / litigations in which the company is the defendant:
  - litigiul de munca avand ca obiect actiune in constatare privind grupa I de muncă în procent de 100% / labor litigation concerning action for laboring in 100% group I of work.
  - litigiul de munca avand ca obiect obligație de a face/ labor litigation concerning obligation to do.
  
2. **litigii in care societatea are calitatea de RECLAMANT**, astfel:/ litigations in which the company is the pleintiff:
  - litigii comerciale (litigii cu profesionistii) ce au ca obiect obligatia paratilor la plata unor sume de bani reprezentand despagubiri, sume platite necuvenit./ commercial litigations (litigations with professional) concerning the obligation of the defendants to pay compensations, amounts unduly paid.
  - litigii comerciale (litigii cu profesionistii) ce au ca obiect obligație de a face/ commercial litigations (litigations with professional) concerning obligation to do.

Conducerea Societatii considera ca aceste litigii nu pot avea un impact asupra operatiunilor si pozitiei financiare a Societatii./ The company's management thinks that those litigations can impact upon the financial situation of the company.

**Riscuri financiare / Financial risks**

Riscul ratei dobanzii / Interest rate risk

Expunerea Societatii la riscul modificarilor ratei dobanzii se refera in principal la imprumuturile purtatoare de dobanda variabila pe care Societatea le are pe termen lung. Politica Societatii este de a administra costul dobanzii printr-un mix de imprumuturi cu dobanda fixa si dobanda variabila.



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The company's exposure to the risk of interest rate modification mainly refers to the long term loans with a variable interest rate. The company's policy is to handle the interest cost by a mix of loans with fixed and variable interest.

**Riscul variatiilor de curs valutar / Foreign exchange variation risk**

Societatea are tranzactii si imprumuturi intr-o alta moneda decat moneda functionala (RON). Societatea are incasari si plati in valuta, ceea ce conduce la o expunere la variatiile de curs valutar.

The company deals and has loans in a different currency than the functional one (RON). The company cashes and pays in foreign currency which exposes it to foreign exchange variations.

**Riscul de credit / Credit risk**

Societatea desfasoara relatii comerciale numai cu terti recunoscuti, si lucreaza in principal pe baza de avansuri primite de la clienti. In acest fel, riscul de credit nu este semnificativ.

The company has commercial relationships only with well known partners and mainly works on the basis of advances received from the clients. In this way the credit risk is insignificant.

**k) Angajamente / Commitments****k1) Contract de inchiriere / Lease contracts**

Nu este cazul.

**K2) Angajamente de primit / Receivables**

La 31 decembrie 2018, Societatea nu are angajamente de primit (acreditive). / At 31.12.2018 the company doesn't have receivables.

**K3) Garantii / Collateral**

La 31 decembrie 2018, Societatea nu are emise scrisori de contragarantie bancara. / At 31.12.2018 the company doesn't have Advance Payment Return Bank guarantees issued to any client.

Un detaliu cuprinzand activele corporale detinute de Societate si grevate in favoarea bancilor este prezentat in **Nota 1- Active imobilizate**. La 31 decembrie 2017.

A summary of all tangible assets owned by the company and ceased in favour of banks can be found at **Note 1 – Fixed assets** at 31.12.2017.

**K4) Acreditive primite pentru contractele comerciale pe flux:**

Nr crt.	Tip referinta	Numar referinta	Valoare in moneda originala EUR	Valoare LEI	Data emiterii	Data valabilitatii	Contract	Numar referinta BANCA SEVERNAV
1	Acreditiv stand-by	NLHM0015673	2,370,000	11,031,402	24-11-17	15-01-19	922	LC/EXP/120/17/AL
2	Acreditiv stand-by	NLHM0016327	3,235,000	15,073,482	19-02-18	31-05-19	923	LC/EXP/121/18/AL
	<b>TOTAL</b>		<b>5,605,000</b>	<b>26,104,884</b>				

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**I) Sume datorate institutiilor de credit / Amounts owed to credit institutions**

**Current / Current (2018)**

Descriere / Description	Tip imprumut	Data contract / Contract date	Scadenta / Maturity	Moneda	Sold ramas de rambursat / Outstanding balance at 31.12.2018 RON
CEC BANK – Linie credit / Credit line	Linie credit / Credit line 1.700.000 EUR, majorata la 3.700.000 EUR	RQ15019880740077/15.01.2015	15.01.2021	EUR	12.769.963,27
CEC BANK – Plafon credite / Credit line	Plafon credite cash / Credit line 11.000.000 EUR	RQ15030331749041/08.04.2015	Pana in 09.10.2020	EUR	25.10.887,27
CEC BANK – Plafon credite / Credit line	Plafon credite non cash / Credit line 3.000.000 EUR	RQ15030331749041/08.04.2015	Pana in 09.10.2020	EUR	0,00
SAN PAOLO - credit furnizori / Suppliers'loan - REVOLVING	Credit pe termen scurt / Short term loan 350.000 EUR	367/02.03.2011	20.02.2020	EUR	1.573.925,07
					<b>40.254.775,61</b>

**Precedent / Previous (2017)**

Descriere / Description	Tip imprumut	Data contract / Contract date	Scadenta / Maturity	Moneda	Sold ramas de rambursat / Outstanding balance at 31.12.2017 RON
CEC BANK – Linie credit / Credit line	Linie credit / Credit line 1.700.000 EUR, majorata la 3.700.000 EUR	RQ15019880740077/15.01.2015	18.01.2019	EUR	844.614,15
CEC BANK – Plafon credite / Credit line	Plafon credite / Credit line 14.000.000 EUR	RQ15030331749041/08.04.2015	12.10.2018 sau la livrarea navei, (prelungit in 25.01.2018, pana in 09.10.2020) / or upon ship delivery	EUR	21.109.332,35
SAN PAOLO - credit furnizori / Suppliers'loan - REVOLVING	Credit pe termen scurt / Short term loan 390.000 EUR	367/02.03.2011	22.02.2018	EUR	739.377,76
					<b>22.693.324,26</b>

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La 31 decembrie 2018, Societatea are contractate imprumuturi la diferite banci dupa cum urmeaza:

- ❖ o linie de credit de la CEC Bank in valoare de 3.700.000 eur pentru plata furnizorilor de metal;
- ❖ un plafon cash de la CEC Bank in valoare de 11.000.000 eur plafon credit pe obiect pentru finantarea navelor si un plafon non cash de 3.000.000 eur pentru scrisori de garantie bancara;
- ❖ o linie de credit de la Intesa San Paolo.

At 31.12.2018 the company had various loans contracted with different banks, as follows:

- ❖ a credit line at CEC Bank in the amount of 3.700.000 eur destined for the payment of the steel supplier;
- ❖ an approved cash plafon as follows: 11.000.000 eur approved limit for advance payment refund bank guarantees and 3.000.000 eur approved limit for contract based loans for financing shipbuilding;
- ❖ a credit line at Intesa San Paolo.

**m) Stocuri / Stocks**

	<b>Materii prime si materiale consumabile / Raw materials and consumables</b>	<b>Productie in curs de executie / Production in progress</b>	<b>Produse finite si marfuri / Finished goods and merchandise</b>	<b>Avansuri pentru cumparari de stocuri / Advances for stock purchasing</b>	<b>Total / Total</b>
<b>Curent / Current</b>	<b>17.965.467</b>	<b>18.060.998</b>	<b>0</b>	<b>959.289</b>	<b>36.985.754</b>
Cost / Cost	17.965.467	18.060.998	0	959.289	36.985.754
Provizion stocuri depreciate si cu miscare lenta / Provision for depreciated slow movements stocks	0	0	0	0	
<b>Precedent / Previous</b>	<b>13.447.109</b>	<b>17.705.893</b>	<b>0</b>	<b>1.897.453</b>	<b>33.050.455</b>
Cost / Cost	13.447.109	17.705.893	0	1.897.453	33.050.455
Provizion stocuri depreciate si cu miscare lenta / Provision for depreciated slow movements stocks	0	0	0	0	

Suma stocurilor recunoscute in activele circulante ale societatii la finele anului este de 36.985.754 lei (2017: 33.050.455 lei).

Total stocks out of the company's current assets represent 36.985.754 lei (2017: 33.050.455 lei).

La sfarsitul anului 2018 societatea nu avea in stoc produse finite.

At the end of 2018 the company didn't have finished goods on stock.

La 31 decembrie 2018 societatea nu are in sold produse reziduale.

At 31.12.2018 the company didn't have residual products on stock.

Societatea are constituite garantii asupra productiei in curs de executie, prezentate la nota 10, paragraful k. / The company has established guarantees for the production in progress presented al note 10, item k.

Miscarile in provizioanele pentru stocurile depreciate sau cu miscare lenta precum cat si pentru corectarea diferentei nefavorabile dintre pret si costul aferent produselor finite, au fost urmatoarele:

The provisions movements for depreciated slow movement stocks as well as for correcting the negative difference between the price and the cost of the finished goods have been as follows:

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Denumirea provizionului / Name of the provision	Sold la inceputul exercitiului financiar / Balance at the beginning of the fiscal year	Transfer in cont / Transfer into account	Transfer din cont / Transfer out of the account	Sold la sfarsitul exercitiului financiar / Balance at the end of the fiscal year
Provizion stocuri depreciate si cu miscare lenta / Provision for depreciated slow movements stocks	0	0	0	0
Provizioane produse finite si marfuri / Provisions for finished goods and merchandise	0	0	0	0
Provizioane pentru deprecierea productiei in curs de executie / Provisions for the depreciation of the production in progress	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**n) Casa si conturi la banci / Petty cash and bank accounts**

	Sold la inceputul anului financiar / Balance at the beginning of the fiscal year	Sold la sfarsitul anului financiar / Balance at the end of the fiscal year
Disponibil la banci in lei / Cash at banks in lei	105,215	869,920
Disponibil la banci in devize / Cash at banks in lodgements	4,207,479	16,358,704
Numerar in casierie – lei / Petty cash - lei	10,169	22,444
Numerar in casierie – valuta / Petty cash – foreign currency		
Alte valori / Other values	372	395
Avansuri / datorii in legatura cu personalul / Advances / personnel debts / other values		
<b>Total / Total</b>	<b>4,323,235</b>	<b>17.251.463</b>

Societatea nu mai are la 31 decembrie 2018 numerar restrictionat reprezentand garantii ale gestionarilor.  
At 31.12.2018 the company hasn't restricted cash representing guarantees for administrative personell.

**o) Alte cheltuieli de exploatare / Other operating expences**

În tabelul de mai jos sunt detaliate alte cheltuieli de exploatare după natura acestora:

In the table bellow we can find the detailed operating expenses as for their nature:

	Exercitiul financiar incheiat la 31 decembrie 2017/ Fiscal year ended at 31.12.2017	Exercitiul financiar incheiat la 31 decembrie 2018/ Fiscal year ended at 31.12.2018
Cheltuieli cu transportul de bunuri / Expences for transport of goods	1,572,222	1,999,958
Cheltuieli cu redevențele, locațiile de gestiune și chirile/ Expenses with royalties, remote management and rents	141,095	154,579
Cheltuieli cu serviciile bancare și asimilate / Expenses with bank services and similar ones	257,491	530,938
Cheltuieli cu primele de asigurare / Expenses with insurances	373,016	495,611
Cheltuieli privind comisioanele și onorariile / Expenses regarding commissions and charges	-	-
Cheltuieli cu întreținerea și reparațiile / Expenses with	74,943	175,578

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maintenance and repairs		
Cheltuieli poștale și taxe de telecomunicații / Expenses with postal and telecommunication charges	80,729	106,045
Cheltuieli cu deplasări, detașări și transferări / Expenses with business trips and transfers	207,282	262,729
Cheltuieli de protocol, reclamă și publicitate / Expenses with protocol, advertising and publicity	681,095	417,451
Alte cheltuieli cu serviciile executate de terți / Other	5,360,526	5,955,858
<b>Total / Total</b>	<b>8,748,399</b>	<b>10,098,747</b>

Cheltuielile cu alte servicii de la terti sunt:

Expenses with third parties services are as follows:

	<b>Exercitiul financiar incheiat la 31 decembrie 2017 / Fiscal year ended at 31.12.2017</b>	<b>Exercitiul financiar incheiat la 31 decembrie 2018 / Fiscal year ended at 31.12.2018</b>
Cheltuieli cu colaboratorii / Expenses with collaborators	242,535	-
Cheltuieli cu instruirea profesionala - seminarii si cursuri profesionale / Training expenses - seminars and professional courses	13,498	3,390
Cheltuieli cu alte impozite, taxe si varsaminte asimilate / Other income taxes, taxes and similar payments' expenses	736,239	932,660
Cheltuieli cu despagubiri, donatii si alte active cedate / Expenses with indemnifications donations and other transferred assets	836,607	1,406,278
Consultanta si audit / Consulting and audit	29,800	39,683
Servicii de paza / Security services	482,764	651,296
Prestari serv. lansare, probe de mare, lucrari pe perioada deplasarii pana la livrarea navelor / Launching services, sea trials, works done during the transport of the vessel, until delivery	163,215	23,047
Certificare GL / GL certification	40,472	110,784
Servicii medicale / Medical services	75,637	86,292
Colectat, transportat gunoi / Trash collecting and transport	51,394	47,317
Altele / Other	2,688,365	2,655,111
<b>TOTAL / TOTAL</b>	<b>5,360,526</b>	<b>5,955,858</b>

**Director General / General director,**  
**TIRLEA VICTOR**

Semnatura / Signature

Stampila unitatii / Company's stamp

**Intocmit / Completed by,**  
**BORINTIS GRIGORE**

Director Economic / Economic director

Semnatura / Signature

Nr. De inregistrare in organismul profesional  
/ Registry number