

Registration number: 13-09-156730

Statistic number: 10862412-4649-113-13

Sarantis Hungary Ltd.

Name of company

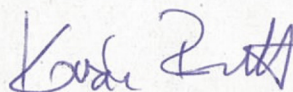
2040 Budaörs, Vasút str. 11, Hungary

Address of company

01.01.2019 - 31.12.2019

ANNUAL REPORT

Date: 16 March 2020, Budaörs



General manager
representative of the company

Company name:
 Company registration nr.:
 Statistical registration nr.:
 Period:

Sarantis Hungary Kft
 13-09-156730
 10862412-4649-113-13
 01.01.2019 - 31.12.2019

BALANCE SHEET FOR ANNUAL FINANCIAL STATEMENT "A"
ASSETS

data shown in thousand HUF

No.	Description	Previous year	Modifications of previous year(s)	Current year
a	b	c	d	e
1	A. FIXED ASSETS	68 840		49 414
2	I. Intangible assets	48 114		36 841
3	1. Capitalized value of formation/reorganization expenses	47 990		36 808
4	2. Capitalised value of research and development			
5	3. Concessions, licences and similar rights	124		33
6	4. Trade-marks, patents and similar assets			
7	5. Goodwill			
8	6. Advances and prepayments on intangible assets			
9	7. Adjusted value of intangible assets			
10	II. Tangible assets	9 839		12 573
11	1. Land and buildings and rights to immovables	1 353		1 216
12	2. Plant and machinery, vehicles			
13	3. Other equipment, fixtures and fittings, vehicles	8 486		11 357
14	4. Breeding stock			
15	5. Assets in course of construction	0		
16	6. Payments on account			
17	7. Adjusted value of tangible assets			
18	III. Financial investments	10 887		
19	1. Long-term participations in affiliated undertakings			
20	2. Long-term credits to affiliated undertakings			
21	3. Long-term significant ownership participation			
22	4. Long-term credits to undertakings with significant ownership participation			
23	5. Other long-term participations			
24	6. Long-term credits to undertakings with other participation			
25	7. Other long-term loans	10 887		
26	8. Securities signifying a long-term creditor relationship			
27	9. Adjusted value of financial investments			
28	10. Valuation difference of financial investments			
29	B. CURRENT ASSETS	2 047 636		1 948 965
30	I. Stocks	624 932		668 434
31	1. Raw materials and consumables	8 905		7 416
32	2. Work in progress, intermediate and self-finished products			
33	3. Other livestock			
34	4. Finished goods			
35	5. Goods for resale	613 971		661 018
36	6. Payments on account	2 056		
37	II. Debtors	1 148 674		896 508
38	1. Trade debtors	1 141 809		883 939
39	2. Receivables from affiliated undertakings	5 245		707
40	3. Receivables from undertakings with significant ownership participation			
41	4. Receivables from undertakings with other participation			
42	5. Bills receivable			
43	6. Other receivables	1 620		11 862
44	7. Valuation difference of receivables			
45	8. Positive valuation difference of derivatives			
46	III. Investments			
47	1. Participations in affiliated undertakings			
48	2. Significant ownership participations			
49	3. Other participations			
50	4. Own shares and own partnership shares			
51	5. Securities signifying a creditor relationship for trading purposes			
52	6. Valuable difference of securities			
53	IV. Liquid assets	274 030		384 023
54	1. Cash in hand, checks	47		95
55	2. Cash at bank	273 983		383 928
56	C. Prepayments and accrued income	403		8 758
57	1. Accrued income			8 356
58	2. Prepayments	403		402
59	3. Deferred expenditures			
60	SUM ASSETS	2 116 879		2 007 137

Date: 16 March 2020, Budaörs



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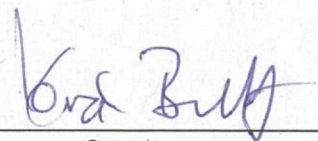
Sarantis Hungary Kft
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**BALANCE SHEET FOR ANNUAL FINANCIAL STATEMENT "A"
 LIABILITIES**

data shown in thousand HUF

No.	Description	Previous year	Modifications of previous year(s)	Current year
61	D. CAPITAL AND RESERVES	1 194 834		1 357 103
62	I. Subscribed capital	1 319 410		1 319 410
63	including: ownership shares repurchased at face value			
64	II. Subscribed capital unpaid (-)			
65	III. Capital reserve			
66	IV. Accumulated profit reserve	-382 927		-161 385
67	V. Tied-up reserve	195 990		36 808
68	VI. Revaluation reserve			
69	1. Value adjustment reserve			
70	2. Fair valuation reserve			
71	VII. Profit after taxes	62 361		162 270
72	E. PROVISIONS			6 313
73	1. Provisions for forward liabilities			6 313
74	2. Provisions for forward expenses			
75	3. Other provisions			
76	F. CREDITORS	776 948		523 410
77	<i>I. Subordinated liabilities</i>			
78	1. Subordinated liabilities to affiliated undertakings			
79	2. Subordinated liabilities to undertakings with significant ownership participation			
80	3. Subordinated liabilities to undertakings with other participation			
81	4. Subordinated liabilities to other economic entities			
82	<i>II. Long-term liabilities</i>			
83	1. Long-term loans			
84	2. Convertible bonds			
85	3. Debts on issue of bonds			
86	4. Investment and development credits			
87	5. Other long-term credits			
88	6. Long-term liabilities to affiliated undertakings			
89	7. Long-term liabilities to undertakings with significant ownership participation			
90	8. Long-term liabilities to undertakings with other participation			
91	9. Other long-term liabilities			
92	<i>III. Current liabilities</i>	776 948		523 410
93	1. Short-term bank loans			
94	including:			
95	2. Other short-term loans	5		
96	3. Advances received from customers			
97	4. Accounts payable	440 407		294 693
98	5. Bills payable			
99	6. Short-term liabilities to affiliated undertakings	275 279		181 359
100	7. Short-term liabilities to undertakings with significant ownership participation			
101	8. Short-term liabilities to undertakings with other participation			
102	9. Other short-term liabilities	61 257		47 358
103	10. Valuation difference of liabilities			
104	11. Negative valuation difference of derivatives			
105	G. ACCRUALS AND DEFERRED INCOME	145 097		120 311
106	1. Prepaid income			
107	2. Accrued costs	145 097		120 311
108	3. Deferred income			
109	SUM LIABILITIES	2 116 879		2 007 137

Date: 16 March 2020, Budaörs



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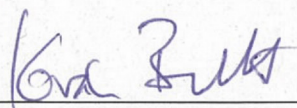
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PROFIT AND LOSS ACCOUNT FOR ANNUAL FINANCIAL STATEMENT
Total costing method

data shown in thousand HUF

No.	Description	Previous year	Modifications of previous year(s)	Current year
a	b	c	d	e
1	01. Domestic turnover	4 340 012		4 119 530
2	02. Export turnover	107 628		38 512
3	I. Turnover (01+02)	4 447 640		4 158 042
4	03. Change in stocks of finished goods and in work progress	781		
5	04. Own work capitalized	-781		
6	II. Capitalized own performance (+-03+04)			
7	III. Other income	8 243		56 181
8	called back write off	4 855		3 344
9	05. Cost of material	38 237		35 098
10	06. Cost of services	1 203 899		945 846
11	07. Other cost of services	10 488		9 946
12	08. Cost of sales	2 657 211		2 510 670
13	09. Subcontractors			
14	IV. Cost of material (05+06+07+08+09)	3 909 835		3 501 560
15	10. Wages and salaries	200 269		213 854
16	11. Other personnel expenses	22 542		20 129
17	12. Social security costs	48 832		49 810
18	V. Staff costs (10+11+12)	271 643		283 793
19	VI. Amortization (Depreciation)	15 249		16 506
20	VII. Other operating charges	161 446		227 936
21	write off	3 344		34 744
22	A. SUBTOTAL (I+-II+III-IV-V-VI-VII)	97 710		184 428
23	13. Dividends and profit-sharing (received or due)			
24	including: from affiliated undertakings			
25	14. Capital gains on investments			
26	including: from affiliated undertakings			
27	15. Interest and capital gains on financial investments			
28	including: from affiliated undertakings			
29	16. Other interest and similar income (received or due)	0		
30	including: from affiliated undertakings			
31	17. Other income from financial transactions	15 158		16 132
32	including: valuation difference			
33	VIII. Income from financial transactions (13+14+15+16+17)	15 158		16 132
34	18. Expenses from equity investments, exchange losses			
35	including: to affiliated undertakings			
36	19. Expenses from fixed financial assets (securities, credits)			
37	including: to affiliated undertakings			
38	20. Interest payable and similar charges			4
39	including: to affiliated undertakings			
40	21. Losses on shares, securities and bank deposits			
41	22. Other expenses on financial transactions	42 459		30 321
42	including: valuation difference			
43	IX. Expenses on financial transactions (18+19+-20+21)	42 459		30 325
44	B. Financial charges (VIII-IX)	-27 301		-14 193
45	C. PRE-TAX RESULT (+-A+-B)	70 409		170 235
46	X. Taxes on income	8 048		7 965
47	D. PROFIT AFTER TAXES (+-C-X.)	62 361		162 270

Date: 16 March 2020, Budaörs



General manager
 representative of the company

Sarantis Hungary Kereskedelmi és Szolgáltató Kft.
2040 Budaörs, Vasút u 11.

SUPPLEMENTARY NOTES
to the annual report of year 2019

I. GENERAL PART

INTRODUCTION OF THE COMPANY AND ITS ACCOUNTING POLICY

1. Introduction of the company

100 % of the business quota of the Company that was founded in 1993 and which was registered at the Company Registration Court under number 01-09-265722 owned by its individual owners was acquired on the basis of the purchase and sale contract on September 11, 2008 by Sarantis Cyprus Ltd. (CY-1066 Nicosia, Themistocles Dervis 3, Julia House) registered in Cyprus.

After the merger of Trade '90 Kft and Sarantis Hungary Kft on April 7, 2009, the company represents the international Sarantis group as the only subsidiary in Hungary on the market of cosmetic and household articles.

The name of the company was changed to Sarantis Hungary Kft on June 26, 2010.

At the end of 2019 Gr. Sarantis Ltd merged with Sarantis Cyprus Ltd., becoming 100 % direct owner of Sarantis Hungary.

The main profile of the activities of the company

- wholesale of cosmetic products
- wholesale of household aluminium and plastic foil products

Registered seat of Company:

2040 Budaörs, Vasút u. 11.

The data of the owners of the Company and the distribution of their ownership proportions:

Gr. Sarantis Ltd. (Registered seat: 26, Amaroussiou-Halandriou Str., 15125, Marousi, Greece) is the exclusive owner, it has direct control. The Company includes its report into its own consolidated report.

Names of affiliated undertakings, their registered seats:

Name	<i>Gr. Sarantis S.A.</i>
Registered seat	26, Amaroussiou, Halandriou Str., Maroussi 15125, Athens, Greece

Name	<i>Polipak SP Z.O.O</i>
Registered seat	ul. Harcerska 16 63-000 Sroda Wielkopolska, Poland

Name	<i>Sarantis Czech Republic</i>
Registered seat	13000 Praha-3, Reháčova 77. Czech Republic

Name	<i>Sarantis Slovakia s.r.o</i>
Registered seat	92027 Hlohovec, Nitrianska 100 Slovakia

Name	<i>Sarantis Polska</i>
Registered seat	05-500 Piaseczno, ul Pulanska 42C, Poland

Name	<i>Sarantis Romania SA</i>
Registered seat	Bukarest, SoS. De Centre Nr. 13A, Romania

Name	<i>Sarantis Beograd</i>
Registered seat	11080 Beograd, Milana Resetara str. 7. Serbia

The name and address of the person entitled to sign the annual report:

Name: Bernadett Kovács Executive
Home address: 8413 Eplény, Gyöngyvirág u. 9/A.

Data of the person responsible for the direction, management of the tasks that belong under the scope of audit services:

Name: Zsuzsanna Sűrű
Registration number: 165779

Audit:

The audit is done by:
Crowe FST Audit Kft
Registered seat: 1124 Budapest, Jagelló út 14.
Number of Chamber of Hungarian Auditors registration: 002455
Represented in respect of this task by: Lászlóné Kőszegi registered auditor
Number of Chamber of Hungarian Auditors membership certificate: 003946
Fee of the audit of year 2019: 1.980.000 HUF + VAT

2. Introduction of the accounting policy

The basis of accounting

Our Company is obliged to prepare an annual report based on the stipulations of the Accounting Act. We record our books according to the rules of double entry book keeping, in line with our reporting obligation. We defined that the balance sheet has to be prepared on January 12 of the year that follows the year involved.

The balance sheet contains the lines of the balance sheet of the annual report, given in Appendix 1 of the Act, indicated with capital letters and Roman numbers. The profit and loss statement includes those items of the profit and loss statement prepared with the total cost procedure indicated in Appendix 2 of the Act, which are indicated with capital letters and Roman numbers.

The Company accounts the planned depreciation with monthly regularity. The applied depreciation keys and periods are the following:

- software: based on individual judgement either a linear rate of 14.5 % or 20 %,
- investments made in rented real estates: 6 %,
- vehicles: 20 %,
- technical machines: 14.5 %,
- office equipment: linear rate of 33 %,
- furniture: linear rate of 14.5 %,
- IT equipment: linear rate of 33 %,
- In the case of assets the value of which is below 100 thousand HUF, the Company applies on the basis of individual judgement either the single amount writing off or writing off that corresponds to the above classification. The Company makes its decision in the case of assets that are below the individual value of 200 thousand HUF on the basis of individual judgement whether it will write off linearly the value of the assets during 2 years, or it will apply writing off as classified above.

Our Company revaluates its obligations and receivables, as well as its foreign exchange portfolio existing in foreign currency on the date of the balance sheet at the official exchange rate of the National Bank of Hungary, and it enters the amount of revaluation into the books in an aggregated manner.

The report was prepared in harmony with the Hungarian Accounting Act and with applying the principles of the Accounting Act.

II. SPECIFIC PART

A. SUPPLEMENTARY NOTES TO THE BALANCE SHEET

1. Fixed assets

The Company did not purchase any tangible assets that directly serve the protection of the environment.

The changes of the invested assets that took place in the given year are introduced in Appendix 1.

2. Composition of the inventories by brand groups

Data in Th HUF	31.12.2018	31.12.2019
STR8 PERFORMANCE LIN	5 082	8 909
STR8 FRAGRANCE LINE	77 104	65 961
B.U	25 873	26 725
C-THRU	8 522	17 998
PIERRE CARDIN	5 392	2 765
TUB-O-FLO	2 864	2 293
STREP	3 562	3 322
PRIVATE LABEL HH	68 951	99 670
ELODE	2 851	2 254
DENIM	76 011	89 535
VIDAL	1 066	924
TESORI DORIENTE	6 515	5 566
RIHANNA	9 118	3 578
DOMET	88 202	83 138
TOP STAR	31 252	28 115
HEWA	160 512	151 962
GAIA	186	154
BATISTE	9 453	14 390
FOX	14 459	1 490
FOIL PROFESSIONAL	2 514	2 050
TRAYS PROFESSIONAL	242	173
LIDS PROFESSIONAL	277	195
General	3 777	4 279
Goods in Transit	19 090	50 943
ASTRID SUN	-	8 185
CARROTEN SKINCARE	-	159
Stock provision	-	6 300
Advances for Stock	2 056	-
Total Inventory	624 932	668 434

We purchase the products and the raw materials from within the territory of the European Union and from third countries.

We purchased stock from affiliated undertakings according to the following distribution in year 2019 (in thousand HUF):

Company	Data in Th HUF	%
Gr. SARANTIS S.A	305 275	25,99%
POLIPAK SP. Z O.O.	136 232	11,60%
SARANTIS CZECH	30 906	2,63%
SARANTIS D.O.O.	1 271	0,11%
SARANTIS POLSKA	700 577	59,65%
SARANTIS ROMANIA	135	0,01%
Total	1 174 396	100%

3. Distribution of the receivables

Data in Th HUF	31.12.2018	31.12.2019
Trade receivables - Third Party	1 141 809	883 939
Trade receivables - Affiliates	5 245	707
<i>from this:</i>		
<i>GR SARANTIS SA</i>	214	-
<i>Sarantis Polska</i>	4 208	-
<i>Sarantis Slovakia s.r.o.</i>	0	684
<i>Sarantis Czech Republic, s.r.o</i>	619	-
<i>Affiliates Debtors revaluation</i>	204	23
Supplier reclassifications	812	97
Taxes, contribution	427	2 625
Custom deposit	-	6 667
Other receivables	381	2 473
Total	1 148 674	896 508

4. Composition of the liquid assets

Data in Th HUF	31.12.2018	31.12.2019
Petty Cash - HUF	47	95
Bank - HUF	236 033	319 530
Bank - EUR	4 283	47 879
Bank - USD	33 667	5 920
Bank - PLN		10 599
Total Cash & cash equivalents	274 030	384 023

5. Composition of asset side accruals

Data in Th HUF	31.12.2018	31.12.2019
Accrued Income - Third Party, rebate		8 356
Deferred Expenses - Third Party	403	402
Total Prepayments and accrued income	403	8 758

6. Development of the equity of the shareholders

Data in Th HUF	31.12.2018	Increase	Decrease	31.12.2019
I. Share Capital - Book Value	1 319 410	-	-	1 319 410
II. Share Capital Due				-
III. Legal Reserves	-	-	-	-
IV. Results of Previous Periods	- 382 927	221 543	-	161 385
V. Other Reserves	195 990		159 182	36 808
VI. Reserves from Revaluation	-	-	-	-
VII. Results of Current Period	62 361	162 270	62 361	162 270
Total Shareholders' equity	1 194 834	383 812	221 543	1 357 103

The additional capital payment of 148 000 thousand HUF was transferred into Results of Previous Periods based on Founders Resolution. The tied-up reserve consists the capitalised value of foundation-reorganisation of the amount of 36 808 thousand HUF, which contains the costs of the introduction of SAP that occurred in 2017 and 2018 until the end of the SAP introduction period.

7. Distribution of the liabilities

The Company does not have on records any long term liabilities on the balance sheet date.

The composition of current liabilities is shown in the following table:

Data in Th HUF	31.12.2018	31.12.2019
Suppliers (Goods, Raw Mat, Pack,FA) - Third Party	440 407	294 693
Suppliers (Goods, Raw Mat, Pack,FA) - Affiliates	275 279	181 359
<i>From this:</i>		
<i>GR Sarantis Cyprus Limited</i>	<i>12 924</i>	
<i>Gr. Sarantis S.A.</i>	<i>88 129</i>	<i>60 483</i>
<i>Polipak SP. Z O.O.</i>	<i>16 909</i>	<i>9 580</i>
<i>Sarantis D.O.O.</i>	<i>112</i>	<i>1 291</i>
<i>Sarantis Polska S.A.</i>	<i>155 745</i>	<i>105 621</i>
<i>SARANTIS CZECH REPUBLIC</i>		<i>4 384</i>
<i>Sarantis Romania S.A</i>	<i>1 460</i>	
Other Short Term Liabilities	61 257	47 358
<i>From this:</i>		
<i>Reclassification from customer</i>	<i>2 544</i>	<i>2 651</i>
<i>Reclassification from bank</i>	<i>1</i>	
<i>Liability towards the tax authority</i>	<i>58 712</i>	<i>44 707</i>
Short term loans	5	-
Total Currents Liabilities	776 948	523 410

8. Composition of liability side accruals

Data in Th HUF	31.12.2018	31.12.2019
Trade expense	133 497	96 154
Marketing expense	1 740	130
Transportation fee	1 990	-
SAP support	273	215
Audit	801	1 005
Fuel	1 685	-
Utilities fee	1 124	3 308
Internet	-	46
Lawyer fee	250	-
Shelf layout service	2 060	1 014
Mobile phone	331	-
Bonuses	995	16 017
Book keeping and payroll fee	260	657
Other accruals	91	1 765
Total Accruals	145 097	120 311

From Trade expense accruals 26 209 Th HUF was released as other income, that was related to the year 2016. Company submitted self-revision to the Tax Authority regarding Corporate income tax 2016.

B. SUPPLEMENTARY NOTES TO THE PROFIT AND LOSS STATEMENT

When compiling the annual report we paid special attention to the enforcement of the accounting principle of collation in order to take into consideration all the costs that are connected to the reported period for presenting the actual profit.

The profit of operation (business) activities is 184 428 thousand HUF.

1. Sales revenue related statements

Data in Th HUF	31.12.2018	31.12.2019
Domestic Net Sales Revenue	4 340 012	4 119 530
Export Net Sales Revenue	107 628	38 512
Total Net Sales	4 447 640	4 158 042

The sales revenue of the company was from its main activity, that is, from the wholesale of perfumes, cosmetic products and household substances.

Regional distribution of sales revenue from abroad

Data in Th HUF	2018.12.31		2019.12.31	
<i>Sales within EU</i>				
England	5 501	5,11%	8 940	23,21%
Italy	93 295	86,68%	24 076	62,52%
Greece	214	0,20%	26	0,07%
Czech Republic	2 616	2,43%	3 248	8,43%
Poland	6 002	5,58%	1 538	3,99%
Slovakia	0	0,00%	684	1,78%
Total Sales within EU	107 628	100,00%	38 512	100,00%
Total Export Sales	107 628	100,00%	38 512	100%

2. Other revenues

Data in Th HUF	31.12.2018	31.12.2019
Intangible goods and tangible assets sold		156
Financially settled discount received ex post		23 688
Inventory surplus – stock	3 155	1 414
Non-realized, released accrual from year 2016		26 209
Rounding difference	1	4
Reversed write off – Customer	4 855	3 344
Other income	232	1 366
Total Other income	8 243	56 181

3. Material type expenditures

Data in Th HUF	31.12.2018	31.12.2019
Raw, auxiliary and packing material usage	86	767
Testers	5 389	1 028
Demo material	4 245	1 355
Promotion material	131	3 411
Own consumption	2 390	1 473
Fuel	18 858	16 674
Work clothing, protective clothing	100	188
Stationery	1 672	1 323
Gas fee	2 099	3 528
Electricity fee	2 256	4 345
Water and canal fee	140	131
Other maintenance material	30	8
Other material	734	867
Other packing material	107	-
Total Material Costs	38 237	35 098

Data in Th HUF	31.12.2018	31.12.2019
Rent fee	38 081	38 037
Other service	149 527	64 536
Advertisement, propaganda	845 607	685 503
Maintenance	16 964	29 201
Accountancy support	22 292	10 242
Education and training cost	541	271
Transportation and loading fee	128 220	116 059
Travell and delegacy cost	2 667	1 997
Total Cost of Services	1 203 899	945 846

4. Other expenditures

Data in Th HUF	31.12.2018	31.12.2019
Provision - TRADE ACCRUALS		6 313
Other expenditures increasing the tax base		1 467
Environment protection product fee	96 170	93 045
Impairment – Trade debtors	3 344	28 444
Impairment – Stock		6 300
Writing off of uncollectable receivables	537	67
Local government tax	33 655	30 633
Innovation contribution		4 837
Inventory scrapping		417
Penalties, fines, late performance interests	-349	33
Inventory deficiency – stock	9 845	2 551
Marketing activities		6 664
Trade expenses	9 905	38 024
Late fee (due to delivery deficiencies)	8 114	8 970
Other expenditures	225	171
Total Other Expenses	161 446	227 936

5. Profit of financial operations

Data in Th HUF	31.12.2018	31.12.2019
Exchange rate loss	42 459	30 321
Other interest		4
<i>Total Financial expenditures</i>	<i>42 459</i>	<i>30 325</i>
Exchange rate profit	15 158	16 132
<i>Total Financial revenues</i>	<i>15 158</i>	<i>16 132</i>
Profit/Loss of financial operations	- 27 301	- 14 193

6. Revenues and expenditures of extraordinary sizes and occurrences

From Trade expense accruals 26 209 Th HUF was released as other income, that was related to the year 2016. Company submitted self-revision to the Tax Authority regarding Corporate income tax 2016.

The Company did not account any other revenues, costs and expenditures of extraordinary sizes and occurrences in the given year.

7. Calculation of the corporate tax

Calculating the corporation tax base is the following:

	Data in Th HUF
Earning before tax	170 235
Tax base modifications	- 81 732
Tax base increasing items	52 830
<i>Accounting depreciation</i>	16 506
<i>Cost not related to the business activity</i>	1 467
<i>Bad debts write off</i>	67
<i>Penalty</i>	33
<i>Provision</i>	6 313
<i>Bad debt provision</i>	28 444
Tax base decreasing items	134 562
<i>Loss carry forward</i>	88 503
<i>Tax depreciation</i>	16 506
<i>Previous year related other income</i>	26 209
<i>Release of provision of bad debt loss</i>	3 344
Tax base after modifications	88 503
<u>Minimal tax</u>	
Total Revenue	4 230 355
Minimal tax base	84 607
Effective tax base	88 503
Calculated tax 2019	7 965

III. INFORMATIVE SECTION

1. Obligations undertaken

The Company does not have any future pending obligations. No event occurred after the balance sheet date that would significantly influence the data of the balance sheet.

There is no obligation, the remaining lead time of which is more than 5 years, or which is ensured by any mortgage or similar right.

2. Wage and staff number data by staff groups

The managing officers do not get any separate remuneration for their activities, and the Company did not disburse to them any advance moneys and any loans.

Description	Gross salary (Th HUF)	Full time
MAN	121 393	20
blue-collar	19 094	3
white-collar	102 299	17
WOMAN	92 461	12
blue-collar	-	-
white-collar	92 461	12
Total	213 854	32

3. Wage contributions and other personal-type disbursements

Data in Th HUF	31.12.2018	31.12.2019
Social contribution tax	38 210	41 826
Vocational training contribution	2 996	3 192
Rehabilitation contribution	2 116	2 146
Other wage contributions	5 510	2 646
Total Social security costs	48 832	49 810
Other personnel expenses	22 542	20 129

4. Environment protection

The Company does not possess any assets that directly serve the protection of the environment. There was no provision formed in the given year and in the previous business year for covering the environment protection obligations, the future costs that serve the protection of the environment.

At the company there was no material that is hazardous and harmful to the environment, and no costs connected to environment protection arose.

5. Dividend

The General manager did not propose any dividend payment.

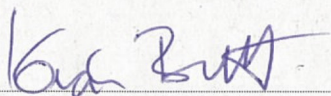
6. Cash-flow

The cash-flow statement of the given period is included in Appendix 2.

7. Indices

The indices that are characteristic of the activity of the given period and which are calculated from the financial statements are included in Appendix 3.

Budaörs, 16 March, 2020



Bernadett Kovács
Executive Director



Zsuzsanna Sűrű
Finance manager

Appendix 1
Table of the development of fixed assets

Table of the development of intangible goods and tangible assets	Data in Th HUF		Increase 2019	Decrease 2019	Opening balance of gross value 01.01.2019	Opening balance of amortisation 01.01.2019	Yearly amortisation 2019	Closing balance of Net value 31.12.2019
	01.01.2019	2019						
Intangible assets								
Foundation and restructuring	55 910	-	-	-	7 921	7 921	11 182	36 808
Property rights	73 503	-	-	-	73 379	73 379	91	33
Intangible assets total	129 414	-	-	-	81 300	81 300	11 273	36 841
Tangible assets								
Rights of not own building	2 284	-	-	-	930	930	137	1 216
Other equipments, machines	44 808	6 196	-	-	43 123	43 123	1 289	6 592
Other equipments, machines - Office	1 545	85	-	-	1 031	1 031	330	269
Other equipments, machines - IT equipments	20 834	842	-	-	14 577	14 577	2 603	4 497
Other equipments, machines	467	-	-	-	465	465	3	-
Other equipments, machines - Furnitures	4 131	-	-	-	4 103	4 103	27	-
Asset under contruction	-	7 123	7 123	-	-	-	-	-
Low valued fixed assets	4 811	845	-	-	4 811	4 811	845	-
Tangible assets total	78 880	15 090	7 123	7 123	69 041	69 041	5 233	12 573
Total Intangible and tangible assets	208 293	15 090	7 123	7 123	150 341	150 341	16 506	49 414

Appendix 2
Cash-Flow statement

CASH-FLOW REPORT

data in Th HUF

No.	Description	Previous year	Current year
a	b	c	d
	Opening Cash and Cash Equivalents	398 210	274 030
	Cash-flow from operating activities		
a.	Profit before taxes ±	70 409	170 235
	from this subsidy for operation		
b.	Corrections in Profit before taxes		
1.	Corrected Profit before taxes (a+b)	70 409	170 235
2.	Depreciation +	15 249	16 506
3.	Impairment and write-offs ±	-7 063	32 954
4.	Extraordinary Depreciation +		
5.	Changes in provisions ±		6 313
6.	Profit of selling fixed assets ±		-156
7.	Revaluation of FX Liquid assets +-	-385	
8.	Revaluation of FX cash and cash equivalents +-	588	-298
9.	Revaluation of FX loans +-		
10.	Changes in accounts payables ±	228 021	-239 634
11.	Changes in other liabilities without loans and credits ±	-15 210	-13 899
12.	Changes in accruals ±	37 317	-24 786
13.	Changes in accounts receivables ±	-257 619	262 408
	Correction due to write off+-		-25 100
14.	Changes in other current assets without stocks and accounts receivables ±	-163 003	-53 744
	Correction due to value loss, surplus +-		-7 854
15.	Changes in prepaid expenses ±	438	-8 355
16.	Tax paid / to be paid –	-8 048	-7 965
17.	Dividends paid / to be paid –		
I.	Cash-flow from operating activities	-99 306	106 624
	Cash-flow from investment activities		
1.	Acquisition of tangible and intangible fixed assets –	-24 286	-7 968
2.	Sales of tangible and intangible fixed assets +		156
3.	Payments received on long-term lending and bank accounts +		10 887
4.	Long-term lending and bank accounts –		
5.	Dividends received +		
II.	Cash-flow from investment activities	-24 286	3 075
	Cash-flow from financial activities		
1.	Net income on account of issue of shares, other capital instruments and additional payments to capital +		
2.	Issue of debt securities +		
3.	Loans and credits +		
4.	Cash received permanently +		
5.	Recalling of shares, other capital instruments and repayments of additional payments to capital –		
6.	Repayments of debt securities –		
7.	Repayments of loans and credits –		-4
8.	Cash paid permanently –		
III.	Cash-flow from financial activities	0	-4
IV.	Total net cash-flow ± (I. + II. + III.)	-123 592	109 695
	Revaluation of FX cash and cash equivalents +-	-588	298
V.	Cash change in balance sheet	-124 180	109 993
	Closing Cash and Cash Equivalents	274 030	384 023

Appendix 3

Some important financial indices

ASSET POSITION RELATED INDICES

Name of index	Calculation of the index	Previous year thousand HUF	Given year thousand HUF	Previous year	Given year	Change
Ratio of permanent fixed assets, %	$\frac{\text{Fixed assets}}{\text{Total assets}}$	$\frac{68\,840}{2\,116\,879}$	$\frac{49\,414}{2\,007\,137}$	3,25	2,46	75,71
Ratio of current assets, %	$\frac{\text{Current assets}}{\text{Total assets}}$	$\frac{2\,047\,636}{2\,116\,879}$	$\frac{1\,948\,965}{2\,007\,137}$	96,73	97,10	100,39
Coverage of fixed assets %	$\frac{\text{Shareholders' equity}}{\text{Fixed assets}}$	$\frac{1\,194\,834}{68\,840}$	$\frac{1\,357\,103}{49\,414}$	1735,68	2746,39	158,23
Coverage of tangible assets %	$\frac{\text{Shareholders' equity}}{\text{Tangible assets}}$	$\frac{1\,194\,834}{9\,839}$	$\frac{1\,357\,103}{12\,573}$	12144,08	10793,79	88,88
Capital strength (Shareholders' equity ratio), %	$\frac{\text{Shareholders' equity}}{\text{Total liabilities}}$	$\frac{1\,194\,834}{2\,116\,879}$	$\frac{1\,357\,103}{2\,007\,137}$	56,44	67,61	119,79
Ratio of current liabilities, %	$\frac{\text{Current liabilities}}{\text{Total liabilities}}$	$\frac{776\,948}{2\,116\,879}$	$\frac{523\,410}{2\,007\,137}$	36,70	26,08	71,05
Ratio of liabilities, %	$\frac{\text{Liabilities}}{\text{Total liabilities}}$	$\frac{776\,948}{2\,116\,879}$	$\frac{523\,410}{2\,007\,137}$	36,70	26,08	71,05

EFFICIENCY OF THE OPERATING OF THE ASSETS

Name of index	Calculation of the index	Previous year thousand HUF	Given year thousand HUF	Previous year	Given year	Change
Revolution number of assets	$\frac{\text{Net sales revenue}}{\text{Total assets}}$	$\frac{4\,447\,640}{2\,116\,879}$	$\frac{4\,158\,042}{2\,007\,137}$	2,10	2,07	98,60
Revolution number of tangible assets	$\frac{\text{Net sales revenue}}{\text{Tangible assets}}$	$\frac{4\,447\,640}{9\,839}$	$\frac{4\,158\,042}{12\,573}$	452,05	330,71	73,16
Revolution number of stocks	$\frac{\text{Net sales revenue}}{\text{Average stock}}$	$\frac{4\,447\,640}{496\,333}$	$\frac{4\,158\,042}{646\,683}$	8,96	6,43	71,75
Revolution number of shareholders' equity	$\frac{\text{Net sales revenue}}{\text{Shareholders' equity}}$	$\frac{4\,447\,640}{1\,194\,834}$	$\frac{4\,158\,042}{1\,357\,103}$	3,72	3,06	82,31

LIQUIDITY INDICES

Name of index	Calculation of index	Previous year thousand HUF	Given year thousand HUF	Previous year	Given year	Change
Liquidity index I (Current ratio)	<u>Current assets</u> Current liabilities	<u>2 047 636</u> 776 948	<u>1 948 965</u> 523 410	263,55	372,36	141,29
Liquidity index II (Quick ratio)	<u>Current assets-Inventories</u> Current liabilities	<u>1 422 704</u> 776 948	<u>1 280 531</u> 523 410	183,11	244,65	133,61
Liquidity index III	<u>Liquid assets + Securities</u> Current liabilities	<u>274 030</u> 776 948	<u>384 023</u> 523 410	35,27	73,37	208,02
Liquidity index IV	<u>Liquid assets</u> Current liabilities	<u>274 030</u> 776 948	<u>384 023</u> 523 410	35,27	73,37	208,02

FINANCIAL STRUCTURE INDICES

Name of index	Calculation of index	Previous year thousand HUF	Given year thousand HUF	Previous year	Given year	Change
Credit coverage index	<u>Receivables</u> Current liabilities	<u>1 148 674</u> 776 948	<u>896 508</u> 523 410	147,84	171,28	115,85
Degree of indebtedness	<u>Liabilities</u> Total assets	<u>776 948</u> 2 116 879	<u>523 410</u> 2 007 137	36,70	26,08	71,05
Dynamic liquidity	<u>Profit of operation activity</u> Current liabilities	97 710 <u>776 948</u>	<u>184 428</u> 523 410	12,58	35,24	280,18
Ratio of Buyer/ Supplier portfolio	<u>Buyers</u> Suppliers	<u>1 147 054</u> 715 686	<u>884 646</u> 476 052	160,27	185,83	115,95
Buyers, lead time	<u>Average buyer portfolio</u> Net sales revenue	949 406 4 447 640	<u>1 015 850</u> 4 158 042	77,91	89,17	114,45
Suppliers, lead time	<u>Average supplier stock</u> Material-type expenditures	<u>500 815</u> 3 269 270	<u>595 869</u> 3 501 560	55,91	62,11	111,09