



Buzău – Romania

J/10/83/1991 – COD FISCAL 1158050  
120012 Buzău, Str. Transilvaniei, nr. 132  
Tel.: 0238/711.155 ; 0338/105620  
Fax: 0238/710.722; 0338/101.537  
e-mail:  
Internet: [www.romcarbon.com](http://www.romcarbon.com)

# S.C. ROMCARBON S.A.



Nr. Intr. 6425  
Data 25.06.2018

Inregistration no 6425 /25.06.2018

To Board Administration,

- We introduce and propose for approval the list of investments necessary to be implemented in financial year 2018 and argument on the opportunity to their perform according to estimation of each Profit Centre in part totaling EUR 951.834 euro.

### *Structure of proposed investments*

No.	INVESTMENT	2018 Investment Plan-proposals		Estimated financing sources	
		Value-EURO-	Value-LEI-	Credit/Leasing 90%	Own sources 10%
1	Homogenizers 1 cubic meter -2 pieces	€ 12.000	55.800 lei	€ 10.800	€ 1.200
	<b>Total CP3</b>	<b>€ 12.000</b>	<b>55.800 lei</b>	<b>€ 10.800</b>	<b>€ 1.200</b>
2	Painting of GPL tanks and changing sprinklers installation	€ 7.000	32.550 lei	€ 6.300	€ 700
3	Stretch wrap machine	€ 4.950	23.018 lei	€ 4.455	€ 495
	<b>Total CP5</b>	<b>€ 11.950</b>	<b>55.568 lei</b>	<b>€ 10.755</b>	<b>€ 1.195</b>
4	Electrostatic separation line	€ 400.000	1.860.000 lei	€ 360.000	€ 40.000
5	Vacuum cleaner for dust and granules - 2 pieces	€ 8.000	37.200 lei	€ 7.200	€ 800
6	Roof for emptying stations of homogenizing units	€ 31.000	144.150 lei	€ 27.900	€ 3.100
7	Project for roof suitable for homogenising units	€ 1.828	8.500 lei	€ 1.645	€ 183
8	Shredder for bones	€ 29.809	138.612 lei	€ 26.828	€ 2.981
9	Gearbox and screw for extruder	€ 11.164	51.913 lei	€ 10.048	€ 1.116
10	Gearbox and second hand screw for extruder	€ 77.982	362.616 lei	€ 70.184	€ 7.798
11	Internet connexion for extruder	€ 4.419	20.548 lei	€ 3.977	€ 442
12	New screw-rear part for extruder	€ 20.395	94.837 lei	€ 18.356	€ 2.040
13	Spare parts for melt pump of extruder	€ 70.088	325.909 lei	€ 63.079	€ 7.009
14	New screws for extruder and service	€ 49.097	228.301 lei	€ 44.187	€ 4.910
15	Die plate for extruder	€ 5.444	25.315 lei	€ 4.900	€ 544
16	Heating unit	€ 3.507	16.308 lei	€ 3.156	€ 351
17	Execution of measures according with new safety fire scenario/sprinklers	€ 85.000	395.250 lei	€ 76.500	€ 8.500
18	Increasing of window of CP7 according with safety fire scenario	€ 3.840	17.856 lei	€ 3.456	€ 384
	<b>Total CP7</b>	<b>€ 801.573</b>	<b>3.727.314 lei</b>	<b>€ 721.416</b>	<b>€ 80.157</b>
19	Measurements and diagnostic cells 6kV	€ 7.737	35.979	€ 6.964	€ 774
20	Waterproof refurbishing of building Dispensary + gate cabin	€ 3.803	17.685	€ 3.423	€ 380
21	Waterproof roof refurbishing dyes warehouse	€ 1.442	6.708	€ 1.298	€ 144
22	Waterproof refurbishing of old building CP7 + Laboratory	€ 55.100	256.213	€ 49.590	€ 5.510

23	Waterproof refurbishing PE building - the pipe area + PP tape	€ 4.174	19.407	€ 3.756	€ 417
24	Asphalting area ramp loading CP6	€ 9.131	42.461	€ 8.218	€ 913
25	Asphalting (road widening ) laboratory area	€ 2.077	9.659	€ 1.870	€ 208
26	Asphalting entrance of the thermoforming hall CP5	€ 674	3.135	€ 607	€ 67
27	2 pices Server Fujitsu Primergy TX1310 M1	€ 1.701	7.908	€ 1.531	€ 170
28	hard disk WD Red 2TB- 2 pices	€ 180	835	€ 162	€ 18
29	Server Intel+ License windows+50 License Server CAL	€ 5.669	26.360	€ 5.102	€ 567
30	20 pices Laptop HP i3 +20 License	€ 17.548	81.600	€ 15.794	€ 1.755
31	IT Infrastructure revision	€ 3.418	15.892	€ 3.076	€ 342
32	Execution of power supply- double power supply for servers room from central building	€ 1.785	8.300	€ 1.606	€ 178
33	Refurbishing of „16000”hall	€ 8.172	38.000	€ 7.355	€ 817
	Total AD-TIV	€ 122.611	570.141	€ 110.350	€ 12.261
34	Metalization machine	€ 3.700	17.205 lei	€ 3.330	€ 370
	Total Mechanical Workshop	€ 3.700	17.205 lei	€ 3.330	€ 370
<b>TOTAL PRODUCTION AND ADMINISTRATIVE INVESTMENTS</b>		<b>€ 951.834</b>	<b>4.426.028 lei</b>	<b>€ 856.651</b>	<b>€ 95.183</b>

### Description of proposed investments

#### ➤ PROFIT CENTER No. 3

##### ✓ Homogenizing units 1 cm – 2 pcs

✓ Estimated value: 12.000 euro

In order to optimize the extrusion process, it is necessary to provide a homogeneous raw material that provides continuity to the technological process and ensures the same physic-chemical characteristics of the obtained products. Homogenizers are proposed for serving extruders which are not provided with multiple gravimeter dosing units, at present, homogenization doing by a device that rotate 2 tanks. The proposed new homogenizers have a capacity of 1 m<sup>3</sup>, and at a bulk density of ~ 0.6 t/m<sup>3</sup>, 600 kg/batch of raw materials can be homogenized.

Homogeneity of mixtures reduces :

- a) balloon instability during extrusion (especially at LD + HD, LD + LLD, LD + rPE)
- b) breaking of the balloon
- c) wider field for tolerances for physical-mechanical characteristics (traction, welding, etc.), optical, dimensional.

#### PROFIT CENTER No. 5

##### ✓ Stretch wrap machine

✓ Estimated values: 4.950 euro

The investment is suitable for palletizing of EPS panels by implementation of it aiming at reduction of manpower from 4 people to 1 people and thus reduction of cost with this activity.

#### ➤ PROFIT CENTER No. 7

##### ✓ Electrostatical separation

✓ Estimated value: 400.000 euro

The proposed electrostatic separation line contains electrostatic separation units with advantages in terms of:

- separating of 2 polymers in one pass
- increased capacity comparative with the existing one
- lower operating costs (increased capacity)
- quality increase due to the successive separation in 3 steps
- using the optical separation line in parallel with electrostatic sorting
- reducing the existing stock of non-compliant product in a short time.

✓ *Vacuum cleaner for dust and granules (2 pcs)*

- ✓ Estimated value: 8.000 euro

As a result of the recycling/compaction activity dust emissions are absorbed by the filtration and ventilation systems, but a part of the dust maintained by moving machines is dispersed and can cause equipment malfunctions, alarm sensors, and last but not least, electrostatic charges and fire hazards. The industrial vacuum cleaner can provide cleaning for all surfaces affected by dust, a reduction in particle pollution. For dust extraction on machines and large deposition areas an ATEX vacuum cleaner is proposed to eliminate the risk of explosion.

For aspiration of contaminants in the enclosure, as well as for rapid emptying of the granule / grinding content of the homogenizers, an aspirator with a suction hopper is proposed.

✓ *Roof for emptying stations of homogenizing units and project for it*

- ✓ Estimated value: 31.000 euros

The investment consisting in a cover (including foundations and frame support) is intended to protect against environmental factors( rain, snow, UV radiation) the 3 discharge big bags which feeds the 50mc homogenizers. The rain water is accumulated in the pipes being difficult to transport and homogenize the wet fractions.

✓ *Shredder for bones and others*

- ✓ Estimated value: 29.809 euro

The shredder is intended for the crushing of bones resulting in both internal and external production processes, as well as the crushing of the hangers. The investment is recovered in ~ 1 year in the conditions of the realization of 2 new products (PP and EP) based on this raw material, at a capacity correlated with the production of bones.

**MECHANICAL PROCESSING WORKSHOP**

✓ *Metallization machine*

- ✓ Estimated value: 3.700 euro

Necessary for the reconditioning of the shafts, flat surfaces, this installation cover with a layer with few microns up to 2 mm of metal powders at very high temperatures. In this way it is no longer necessary to execute new replacement pieces with stressful wear.

All others positions including in Investment Plan at Administrative represents acquisition of IT goods and infrastructure works necessary for the operational activity of the company.

II. Also, please approve the modification of the Investment Plan approved for the year 2017, in the sense of replacing some of the investment objectives approved under it (presented in the table below) with other investment objectives included in the Investment Plan for 2018, in value total of 170,659 Euro:

Nr crt	Pos. In 2017 Investment Plan	Investitie	categorie	Valoare estimata a investitiei (EURO)
1	3	Spectrometru portabil NIR laborator CP7	Utilaje	€ 5.000
2	23	Masterplan Romcarbon infrastructura apa	infrastructura utilitati	€ 100.000
3	24	Automatizare statia pompare S2	infrastructura utilitati	€ 25.000
4	32	Inlocuirea LEA 20kV cu LES 20kV în incinta gospodariei anexa	infrastructura utilitati	€ 40.659
		<b>total investitii nedemarate</b>		<b>€ 170.659</b>

III. Also, please approve the financing structure of the Investment Plan 2018 (presented in the table below) as well as the increase of the bank exposure with the amount of 700,000 Euros and the supplementation of the already established guarantee structure with those guarantees that will be created by the company in order to guarantee the new credit.

	Value -EURO-	Value -LEI-	New credit	Own sources 10%	Financing / Refinancing from existing credits
<b>Total Value of Investments in Plan 2018</b>	<b>€ 951,834</b>	<b>4,426,028 lei</b>	<b>€ 679,049</b>	<b>€ 95,183</b>	<b>€ 177,602</b>

In conclusion, please approve the empowerment of the General Manager and the Financial Director of Romcarbon SA to represent the company, to negotiate the contract terms and to sign all / any procurement contracts, all / any additional acts to it, all / any financing agreements and additional acts, as well as any other documents required for this purpose.

Elaborated/Centralized,  
Chief of Technical Investment Department

ch. Mihaela Budescu



Approved,

Technical Manager,

Financial Manager ,

COO,

CEO,

Eng. Mihai Titi

Ec. Viorica Zainescu

Ec. Carmen Manaila

Eng. Radu Andrei




