



# **S.C. ROMCARBON S.A.**

Half-Year report for the period ended June  
30, 2017

Separate Financial Statements

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### Separate Financial Statements

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## S.C. ROMCARBON S.A.

### Company Identification

**Half-Year report according with CNVM regulation (1/2006)**

**Date of release:** 14.08.2017

**Reporting date:** 30.06.2017

**Name of the Company:** SC ROMCARBON SA

**Headquarters:** Buzau , Str. Transilvaniei, nr.132

**Tel / fax:** 0238/711155; 0238/710697

**Sole registration code:** RO 1158050

**Registered business number:** J10 / 83/1991

**Subscribed and paid up share capital:** 26,412,209.60 lei

**Regulated market where the issued securities are traded:** Bucharest Stock Exchange,  
**Standard category**

**The main characteristics of the securities issued by the company:** 264,122,096 registered shares, dematerialized, with a nominal value of 0.1 lei.

## LANGUAGE DISCLAIMER

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## 1. ECONOMIC AND FINANCIAL POSITION OF THE COMPANY

## 1.1 STATEMENT OF THE FINANCIAL POSITION

Item	30.06.2016	31.12.2016	30.06.2017	30.06.2017 vs.31.12.2016	
Property, plant and equipment	150,354,265	147,005,912	145,021,694	-1,984,218	▼ -1.35%
Investment property	44,094,993	45,680,013	45,680,013	0	— 0.00%
Intangible assets	226,318	246,401	206,122	-40,279	▼ -16.35%
Financial assets	22,863,010	22,844,368	22,248,201	-596,167	▼ -2.61%
<b>Total non-current assets</b>	<b>217,538,585</b>	<b>215,776,694</b>	<b>213,156,030</b>	<b>-2,620,664</b>	<b>▼ -1.21%</b>
Inventories	21,309,987	25,668,487	23,131,024	-2,537,463	▼ -9.89%
Trade and other receivables	32,320,172	26,553,753	28,456,460	1,902,707	▲ 7.17%
Amounts to receive from affiliates (financial)	619,116	0	1,157,997	1,157,997	▲ 0.00%
Taxes receivables	69,197	447,239	60,498	-386,741	▼ -86.47%
Other assets	349,659	294,011	244,578	-49,433	▼ -16.81%
Cash and bank balances	2,412,253	5,615,329	7,407,022	1,791,693	▲ 31.91%
<b>Total current assets</b>	<b>57,080,383</b>	<b>58,578,819</b>	<b>60,457,579</b>	<b>1,878,760</b>	<b>▲ 3.21%</b>
<b>Total assets</b>	<b>274,618,968</b>	<b>274,355,513</b>	<b>273,613,609</b>	<b>-741,904</b>	<b>▼ -0.27%</b>
Issued capital	26,412,210	26,412,210	26,412,210	0	— 0.00%
Share premium	2,182,283	2,182,283	2,182,283	0	— 0.00%
Reserves	53,281,020	54,506,299	54,090,159	-416,140	▼ -0.76%
Retained earnings	48,307,845	47,230,089	49,449,036	2,218,947	▲ 4.70%
<b>Total equity</b>	<b>130,183,357</b>	<b>130,330,881</b>	<b>132,133,688</b>	<b>1,802,807</b>	<b>▲ 1.38%</b>
Borrowings [Long-term]	31,456,630	36,104,275	33,903,721	-2,200,554	▼ -6.09%
Long term finance leases and other interest bearing obligations	388,904	84,588	0	-84,588	▼ -100.00%
Deferred tax liabilities	11,142,757	10,468,240	10,468,240	0	— 0.00%
Deferred income	21,138,127	19,939,642	18,807,425	-1,132,217	▼ -5.68%
<b>Total non-current liabilities</b>	<b>64,126,418</b>	<b>66,596,745</b>	<b>63,179,386</b>	<b>-3,417,359</b>	<b>▼ -5.13%</b>
Trade and other payables	32,447,925	26,896,495	32,541,464	5,644,969	▲ 20.99%
Borrowings [Short – term]	41,729,498	45,337,135	40,000,690	-5,336,445	▼ -11.77%
Short term finance leases and other interest bearing obligations	1,643,627	1,107,270	392,495	-714,775	▼ -64.55%
Deferred revenue	2,384,915	2,293,920	2,389,742	95,822	▲ 4.18%
Other liabilities	2,103,228	1,793,067	2,976,144	1,183,077	▲ 65.98%
<b>Total current liabilities</b>	<b>80,309,192</b>	<b>77,427,887</b>	<b>78,300,535</b>	<b>872,648</b>	<b>▲ 1.13%</b>
<b>Total liabilities</b>	<b>144,435,610</b>	<b>144,024,632</b>	<b>141,479,921</b>	<b>-2,544,711</b>	<b>▼ -1.77%</b>
<b>Total equity and liabilities</b>	<b>274,618,968</b>	<b>274,355,513</b>	<b>273,613,609</b>	<b>-741,904</b>	<b>▼ -0.27%</b>

In the first 6 months of 2017 **Non-currents assets** hold 77.90% of the company's assets, recording a decrease of RON 2,620,664, i.e. 1.21%, as compared with the beginning of the year.

Non-current assets (NCA)	30.06.2017	% in total NCA	% in total Assets	30.06.2017 vs.31.12.2016
Property, plant and equipment	145,021,694	68.04%	53.00%	-1.35%
Investment property	45,680,013	21.43%	16.70%	0.00%
Intangible assets	206,122	0.10%	0.08%	-16.35%
Financial assets	22,248,201	10.44%	8.13%	-2.61%
<b>Total</b>	<b>213,156,030</b>	<b>100.00%</b>	<b>77.90%</b>	<b>-1.21%</b>

In the reporting period the main entries of Non-current assets (excepting the investments in progress and the downpayments) are:

·	Plants (including rearrangements and improvements)	:	1,218,393 lei
·	Equipment	:	1,174,051 lei
·	Furniture and office devices	:	100,993 lei

The non-current assets entries in the first 6 months of 2017 had the following destinations: CP7-Compounds : 1,592,435 lei; CP3 – Polyethylene: 313,607 lei; CP5- Polystyrene: 84,703 lei; Administrative and others: 502,692 lei.

The outputs of Non-current assets (dismantles), in the reporting period were as per registration cost in amount of RON 198,531 and as per net accounting value in amount of RON 28,800.

The property investments have the following structure:

Property investments	Land	Plants	Total
Iasi	26,949,733	8,535,852	35,485,585
Buzau	2,018,814	3,309,647	5,328,461
Stefanesti	2,430,559	2,435,408	4,865,967
<b>Total</b>	<b>31,399,106</b>	<b>14,280,907</b>	<b>45,680,013</b>

**Financial Investments** hold 8.13% of Total Assets, and 10.44% of Non-current assets.

As at 30.06.2017, S.C. ROMCARBON S.A. held shares in other companies totalizing RON 25,612,345, as follows:

Company	Total no. of shares	Nominal value (lei)	Capital (lei)	Capital held (lei)	No. of shares held	Acquisition value of the shares (lei)	Participation quota (%)
RECYPLAT LTD CIPRU ROMCARBON	26,000	4.3521	113,154	113,154	26,000	20,261,120	100.00%
DEUTSCHLAND GmbH			110,138	110,138		110,138	100.00%
RC ENERGO INSTALL SRL	200	10	2,000	2,000	200	15,112	100.00%
INFO TECH SOLUTIONS SRL	200	10	2,000	1,980	198	1,980	99.00%
LIVINGJUMBO INDUSTRY SA	200	4,032	806,400	798,336	198	1,639,232	99.00%
GRINFILD LLC UCRAINA						2,687,755	62.62%
YENKI SRL	32,800	10	328,000	109,340	10,934	100,000	33.34%
ASOCIATIA ECOLOGICA GREENLIFE (Non-Profit Organization)				0	1,200	400	33.33%
ECO PACK MANAGEMENT SA	144,600	10	1,446,000	366,700	36,670	586,625	25.36%
KANG YANG BIOTECHNOLOGY CO.LTD	2,889,993			0	139,000	203,963	4.81%
REGISTRUL MIORITA SA	10,500	10	105,000	3,980	398	5,000	3.79%
ARCH DEVELOPMENT ASSOCIATES SRL	45,200	10	452,000	1,020	102	1,020	0.23%
<b>TOTAL</b>						<b>25,612,345</b>	

The impairment of financial investments are presented in the following table:

Company	Participation quota	Impairment	Date of impairment
ROMCARBON DEUTSCHLAND GmbH	100.00%	110,138	31/12/2014
GRINFILD LLC UCRAINA	62.62%	2,687,755	31/08/2016
YENKI SRL	33.34%	11,989	31/12/2014
ECO PACK MANAGEMENT SA	25.36%	554,262	31/12/2014
<b>Total</b>		<b>3,364,144</b>	

In June 2017 it was approved the operation of decreasing the Recyplat' share premium with the amount of EUR 130,000. In the same month, Recyplat LTD paid back to Romcarbon SA the amount of EUR130,000 representing the share premium decrease.

**Current assets** hold 22.10% of total assets recording an increase of RON 1,878,760, i.e. 3.21% as compared with the beginning of the year.

<b>Current assets</b>	<b>30.06.2017</b>	<b>% in total CA</b>	<b>% in Total Assets</b>	<b>30.06.2017 vs.31.12.2016</b>
Inventories	23,131,024	38.26%	8.45%	-9.89%
Trade and other receivables	28,456,460	47.07%	10.40%	7.17%
Amounts to receive from affiliates (financial)	1,157,997	1.92%	0.42%	0.00%
Taxes receivables	60,498	0.10%	0.02%	-86.47%
Other assets	244,578	0.40%	0.09%	-16.81%
Cash and bank balances	7,407,022	12.25%	2.71%	31.91%
<b>Total</b>	<b>60,457,579</b>	<b>100.00%</b>	<b>22.10%</b>	<b>3.21%</b>

**Total Liabilities** hold 51.71% of the company's Equity&Liabilities recording a decrease of RON 2,544,711, i.e. 1.77%, as compared with the beginning of the year.

As at 30.06.2017 the loans contracted by the company have the following structure :

<b>Bank</b>	<b>Type</b>	<b>Initial amount</b>	<b>Balance as at 30.06.2017</b>		<b>Tenor</b>
			<b>in euro</b>	<b>in lei</b>	
UniCredit Bank	Credit line(Eur)	€ 5,450,000	€ 4,890,707	22,271,791 lei	10/04/18
BRD GSG	Credit line(Eur)	€ 2,550,000	€ 1,983,447	9,032,417 lei	30/10/17
UniCredit Bank	Investment loan (III)(Eur)	€ 442,500	€ 195,650	890,968 lei	19/09/21
BRD GSG	Investment loan (I)(Eur)	€ 2,058,000	€ 350,298	1,595,221 lei	01/03/18
BRD GSG	Investment loan (II)(Eur)	€ 1,000,000	€ 645,597	2,939,984 lei	03/09/22
BRD GSG	Investment loan (III)(Eur)	€ 3,153,160	€ 2,064,569	9,401,841 lei	03/02/22
UniCredit Bank	Investment loan - CCE 2015(Eur)	€ 3,042,240	€ 2,849,920	12,978,250 lei	04/12/23
<b>TOTAL credits in euro</b>		<b>€ 17,695,900</b>	<b>€ 12,980,188</b>	<b>59,110,472 lei</b>	
Eximbank SA	Investment loan (Lei)	6,142,500 lei		5,118,750 lei	20/06/22
UniCredit Bank	Investment loan (I)(Lei)	3,200,000 lei		3,039,105 lei	11/07/23
UniCredit Bank	Investment loan (II)(Lei)	2,500,000 lei		1,194,672 lei	19/09/21
UniCredit Bank	Investment loan (IV)(Lei)	5,400,000 lei		4,850,454 lei	01/12/21
UniCredit Bank	Investment loan (V)(Lei)	2,250,000 lei		590,958 lei	06/04/22
<b>Total credits in lei</b>		<b>19,492,500 lei</b>		<b>14,793,939 lei</b>	
<b>Total</b>				<b>73,904,410 lei</b>	

In April 2017, the company signed with UniCredit Bank SA an addendum to the credit line having an initial ceiling of EUR 3,450,000, through which the credit line ceiling was increased with the amount of EUR 2,000,000, and in the same time the 2<sup>nd</sup> credit line signed with UniCredit having an initial value of EUR 2,500,000 had been closed. Also in April 2017 it was signed with UniCredit Bank SA a credit contract for investment for a period of 60 months from the date of signing having a value of RON 2,250,000 (equivalent of EUR 500,000).

Short term loans have the following structure :

<b>Bank</b>	<b>Type</b>	<b>CCY</b>	<b>Initial amount</b>	<b>Balance as at 30.06.2017</b>	
				<b>in euro</b>	<b>in lei</b>
UniCredit Bank SA	Credit line	euro	€ 5,450,000	€ 4,890,707	22,271,791 lei
BRD	Credit line	euro	€ 2,550,000	€ 1,983,447	9,032,417 lei
<b>Total short-term loans</b>			<b>€ 8,000,000</b>	<b>€ 6,874,154</b>	<b>31,304,208 lei</b>

Long term loans have the following structure :

Bank	Type	CCY	Balance as at 30.06.2017		Short term	Long term
			in euro	in lei		
BRD GSG	Investment loan(I)	euro	€ 350,298	1,595,221 lei	1,595,221 lei	- 0 lei
BRD GSG	Investment loan(II)	euro	€ 645,597	2,939,984 lei	474,191 lei	2,465,793 lei
BRD GSG	Investment loan(III)	euro	€ 2,064,569	9,401,841 lei	2,051,311 lei	7,350,530 lei
UniCredit	Investment loanIII*	euro	€ 195,650	890,968 lei	167,057 lei	723,912 lei
UniCredit	Investment loan - CCE 2015	euro	€ 2,849,920	12,978,250 lei	1,525,556 lei	11,452,693 lei
UniCredit	Investment loanI	Lei		3,039,105 lei	499,579 lei	2,539,526 lei
UniCredit	Investment loanII*	Lei		1,194,672 lei	224,001 lei	970,671 lei
UniCredit	Investment loanIV	Lei		4,850,454 lei	1,077,878 lei	3,772,575 lei
UniCredit	Investment loanV*	Lei		590,958 lei	57,937 lei	533,021 lei
Eximbank	Investment loan	Lei		5,118,750 lei	1,023,750 lei	4,095,000 lei
<b>Total long-term loans</b>			<b>€ 6,106,033</b>	<b>42,600,202 lei</b>	<b>8,696,482 lei</b>	<b>33,903,721 lei</b>

Note : The credits marked with \* are partially used at the reporting date.

These loans are guaranteed by mortgages on land and plants, pledges on equipment, security mortgage on current bank accounts, receivables assignments.

**Current liabilities of the Company**, representing 55.34% of the Total Liabilities and 28.62% of Total Equity & Liabilities have increased by RON 872,648 as compared with 31.12.2016, i.e. 1.13%, have the following structure:

Current liabilities (CL)	30.06.2017	% in Total CL	% in total liabilities	% in total liabilities and equity	30.06.17 vs. 31.12.16
Trade and other payables	32,541,464	41.56%	23.00%	11.89%	20.99%
Borrowings [Short – term]	40,000,690	51.09%	28.27%	14.62%	-11.77%
Short term finance leases and other interest bearing obligations	392,495	0.50%	0.28%	0.14%	-64.55%
Deferred revenue	2,389,742	3.05%	1.69%	0.87%	4.18%
Other liabilities	2,976,144	3.80%	2.10%	1.09%	65.98%
<b>Total</b>	<b>78,300,535</b>	<b>100.00%</b>	<b>55.34%</b>	<b>28.62%</b>	<b>1.13%</b>

**Non-current Liabilities** representing 23.09% of the company's Equity&Liabilities were registered in the reporting period a decrease of RON 3,417,359, i.e. 5.13%, as compared with 31.12.2016.

Non-current liabilities (NCL)	30.06.2017	% in Total NCL	% in total liabilities	% in total Equity and liabilities	30.06.17 vs. 31.12.16
Borrowings [Long-term]	33,903,721	53.66%	23.96%	12.39%	-6.09%
Long term finance leases and other interest bearing obligations	0	0.00%	0.00%	0.00%	-100.00%
Deferred tax liabilities	10,468,240	16.57%	7.40%	3.83%	0.00%
Deferred income	18,807,425	29.77%	13.29%	6.87%	-5.68%
<b>Total</b>	<b>63,179,386</b>	<b>100.00%</b>	<b>44.66%</b>	<b>23.09%</b>	<b>-5.13%</b>

**Total Equity** holding 48.29% of Total Equity&Liabilities had registered an increase of RON 1,802,807 as compared with the beginning of the year, have the following structure:



Equity	30.06.2017	30.06.17 vs. 31.12.16
Issued capital (264,122,096 shares at 0.10 lei per share)	26,412,210	0.00%
Share premium	2,182,283	0.00%
Reserves	54,090,159	-0.76%
Retained earnings	49,449,036	4.70%
<b>Total</b>	<b>132,133,688</b>	<b>1.38%</b>

## 1.2 STATEMENT OF THE PROFIT AND LOSS AND OTHER COMPREHENSIVE ITEMS

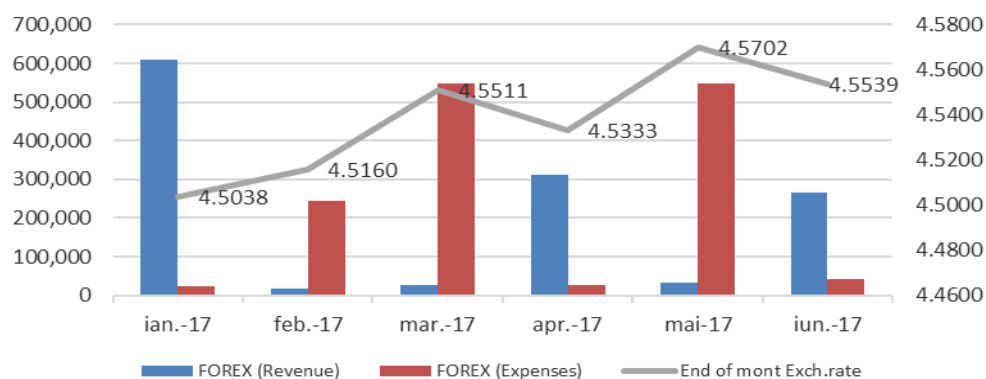
Item	30.06.2015	30.06.2016	30.06.2017	2017 vs.2016
Net sales	87,297,447	89,840,618	97,422,944	▲ 7,582,326
Investment income *	7,107,180	2,134,841	2,553,503	▲ 418,662
Other gains and losses	141,675	92,365	-76,179	▼ - 168,544
Changes in inventories of finished goods and work in progress	1,416,718	2,105,127	656,863	▼ -1,448,264
Raw materials and consumables used	-67,285,612	-66,993,132	-69,845,708	▲ 2,852,576
Depreciation and amortisation expenses	-3,494,065	-4,650,139	-5,338,782	▲ 688,643
Employee salaries and benefits	-8,963,851	-10,910,708	-13,671,827	▲ 2,761,119
Social security expenses	-2,115,430	-2,552,640	-3,198,942	▲ 646,302
Net finance costs	-1,012,120	-1,148,989	-874,046	▼ - 274,943
Income from subsidies	587,589	1,036,381	1,132,218	▲ 95,837
Other expenses	-5,501,988	-6,463,237	-6,859,697	▲ 396,460
<b>Profit (loss) before taxation</b>	<b>8,177,543</b>	<b>2,490,486</b>	<b>1,900,347</b>	▼ - <b>590,139</b>
Profit tax	-439,598	-190,932	-97,540	▼ - 93,392
<b>Profit (loss) of the year</b>	<b>7,737,945</b>	<b>2,299,554</b>	<b>1,802,807</b>	▼ - <b>496,747</b>
Other comprehensive items	0	0	0	— -
<b>Total comprehensive income</b>	<b>7,737,945</b>	<b>2,299,554</b>	<b>1,802,807</b>	▼ - <b>496,747</b>

\*Investment income – details:

Item	30.06.2015	30.06.2016	30.06.2017
Rental and royalty income	1,309,258	1,257,448	1,393,879
Interest income	8,567	8,277	1,617
Investment income (dividends) - Recyplat	4,698,777	0	0
Investment income (dividends) - Energo Install SRL	0	250,000	1,000,000
Investment income (dividends) - Infotech Solutions	100,579	124,116	158,007
Investment income (dividends) - LivingJumbo			
Industry	990,000	495,000	0
<b>Total</b>	<b>7,107,180</b>	<b>2,134,841</b>	<b>2,553,503</b>

**Note:** In accordance with Order no. 1286/2012 the company bank availabilities, the receivables and the liabilities expressed in a foreign currency are evaluated each month at the closing exchange rate comunicated by NBR. From this evaluation for the first 6 months of 2017 the company registered revenues in amount of RON 1,269,085 and expenses in amount of RON 1,432,354, resulting a net loss of RON 163,269.

Exchange differences resulting from the revaluation of the receivables, payables and currency availabilities at the end of each month



### 1.3 Turnover (Sales)

In the past 3 years the Company turnover registered the following evolution:

Sales	6 Months of 2015		6 Months of 2016		6 Months of 2017		2017 vs.2016	
	Value	% in total	Value	% in total	Value	% in total		
Sales of finished goods	53,285,894	60.14%	57,383,209	62.99%	70,202,437	71.04%	▲	22.34%
Sales of intermediary goods	108,756	0.12%	44,281	0.05%	28,645	0.03%	▼	-35.31%
Services rendered	107,901	0.12%	164,019	0.18%	197,342	0.20%	▲	20.32%
Sale of commodities	32,451,480	36.62%	30,777,259	33.78%	25,400,946	25.71%	▼	-17.47%
Rental and royalty income	1,309,258	1.48%	1,257,448	1.38%	1,393,879	1.41%	▲	10.85%
Revenues from sundry services	1,343,415	1.52%	1,471,850	1.62%	1,593,575	1.61%	▲	8.27%
<b>Total, out of which:</b>	<b>88,606,704</b>	<b>100.00%</b>	<b>91,098,066</b>	<b>100.00%</b>	<b>98,816,822</b>	<b>100.00%</b>	<b>▲</b>	<b>8.47%</b>
~domestic market	74,327,818	83.89%	72,320,856	79.39%	72,669,059	73.54%	▲	0.48%
~exports	14,278,885	16.11%	18,777,209	20.61%	26,147,763	26.46%	▲	39.25%

Note: Turnover comprises the item Revenue from Profit and Loss Account, plus Rental and royalty income which is comprised in Investment income.

### 1.4 FINANCIAL RATIOS

In the reporting period the company registered the following ratios.

Indicator	30.06.2016	31.12.2016	30.06.2017
Net profit	2,299,554	4,903,474	1,802,807
Profit tax (+)	190,932	-674,517	97,540
Expenses with interests (+)	965,595	1,748,687	806,532
<b>EBIT</b>	<b>3,456,081</b>	<b>5,977,645</b>	<b>2,706,879</b>
Depreciation(+)	4,650,139	9,578,963	5,338,782
Revenues from subsidies for investment (-)	1,036,381	2,203,176	1,132,218
<b>EBITDA</b>	<b>7,069,839</b>	<b>13,353,431</b>	<b>6,913,443</b>

**1 Profitability**

Nr.Crt.	Indicator	Formula	30.06.2016	31.12.2016	30.06.2017
a)	EBITDA to Turnover	$\frac{\text{EBITDA}}{\text{Turnover}} \times 100$	7.76%	7.37%	7.00%
b)	EBITDA to Total Equity	$\frac{\text{EBITDA}}{\text{Total Equity}} \times 100$	5.43%	10.25%	5.23%
c)	Gross profit ratio	$\frac{\text{Gross profit}}{\text{Turnover}} \times 100$	2.73%	2.33%	1.92%

**2 Liquidity Analysis**

Nr.Crt.	Indicator	Formula	30.06.2016	31.12.2016	30.06.2017
a)	Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	0.71	0.76	0.77
b)	Quick ratio	$\frac{\text{Current assets less Inventories}}{\text{Current liabilities}}$	0.45	0.43	0.48

**3 Risk Analysis**

Nr.Crt.	Indicator	Formula	30.06.2016	31.12.2016	30.06.2017
a)	Non-current liabilities to Equity	$\frac{\text{Non-current liabilities}}{\text{Total Equity}}$	0.49	0.51	0.48
b)	Interest coverage ration	$\frac{\text{EBIT}}{\text{Interest expenses}}$	3.58	3.42	3.36

**4 Activity Analysis**

Nr.Crt.	Indicator	Formula	30.06.2016	31.12.2016	30.06.2017
a)	Account receivable turnover ratio	$\frac{\text{Average receivable balance}}{\text{Turnover}} \times \text{days}$	65	60	50
b)	Account payable turnover ratio	$\frac{\text{Average payable balance}}{\text{Turnover}} \times \text{days}$	63	57	54

**5 Profitability ratios**

Nr.Crt.	Indicator	Formula	30.06.2016	31.12.2016	30.06.2017
a)	Return on assets (ROA)	$\frac{\text{Net profit}}{\text{Total Assets}} \times 100$	0.84%	1.79%	0.66%
b)	Return on equity (ROE)	$\frac{\text{Net profit}}{\text{Total Equity}} \times 100$	1.77%	3.76%	1.36%
c)	Return on sales (ROS)	$\frac{\text{Net profit}}{\text{Turnover}} \times 100$	2.52%	2.71%	1.82%

**1.5 STATEMENT OF CASH FLOW**

The cash and cash equivalent in the reporting period had registered an increase of RON 1,791,694 as compared with 01.01.2017.

<b><u>CASH FROM OPERATIONS</u></b>	<b><u>30/06/2016</u></b>	<b><u>31/12/2016</u></b>	<b><u>30/06/2017</u></b>
Cash generated from operations ( A )	4,401,220	4,938,803	10,914,591
<b><u>CASH FROM INVESTMENT ACTIVITY</u></b>			
Net cash (used in)/generated by investing activities( B )	-6,218,822	-11,481,116	-1,585,899
<b><u>CASH FROM FINANCING ACTIVITY</u></b>			
Net cash generated/used by/in financing activities ( C )	-8,658,980	-731,194	-7,536,998
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)</b>	<b>-10,476,582</b>	<b>-7,273,507</b>	<b>1,791,694</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>12,888,835</b>	<b>12,888,835</b>	<b>5,615,328</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>2,412,253</b>	<b>5,615,328</b>	<b>7,407,022</b>

## 2. ANALYSES OF COMPANY'S ACTIVITY

- 2.1 Nothing to mention
- 2.2 Nothing to mention
- 2.3 Nothing to mention

## 3. CHANGES IN THE REPORTING PERIOD WITH A MAJOR IMPACT ON THE COMPANY'S EQUITY AND COMPANY'S MANAGEMENT

- 3.1. In the reporting period the company hadn't faced any difficulty for paying its financial, commercial, bank, and tax debts within the tenor.
- 3.2. Nothing to mention

## 4. SIGNIFICANT TRANZACTIONS

In the first 6 months of 2017 it was realised tranzactions with relatives parties as following:

<b>Company</b>	<b>Sales 6 months of 2017 (without VAT)</b>	<b>Aquisitions 6 months of 2017 (without VAT)</b>
INFO TECH SOLUTION SRL BUZAU	12,166 RON	208,485 RON
LIVINGJUMBO INDUSTRY SA	16,587,368 RON	630,084 RON
RC ENERGO INSTALL SRL BUZAU	50,186 RON	1,020,369 RON
YENKI SRL BUZAU	7,276 RON	- RON
<b>Total</b>	<b>16,656,996 RON</b>	<b>1,858,938 RON</b>

## 5. SHAREHOLDERS

As at 30.06.2017 the SC Romcarbon SA shareholders structure, according to Depozitarul Central SA was as follows:

<b>Shareholder</b>	<b>No.of shares</b>	<b>% of capital</b>
LIVING PLASTIC INDUSTRY S.R.L.	86,774,508	32.85%
JOYFUL RIVER LIMITED	54,195,089	20.52%
BRAICONF SA	23,000,000	8.71%

NEW CARPATHIAN FUND	9,350,000	3.54%
STICHTING BEWAARDER OVERLEVINGSFONDS	10,000,000	3.79%
FONDUL DE PENSII ADMINISTRAT PRIVAT NN/NN PENSII S.A.F.P.A.P. S.A.	7,610,000	2.88%
Other legal entities	14,059,209	5.32%
Other natural persons	59,133,290	22.39%
<b>Total</b>	<b>264,122,096</b>	<b>100.00%</b>

Please note that the Financial Statements for the period ended June 30, 2017 have not been audited.

Thinking  
forward

**Chairman of the Board,  
Hung Ching Ling**

**General Manager: eng.Andrei Radu  
Financial Manager :ec. Zainescu Viorica Ioana**

# S.C. ROMCARBON S.A.

## SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2017

PREPARED IN ACCORDANCE WITH  
INTERNATIONAL FINANCIAL REPORTING STANDARDS



Thinking  
forward

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**STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED JUNE 30, 2017**

(all amounts are expressed in lei, unless specified otherwise)

	<u>June 30, 2016</u>	<u>June 30, 2017</u>
	<b>RON</b>	<b>RON</b>
Net sales	89,840,618	97,422,944
Investment income	2,134,841	2,553,503
Other gains or losses	92,364	(76,179)
Changes in inventories	2,105,127	656,863
Raw materials and consumables used	(66,993,133)	(69,845,708)
Depreciation and amortization expense	(4,650,139)	(5,338,782)
Employee salaries and benefits	(10,910,708)	(13,671,827)
Social security expenses	(2,552,640)	(3,198,942)
Net finance cost	(1,148,989)	(874,046)
Income from subsidies	1,036,381	1,132,218
Other expenses	(6,463,236)	(6,859,697)
<b>Profit (loss) before taxation</b>	<b>2,490,486</b>	<b>1,900,347</b>
Income tax	(190,932)	(97,540)
<b>Net profit</b>	<b>2,299,554</b>	<b>1,802,807</b>
Other comprehensive income		
<b>Total comprehensive income</b>	<b>2,299,554</b>	<b>1,802,807</b>
Earnings per share	0.0087	0.0068
<b>Number of shares</b>	264,122,096	264,122,096



**Thinking  
forward**

**CHAIRMAN OF THE BOARD  
HUNG CHING LING**

Signature \_\_\_\_\_

**GENERAL MANAGER  
ANDREI RADU**

Signature \_\_\_\_\_

PREPARED BY,  
**FINANCIAL MANAGER  
ZAINESCU VIORICA**

Signature \_\_\_\_\_



**STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED JUNE 30, 2017**

(all amounts are expressed in lei, unless specified otherwise)

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
	<b>RON</b>	<b>RON</b>
<b>Non-current assets</b>		
Property, plant and equipment	147,005,912	145,021,694
Investment property	45,680,013	45,680,013
Intangible assets	246,401	206,122
Financial assets	22,844,368	22,248,201
<b>Total non-current assets</b>	<b>215,776,694</b>	<b>213,156,030</b>
<b>Current assets</b>		
Inventories	25,668,487	23,131,024
Trade and other receivables	26,553,753	28,456,460
Amounts to receive from affiliates (financial)	-	1,157,997
Taxes receivables	447,239	60,498
Other assets	294,011	244,578
Cash and bank balances	5,615,329	7,407,022
Inventories	-	-
<b>Total current assets</b>	<b>58,578,819</b>	<b>60,457,579</b>
<b>TOTAL ASSETS</b>	<b>274,355,513</b>	<b>273,613,609</b>
<b>Equity and Liabilities</b>		
<b>Capital and reserve</b>		
Share capital	26,412,210	26,412,210
Share premiums	2,182,283	2,182,283
Reserves	54,506,299	54,090,159
Retained earnings	47,230,089	49,449,036
<b>Total capitaluri</b>	<b>130,330,881</b>	<b>132,133,688</b>
<b>Non-current liabilities</b>		
Borrowings	36,104,275	33,903,721
Long term finance leases and other interest-bearing liabilities	84,588	-
Deferred tax liabilities	10,468,240	10,468,240
Deferred income	19,939,642	18,807,425
<b>Total non-current liabilities</b>	<b>66,596,745</b>	<b>63,179,386</b>
<b>Current liabilities</b>		
Trade and other payables	26,896,495	32,541,464
Borrowings	45,337,135	40,000,690
Short term finance leases and other interest-bearing liabilities	1,107,270	392,495
Deferred income	2,293,920	2,389,742
Other liabilities	1,793,067	2,976,144
<b>Total current liabilities</b>	<b>77,427,887</b>	<b>78,300,535</b>
<b>Total liabilities</b>	<b>144,024,632</b>	<b>141,479,921</b>
<b>Total equity and liabilities</b>	<b>274,355,513</b>	<b>273,613,609</b>

**CHAIRMAN OF THE BOARD: HUNG CHING LING**

Signature \_\_\_\_\_

**GENERAL MANAGER: ANDREI RADU**

Signature \_\_\_\_\_

PREPARED BY,

**FINANCIAL MANAGER: ZAINESCU VIORICA**

Signature \_\_\_\_\_

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED JUNE 30, 2017**

(all amounts are expressed in lei, unless specified otherwise)

	<b>Issued capital</b>	<b>Share premiums</b>	<b>Revaluation reserves</b>	<b>Legal reserves</b>	<b>Other reserve</b>	<b>Retained earnings</b>	<b>Total</b>
<b>01 January 2017</b>	<b>26,412,210</b>	<b>2,182,283</b>	<b>42,349,946</b>	<b>3,635,090</b>	<b>8,521,262</b>	<b>47,230,089</b>	<b>130,330,880</b>
Realised revaluation reserve	-	-	-	-	-	-	-
Distribution of dividends	-	-	-	-	-	-	-
Net profit of the period	-	-	-	-	-	1,802,807	1,802,807
Transfers between capital accounts	-	-	(416,140)	-	-	416,140	-
<b>30 June 2017</b>	<b>26,412,210</b>	<b>2,182,283</b>	<b>41,933,807</b>	<b>3,635,090</b>	<b>8,521,262</b>	<b>49,449,036</b>	<b>132,133,687</b>

Thinking  
forward**CHAIRMAN OF THE BOARD  
HUNG CHING LING**

Signature \_\_\_\_\_

**FINANCIAL MANAGER  
ZAINESCU VIORICA**

Signature \_\_\_\_\_

**GENERAL MANAGER  
ANDREI RADU**

Signature \_\_\_\_\_

**Statement of Cash-flow for the period ended June 30, 2017**  
(all amounts are expressed in lei, unless specified otherwise)

The cash and cash equivalent and cash equivalent in the reporting period had registered an increase of RON 1,791,694 as compared with 01.01.2017.

The comparative statement of cash-flow is presented in the following table.

	<b>30/06/2016</b>	<b>31/12/2016</b>	<b>30/06/2017</b>
<b><u>CASH FROM OPERATIONS</u></b>			
Cash generated from operations A )	4,401,220	4,938,803	10,914,591
<b><u>CASH FROM INVESTMENT ACTIVITY</u></b>			
Net cash (used in)/generated by investing activities(B)	-6,218,822	-11,481,116	-1,585,899
<b><u>CASH FROM FINANCING ACTIVITY</u></b>			
Net cash generated/used by/in financing activities(C)	-8,658,980	-731,194	-7,536,998
<b><u>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</u></b>	<b>-10,476,582</b>	<b>-7,273,507</b>	<b>1,791,694</b>
<b><u>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</u></b>	<b>12,888,835</b>	<b>12,888,835</b>	<b>5,615,328</b>
<b><u>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</u></b>	<b>2,412,253</b>	<b>5,615,328</b>	<b>7,407,022</b>

**CHAIRMAN OF THE BOARD**  
**HUNG CHING LING**

Signature\_\_\_\_\_

**GENERAL MANAGER**  
**ANDREI RADU**

Signature\_\_\_\_\_

PREPARED BY,  
**FINANCIAL MANAGER**  
**ZAINESCU VIORICA**

Signature\_\_\_\_\_

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2017**

(all amounts are expressed in lei, unless specified otherwise)

This is a free translation from Romanian original version

**NET SALES**

	<u>30-Jun-16</u>	<u>30-Jun-17</u>
	RON	RON
Sales of finished goods	57,469,953	70,387,872
Sales of commodities	30,734,796	25,244,155
Services rendered	164,019	197,342
Other sales	1,471,850	1,593,575
<b>Total</b>	<b>89,840,618</b>	<b>97,422,944</b>

**INVESTMENT INCOME**

	<u>30-Jun-16</u>	<u>30-Jun-17</u>
	RON	RON
Income from renting investment property	1,257,448	1,393,879
Income from interest on bank deposits	8,277	1,627
Dividends received from participations	869,116	1,157,997
<b>Total</b>	<b>2,134,841</b>	<b>2,553,503</b>

**OTHER GAINS AND LOSSES**

	<u>30-Jun-16</u>	<u>30-Jun-17</u>
	RON	RON
Income from penalties charged	594	3,549
Gain / (Loss) on disposal of investment property	(9,240)	-
FOREX gain / (loss)	85,811	(150,066)
Gain / (Loss) on changes of provisions	-	20,105
Other gains	15,199	50,233
Other losses	-	-
<b>Total</b>	<b>92,364</b>	<b>(76,179)</b>

**RAW MATERIALS AND CONSUMABLES USED**

	<u>30-Jun-16</u>	<u>30-Jun-17</u>
	RON	RON
Raw materials	30,414,080	37,990,999
Commodities sold	30,132,153	24,869,473
Energy and water	4,038,788	4,696,111
Expenses with consumables	2,408,113	2,289,126
<b>Total</b>	<b>66,993,133</b>	<b>69,845,708</b>

**DEPRECIATION AND AMORTIZATION EXPENSES**

	<u>30-Jun-16</u>	<u>30-Jun-17</u>
	RON	RON
<b>Total amortization expenses,</b>	4,650,139	5,338,782
of which:		
Depreciation of fixed assets	4,612,892	5,278,212
Amortization of intangible assets	37,247	60,570
<b>Total</b>	<b>4,650,139</b>	<b>5,338,782</b>

**EXPENSES WITH SALARIES AND SOCIAL SECURITY SERVICES**

	<u>30-Jun-16</u>	<u>30-Jun-17</u>
	RON	RON
Salaries	10,386,136	13,037,544

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2017****(all amounts are expressed in lei, unless specified otherwise)****This is a free translation from Romanian original version**

Social contributions	2,552,640	3,198,942
Meal tickets	524,572	634,283
<b>Total</b>	<b>13,463,348</b>	<b>16,870,769</b>

**NET FINANCE COST**

	<u>30-Jun-16</u> RON	<u>30-Jun-17</u> RON
Bank interest and leases expenses	965,595	790,002
Bank commissions and assimilated charges	183,394	84,044
<b>Total</b>	<b>1,148,989</b>	<b>874,046</b>

**OTHER EXPENSES**

	<u>30-Jun-16</u> RON	<u>30-Jun-17</u> RON
Expenses with transport and logistics	2,149,578	2,429,957
Other expenses with third party services	2,369,578	2,815,070
Protocol and marketing	307,065	284,236
Expenses with repairs	408,635	416,646
Taxes and levies	366,886	424,731
Losses from receivables	5,282	15,915
Expenses with insurances	124,132	100,990
Expenses with postal charges and telecommunications	69,195	76,201
Expenses with travels	76,811	87,503
Expenses with rents	222,158	91,475
Expenses with commissions and fees	6,153	3,927
Expenses with fines and penalties	9,883	2,356
Other expenses	347,880	110,690
<b>Total</b>	<b>6,463,236</b>	<b>6,859,697</b>

**INCOME TAX**

	<u>30-Jun-16</u> RON	<u>30-Jun-17</u> RON
Current income tax expense	190,932	97,540
Deferred tax income expense	-	-
<b>Total</b>	<b>190,932</b>	<b>97,540</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30,2017**

(all amounts are expressed in lei, unless specified otherwise)

This is a free translation from Romanian original version

	Land	Buildings	Plant and equipment	Installations and furniture	Tangible assets in progress and advances	Total
<b>COST</b>						
<b>Balance as at January 01, 2017</b>	<b>48,123,284</b>	<b>19,401,581</b>	<b>108,762,199</b>	<b>1,316,557</b>	<b>8,118,629</b>	<b>185,722,251</b>
Additions	0	1,218,394	1,174,052	100,993	3,322,795	5,816,234
Disposals	-	-	(133,965)	(64,567)	(2,493,438)	(2,691,970)
<b>Balance as at June 30,2017</b>	<b>48,123,284</b>	<b>20,619,975</b>	<b>109,802,286</b>	<b>1,352,983</b>	<b>8,947,986</b>	<b>188,846,515</b>
<b>CUMULATED DEPRECIATION</b>						
<b>Balance as at January 01, 2017</b>	<b>-</b>	<b>-</b>	<b>(38,050,372)</b>	<b>(665,967)</b>	<b>-</b>	<b>(38,716,339)</b>
Expenses with depreciation	-	(857,619)	(4,368,647)	(51,947)	-	(5,278,214)
Decrease from sale of assets	-	-	105,165	64,567	-	169,732
<b>Balance as at June 30,2017</b>	<b>-</b>	<b>(857,619)</b>	<b>(42,313,854)</b>	<b>(653,347)</b>	<b>-</b>	<b>(43,824,821)</b>
<b>NET BOOK VALUE</b>						
<b>as at June 30,2017</b>	<b>48,123,284</b>	<b>19,762,356</b>	<b>67,488,432</b>	<b>699,636</b>	<b>8,947,986</b>	<b>145,021,694</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2017**

(all amounts are expressed in lei, unless specified otherwise)

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**INVESTMENT PROPERTY****Balance as at January 01, 2017** **45,680,013**

Total additions, out of which: -  
 Revaluation increases -  
 Disposal, of which: -  
 Revaluation decreases -

**Balance as at June 30, 2017** **45,680,013****INTANGIBLE ASSETS**

	<b>Licences</b>	<b>Other intangible assets</b>	<b>Intangible assets in progress</b>	<b>Total</b>
<b>Cost</b>				
<b>Balance as at January 01, 2017</b>	<b>748,032</b>	<b>594,676</b>	<b>-</b>	<b>1,342,708</b>
Additions	20,289	-	-	20,289
Transfers				
Disposal	(70,893)	(2,209)	-	(73,103)
<b>Balance as at June 30, 2017</b>	<b>697,428</b>	<b>592,467</b>	<b>-</b>	<b>1,289,894</b>

**CUMULATED AMORTIZATION**

<b>Balance as at January 01, 2017</b>	<b>(577,853)</b>	<b>(518,453)</b>		<b>(1,096,306)</b>
Expenses with depreciation	(47,119)	(13,451)		(60,570)
Decrease from sale of assets	70,893	2,209		73,103
<b>Balance as at June 30, 2017</b>	<b>(554,079)</b>	<b>(529,694)</b>	<b>-</b>	<b>(1,083,773)</b>

**NET BOOK VALUE**

<b>as at June 30, 2017</b>	<b>143,349</b>	<b>62,772</b>	<b>-</b>	<b>206,122</b>
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30,2017****(all amounts are expressed in lei, unless specified otherwise)****This is a free translation from Romanian original version****FINANCIAL ASSETS**

Details on the Company's investments in subsidiaries and associates are presented in the following table:

	<b>Core activity</b>	<b>Place of establishment and operations</b>	<b>%</b>	<b>June 30,2017 RON</b>
RECYPLAT LTD CIPRU	Business and other management consultancy activities	Nicosia	100.00%	20,261,120
ROMCARBON DEUTSCHLAND GmbH	Trade with plastic finished products, recycling of plastic materials and purchase of plastic waste	Germany	100.00%	110,138
RC ENERGO INSTALL SRL	Plumbing, heat and air conditioning installation (NACE code 4322)	Buzau	100.00%	15,112
INFO TECH SOLUTIONS SRL	Other information technology and computer service activities (NACE code 6209)	Buzau	99.00%	1,980
LIVING JUMBO INDUSTRY SA	Manufacture of plastic packing goods (NACE code 2222).	Buzau	99.00%	1,639,232
GRINFILD LTD	Comertul cu ridicata	Odessa	62.62%	2,687,755
ECO PACK MANAGEMENT SA	Other business support service activities n.e.c. (NACE code 8299)	Bucharest	25.36%	586,625
ASOCIATIA ECOLOGICA GREENLIFE (Non-Profit Organization)	The scope of the association is to represent, promote and support the employer and professional interests of its members	Buzau	33.33%	400
YENKI SRL	Activities of sports facilities (NACE code 9311)	Buzau	33.34%	100,000
KANG YANG BIOTECHNOLOGY CO. LTD	Manufacture of products beneficial for human health	Taiwan	4.81%	203,963
Registrul Miorita SA	Other financial service activities n.c.a (NACE code 6499)	Cluj	3.79%	5,000
ARCH DEVELOPMENT ASSOCIATES SRL	Development (promoting) of building projects (NACE code 4110)	Buzau	0.23%	1,020
		<b>TOTAL</b>		<b><u>25,612,345</u></b>
<b>Financial assets impairment</b>				<b><u>(3,364,144)</u></b>
<b>Net value</b>				<b><u>22,248,201</u></b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30,2017****(all amounts are expressed in lei, unless specified otherwise)****This is a free translation from Romanian original version****INVENTORIES**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
Raw materials	15,430,998	13,028,885
Consumables	2,592,551	2,731,518
Items of inventory	119,801	109,460
Packaging	181,025	147,783
Finished products	4,257,316	4,100,288
Unfinished products	1,946,570	2,377,461
Semi-finished products	1,878,358	1,542,507
Residual products	2,224	2,227
Commodities	286,154	291,811
Advances for purchases of inventory	231,531	57,125
Provisions for obsolete inventories	(1,258,041)	(1,258,041)
<b>Total</b>	<b>25,668,487</b>	<b>23,131,024</b>

**TRADE AND OTHER RECEIVABLES**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
Trade receivables	26,953,550	29,007,843
Provisions for doubtful clients	(1,393,976)	(1,373,871)
Taxes to recover	82,756	369,909
Other receivables	911,423	452,578
Subsidies to receive	-	-
Advances received from clients	-	-
<b>Total</b>	<b>26,553,753</b>	<b>28,456,460</b>

**CASH ON HAND AND AT BANKS**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
Cash at banks	5,444,690	7,293,520
Cash on hand	46,765	66,962
Cash equivalents	123,874	46,540
<b>Total</b>	<b>5,615,329</b>	<b>7,407,022</b>

**OTHER CURRENT ASSETS**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
Prepaid expenses	89,731	228,875
Advances to services suppliers	204,280	15,703
<b>Total</b>	<b>294,011</b>	<b>244,578</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30,2017**

(all amounts are expressed in lei, unless specified otherwise)

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**ISSUED CAPITAL**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
264,122,096 fully paid ordinary shares (2016: 264,122,096). The value of one share is RON 0.1	26,412,210	26,412,210
<b>Total</b>	<b>26,412,210</b>	<b>26,412,210</b>

**RESERVES**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
Legal reserves	3,635,090	3,635,090
Other reserves	8,521,262	8,521,262
Revaluation reserves	42,349,947	41,933,807
<b>Total</b>	<b>54,506,299</b>	<b>54,090,159</b>

**BORROWINGS****Borrowings – short-term**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
BRD- Credit line(Eur)	11,061,421	9,032,417
BRD-Investment loan (I)(Eur)	2,386,107	1,595,221
BRD- Investment loan (II)(Eur)	331,001	474,191
BRD- Investment loan (III)(Eur)	2,045,545	2,051,311
UniCredit- Investment loan (I)(Lei)	401,684	499,579
UniCredit- Investment loan (II)(Lei)	156,250	224,001
UniCredit- Investment loan (III)(Eur)	-	167,057
UniCredit- Investment loan (IV)(Lei)	1,022,779	1,077,878
UniCredit- Investment loan (V)(Lei)	-	57,937
UniCredit- Credit line (Eur)	15,488,569	22,271,791
UniCredit- Credit line (Eur)	10,441,801	-
UniCredit- Investment loan - CCE 2015(Eur)	978,228	1,525,556
Eximbank- Investment loan (Lei)	1,023,750	1,023,750
<b>Total</b>	<b>45,337,135</b>	<b>40,000,690</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30,2017**

(all amounts are expressed in lei, unless specified otherwise)

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**BORROWINGS (continued)****Borrowings – long-term**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
BRD- Investment loan (I)(Eur)	397,684	-
BRD- Investment loan (II)(Eur)	2,742,577	2,465,793
BRD- Investment loan (III)(Eur)	8,352,642	7,350,530
UniCredit- Investment loan - CCE 2015(Eur)	12,497,121	11,452,693
UniCredit- Investment loan (I)(Lei)	2,789,316	2,539,526
UniCredit- Investment loan (II)(Lei)	626,948	970,671
UniCredit- Investment loan (III)(Eur)	-	723,912
UniCredit- Investment loan (IV)(Lei)	4,091,112	3,772,575
UniCredit- Investment loan (V)(Lei)	-	533,021
Eximbank- Investment loan (Lei)	4,606,875	4,095,000
<b>Total</b>	<b>36,104,275</b>	<b>33,903,721</b>

**OTHER LIABILITIES**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
Liabilities to employees	829,684	996,347
Liabilities related to social contributions	719,629	840,424
Other tax liabilities	243,754	1,139,373
Payable interests	-	-
<b>Total</b>	<b>1,793,067</b>	<b>2,976,144</b>

**TRADE PAYABLES AND OTHER PAYABLES**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
Trade payables	25,961,111	30,111,443
Other payables	81,133	192,458
Suppliers invoices not received	694,669	987,184
Advances from clients	159,582	1,250,379
<b>Total</b>	<b>26,896,495</b>	<b>32,541,464</b>

**FINANCE LEASE OBLIGATIONS**

	<b>01-Jan-17</b>	<b>30-Jun-17</b>
Amounts due within one year	1,107,270	392,495
Amounts due in more than one year	84,588	-
<b>Total</b>	<b>1,191,858</b>	<b>392,495</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30,2017**

(all amounts are expressed in lei, unless specified otherwise)

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**RELATED PARTY TRANSACTIONS**

Company	Sales of goods and services		Purchases of goods and services		Receivables from related parties		Payables to related entities	
	6 Months of 2016	6 Months of 2017	6 Months of 2016	6 Months of 2017	31/12/2016	30/06/2017	31/12/2016	30/06/2017
ECO PACK MANAGEMENT SRL	44,966	0	0	0	0	0	0	0
INFO TECH SOLUTION SRL BUZAU	11,569	12,166	278,732	208,485	0	0	46,388	140,948
LIVINGJUMBO INDUSTRY SA	12,112,047	16,587,368	580,131	630,084	8,127,914	7,577,751	391,502	185,270
NEXT ECO RECICLYNG S.A.	64,893	0	74,260	0	0	0	0	0
ROMCARBON DEUTSCHLAND EURO	0	0	33,476	0	0	0	0	0
RC ENERGO INSTALL SRL BUZAU	51,991	50,186	1,237,802	1,020,369	0	0	132,499	375,761
YENKI SRL BUZAU	707	7,276	0	0	0	8,571	0	0
<b>Total</b>	<b>12,286,171</b>	<b>16,656,996</b>	<b>2,204,401</b>	<b>1,858,938</b>	<b>8,127,914</b>	<b>7,586,322</b>	<b>570,389</b>	<b>701,978</b>

Note: Next Eco Reciclyng SA was an affiliate of Romcarbon SA until 14.07.2016.

**Note:** *The Financial Statements for the period ended June 30, 2017 have not been audited.*



**Thinking  
forward**

**CHAIRMAN OF THE BOARD  
HUNG CHING LING**

**Signature** \_\_\_\_\_

**GENERAL MANAGER  
ANDREI RADU**

**Signature** \_\_\_\_\_

**PREPARED BY,  
FINANCIAL MANAGER  
ZAINESCU VIORICA**

**Signature** \_\_\_\_\_

## Declaration of the management

Undersigners, **HUNG CHING LING**- the Chairman of the Board, **ANDREI RADU**- the Chief Executive Officer and **ZĂINESCU VIORICA-IOANA**, the Chief Financial Officer of ROMCARBON S.A. Buzau, a company located in Buzau, 132 Transilvaniei street, registered with Buzau Trade Register under the number J10/83/91, having the sole registration number RO1158050, hereby declare that, to the best of our knowledge, the Half-Year Financial Statement for the period ended June 30, 2017 prepared in accordance with International Financial Reporting Standards (IFRS) as it were adopted by European Union provide a fair and accurate view of the assets, liabilities, financial position, income statement and statement of comprehensive income and the report of the Board of Directors prepared in accordance with the appendix 31 of the C.N.V.M. Regulation no. 1/2006 provides fairly and comprehensively the information regarding ROMCARBON S.A

Given today, 12.08.2017

HUNG CHING LING

ANDREI RADU

ZĂINESCU VIORICA IOANA

L.S.

L.S.

L.S.

Thinking  
forward