



S.C. ROMCARBON S.A.

Buzău – Romania
J/10/83/1991; COD FISCAL 1158050
120012 Buzău, Str. Transilvaniei, nr. 132
Tel.: 0238/711.155; Fax: 0238/710.697
Internet: www.romcarbon.com



No.1829/24.04.2019

CURRENT REPORT

According to A.S.F. Regulation no.5/2018

Date of report: **24.04.2019**

Name of Issuer: S.C. ROMCARBON S.A.

Headquarters: no.132, Transilvaniei street, Buzau, Buzau County

Phone number: 0238/711 155

Fax number: 0238/710 697

Single registration code: RO 1158050

Number of Trade Registry: J 10/83/1991

Subscribed and paid up capital: 26.412.209,6 lei

Regulated market where the issued securities are traded: BVB Standard Category

Event reported: Ordinary General Meeting of Shareholders and Extraordinary General Meeting of Shareholders of 24.04.2019

ROMCARBON S.A. reports the following important event:

On 24.04.2019, 12.00 hours, respectively 12.30 hours, at the company's headquarters in Buzau 132 Transilvaniei street, according to provisions of the law and the article of association were held:

A. The Ordinary General Meeting of Shareholders (first convocation).

Were present/represented shareholders representing **54,5507 %** of the share capital.

Following debates and deliberations regarding the issues on the agenda, were adopted by unanimous vote as follows:

1. Approved the annual report of the Board of Directors for the fiscal year 2018.

2. Approved the individual financial statements for the financial year 2018 in accordance with International Financial Reporting Standards (IFRS) based on: Directors' Report and External Financial Auditor's Report for the financial year 2018.

3. Approved the report of the external financial auditor - Deloitte Audit SRL, member of Deloitte Touche Tohmatsu - on the consolidated financial statements for the financial year 2018.

4. Approved the consolidated financial statements, for the financial year 2018 in accordance with International Financial Reporting Standards (IFRS) based on: Directors' Report and External Financial Auditor's Report for the financial year 2018.

5. Approved the report of the external financial auditor - Deloitte Audit SRL, member of Deloitte Touche Tohmatsu - changing situations on the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for the fiscal year 2018.

6. Approved the distribution of the net profit recorded in the fiscal year 2018 in the amount of 4.800.355,89 lei on the following destinations:

a) Legal reserves amounting to 240.018 lei;

b) Other reserves amounting to 4.560.337,89 lei, representing fiscal facility regarding the profit tax exemption for the profit reinvested in 2018; The Board of Directors will do the necessary diligence to convene a General Meeting of Shareholders, which will take place no later than 29 / 30.08.2019 and which, depending on the financial situation of the company and subject to the necessary prior agreements, will decide on the possibility of distribution as dividends of a part of retained earnings/unallocated profit from previous financial years.

7. Approved the Annual Report for 2018, prepared in accordance with ASF Regulation No.5/2018 on issuers and operations with securities and the Corporate Governance Code of the Bucharest Stock Exchange.

8. Approved to discharge the members of the Board of Directors for the work in fiscal year 2018.

9. Approved to contract services for the statutory audit of the company for the financial year 2019, for a 1 year mandate, starting with 01.05.2019, and for the conclusion of a statutory audit service contract for the financial year 2019 with SC DELOITTE AUDIT SRL, represented by Farrukh Khan, which will deal with the following operations:

- auditing individual and consolidated financial statements in accordance with the International Financial Reporting Standards adopted by the European Union (hereinafter referred to as IFRS).

Empowered the General Director, Mr. Andrei Radu and the Financial Director, Mrs. Zainescu Viorica, to represent the company in relation with SC DELOITTE AUDIT SRL and to sign in the name and on behalf of the company the contract for providing external financial audit services with SC DELOITTE AUDIT SRL, in the conditions presented in the material attached to the present decision, as well as any necessary documents in order to carry out those approved in this Decision.

10. Approved the income and expenses budget for the financial year 2019.

11. Approved, in consideration of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange, that, until the end of 2019 financial year, ROMCARBON SA's Board of Directors elaborate and adopt Romcarbon SA Dividend policy, policy which will take into account, the possibility, provided by art. 67 of Law no. 31/1990, regarding the quarterly distribution of dividends.

12. Approved the date of **24.05.2019** as “**registration date**”, according to Law 24/2017.

13. Approved the date of **23.05.2019** as “**ex-date**”, according to Law 24/2017.

And

B. The Extraordinary General Meeting of Shareholders (first convocation).

Were present/represented shareholders representing **54,5507 %** of the share capital.

Following debates and deliberations regarding the issues on the agenda, were adopted by unanimous vote as follows:

1. Approved the banking exposure of Romcarbon SA for the financial years 2019-2020, consisting of: credits in amount of 11.735.182 Euro and 13.437.443 Lei, factoring contracts with a ceiling of 500.000 Euro, letters of guarantee in amount of 500.000 lei, Guarantee given to LivingJumbo Industry SA for the investment credit contracted UniCredit amount of 1.057.200 Euro, as detailed in the material no. 2655/15.03.2019.

1.1. Approved:

- the prolongation by 36 months of the validity of the factoring ceiling of 500.000 Euro;
- the prolongation at maturity, or if necessary, before maturity date, of the letters of guarantee ceiling in value of 500.000 lei by 36 months period and supplementing the existing guarantees as detailed in material no. 2655/15.03.2019;
- the prolongation by 12 months of the validity of the credit facilities contracted by Romcarbon SA with BRD-GSG SA (in amount of 2.550.000 Euro) and UniCredit Bank SA (in amount of 5.450.000 Euro), and for maintaining the related guarantee;

1.2. Empowered the Board of Directors to negotiate and decide, as appropriate, on: changing loan credit conditions in progress and/or extending up to 12 months of short-term facilities - credit lines, modification and/or setting up new guarantees for existing loans and approval of guarantees for new loans to be contracted within the approved bank exposure, contracting of new credits within the limits of the bank exposure and under the conditions of the law, as well as, as the case may be, restructuring existing bank loans/exposures, currency change or refinancing of existing credits, as well as the contracting of new credits, within the limits of the approved bank exposition and according to the law.

1.3. Empowered the General Director and Financial Director, to sign credit agreements and all additional documents to them, related warranties and all additional acts, leasing and factoring contracts and all additional documents, as well as any other documents required in to view the fulfillment of the AGEA decision to sign credit agreements, addendums thereto related, mortgage deeds and other guarantees, and any other documents necessary for the carrying out of the EGMS' s decision.

2. Approved Romcarbon SA 2019 Investment Plan, as detailed in the material registered under no. 2656 of 15.03.2019 and empowered:

- a) Romcarbon S.A. Board of Directors to:

- i) decide, within the limit of the investment ceiling approved for 2019, the investment objectives/items/services/etc. to be achieved/acquired with priority within each of the investment categories mentioned in point I, respecting, in principle, the distribution of the investment ceiling per investment category, the administration being also empowered, as the case may be, to redistribute the investment ceiling among the approved investment categories.
- ii) contract credits/credit facilities to finance the investment ceiling approved for the implementation of the Investment Plan for the year 2019 and to provide the necessary and sufficient guarantees for obtaining this financing, being also empowered to negotiate and decide on the best financing/credit conditions;
- b) Romcarbon S.A. General Director (CEO), Operations Director (COO), Financial Director and Technical Director to represent the company in order to implement the investment plan as approved by E.G.M.S. and by B.o.D., to identify the best technical-economic offers, to negotiate the contract terms and to sign all/any calls for tender, purchase contracts, orders, etc., all / any additional acts thereto.
- c) Romcarbon S.A. General Director and Financial Director to represent the company for the signing of the credit agreements as well as all/any financing contracts (leasing, etc.), as the case may be, and the additional documents to them, of the collateral/mortgage contracts and of the additional documents to them, and any other documents required thereto.

3. Approved:

i) the date of 01.06.2019 as the due date of the loan amounting to 1.000.000 Euro contracted by Livingjumbo Industry SA from Romcarbon SA (loan granted by Romcarbon SA as the lender, as the majority shareholder of the borrower Livingjumbo Industry SA - within which Romcarbon SA holds 99% of the share capital) and of the interest on this loan;

ii) the conversion into shares of the receivable amounting to 4,838,400 lei, which Romcarbon SA holds against Livingjumbo Industry SA, consisting of the amount of the loan in value of 1.000.000 Euro and of a part of the related interest, accumulated up to 01.06.2019 (total interest on 01.06.2019 = 32.658 Euro), part of interest in amount of 20.759,49 Euro, at a reference rate of 1 Euro = 4.74 Lei, in order for Romcarbon SA to participate at the increase of Livingjumbo Industry SA share capital, with a total amount of 4.838.400 lei, respectively to the increase of the share capital from the value of 806.400 lei to the value of 5.644.800 lei, by issuing 1200 new, nominative, dematerialized shares with a nominal value of 4032 lei each.

3.1. Empowered the General Director and the Financial Director of Romcarbon SA to sign the addendum to the loan agreement concluded between Romcarbon SA as lender and Livingjumbo Industry SA as borrower on the rescheduling the loan by changing its maturity date on 01.06 .2019, as well as any/all documents necessary to carry out the decision of the E.G.M.S.

4. Approved, considering those approved by the Extraordinary General Meeting of Shareholders Decision no. 1 of 11.06.2018 and by Romcarbon Board of Directors Decision no.4 of 22.02.2019, the conclusion by

Romcarbon SA (as the Seller) of a sale -purchase contract with Office & Logistic SRL (as Purchaser, company registered with Trade register near Court of Iasi under no. J22/13/2018, CUI 38653333), through which Romcarbon SA is selling on the term of 27.05.2019, with the possibility of extending only once by 30 days, for a total price of 126.322 Euro, in lei equivalent at NBR exchange rate Euro/Leu valid on the day of payment, excluding VAT, the total area of 1.289,00 m.p. land, category for constructions, part of the plot, Romcarbon S.A property, located in Iasi, Calea Chisinaului no. 29, Iasi county, identified by cadastral number 157259 and registered in the land book no.157259 / UAT Iasi, having the detailed description and layout in PFA Florin Alexe's dismantling proposal, as follows:

- the area of 1146 sqm., land use category for constructions, not enclosed, consisting of Lot 1 from the dismantling proposal;

- the area of 143 sqm., land use category for constructions, not enclosed, consisting of Lot 3 from the dismantling proposal,subject to the following main conditions:

- A.** 50% of the selling price, in RON equivalent at the NBR exchange rate Euro/Leu valid on the day of payment, will be paid on the date of authentication of the sale-purchase contract, by bank transfer, to the Seller's account, the other 50% of the price, in RON equivalent at the NBR exchange rate Euro/Leu valid on the day of payment, being already paid, by bank transfer to the Seller's account, on 07.03.2019, the date of authentication of the sale - purchase precontract no. 244/07.03.2019;

- B.** transfer of ownership and risks with respect to the surface of 1289,00 m.p. from the Seller's patrimony to the Buyer's patrimony, will operate on the date of the sale -purchase contract authentication.

- C.** granting, free of charge, by the Buyer, after the purchase of the total area of 1289.00 sq.m., consisting of Lot 1 and Lot 3, with the detailed description and layout in PFA Florin Alexe's dismantling proposal, as of the date of entry into its patrimony, on the basis of a Contract for the establishment of easement rights, of:

- a)** an easement right for pedestrian passage and for means of transport with a maximum tonnage of 40 tons passage and for an easement right for underground, surface and/or aerial existing/future utility networks:

- i)** in favor of the plot identified by cadastral number 157257 (dominant fund) property of Ito Industries International S.A. for a term valid until 30.03.2021;

- ii.)** in favor of plots identified by cadastral number: 123936 (former 19407/1), 125698 (former 19407/2), 125719 (former 19407/5), 123982 (former 3860/8), 124379 (former 3860/9), 123944 123924 (former 3860/11), 123929 (former 3860/13/2), 123939 (former 3860/1/3), property of Romcarbon SA, during the existence in its patrimony of the aforementioned dominant funds; With regard to the exercise of these easement rights, the Seller agrees and undertakes that if the Buyer will reasonably decide to modify the agreed route of these easement rights, the Seller, will exercise these rights on the new agreed by the parties route.

- b)** an easement right for underground, surface and/or aerial existing/future sewerage networks in favor of plots identified by cadastral number: 124493, 124495, 124496, 124511, 124513, 124514, 124515, 124516, 124518,

124519 124520, 124521, 124522, 124523 , 124490, 124524 (dominant funds) owned by Greenfiber International SA.

D. expressing by Buyer of its agreement, through the same contract of establishment, the easement rights referred to in let.C above as the owner of the total area of 1289.00 sq.m., consisting of Lot 1 and Lot 3, with the detailed description and layout in PFA Florin Alexe's dismantling proposal, for the establishment of a right of passage in favor of any interested third party, such as, but not limited to, tenants/collaborators/successors in rights/creditors, etc. of the Seller, for the duration in Romcarbon S.A patrimony of the dominant funds listed in par. (ii) above on the route established in accordance with the parties' agreement under par.(ii) above.

E. signing/concluding the same time with the signing/concluding in authentic sale – purchase contract for the sale of the 1289.00 sqm area, an addendum to the sale -purchase precontract authenticated under no.1878 of 23.04.2018, by Daniela Bădărău Individual Notary Office, for updating/modifying its clauses as a consequence of the sale of this area of 1289,00 m.p.

4.1. Empowered the General Manager of Romcarbon S.A., Mr. Andrei Radu, who is identified with C.I. XZ series no. 580979, issued 11 January 2013, by S.P.C.L.P. Buzău, CNP 1681127080025, as on behalf of Romcarbon SA, to negotiate and sign the sale contract mentioned in point 4, the contract for the constitution of the easement rights mentioned in point 4 let. C, as well as the additional act to the sale purchase pre-contract authenticated under No. 1878 of April 23, 2018, by Daniela Bădărău Individual Notary Office, mentioned in let.E, to sign any other documents necessary for the accomplishment of those decided, such as, but not limited to: requests to the public authorities, notaries, banks, as well as to appear before the public notary, signing in the name of the company and for the company with full powers, either personally or through an empowered person (on the basis of a special authenticated power of attorney) all the necessary authentic acts and any other documents in order to carry out those decided by the E.G.M.S.

5.Approved the date of 24.05.2019 as “registration date”, according to Law 24/2017.

6.Approved the date of 23.05.2019 as “ex-date”, according to Law 24/2017.

Chairman of the Board

Huang, Liang – Neng

General Director

Andrei Radu

LANGUAGE DISCLAIMER: This document represents the English version of the original official Romanian document filed with the Financial Supervisory Authority (ASF). The English version has been created for English readers' convenience. Reasonable efforts have been made to provide an accurate translation, however, discrepancies may occur. The Romanian version of this document is the original official document. Any discrepancies or differences created in the translation are not binding. If any questions arise related to the accuracy of the information contained in the English version, please refer to the Romanian version of the document which is the official version.