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Inregistration no ²⁸³⁵ /27.03.2017

To Board Administration,

We introduce and propose for approval the list of investments and argument on the opportunity to their perform according to estimation of each Profit Centre in part totaling EUR 908,661.00 .

Structure of proposed investments

No	INVESTMENT	2017 Investment Plan–Project		Estimation of financing sources euro	
		Value-EURO-	Value-Ron-	Credit /Leasing EURO	Own sources EURO
1	Mechanical tester 5 kN for PE, PP laboratory	50,000	227,500.00	45,000	5,000
2	Computers 2 pcs.for PE laboratory and Central laboratory	1,000	4,550.00	900	100
3	NIR Spectrometer, mobil for CP7 laboratory	5,000	22,750.00	4,500	500
4	Melt flow index tester	10,000	45,500.00	9,000	1,000
	TOTAL Laboratory	€ 66,000.00	300,300.00 lei	€ 59,400	€ 6,600
5	Floor restoring in CP3 (H&S) 200 sqm	5,000.00	22,750.00	4500	500
6	Lockers and toilets restoration	11,000.00	50,050.00	9,900	1,100
	TOTAL PROFIT CENTER 3	€ 16,000.00	72,800.00 lei	€ 14,400.00	€ 1,600.00
7	Hamburger mold for Sunwell	50,000.00	227,500.00	45,000.00	5,000.00
8	Forklift	30,000.00	136,500.00	27,000.00	3,000.00
9	Sanitation, changing of windows at lockers and toilets	3,000.00	13,650.00	2,700.00	300.00
	TOTAL PROFIT CENTER 5	€ 83,000.00	377,650.00 lei	€ 74,700.00	€ 8,300.00
10	Sanitation, changing of glass at lockers and toilets	10,000.00	45,500.00	9,000.00	1,000.00
	TOTAL PROFIT CENTER 6	€ 10,000.00	45,500.00 lei	€ 9,000.00	€ 1,000.00
11	Feeding conveyor band 1310	40,000.00	182,000.00	36,000.00	4,000.00
12	Ventilation system for KS3	10,000.00	45,500.00	9,000.00	1,000.00
13	Upgrading of KS1 line for metal separa-	41,000.00	186,550.00	36,900.00	4,100.00

	tion				
14	Ventilation system for WWTS (atex)	5,000.00	22,750.00	4,500.00	500.00
15	Conection of utilities, foundations for homogenising units, price difference towards 2016 approved offer	126,000.00	573,300.00	113,400.00	12,600.00
16	Forklift 2,5 t, 5,5 m	30,000.00	136,500.00	27,000.00	3,000.00
17	Fire detection system and semnalization CP7	12,300.00	55,965.00	11,070	1,230
18	Sanitation, changing of glass at lockers and toilets	3,000.00	13,650.00	2,700.00	300.00
	TOTAL PROFIT CENTER 7	€ 267,300.00	1,216,215.00 lei	€ 240,570.00	€ 26,730.00
19	Forklift 2.5t, 1 pcs	30,000.00	136,500.00	27,000.00	3,000.00
20	Vola	50,000.00	227,500.00	45,000.00	5,000.00
21	Platform CA zone 1000 sqm	35,000.00	159,250.00	31,500.00	3,500.00
	TOTAL Log	€ 115,000.00	523,250.00 lei	€ 103,500.00	€ 11,500.00
22	Electricity distribution network renovation	100,000.00	455,000.00	90,000.00	10,000.00
23	Masterplan RCB water infrastructure (part from a 1,6 mil plan to be realized in 5 years)	100,000.00	455,000.00	90,000.00	10,000.00
24	Pumping station automatization S2	25,000.00	113,750.00	22,500.00	2,500.00
25	Waterproofing refurbish Thermoforming warehouse	4,571.00	20,798.00	4,114.00	457.00
26	Waterproofing refurbish PSI shed (ex TTM)	2,011.00	9,150.00	1,810.00	201.00
27	Submersible pump repairing- B zone	3,284.00	14,942.00	2,956.00	328.00
28	Thermoisolation system for Building „B”	8,407.00	38,252.00	7,566.00	841.00
29	Changing of central heating of Administrativ building-2 pcs	5,934.00	27,000.00	5,341.00	593.00
30	Road asphalting from WWTS to warehouse alley	28,710.00	130,631.00	25,839.00	2,871.00
31	Platform asphalting CP7 zone 1292 sqm	10,785.00	49,072.00	9,707.00	1,079.00
32	Replacement of LEA 20kV with LES 20kV in Gosp Anexa	40,659.00	184,998.00	36,593.00	4,066.00
33	Plaster repairs, painting of frontage PE + PP building	3,500.00	15,925.00	3,150.00	350.00
34	Refurbishment of entrance in Administrativ building	1,600.00	7,280.00	1,440.00	160.00
35	Repair of 2 pcs Transforming stations 6/0.4kV	9,000.00	40,950.00	8,100.00	900.00

36	Dismantling of artesian fountain Admin. Building	900.00	4,095.00	810.00	90.00
37	Repair of wall PSI – ex-TTM	3,000.00	13,650.00	2,700.00	300.00
38	Repair waterproof and consolidation tunel Gate1	1,000.00	4,550.00	900.00	100.00
39	License for soft Atlantis (10*300Eur)	3,000.00	13,650.00	2,700.00	300.00
	TOTAL Ad-tiv	€ 351,361.00	1,598,693.00 lei	€ 316,225.00	€ 35,136.00
	TOTAL	€ 908,661.00	4,134,408.00 lei	€ 817,795.00	€ 90,866.00

Description of proposed investments

➤ **PROFIT CENTER NO. 3**

✓ **Floor restoring in CP3 (H&S) 200 sqm**

The existing floor is with holes which impede the flow and damaged the weight of the manual forklift.

✓ **Lockers and toilets restoration**

In order to assure the minimum requirements of security and health for jobs is necessary cleaning and restoring of toilets and lockers which must have sufficient dimensions and adequate endowments.

➤ **PROFIT CENTER NO. 5**

➤ **Hamburger mold**

✓ Estimated value of investment: 50.000 euro

In order to extend the range with one smaller than the existing one. Payback calculation is based on the sales estimation of 7 million pieces/year .

7 mil*0,076 lei (estimation sales price)= 532.000 lei

7 mil.*0,06 lei (estimation cost price) = 420.000 lei . Differences are: 532.000-420.000 = 112.000 lei/4,55 = 24.615 euro. Considering this the investment can be recovered in ~2 years.

✓ **Forklift**

✓ Estimated value of investment: 30.000 euro

Volume of loading/unloading and feeding of the lines were increased .

✓ **Sanitation, changing of the glass at lockers and toilets**

✓ Estimated value of investment: 3.000 euro

In order to assure the minimum requirements of security and health for jobs is necessary cleaning and restoring of toilets and lockers which must have sufficient dimensions and adequate endowments.

➤ **PROFIT CENTER NO. 6**

➤ **Sanitation, changing of the glass at lockers and toilets**

✓ Estimated value of investment: 10.000 euro

In order to assure the minimum requirements of security and health for jobs is necessary cleaning and restoring of toilets and lockers which must have sufficient dimensions and adequate endowments.

➤ **PROFIT CENTER NO. 7**

✓ **Feeding conveyor band 1310**

- ✓ Estimated value of investment 40.000euro

Due to the increasing of orders for products which have as raw materials light materials (PE, PP popcorn) it is necessary to extend processing of them in the Intarema 1310 line. For that is needed a feeding conveyor for light material together with metal detector and hood for compactor 1310.

Can be processed - 110 tons/months Rocaplen rPP 45-3 with a profit of 30 euro/t, 3300 euro/months.

- 110 tons/months Rocalen rPE 155 with a profit of 20 euro/t, 2200 euro/months.

Recovery period : $5500 \times 12 = 66000$ euro/year; 7 months.

✓ **Ventilation system for KS3**

- ✓ Estimated value of investment 10.000euro

During processing of PP and PE film waste can be accumulated steam, dust and smell which affect operators.

Depends on source of waste were cases when stopped production and operators were evacuated.

✓ **Upgrading of KS1 line for metal separation**

- ✓ Estimated value of investment 41.000euro

Because of the high level of metallic impurities for small-weee (and fridge sometimes) together with Kun Sheng was analyzed possibility to improve the elimination of metallic part. It consist in conveyor, magnetic roller and zig zag separator . This improvement will decrease the wear of the crusher which in almost 5 years from functioning was necessary to change the entire knife system .

✓ **Ventilation system for WWTS**

- ✓ Estimated value of investment 5.000euro

Inside the waste water treatment plant it is necessary to install a system to detect accumulations of methane, hydrogen sulfide and carbon monoxide acting on two levels, and ensure mechanical ventilation to prevent a potentially explosive atmospheres. It requires installing a warning system with optic-acoustic alarm to ensure in case of potential accumulations of the gas which may generate potentially explosive atmospheres.

✓ **Connection of utilities, foundations, price difference towards 2016 approved offer for homogenizing units**

- ✓ Estimated value of investment : 126.000 euro

The final offer finalized last year (2016) include 4 homogenized units made from stainless steel. Difference between the budget approved (with carbon steel units and buffer silo for constant feeding of the extruder smaller than the final offer) and final offer is almost 63.000 euro.

For this 4 units it is necessary connection at the utilities and preparation of the site (estimation value 63,000 euro).

✓ **Forklift 2,5t, 5,5 m**

- ✓ Estimated value of investment: 30.000 euro

Due to extension of the washing line with KS3 line the volume of loading/unloading and feeding of the lines were increased . Missing of forklift or engagement of them in other place can lead in delayed in feeding process and decreasing of production capacity.

✓ **Fire detection and signalization system CP7**

- ✓ Estimated value of investment: 12.300 euro

Due to the extension with new equipments, Erema lines, KS2 washing line, extension which include space from ex-Zentyss is necessary, according with legislation to update the fire safety scenario which include the detection and signalization system .

✓ **Sanitation, changing of the glass at lockers and toilets**

Estimated value of investment: 3.000 euro

In order to assure the minimum requirements of security and health for jobs is necessary cleaning and restoring of toilets and lockers which must have sufficient dimensions and adequate endowments.

➤ **LABORATORY**

✓ **Mechanical tester 5 kN for PE, PP laboratory**

✓ Estimated value of investment : 50.000 euro

This equipment is required due to the fact from existing 5 pieces, 2 can not be calibrated because these are very old. This acquisition was already postponed in last years. On this new equipment will be analyzed mechanical characteristics for PS and PE products.

✓ **Computers -2 pcs. For PE laboratory and Central laboratory**

✓ Estimated value of investment : 1.000 euro

Provision of such equipment is needed in order to record electronically the laboratory results.

✓ **NIR spectrometer, mobil for CP7 laboratory**

✓ Estimated value of investment : 5.000 euro

The existing FTIR is fully occupied and highly solicited.

✓ **Melt flow index tester**

✓ Estimated value of investment : 10.000 euro

In „PE” Laboratory exist one single melt flow tester which assure the analysis for PE, PP, PS and is very requested and old .

➤ **LOGISTICS**

• **Forklift 2.5t – 1 pcs.**

✓ Estimated value of investment : 30.000 euro

• **Vola**

✓ Estimated value of investment : 50.000 euro

Volume of discharges of raw materials, baled waste / bulk cargo and auxiliary have an uptrend in 2016 and 2017 especially for materials related to CP7; besides increasing bear in mind that bales of waste must download with fork lift equipped with/without clamp to move vertically and horizontally so that unloading and arranging them in the warehouse to perform effectively;

One forklifts is required to download prompt all carriers with waste and feed sectors.

• **Platform CA zone 1000sqm**

✓ Estimated value of investment : 6.000 euro

In order to store the virgin material. An estimated quantity to be stored is ~850 ton .

➤ **ADMINISTRATIVE**

✓ Electricity distribution network renovation

Necessary for renovation of old network .

- ✓ Master plan RCB water infrastructure

This Master plan is thinking on 5 years and take into consideration changing of entire system pipes starting from water reserve with 1 from the 3 segment depends on functionality and necessity.

- ✓ Pumping station automation S2

The frequent failures and degradations at the water transport systems have evolutionary character and aggravating because:

- a) network of water pipes is very old
- b) valves in water basin and pumping stations are heavy handling
- c) electric pumps in water pumping stations are fed from a single power sourced;
- d) when the network pressure is low pump stations start partially.

Moto- pump used in case of fire from the pumping station S2, has no automation, switching executing it manually. Electric pumps in pump stations S1 and S2 are designed for water supply network on the platform, network that is not dedicated to fire fighting; it is common network for indoor-outdoor hydrants and water needs for domestic and industrial consumption. The pumps are functional but with high wear and high energy consumption. In order to fit into the legislative provisions, we must have an automatic feed of the S1 and S2 pumps. Supply security mean another electricity supply, independent, so it is necessary to purchase a generator/ UPS equipped with automation which make possible feeding with power automatically and manually for the minimum 3 pumps in pump stations (to ensure the required flow rate 20 l/s).

- **Waterproofing refurbish Thermoforming warehouse**

Thermoforming warehouse has waterproofing damaged and the final product storage can be affected .

- **Waterproofing refurbish PSI shed (ex TTM)**

PSI shed (ex TTM) has waterproofing damaged and exist leakage of rain water in the building

- **Submersible pump repairing- B zone**

Pump and water column are damaged . These assure water for company.

- **Thermoisolation system for Building „B”**

Building „B” (guest house) has waterproofing damaged (executed in 2006) and exist leakage in the building.

- **Changing of central heating of Administrative building-2 pcs**

The existing system is old and can not be repaired.

- **Road asphalting from WWTS to warehouse alley through West border limit of the company.**

The road is impracticable due to the unevenness. Is necessary to assure an auto flow inside of company.

- **Platform asphalting CP7 zone 1292 sqm**

The existing storage platform is improper for raw materials in bulk or big bag . The sand and small stones arrive together with raw material inside of the extrusion line.

- **Replacement of LEA 20kV with LES 20kV in Gosp Anexa**

This area (~2500 sqm) can be useful for storage of raw material but due to the fact that exist electricity line above the ground it is not allowed to do this. Legislation imposed a width of protection zone of 24 m that why we propose that the route of these lines to be underground.

- **Plaster repairs, painting of frontage PE + PP building**

Frontage of the building is damaged at the entrance.

➤ Refurbishment of entrance in Administrativ building

Improper aspect of the entrance in Administrative building.

➤ Repair of 2 pcs Transforming stations 6/0.4kV

Transforming stations are damaged and with them we have to assure continuity of electricity supply for production sector.

➤ Dismantling of artesian fountain Admin. Building

The existing fountain does not work . In this place can be created more car parking spaces .

➤ Repair of wall PSI – ex-TTM

This wall has big cracks and is necessary to be consolidated in order not to collapse.

➤ Repair waterproof and consolidation tunnel Gate1

Improperly aspect at the entry in society, possible accidents due to detachment of pieces from plaster .

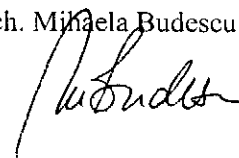
➤ License for soft Atlantis (10*300Eur)

- We kindly ask you to approve the proposed investments with value , according the offers 908,661.00 euro and to empower the General Manager and Financial Manager to sign any necessary documents related to the fulfillment of the Administration Board's approval.

Elaborated,

Chief of Technical Investment Department

ch. Mihaela Budescu



Technical Manager,

Eng. Titi Mihai



Approved,

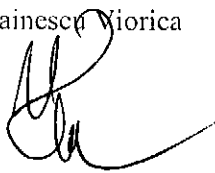
General Manager,

Eng. Andrei Radu



Financial Manager ,

Ec. Zainescu Viorica



INVESTITIE	Plan investitii 2017 -propuneri-		Termen estimat de realizare	Estimare surse de finantare	
	Value-EURO-	Value-LEI-	an 2017	Credit/Leasing 90%	Surse proprii 10%
1 Masina de incercat la tractiune de 5 kN pentru sectoarele de PE si PP	€ 50.000	227.500 lei	€ 50.000	€ 45.000	€ 5.000
2 Calculatoare 2 buc. laborator CP3+CP6 si laborator central	€ 1.000	4.550 lei	€ 1.000	€ 900	€ 100
3 Spectrometru portabil NIR lab. CP7	€ 5.000	22.750 lei	€ 5.000	€ 4.500	€ 500
4 Aparat determinare MFI, indice curgere	€ 10.000	45.500 lei	€ 10.000	€ 9.000	€ 1.000
TOTAL LABORATOR	€ 66.000	300.300 lei	€ 66.000	€ 59.400	€ 6.600
5 Refacere pardoseala sector CP3 (H&S) 200 mp	€ 5.000	22.750 lei	€ 5.000	€ 4.500	€ 500
6 Reamenajare vestiare barbati, grupuri sanitare operatori	€ 11.000	50.050 lei	€ 11.000	€ 9.900	€ 1.100
TOTAL CENTRU PROFIT 3	€ 16.000	72.800 lei	€ 16.000	€ 14.400	€ 1.600
7 Matrita hamburger pentru Sunwell	€ 50.000	227.500 lei	€ 50.000	€ 45.000	€ 5.000
8 Stivuitor	€ 30.000	136.500 lei	€ 30.000	€ 27.000	€ 3.000
9 Igienizare, schimbare geamuri vestiar si grup sanitar	€ 3.000	13.650 lei	€ 3.000	€ 2.700	€ 300
TOTAL CENTRU PROFIT 5	€ 83.000	377.650 lei	€ 83.000	€ 74.700	€ 8.300
10 Igienizare, schimbare geamuri vestiar si grup sanitar	€ 10.000	45.500 lei	€ 10.000	€ 9.000	€ 1.000
TOTAL CENTRU PROFIT 6	€ 10.000	45.500 lei	€ 10.000	€ 9.000	€ 1.000
11 Banda alimentare 1310	€ 40.000	182.000 lei	€ 40.000	€ 36.000	€ 4.000
12 Sistem ventilatie KS3	€ 10.000	45.500 lei	€ 10.000	€ 9.000	€ 1.000
13 Upgradare linie KS1 pt. Indepartare metale	€ 41.000	186.550 lei	€ 41.000	€ 36.900	€ 4.100
14 Sistem ventilatie STAU atex	€ 5.000	22.750 lei	€ 5.000	€ 4.500	€ 500
15 conectare utilitati Fundatii omogenizatoare, diferenta oferta aprobate in 2016	€ 126.000	573.300 lei	€ 126.000	€ 113.400	€ 12.600
16 Stivuitor 2,5 t, 5,5 m	€ 30.000	136.500 lei	€ 30.000	€ 27.000	€ 3.000
17 Sistem detectie si semnalizare incendiu CP7	€ 12.300	55.965 lei	€ 12.300	€ 11.070	€ 1.230
18 Igienizare, schimbare geamuri vestiar si grup sanitar	€ 3.000	13.650 lei	€ 3.000	€ 2.700	€ 300
TOTAL CENTRU PROFIT 7	€ 267.300	1.216.215 lei	€ 267.300	€ 240.570	€ 26.730
19 Stivuitor 2,5 t	€ 30.000	136.500 lei	€ 30.000	€ 27.000	€ 3.000
20 Vola	€ 50.000	227.500 lei	€ 50.000	€ 45.000	€ 5.000
21 Platform CA zone 1000 sqm	€ 35.000	159.250 lei	€ 35.000	€ 31.500	€ 3.500
Total Log Dep	€ 115.000	523.250 lei	€ 115.000	€ 103.500	€ 11.500
22 Amenajare retea distributie energie electrica	€ 100.000	455.000 lei	€ 100.000	€ 90.000	€ 10.000
23 Masterplan RCB Infrastructura apa	€ 100.000	455.000 lei	€ 100.000	€ 90.000	€ 10.000
24 Automatizare statia pompare Sz	€ 25.000	113.750 lei	€ 25.000	€ 22.500	€ 2.500
25 Refacere hidroizolatii Mag Termoformate (mag.11)	€ 4.571	20.798 lei	€ 4.571	€ 4.114	€ 457
26 Refacere hidroizolatii Remiza PSI (fost TTM)	€ 2.011	9.150 lei	€ 2.011	€ 1.810	€ 201
27 Reparatie pompa submersibila Zona B	€ 3.284	14.942 lei	€ 3.284	€ 2.956	€ 328
28 Refacere sistem termohidroizolant Pav. „B”	€ 8.407	38.252 lei	€ 8.407	€ 7.566	€ 841
29 Inlocuire centrale termice Pav Administrativ 2 buc	€ 5.934	27.000 lei	€ 5.934	€ 5.341	€ 593
30 Asfaltare drum de la STAU la Aleea magaziiilor (pe la limita de proprietate vest)	€ 28.710	130.631 lei	€ 28.710	€ 25.839	€ 2.871
31 Asfaltare platforma zona CP7 1292mp	€ 10.785	49.072 lei	€ 10.785	€ 9.707	€ 1.079
32 Inlocuirea LEA 20kV cu LES 20kV in incinta Gosp Anexa	€ 40.659	184.998 lei	€ 40.659	€ 36.593	€ 4.066
33 Reparatii tencuieli, zugravit fatada cladire PE + PP	€ 3.500	15.925 lei	€ 3.500	€ 3.150	€ 350
34 Reamenajare intrare delegati Pav. Administrativ	€ 1.600	7.280 lei	€ 1.600	€ 1.440	€ 160
35 Reparatie 2 buc Transformatoare 6/0,4kV	€ 9.000	40.950 lei	€ 9.000	€ 8.100	€ 900
36 Desfiintat fantana arteziana Pav Admin	€ 900	4.095 lei	€ 900	€ 810	€ 90
37 Refacere perete remiza PSI - TTM	€ 3.000	13.650 lei	€ 3.000	€ 2.700	€ 300
38 Reparatie hidroizolatii si consolidare tunel trecere poarta 1	€ 1.000	4.550 lei	€ 1.000	€ 900	€ 100
39 Licente program informatic Atlantis (10*300Eur)	€ 3.000	13.650 lei	€ 3.000	€ 2.700	€ 300
TOTAL AD-TIV	€ 351.361	1.598.693 lei	€ 351.361	€ 316.225	€ 35.136
TOTAL INVESTITII PRODUCTIE SI ADMINISTRATIV	€ 908.661	4.134.408 lei	€ 908.661	€ 817.795	€ 90.866

Director Tehnic

Director Financiar

Director General