

**To,
Board of Directors**

We hereby inform you that, on **28.02.2022** S.C. Romcarbon S.A. had the following bank exposure:

- Bank credits in amount of EUR 12,303,222 and RON 1,293,458;
- Bank guarantee letters with a ceiling of RON 500,000 contracted with UniCredit Bank SA and a bank guarantee letter issued by Eximbank SA in amount of RON 16,040;
- Guarantees given to Livingjumbo Industry SA for the credits contracted with UniCredit Bank (EUR 1,057,200), cu Eximbank SA (EUR 2,000,000) si Cec Bank SA (RON 5,000,000);
- Guarantees given to RC Energo Install SRL for the credit contracted with Eximbank SA in amount of RON 5,500,000.

Type	Maturity	CCY	Initial amount (euro)	Initial amount (lei)	Total exposure (euro) 28.02.2022	Total exposure (lei) 28.02.2022	Total exposure in RON equivalent 28.02.2022	Balance as at 28.02.2022	
								in euro	in lei
Credit lines/overdraft	detaliat	Euro	8,000,000 €		8,000,000 €		39,584,000 lei	7,331,366 €	36,275,601 lei
Short term credit - inventories	18/11/2022	Euro	2,000,000 €		2,000,000 €		9,896,000 lei	1,340,768 €	6,634,118 lei
Investment loan-BRD II	03/09/2022	Euro	1,000,000 €		83,303 €		412,181 lei	83,303 €	412,181 lei
Investment loan - CCE 2015 - UniCredit	04/12/2023	Euro	3,042,240 €		919,920 €		4,551,763 lei	919,920 €	4,551,763 lei
Investment loan Eximbank SA I	20/06/2022	Lei		6,142,500 lei	- €	280,058 lei	280,058 lei		280,058 lei
Investment loan Eximbank SA II	16/12/2022	Lei		2,432,500 lei	- €	497,360 lei	497,360 lei		497,360 lei
Investment loan UniCredit VI	08/06/2026	Euro/Lei	1,000,000 €		1,000,000 €		4,948,000 lei	36,140 €	1,578,382 lei
Bank guarantee letters - Exim Bank SA		Lei		16,040 lei	- €	16,040 lei	16,040 lei		16,040 lei
Bank guarantee letters - UniCredit Bank SA	03/07/2024	Lei		500,000 lei	- €	500,000 lei	500,000 lei		51,287 lei
Un-engagement credit for guaranteeing the interest rate hedge - UniCredit Bank	15/02/2024	Euro	300,000 €		300,000 €	- lei	1,484,400 lei	- €	- lei
Total			15,342,240 €	9,091,040 lei	12,303,222 €	1,293,458 lei	62,169,802 lei	9,711,496 €	50,296,789 lei

1. Detailed situation of working capital credits(overdrafts):

Bank	Type	Ceiling	Balance as at 28.02.2022		Maturity
			in euro	in lei	
UniCredit Bank SA	Credit lines/overdraft	5,450,000 €	4,837,903 €	23,937,944 lei	08/04/2022
Eximbank SA	Credit lines/overdraft	2,550,000 €	2,493,463 €	12,337,657 lei	26/05/2022
TOTAL		8,000,000 €	7,331,366 €	36,275,601 lei	

Bank	Type	CCY	Intial amount	Balance as at 28.02.2022		Maturity
				in euro	in lei and lei equivalent	
UniCredit Bank	Inventory purchase facility (Euro withdrawals)	EUR	2,000,000	1,340,768 €	6,634,118 lei	18/11/2022
UniCredit Bank	Inventory purchase facility (RON withdrawals)	RON		-	- lei	

2. Detailed situation of investment credits:

Bank	Type	CCY	Intial amount	Balance as at 28.02.2022		Maturity
				in euro	in lei and lei equivalent	
UniCredit Bank	Investment loan VI (withdrawals in RON)	EUR	1,000,000	36,140 €	178,821 lei	08/06/2026
UniCredit Bank	Investment loan VI (withdrawals in RON)	RON		-	1,399,561 lei	
BRD GSG	Investment loan (II)	EUR	1,000,000	83,303 €	412,181 lei	03/09/2022
UniCredit Bank	Investment loan - CCE 2015	EUR	3,042,240	919,920 €	4,551,763 lei	04/12/2023
Eximbank SA	Investment loan I	RON	6,142,500	-	280,058 lei	20/06/2022
Eximbank SA	Investment loan II	RON	2,432,500	-	497,360 lei	16/12/2022
Total Credits in euro				1,039,362 €	5,142,765 lei	
Total Credits in lei					2,176,979 lei	

3. Detailed situation of the bank guarantee letters as at 28.02.2022

Beneficiary	Number	Value	Issuance date	Maturity	Bank
SNTFC CFR CALATORI	00888-02-0796726	3,271.94	27/08/2021	05/03/2022	UniCredit
SNTFC CFR CALATORI	00888-02-0839486	735.50	22/02/2022	31/08/2022	UniCredit
SNTFC CFR CALATORI	00888-02-0829585	2,860.00	10/01/2022	20/07/2022	UniCredit
SNS SA	00888-02-0820003	44,420.00	29/11/2021	03/12/2022	UniCredit
Complexul Energetic Hunedoara	DTF/GTI/16527	16,040.00	20/10/2021	14/04/2022	EximBank
Total		67,327.44			

We present below the information regarding the guarantees for the credits signed by SC Romcarbon SA

I. Short term credits (overdraft)

a) Credit line contracted with UniCredit Bank SA in amount of EUR 5,450,000 (ctr. BUZA/014/2012)

- Balance as at 28.02.2022: RON 23,937,944 (equivalent of EUR 4,837,903)
- Maturity: 08.04.2022
- Guarantees:
 - 1 Mortgage right together with the interdictions to alienate, encumbrance, allot, rent, demolish, build, arrange, reorganize and merge, and also the lender's privilege over the real estate (land and buildings) in total area of **81,210 sq m** located in Buzau, 132 Transilvaniei street identified by the following cadastral numbers **67264** (in total area of 10,037 sq m), having the Land Book registration no. 67264, **54304** (in total area of 16,787 sq m), having the Land Book registration no. 54304, **67301** (in total area of 3,348 sq m), having the Land Book registration no.67301, **64371** (in total area of 22,830 sq m), having the Land Book registration no. 64371, **52784** (in total area of 7,659 sq m), having the Land Book registration no. 52784, **52768** (in total area of 10,191 sq m), having the Land Book registration no. 52767 and the cadastral number **72441** (in total area of 10,358 sq m), having the Land Book registration no. 72441, and also over the current and future rental incomes generated by the real estate, the indemnity payable under any guarantee/ insurance agreement of any type in respect of and related to the payment of these rental incomes.
 - 2 Security mortgage on the present and future current accounts opened by Romcarbon SA in lei and currency at UniCredit Bank SA;
 - 3 Security mortgage on the present and future current accounts opened by Livingjumbo Industry SA in lei and currency at UniCredit Bank SA;
 - 4 Assignment of receivables from present and future contracts/orders and/or invoices concluded by Romcarbon SA with its clients, with the possibility of sending notifications to the assigned clients according to the negotiations with the bank. At this date are notified the following clients: LivingJumbo Industry SA ,P.H. Bratpol Polonia, Yugosac D.O.O.Serbia, KASAKROM Chemicals SRL Bucuresti, Arpa SA Logistics Grecia, Metro Cash & Carry Romania SRL, Comandor Impex SRL Focsani, Auchan Romania SA, Snick Ambalaje si Consumabile Magura BZ, Carrefour Romania SA, Horeca Distribution SRL Bucuresti, V&T Trade Ltd Sofia Bulgaria;
The list could be updated by including or excluding new/existing clients;
 - 5 Security mortgage on stocks having a minimum value of EUR 2,000,000;
 - 6 Mortgage over 4 equipment having a market value of EUR 270,900 according to the evaluation report from 06.01.2022 and a net book value as at 28.02.2022 of RON 732,054;
 - 7 „No claims” blank promissory note.
 - 8 Movable mortgage on the money receivables of the company born from the policy (s) and the insurance contract (s) concluded for the insurance of the mortgaged goods, having the Bank as the sole beneficiary of the compensations that will be paid based on them.
 - 9 Livingjumbo Industry SA having the quality of co-borrower.

b) Credit line contracted with Banca de Export-Import a Romaniei Eximbank SA in amount of EUR 2,550,000 (ctr. 8 - ABZ/28.05.2020)

- Balance as at 28.02.2022: RON 12,337,657 (equivalent of EUR 2,493,463)
- Maturity: 26.05.2022
- Guarantees:
 1. Mortgages on land and buildings in total area of **37,910 sq m** owned by Romcarbon SA located in Buzau, 132 Transilvaniei street, identified by the following cadastral numbers: 61094(344/1/6) in total surface of 8,922 sq m , 52789(344/1/8) in total surface of 17,922 sq m, 65873(344/1/9) in total surface of 5,950 sq m, 52808(344/1/11/1) in total surface of 4,561 sq m, 54430 in total surface of 1,320 sq m (subsequent rank);
 2. Subsequent rank mortgage over an equipment (PE washing, sorting and mincing line), having a market value as at 28.04.2021 of EUR 490,500 and a net book value as at 28.02.2022 of RON 2,086,334;
 3. Security mortgage on the current accounts opened by Romcarbon SA in lei and currency at EximBank SA;
 4. Assignments of the present and future receivables resulted from the commercial tranzactions with, including but not limited to: Ductil SA, Dedeman SRL, Nenea SRL, Agrana Romania SRL, Romania Hypermarche SRL, Hitexim SRL, Magic Serv SRL, Sapte Spice SA, Roca Obiecte Sanitare, GD Agro Com SRL, M&V SRL, Autonet Import SRL, Subansamble Auto SA, Fabryo Corporation SRL;
 5. Assignments of the present and future receivables resulted from the commercial tranzactions with Toro Manufacturing and Sales SRL, Leroy Merlin Romania SRL, Moara Cibin SA, Pambac SA and other clients agreed with the bank;
 6. No claims" blank promissory note.

c) Short-term credit – financing the purchase of inventories contractated from UniCredit Bank SA in amount of EUR 2,000,000 (ctr. BUZA/134815/CSC)

- Currency : EUR and RON
- Withdrawals in EURO as at 28.02.2022: RON 6,634,118 (equivalent of EUR 1,340,768)
- Withdrawals in RON as at 28.02.2022: - lei
- Maturity: 18.11.2022
- Guarantees:
 1. Mortgage on movable goods of the nature of stocks that will be purchased with financing from this credit having a value of at least Eur 2,000,000;
 2. Mortgage right together with the interdictions to alienate, encumbrance, allot, rent, demolish, build, arrange, reorganize and merge, and also the lender's privilege over the real estate (land and buildings) identified by the cadastral number 64371, having the Land Book registration number 64371, in total area of 22,830 sq m, located in Buzau, 132 Transilvaniei street, inclusiv asupra chiriilor/ arenzilor prezente si viitoare produse de bunul imobil, and also over the current and future rental incomes generated by the real estate, the indemnity payable under any guarantee/ insurance agreement of any type in respect of and related to the payment of these rental incomes;
 3. Movable mortgage on the money receivables of the company born from the policy (s) and the insurance contract (s) concluded for the insurance of the mortgaged goods, having the Bank as the sole beneficiary of the compensations that will be paid based on them.
 4. Mortgage over the credit balance of the accounts in lei or foreign currency opened by S.C. Romcarbon S.A. with UniCredit Bank – Buzău Branch.

II. Long-term credits

a) *Investment loan II in amount of EUR 1,000,000 (partially used) contracted with BRD GSG. (ctr. 148007/9022/03.11.2014)*

- Balance as at 28.02.2022: RON 412,181 (equivalent of EUR 83,303)
- Maturity: 03.09.2022
- Guarantees:
 1. Security mortgage on the present and future current accounts opened in lei and currency by Romcarbon SA at BRD GSG Suc. Buzau;
 2. Security mortgage on the present and future current accounts opened in lei and currency by LivingJumbo Industry SA as co-debtor at BRD GSG Suc. Buzau;
 3. Mortgage over 4 equipment having a net book value as at 28.02.2022 of RON 2,117,457.

b) *Investment loan for acquisition of equipment and for financing/refinancing the production hall re-arrangement in amount of RON 6,142,500 signed with Banca de Export-Import a Romaniei Eximbank SA. (ctr. 1-ABZ/21.07.2015)*

- Balance as at 28.02.2022: RON 280,058
- Maturity: 20.06.2022
- Guarantees:
 1. Mortgage over land and buildings having a total area of **6,214 sqm** identified by the following cadastral numbers 52853 with an area of 1,323 sq m, 52837 with an area of 1,907 sq m, 54558 with an area of 152 sq m, 54430 with an area of 1,320 sq m, 60631 with an area of 911 sq m and 64035 with an area of 601 sq m;
 2. Mortgage over 2 equipment having a market value according with the evaluation reports from 28.04.2021 and 12.07.2021 of EUR 620,400 and a net book value as at 28.02.2022 of RON 2,680,643;
 3. Security mortgage on the current accounts opened by Romcarbon SA in lei and currency at EximBank SA;
 4. „No claims” blank promissory note.

c) *Investment loan for co-financing the project „ Development of Romcarbon SA” in amount of EUR 2,967,420 signed with UniCredit Bank SA (ctr. BUZA/010/2015)*

- Balance as at 28.02.2022: RON 4,551,763 (equivalent of EUR 919,920)
- Maturity: 04.12.2023
- Guarantees:
 1. Mortgage over the equipment purchased within the project „Development of Romcarbon SA” having a market value as at 25.05.2021 of EUR 3,879,000 and a net book value as at 28.02.2022 of RON 16,805,386;
 2. Security interest in the receivables rights under the Insurance Agreement/s concluded for insurance of the equipment put as guarantees;
 3. Security mortgage on the present and future current accounts opened by Romcarbon SA in lei and currency at UniCredit Bank SA;

d) Investment loan II in amount of RON 2,432,500 for financing and refinancing some investments from 2017 investment plan contracted with Banca de Export-Import a Romaniei Eximbank SA, (ctr. 7-ABZ/18.12.2017),

- Balance as at 28.02.2022: 497,360 lei
- Maturity: 16.12.2022
- Guarantees:
 1. Subsequent rank mortgage over an equipment (PE washing, sorting and mincing line) having a market value as at 28.04.2021 of EUR 490,500 and a net book value as at 28.02.2022 of RON 2,086,334;
 2. Mortgage over an equipment (Filtering and regranulating line) having a market value as at 22.09.2021 of EUR 790,719 si o valoare neta contabila la 28.02.2022 de 1,915,193 lei;
 3. Mortgage over 3 forklifts having a market value as at 22.09.2021 of EUR 43,089 and a net book value as at 28.02.2022 of RON 143,588;
 4. Mortgage over 9 equipment purchased within this project having a market value as at 28.04.2021 and 22.09.2021 of EUR 90,469 and a net book value as at 28.02.2022 of RON 436,857;
 5. Assignments of the present and future receivables resulted from the commercial tranzactions with Toro Manufacturing and Sales SRL, Leroy Merlin Romania SRL, Moara Cibin SA, Pambac SA and other clients agreed with the bank;
 6. Security mortgage on the current accounts opened by Romcarbon SA in lei and currency at EximBank SA;
 7. „No claims” blank promissory note issued by Romcarbon SA.

e) Investment loan in amount of Eur 1,000,000 to finance and re-finance objectives included in the 2021 investment plan contracted from UniCredit Bank SA Buzau Branch, (ctr. BUZA/005/2021)

- Currency : EUR and RON
- Withdrawals in EURO as at 28.02.2022: RON 178,821 (equivalent of EUR 36,140)
- Withdrawals in RON as at 28.02.2022: RON 1,399,561 lei
- Maturity: 08.06.2026
- Guarantees:
 1. Mortgage right together with the interdictions to alienate, encumbrance, allot, rent, demolish, build, arrange, reorganize and merge, and also the lender's privilege over the real estate (land and buildings) located in Buzau, 132 Transilvaniei street, identified by the cadastral number 67264 (in total area of 10,037 sq m), having the Land Book registration no. 67264, and 54304 (in total area of 16,787 sq m), having the Land Book registration no. 54304;
 2. Mortgage right together with the interdictions to alienate, encumbrance, allot, rent, demolish, build, arrange, reorganize and merge, and also the lender's privilege over the real estate (land and buildings) located in Bulevardul Unirii, Bl.E3-E4, Buzau, identified by the cadastral number 61039-C1-U12 (Land Book no. 61039-C1-U12), 61099-C1-U2 (Land Book no. 61099-C1-U12), 6777 (Land Book no. 52765), 6778 (Land Book no. 52788) si 6779 (Land Book no. 52861);
 3. Mortgage over the credit balance of the accounts in lei or foreign currency opened by S.C. Romcarbon S.A. with UniCredit Bank – Buzău Branch;
 4. Mortgage right over the current and future rental incomes generated by the real estate, the indemnity payable under any guarantee/ insurance agreement of any type in respect of and related to the payment of these rental incomes;
 5. Movable mortgage on the money receivables of the company born from the policy (s) and the insurance contract (s) concluded for the insurance of real estate and equipment;
 6. The movable mortgage on the machinery that will be purchased with financing from the present facility.

III. Bank guarantee letter facility

Bank guarantee letter facility contracted with UniCredit Bank SA with a ceiling of RON 500,000 (ctr. BUZA/002/2009).

- Maturity: 03.07.2024
- Guarantees:
 1. Mortgage over two equipment – PP extruding line (inventory no.24078) having a market value as at 22.04.2021 of EUR 37,792 and a net book value as at 28.02.2022 of RON 0 and over Flexographic printing machine (inventory no.24075) having a market value as at 22.04.2021 of EUR 20,347 and a net book value as at 28.02.2022 of RON 0;
 2. Security mortgage on the present and future current accounts opened by Romcarbon SA in lei and currency at UniCredit Bank SA.

IV. Treasury line

Unengagement credit – treasury line- in amount of EUR 300,000, contracted with UniCredit Bank SA (ctr. BUZA/015/2016) for hedging against the interest rate risk associated to the credit granted according to the contract BUZA/010/2015.

- Maturity: 15.02.2024
- Guarantees:
 1. Security mortgage on stocks having a minimum value of EUR 2,000,000;
 2. Security mortgage on the present and future current accounts opened by Romcarbon SA in lei and currency at UniCredit Bank SA.

V. Guarantees given to affiliates

Guarantees given to LivingJumbo Industry SA for the following credits contracted with UniCredit Bank SA

- Investment loan in amount of EUR 607,200 (Maturity : February 2024), ctr. BUZA/016/2015, guaranteed by a subsequent rank mortgage over land and buildings identified by cadastral number 67264 (with an area of 10,037 sq m) and cadastral number 54304 (with an area of 16,787 sq m), by security mortgage on stocks having a minimum value of EUR 2,000,000 and by a subsequent rank mortgage over 4 equipment having a market value of EUR 270,900 according to the evaluation report from 06.01.2022 and a net book value as at 28.02.2022 of RON 732,054;
- Unengagement credit – treasury line – in amount of EUR 450,000 Eur (maturity February 2024), ,ctr. BUZA/044/2016, guaranteed by a pledge over a stock having a minimum amount of EUR 2,000,000.

Guarantees given to LivingJumbo Industry SA for the following credit contracted with Exim Bank SA

- Credit line having a ceiling of EUR 2,000,000 (Maturity 26.05.2022),ctr. 9 - ABZ/28.05.2020, guaranteed by a subsequent rank mortgage over a pre-sorting equipment(Sutco) having a market value as at 12.07.2021 of EUR 129,900 and a net book value as at 28.02.2022 of RON 594,309, as well as through a fidejussion contract concluded between the bank and Romcarbon SA.

Guarantees given to LivingJumbo Industry SA for the following credit contracted with Cec Bank SA

- Credit line having a ceiling of RON 5,000,000 (Maturity 14.12.2022), guaranteed by a mortgage over 15 equipment ownership of Romcarbon SA, having a market value as at 13.12.2021 of EUR 1,032,234 and a net book value as at 28.02.2022 of RON 4,056,753.

Guarantees given to RC Energo Install SRL for the following credits contracted with EximBank SA

- Credit line in amount of RON 1,000,000 lei for financing the current activity (Maturity 26.05.2022), guaranteed by a subsequent rank mortgage over the equipment Coperion line (filtering and regranulating line ZSK 70 mc 18) having the inventory no. 24781 and a market value of EUR 790,719 according to the evaluation report from 22.09.2021 and a net book value as at 28.02.2022 of RON 1,915,193;
- Object credit in amount of lei 4,500,000 for financing the current activity (maturity 19.05.2023), guaranteed with a real estate mortgage on 8 equipment owned by Romcarbon SA having a market value according to the evaluation from 06.09.2021 of euro 621,000 and a net book value on 28.02.2022 of lei 2,642,964.

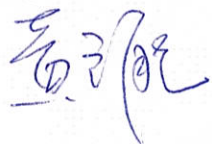
	Summarization (net book value)
For the loans and bank guarantee letters presented above, SC Romcarbon S.A. had on 28.02.2022 guarantees in the form of mortgages and pledges as follows:	Land 31,460,807 lei
	Buildings 20,303,687 lei
	Equipment 25,305,315 lei
	Inventories 19,792,000 lei
	Total 96,861,810 lei

We kindly ask you to submit for approving in EGSA the following:

- The possibility to contract if it is needed a factoring facility with the ceiling of EUR 500,000 for a period of 36 months;
- the extension at maturity or, if necessary, before the maturity of the bank letter ceiling contracted with UniCredit Bank SA in the amount of RON 500,000 with a period of 36 months and / or the modification of the guarantees with the establishment of a real movable mortgage on 4 machines having a market value according to the valuation from 06.01.2022 of EUR 270,900 and a net book value on 28.02.2022 of RON 732,054;
- 12 months extension of the credit line contracted with Exim Bank SA (amounting to EUR 2,550,000) and with UniCredit Bank SA (amounting to EUR 5,450,000) maintaining the afferent guarantees;
- Contracting a multicurrency credit for investment, for financing the investment plan for 2022, in amount of EUR 2,965,000 for a period of 60 months;
- S.C. Romcarbon S.A.'s bank exposure for the years 2022-2023;
- Empower the Board of Directors to negotiate and decide regarding :
 - a) changing the credit conditions of the existing contracts/ prolongation of the short term credit facilities with a period of maximum 12 months;
 - b) changing the guarantees and/or approving new quarantees for the existing credits and approving guarantees for the new investment credits which will be signed whitin the approved bank exposure;
 - c) contracting new credits whitin the approved bank exposure.
- Empower the General Manager – Huang Ling Neng and the Financial Manager – Zainescu Viorica Ioana to sign all and any document (credit contract, guarantee contract, s.o.) in connection with carrying out the decision of the Extraordinary General Meeting of Shareholders.

Thank you!

**General Manager,
Huang Liang Neng**



**Financial Manager,
Ec.Zainescu Viorica Ioana**

