

## INDEPENDENT LIMITED ASSURANCE REPORT ON THE INFORMATION INCLUDED IN THE CURRENT REPORT PREPARED BY THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF LAW NO. 24/2017, AS REVISED, AND FSA REGULATION NO. 5/2018

### **To: Board of Directors**

We have been contracted by **ROMCARBON S.A.** herein after referred to as “**the Company**”) in order to report according to the requirements of Law no. 24/2017 on issuers of financial instruments and market operations, as revised (herein after referred to “**Law no. 24/2017**”) on the information included in the accompanying current report (dated 02.03.2022) (“**Current Report**”), which was prepared by the Company in accordance with 108 from Law 24/2017. and the provisions of Regulation no. 5/2018 of the Financial Supervisory Authority (herein after referred to as “**FSA**”), to report to the FSA and the Bucharest Stock Exchange (“**BSE**”) for the period January 01, 2022 – June 30, 2022, in the form of a limited assurance conclusion.

### **Specific Scope**

The scope of our report is exclusively that laid down in the first paragraph hereof, and our report is prepared for the information of the Company, of the BSE and the FSA and shall not be used for any other purpose. Our report shall not be deemed adequate for use by any party that wishes to acquire rights towards us, other than the Company, for any purpose or in any context.

Any party other than the Company, which gains access to our report or a copy hereof and choses to rely on our report (or a portion hereof), shall do so on its own responsibility. Our engagement was conducted so as to report on such matters that we must report in an independent limited assurance report, and not for other purposes. This report refers only to the elements mentioned hereunder and does not extend to the Company’s financial statements or other reports issued by the Company, individually or as a whole.

### **Management’s Responsibility**

The Company’s management is responsible for the preparation of the Current Report and conclusion of the transactions reported in accordance with Law no. 24/2017 and FSA Regulation no. 5/2018, as revised. Moreover, the Company’s management is responsible for the design, implementation and maintenance of internal controls that enable the preparation of Current Report that are free from material misstatements, whether due to fraud or error.

The Company’s management is also responsible to make sure that the supporting documents underlying the preparation of the Current Report and evidence provided to the auditor are complete, correct and justified.

### **Auditor’s Responsibility**

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance engagements other than audits or reviews of historical financial information. This standard requires that we comply with ethical requirements, plan and perform the assurance engagement to obtain limited assurance about the Current Report.

Our firm applies International Standard on Quality Control 1 (“**ISQC1**”) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Numele Deloitte se referă la organizația Deloitte Touche Tohmatsu Limited, o companie cu răspundere limitată din Marea Britanie, la firmele membre ale acesteia, în cadrul căreia fiecare firmă membră este o persoană juridică independentă. Pentru o descriere amănunțită a structurii legale a Deloitte Touche Tohmatsu Limited și a firmelor membre, vă rugăm să accesați [www.deloitte.com/ro/despre](http://www.deloitte.com/ro/despre).

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“**IESBA Code**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The procedures selected depend on the auditor’s judgment and understanding of the reported transaction included in the Current report, and of other circumstances of the engagement, as well as on our considerations as to the areas where material misstatements might arise. In obtaining an understanding of the reported transaction included in the current report, we have taken into consideration the process used by the Company for concluding the transactions and preparing and presenting the current report in accordance with Law no. 24/2017 and FSA Regulation 5/2018, for the purpose of determining the assurance procedures applicable in the given circumstances, but not for the purpose of expressing a conclusion on the efficacy of the process or of the Company’s internal control for concluding the reported transaction included in the Current report(s) and for preparing and presenting the Current report(s).

The procedures include, in particular, making enquiries of those in charge of financial reporting and risk management, as well as additional procedures aimed at obtaining evidence on the information included in the Current report(s).

The procedures of obtaining evidence in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As regards the Company’s current report, in order to assess the justified and correct nature of the transactions reported in such reports, we have conducted the following procedures:

- 1) We have obtained from the Company the accompanying Current report(s) and details on the transactions included in such reports.
- 2) We have checked whether the persons approving such reports are the Company’s authorised representatives and requested the list of authorised signatures.
- 3) For the transactions analysed, sampled, presented in the Current report, we have determined whether the details thereof are consistent, in all material respects, with the information included in the signed contracts/ contractual agreements, made available to us, and whether they were signed by the Company’s representatives, in accordance with the list of authorised signatures provided to us. Where applicable, we have checked whether the details included in the Current report(s) match the documentation pertaining to such contracts: the parties who signed the supporting documents; the date when the documentation was signed and the nature thereof; description of the type of goods/services indicated in the documentation; the achieved or estimated aggregate value of the contracts and, where applicable, guarantees and penalties established, payment terms and methods, the related contractual terms and conditions.
- 4) For the transactions analysed, sampled, we have checked whether the details presented in the accompanying Current report match the information obtained by us following the enquiries with the Company’s management as well as with the documentation accompanying the contracts, as applicable.
- 5) For the transactions analysed, sampled, to the extent there is a market price for the goods or services provided between the Company and its affiliates, we have discussed with the Company’s management the pricing of such goods or services and whether, on a case by case basis, the agreed upon prices are consistent with those applied by other (third) parties for similar goods or services and whether the related contracts are approved by the board of directors or the supervisory board of the Company.

If there are no market prices available, we have analysed whether such transactions are carried out based on the Company’s internal procedures regarding the substantiation of the pricing and, respectively, whether the related contracts are approved by the Company’s board of directors or supervisory board in accordance with its internal procedures.

Our procedures have been conducted only for the transactions included in the accompanying Current Report, which related to the period January 01, 2022 - June 30, 2022. We have not conducted any procedures to check whether Current Report include all the transactions that the Company should report as per article 108 from Law 24.

## **Conclusion**

Our conclusion was formed on the basis of and considering the matters presented in this independent limited assurance report. Based on the procedures described above and the evidence obtained, **nothing has come to our attention** that causes us to believe that:

- a) the information included in the accompanying Current report is not **consistent** in all material respects with the **supporting documents** made available to us by the Company.
- b) the information included in the accompanying Current report is not **consistent** in all material respects with the **requirements of Law no. 24/2017 and FSA Regulation 5/2018**, as regards the signatories of the supporting documents; the date when the documentation was signed and the nature thereof; the description of the type of goods/services referred to in the documentation; the achieved or estimated aggregate value of the contracts, and, if applicable, guarantees and penalties established, payment terms and methods, the related contractual terms and conditions.
- c) the contracts underlying the transactions reported and analysed have not **been duly authorised** by the Company's representatives and have not been approved by the Company's board of directors and supervisory board.
- d) the prices agreed upon by the parties have not **been mutually accepted** based on the type of goods/services and other terms and conditions stipulated, as applicable, in the agreements between the parties and have not been determined according to the criteria mentioned at item 5) of the list of procedures herein above.

On behalf of:  
Deloitte Audit SRL

Ana-Corina Dimitriu

*For signature, please refer to the original signed  
Romanian version.*

Bucharest, Romania  
July 29, 2022

## **Annex**

1. Current Report forming the subject matter of this limited assurance report

**No. 403/02.03.2022**

## CURRENT REPORT

**according to art. 108 of Law 24/2017 with subsequent amendments and completions and art. 234 letter i) of the A.S.F. Regulation no. 5/2018**

*According to: A.S.F. Regulation no.5/2018 on issuers of financial instruments and market operations; Law no.24/2017 on issuers of financial instruments and market operations; Law No.31/1990, companies, republished with subsequent amendments; Articles of Association of ROMCARBON S.A.*

Date of report: **02.03.2022**

Name of Issuer: ROMCARBON S.A.

Headquarters: 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: J10/83/1991

Subscribed and paid up capital: 26.412.209,60 lei

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

Events to be reported: Reporting transactions with affiliated parties according to art. 108 para. (12) and (13) of Law no. 24/2017, as amended and supplemented by Law no. 158/2020

Considering the provisions of 108 paragraph (13) of Law no. 24/2017, as amended and supplemented by Law no. 158/2020, Romcarbon S.A. informs the shareholders and investors that in the period **01.01.2022 - 28.02.2022**, executed with the same affiliated party, Livingjumbo Industry SA (a company in which Romcarbon SA holds 99.857% of the share capital) transactions that cumulatively exceed **5%** of the value of the net assets of Romcarbon S.A., according to the latest published individual financial reports.

Details regarding the reported events can be found in Annex 1 to the Current Report acc. To art.108 of Law no. 24/2017.

The reciprocal receivables on 28.02.2022 are:

<b>Company name:</b>	<b>ROMCARBON S.A - supplier -</b>	<b>ROMCARBON S.A - client -</b>
<b>Livingjumbo Industry S.A.</b>	40,046,591 lei	547,478 lei

With great esteem,

**Chairman of the Board of Directors**

and

**General Manager**

Huang Liang Neng

**Annex 1** to the Current Report according to art.108, paragraph 13 of Law 24/2017 with subsequent amendments and completions, regarding the transactions carried out between 01.01.2022 - 28.02.2022 with the same affiliated party.

Contractual quality SC ROMCARBON SA	Contractual quality LIVINGJUMBO INDUSTRY SA	Contract object	Contract No.	Delay penalty	Payment terms and methods	Value achieved 2 months 2022 [VAT excluded]	Contract duration
<b>Seller</b>	Buyer	Sale of PE products	3357/17.01.2019	0.15%/day	60 days of delivery	1,330,838 lei	31.12.2022
<b>Seller</b>	Buyer	Sale of polymer granules	899/04.02.2010	0.15%/day	45 days of delivery	9,130,725 lei	initially 1 year, with automatic extension annually
<b>Seller</b>	Beneficiary	Provision of utilities - electricity	2586/1/12.07.2005	-	15 days from the issuance of the invoice	505,600 lei	automatic extension 1 year
<b>Seller</b>	Beneficiary	Provision of utilities - electricity	5648/24.11.2015	0.30%/day	15 days from the issuance of the invoice	490,654 lei	automatic extension 1 year
<b>Lesor</b>	Tenant	Server renting	1138/29.01.2015	0.15%/day	15 days from the issuance of the invoice	1,530 lei	automatic extension 4 years
<b>Provider</b>	Beneficiary	Waste processing	4999/29.09.2015	0.03%/day	60 days from the issuance of the invoice	44,216 lei	automatic extension 1 year
<b>Lesor</b>	Tenant	Space rental	619/19.04.2010	0.15%/day	Until the 30th of the current month	138,109 lei	01.11.2022
<b>Lesor</b>	Tenant	Space rental	J/913/17.01.2017	0.15%/day	Until the 30th of the current month	51,464 lei	31.12.2026
<b>Lesor</b>	Tenant	Space rental	J/914/17.01.2017	0.15%/day	Until the 30th of the current month	25,998 lei	31.12.2026
<b>Lesor</b>	Tenant	Space rental	J/1722/01.08.2017	0.15%/day	Until the 30th of the current month	20,873 lei	01.08.2027
<b>Lesor</b>	Tenant	Space rental	J725/22.12.2020	0.0015	Until the end of the month corresponding to the issuance of the invoice	29,033 lei	5 years starting with 01.01.2021
<b>Seller</b>	Beneficiary	Weighing services	ctr. 613/11.10.2016	0.1%/day	15 days from the issuance of the invoice	648 lei	automatic extension 1 year
<b>Seller</b>	Beneficiary	Sales of stocks of materials, goods and services on an order basis	Comanda Client LJI	-	-	182,849 lei	
<b>Supplier</b>	Beneficiary	Execution of mechanical processing works	6564/10.07.2015	0.05%/day	30 days from the issuance of the invoice	11,980 lei	initially 1 year, with automatic extension annually
<b>TOTAL SALES</b>						<b>11,964,516 lei</b>	

Contractual quality SC ROMCARBON SA	Contractual quality LIVINGJUMBO INDUSTRY SA	Contract object	Contract No.	Delay penalties	Payment terms and methods	Value achieved 2 months 2022 [VAT excluded]	Contract duration
<b>Buyer/Beneficiary</b>	Seller/Provider	Waste purchases	J521/19.08.2016	-	15 days from the issuance of the invoice	52,633 lei	automatic extension 1 year
<b>Buyer/Beneficiary</b>	Seller/Provider	Purchases of stocks of materials, goods and services on an order basis	Supplier order~LJI	-	30 days from the issuance of the invoice	163,977 lei	-
<b>TOTAL SALES</b>						<b>216,610 lei</b>	

General Manager  
Huang Liang Neng

Financial Manager  
Zăinescu Viorica Ioana