

**To,
Board of Directors**

We hereby inform you that, on **28.02.2023** S.C. Romcarbon S.A. had the following bank exposure:

- Bank credits in amount of **EUR 15,830,713** and **RON 550,000**
- Bank guarantee letters with a ceiling of RON 500,000 contracted with UniCredit Bank SA and a ceiling of bank guarantee letter guaranteed with cash collateral of RON 50,000;
- Guarantees given to Livingjumbo Industry SA for the credits contracted with UniCredit Bank (EUR 2,450,000), 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 1,000,000.

Type	Maturity	CCY	Initial amount (euro)	Initial amount (lei)	Total exposure (euro) 28.02.2023	Total exposure (lei) 28.02.2023	Total exposure in RON equivalent 28.02.2023	Balance as at 28.02.2023	
								in euro	in lei
Credit lines/overdraft	detailed	Euro	10,550,000 €		10,550,000 €		51,906,000 lei	4,568,383 €	22,476,446 lei
Short term credit - inventories	07/06/2023	Euro /Lei	3,000,000 €		512,000 €		2,519,040 lei	512,000 €	2,519,040 lei
Investment loan - CCE 2015 - UniCredit	04/12/2023	Euro	3,042,240 €		518,713 €		2,552,069 lei	518,713 €	2,552,069 lei
Investment loan UniCredit VI*	08/06/2026	Euro /Lei	1,000,000 €		1,000,000 €		4,920,000 lei	285,814 €	2,484,288 lei
Investment loan UniCredit VI**	08/06/2027	Euro /Lei	2,950,000 €		2,950,000 €		14,514,000 lei	499,463 €	2,457,356 lei
Bank guarantee letters with cash collateral -UniCredit Bank SA				50,000 lei		50,000 lei	50,000 lei	- €	24,146 lei
Bank guarantee letters -UniCredit Bank SA	03/07/2025	Lei		500,000 lei	- €	500,000 lei	500,000 lei	- €	- lei
Un-engagement credit for guaranteeing the interest rate hedge - UniCredit Bank	15/02/2024	Euro	300,000 €		300,000 €	- lei	1,476,000 lei	- €	- lei
Total exposure as at 28.02.2023			20,842,240 €	550,000 lei	15,830,713 €	550,000 lei	78,437,108 lei	6,384,373 €	32,513,345 lei

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

Bank	Type	Ceiling	Balance as at 28.02.2023		Maturity
			in euro	in lei	
UniCredit Bank SA*	Credit lines/overdraft	8,000,000 €	2,057,801 €	10,124,379 lei	19/12/2023
Eximbank SA	Credit lines/overdraft	2,550,000 €	2,510,583 €	12,352,067 lei	25/05/2023
TOTAL		10,550,000 €	4,568,383 €	22,476,446 lei	

Note: of the ceiling of EUR 8,000,000 the amount of EUR 2,550,000 will be drawn by Livingjumbo Industry SA.

Bank	Type	CCY	Initial amount	Balance as at 28.02.2023		Maturity
				in euro	in lei and lei equivalent	
UniCredit Bank	Credit achizitie stocuri (Trageri in euro)	EUR	3,000,000	512,000 €	2,519,040 lei	07/06/2023
UniCredit Bank	Credit achizitie stocuri (Trageri in lei)	RON		-	- lei	

2. Detailed situation of investment credits:

Bank	Type	CCY	Initial amount	Sold la 28.02.2023		Maturity
				in euro	in lei and lei equivalent	
UniCredit Bank	Investment loan VI (withdrawals in EUR)	EUR	1,000,000	285,814 €	1,406,207 lei	08/06/2026
UniCredit Bank	Investment loan VI (withdrawals in RON)	RON		1,078,082 lei		
UniCredit Bank	Investment loan VII (withdrawals in EUR)	EUR	2,950,000	499,463 €	2,457,356 lei	08/06/2027
UniCredit Bank	Investment loan VII (withdrawals in RON)	RON		- lei		
UniCredit Bank	Investment loan - CCE 2015	EUR	3,042,240	518,713 €	2,552,069 lei	04/12/2023
Total Credits in euro				804,527 €	6,415,632 lei	
Total Credits in lei					1,078,082 lei	

3. Detailed situation of the bank guarantee letters as at 28.02.2023

Beneficiary	Number	Value in lei	Issuance date	Maturity	Bank
SNTFC CFR CALATORI	00888-02-0885826	2,231.50	07/09/2022	16/03/2023	UniCredit
SNTFC CFR CALATORI	00888-02-0894512	3,247.07	17/10/2022	26/04/2023	UniCredit
SNTFC CFR CALATORI	00888-02-0894521	4,530.00	17/10/2022	26/04/2023	UniCredit
SNTFC CFR CALATORI	00888-02-0901737	1,349.50	10/11/2022	22/05/2023	UniCredit
SNTFC CFR CALATORI	00888-02-0906910	975.00	29/11/2022	08/06/2023	UniCredit
SNTFC CFR CALATORI	00888-02-0924348	4,530.00	20/02/2023	27/08/2023	UniCredit
SNGN ROMGAZ	00888-02-0905500	7,283.00	25/11/2022	06/12/2023	UniCredit
Total		24,146.07 lei			

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 8,000,000 (ctr. BUZA/014/2012)

- Balance as at 28.02.2023: RON 10,124,379 (equivalent of EUR 2,057,801)
- Maturity: 19.12.2023
- Note : from this credit line the amount of EUR 2,550,000 will be drawn by Livingjumbo Industry SA.
- 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 present and future buildings) in total area of **81,621 sq m** located in Buzau, 132 Transilvaniei street identified by the following cadastral numbers **67264** (in total area of **10,037 sq m**), and constructions 67264 C1-C10, having the Land Book registration no. 67264, **73295** (in total area of **17,198 sq m**), and constructions 73295 C1-C7, having the Land Book registration no. 73295, **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**) and constructions 64371 C1, having the Land Book registration no. 64371, **52784** (in total area of **7,659 sq m**), and constructions 52784 C6-C7 and C12-C16, having the Land Book registration no. 52784, **52768** (in total area of **10,191 sq m**), and constructions 52768 C1-C6, C8-C11, C14-C18 and C20, having the Land Book registration no. 52767 and the cadastral number **72441** (in total area of **10,358 sq m**), and constructions 72441 C1-C14, 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 value of EUR 4,600,000;
 - 6 Mortgage over 4 equipment having a market value of EUR 304,478 according to the evaluation report from 17.01.2023 and a net book value as at 28.02.2023 of RON 437,764;
 - 7 Mortgage over the equipment purchased within the project „Development of Romcarbon SA” having a market value as at 12.05.2022 of EUR 3,419,000 and a net book value as at 28.02.2023 of RON 14,052,428;
 - 8 Mortgage over the equipment purchased within the project „Development of Livingjumbo Industry SA”, property of Livingjumbo Industry SA”, having a market value as at 17.10.2022 of EUR 5,078,000 and a net book value as at 31.08.2022 of RON 19,403,284;
 - 9 „No claims” blank promissory note.

- 10 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.
- 11 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 28.02.2023: RON 12,352,067 (equivalent of EUR 2,510,583)
- Maturity: 25.05.2023
- Guarantees:
 1. Mortgages on land and buildings in total area of **39,230 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 6,505 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 08.04.2022 of EUR 458,100 and a net book value as at 28.02.2023 of RON 1,773,609;
 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 Cibir SA, Pambac SA and other clients agreed with the bank;
 6. 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;
 7. No claims" blank promissory note.

c) Short-term credit – financing the purchase of inventories contractated from UniCredit Bank SA in amount of EUR 3,000,000 (ctr. BUZA/73770/CSC)

- Currency : EUR and RON
- Withdrawals in EURO as at 28.02.2023: RON 2,519,040 lei (equivalent of EUR 512,000)
- Withdrawals in RON as at 28.02.2023: - lei
- Maturity: 07.06.2023
- Note: From this credit facility Livingjumbo Industry SA drawn the amount of EUR 2,232,000.
- Guarantees:
 1. Mortgage on equipment property of Romcarbon SA and Livingjumbo Industry SA;
 2. 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;
 3. Mortgage over the credit balance of the accounts in lei or foreign currency opened by S.C. Romcarbon S.A. and Livingjumbo Industry SA with UniCredit Bank – Buzău Branch.

II. Investment loans

a) 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 12.05.2022 of EUR 3,419,000 and a net book value as at 28.02.2023 of RON 14,052,428;
 2. Security interest in the receivables rights under the Insurance Agreement/s concluded for insurance of the equipment put as quarantees;
 3. Security mortgage on the present and future current accounts opened by Romcarbon SA in lei and currency at UniCredit Bank SA;

b) 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 28.02.2023: RON 1,406,207 (equivalent of EUR 285,814)
- Withdrawals in RON as at 28.02.2023: RON 1,078,082
- 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), land and present and future constructions C1-C10, having the Land Book registration no. 67264, and 73295 (in total area of 17,198 sq m), land and present and future constructions C1-C7, having the Land Book registration no. 73295;
 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.

c) Investment loan in amount of Eur 2,950,000 to finance and re-finance objectives included in the 2022 investment plan contracted from UniCredit Bank SA Buzau Branch (ctr. BUZA/74706/CSC)

- Currency : EUR and RON
- Withdrawals in EURO as at 28.02.2023: RON 2,457,356 (equivalent of EUR 499,463 euro)
- Scadenta: 08.06.2027
- 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 located in Buzau, 132 Transilvaniei street, identified by the cadastral number 64815 (in total area of 13,678 sq m), land and present and future buildings 64815 C10-C21, having the Land Book registration no. 64815;
2. 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;
3. 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;
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;
5. 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: 03.07.2025
- Guarantees:
 1. Mortgage over 4 equipment having a market value of EUR 304,478 according to the evaluation report from 17.01.2023 and a net book value as at 28.02.2023 of RON 437,764;
 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 value of EUR 4,600,000;
 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

- 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 an amount of EUR 4,600,000.
- Credit line having a ceiling of EUR 2,000,000 (Maturity 13.12.2023), ctr. BUZA/152021/CSC, guaranteed by a movable mortgage over 15 equipment having a market value of EUR 918,591 according to the evaluation dated 09.01.2023 and a net book value as at 28.02.2023 of RON 2,869,738.

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 25.05.2023),ctr. 9 - ABZ/28.05.2020, guaranteed by a subsequent rank mortgage over a pre-sorting equipment(Sutco) having a market

value as at 16.06.2022 of EUR 126,500 and a net book value as at 28.02.2023 of RON 489,520, as well as through a fidejussion contract concluded between the bank and Romcarbon SA.

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 25.05.2023), 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 1,003,400 according to the evaluation report from 14.09.2022 and a net book value as at 28.02.2023 of RON 1,124,481;

For the loans and bank guarantee letters presented above, SC Romcarbon S.A. had on 28.02.2023 guarantees in the form of mortgages and pledges as follows:

Summarization (net book value in lei)	
Land	25,883,864
Buildings	17,740,290
Equipment	24,045,101
Inventories	22,632,000
Total	90,301,255

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

- Bank exposure of Romcarbon S.A for the years 2023-2024, in a limit of EUR 15,830,713 and RON 550,000, according to the above information;
- 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 ceiling of bank letters contracted with UniCredit Bank SA in the amount of RON 500,000 for a period of 36 months and/or the modification of guarantees, as well as, if necessary, to increase it to RON 600,000;
- contracting a ceiling of letters of bank guarantee in the amount of 50,000 lei with Exim Bank SA for a period of 36 months which will be guaranteed with guarantees consisting of cash collateral;
- extending by a period of 12 months the validity of the credit line contracted with Exim Bank SA (in the amount of EUR 2,550,000) and adding to the existing guarantees a real estate mortgage on the property identified with cadastral number 60631, having a total area of 929 sq m;
- the extension for the period **April 2023 - December 2024** of the validity of the credit line contracted with UniCredit Bank SA (in the amount of EUR 8,000,000) maintaining the guarantees;
- **contracting a multicurrency loan to finance the investment plan for the year 2023 for the amount of EUR 5,100,000, for a period of 60 months;**
- **contracting a bridge loan for the project with European funds from the NPRR program with a value of EUR 5,010,000 ;**
- 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 in addition to the above approval;
 - b) changing the guarantees and/or approving new guarantees for the existing credits and approving guarantees for the new investment credits which will be signed within the approved bank exposure;
 - c) contracting new credits within 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**

