

QUARTERLY REPORT



31.03.2023

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Quarterly report according to the FSA regulation no.5/2018

Date of release: 15.05.2023

Reporting date: 31.03.2023

Name of the Company: SC ROMCARBON SA

Headquarters: Buzau , 132, Transilvaniei street

Tel / fax: 0238/711155; 0238/710697

Sole registration code: RO 1158050

Registered business number: J10 / 83/1991

Subscribed and paid up share capital: RON 26,412,209.60

Regulated market where the issued securities are traded: Bucharest Stock Exchange, Standard category, **Symbol ROCE**

The main characteristics of the securities issued by the company: 264,122,096 registered shares, dematerialized, with a nominal value of RON 0.1.



LANGUAGE DISCLAIMER

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MANAGEMENT'S COMMENTS

Dear shareholders,

Q1 2023 in brief

Q1 2023 for Romcarbon Standalone means a net profit of 3,189,528 lei, increased by 2,138,909 lei (+204%). However, out of this net profit the amount of 3,992,451 lei is from selling assets, which means the result of the core activity registered a loss of 802,923 lei.

In Q1 2023, due to very low market demand, the total sales are around 62 million lei, 6.7 million lei less than in Q1 2022, meaning -10%.

Beside low market demand, energy cost is another critical issue for the company business. In Q1 2023, the energy cost was around 0.76 million lei, higher compared to Q1 2022, due to the increase in energy price, and it's rather difficult to reflect this cost increase to the selling price in these market conditions.

Another problem we confronted in Q1 2023 was the technical defects of some equipment in the Recycled polymers & Compounds sector, which caused a decrease in productivity of around 16%.

The prospect for the rest of the year

We observe the signals of recovery for some profit centers, and we start to receive orders for Q2 2023.

In regard of the energy cost this year we plan to install around 1.4MW/h of photovoltaic panels for our own consumption, which may generate around 1.6 GW of electricity per year, bringing an estimate saving of 1.18 million lei /year, at the average price of electricity paid in Q1 2023.

The new equipment for Recycled polymers & Compounds Sector is expected to be delivered this ~~in~~ May and by Jun 2023 we scheduled to be able to start the production with this new equipment.

Meanwhile, we start to replace the old water network and close the loop for the technological wastewater, aiming to reduce the water consumption.

Thus, continuing the efforts started last year, beginning from March 2023 we have succeeded in reducing the water consumption by 7,000 m³/month.

The consolidated result of Romcarbon Group

The consolidated net profit of Q1 2023 is 2,837,416 lei, without the impact of Green-Group share of profit, registering a small decrease, of - 50,809 lei, as compared with Q1 2022.

In addition to Romcarbon's standalone result, the consolidated result of Q1 2023 was mainly influenced by:

➤ Livingjumbo Industry SA – registered a loss of -786,458 lei, while in Q1 2022 it was registered a net profit of 710,386 lei. Livingjumbo is facing the same difficulties as Romcarbon, respective the big decrease of the market demand and the increase in energy cost. Constantly following the market, we know, for example, that due to lacking orders, the only local competitor of Livingjumbo PET trays is forced to stop production.

The management team took measures, including optimising the number of employees, in order to reduce the costs.

➤ RC Energo Install SRL – registered a net profit of 396,201 lei, decreased by - 799,525 lei as compared with Q1 2022. The variation is mainly from the Christmas festive lighting projects. For 2021 Christmas projects, most of income was registered in 2022 Q1. But for 2022 Christmas project the big part of revenue was already registered in December 2022. This variation depends on the timing of invoicing requested by the project beneficiary who are the local authorities.

Overall, the economic downturn is, in general, the main challenge for Romcarbon Group.

The management team is fully aware that improving the results depends on many key factors. While waiting for the recovery of market demand, we will continue to optimize the costs, to be more energy independent and to continue the new investments.

Huang Liang Neng

Chairman of the Board and General Manager
on behalf of the Management Team



MAIN ITEMS OF THE REPORT

Evolution of the main indicators of the Separate financial statements of ROMCARBON SA

Indicator	3 Months 2021	3 Months 2022	3 Months 2023		2023 vs. 2022	
Revenues (Net sales)	61,224,757	68,291,731	61,570,251	▼	(6,721,480)	-10%
Other Income	1,108,970	1,116,613	1,079,991	▼	(36,622)	-3%
EBITDA	2,578,603	3,408,727	5,879,987	▲	2,471,260	72%
EBITDA Operational	3,073,331	3,425,842	2,050,044	▼	(1,375,798)	-40%
Profit(loss) from operations	1,090,410	1,503,444	4,182,441	▲	2,678,997	178%
Net profit (loss)	296,248	1,050,619	3,189,528	▲	2,138,909	204%
Profit on fixed assets sale	(267)	9,000	3,992,451	▲	3,983,451	44261%
Net profit (loss) w/o the influence of the profit on fixed assets sale	296,515	1,041,619	(802,923)	▼	(1,844,542)	-177%
Non-Current assets	150,847,181	136,227,247	131,323,226	▼	(4,904,021)	-4%
Current assets	98,773,817	120,937,426	122,294,165	▲	1,356,739	1%
Total Equity	138,508,792	135,195,499	163,412,485	▲	28,216,986	21%
Total Liabilities	111,112,206	121,969,172	90,204,906	▼	(31,764,266)	-26%
Debt ratio	45%	47%	36%	▼	(0)	-25%
Current liquidity	113%	119%	173%	▲	1	46%

Evolution of the main indicators in the Group's Consolidated financial statements

Indicator	3 Months 2021	3 Months 2022	3 Months 2023		2023 vs. 2022	
Revenue (Sales)	73,843,981	95,365,144	89,872,751	▼	(5,492,393)	-6%
Other income	1,070,759	1,073,659	1,031,513	▼	(42,146)	-4%
Share of profit / loss of associates	739,876	1,583,476	-	▼	(1,583,476)	-100%
EBITDA	3,962,850	8,089,482	6,880,433	▼	(1,209,049)	-15%
EBITDA Operational	3,901,985	6,572,211	2,824,875	▼	(3,747,336)	-57%
Profit(loss) from operations	1,079,519	3,794,534	4,210,509	▲	415,975	11%
Net profit ¹	602,169	4,471,702	2,837,416	▼	(1,634,285)	-37%
Net profit without the impact of Share of profit / loss of associates [Green-Group]	(137,707)	2,888,226	2,837,416	▼	(50,809)	-2%
Non-Current assets	179,381,875	166,350,918	132,568,036	▼	(33,782,883)	-20%
Current assets	115,868,481	148,386,732	170,485,095	▲	22,098,363	15%
Total Equity	140,351,897	143,437,963	172,675,744	▲	29,237,780	20%
Total Liabilities	154,898,460	171,299,688	130,377,388	▼	(40,922,300)	-24%
Debt ratio	52%	54%	43%	▼	(0)	-21%
Current liquidity	104%	105%	162%	▲	1	55%

¹ The contribution of the subsidiaries to the net profit of the Group

Company	Result 3 Months 2022 (in lei)	Result 3 Months 2023 (in lei)	2023 vs 2022
Romcarbon SA	1,050,619	3,189,528	2,138,909
Living Jumbo Industry SA	710,386	(786,458)	(1,496,843)
RC Energo Install SRL	1,195,726	396,201	(799,525)
Infotech Solutions SRL	68,177	35,822	(32,355)
Recyclat Ltd Cipru	(101)	25,775	25,876
Eco Pack Management SA	(7)	(75)	(68)
Consolidation adjustments (Share of the profit of the associate Romgreen Universal LTD (Green-Group))*	1,583,476	-	(1,583,476)
Intercompany eliminations and other consolidation adjustments	(136,574)	(23,377)	113,197
Total profit	4,471,702	2,837,416	(1,634,286)

*In December 2022, the Group sold its holding in Romgreen Universal LTD (Green-Group)



BOARD OF DIRECTORS REPORT REGARDING THE SEPARATE FINANCIAL STATEMENTS

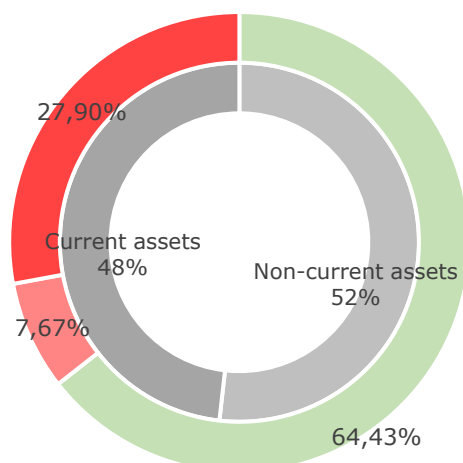
A.1. No major events took place during the reporting period that would affect the company's financial position.

A.2 General description of the financial position and performance

1.1 STATEMENT OF THE FINANCIAL POSITION

Indicator	31.03.2022	31.12.2022	31.03.2023	31.03.2023 vs. 31.12.2022		
Property, plant and equipment	104,460,631	102,490,667	100,437,507	-2,053,160	▼	-2.00%
Investment property	10,894,586	9,883,738	9,883,738	0	—	0.00%
Intangible assets other than goodwill	264,471	330,920	393,421	62,501	▲	18.89%
Investments in subsidiaries, joint ventures and associates	20,607,559	20,608,559	20,608,560	1	▲	0.00%
Total non-current assets	136,227,247	133,313,884	131,323,226	-1,990,658	▼	-1.49%
Current inventories	31,943,639	29,963,708	32,161,629	2,197,921	▲	7.34%
Trade and other current receivables	72,358,292	63,653,763	73,208,688	9,554,925	▲	15.01%
Other current financial assets	1,282,020	42,738,851	3,218,829	-39,520,022	▼	-92.47%
Other current non-financial assets	1,729,243	3,864,347	2,395,756	-1,468,591	▼	-38.00%
Cash and cash equivalents	9,864,075	2,772,709	11,309,263	8,536,554	▲	307.88%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	3,760,155	3,760,155	-	-3,760,155	▼	-100.00%
Total current assets	120,937,424	146,753,533	122,294,165	-24,459,368	▼	-16.67%
Total assets	257,164,672	280,067,417	253,617,391	-26,450,026	▼	-9.44%
Issued capital	26,412,210	26,412,210	26,412,210	0	—	0.00%
Share premium	2,182,283	2,182,283	2,182,283	0	—	0.00%
Other reserves	58,413,827	60,895,475	59,955,151	-940,324	▼	-1.54%
Retained earnings	48,187,180	70,732,989	74,862,841	4,129,852	▲	5.84%
Total Equity	135,195,499	160,222,958	163,412,485	3,189,527	▲	1.99%
Other non – current provisions	400,000	1,000,000	1,000,000	0	—	0.00%
Deferred tax liabilities	8,012,574	7,780,659	7,780,659	0	—	0.00%
Other non-current financial liabilities	3,495,767	4,044,764	3,725,123	-319,641	▼	-7.90%
Other non-current non-financial liabilities	8,055,066	7,475,188	6,946,693	-528,495	▼	-7.07%
Total non-current liabilities	19,963,407	20,300,610	19,452,475	-848,135	▼	-4.18%
Trade and other payables	45,931,853	48,060,900	31,536,245	-16,524,655	▼	-34.38%
Other current financial liabilities	49,836,572	45,859,692	32,654,787	-13,204,905	▼	-28.79%
Other current non-financial liabilities	6,237,341	5,623,258	6,561,399	938,141	▲	16.68%
Total current liabilities	102,005,766	99,543,849	70,752,431	-28,791,418	▼	-28.92%
Total liabilities	121,969,172	119,844,459	90,204,906	-29,639,553	▼	-24.73%
Total equity and liabilities	257,164,672	280,067,417	253,617,391	-26,450,026	▼	-9.44%

STRUCTURE OF THE FINANCIAL POSITION AS AT 31.03.2023



Current liabilities: 70,752,431 lei | 28%

Non-current liabilities: 19,452,475 lei | 8%

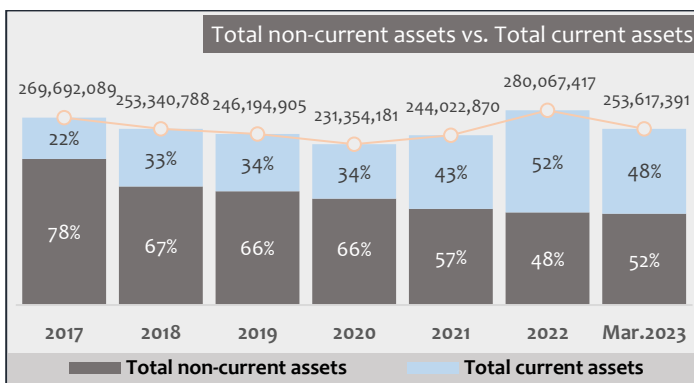
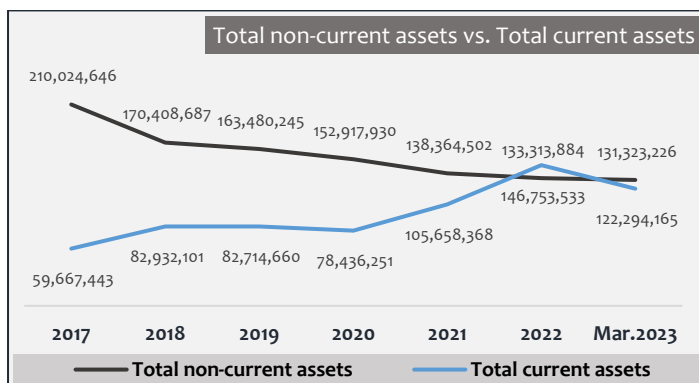
Equity: 163,412,485 lei | 64%

Non-current assets: 131,323,226 lei | 52%

Current assets: 122,294,165 lei | 48%

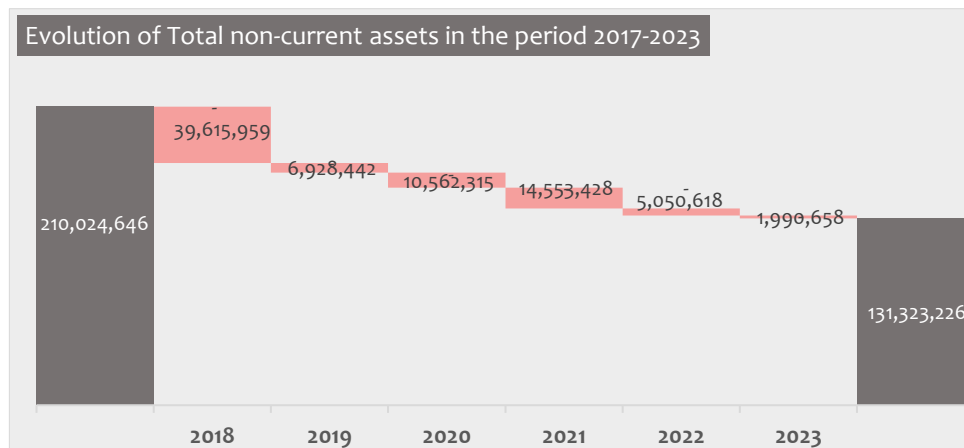


ASSETS



NON-CURRENT ASSETS

As at 31.03.2023, **Non-currents assets** hold 51.78% of the company's assets, recording a decrease of
 - Lei 1,990,658, i.e. - 1.49%, as compared with the beginning of the year



Non-current assets (NCA)	31.03.2023	% in total NCA	% in total Assets	31.03.23 vs. 31.12.22
Property, plant and equipment	100,437,507	76.48%	39.60%	-2.00%
Investment property	9,883,738	7.53%	3.90%	0.00%
Intangible assets other than goodwill	393,421	0.30%	0.16%	18.89%
Investments in subsidiaries, joint ventures and associates	20,608,560	15.69%	8.13%	0.00%
Total non-current assets	131,323,226	100.00%	51.78%	-1.49%

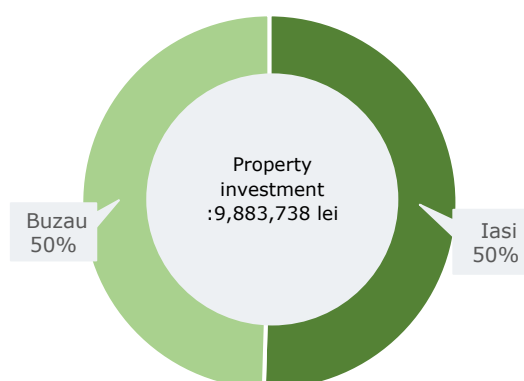
In the reporting period the entries of Non-current assets (except the investments in progress) are presented in the following table:

- Buildings (including re-arrangements and improvement) : 193,623 lei
- Equipment and installations : 846,723 lei

The inflows of the Non-current assets in the first 3 months of 2023 totalized LEI 1,040,346, out of which: CP7 – Recycled polymers & Compounds LEI 621,229 and Administrative LEI 419,117.

The outputs of Non-current assets in 2023 totalized LEI 64,591, entire amount representing cassations/dismantle.

The Investment property (land & plants) have the following geographical distribution:



Financial Investments hold 8,13% of Total Assets, and 15,69% of Non-current assets.

As at 31.03.2023, S.C. ROMCARBON S.A. held shares in other companies totalizing Lei 30,340,197, as follows:

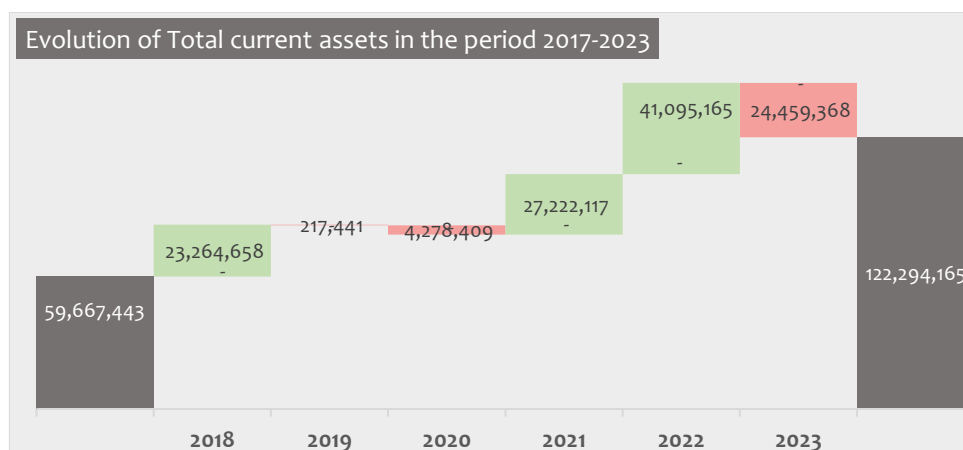
Company	Total no. of shares	Nominal value (lei)	Capital (lei)	Capital held (lei)	No. of shares held	Acquisition value of the shares (lei)	Participation quota (%)
RECYPLAT LTD CIPRU	26,000	4.3521	113,154	113,154	26,000	20,261,120	100.00%
RC ENERGO INSTALL SRL	200	10	2,000	2,000	200	15,112	100.00%
INFO TECH SOLUTIONS SRL	200	10	2,000	1,980	199	1,990	99.50%
LIVINGJUMBO INDUSTRY SA	1,400	4,032	5,644,800	5,636,736	1,398	6,477,632	99.8571%
GRINFILD LLC UCRAINA						2,687,755	62.62%
YENKI SRL	32,800	10	328,000	109,340	10,934	100,000	33.34%
ECO PACK MANAGEMENT SA	144,600	10	1,446,000	366,700	36,670	586,625	25.36%
KANG YANG BIOTECHNOLOGY CO.LTD	2,889,993			0	139,000	203,963	1.95%
REGISTRUL MIORITA SA	10,500	10	105,000	3,980	398	5,000	3.79%
VIITORUL INCEPE AZI (ONG)	7,000					1,000	14.29%
TOTAL						30,340,197	

The impairment of financial investments are presented in the following table:

Company	Holdings (%)	Adjustments
GRINFILD LLC UCRAINA	62.62%	2,687,755
YENKI SRL	33.34%	11,989
ECO PACK MANAGEMENT SA	25.36%	554,262
LIVINGJUMBO INDUSTRY SA	99.86%	6,477,632
Total		9,731,638

CURRENT ASSETS

As at 31.03.2023, **Current assets** hold 48.22% of total assets recording a decrease of - Lei 24,459,368, i.e. -16.67% as compared with the beginning of the year.



Current assets (CA)	31.03.2023	% in total CA	% in Total Assets	31.03.23 vs. 31.12.22
Current inventories	32,161,629	26.30%	12.68%	7.34%
Trade and other current receivables	73,208,688	59.86%	28.87%	15.01%
Other current financial assets ¹	3,218,829	2.63%	1.27%	-92.47%
Other current non-financial assets	2,395,756	1.96%	0.94%	-38.00%
Cash and cash equivalents	11,309,263	9.25%	4.46%	307.88%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners ²	0	0.00%	0.00%	-100.00%
Total current assets	122,294,165	100.00%	48.22%	-16.67%



¹ Loan granted to affiliates

Affiliate	Value of the contract	Balance as at 31.03.2023	Interest	Total	Tenor
RC Energo Install SRL	3,000,000 lei	3,000,000 lei	218,829 lei	3,218,829 lei	03/06/2023
Total	3,000,000 lei	3,000,000 lei	218,829 lei	3,218,829 lei	

In January 2023, the amount of LEI 39,579,200 (equivalent to EUR 8,000,000) was collected from Recyplat LTD, representing dividends receivable registered in December 2022.

In June 2022, the loan granted in 2019 to RC Energo Install SRL having a maximum ceiling of LEI 1,231,700 was extended by 12 months.

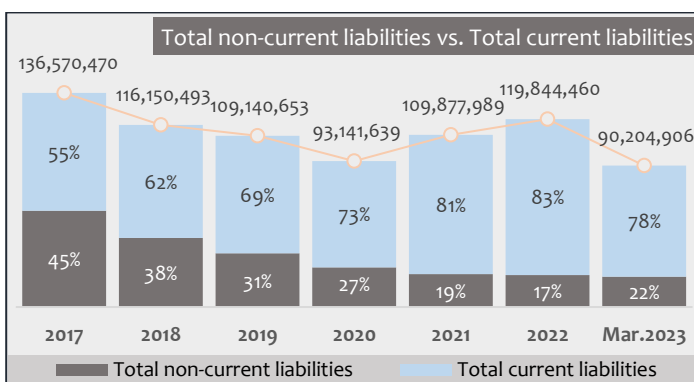
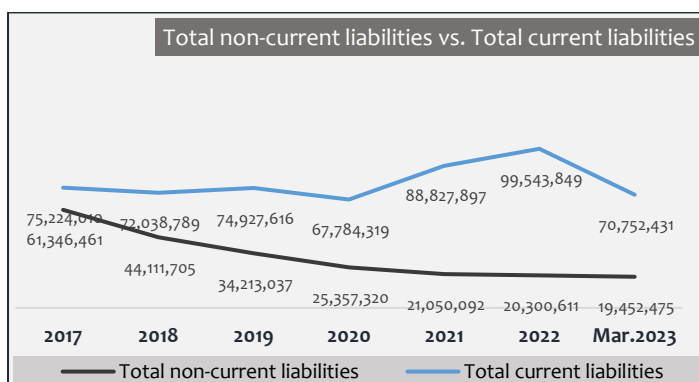
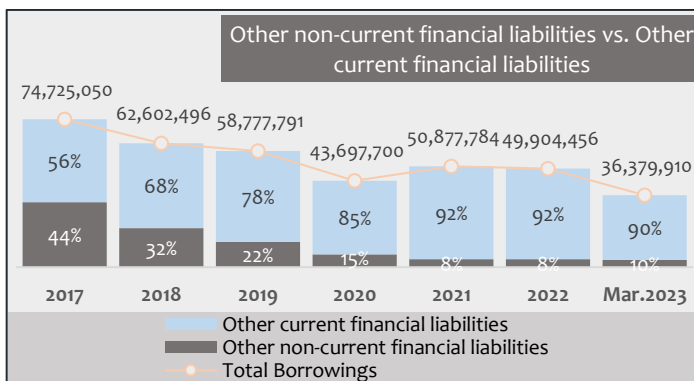
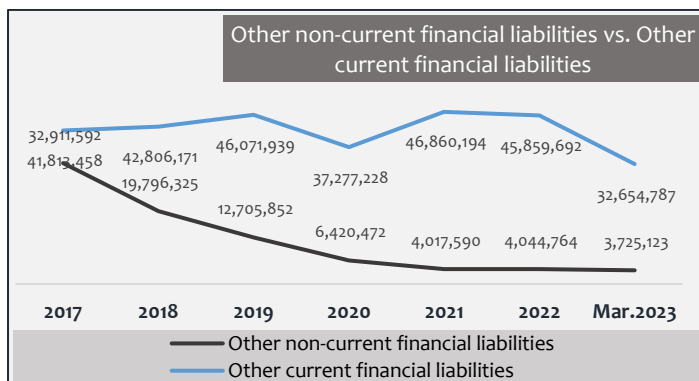
In July 2022, an additional act was signed by which the ceiling limit was increased to LEI 3,000,000.

² Non-current assets or disposal groups classified as held for sale or as held for distribution to owners

On 16.02.2023, it was signed the sale and purchase contract with LIDL ROMANIA S.C.S. the object of which is the sale of the land area of 7,407 sqm, the total price being Lei 7,659,971. The registration cost of this land is Lei 3,689,310. Initially, in December 2019, a sales-purchase anteccontract was signed with LIDL ROMANIA S.C.S. on the basis of which an advance of Lei 2,419,280 (Eur 488,862) was collected in December 2021, the transaction being completed in February 2023 when the difference of Lei 5,240,691 was collected.

LIABILITIES

Total Liabilities hold 35.57% of the company's Equity&Liabilities recording a decrease of - Lei 29,639,553, i.e. 24.73% as compared with the beginning of the year.

**BORROWINGS**

As at 31.03.2023 the loans contracted by S.C. ROMCARBON S.A. have the following structure :

Type	Balance as at 31.03.2023		< 1 year	>1 year
	in euro	in lei		
Credit lines in euro ³	€ 5,469,102	27,067,131 lei	27,067,131 lei	- lei
Short term credits in euro	€ 286,501	1,900,454 lei	1,900,454 lei	- lei
Investment loans in euro	€ 1,382,822	6,361,194 lei	3,363,776 lei	2,997,418 lei
Total credits in euro	€ 7,138,425	35,328,779 lei	32,331,362 lei	2,997,418 lei
Short term credits in lei		- lei	- lei	- lei
Investment loans in lei		1,051,130 lei	323,425 lei	727,706 lei
Total credits in lei		1,051,130 lei	323,425 lei	727,706 lei
Total bank exposure		36,379,909 lei	32,654,787 lei	3,725,123 lei

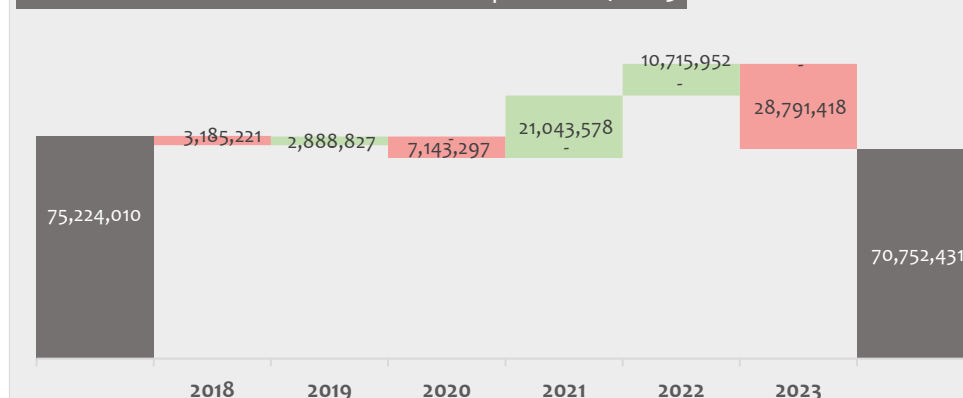


³In December 2022, the ceiling of the credit line contracted with UniCredit Bank SA was increased from EUR 5,450,000 to EUR 8,000,000. The limit of 2,550,000 Eur will be drawn by Livingjumbo Industry SA.

CURRENT LIABILITIES

Current liabilities of the Company, representing 78.44% of the Total Liabilities and 27.90% of Total Equity & Liabilities have decreased by - Lei 28,791,418 as compared with the beginning of the year, i.e. -28,92%.

Evolution of Total current liabilities in the period 2017-2023

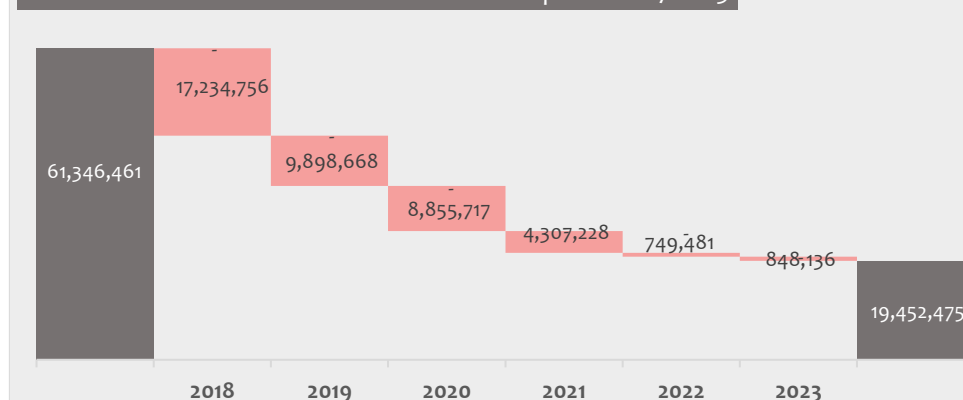


Current liabilities	31.03.2023	% in total liabilities	% in Total current liabilities	% in Total Equity and Liabilities	31.03.23 vs. 31.12.22
Trade and other payables	31,536,245	34.96%	44.57%	12.43%	-34.38%
Other current financial liabilities	32,654,787	36.20%	46.15%	12.88%	-28.79%
Other current non-financial liabilities	6,561,399	7.27%	9.27%	2.59%	16.68%
Total current liabilities	70,752,431	78.44%	100.00%	27.90%	-28.92%

NON-CURRENT LIABILITIES

Non-current Liabilities representing 7.67% of the company's Equity & Liabilities recording in the reporting period a decrease of - Lei 848,135, i.e. -4.18%, as compared with the beginning of the year.

Evolution of Total non-current liabilities in the period 2017-2023

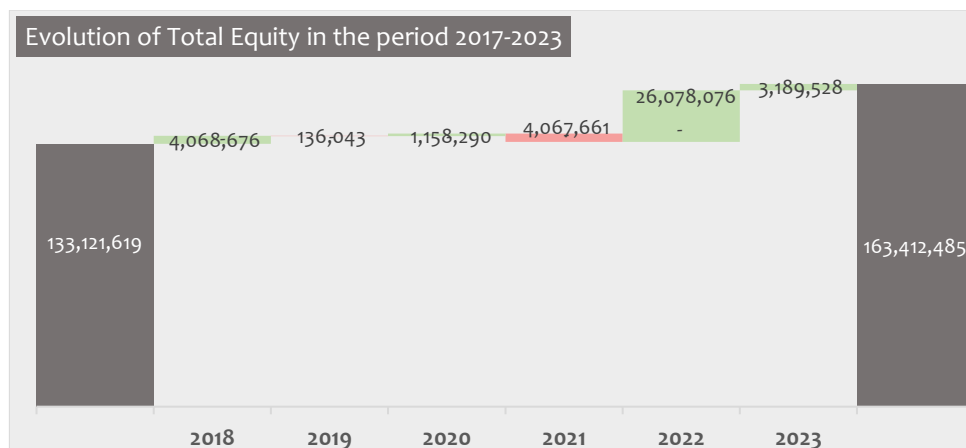


Non-current liabilities	31.03.2023	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and Liabilities	31.03.23 vs. 31.12.22
Other non - current provisions	1,000,000	1.11%	5.14%	0.39%	0.00%
Deferred tax liabilities	7,780,659	8.63%	40.00%	3.07%	0.00%
Other non-current financial liabilities	3,725,123	4.13%	19.15%	1.47%	-7.90%
Other non-current non-financial liabilities	6,946,693	7.70%	35.71%	2.74%	-7.07%
Total non-current liabilities	19,452,475	21.56%	100.00%	7.67%	-4.18%



EQUITY

Total Equity holds **64.43%** of Total Equity & Liabilities, recording in the reporting period an increase of Lei 3,189,528 as compared with the beginning of the year.



Equity	31.03.2023	% in Total Equity and liabilities
Issued capital (264,122,096 shares at Lei 0.10/share)	26,412,210	10.41%
Share premium	2,182,283	0.86%
Reserves	59,955,151	23.64%
Retained earnings	74,862,841	29.52%
Total equity	163,412,485	64.43%

1.2. STATEMENT OF THE COMPREHENSIVE INCOME

Indicator	3 Months 2021	3 Months 2022	3 Months 2023	2023 vs. 2021	
Revenues (Net sales)	61,224,757	68,291,731	61,570,251	▼	(6,721,480) -10%
Other Income ⁴	1,108,970	1,116,613	1,079,991	▼	(36,622) -3%
Increase (decrease) in inventories of finished goods and work in progress	1,048,456	3,326,017	959,536	▼	(2,366,481) -71%
Raw materials, consumables and utilities	(46,048,201)	(54,965,256)	(46,072,318)	▼	8,892,938 -16%
Employee benefits expenses and social charges	(9,929,429)	(10,055,518)	(10,960,221)	▲	(904,703) 9%
Depreciation and amortisation expenses	(2,523,464)	(2,459,525)	(2,370,720)	▼	88,805 -4%
Other expenses	(3,877,206)	(3,815,220)	(4,046,736)	▲	(231,516) 6%
Other gains and losses	86,527	64,602	4,022,658	▲	3,958,056 6127%
Profit (loss) from operating activities	1,090,410	1,503,444	4,182,441	▲	2,678,997 178%
Finance Income	47,959	75,258	110,551	▲	35,293 47%
Finance Cost	(751,703)	(338,272)	(634,562)	▲	(296,290) 88%
Profit (loss) before tax	386,666	1,240,430	3,658,430	▲	2,418,000 195%
Income Tax	(90,418)	(189,811)	(468,902)	▲	- 279,091 147%
Profit (loss) of the year	296,248	1,050,619	3,189,528	▲	2,138,909 204%
Total comprehensive income	296,248	1,050,619	3,189,528	▲	2,138,909 204%
EBITDA Operational	3,073,331	3,425,842	2,050,044	▼	(1,375,798) -40%

Note: EBITDA operational is calculated only for operational activity, excluding the depreciation, sales of non-current assets, non-repeating elements and financial activity.

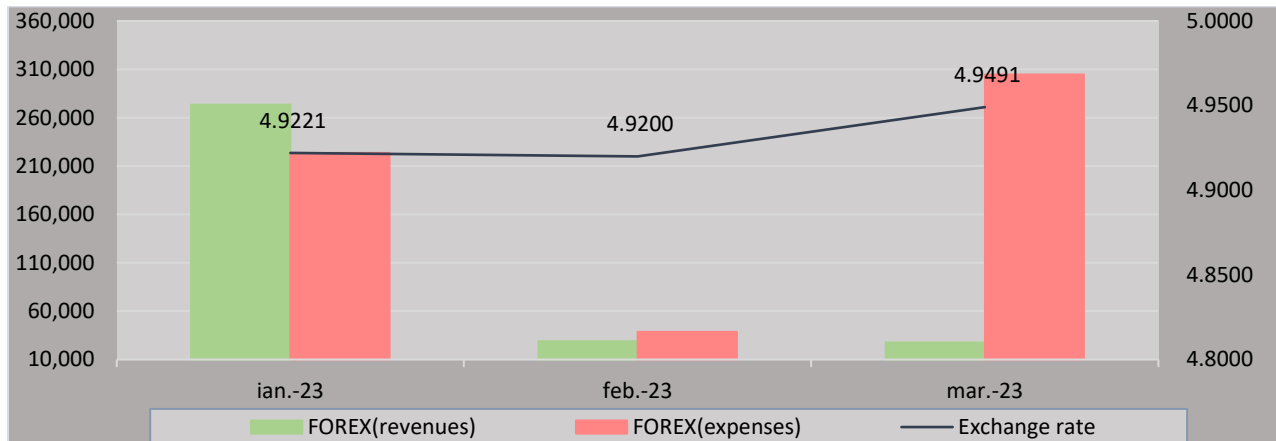
Indicator	3 Months 2021	3 Months 2022	3 Months 2023
Average no. of personnel	829	762	695



⁴ In the item « Other income » are comprised the following items :

Indicator	3 Months 2021	3 Months 2022	3 Months 2023	2023 vs. 2022	
Rentals	544,107	551,750	551,497	▼	(253) 0%
Income from subsidies for investments	564,863	564,863	528,494	▼	(36.369) -6%
Total	1,108,970	1,116,613	1,079,991	▼	(36.622) -3%

In accordance with Order no. 1286/2012 the company bank availabilities, the receivables and the liabilities expressed in a foreign currency are evaluated each month at the closing exchange rate comunicated by NBR. From this evaluation in 3 Months of 2023 the company registered revenues in amount of Lei 330,005 and expenses in amount of Lei 566,639, resulting a loss of - Lei 236,635.



In the same period of 2022 by re-valuating the company bank availabilities, receivables and liabilities expressed in a foreign currency it was registered a profit of Lei 18,112.



1.3. REVENUES (NET SALES)

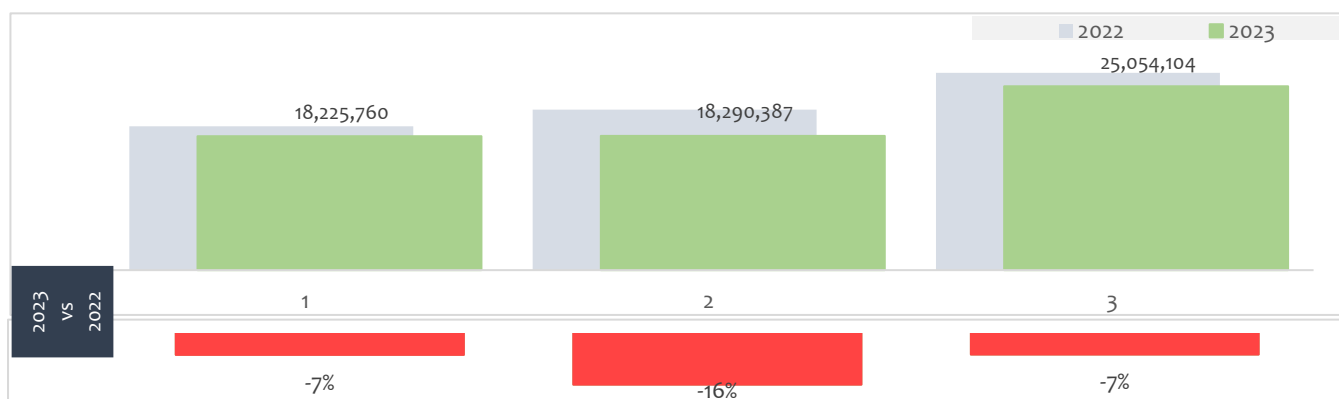
The item "Revenues(Net sales)" had the following evolution:

	3 Months 2021	3 Months 2022	3 Months 2023		2023 vs. 2022	
- Sales of finished goods	37,915,079	46,161,068	40,109,551	▼	(6,051,517)	-13%
- Sales of intermediary goods	8,832	23,530	412	▼	(23,118)	-98%
- Services rendered	97,710	139,747	132,595	▼	(7,151)	-5%
- Sales of commodities	21,980,353	20,184,084	19,135,427	▼	(1,048,657)	-5%
- Other sales	1,222,783	1,783,303	2,192,266	▲	408,963	23%
Total revenues	61,224,757	68,291,731	61,570,251	▼	(6,721,480)	-10%

Grupate pe sectoare de activitate, Vanzarile nete sunt prezentate in tabelul urmatoar:

	3 Months 2021	3 Months 2022	3 Months 2023		2023 vs. 2022	
Plastic processing sector: polyethylene+polystyrene+polypropylene	28,289,059	31,982,615	26,709,997	▼	(5,272,618)	-16%
Recycled polymers & Compounds	8,217,891	12,411,446	11,597,780	▼	(813,666)	-7%
Other production sectors (industrial and automotive filters, active carbon, respiratory protective equipment, PVC traffic base)	1,408,129	1,767,007	1,801,774	▲	34,767	2%
Other activities	23,309,678	22,130,663	21,460,700	▼	(669,963)	-3%
Total	61,224,757	68,291,731	61,570,251	▼	(6,721,480)	-10%

The monthly evolution of the Revenues and the comparison with 2022



	3 Months 2021	3 Months 2022	3 Months 2023		2023 vs. 2022	
Net sales	61,224,757	68,291,731	61,570,251	▼	(6,721,480)	-10%
Rental and royalty income	544,107	551,750	551,497	▼	(253)	0%
Turnover, out of which:	61,768,864	68,843,481	62,121,748	▼	(6,721,733)	-10%
~domestic market	50,269,611	55,882,813	52,718,918	▼	(3,163,895)	-6%
~exports	11,499,253	12,960,668	9,402,830	▼	(3,557,838)	-27%

Note: Turnover comprises the item Revenues from Profit and Loss Account , plus Rental and royalty income which is comprised in Other income



1.4. FINANCIAL RATIOS

Indicator	Formula	31.03.2021	31.03.2022	31.03.2023
EBIT	Gross profit + Income tax + Expenses with interest	620,002	1,514,065	4,037,761
EBITDA	EBIT + Depreciation-Subsidies for investment	2,578,603	3,408,727	5,879,987
Sales	Revenue + Rental and royalty income	61,768,864	68,843,481	62,121,748
EBITDA to sales ratio	EBITDA/Sales	4.17%	4.95%	9.47%
EBITDA to Equity ratio	EBITDA/Equity	1.86%	2.52%	3.60%
Gross profit margin	Gross profit/Sales	0.63%	1.80%	5.89%
Current ratio	Current assets/Current liabilities	1.19	1.47	1.73
Quick ratio	(Current assets - Inventories)/Current liabilities	0.87	1.17	1.27
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	15%	13%	12%
Total liabilities to Assets ratio	Total liabilities/Total Assets	47%	43%	36%
Long term capital to Equity	Borrowed capital/Equity	3%	3%	2%
Long term capital to engaged capital	Borrowed capital/Engaged capital	3%	2%	2%
Interest coverage ratio	EBIT/Interest expenses	2.66	5.53	10.64
Account receivable turnover ratio (days)	Average receivables/Sales	69	85	99
Account payable turnover ratio (days)	Average payables/Sales	50	54	58
Non-current assets rotation	Non-current liabilities/Sales	0.41	0.51	0.47
Return on assets (ROA)	Net profit/Assets	0.12%	0.41%	1.26%
Return on equity (ROE)	Net profit/Equity	0.21%	0.78%	1.95%
Return on sales (ROS)	Net profit/Sales	0.48%	1.53%	5.13%

1.5. STATEMENT OF CASH-FLOW

	31/03/22	31/12/22	31/03/23
CASH FLOWS FROM OPERATIONS			
<i>Cash generated from operations (A)</i>	(5,101,758)	(3,855,720)	(9,309,281)
CASH FLOWS FROM INVESTMENT ACTIVITY			
<i>Net cash (used in)/generated by investing activities(B)</i>	(280,760)	5,499,742	47,062,293
CASH FLOWS FROM FINANCING ACTIVITY			
<i>Net cash generated/used by/in financing activities (C)</i>	2,448,216	(11,669,689)	(29,216,457)
NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)	(2,934,302)	(10,025,668)	8,536,554
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	12,798,377	12,798,377	2,772,709
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	9,864,075	2,772,709	11,309,263

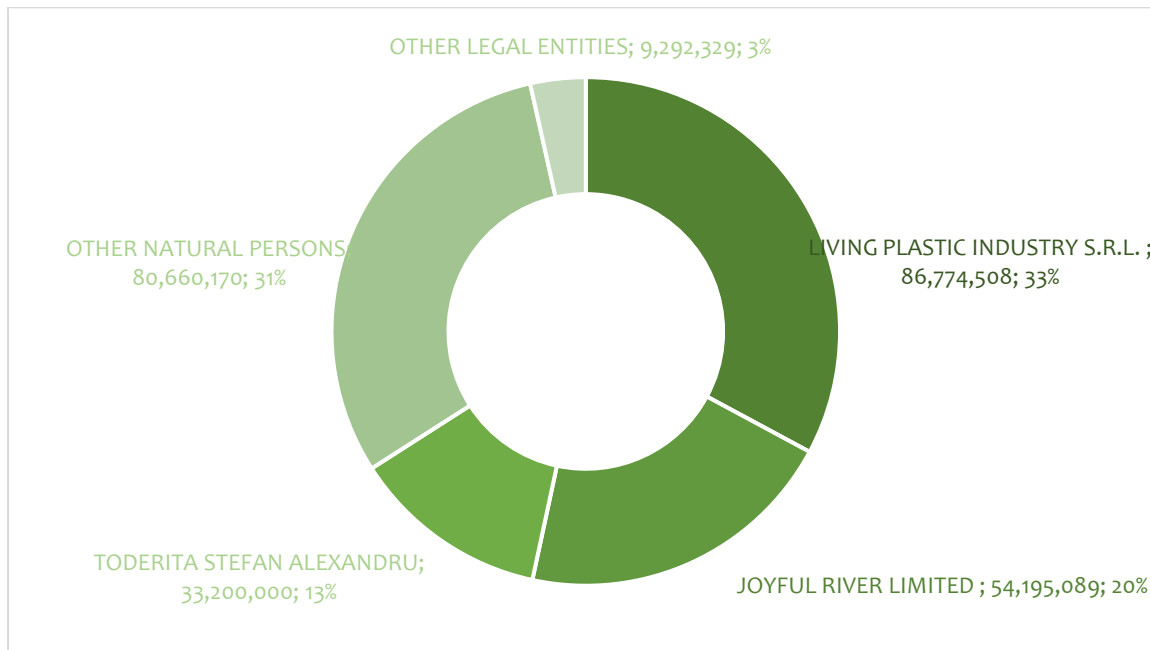


2. TRANSACTIONS WITH AFFILIATES FOR THE PERIOD 01.01.2023 - 31.03.2023

Affiliate	Sales (w/o VAT)	Acquisitions (w/o VAT)
ECO PACK MANAGEMENT SA	0	0
INFO TECH SOLUTIONS S.R.L.	7,879	219,490
LIVINGJUMBO INDUSTRY SA	11,877,316	391,366
RC ENERGO INSTALL SRL	47,750	670,933
YENKI SRL BUZAU	2,785	0
Total	11,935,730	1,281,789

3. STRUCTURE OF SHAREHOLDERS

As at **31.03.2023** SC Romcarbon SA shareholders' structure, according to Depozitarul Central SA was as follows:



Evolution of average price of ROCE shares in the period 01.01.2022-31.03.2023

The Separate Financial Statements for the period ended March 31, 2023 have not been audited.

Chairman of the Board and General Manager,

Huang Liang Neng

Financial Manager,

ec. Zainescu Viorica Ioana

General Manager for Administrative Operations,

Manaila Carmen



DECLARATION OF THE MANAGEMENT

Undersigners, **HUANG LIANG NENG**- the Chairman of the Board and General Manager, **MANAILA CARMEN**- the Deputy General Manager for Administrative Operations and **ZĂINESCU VIORICA-IOANA**, the Financial Manager of ROMCARBON S.A. Buzau, a company located in Buzau, 132 Transilvaniei street, registered with Buzau Trade Register under the number J10/83/91, having the sole registration number RO1158050, hereby declare that, to the best of our knowledge, the **Interim Standalone Financial Statements for the period ended March 31, 2023** prepared in accordance with International Financial Reporting Standards (IFRS) as it were adopted by European Union provide a fair and accurate view of the assets, liabilities, financial position, income statement and statement of comprehensive income and the report of the Board of Directors prepared in accordance with the appendix 14 of the F.S.A. Regulation no. 5/2018 provides fairly and comprehensively the information regarding ROMCARBON S.A

HUANG LIANG NENG,
Chairman of the Board
And General Manager

ZAINESCU VIORICA,
Financial Manager

MANAILA CARMEN,
Deputy General Manager for Administrative operations



S.C. ROMCARBON S.A.

**UNAUDITED CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

PREPARED IN ACCORDANCE WITH THE
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION



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**STATEMENT OF THE COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	3 Months of 2023 RON	3 Months of 2022 RON
Revenues	61,570,251	68,291,731
Other income	1,079,991	1,116,613
Changes in inventories	959,536	3,326,017
Raw materials, consumables and utilities	(46,072,318)	(54,965,256)
Employee salaries and benefits	(10,960,221)	(10,055,518)
Depreciation and amortization expenses	(2,370,720)	(2,459,525)
Operational expenses	(4,046,736)	(3,815,220)
Other gains or losses	4,022,658	64,602
Profit from operating activities	4,182,441	1,503,444
Finance income	110,551	75,258
Finance cost	(634,562)	(338,272)
Profit before tax	3,658,430	1,240,430
Income tax	(468,902)	(189,811)
Profit of the year	3,189,528	1,050,619
Total comprehensive income	3,189,528	1,050,619
Earnings per share	0.0121	0.0040
Number of shares	264,122,096	264,122,096

The condensed interim Separate financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager
for Administrative
operations



**STATEMENT OF THE FINANCIAL POSITION
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	March 31, 2023	December 31, 2022
ASSETS		
Non-current assets		
Property, plant and equipment	100,437,507	102,490,667
Investment property	9,883,738	9,883,738
Intangible assets	393,421	330,920
Financial assets	20,608,560	20,608,559
Total non-current assets	131,323,226	133,313,884
CURRENT ASSETS		
Inventories	32,161,629	29,963,708
Trade and other receivables	73,208,688	63,653,763
Other current financial assets	3,218,829	42,738,851
Other current non-financial assets	2,395,756	3,864,347
Cash and cash equivalents	11,309,263	2,772,709
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners	122,294,165	142,993,378
Non-current assets held for sale	-	3,760,155
Total current assets	122,294,165	146,753,533
TOTAL ASSETS	253,617,391	280,067,417
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Issued capital	26,412,210	26,412,210
Retained earnings	74,862,841	70,732,989
Share premiums	2,182,283	2,182,283
Other Reserves	59,955,151	60,895,475
Total equity	163,412,485	160,222,957
Non-current provisions		
Other provisions	1,000,000	1,000,000
Total non-current provisions	1,000,000	1,000,000
Deferred tax liabilities	7,780,659	7,780,659
Other non-current financial liabilities	3,725,123	4,044,764
Other non-current non-financial liabilities	6,946,693	7,475,188
Total non-current liabilities	18,452,475	19,300,611



**STATEMENT OF THE FINANCIAL POSITION
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	March 31, 2023	December 31, 2022
Current liabilities		
Trade and other payables	31,536,245	48,060,899
Other current financial liabilities	32,654,787	45,859,692
Other current non-financial liabilities	6,561,399	5,623,258
Total current liabilities	70,752,431	99,543,849
Total liabilities	90,204,906	119,844,460
Total equity and liabilities	253,617,391	280,067,417

The condensed interim Separate financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

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Chairman of the Board and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager
for Administrative
operations



**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	Issued capital	Share premiums	Revaluation reserves	Legal reserves	Other reserve	Retained earnings	Total
01/jan/2023	26,412,210	2,182,283	39,093,925	5,282,442	16,519,107	70,732,989	160,222,956
Increases from revaluation of property, plant and equipment	-	-	-	-	-	-	-
Decreases from revaluation of property, plant and equipment	-	-	-	-	-	-	-
Dividends declared	-	-	-	-	-	-	-
Net profit of the period	-	-	-	-	-	3,189,528	3,189,528
Transfer to reserves	-	-	-	-	-	-	-
Transfer of reserves to retained earnings	-	-	(940,324)	-	-	940,324	-
Adjusted deferred tax related to fiscally non-deductible revaluation reserves	-	-	-	-	-	-	-
30/mar/2023	26,412,210	2,182,283	38,153,601	5,282,442	16,519,107	74,862,841	163,412,484

The condensed interim Separate financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager for Administrative
operations



**STATEMENT OF CASH-FLOW
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	31/03/2023	31/03/2022
Net profit(loss)	3,189,528	1,050,619
Income tax expense	468,902	189,811
Depreciation	2,370,720	2,459,525
(Gain) / Loss on fixed assets disposal	-	(9,000)
(Gain) / Loss on assets held for sale disposal	(3,992,451)	-
Gains on internal set-up of fixed assets	-	(4,579)
Loss on impairment of stocks and receivables	(1,427)	-
Loss on receivables and sundry debtors	1,427	188
Interest expense	462,586	338,272
Interest income	(110,551)	(44,634)
Income from subsidies	(528,494)	(564,863)
Unrealised foreign exchange gain / (loss)	171,976	(30,624)
Movements in working capital:		
(Increase) / Decrease in trade and other receivables	(9,781,760)	(14,604,273)
(Increase) / Decrease in inventories	(2,196,495)	(4,296,125)
(Increase) / Decrease in other assets	1,409,413	458,035
Increase / (Decrease) in trade payables	(779,308)	8,769,943
Increase / (Decrease) in other liabilities	530,018	1,534,096
Cash used in operating activities	(8,785,915)	(4,753,611)
Income tax paid	(60,780)	(9,873)
Interest and bank charges paid	(462,586)	(338,272)
Net cash used in operating activities	(9,309,281)	(5,101,756)
Cash flows from investing activities:		
Interest received	110,551	44,634
Payments for tangible assets	(289,081)	(317,035)
Proceeds from sale of tangible and intangible assets	-	9,000
Proceeds from sale of assets held for sale	7,752,606	-
Related party loans granted	-	(16,703)
Payments for intangible assets	(90,983)	(656)
Dividends received	39,579,200	-
Net cash generated by/used in investing activities	47,062,293	(280,760)
Cash flows from financing activities:		
Proceeds from/repayment of bank loans	(13,471,111)	2,448,213
Dividends paid	(15,745,347)	-
Net cash generated by/(used in) financing activities	(29,216,458)	2,448,213



**STATEMENT OF CASH-FLOW
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	<u>31/03/2023</u>	<u>31/03/2022</u>
Net increase/(decrease) in cash and cash equivalents	<u>8,536,553</u>	<u>(2,934,302)</u>
Cash and cash equivalents at the beginning of the year	<u>2,772,710</u>	<u>12,798,377</u>
Cash and cash equivalents at the end of the period	<u>11,309,263</u>	<u>9,864,075</u>

The condensed interim Separate financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager
for Administrative
operations



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

REVENUES

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Sales of finished goods	40,400,007	46,512,831
Sales of commodities	18,845,383	19,855,851
Services rendered	132,595	139,747
Other sales	2,192,266	1,783,302
Total	61,570,251	68,291,731

OTHER INCOME

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Income from lease of investment property	551,497	551,750
Income from subsidies	528,494	564,863
Total	1,079,991	1,116,613

**RAW MATERIALS, CONSUMABLES AND
UTILITIES**

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Raw materials	19,257,289	26,700,414
Commodities sold	18,810,036	19,563,918
Energy, water and gas expenses	6,602,936	7,034,495
Consumables	1,402,057	1,666,429
Total	46,072,318	54,965,256

**EMPLOYEE BENEFITS EXPENSES AND SOCIAL
CHARGES**

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Salaries	10,184,405	9,470,246
Social contributions (taxes)	239,732	228,180
Meal tickets	536,084	357,092
Total	10,960,221	10,055,518



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

**DEPRECIATION/AMORTIZATION AND
IMPAIRMENT EXPENSES**

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Total depreciation expenses, of which:	2,370,720	2,459,525
Depreciation of property plant and equipment	2,342,238	2,428,857
Amortization of intangible assets	28,482	30,668
Total	2,370,720	2,459,525

OPERATING EXPENSES

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Expenses with transport and logistics	1,165,380	1,343,919
Other expenses with third party services	1,874,365	1,430,817
Protocol and marketing	25,452	24,698
Expenses with repairs	370,033	404,731
Taxes and levies	349,776	335,414
Losses on receivables	1,427	188
Expenses with insurances	86,988	97,623
Expenses with postal charges and telecommunications	28,525	28,179
Expenses with travels	31,353	10,560
Expenses with rentals	47,259	30,923
Expenses with fines and penalties	23,740	688
Other expenses	42,438	107,480
Total	4,046,736	3,815,220

OTHER GAINS AND LOSSES

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Income from penalties charged	170	-
Gain / (Loss) on sale of non-current assets	-	9,000
Gain / (Loss) on disposal of assets held for sale	3,992,451	-
Gain / (loss) from the variation of provisions	1,427	-
Other gains	28,610	55,602
Total	4,022,658	64,602

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

FINANCE INCOME

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Interest income on bank deposits	110,551	44,634
Gains on foreign exchange differences	-	30,624
Total	110,551	75,258

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
FINANCE COST		
Bank interest and leases expenses	379,331	273,635
Bank commissions and assimilated charges	83,255	64,637
Loss on foreign exchange differences	171,976	-
Total	634,562	338,272

PROFIT TAX

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Current profit tax expense	468,902	189,811
Deferred profit tax expense	-	-
Total	468,902	189,811



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	Land	Buildings	Plant and equipment	Installations and furniture	Tangible assets in progress and advances	Total
	RON	RON	RON	RON	RON	RON
COST						
Balance as at January 01, 2023	43,567,512	18,836,122	118,584,958	867,556	4,486,490	186,342,638
Additions, out of which:	-	193,623	835,963	10,760	355,833	1,396,178
Transfers	-	193,623	835,963	10,760	-	1,040,346
Disposals, out of which:	-	-	(64,591)	-	(1,102,515)	(1,167,106)
Transfers	-	-	-	-	(1,040,346)	(1,040,346)
Balance as at March 31, 2023	43,567,512	19,029,745	119,356,330	878,316	3,739,807	186,571,710
	Land	Buildings	Plant and equipment	Installations and furniture	Tangible assets in progress and advances	Total
	RON	RON	RON	RON	RON	RON
DEPRECIATION						
Balance as at January 01, 2023	-	-	(83,355,743)	(496,228)	-	(83,851,971)
Expenses with depreciation	-	(332,907)	(1,996,346)	(12,986)	-	(2,342,238)
Decrease from sale of assets	-	-	60,007	-	-	60,007
Balance as at March 31, 2023	-	(332,907)	(85,292,082)	(509,214)	-	(86,134,202)
Net book value as at January 01, 2023	43,567,512	18,836,122	35,229,215	371,328	4,486,490	102,490,667
Net book value as at March 31, 2023	43,567,512	18,696,838	34,064,248	369,102	3,739,807	100,437,507



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	Licences	Other intangible assets	Intangible assets in progress	Total
	RON	RON	RON	RON
<i>COST</i>				
Balance as at January 01, 2023	1,052,687	713,307	140,646	1,906,640
Additions, out of which:	-	-	90,982	90,982
Transfers				
Disposals, out of which:	-	-	-	-
Transfers				
Balance as at March 31, 2023	1,052,687	713,307	231,628	1,997,623
	Licences	Other intangible assets	Intangible assets in progress	Total
	RON	RON		RON
<i>AMORTIZARE CUMULATĂ</i>				
Balance as at January 01, 2023	(931,496)	(644,224)		(1,575,720)
Expenses with amortization	(20,708)	(7,774)		(28,482)
Decrease from sale of assets	-	-		-
Balance as at March 31, 2023	(952,203)	(651,998)		(1,604,201)
Net book value as at March 31, 2023	100,484	61,309	231,628	393,421



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Details on the Company's investments in subsidiaries and associates are as follows:

	Core activity	Place of establishment and operations	31-MAR-2023
			RON
RECYPLAT LTD CIPRU	Business and other management consultancy activities	Nicosia	20,261,120
RC ENERGO INSTALL SRL	Plumbing, heat and air conditioning installation (NACE code 4322)	Buzau	15,112
INFO TECH SOLUTIONS SRL	Other information technology and computer service activities (NACE code 6209)	Buzau	1,990
LIVING JUMBO INDUSTRY SA	Manufacture of plastic packing goods (NACE code 2222).	Buzau	6,477,632
GRINFILD LTD	Retail trade	Odessa	2,687,755
ECO PACK MANAGEMENT SA	Other business support service activities n.e.c. (NACE code 8299)	Buzau	586,625
YENKI SRL	Activities of sports facilities (NACE code 9311)	Buzau	100,000
KANG YANG BIOTECHNOLOGY CO. LTD	Manufacture of products beneficial for the human health	Taiwan	203,963
REGISTRUL MIORITA SA	Other financial service activities, except insurance and pension funding n.e.c (NACE code 6499)	Cluj	5,000
VIITORUL INCEPE AZI (VIA)	NGO	Buzau	1,000
Total Cost			<u>30,340,198</u>
Adjustments of impairment			
GRINFILD LTD			(2,687,755)
LIVING JUMBO INDUSTRY SA			(6,477,632)
ECO PACK MANAGEMENT SA			(554,263)
YENKI SRL			(11,988)
Total adjustments			(9,731,638)
NET BOOK VALUE			20,608,560



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

CURRENT INVENTORIES

	31/03/2023	31/12/2022
	RON	RON
Raw materials	12,918,977	12,085,436
Consumables	4,249,724	4,136,060
Items of inventory	102,818	91,163
Packaging	312,244	338,888
Finished products	9,796,022	10,659,376
Unfinished products	2,535,336	2,545,108
Semi-finished products	2,525,085	1,154,260
Residual products	57,408	6,738
Commodities	1,268,720	634,233
Advances for purchases of inventory	111,224	28,374
Allowance for obsolete inventories	(1,715,929)	(1,715,929)
Total	32,161,629	29,963,708

TRADE AND OTHER RECEIVABLES

	31/03/2023	31/12/2022
	RON	RON
Trade receivables	73,536,202	64,392,234
Allowances for doubtful clients	(1,176,674)	(1,178,100)
Taxes to recovered	814,314	425,361
Other receivables	34,846	9,519
Subsidies receivable	-	4,750
Total	73,208,688	63,653,763

OTHER CURRENT FINANCIAL ASSETS

	31/03/2023	31/12/2022
	RON	RON
Loans granted to related parties	3,000,000	3,000,000
Interest related to loans granted to related parties	218,829	159,651
Dividends to be received from affiliates	-	39,579,200
	3,218,829	42,738,851

OTHER CURRENT NON-FINANCIAL ASSETS

	31/03/2023	31/12/2022
	RON	RON
Prepaid expenses	2,157,386	3,443,102
Advances to services suppliers	238,370	421,245
Total	2,395,756	3,864,347

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

CASH ON HAND AND AT BANKS

	31/03/2023	31/12/2022
	RON	RON
Cash at banks	11,207,575	2,288,028
Cash on hand	25,778	22,152
Cash equivalents	75,910	462,529
Total	11,309,263	2,772,709

**NON-CURRENT ASSETS OR DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE OR AS HELD
FOR DISTRIBUTION TO OWNERS**

	31/03/2023	31/12/2022
	RON	RON
Balance at the beginning of the period	3,760,155	70,845
Total additions, out of which:	-	3,689,310
Transfers from investment property and tangible assets	-	757,273
Revaluation increases	-	-
Total disposals, of which:	(3,760,155)	-
Revaluation decreases	-	-
Balance at the end of the period	-	3,760,155

ISSUED CAPITAL

	31/03/2023	31/12/2022
	RON	RON
264,122,096 fully paid ordinary shares. The value of one share is lei 0.1	26,412,210	26,412,210
Inflation effect according to IAS 29	-	-
Total	26,412,210	26,412,210



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

	31 Martie 2023		31 Decembrie 2022	
	No. of shares	% holding	No. of shares	% holding
Living Plastic Industry SRL	86,774,508	32.85%	86,774,508	32.85%
Joyful River Limited Loc, Nicosia CYP	54,195,089	20.52%	54,195,089	20.52%
Toderita Stefan Alexandru	33,200,000	12.57%	32,700,000	12.38%
Other legal entities	9,292,329	3.52%	9,815,721	3.72%
Other natural persons	80,660,170	30.54%	80,636,778	30.53%
Total	264,122,096	100%	264,122,096	100%

RETAINED EARNINGS

	31/03/2023	31/12/2022
Balance at the beginning of the period	70,732,989	47,008,179
Net profit	3,189,528	51,471,690
Transfer to legal reserves	-	(1,105,471)
Transfer to other reserves	-	(862,410)
Transfers from revaluation reserves	940,324	633,211
Dividend allocation	-	(26,412,210)
Balance at the end of the period	74,862,841	70,732,989

RESERVES

	31/03/2023	31/12/2022
Legal reserves	5,282,442	5,282,442
Other reserves	16,519,108	16,519,108
Revaluation reserves	38,153,601	39,093,925
Total	59,955,151	60,895,475

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

REVALUATION RESERVES

	31/03/2023	31/12/2022
Balance at the beginning of the period	39,093,925	38,708,540
Increases from revaluation of property, plant and equipment	-	1,893,966
Decreases from revaluation of property, plant and equipment	-	(1,148,702)
Transfer of reserves to retained earnings	(940,324)	(633,211)
Adjustment of deferred tax on fiscally non-deductible revaluation reserves	-	273,332
Balance at the end of the period	38,153,601	39,093,925

BORROWINGS (OTHER FINANCIAL LIABILITIES)**Borrowings – Short term**

	31/03/2023	31/12/2022
	RON	RON
UniCredit Bank (credit line)	14,720,618	25,973,635
Eximbank SA (credit line)	12,346,513	12,333,191
UniCredit Bank - Investment loan - CCE 2015	2,471,382	2,757,779
Investment loan VI - UniCredit Bank	752,340	686,604
Investment loan VII - UniCredit Bank	463,480	308,881
Inventories purchase facility - UniCredit Bank	1,900,454	3,799,602
Total	32,654,787	45,859,692

BORROWINGS (OTHER FINANCIAL LIABILITIES)**Borrowings – Long term**

	31/03/2023	31/12/2022
	RON	RON
Investment loan VI - UniCredit Bank	1,716,712	1,882,603
Investment loan VII - UniCredit Bank	2,008,411	2,162,161
Total	3,725,123	4,044,764

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

OTHER NON-FINANCIAL LIABILITIES
- SUBSIDIES

	31/03/2023	31/12/2022
Grants – project co-funded by European funds for 2011	2,178,228	2,392,946
Grants – project co-funded by European funds for 2015	6,010,525	6,305,217
Grants – project co-funded by European funds for 2022	871,918	891,003
Subtotal subsidies	9,060,671	9,589,166

- OTHER LIABILITIES

	31/03/2023	31/12/2022
Liabilities to employees	1,335,660	1,206,400
Liabilities related to social contributions	1,276,332	1,222,304
Other tax liabilities	1,835,429	1,080,576
Advance income	-	-
Subtotal other liabilities	4,447,421	3,509,280

Total Other non-financial liabilities, out of which:

- Short-term liabilities	5,623,258	6,561,399
- Long-term liabilities	7,475,188	6,946,693

TRADE PAYABLES AND OTHER PAYABLES

	31/03/2023	31/12/2022
	RON	RON
Trade payables	(31,061,865)	(28,599,321)
Other payables	(107,258)	(15,855,290)
Suppliers invoices not received	589,863	(688,421)
Advances from clients	(956,985)	(2,917,867)
Total	(31,536,245)	(48,060,899)



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

TRANSACTIONS WITH AFFILIATES

Affiliate	Sales of goods and services		Purchases of goods and services		Amounts to be received from affiliates		Amounts to be paid to affiliates	
	3 Months of 2022	3 Months of 2023	3 Months of 2022	3 Months of 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023
ECO PACK MANAGEMENT SA	0	0	0	0		0	29,442	29,442
INFO TECH SOLUTIONS S.R.L.	8,868	7,879	124,492	219,490		9,354	138,276	65,069
LIVINGJUMBO INDUSTRY SA	19,154,074	11,877,316	339,955	391,366	35,300,097	41,481,506	247,770	442,983
RC ENERGO INSTALL SRL	36,086	47,750	707,604	670,933		293	41,163	238,099
YENKI SRL BUZAU	0	2,785	0	0		3,314	0	0
TOTAL	19,199,027	11,935,730	1,172,050	1,281,789	35,300,097	41,494,467	427,208	746,151

Note : As at March 31, 2023 the Company has to receive from its subsidiary, RC Energo Install SRL, the amount of RON 3,218,829 representing a loan granted to the subsidiary whose maturity is June 2023 and the related interest.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

(all amounts are expressed in lei, unless specified otherwise)

The economic-financial performance of SC Romcarbon SA during the reporting period can be evaluated in the light of the following indicators:

Indicator	Formula	31.03.2021	31.03.2022	31.03.2023
EBIT	Gross profit + Income tax + Expenses with interest	620,002	1,514,065	4,037,761
<i>EBITDA</i>	<i>EBIT + Depreciation - Subsidies for investments</i>	2,578,603	3,408,727	5,879,987
EBITDA to sales ratios	EBITDA/Sales	4.17%	4.95%	9.47%
EBITDA to Equity	EBITDA/Equity	1.86%	2.52%	3.60%
Gross profit ratio	Gross profit/Sales	0.63%	1.80%	5.89%
Current liquidity	Current assets/Current liabilities	1.19	1.47	1.73
Quick liquidity	(Current assets- Inventories)/Current liabilities	0.87	1.17	1.27
Non-current liabilities to Equity	Non-current liabilities/Equity	15%	13%	12%
Total liabilities to Assets	Total liabilities/Total Assets	47%	43%	36%
Interest coverage ratio	EBIT/Interest expenses	3	6	11
Receivables rotation (days)	Average receivables/Sales	69	85	99
Payables rotation (days)	Average payables/Sales	50	54	58
Return on Assets(ROA)	Net profit/Assets	0.12%	0.41%	1.26%
Return on Equity(ROE)	Net profit/Equity	0.21%	0.78%	1.95%
Return on Sales(ROS)	Net profit/Sales	0.48%	1.53%	5.13%

The condensed interim Separate financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board
and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager
for Administrative
operations





BOARD OF DIRECTORS' REPORT

REGARDING THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023



BOARD OF DIRECTORS REPORT REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS

MAIN ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Indicator	3 Months of 2021	3 Months of 2022	3 Months of 2023		2023 vs 2022	
Revenue (Sales)	73,843,981	95,365,144	89,872,751	▼	(5,492,393)	-6%
Other income	1,070,759	1,073,659	1,031,513	▼	(42,146)	-4%
Share of profit / loss of associates	739,876	1,583,476	-	▼	(1,583,476)	-100%
EBITDA	3,962,850	8,089,482	6,880,433	▼	(1,209,049)	-15%
EBITDA Operational	3,901,985	6,572,211	2,824,875	▼	(3,747,336)	-57%
Profit from operations	1,079,519	3,794,534	4,210,509	▲	415,975	11%
Net profit	602,169	4,471,702	2,837,416	▼	(1,634,285)	-37%
Net profit without the impact of Share of profit / loss of associates [Green-Group]	(137,707)	2,888,226	2,837,416	▼	(50,809)	-2%
Non-Current assets	179,381,875	166,350,918	132,568,036	▼	(33,782,883)	-20%
Current assets	115,868,481	148,386,732	170,485,095	▲	22,098,363	15%
Total Equity	140,351,897	143,437,963	172,675,744	▲	29,237,780	20%
Total Liabilities	154,898,460	171,299,688	130,377,388	▼	(40,922,300)	-24%
Cash and cash equivalents	14,747,961	12,918,268	42,425,779	▲	29,507,510	228%
Debt ratio	52%	54%	43%	▼	(0)	-21%
Current liquidity	104%	105%	162%	▲	1	55%

The main indicators of the Statement of profit or loss registered by the two major companies of the Group, Romcarbon SA and Livingjumbo Industry SA, according to their Standalone Financial Statements.

ROMCARBON SA

Indicator (3 Months)	A.2021	A.2022	B.2023	A.2023	A.2023 vs A.2022		A.2023 vs B.2023	
TURNOVER	61,768,864	68,843,481	79,291,475	62,121,748	(6,721,733)	-10%	(17,169,727)	-22%
EBITDA Operational	3,073,331	3,425,842	2,366,335	2,050,044	(1,375,798)	-40%	(316,291)	-13%
NET PROFIT	296,248	1,050,619	3,300,653	3,189,528	2,138,909	204%	(111,125)	-3%

From **EBITDA Operational** to **Net Profit**

Indicator (3 Months)	A.2021	A.2022	A.2023	A.2023 vs A.2022	
EBITDA OPERATIONAL	3,073,331	3,425,842	2,050,044	(1,375,798)	-40%
Fixed assets depreciation	(2,523,464)	(2,459,525)	(2,370,720)	88,805	-4%
Revenues from subsidy from Government for investments	564,863	564,863	528,494	(36,368)	-6%
Interest expenses	(233,336)	(273,635)	(379,331)	(105,695)	39%
Gain/loss from sales of assets	(267)	9,000	3,992,452	3,983,452	44261%
Other non-operational items(provisions, penalties, donations)	(59,974)	(137,491)	(112,365)	25,127	-18%
Forex gain/loss	(492,528)	30,624	(171,977)	(202,602)	-662%
Other gain/loss from Financial	58,042	80,752	121,833	41,081	51%
Tax on profit	(90,418)	(189,811)	(468,902)	(279,091)	147%
NET PROFIT	296,248	1,050,619	3,189,528	2,138,909	204%



LIVINGJUMBO INDUSTRY SA

Indicator (3 Months)	A.2021	A.2022	B.2023	A.2023	A.2023 vs A.2022	A.2023 vs B.2023
TURNOVER	29,382,630	39,959,001	38,460,622	31,844,466	(8,114,535)	-20% (6,616,156) -17%
EBITDA Operational	514,596	1,755,129	1,875,635	285,524	(1,469,605)	-84% (1,590,111) -85%
NET PROFIT	-652,149	710,386	796,774	-786,458	(1,496,843)	n/a (1,583,231) n/a

From **EBITDA Operational** to **Net Profit**

Indicator (3 Months)	A.2021	A.2022	A.2023	A.2023 vs A.2022
EBITDA OPERATIONAL	514,596	1,755,129	285,524	▼ (1,469,605)
Fixed assets depreciation	(1,178,618)	(1,198,909)	(1,226,685)	▲ (27,776)
Revenues from subsidy from Government for investments	371,560	371,560	371,560	— -
Interest expenses	(179,917)	(167,102)	(269,816)	▲ (102,714)
Gain/loss from sales of assets			5,000	▲ 5,000
Other non-operational items(provisions, penalties, donations)	(8,806)	(29,013)	(11,576)	▼ 17,437
Forex gain/loss	(162,377)	(7,236)	59,797	▲ 67,033
Other gain/loss from Financial	(8,587)	(14,043)	(261)	▼ 13,782
NET PROFIT	(652,149)	710,386	(786,458)	▲ (1,496,843)

A = Actual; **B**= Budget



Presentation of the evolution of the key indicators on production sectors - 3 Months

	Indicator (3 Months)	A.2021	A.2022	B.2023	A.2023	A.2023 vs A.2022	A.2023 vs B.2023		
ROMCARBON	PLASTIC PROCESSING SECTOR : POLYETHYLENE								
	Turnover	8,634,994	9,655,136	10,854,475	7,309,028	(2,346,107)	-24%	(3,545,447)	-33%
	EBITDA before overhead	59,539	646,041	617,623	372,288	(273,753)	-42%	(245,335)	-40%
	Profit before overhead	(142,183)	458,407	427,627	186,153	(272,254)	-59%	(241,474)	-56%
	PLASTIC PROCESSING SECTOR : POLYSTYRENE								
	Turnover	10,931,035	12,768,235	13,443,918	11,208,021	(1,560,214)	-12%	(2,235,897)	-17%
	EBITDA before overhead	2,316,369	1,481,019	1,946,731	1,583,818	102,799	7%	(362,913)	-19%
	Profit before overhead	1,949,194	1,164,509	1,645,255	1,276,361	111,851	10%	(368,894)	-22%
	PLASTIC PROCESSING SECTOR : POLYPROPYLENE								
	Turnover	9,640,568	10,658,101	11,438,941	8,583,863	(2,074,238)	-19%	(2,855,078)	-25%
	EBITDA before overhead	1,142,103	822,216	772,473	917,834	95,617	12%	145,361	19%
	Profit before overhead	1,060,248	742,068	693,174	829,197	87,129	12%	136,023	20%
	RECYCLED POLYMERS & COMPOUNDS								
	Turnover	8,254,155	13,901,315	14,555,378	12,102,418	(1,798,896)	-13%	(2,452,960)	-17%
	EBITDA before overhead	1,174,388	2,239,770	1,817,055	1,076,294	(1,163,476)	-52%	(740,761)	-41%
Profit before overhead	227,877	1,238,521	885,966	159,978	(1,078,542)	-87%	(725,988)	-82%	
OTHER PRODUCTIVE SECTORS : FILTERS, ACTIVE CARBON, PROTECTIVE EQUIPMENT, PVC TRAFFIC BASE SIGNS									
Turnover	1,403,983	1,786,138	1,862,978	1,805,250	19,112	1%	(57,728)	-3%	
EBITDA before overhead	167,633	380,056	179,537	192,989	(187,067)	-49%	13,452	7%	
Profit before overhead	87,068	302,970	101,267	110,361	(192,608)	-64%	9,094	9%	
LIVINGJUMBO INDUSTRY	PLASTIC PROCESSING SECTOR : POLYPROPYLENE								
	Turnover	16,634,662	21,384,018	20,272,046	17,404,253	(3,979,765)	-19%	(2,867,793)	-14%
	EBITDA before overhead	998,832	1,905,336	2,154,433	1,319,036	(586,300)	-31%	(835,397)	-39%
	Profit before overhead	817,710	1,720,636	1,981,573	1,144,061	(576,575)	-34%	(837,512)	-42%
	PLASTIC PROCESSING SECTOR : PET								
	Turnover	12,747,968	18,574,983	18,188,576	14,440,213	(4,134,770)	-22%	(3,748,363)	-21%
EBITDA before overhead	577,309	938,027	913,779	361,380	(576,647)	-61%	(552,399)	-60%	
Profit before overhead	(48,627)	295,378	259,779	(313,769)	(609,147)	-206%	(573,548)	-221%	

Note: In the item "Turnover", in addition to the income from sales of finished products, the income from the sale of goods, income from services and other sales made by the business lines are included.



ACTIVITY OF THE GROUP

As at March 31, 2023 ROMCARBON SA holds participations directly and/or indirectly in 11 entities:

Entity	31.03.2023		Consolidation method
	Interest	Control	
RECYPLAT LTD CIPRU	100.00%	100.00%	Global
RC ENERGO INSTALL SRL	100.00%	100.00%	Global
ECO PACK MANAGEMENT SA	25.36%	99.88%	Global
LIVINGJUMBO INDUSTRY SA	99.86%	99.86%	Global
INFOTECH SOLUTIONS SRL	99.50%	99.50%	Global
GRINFILD LLC UCRAINA	62.62%	62.62%	Global
GRINRUH LLC UCRAINA	62.62%	62.62%	Global
YENKI SRL	33.34%	33.34%	Equity method
REGISTRUL MIORITA SA	3.79%	3.79%	Outside the consolidation area
KANG YANG BIOTECHNOLOGY CO.LTD	1.95%	1.95%	Outside the consolidation area
ONG VIITORUL INCEPE AZI (VIA)	14.29%	16.80%	Outside the consolidation area

PRESENTATION OF THE GROUP AND THE MAIN INDICATORS ACHIEVED IN 2023**PRESENTATION OF THE GROUP'S MEMBER COMPANIES**

As at March 31, 2023 the company was holding directly or through other subsidiaries, participating interest in the following entities:

RECYPLAT LTD is a company established in 2011, having a share capital of Lei 112,532 (EUR 26,000) wholly owned by SC Romcarbon SA. The company's main office is located in Akropoleos, 59-61, 3rd floor, Nicosia, Cyprus.

The company's main object of activity is the Conduct of activities and business of consultants, experts in all scientific fields, financial, administrative or otherwise, in relation to the setting up, operation, development and improvement of any business, industry, company, partnership or other organization.

RC ENERGO INSTALL S.R.L. is a company established in 2005, with a share capital of lei 2,000, fully owned by S.C. Romcarbon S.A. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company was established by outsourcing the maintenance and repair of heating, water installations, sewage and substations; the main object of activity is Plumbing, heat and air conditioning installation (NACE code 4322).

ECO PACK MANAGEMENT SA is a company established in 2010, with a share capital of lei 1,446,000, where SC Romcarbon SA directly holds 25.36% and 74.62% indirectly. The remaining shares are held by Romanian legal persons. The company's main office is located in Buzau, 132 Transilvaniei street, Granules Hall, room no.7, 2nd floor. The company's main object of activity is Other business support service activities n.e.c. (NACE code 8299). Starting with 10.12.2021, the company suspended his activity for a period of 3 years.

INFO TECH SOLUTIONS S.R.L. is a company established in 2005, with a share capital of lei 2,000, where S.C. Romcarbon S.A. holds 99.50% of the shares and the remaining shares are held by natural persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company was established by outsourcing the IT services and its main object of activity is Other information technology and computer service activities (NACE code 6209).

LIVINGJUMBO INDUSTRY S.A. is a company established in 2002, with a share capital of lei 5,644,800, where S.C. Romcarbon S.A. holds 99.86% of the shares and the remaining shares are held by Romanian legal persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company's main object of activity is Manufacture of plastic packing goods (NACE code 2222).

GRINFILD LLC UKRAINE is a company established in 2007, with a share capital of lei 4,312,062, where SC Romcarbon SA holds 62.62% of the shares and the remaining shares are held by foreign legal persons. The company's main office is located in Ukraine, Odessa region, Krijianivka locality, Str. Mikolayevska, Bl. 2. The company's main object of activity is wholesale. The company ceased its activity in 2012.



GRINRUH LLC UKRAINE is a company established in 2007, with a share capital of lei 4,426,809, where SC Romcarbon SA holds 62.62%. The company's main office is located in Ukraine, Odessa region, Krijianivka locality, Str. Mikolayevska, Bl. 2. The company's main object of activity is construction and wholesale. The company ceased its activity in 2012.

YENKI S.R.L. is a company established in 2007, with a share capital of lei 328,000, where S.C. Romcarbon S.A. holds 33.34% of the shares and the remaining shares are held by Romanian legal and natural persons. The company's main office is located at Soseaua Nordului, DN2, Buzău. The company's main object of activity is Operation of sports facilities (NACE code 9311).

Association 'VIITORUL INCEPE AZI (VIA)', established in accordance with GO no. 26/2000, is a non-governmental, non-profit and non-political organization; The association's mission is to improve the quality of technical professional training and development in the Buza area (Romania), to support and promote the interests and needs of its members in front of the authorities and/or various bodies, third parties.

The association was established in 2022 by 7 economic operators from Buzau - Voestalpine RAILWAY SYSTEMS ROMANIA SA, URBIS SERV SRL, LUCSOR IMPEX SRL, URSUS BREWERIES SA, ROMCARBON SA, BENCOMP SRL, GREENFIBER INTERNATIONAL SA - as founding members, with contribution equal in its patrimony and with equal right to vote in the General Assembly.

The association's assets, worth 7,000 lei, constituted by the membership contribution of the founding members.

ACTIVITY OF THE GROUP OF COMPANIES

PRESENTATION OF THE GROUP COMPANIES

The following persons ensured the executive management of the group companies in 2023:

ROMCARBON SA – General Manager – Huang Liang Neng
 RECYPLAT LTD CYPRUS – Director – Nicos Avraamides
 RC ENERGO INSTALL SRL – General Manager Duca Eugen Florin
 ECO PACK MANAGEMENT SA – Sole administrator WEY, JIANN-SHYANG
 INFO TECH SOLUTIONS SRL- General Manager Hristache Cornel
 LIVINGJUMBO INDUSTRY SA – General Manager WU,HUI-TZU
 GRINFILD LLC UKRAINE – The company has not been operating since 2012
 GRINRUH LLC UKRAINE – The company has not been operating since 2012
 YENKI SRL – Administrator Petre Romeo Florinel

ACTIVITY OF THE GROUP OF COMPANIES

The evolution of the subsidiaries' contribution to the consolidated net profit of the group in Q1 2023 is presented in the table below:

Company	Result 3 Months 2022 (in lei)	Result 3 Months 2023 (in lei)	2023 vs 2022
Romcarbon SA	1,050,619	3,189,528	2,138,909
Living Jumbo Industry SA	710,386	(786,458)	(1,496,843)
RC Energo Install SRL	1,195,726	396,201	(799,525)
Infotech Solutions SRL	68,177	35,822	(32,355)
Recyplat Ltd Cipru	(101)	25,775	25,876
Eco Pack Management SA	(7)	(75)	(68)
Consolidation adjustments ¹	1,446,902	(23,377)	(1,470,279)
Total	4,471,702	2,837,416	(1,634,286)

¹ Consolidation adjustments

Consolidation adjustments	Result 3 Months 2022 (in lei)	Result 3 Months 2023 (in lei)	2023 vs 2022
Elimination of the unrealized profit related to the raw material inventories and fixed assets from the Group companies	(136,574)	(23,377)	113,197
Share of the profit of the associates (Romgreen Universal LTD)*	1,583,476	-	(1,583,476)
Total Adjustments	1,446,902	(23,377)	(1,470,279)

* In December 2022, the Group sold its holding in Romgreen Universal LTD

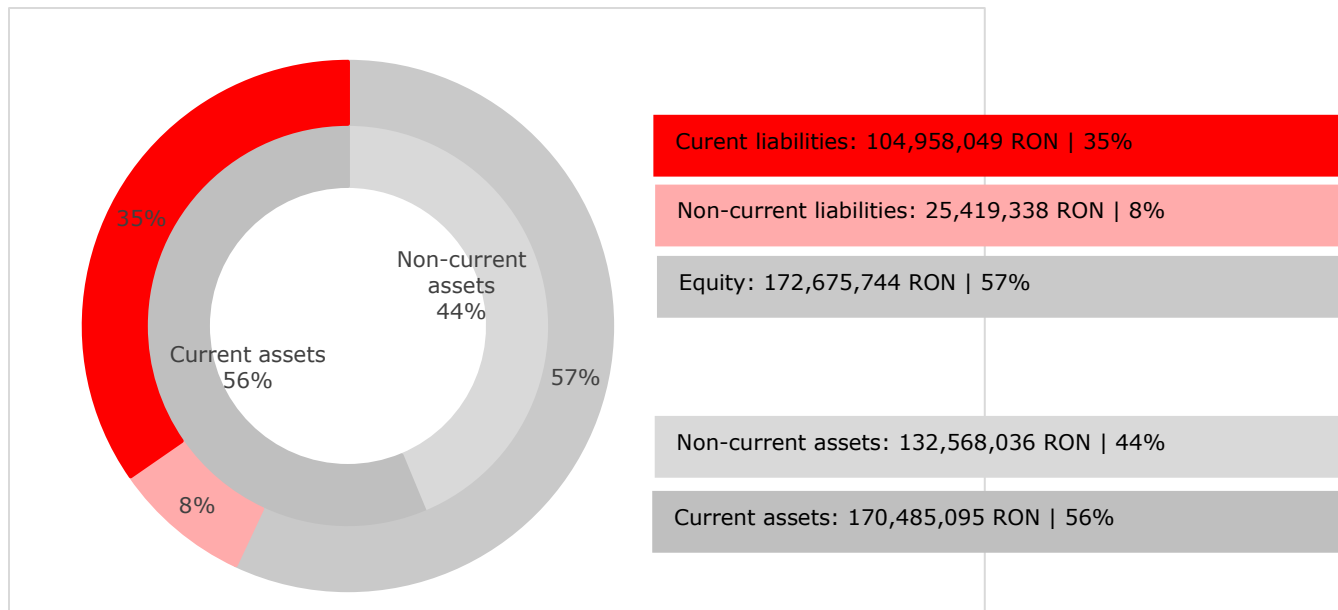
FINANCIAL STATEMENTS

A.) STATEMENT OF THE FINANCIAL POSITION

Indicator	31/03/2022	31/12/2022	31/03/2023	Variation	31.03.23 vs. 31.12.22
Property, plant and equipment	129,906,556	123,886,765	121,854,255	-2,032,510	▼ -1.64%
Investment property	10,894,586	9,883,738	9,883,738	0	— 0.00%
Goodwill	143,461	143,461	143,461	0	▼ 0.00%
Intangible assets other than goodwill	301,247	329,100	386,710	57,610	▲ 17.51%
Investments accounted for using equity method	24,908,094	0	0	0	▼ n/a
Investments in subsidiaries, joint ventures and associates	196,974	297,974	297,974	0	▲ 0.00%
Other non-current financial assets	0	1,898	1,898	0	▼ 0.00%
Total non-current assets	166,350,918	134,542,936	132,568,036	-1,974,900	▼ -1.47%
Current inventories	68,112,689	65,899,751	62,075,651	-3,824,100	▼ -5.80%
Trade and other current receivables	61,094,948	60,979,526	63,291,252	2,311,726	▲ 3.79%
Other current financial assets	169,078	263,414	0	-263,414	▼ -100.00%
Other current non-financial assets	2,331,595	4,796,687	2,692,413	-2,104,274	▼ -43.87%
Cash and cash equivalents	12,918,268	73,869,061	42,425,779	-31,443,282	▼ -42.57%
Non-current assets classified as held for sale	3,760,155	3,760,155	0	-3,760,155	▼ -100.00%
Total current assets	148,386,732	209,568,594	170,485,095	-39,083,499	▼ -18.65%
ASSETS	314,737,651	344,111,530	303,053,131	-41,058,399	▼ -11.93%
Issued capital	26,412,210	26,412,210	26,412,210	0	▲ 0.00%
Share premium	2,182,283	2,182,283	2,182,283	0	— 0.00%
Reserves	60,098,976	62,917,677	61,979,162	-938,515	▼ -1.49%
Retained earnings	53,827,578	77,247,165	81,182,095	3,934,930	▲ 5.09%
Equity attributable to equity holders of the parent	142,521,047	168,759,335	171,755,750	2,996,415	▲ 1.78%
Non-controlling interests	916,916	920,916	919,994	-922	▼ -0.10%
Total equity	143,437,963	169,680,251	172,675,744	2,995,493	▲ 1.77%
Other non-current provisions	659,623	1,429,017	1,429,017	0	— 0.00%
Deferred tax liabilities	8,012,574	7,780,659	7,780,659	0	— 0.00%
Other non-current financial liabilities	5,853,917	4,044,764	3,725,123	-319,641	▼ -7.90%
Other non-current non-financial liabilities	15,079,152	13,384,594	12,484,539	-900,055	▼ -6.72%
Total non-current liabilities	29,605,266	26,639,034	25,419,338	-1,219,696	▼ -4.58%
Trade and other current payables	62,669,157	63,161,506	41,716,624	-21,444,882	▼ -33.95%
Other current financial liabilities	69,806,003	74,737,029	52,539,678	-22,197,351	▼ -29.70%
Other current non-financial liabilities	9,219,262	9,893,710	10,701,747	808,037	▲ 8.17%
Total current liabilities	141,694,421	147,792,245	104,958,049	-42,834,196	▼ -28.98%
Total liabilities	171,299,688	174,431,279	130,377,388	-44,053,891	▼ -25.26%
TOTAL EQUITY AND LIABILITIES	314,737,651	344,111,530	303,053,131	-41,058,399	▼ -11.93%



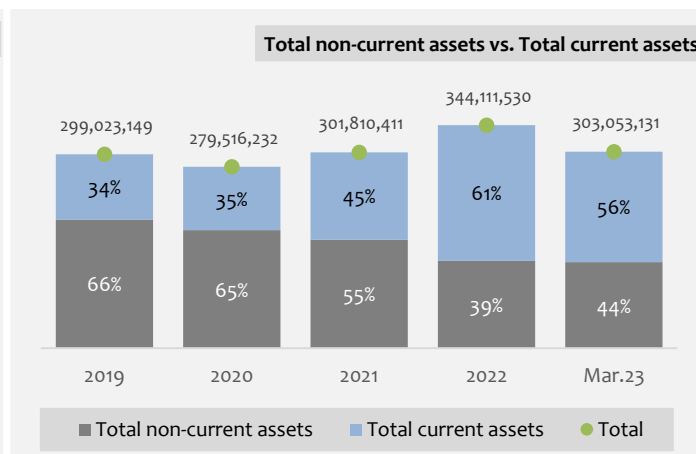
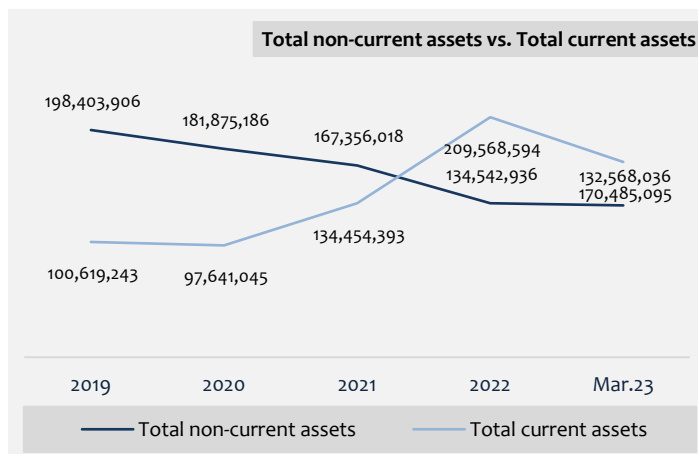
STRUCTURE OF THE FINANCIAL POSITION AS AT 31.03.2023



The participation of the consolidated companies in the indicators of the Statement of Financial Position in 2023 is presented in the table below

Company	LEI			
	Non-current assets	Current assets	Non-current liabilities	Current liabilities
Romcarbon SA	131,323,226	122,294,165	19,452,475	70,752,431
Livingjumbo Industry SA	21,932,258	56,214,095	5,966,863	71,149,291
RC Energo Install SRL	57,075	12,240,288	0	6,388,325
InfoTech Solutions SRL	50,038	894,177	0	539,644
Grinfeld Ucraina	4,426,809	8,614	0	879,485
Grinruh Ucraina	1,186,187	1,007,788	0	6,728
Recyclat LTD	0	23,287,006	0	0
Eco Pack Management SA	28,751	163,918	0	882,288
Consolidation adjustments	(26,436,308)	(45,624,955)	0	(45,640,141)
Total	132,568,036	170,485,095	25,419,338	104,958,049

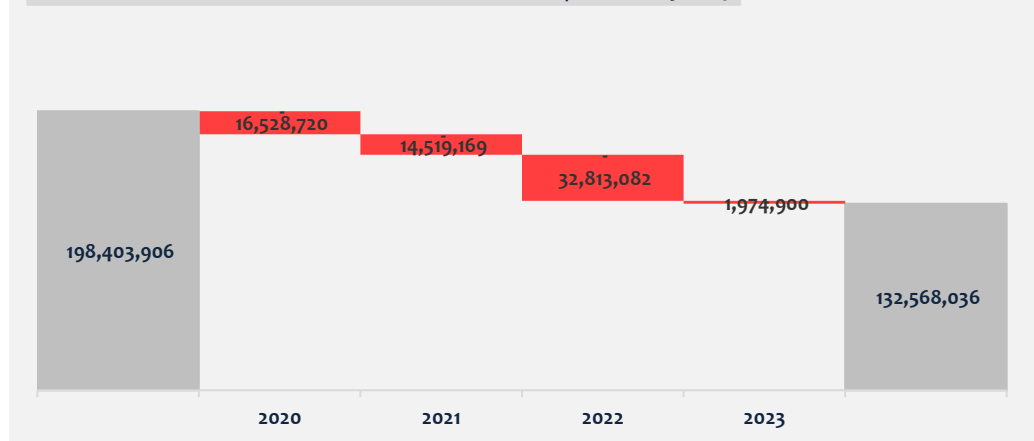
ASSETS



NON-CURRENT ASSETS

Non-current assets have a weight in Total Assets of 43.74% recording a decrease of - LEI 1,974,900, i.e. - 1.47%, as compared with the beginning of the year.

Evolution of the item Total non-current assets in the period 2019-2023

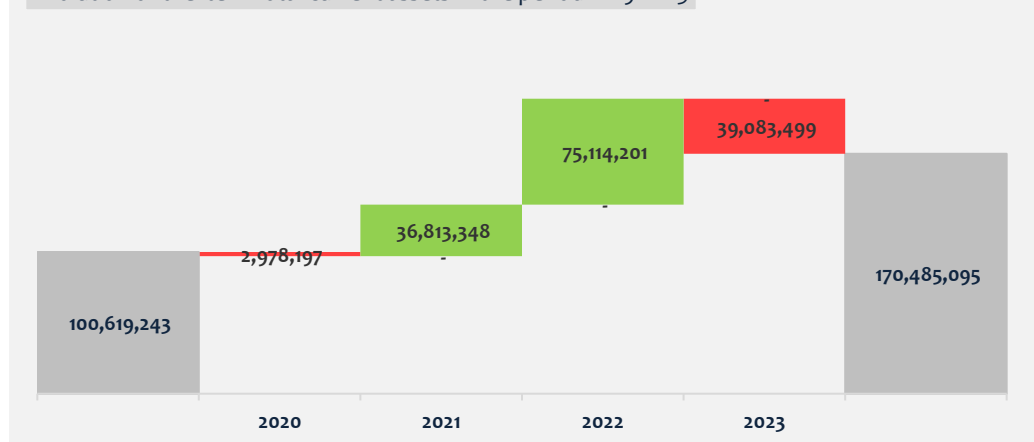


Non-current assets (lei)	31/03/2023	% in total NCA	% in total Assets	31.03.23 vs. 31.12.22
Property, plant and equipment	121,854,255	91.92%	40.21%	-1.64%
Investment property	9,883,738	7.46%	3.26%	0.00%
Goodwill	143,461	0.11%	0.05%	0.00%
Intangible assets other than goodwill	386,710	0.29%	0.13%	17.51%
Investments accounted for using equity method	297,974	0.22%	0.10%	0.00%
Investments in subsidiaries, joint ventures and associates	1,898	0.00%	0.00%	0.00%
Total non-current assets	132,568,036	100.00%	43.74%	-1.47%

CURRENT ASSETS

Current assets have a weight in Total Assets of 56.26% recording a decrease of - LEI 39,083,499, i.e. -18.65%, as compared with the beginning of the year.

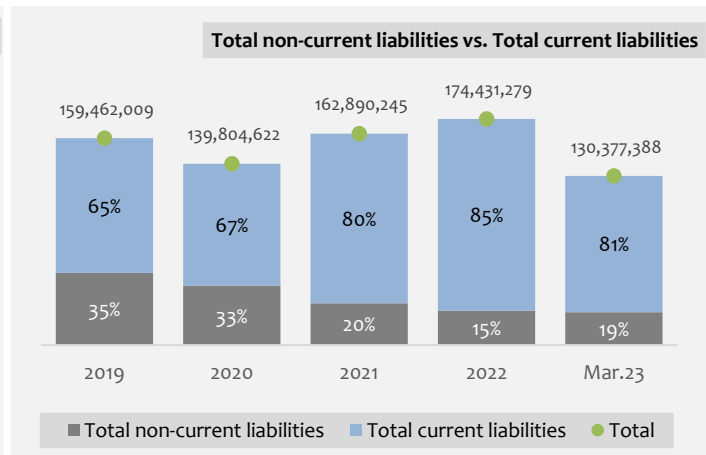
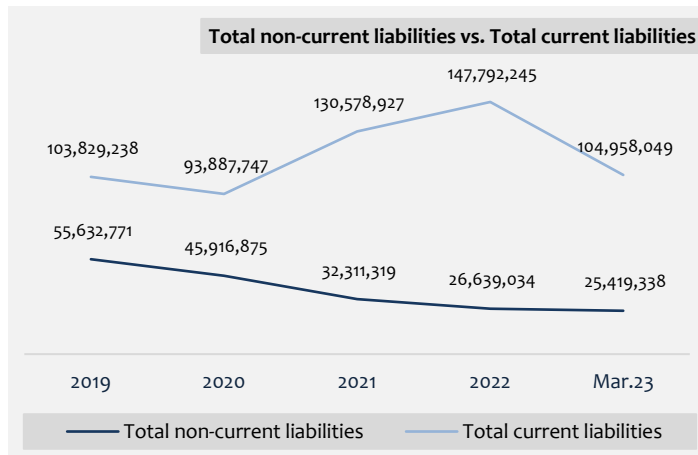
Evolution of the item Total current assets in the period 2019-2023



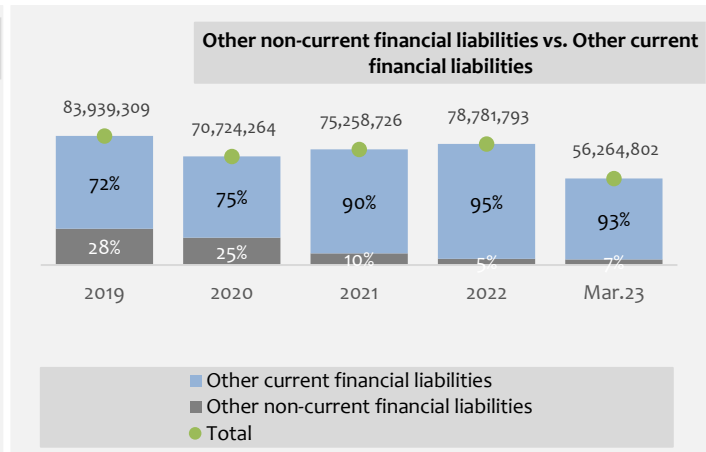
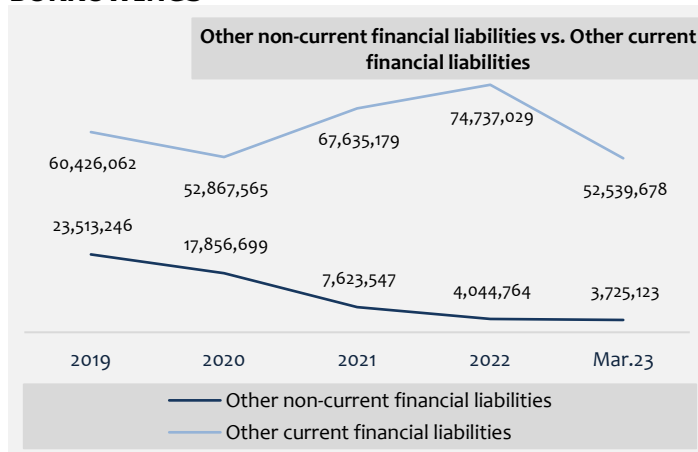
Current assets (lei)	31/03/2023	% in total CA	% in Total Assets	31.03.23 vs. 31.12.22
Current inventories	62,075,651	36.41%	20.48%	-5.80%
Trade and other current receivables	63,291,252	37.12%	20.88%	3.79%
Other current financial assets	0	0.00%	0.00%	-100.00%
Other current non-financial assets	2,692,413	1.58%	0.89%	-43.87%
Cash and cash equivalents	42,425,779	24.89%	14.00%	-42.57%
Non-current assets classified as held for sale	0	0.00%	0.00%	-100.00%
Total current assets	170,485,095	100.00%	56.26%	-18.65%

LIABILITIES

Total Liabilities hold 43.02% of the Group's Equity&Liabilities recording a decrease of - Lei 44,053,891, i.e. 25.26%, as compared with the beginning of the year.



BORROWINGS

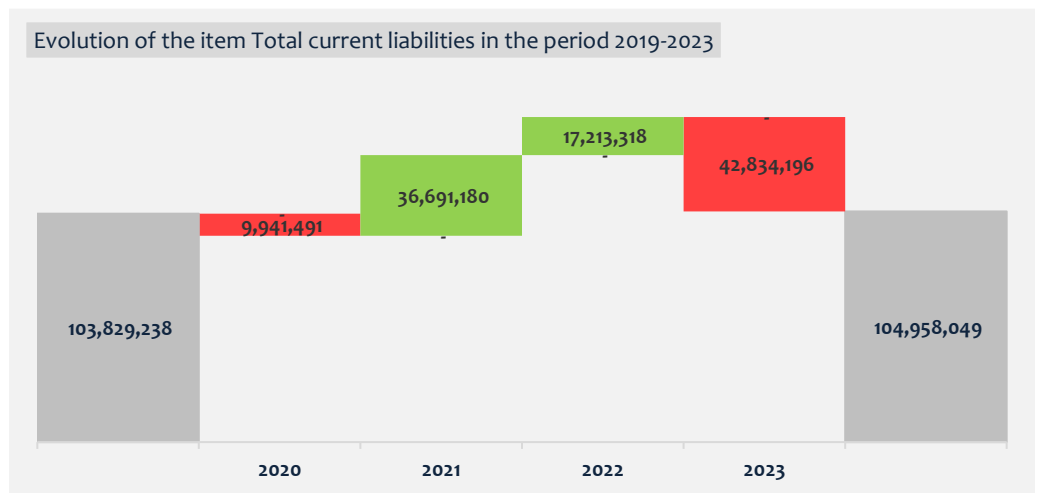


BORROWINGS

Company	31.12.2022	31.03.2023	2023 vs 2022
Romcarbon, total, out of which:	49,904,456	36,379,909	(13,524,546)
< 12 months	45,859,692	32,654,786	(13,204,906)
> 12 months	4,044,764	3,725,123	(319,641)
LivingJumbo Industry, total, out of which:	28,189,837	19,884,893	(8,304,945)
< 12 months	28,189,837	19,884,893	(8,304,945)
> 12 months	-	-	-
Energoinstall, total, out of which:	687,500	-	(687,500)
< 12 months	687,500	-	(687,500)
> 12 months	-	-	-
Total borrowings, out of which:	78,781,793	56,264,802	(22,516,991)
< 12 months	74,737,029	52,539,679	(22,197,350)
> 12 months	4,044,764	3,725,123	(319,641)

CURRENT LIABILITIES

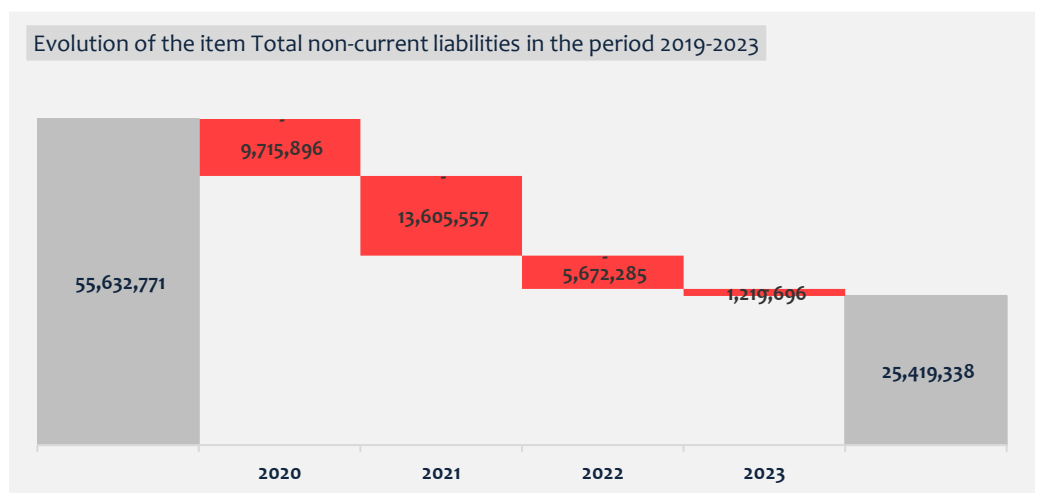
Current liabilities of the Group have a weight in Total Liabilities of 80.50% and in Total Equity and Liabilities of 34.63% recording a decrease of - LEI 42,834,196, i.e. - 28.98%, as compared with the beginning of the year.



Current liabilities (lei)	31/03/2023	% in total liabilities	% in Total Current liabilities	% in Total Equity and liabilities	31.03.23 vs. 31.12.22
Trade and other current payables	41,716,624	32.00%	39.75%	13.77%	-33.95%
Other current financial liabilities	52,539,678	40.30%	50.06%	17.34%	-29.70%
Other current non-financial liabilities	10,701,747	8.21%	10.20%	3.53%	8.17%
Total current liabilities	104,958,049	80.50%	100.00%	34.63%	-28.98%

NON-CURRENT LIABILITIES

Non-current liabilities have a weight in Total Equity and Liabilities of 8.39% recording a decrease of - LEI 1,219,696, i.e. -4.58%, as compared with the beginning of the year.



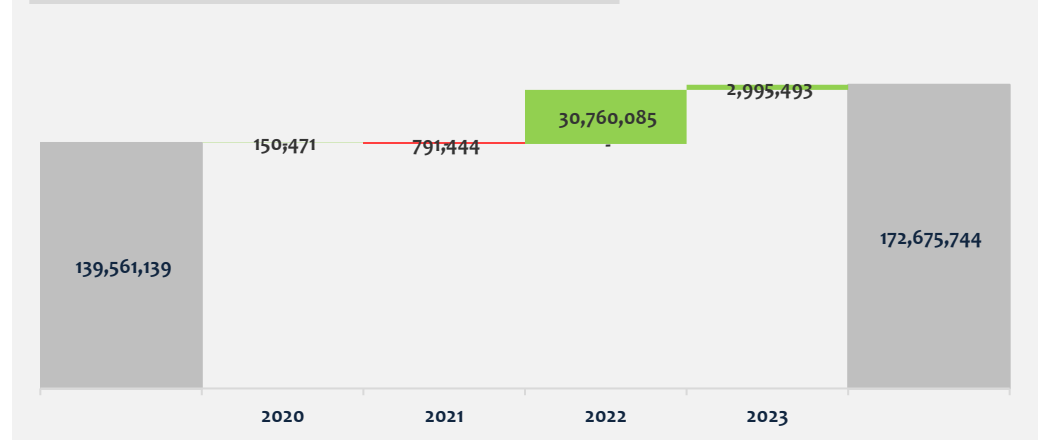
Non-current liabilities (lei)	31/03/2023	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and liabilities	31.03.23 vs. 31.12.22
Other non-current provisions	1,429,017	1.10%	5.62%	0.47%	0.00%
Deferred tax liabilities	7,780,659	5.97%	30.61%	2.57%	0.00%
Other non-current financial liabilities	3,725,123	2.86%	14.65%	1.23%	-7.90%
Other non-current non-financial liabilities	12,484,539	9.58%	49.11%	4.12%	-6.72%
Total non-current liabilities	25,419,338	19.50%	100.00%	8.39%	-4.58%



EQUITY

The Equity have a weight in Total Equity and Liabilities of 56.98% recording an increase of LEI 2,995,493, i.e. 1.77%, as compared with the beginning of the year.

Evolution of the item Total equity in the period 2019-2023



Equity (lei)	31/03/2023	31.03.23 vs 31.12.22
Issued capital	26,412,210	0.00%
Share premium	2,182,283	0.00%
Reserves	61,979,162	-1.49%
Retained earnings	81,182,095	5.09%
Equity attributable to equity holders of the parent	171,755,750	1.78%
Non-controlling interests	919,994	-0.10%
Total Equity	172,675,744	1.77%



B.)STATEMENT OF THE COMPREHENSIVE INCOME

Indicator (lei)	3 Months of 2021	3 Months of 2022	3 Months of 2023		2023 vs.2022	
Revenue	73,843,981	95,365,144	89,872,751	▼	(5,492,393)	-6%
Other Income	1,070,759	1,073,659	1,031,513	▼	(42,146)	-4%
Increase (decrease) in inventories of finished goods and work in progress	2,534,994	6,403,775	1,953,154	▼	(4,450,621)	-69%
Raw materials and consumables used	(49,431,755)	(67,381,271)	(61,899,368)	▼	5,481,903	-8%
Employee benefits expense	(18,233,568)	(18,971,412)	(20,425,518)	▲	(1,454,106)	8%
Depreciation and amortisation expenses	(3,745,806)	(3,691,727)	(3,620,792)	▼	70,935	-2%
Other expenses	(5,076,761)	(9,044,823)	(6,723,651)	▼	2,321,172	-26%
Other gains (losses)	117,675	41,189	4,022,420	▲	3,981,231	9666%
Profit (loss) from operating activities	1,079,519	3,794,534	4,210,509	▲	415,975	11%
Finance Income	41,009	52,855	247,396	▲	194,541	368%
Finance costs	(1,126,974)	(581,933)	(1,077,151)	▲	(495,218)	85%
Share of profit (loss) of associates and joint ventures accounted for using equity method	739,876	1,583,476	-	▼	(1,583,476)	-100%
Profit / (loss) before tax	733,430	4,848,932	3,380,754	▼	(1,468,177)	-30%
Tax income (expense)	(131,261)	(377,230)	(543,338)	▲	(166,108)	44%
Profit (loss) of the year, attributable to	602,169	4,471,702	2,837,416	▼	(1,634,285)	-37%
Equity holders of the parent	602,999	4,470,367	2,838,339	▼	(1,632,027)	-37%
Minority interest	(830)	1,335	(923)	▼	(2,258)	-169%
Profit (loss) from continuing operations	602,169	4,471,702	2,837,416	▼	(1,634,285)	-37%
Differences from foreign operations	82	(2)	156	▲	158	-7900%
Comprehensive income of the year, attributable to:	602,251	4,471,700	2,837,572	▼	(1,634,127)	-37%
Equity holders of the parent	603,081	4,470,365	2,838,495	▼	(1,631,869)	-37%
Minority interest	(830)	1,335	(923)	▼	(2,258)	-169%

Indicator	3 luni 2021	3 luni 2022	3 luni 2023		2023 vs.2022	
EBITDA OPERATIONAL	3,901,985	6,572,211	2,824,875	▼	(3,747,336)	-57%

Indicator	3 Months of 2021	3 Months of 2022	3 Months of 2023
Average no.of personnel	1,473	1,386	1,283

From EBITDA OPERATIONAL to Net profit

Indicator	3 Months of 2021	3 Months of 2022	3 Months of 2023		2023 vs.2022	
EBITDA OPERATIONAL	3,901,985	6,572,211	2,824,875	▼	(3,747,336)	-57%
Fixed assets depreciation	(3,745,806)	(3,691,727)	(3,620,792)	▼	70,935	-2%
Revenues from subsidy from Government for investments	936,423	936,423	900,054	▼	(36,369)	-4%
Interest expenses	(420,036)	(485,247)	(778,941)	▲	(293,694)	61%
Gain/loss from sales of assets	(267)	-	3,997,213	▲	3,997,213	0%
Other non-operational items(provisions,penalties, donations)	(59,457)	(139,814)	(70,132)	▼	69,682	-50%
Forex gain/loss	(661,323)	23,392	(112,188)	▲	(135,580)	-580%
Share of profit / loss of associates	739,876	1,583,476	-	▼	(1,583,476)	-100%
Other gain/loss from Financial	42,037	50,219	240,664	▲	190,445	379%
Tax on profit	(131,261)	(377,230)	(543,338)	▲	(166,108)	44%
NET PROFIT	602,170	4,471,704	2,837,415	▼	(1,634,288)	-37%

C.) REVENUES

The participation of the consolidated subsidiaries in obtaining the item "Revenues ", in the reporting period is presented in the below table:

Societate	3 Months of 2021	% in total	3 Months of 2022	% in total	3 Months of 2023	% in total	2023 vs 2022%
Romcarbon SA	61,224,757	66%	68,291,731	59%	61,570,251	60%	-9.84%
LivingJumbo Industry SA	29,382,630	32%	39,959,001	34%	31,844,466	31%	-20.31%
RC Energo Install SRL	1,793,947	2%	7,566,268	7%	8,897,531	9%	17.59%
Info Tech Solutions SRL	327,703	0%	280,814	0%	284,414	0%	1.28%
Total, out of which:	92,729,037	100%	116,097,814	100%	102,596,661	100%	-11.63%
Within the Group	18,885,056	20%	20,732,670	18%	12,723,911	12%	-38.63%
Outside of the Group	73,843,981	80%	95,365,144	82%	89,872,751	88%	-5.76%

In the reporting period the item «Revenues» have the following structure:

Structure of Revenues (Net sales)	3 Months of 2021	% in total	3 Months of 2022	% in total	3 Months of 2023	% in total	2023 vs 2022%
Sales of finished goods (701+709)	61,111,136	83%	78,563,835	82%	66,619,676	74%	-15.20%
Sales of intermediary goods	4,053,424	5%	4,059,040	4%	2,976,329	3%	-26.67%
Sales of residual products	58,118	0%	132,959	0%	54,445	0%	-59.05%
Services rendered	673,248	1%	927,024	1%	1,285,493	1%	38.67%
Sales of goods purchased for resale	7,099,548	10%	6,095,419	6%	16,453,521	18%	169.93%
Revenues from sundry activities	848,506	1%	5,586,868	6%	2,483,286	3%	-55.55%
Total	73,843,981	100%	95,365,144	100%	89,872,751	100%	-5.76%

D.) STATEMENT OF THE CASH-FLOW

	3M 2022	12M 2022	3M 2023
Net cash generated by operating activities	(4,956,292)	(6,738,464)	353,070
Net cash (used in)/generated by investing activities	(124,546)	70,172,389	6,522,887
Net cash (used in)/generated in financing activities	402,213	(7,161,758)	(38,319,239)
Net increase in cash and cash equivalents	(4,678,625)	56,272,168	(31,443,282)
Cash and cash equivalents at the beginning of the year	17,596,893	17,596,893	73,869,061
Effects of exchange rate changes on the balance of cash held in foreign currencies	0	0	0
Cash from subsidiaries acquired during the year	0	0	0
Cash and cash equivalents at the end of the period	12,918,268	73,869,061	42,425,779

E.) FINANCIAL RATIOS

Indicator	Formula	3 Months of 2021	3 Months of 2022	3 Months of 2023
EBIT	Gross profit + Income tax + Expenses with interest	1,153,466	5,334,178	4,159,695
EBITDA	EBIT + Depreciation-Subsidies for investment	3,962,850	8,089,482	6,880,433
Sales	Revenue + Rental and royalty income	73,978,316	95,502,380	90,004,210
EBITDA to sales ratio	EBITDA/Sales	5.36%	8.47%	7.64%
EBITDA to Equity ratio	EBITDA/Equity	2.82%	5.64%	3.98%
Gross profit margin	Gross profit/Sales	0.99%	5.08%	3.76%
Current ratio	Current assets/Current liabilities	1.04	1.05	1.62
Quick ratio	(Current assets- Inventories)/Current liabilities	0.58	0.57	1.03
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	31%	21%	15%
Total liabilities to Assets ratio	Total liabilities/Total Assets	52%	54%	43%
Interest coverage ratio	EBIT/Interest expenses	2.75	10.99	5.34
Account receivable turnover ratio	Average receivables/Sales (days)	51	54	62
Account payable turnover ratio	Average payables/Sales (days)	51	56	52
Return on assets (ROA)	Net profit/Assets	0.2040%	1.4208%	0.9363%
Return on equity (ROE)	Net profit/Equity	0.4290%	3.1175%	1.6432%
Return on sales (ROS)	Net profit/Sales	0.8140%	4.6823%	3.1525%

The Consolidated Financial Statements for the period ended **March 31, 2023** have not been audited.

HUANG LIANG NENG

Chairman of the Board of Directors
& General Manager

ZAINESCU VIORICA

Financial Manager

MANAILA CARMEN

Deputy general manager for administrative operations



DECLARATION OF THE MANAGEMENT REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS

Undersigners

Huang Liang Neng, Chairman of the Board and General Manager

Manaila Carmen, Deputy General Manager for Administrative Operations,

Zainescu Viorica Ioana, Financial Manager

declare that the Consolidated Financial Statements for the period ended **March 31, 2023** prepared in accordance with IFRS, give, to the best of our knowledge, a true and fair view of the assets, liabilities, financial position, of the incomes and expenses of S.C. Romcarbon S.A. and its subsidiaries and the Directors' report prepared in accordance with FSA regulation no.5/2018, gives a true and fair view of the activity of ROMCARBON SA and its subsidiaries.

HUANG LIANG NENG

Chairman of the Board of Directors
& General Manager

ZAINESCU VIORICA

Financial Manager

MANAILA CARMEN

Deputy general manager



ROMCARBON S.A. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023

Prepared in accordance with Ministry of Public Finance Order no. 2844/2016
for the approval of Accounting regulations conforming with International Financial Reporting
Standards as adopted by the European Union, with subsequent amendments



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(all amounts are expressed in lei, unless specified otherwise)

	Note	3 Months of 2023 RON	3 Months of 2022 RON
Revenue	3	89,872,751	95,365,144
Other income	4	1,031,513	1,073,659
Increase (decrease) in inventories of finished goods and work in progress		1,953,154	6,403,775
Raw materials and consumables used	5	(61,899,368)	(67,381,271)
Employee benefits expense	6	(20,425,518)	(18,971,412)
Depreciation and amortisation expenses	7	(3,620,792)	(3,691,727)
Other expenses	8	(6,723,651)	(9,044,823)
Other gains (losses)	9	4,022,420	41,189
Profit (loss) from operating activities		4,210,509	3,794,534
Finance income	10	247,396	52,855
Finance costs	11	(1,077,151)	(581,933)
Share of profit (loss) of associates and joint ventures accounted for using equity method		-	1,583,476
Profit (loss) before tax		3,380,754	4,848,932
Tax income (expense)	12	(543,338)	(377,230)
Profit (loss) from continuing operations		2,837,416	4,471,702
Profit (loss) from discontinued operations		-	-
Profit (loss) for the year		2,837,416	4,471,702
Attributable to:			
Equity holders of the parent		2,838,339	4,470,367
Minority interest PL		(923)	1,335

The accompanying notes are integral part of these consolidated financial statements.
This is a free translation from the original Romanian version.



(all amounts are expressed in lei, unless specified otherwise)

	Note	3 Months of 2023	3 Months of 2022
		RON	RON
Profit (loss)		2,837,416	4,471,702
Components of other comprehensive income that will not be reclassified to profit or loss, before tax			
Other comprehensive income, before tax, gains (losses) on revaluation		-	-
Total OCI that will not be reclassified to profit or loss, before tax		-	-
Components of other comprehensive income that will be reclassified to profit or loss, before tax			
Gains (losses) on exchange differences on translation, before tax		156	(2)
Total OCI that will be reclassified to profit or loss, before tax		156	(2)
Total other comprehensive income, before tax		156	(2)
Income tax relating to changes in revaluation surplus included in other comprehensive income	12	-	-
Total other comprehensive income		156	(2)
Total comprehensive income		2,837,572	4,471,700
Comprehensive income attributable to			
Comprehensive income, attributable to owners of parent		2,838,495	4,470,365
Comprehensive income, attributable to non-controlling interests		(923)	1,335

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG,

Chairman of the Board
and General Manager

VIORICA ZAINESCU,

Financial Manager

CARMEN MANAILA,

Deputy General Manager
for administrative
operations

The accompanying notes are integral part of these consolidated financial statements.
This is a free translation from the original Romanian version.



(all amounts are expressed in lei, unless specified otherwise)

	Notes	March 31, 2023	December 31, 2022
		RON	RON
ASSETS			
Non-current assets			
Property, plant and equipment	13	121,854,255	123,886,765
Investment property	14	9,883,738	9,883,738
Goodwill	15	143,461	143,461
Intangible assets other than goodwill	16	386,710	329,100
Investments accounted for using equity method	17	-	-
Investments in subsidiaries, joint ventures and associates		297,974	297,974
Other non-current financial assets		1,898	1,898
Total non-current assets		132,568,036	134,542,936
Current assets			
Current inventories	18	62,075,651	65,899,751
Trade and other current receivables	19	63,291,252	60,979,526
Other current financial assets		-	263,414
Other current non-financial assets	20	2,692,413	4,796,687
Cash and cash equivalents	21	42,425,779	73,869,061
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners		170,485,095	205,808,439
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	22	0	3,760,155
Total current assets		170,485,095	209,568,594
TOTAL ASSETS		303,053,131	344,111,530
EQUITY AND LIABILITIES			
Capital and reserves			
Issued capital	23	26,412,210	26,412,210
Retained earnings	24	81,182,095	77,247,165
Share premium		2,182,283	2,182,283
Other reserves	25	61,979,162	62,917,677
Total equity attributable to owners of parent		171,755,750	168,759,335
Non-controlling interests	26	919,994	920,916
Total equity		172,675,744	169,680,251

The accompanying notes are integral part of these consolidated financial statements.
This is a free translation from the original Romanian version.



(all amounts are expressed in lei, unless specified otherwise)

	Notes	March 31, 2023	December 31, 2022
		RON	RON
Non-current liabilities			
Other non-current provisions		1,429,017	1,429,017
Total non-current provisions		1,429,017	1,429,017
Deferred tax liabilities		7,780,659	7,780,659
Other non-current financial liabilities	27	3,725,123	4,044,764
Other non-current non-financial liabilities	29	12,484,539	13,384,594
Total non-current liabilities		25,419,338	26,639,034
Current liabilities			
Trade and other current payables	28	41,716,624	63,161,506
Other current financial liabilities	27	52,539,678	74,737,029
Other current non-financial liabilities	29	10,701,747	9,893,710
Total current liabilities other than liabilities included in disposal groups classified as held for sale		104,958,049	147,792,245
Liabilities included in disposal groups classified as held for sale		-	-
Total current liabilities		104,958,049	147,792,245
Total liabilities		130,377,387	174,431,279
Total equity and liabilities		303,053,131	344,111,530

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG,

Chairman of the Board
and General Manager

VIORICA ZAINESCU,

Financial Manager

CARMEN MANAILA,

Deputy General Manager
for administrative
operations

The accompanying notes are integral part of these consolidated financial statements.
This is a free translation from the original Romanian version.



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED MARCH 31, 2023

ROMCARBON SA

(all amounts are expressed in lei, unless specified otherwise)

2023	Issued capital	Share premium	Revaluation surplus	Legal reserves & Other reserves	Reserve of exchange differences on translation	Retained earnings	Equity attributable to owners of parent	Non-controlling interests	Equity
Equity at beginning of period [01.01.2023]	26,412,210	2,182,283	39,201,199	24,778,341	(1,061,863)	77,247,165	168,759,335	920,916	169,680,251
Profit (loss)	-	-	-	-	-	2,838,339	2,838,339	(923)	2,837,416
Other comprehensive income	-	-	-	-	156	-	156	-	156
Total comprehensive income	-	-	-	-	156	2,838,339	2,838,495	(923)	2,837,572
Issue of equity	-	-	-	-	-	-	-	-	-
Dividends recognised as distributions to owners	-	-	-	-	-	-	-	-	-
Increase (decrease) through other changes, equity	-	-	(938,671)	-	-	1,096,590	157,919	1	157,920
Equity at end of period [31.03.2023]	26,412,210	2,182,283	38,262,528	24,778,341	(1,061,707)	81,182,095	171,755,750	919,994	172,675,744

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG,
Chairman of the Board
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Financial Manager

CARMEN MANAILA,
Deputy General Manager for administrative
operations

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(all amounts are expressed in lei, unless specified otherwise)

2022	Issued capital	Share premium	Revaluation surplus	Legal & Other reserves	Reserve of exchange differences on translation	Retained earnings	Equity attributable to owners of parent	Non-controlling interests	Equity
Equity at beginning of period [01.01.2022]	26,412,210	2,182,283	38,652,619	22,636,604	(1,061,863)	49,182,732	138,004,585	915,581	138,920,166
Profit (loss)	0	0	0	0	0	56,119,419	56,119,419	5,336	56,124,755
Other comprehensive income	0	0	1,018,596	0	0	0	1,018,596	0	1,018,596
Total comprehensive income	0	0	1,018,596	0	0	56,119,419	57,138,015	5,336	57,143,351
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	(26,412,210)	(26,412,210)	0	(26,412,210)
Increase (decrease) through other changes, equity	0	0	(470,016)	2,141,737	0	(1,642,776)	28,945	(1)	28,944
Equity at end of period [31.12.2022]	26,412,210	2,182,283	39,201,199	24,778,341	(1,061,863)	77,247,165	168,759,335	920,916	169,680,251

The resolution of the General Meeting of Shareholders of 08.06.2022 approved the dividend allocation in amount of Lei 2,641,221. The full amount was transferred to Depozitarul Central SA to pay dividends owed to shareholders.

The resolution of the General Meeting of Shareholders of 22.11.2022 approved the dividend allocation in amount of Lei 23,770,989. In December 2022 the amount of Lei 7,775,757 was transferred to Depozitarul Central SA to partial pay dividends owed to shareholders. The remaining amount was transferred to Depozitarul Central SA at the beginning of January 2023.

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG,
Chairman of the Board
and General Manager

VIORICA ZAINESCU,
Financial Manager

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(all amounts are expressed in lei, unless specified otherwise)

	31-mar-23	31-mar-22
Gross profit / (loss) for the year	2,837,415	4,471,702
Adjustments for income tax expense	543,338	377,230
Finance expenses recognized in profit	946,949	566,573
(Gain) / Loss on sale or disposal of fixed assets	238	(9,000)
(Gain) / Loss on sale or disposal of assets held for sale	(3,992,451)	-
Production of the imobilization	(10,938)	(894,045)
Income from dividends	-	-
Interest income	(247,396)	(29,463)
Loss on impairment of stocks	(1,427)	-
Loss on time-barred receivables	1,427	188
Amortization / Depreciation of non-current assets	3,620,792	3,691,727
Net (gain) / loss on foreign exchange	112,188	(23,392)
(Gain) / Loss on share of profit of associates	-	(1,583,476)
Increases /(decreases) in subsidiaries	(900,054)	(936,423)
Movements in working capital:		
(Increase) / Decrease in trade and other receivables	(2,368,441)	(8,033,847)
(Increase) / Decrease in inventories	3,825,526	(13,309,032)
(Increase) / Decrease in other assets	2,367,688	2,738,780
Increase / (Decrease) in trade and other payables	(21,444,880)	7,444,492
Increase / (Decrease) in other payables	16,200,210	1,131,717
Cash generated by/used in operating activities	(1,347,232)	(8,867,972)
Interest paid	(778,941)	(485,247)
Income tax paid	(190,164)	6,551
Bank commissions paid	(168,009)	(81,326)
Net cash generated by/ utilized in operating activities	353,070	(4,956,292)
Cash flows from investing activities:		
Payments for property, plant and equipment	(1,476,323)	(122,341)
Payments for intangible assets	(96,793)	(40,669)
Proceeds from disposal of property, plant and equipment	(5,000)	9,000
Proceeds from investments in associates	101,001	(0)
Proceeds from sale of assets held for sales	7,752,606	-
Interest received	247,396	29,463
Net cash generated by / (used in) investing activities	6,522,887	(124,546)
Cash flows from financing activities:		
Proceeds from borrowing	30,026	4,890,609
Repayment of borrowing	(22,603,918)	(4,488,396)
Dividends paid	(15,745,347)	-
Net cash generated by / (used) by financing activities	(38,319,239)	402,213
Net decrease / (increase) in cash and cash equivalents	(31,443,282)	(4,678,625)
Cash and cash equivalents at the beginning of the year	73,869,061	17,596,893
Cash and cash equivalents at the end of the year	42,425,779	12,918,268

The accompanying notes are integral part of these consolidated financial statements.
This is a free translation from the original Romanian version.



(all amounts are expressed in lei, unless specified otherwise)

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG,

Chairman of the Board
and General Manager

VIORICA ZAINESCU,

Financial Manager

CARMEN MANAILA,

Deputy General Manager
for administrative
operations



(all amounts are expressed in lei, unless specified otherwise)

1. GENERAL INFORMATION

ROMCARBON S.A. (the "Parent") has its main office in Buzău, Str. Transilvaniei, nr. 132 and is organised as a joint-stock company with the following identification details: registered with the Registry of Commerce under no. J10/83/1991, Fiscal Code RO1158050. Country of incorporation is Romania. As at March 31, 2023 the Parent's shares were traded on the BSE and its main shareholders were Living Plastic Industry S.R.L., Joyful River Limited Loc. Nicosia CYP, Toderiță Ștefan Alexandru. The reporting entity of the Group is Romcarbon SA.

The Parent's main field of activity is the manufacture of plastic packaging, NACE code 2222. In the reporting period it wasn't changed the name of the parent company nor the field of activity.

As at March 31, 2023 the Parent was holding directly or through other subsidiaries, participating interest in the following entities, thus forming Romcarbon Group:

RC ENERGO INSTALL S.R.L. is a company established in 2005, where S.C. Romcarbon S.A. holds 100%. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company was established by outsourcing the maintenance and repair of water installations, sewage and substations; the main object of activity is Plumbing, heat and air conditioning installation (NACE code 4322).

LIVINGJUMBO INDUSTRY S.A. is a company established in 2002, where S.C. Romcarbon S.A. holds 99.86% of the shares and the remaining shares are held by legal persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company's main object of activity is Manufacture of plastic packing goods (NACE code 2222).

INFO TECH SOLUTIONS S.R.L. is a company established in 2005, where S.C. Romcarbon S.A. holds 99.50% of the shares and the remaining shares are held by natural persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company was established by outsourcing the IT services and its main object of activity is Data processing, hosting and related activities (NACE code 6311) or Computer consultancy activities (NACE code 6202).

YENKI S.R.L. is a company established in 2007, where S.C. Romcarbon S.A. holds 33.34% of the shares and the remaining shares are held by Romanian legal and natural persons. The company's main office is located at Soseaua Nordului, DN2, Buzău. The company's main object of activity is Operation of sports facilities (NACE code 9311).

GRINFILD UKRAINE is a company established in 2007, where SC Romcarbon SA holds 62.62% of the shares and the remaining shares are held by foreign legal persons. The company's main office is located in Ukraine, Odessa region, Krijianivka locality, Str. Mikolayevska, Bl. 2. The company's main object of activity is wholesale. The company ceased its activity in 2012.

GRINRUH LLC UKRAINE is a company established in 2007, where SC Romcarbon SA indirectly holds 62.62%. The company's main office is located in Ukraine, Odessa region, Krijianivka locality, Str. Mikolayevska, Bl. 2. The company's main object of activity is construction and wholesale. The company ceased its activity in 2012.

ECO PACK MANAGEMENT SA is a company established in 2010, where SC Romcarbon SA directly holds 25.36% and 74.62%, indirectly through Livingjumbo Industry SA. The remaining shares are held by Romanian legal persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132, Granules Hall, room no.7, 2nd Floor. The company's main object of activity is - NACE code 8299 - Other business support service activities n.e.c.

RECYPLAT LTD is a company established in 2011, wholly owned by SC Romcarbon SA. The company's main office is located in Akropoleos, 59-61, 3rd floor, Nicosia, Cyprus. The company's main object of activity is the Conduct of activities and business of consultants, experts in all scientific fields, financial, administrative or otherwise, in relation to the setting up, operation, development and improvement of any business, industry, company, partnership or other organization.



(all amounts are expressed in lei, unless specified otherwise)

2. MAIN ACCOUNTING POLICIES

Statement of compliance

The condensed interim consolidated financial statements for the period ended March 31, 2023, of the Company have been prepared in accordance with Accounting Standard IAS 34 - Interim Financial Reporting.

The condensed interim consolidated financial statements do not include the details of all explanatory notes normally included in an annual financial report. Accordingly, these condensed interim consolidated financial statements will be read together with the annual consolidated financial statements for the year ended 31 December 2022.

The accounting policies adopted in these financial statements are in accordance with those adopted in the previous financial year and in the interim reporting period corresponding to the previous year. During the period ended March 31, 2023, there were no changes in accounting policies compared to the last financial statements ended December 31, 2022.

Bases of preparation

The consolidated financial statements were prepared on a going concern basis, at historical cost, adjusted to hyperinflation as at December 31, 2003 for fixed assets, share capital and reserves.

The financial statements are prepared based on the statutory accounts kept in accordance with Romanian accounting principles, adjusted for compliance with IFRS.

Bases of consolidation

The consolidated financial statements include the financial statements of the Parent, of its subsidiaries and joint ventures. Control is obtained when the Parent has the power to govern the financing and operating policies of an entity to acquire benefits from the latter's activities.

Considering the Commission Delegated Regulation (EU) 2018/815 (hereinafter referred to as the RTS ESEF) which specifies the single electronic reporting format (ESEF) in which all financial statements are prepared, the Group considered it necessary to align the presentation of the overall result and the financial position in compliance with ESEF taxonomy.

The profit of the subsidiary acquired during the year is included in the consolidated income statement as at the acquisition date.

Where required, the subsidiary's financial statements are corrected to adjust its accounting policies in accordance with the policies used by the Parent.

All group transactions, balances, income and expenses are completely eliminated from the consolidation.

Non-controlling interests in net assets (excluding goodwill) of the subsidiary are disclosed separately from the Group's equity. Non-controlling interests consist in the sum of interests as at the date of the original business combination (see below) and the non-controlling share in changes in equity starting from the combination date. Losses corresponding to the minority, which exceed the non-controlling interest held in the subsidiary's equity are allocated as compared to the Group's interests, except if the minority holds an obligation and can make additional investments to cover losses.



(all amounts are expressed in lei, unless specified otherwise)

2. MAIN ACCOUNTING POLICY (continued)

Initial application of new amendments to the existing standards effective for the current reporting period

The following new standards, amendments to the existing standards and new interpretation issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period:

- **Amendments to IFRS 4 Insurance Contracts "Extension of the Temporary Exemption from Applying IFRS 9"** adopted by the EU on 16 December 2020 (the expiry date for the temporary exemption from IFRS 9 was extended from 1 January 2021 to annual periods beginning on or after 1 January 2023).
- **IFRS 17 "Insurance contracts"** including amendments to IFRS 17 issued by the IASB on June 25, 2020 - adopted by the EU on November 19, 2021 (applicable for annual periods beginning on or after January 1, 2023),
- **Amendments to IFRS 17 "Insurance contracts"** – Initial application of IFRS 17 and IFRS 9 – Comparative information, adopted by the EU on 8 September 2022 (applicable for annual periods beginning on or after 1 January 2023),
- **Amendments to IAS 1 "Presentation of financial statements"** - Presentation of accounting policies adopted by the EU on March 2, 2022 (applicable for annual periods beginning on or after January 1, 2023),
- **Amendments to IAS 8 "Accounting policies, changes in accounting estimates and errors"** – Definition of accounting estimates adopted by the EU on March 2, 2022 (applicable for annual periods beginning on or after January 1, 2023).
- **Amendments to IAS 12 "Income tax"** – Deferred tax related to receivables and payables arising from a single transaction adopted by the EU on 11 August 2022 (applicable for annual periods beginning on or after 1 January 2023).

The adoption of amendments to the existing standards has not led to any material changes in the Group's financial statements

New standards and amendments to existing standards issued by the IASB but not yet adopted by the EU

Currently, IFRS as adopted by the EU do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), except for the following new standards, amendments to existing standards and new interpretations, which have not been approved for use in EU at the date of this report (the effective dates mentioned below are for the IFRS standards issued by the IASB):

- **Amendments to IAS 1 "Presentation of financial statements"** – Classification of liabilities into short-term liabilities and long-term liabilities (applicable for annual periods beginning on or after January 1, 2023),
- **Amendments to IFRS 16 "Leases"** – Lease liabilities in a sale and leaseback transaction (applicable for annual periods beginning on or after 1 January 2024),
- **IFRS 14 "Deferral accounts related to regulated activities"** (applicable for annual periods beginning on or after January 1, 2016) – The European Commission decided not to issue the approval process for this interim standard and wait for the final standard,
- **Amendments to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in associated entities and joint ventures"** - Sale of or contribution of assets between an investor and its associated entities or joint ventures and subsequent amendments (effective date has been postponed indefinitely, until the research project on the equivalence method is completed).

The Group anticipates that the adoption of these new standards and amendments to existing standards will not have a material impact on the Group's financial statements during the period of initial application.



(all amounts are expressed in lei, unless specified otherwise)

3. REVENUES

Below is an analysis of the Group's revenues for the financial reporting period:

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Revenues from sale of finished products	66,619,676	78,563,835
Revenues from sale of commodities	16,453,521	6,095,419
Revenues from services delivered	1,285,493	927,024
Other revenues (revenues from sale of semi-finished goods, residual goods, other income)	5,514,061	9,778,866
Total	89,872,751	95,365,144

SEGMENT REPORTING	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Sales on domestic market (Romania)	65,710,756	63,643,202
Sales on foreign market (Europe)	24,123,397	31,685,059
Other (China, Israel, s.o.)	38,598	36,883
Total	89,872,751	95,365,144

	SEGMENT : REVENUES		SEGMENT : PROFIT	
	Period ended March 31, 2023	Period ended March 31, 2022	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON	RON	RON
Plastics processing	57,449,200	70,633,891	5,195,562	6,501,454
Recycled polymers & Compounds	12,102,418	13,901,315	737,853	1,893,402
Other productive sectors	1,805,250	1,786,138	246,186	412,251
Revenues from sale of goods, sale of utilities, provision of services, other revenues	18,515,882	9,043,800	925,794	652,856
Total from operations	89,872,751	95,365,144	7,105,395	9,459,962
Other income	-	-	1,031,513	1,073,659
Other gains and losses, salaries and administrative expenses	-	-	(3,926,399)	(5,155,611)
Finance expenses	-	-	(1,077,151)	(581,933)
Finance income	-	-	247,396	52,855
Profit before taxation	-	-	3,380,754	4,848,932



(all amounts are expressed in lei, unless specified otherwise)

3. REVENUES (continued)

“Plastics processing” segment includes income obtained by the Group from selling polyethylene products (agriculture foils and thermo-contractible foils, polyethylene bags of different thicknesses and sizes, covers), polypropylene products (polypropylene bags for the milling and bakery industry, the chemical industry, sugar industry, etc. and big-bags), polystyrene products (extruded polystyrene trays for food packaging, extruded polystyrene boards for floor insulation), PET products (PET trays and multilayer films), PVC tubes, etc.

“Regenerated Polymers & Compounds ” segment includes income from sale of compounds and re-granulated materials made of recycled polymers and plastics compounds made of virgin polymers used by the processors of plastics products that manufacture items for various uses in the automotive industry, the electrical and household industry, furniture, constructions, pipes, packaging, etc.

Other productive sectors include the following groups of products:

- **“Materials for respiratory protection and active carbon”** include respiratory protection equipment used by the big chemical and petrochemical plants in the country as well as activated coal applied in different actions of purification of methane in the biodegradation of household waste, pit soil reclamation, retention of toxic gas from incinerators, etc.
- **“Filters”** include sales of oil, fuel and air filters for both motor vehicles and industrial use.

“Processed PVC” includes products made of recycled materials used to produce traffic signs



(all amounts are expressed in lei, unless specified otherwise)

3. REVENUES (continued)

		SEGMENT : ASSETS		SEGMENT : LIABILITIES	
		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
		RON	RON	RON	RON
	ASSETS AND LIABILITIES				
Romcarbon, LivingJumbo Industry	Plastics processing (Polypropylene, Polystyrene, Polyethylene, PET)	110,727,875	115,217,017	85,841,473	92,928,865
Romcarbon	Recycled polymers & Compounds	46,660,952	48,745,757	15,147,667	18,647,978
Romcarbon	Other productive sectors	5,080,605	5,307,606	2,192,729	2,699,423
Romcarbon, RC Energo Install, Info Tech Solutions, etc	Other activities(sale of goods, sale of utilities, provision of services, other revenues)	140,583,698	174,841,151	27,195,517	60,155,014
		303,053,131	344,111,530	130,377,387	174,431,279
Total Assets/Liabilities					
		SEGMENT : DEPRECIATION		Non-current assets additions *	
		March 31, 2023	March 31, 2022	March 31, 2023	December 31, 2022
		RON	RON	RON	RON
	Depreciation and Non-current assets additions				
Romcarbon, LivingJumbo Industry	Plastics processing (Polypropylene, Polystyrene, Polyethylene, PET)	1,808,914	1,783,201	178,743	2,293,951
Romcarbon	Recycled polymers & Compounds	916,315	1,001,249	621,229	22,554
Romcarbon	Other productive sectors	82,627	77,086	-	73,102
Romcarbon, RC Energo Install, Info Tech Solutions, etc	Other activities(sale of goods, sale of utilities, provision of services, other revenues)	812,935	830,191	425,198	2,504,151
		3,620,792	3,691,727	1,225,170	4,893,758
Total					

Grupului. *Non-current assets additions* represent inflows of fixed assets during the year and do not include inflows from purchases of subsidiaries.

In "Other activities" segment, the Group has one client (Kasakrom Chemicals SRL) whose turnover represents 10% (2% in 3 Months 2022) of the Group's sales.



(all amounts are expressed in lei, unless specified otherwise)

4. OTHER INCOME

This indicator includes income from the rental of investment properties LEI 131,459 (- LEI 5,777 compared to Q1 2022) and income from subsidies LEI 900,054 (- LEI 36,369 compared to Q1 2022).

5. RAW MATERIALS, CONSUMABLES AND UTILITES

The expenses with raw materials, consumables and utilities had a total decrease during the year 2023 compared to 2022 by - LEI 5,481,903. In 2023, expenses with raw materials decreased by -LEI 14,836,601 (-29%), and expenses with goods, consumables and utilities increased by LEI 9,354,698. The decrease in expenses with raw materials is due to the decrease in income and stock production (-10%) but also to the more efficient use of raw materials and the reduction of the unit cost of polymers.

6. EMPLOYEE BENEFITS EXPENSES

In 2023, the expenses with the employees 'benefits increased by Lei 1,454,106, compared to the previous period, mainly as a result of the increase of the minimum wage but also to the increased number and value of meal tickets.

7. DEPRECIATION AND AMORTIZATION EXPENSES

Expenses with depreciation and amortization decreased in 2023 compared to the similar period of the previous year by -Lei 70,935.

8. OTHER EXPENSES

Also, in 2023, the Other expenses indicator registered a variation compared to the similar period of the previous year of -LEI 2,321,172. The biggest increases were recorded in Expenses with third party services (+ LEI 280,760) and Expenses with other taxes (+ LEI 91,831), while significant decreases were recorded in Expenses with rents (- LEI 2,380,787) - the biggest reduction is from RC Energo Install SRL as a result of the invoicing of festive lighting services in December 2022, compared to the previous period when this services was mainly invoiced in Q1 2022 for 2021- and Transportation expenses (- LEI 150,004).

9. OTHER GAINS (LOSSES)

In 2023, the other gains and losses registered an increase compared to the similar period of the previous year of LEI 3,981,231. The main variations were recorded by Gain / (Loss) from the disposal of tangible assets (+ LEI 3,983,213) and Other Gains / losses* (-3,579 lei)

10. FINANCE INCOME

Finance income increased in 2023with Lei 194,541 compared with the similar period of the previous year.

11. FINANCE COST

The financial expenses that including interest expenses, net foreign exchange losses and expenses with bank fees increased in 2023 compared to 202 by Lei 495,218. Net losses from foreign exchange increased in the first 3 months of 2023 compared to the same period of the previous year by 112,188 lei, while expenses with interest and bank commissions increased by 383,030 lei



(all amounts are expressed in lei, unless specified otherwise)

12. INCOME TAX (EXPENSE)

Income tax expenses

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Current income tax expense	543,338	377,230
Deferred tax income expense / (income)	-	-
Total expense (income) with income tax	543,338	377,230

The tax rate applied for the reconciliation above related to 2023 and 2022 is 16% and is due by all Romanian legal entities.

Components of deferred tax liabilities

	Period ended March 31, 2023	Year ended December 31, 2022
	RON	RON
Property, plant and equipment	7,314,812	7,314,812
Investment property	872,343	872,343
Inventories	(274,549)	(274,549)
Trade and other receivables and other	(131,947)	(131,947)
	-	-
Recognized deferred income tax liabilities	7,780,659	7,780,659
of which: deferred tax on revaluation reserves from comprehensive income	7,780,659	7,780,659
	7,780,659	8,012,574
	RON	RON
Balance at the beginning of the period	7,780,659	8,012,574
(Expenses) / Revenue during the period		
- movement from revaluation reserves	-	(273,332)
- recognized in income statement	-	41,417
- from acquisition of subsidiaries	-	-
Balance at the end of period	7,780,659	7,780,659



(all amounts are expressed in lei, unless specified otherwise)

13. PROPERTY, PLANT AND EQUIPMENT

During 2023, the inputs of fixed assets amounted to Lei 1,225,170. During 2023, the outputs of fixed assets amounted to Lei 64,591, representing technical installations and machines. The depreciation expense in 2023 was Lei 3,581,611.

Pledged and restricted tangible assets

ROMCARBON S.A.

Tangible assets having a net book value of Lei 67,383,490 as at March 31, 2023 (December 31, 2022: Lei 68,314,018) represent security for loans and credit lines contracted from: UniCredit Bank and EXIMBANK SA.

LIVINGJUMBO INDUSTRY S.A.

Tangible assets having a net book value of Lei 20,908,849 as at March 31, 2023 (December 31, 2022: Lei 21,880,693) represent security for loans and credit lines contracted from: EXIMBANK SA and UniCredit Bank SA.

RC Energo Install SRL

Tangible assets having a net book value of Lei - at March 31, 2023 (December 31, 2022: Lei 10,122) represent security for credit lines contracted from EXIMBANK SA.

14. INVESTMENT PROPERTIES

	Period ended March 31, 2023	Year ended December 31, 2022
	RON	RON
Land	3,618,291	3,618,291
Buildings	6,265,447	6,265,447
Total	9,883,738	9,883,738

As at March 31, 2023, the Group owns in its locations in Iasi and Buzau non-current assets that are not used for its core activity. They are held to acquire future appreciation and to be partly rented to third parties. Based on such criteria, in accordance with IAS 40 "Investment Property", the Company decided to classify such non-current assets as investment property.

The Group performs the revaluation of real Investment properties held at the end of each financial year.



(all amounts are expressed in lei, unless specified otherwise)

15. GOOD WILL

In accordance with International Financial Reporting Standards, Goodwill is reviewed at the end of each reporting period for any impairment losses. The goodwill as at March 31, 2023 is Lei 143,461.

16. OTHER INTANGIBLE ASSETS

Other intangible assets had during 2023 entries amounting to Lei 5,810.
During the reporting period, the depreciation expense of the intangible assets was Lei 39,182.

17. OTHER FINANCIAL INVESTMENTS

On December 30, 2022, the Group sold the 17.59% stake held by Recyplat LTD in Romgreen Universal [Green-Group] for which it collected the price of LEI 70,253,080 (EUR 14,200,000). The cost of the Recyplat LTD group's investment in Romgreen Universal was LEI 25,727,183.

In 2023 there were no changes regarding the Group's associates.

18. CURRENT INVENTORIES

During 2023, the Group's inventories average rotation were 64 days (2022: 58 days). As at 31.03.2023, the current inventories registered a variation compared to the beginning of the year of - Lei 3,824,100. The highest increases were registered in Semi-finished products (+ Lei 2,368,858), Products in progress (+ Lei 320,734) and Advances for inventories (+ Lei 165,018), while significant decreases were recorded in Goods (-4,329,418 lei) and Finished Products (-1,356,314 lei).

19. TRADE AND OTHER CURRENT RECEIVABLES

	Period ended March 31, 2023	Year ended December 31, 2022
	<i>RON</i>	<i>RON</i>
Trade receivables	62,690,009	59,556,063
Allowances for doubtful clients	(2,044,898)	(2,046,324)
Taxes recoverable	757,204	2,131,900
Other receivables	1,416,936	889,066
Other non-trade receivables	472,002	448,821
Total	63,291,252	60,979,526
	Period ended March 31, 2023	Year ended December 31, 2022
	<i>RON</i>	<i>RON</i>
Changes of allowance for doubtful clients		
Balance at the beginning of the period	2,046,324	2,100,964
Receivables transferred to expenses during the year		
Decrease of allowance recognized in profit and loss	(1,426)	(54,640)
Balance at the end of the period	2,044,898	2,046,324



(all amounts are expressed in lei, unless specified otherwise)

19. TRADE AND OTHER CURRENT RECEIVABLES (continued)

When determining the recoverability of a receivable, the Group takes into account any change in the receivable's crediting capacity from the date the loan was granted, until the reporting date. The level of credit risk is limited given that the client basis is large and the client portfolio is diverse and clients are independent from each other.

The analysis was carried out strictly on the balance of the trade receivables, minus uncertain receivables and those in dispute.

The Group registers adjustments of receivables as per IFRS 9, and specific allowances for doubtful clients.

Therefore, the Group's management considers that there is no need for an additional provision exceeding the allowance for doubtful debts.

31/03/2023	Not past due	Trade receivables – days past due					Total
		<30	31-60	61-90	91-120	>120	
Expected loss rate	0.09%	0.16%	0.59%	0.63%	0.81%	1.84%	
Total gross carrying amount of specific un-provisioned receivables	51,208,092	4,424,449	357,863	139,921	144,069	1,035,092	57,309,486

31/12/2022	Not past due	Trade receivables – days past due					Total
		<30	31-60	61-90	91-120	>120	
Expected loss rate	0.09%	0.16%	0.59%	0.63%	0.81%	1.84%	
Total gross carrying amount of specific un-provisioned receivables	44,222,112	6,592,670	535,849	172,581	263,751	883,713	52,670,675



(all amounts are expressed in lei, unless specified otherwise)

20. OTHER CURRENT NON - FINANCIAL ASSETS

The balance of other non-financial current assets amounted to Lei 2,692,413 as at March 31, 2023, while on December 31, 2022 the balance was Lei 4,796,687. The significant decrease was registered in amounts paid in advance (- Lei 1,921,765).

21. CASH ON HAND AND AT BANKS

Within the meaning of statement of cash flows, cash and cash equivalent include petty cash and bank accounts. Cash and cash equivalents at the end of the financial year, as presented in the statement of cash flows, may be reconciled with the corresponding elements of balance sheet, as follows:

	Period ended March 31, 2023	Year ended December 31, 2022
	RON	RON
Cash at banks	42,309,722	73,370,121
Cash on hand	40,146	36,410
Cash equivalents	75,910	462,530
Total	42,425,779	73,869,061

22. ASSETS HELD FOR SALE

The assets held for sale have the following geographical distribution:

Assets held for sale	Period ended March 31, 2023	Year ended December 31, 2022
	RON	RON
Iasi	-	70,845
Buzau	-	3,689,310
Total	-	3,760,155



(all amounts are expressed in lei, unless specified otherwise)

23. ISSUED CAPITAL

	Issued capital	
	March 31, 2023	December 31, 2022
	RON	RON
264,122,096 fully paid ordinary shares (2021: 264,122,096). The value of one share is LEI 0.1	26,412,210	26,412,210
Inflation effect according to IAS 29	-	-
Total	26,412,210	26,412,210

The main characteristics of the securities issued by the parent company: 264,122,096 nominal shares, dematerialized, at nominal value of LEI 0.1.

	March 31, 2023		December 31, 2022	
	No. of shares	% Holding	No. of shares	% Holding
Living Plastic Industry SRL	86,774,508	32.85%	86,774,508	32.85%
Joyful River Limited Loc, Nicosia CYP	54,195,089	20.52%	54,195,089	20.52%
Toderita Stefan Alexandru	33,200,000	12.57%	32,700,000	12.38%
Other legal entities	9,292,329	3.52%	9,815,721	3.72%
Other individuals	80,660,170	30.54%	80,636,778	30.53%
Total	264,122,096	100%	264,122,096	100%

24. RETAINED EARNINGS

	Period ended March 31, 2023	Year ended December 31, 2022
	RON	RON
Balance at the beginning of the year	77,247,165	49,182,732
Net profit / (net loss) attributable to parent	2,838,339	56,119,419
Reclassification of revaluation reserve to retained earnings	940,324	470,016
Transfer of retained earnings to reserves	-	(2,141,737)
Corrections of financial assets disposed	-	-
Dividends paid	-	(26,412,210)
Other	156,266	28,945
Balance at the end of the year	81,182,095	77,247,165



(all amounts are expressed in lei, unless specified otherwise)

25. RESERVES

	Period ended March 31, 2023	Year ended December 31, 2022
	RON	RON
Revaluation reserves	38,153,601	39,093,925
Legal reserves	5,288,528	5,288,528
Other reserves	19,489,813	19,489,813
Translation differences	(952,780)	(954,589)
Total	61,979,162	62,917,677

26. NON-CONTROLLING INTERESTS

	Period ended March 31, 2023	Year ended December 31, 2022
	RON	RON
Balance at the beginning of the year	920,916	915,581
Share of profit / (loss) for the year	(923)	5,335
Share of other items of capital	-	-
Decrease of minority holding further to the increase of parent's holding	-	-
Corrections regarding dissolution of subsidiaries	-	-
Balance at the end of the year	919,994	920,916

27. OTHER FINANCIAL LIABILITIES

	OTHER CURRENT FINANCIAL LIABILITIES		OTHER NON-CURRENT FINANCIAL LIABILITIES	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
	RON	RON	RON	RON
Secured loans				
- at amortized cost				
Borrowings (Overdraft and Investment loans)	52,539,678	74,737,029	3,725,123	4,044,764
Lease liabilities	-	-	-	-
Total	52,539,678	74,737,029	3,725,123	4,044,764



(all amounts are expressed in lei, unless specified otherwise)

27. OTHER FINANCIAL LIABILITIES (continued)

<u>Short-term borrowings</u>	<u>Entity</u>	<u>31-mar-23</u>	<u>31-dec-22</u>
		<u>RON</u>	<u>RON</u>
Credit line Euro – EximBank SA	Romcarbon	12,346,513	12,333,191
Credit line Euro – UniCredit Bank SA	Romcarbon	14,720,618	25,973,635
Facility in Euro - Inventory purchase - UniCredit Bank SA - RCB&LJI	Romcarbon	1,900,454	3,799,602
Investment loan VI in euro - UniCredit Bank	Romcarbon	752,339	686,604
Investment loan VII in euro - UniCredit Bank	Romcarbon	463,480	308,880
Investment loan Euro - UniCredit Bank SA - Proiect CCE 2015	Romcarbon	2,471,382	2,757,779
Credit line Euro – UniCredit Bank SA	LivingJumbo Industry	5,029,369	5,027,641
Facility in Euro - Inventory purchase - UniCredit Bank SA - RCB&LJI	LivingJumbo Industry	5,523,196	11,042,597
Credit line Euro – EximBank SA	LivingJumbo Industry	7,248,124	6,336,349
Investment loan Euro - UniCredit Bank SA - Proiect CCE 2015	LivingJumbo Industry	2,084,203	2,918,043
Multiproduct facility (factoring) in lei - Eximbank SA	LivingJumbo Industry	-	2,865,207
Credit for current activity - Eximbank SA	Energoinstall	-	687,500
Total		52,539,678	74,737,029

<u>Long-term borrowings</u>	<u>Entity</u>	<u>31-mar-23</u>	<u>31-dec-22</u>
		<u>RON</u>	<u>RON</u>
Investment loan VI in euro - UniCredit Bank	Romcarbon	1,716,712	1,882,602
Investment loan VII in euro - UniCredit Bank	Romcarbon	2,008,411	2,162,161
Total		3,725,123	4,044,764



(all amounts are expressed in lei, unless specified otherwise)

27. OTHER FINANCIAL LIABILITIES (continued)
FINANCE LEASE LIABILITIES

Lease contracts

Finance leases refer to vehicles leased for 5-6 years' term. The Group has the option to purchase the equipment for a nominal amount at the end of the contractual terms. The Group's finance lease obligations are secured by the lessee's ownership right over the assets.

Finance lease liabilities

	Minimum lease payments		Present value of minimum lease payments	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
	RON	RON	RON	RON
Present value of finance lease payments				
Amounts due within one year	-	-	-	-
More than one year, but less than 5 years	-	-	-	-
Total lease liabilities	-	-	-	-

28. TRADE AND OTHER CURRENT PAYABLES

	Period ended March 31, 2023	Year ended December 31, 2022
	RON	RON
Trade liabilities	39,078,585	42,006,642
Suppliers invoices not received	116,472	1,821,294
Advances to clients	1,030,061	2,094,029
Sundry creditors (a)	1,491,506	17,239,540
Miscellaneous payable	-	-
Total	41,716,624	63,161,506

29. OTHER NON-FINANCIAL LIABILITIES

	Other current non-financial liabilities		Other non-current non-financial liabilities	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
	RON	RON	RON	RON
Subsidies	3,600,219	3,600,219	12,484,539	13,384,594
Other current liabilities	7,101,528	6,293,491	-	-
Total	10,701,747	9,893,710	12,484,539	13,384,594



(all amounts are expressed in lei, unless specified otherwise)

29. OTHER NON-FINANCIAL LIABILITIES (continued)

DEFERED INCOME

As at March 31, 2023 the value of the investment subsidies received by the Group amounts to Lei 16,084,758, as follows:

Romcarbon SA:	9,060,671 lei
Livingjumbo Industry SA:	7,024,087 lei

As at December 31, 2022 the value of the investment subsidies received by the Group amounts to Lei 16,984,813, as follows:

Romcarbon SA:	9,589,166 lei
Livingjumbo Industry SA:	7,395,647 lei

30. FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group manages its capital to ensure that Group entities will be able to continue as a going concern while maximizing revenues for shareholders, by optimizing the debt and equity balance.

The Group's capital consists of liabilities, which include the borrowings presented in note 28, cash and cash equivalent and equity attributable to the company. Equity comprises the share capital, reserves and retained earnings as presented in notes 24, 25 and 26.

The management of the Group's risk also consists in a regular review of the capital structure. As part of this review, the management takes into account the cost of capital and risks associated with each class of capital. Based on the management's recommendations, the Group will balance the general structure of its capital by dividend payment, issuance of new shares and redemption of shares, as well as by contracting new debts or settling existing debts.

(b) Main accounting policies

Details of the main accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

(c) Objectives of financial risk management

The Group's treasury function supplies services necessary to the business, coordinates access to national and international financial market, monitors and manages financial risk related to the Group's operations through reports on internal risks, analyzing exposure by the degree and extent of risks. Such risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

(d) Market risk

The Group's activities expose it firstly to financial risks regarding the fluctuation of the foreign exchange rate (see (e) below) and interest rate (see (f) below).

There has been no change in the Group's exposure to market risks or in the manner the Group manages and measures risks.

(e) Currency risk management

The Group undertakes transactions denominated in various foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policies.



(all amounts are expressed in lei, unless specified otherwise)

30. FINANCIAL INSTRUMENTS (continued)

(f) Interest rate risk management

The Group is exposed to interest rate risk given that Group entities borrow funds both at fixed and at variable interest. The risk is managed by the Group by maintaining a balance between fixed rate and variable rate borrowings.

The Group's exposures to interest rates over financial assets are presented in the section regarding liquidity risk management under this note.

(g) Other risks regarding prices

The Group is exposed to risks related to equity, arising from equity investments. Equity investments are held for strategic purposes rather than commercial purposes. The Group does not actively trade such investments.

(h) Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The management monitors the Group's exposure and the credit ratings of its contractual counterparties.

Trade receivables consist of a large number of clients from various industries and geographical areas. Credits are constantly assessed as regards the clients' financial status and, if applicable, credit insurance is concluded.

The Group does not have any significant credit risk exposure towards any counterparty or any group of similar counterparties. The Group defines counterparties as having similar characteristics when they are related entities. At no time during the year has the credit risk percentage exceeded 5% of the gross monetary assets.

(i) Liquidity risk management

The ultimate responsibility for liquidity risk management rests with the Board of Administration, which has built a proper liquidity risk management framework regarding the Group funds' short, medium and long term insurance and the liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, backup banking facilities and loan facilities, by continually monitoring cash flows and matching the maturity profiles of financial assets and liabilities. Note 32 includes a list of additional facilities not drawn, available to the Group in order to further mitigate liquidity risk.

(j) Fair value of financial instruments

The fair values of financial assets and liabilities are determined as follows:

- the fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined by reference to quoted market prices;
- the fair value of other financial assets and liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The financial statements include unlisted share holdings, measured at fair value. The best estimate for fair value is determined using the historical cost of shares.

The financial instruments in the balance sheet include trade receivables and other receivables, cash and cash equivalents, short and long term borrowings and other liabilities. The estimated fair values of such instruments approximate their carrying values. The carrying values represent the Group's maximum exposure to credit risks related to existing receivables.



(all amounts are expressed in lei, unless specified otherwise)

30. FINANCIAL INSTRUMENTS (continued)

The carrying values of the Group's currencies expressed in monetary assets and liabilities as at the reporting date are as follows:

2023	EUR	USD	Leu	31 Martie
	1 EUR = 4.9491 lei	1 USD = 4.5463 lei	1 lei	2023 Total
	RON	RON	RON	RON
Cash and cash equivalents	26,288,757	161,759	15,975,263	42,425,779
Receivables and other current assets	11,542,258	-	51,748,994	63,291,252
Other current financial assets	-	-	-	-
Other current non-financial assets	130,362	-	2,562,051	2,692,413
LIABILITIES				
Trade and other liabilities	18,765,550	16,565	22,934,509	41,716,624
Short and long-term borrowings	55,213,672	-	1,051,130	56,264,802
Short and long-term finance lease liabilities	-	-	-	-
Other current non-financial liabilities	208	-	10,701,538	10,701,747
2022				
	EUR	USD	Leu	31 Decembrie
	1 EUR = 4.9474 lei	1 USD = 4.6346 lei	1 lei	2022 Total
	RON	RON	RON	RON
Cash and cash equivalents	66,005,701	256,117	7,607,243	73,869,061
Receivables and other current assets	13,285,565	-	47,693,961	60,979,526
Other current financial assets	-	-	263,414	263,414
Other current non-financial assets	130,362	-	4,666,325	4,796,687
LIABILITIES				
Trade and other liabilities	17,627,848	2,056	45,531,601	63,161,505
Short and long-term borrowings	74,097,100	-	4,684,692	78,781,793
Short and long-term finance lease liabilities	-	-	-	-
Other current non-financial liabilities	208	-	9,893,501	9,893,710
	-	-	-	-



(all amounts are expressed in lei, unless specified otherwise)

30. FINANCIAL INSTRUMENTS (continued)

The Group is mainly exposed to EUR and USD exchange rates. The following table details the Group's sensitivity to a 10% increase and decrease in the LEI against the USD/EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to top management and represents management's estimate of the reasonably possible changes in foreign exchange rates. The vulnerability analysis includes only outstanding foreign currency denominated in monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. In the following table, a negative number below indicates a decrease in profit, whereas the LEI weaken 10% against the EUR/USD. For a 10% strengthening of the LEI against the EUR/USD, there would be an equal and opposite impact on the profit and other equity, and the balances below will be positive. Changes will be attributable to the exposure related to EUR borrowings at the end of the year.

	March 31, 2023	December 31, 2022
	RON	RON
Loss	(3,587,286)	(1,204,947)

Tables regarding liquidity and interest rate risks

The following tables present the maturity terms of the Group's financial liabilities.

The tables have been prepared based on the cash flows, not current, of the financial liabilities on the nearest date when the Group is likely to be claimed payment. The table includes both interest and cash flows related to principal.

2023	Less than 1 year	1-2 years	2-5 years	Total
	RON	RON	RON	RON
Non-interest bearing				
Trade liabilities	41,716,624	-	-	41,716,624
Other current liabilities	10,701,747	-	-	10,701,747
				-
Interest bearing instruments				
Short and long-term borrowings	52,348,933	2,761,913	1,153,956	56,264,802
Short and long-term leases	-	-	-	-
Non-interest bearing				
Cash and cash equivalents	42,425,779	-	-	42,425,779
Receivables and other current assets	63,291,252	-	-	63,291,252
Interest bearing				
Other current financial assets	-	-	-	-
2022	Less than 1 year	1-2 years	2-5 years	Total
	RON	RON	RON	RON
Non-interest bearing				
Trade liabilities	63,161,505	-	-	63,161,505
Other current liabilities	9,893,710	-	-	9,893,710
Interest bearing instruments				
Short and long-term borrowings	74,737,029	2,741,605	1,303,158	78,781,793
Short and long-term leases	-	-	-	-
Non-interest bearing				
Cash and cash equivalents	73,869,061	-	-	73,869,061
Receivables and other current assets	60,979,526	-	-	60,979,526
Interest bearing				
Other current financial assets	263,414	-	-	263,414



(all amounts are expressed in lei, unless specified otherwise)

31. RELATED PARTY TRANSACTIONS

The transactions among the Parent and its subsidiaries – Group’s related parties – were eliminated from the consolidation and are not presented under this note. Companies and individuals may be deemed related parties if one party holds control or exercises significant influence over the other party.

Indemnities granted to top management

The remuneration of managers and other top management members was the following:

	Period ended March 31, 2023	Period ended March 31, 2022
	RON	RON
Executive management salaries	1,182,858	892,331
Benefits for Board of Administration	6,000	6,000
Total	1,188,858	898,331

The remuneration of managers and executive personnel is determined by the shareholders, depending on individual performances and market conditions.

Shareholder borrowings	March 31, 2023	December 31, 2022
	RON	RON
WU HUI TZU (Livingjumbo Industry SA)	18,417	18,417
WINPACK INDUSTRY (Eco Pack Management SA)	255,647	255,647
Total	274,064	274,064

32. ACQUISITION OF SUBSIDIARIES

In 2023 the Group did not purchase new subsidiaries.

33. DISPOSAL OF SUBSIDIARIES

In 2023, the Group did not sell subsidiaries.



(all amounts are expressed in lei, unless specified otherwise)

34. COMMITMENTS AND CONTINGENCIES

ROMCARBON SA

Unused credit facilities as at March 31, 2023

The company has unused credit lines in amount of Eur 2,530,898 (31 December 2022: Eur 257,181) and investment loans in amount of Eur 2,851,409 (31 December 2022: Eur 2,857,496)

Guarantees for bank loans

At 31 March 2023, tangible assets (land, plants, equipment and machineries) having a net book value of Lei 67,383,490 (31 December 2022: Lei 68,314,018) constitute collateral for loans and credit lines contracted by the company with UniCredit Bank SA and EximBank SA. For the loans from the banks, the Company also guaranteed with the present and future cash availability from the accounts opened with creditor banks, with inventories of raw materials, materials and goods for sales having a minimum value of Eur 4,600,000, assigned the present and future receivables, as well as their accessories, coming from the present and future contracts with specific clients, these having the status of assigned debtors.

Also, the Company assigned the rights resulting from the insurance policies issued with the object of the immovables and movable goods brought as a guarantee.

Guarantees granted for loans contracted by Group companies

Guarantees granted to LivingJumbo Industry SA for the following loans contracted from UniCredit Bank SA:

- Non-binding loan – cash line – in amount of Eur 450,000 (due in February 2024), contract BUZA/044/2016 secured by mortgage on inventories, having a minimum value of Eur 4,600,000;
- Credit line having a ceiling of Eur 2,000,000 (due in 13.12.2023), contract no. BUZA/152021/CSC, secured by mortgage on 15 equipment having a book net value of Lei 2,770,430 as at March 31, 2023.

Guarantees granted to Livingjumbo Industry SA for the credit line contracted from EximBank SA

- Credit line in amount of EUR 2,000,000 (due on May 25, 2023), Contract 9 - ABZ/28.05.2020, secured by an immovable property mortgage over the Sutco pre-sorting equipment, having a net book value of Lei 480,787 as at March 31, 2023, and by a fidejussio contract concluded between the bank and Romcarbon SA.

Guarantees granted to RC Energo Install SRL for the following loans contracted from EXIMBANK SA:

- Credit line in amount of Lei 1,000,000 for financing the current activity (due on May 25, 2023), guaranteed by movable mortgage of subsequent rank over the movable asset Coperion line (line for filtering, regrinding and production of compounds in the form of ZSK 70 mc 18 grains), inventory no. 24781, having a net book value of Lei 1,058,588 as at March 31, 2023.

LIVINGJUMBO INDUSTRY SA

Unused credit facilities as at March 31, 2023

The company has unused credit facilities in amount of Eur 4,069,247 and Lei 5,000,000 (31 December 2022: Eur 4,253,038 and Lei 2,134,793).

Guarantees for bank loans

At March 31, 2023, tangible assets consist in equipment and machineries having a net book value of Lei 20,908,849 (31 December 2022: Lei 21,880,693) constitute collateral for loans and credit lines contracted by the company with UniCredit Bank SA and EximBank SA. For the loans from the banks, the Company also guaranteed with the present and future cash availability from the accounts opened with creditor banks, assigned the present and future receivables, as well as their accessories, coming from the present and future contracts with specific clients, these having the status of assigned debtors.

Also, the Company assigned the rights resulting from the insurance policies issued with the object of the immovables and movable goods brought as a guarantee.

(all amounts are expressed in lei, unless specified otherwise)

34. COMMITMENTS AND CONTINGENCIES (continued)

RC ENERGO INSTALL SRL

Unused credit facilities as at March 31, 2023

The company has unused credit facilities in amount of Lei 1,000,000 (31 December 2022 : Lei 1,000,000).

Guarantees for bank loans

At 31 March 2023, tangible assets consist in equipment and machineries having a net book value of Lei - (31 December 2022 : Lei 10,122) constitute collateral for the credit line contracted by the company with EximBank SA. For the loans from the banks, the Company also guaranteed with the present and future cash availability from the accounts opened with creditor banks, assigned the present and future receivables, as well as their accessories, coming from the present and future contracts with specific clients, these having the status of assigned debtors.

Also, the Company assigned the rights resulting from the insurance policies issued with the object of the immovables and movable goods brought as a guarantee.

35. SUBSEQUENT EVENTS

RECYPLAT LTD

The Regional Court of Nicosia, has approved the reduction of the share capital of Recyplat Limited from 26,000 ordinary shares with a value of 1.00 euros per share to 16,000 ordinary shares with a value of 1.00 euros per share, through a reduction of 10,000 ordinary shares with a value of 1.00 euros per share, issued with the issue premium, thus the issue premium account of Recyplat Limited, is reduced from €4,648,100 to €0.00, this amount of €4,648,100 following to be transferred to the sole associate ROMCARBON S.A.

The group did not identify any other significant subsequent events.

36. AUTORIZATION OF THE FINANCIAL STATEMENTS

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on May 15, 2023.

PREPARED BY,

HUANG LIANG NENG,

Chairman of the Board
and General Manager

VIORICA ZAINESCU,

Financial Manager

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