



HALF-YEAR REPORT



30.06.2023

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Half-Year report according to the FSA regulation no. 5/2018

Date of release: 11.08.2023

Reporting date: 30.06.2023

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 52,824,419.20

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: **528,244,192** registered shares, dematerialized, with a nominal value of RON 0.1.



MANAGEMENT COMMENTS

Dear shareholders,

For Romcarbon standalone 2023 H1 recorded a net profit of 5,220,906 lei, increased with 1,162,231 lei (+29%) as compared with 2022 H1, but the profit from operations decreased by 1,083,435 lei.

The net profit of 2023 H1 was also influenced by the profit for selling assets (registered in Q1) and FOREX gain from the investment in Recyplat that was registered in LEI at historical cost (but has only a minor influence on the consolidated result).

As whole, the market situation for H1 was quite severe. The demand remained very low.

However, we do see the recovery in Q2 compared with Q1. For PP and PS sectors, we already performed better than in Q1.

In addition, we had several production interruptions for the Recycled polymers & Compounds sector due to the breakdown of the machines. This was the main problem for Q2.

The consolidated result of Romcarbon Group

We registered a loss of 34,143 lei for 2023 H1. The main influences were:

> Livingjumbo Industry SA – registered a loss of – 2,723,977 lei, while in 2022 H1 it was registered a net profit of 2,385,186 lei.

Livingjumbo is facing the same difficulties as Romcarbon in terms of low demand on the market, especially in the PET sector (food packaging), as consumers have steadily reduced spending due to inflation.

A good sign is that we started to have positive result for PP jumbo bags in June, and there are signs for better business in Q3.

> RC Energo Install SRL – registered a net profit of 253,363 lei, decreased by – 683,234 lei as compared with 2022 H1. 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.

As we mentioned in Q1 report the economic downturn impacted our business very much, it continues for Q2, although for some sectors the results were improved.

The management team will continue the efforts to optimize the costs, to be more energy independent and continue the new investments.

The prospect for the rest of the year.

We have received from Ministry of Energy the offer to contract financing from RRNP program for EU funds of up to 465,000 EUR, for our investment in solar energy.

For PS sector, we completed in July 2023 the installation of the new production line – laminated floor underlay. We plan to start the sale by the end of August.

For the Recycled Polymers and Compounds sector, the installation of the new production line will be completed in August 2023 and we estimate that it will be about 1 month earlier than our original schedule. This will help us to solve the capacity problem caused by machines breakdown.

RC Energo Install SRL, as Romcarbon Group company contributing to the consolidated result, was selected to execute a project to install 600KW solar energy facility for one client.

To maximize the financial yield of the available funds in the bank accounts, we directed a portion of the funds to participate the IPO of Hidroelectrica (H2O). The number of shares we purchased is 28,086 shares.

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

Indicators	6 Months 2021	6 Months 2022	6 Months 2023	2023 vs. 2022	
Revenues (Net sales)	123,293,002	134,652,067	112,276,281	▼	(22,375,786) -17%
Other Income	2,223,429	2,254,827	2,141,875	▼	(112,952) -5%
EBITDA	8,138,189	9,121,601	10,584,880	▲	1,463,279 16%
EBITDA Operational	8,650,965	9,117,851	3,986,629	▼	(5,131,222) -56%
Profit(loss) from operations	4,767,518	5,292,808	4,209,373	▼	(1,083,435) -20%
Net profit (loss) (1)	3,270,977	4,058,675	5,220,906	▲	1,162,231 29%
Profit on fixed assets sale (2)	(267)	9,006	3,992,451	▲	3,983,445 44231%
FOREX gain on diminishing the financial investment in Recyplat (3)	-	-	2,913,582	▲	2,913,582
Net profit (loss) (1 - 2 -3)	3,271,244	4,049,669	(1,685,127)	▼	(5,734,796) -142%
Non-Current assets	149,146,990	134,941,949	117,977,677	▼	(16,964,272) -13%
Current assets	92,321,417	113,611,789	108,516,463	▼	(5,095,326) -4%
Total Equity	138,842,299	135,562,335	152,237,758	▲	16,675,423 12%
Total Liabilities	102,626,108	112,991,403	74,256,382	▼	(38,735,021) -34%
Debt ratio	43%	45%	33%	▼	(0) -28%
Current liquidity	115%	121%	213%	▲	1 77%

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

Indicator	6 Months 2021	6 Months 2022	6 Months 2023	2023 vs. 2022	
Revenue (Sales)	155,704,391	193,051,431	158,872,867	▼	(34,178,564) -18%
Other income	2,141,033	2,169,081	2,043,657	▼	(125,424) -6%
Share of profit / loss of associates	2,366,339	2,957,723	-	▼	(2,957,723) -100%
EBITDA	11,455,925	17,741,057	7,683,227	▼	(10,057,830) -57%
EBITDA Operational	9,825,994	14,940,360	3,989,604	▼	(10,950,756) -73%
Profit(loss) from operations	4,306,603	9,554,930	2,659,575	▼	(6,895,354) -72%
Net profit ¹	4,503,358	10,329,684	(34,143)	▼	(10,363,826) -100%
Net profit without the impact of Share of profit / loss of associates [Green-Group]	2,137,019	7,371,960	(34,143)	▼	(7,406,103) -100%
Non-Current assets	178,046,798	164,935,342	137,753,660	▼	(27,181,682) -16%
Current assets	108,415,996	148,528,480	135,896,802	▼	(12,631,678) -9%
Total Equity	141,611,864	146,653,770	156,660,506	▲	10,006,736 7%
Total Liabilities	144,850,931	166,810,054	116,989,957	▼	(49,820,097) -30%
Debt ratio	51%	53%	43%	▼	(0) -20%
Current liquidity	102%	106%	154%	▲	0 45%

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

Company	Result 6 Months 2022 (in lei)	Result 6 Months 2023 (in lei)	2023 vs 2022
Romcarbon SA	4,058,675	5,220,906	1,162,231
Living Jumbo Industry SA	2,385,186	(2,723,977)	(5,109,163)
RC Energo Install SRL	936,597	253,363	(683,234)
Infotech Solutions SRL	71,026	150,551	79,525
Recyplat Ltd Cipru	(173)	(2,849,737)	(2,849,564)
Eco Pack Management SA	(1,407)	(2,390)	(983)
Consolidation adjustments (Share of the profit of the associate Romgreen Universal LTD (Green-Group))*	2,957,723	-	(2,957,723)
Other consolidation adjustments	(77,943)	(82,858)	(4,916)
Total profit	10,329,684	(34,143)	(10,363,827)

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



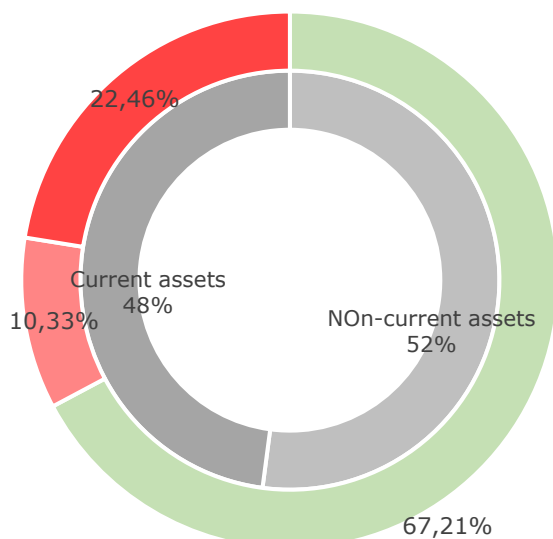
BOARD OF DIRECTORS' REPORT REGARDING THE SEPARATE FINANCIAL STATEMENTS

1. FINANCIAL STATEMENTS

1.1 STATEMENT OF THE FINANCIAL POSITION

Indicator	30.06.2022	31.12.2022	30.06.2023	30.06.2023 vs. 31.12.2022		
Property, plant and equipment	103,204,824	102,490,667	107,160,000	4,669,333	▲	4.56%
Investment property	10,894,586	9,883,738	9,883,738	0	—	0.00%
Intangible assets other than goodwill	233,979	330,920	473,345	142,425	▲	43.04%
Investments in subsidiaries, joint ventures and associates	20,608,560	20,608,559	460,594	-20,147,965	▼	-97.77%
Total non-current assets	134,941,949	133,313,884	117,977,677	-15,336,207	▼	-11.50%
Current inventories	30,931,534	29,963,708	28,417,526	-1,546,182	▼	-5.16%
Trade and other current receivables	68,732,476	63,653,763	64,288,031	634,268	▲	1.00%
Other current financial assets	1,298,910	42,738,851	3,278,665	-39,460,186	▼	-92.33%
Other current non-financial assets	2,392,162	3,864,347	2,226,957	-1,637,390	▼	-42.37%
Cash and cash equivalents	6,496,552	2,772,709	10,305,284	7,532,575	▲	271.67%
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	113,611,789	146,753,533	108,516,463	-38,237,070	▼	-26.06%
Total assets	248,553,738	280,067,417	226,494,140	-53,573,277	▼	-19.13%
Issued capital	26,412,210	26,412,210	52,824,419	26,412,209	▲	100.00%
Share premium	2,182,283	2,182,283	2,182,283	0	—	0.00%
Other reserves	58,289,913	60,895,475	59,775,572	-1,119,903	▼	-1.84%
Retained earnings	48,677,929	70,732,989	37,455,484	-33,277,505	▼	-47.05%
Total Equity	135,562,335	160,222,957	152,237,758	-7,985,199	▼	-4.98%
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	2,775,047	4,044,764	8,190,409	4,145,645	▲	102.49%
Other non-current non-financial liabilities	7,790,433	7,475,188	6,418,199	-1,056,989	▼	-14.14%
Total non-current liabilities	18,978,054	20,300,611	23,389,267	3,088,656	▲	15.21%
Trade and other payables	39,150,062	48,060,900	25,346,837	-22,714,063	▼	-47.26%
Other current financial liabilities	48,545,377	45,859,692	20,046,543	-25,813,149	▼	-56.29%
Other current non-financial liabilities	6,317,910	5,623,258	5,473,735	-149,523	▼	-2.66%
Total current liabilities	94,013,349	99,543,849	50,867,115	-48,676,734	▼	-48.90%
Total liabilities	112,991,403	119,844,459	74,256,382	-45,588,077	▼	-38.04%
Total equity and liabilities	248,553,738	280,067,417	226,494,140	-53,573,277	▼	-19.13%

STRUCTURE OF THE FINANCIAL POSITION AS AT 30.06.2023



Current liabilities: 50,867,115 lei | 22%

Non-current liabilities: 23,389,267 lei | 10%

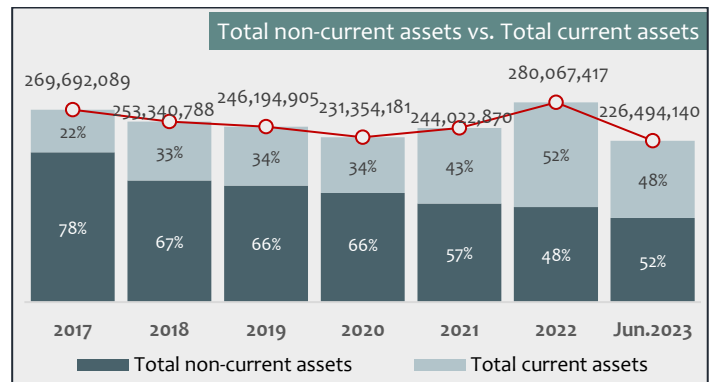
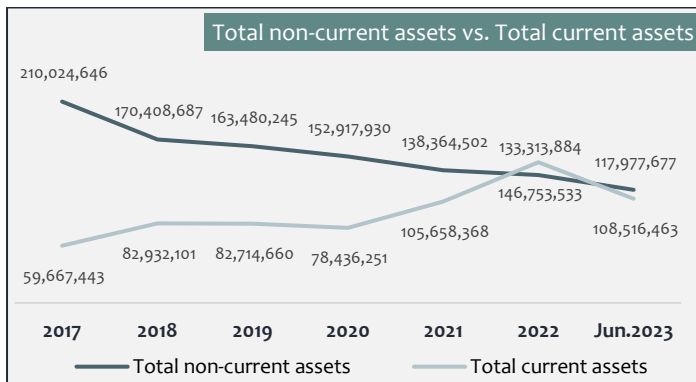
Equity: 152,237,758 lei | 67%

Non-current assets: 117,977,677 lei | 52%

Current assets: 108,516,463 lei | 48%



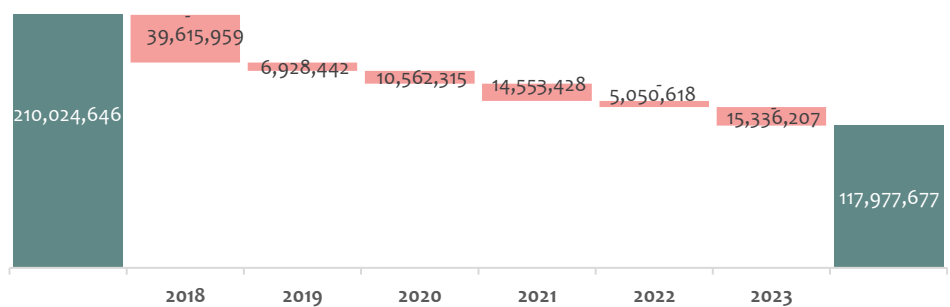
ASSETS



NON-CURRENT ASSETS

As at 30.06.2023, **Non-currents assets** hold 52.09% of the company's assets, recording a decrease of
 – Lei 15,336,207, i.e. – 11.50%, as compared with the beginning of the year

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



Non-current assets (NCA)	30.06.2023	% in total NCA	% in total Assets	30.06.23 vs. 31.12.22
Property, plant and equipment	107,160,000	90.83%	47.31%	4.56%
Investment property	9,883,738	8.38%	4.36%	0.00%
Intangible assets other than goodwill	473,345	0.40%	0.21%	43.04%
Investments in subsidiaries, joint ventures and associates	460,594	0.39%	0.20%	-97.77%
Total non-current assets	117,977,677	100.00%	52.09%	-11.50%

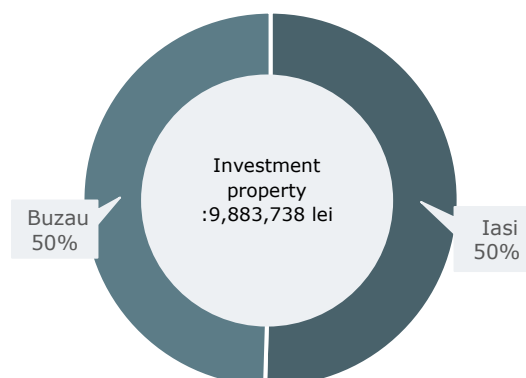
In the reporting period the entries of Non-current assets (except the investments in progress) are presented in the following table:

- Buildings (including re-arrangements and improvement) : 345,736 lei
- Equipment and installations : 1,261,704 lei

The inflows of the Non-current assets in the first 6 months of 2023 totalized LEI 1,607,440, out of which: CP7 – Recycled polymers & Compounds LEI 665,725. CP5 – Extruded PS LEI 341,328 and Administrative LEI 600,387.

The outputs of Non-current assets in 2023 totalized LEI 154,379, entire amount representing cassations/dismantle.

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



Financial Investments hold 0.20% of Total Assets, and 0.39% of Non-current assets.

As at 30.06.2023, S.C. ROMCARBON S.A. held shares in other companies totalizing Lei 10,192,233, 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	113,154	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						10.192.233	

*On 07.06.2023, the amount of EUR 4,648,100 was collected from Recyplat LTD, resulting from the operation of reducing the share capital with a number of 10,000 ordinary shares with a value of EUR 1.00 per share, issued with a premium of issue, thus the issue premium account of Recyplat Limited, being reduced from EUR 4,648,100 to EUR 0.00.

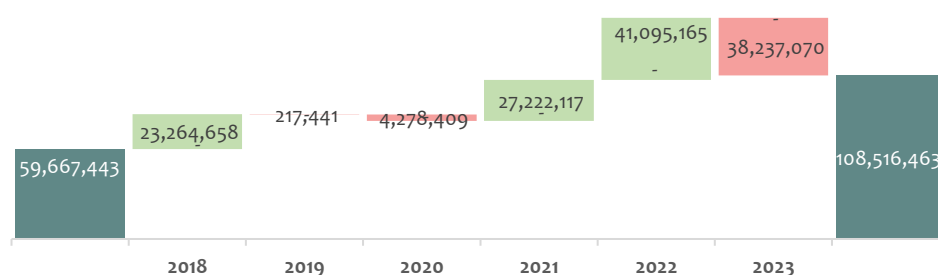
The impairment of financial investments are presented in the following table:

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 30.06.2023, **Current assets** hold 47.91% of total assets recording a decrease of - Lei 38,237,070, i.e. -26.06% as compared with the beginning of the year.

Evolution of Total current assets in the period 2017-2023



Current assets (CA)	30.06.2023	% in total CA	% in Total Assets	30.06.23 vs. 31.12.22
Current inventories	28,417,526	26.19%	12.55%	-5.16%
Trade and other current receivables ¹	64,288,031	59.24%	28.38%	1.00%
Other current financial assets ²	3,278,665	3.02%	1.45%	-92.33%
Other current non-financial assets	2,226,957	2.05%	0.98%	-42.37%
Cash and cash equivalents	10,305,284	9.50%	4.55%	271.67%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners ³	0	0.00%	0.00%	-100.00%
Total current assets	108,516,463	100.00%	47.91%	-26.06%

¹ Trade and other current receivables



This indicator includes the amount of 9,800,000 lei, which was transferred to the broker SSIF Swiss Capital SA, at the end of June 2023, in order to subscribe shares in Hidroelectrica SA (H2O).

In the first part of July 2023, after the end of the subscription period for H2O shares, considering the registered oversubscription rate, Romcarbon became the owner of a volume of 28,086 H2O shares * 100.88 lei/share, the difference up to 9,800,000 lei being returned to the company.

² Loan granted to affiliates

Affiliate	Value of the contract	Balance as at 30.06.2023	Interest	Total	Tenor
RC Energo Install SRL	3,000,000 lei	3,000,000 lei	278,665 lei	3,278,665 lei	03/06/2024
Total	3,000,000 lei	3,000,000 lei	278,665 lei	3,278,665 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.

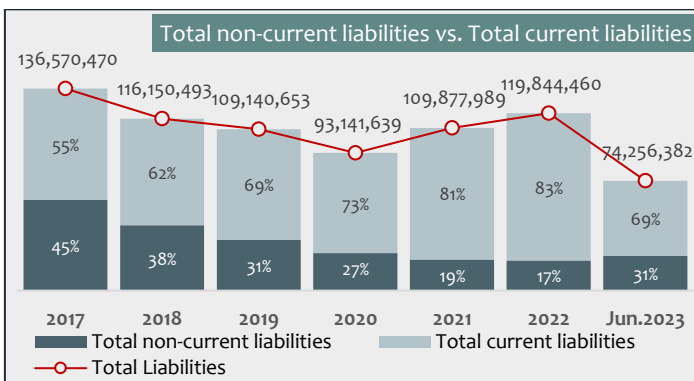
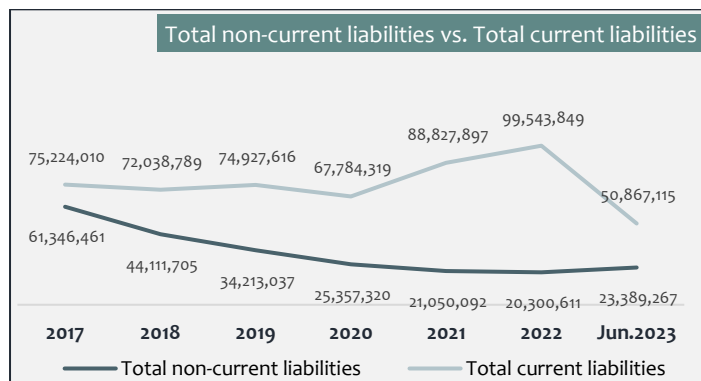
In July 2023, an additional act was signed by which the loan was extended by 12 months.

³ Non-current assets or disposal groups classified as held for sale or as held for distribution to owners

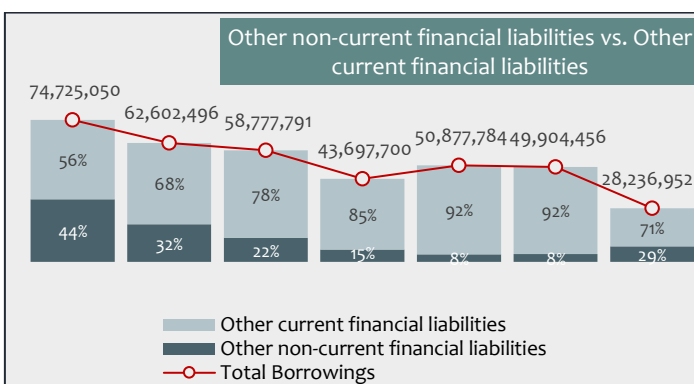
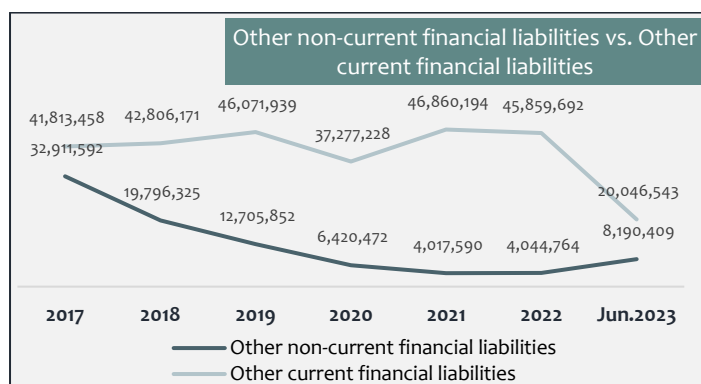
On 16.02.2023, it was signed the sale and purchase contract with LIDL ROMANIA S.C.S. the object of which is the sale of the land area of 7,407 sqm, the total price being Lei 7,659,971. The registration cost of this land is Lei 3,689,310. Initially, in December 2019, a sales-purchase anteacontract was 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 32.79% of the company's Equity&Liabilities recording a decrease of - Lei 45,588,077, i.e. 38.04% as compared with the beginning of the year.



BORROWINGS



As at 30.06.2023 the loans contracted by S.C. ROMCARBON S.A. have the following structure :

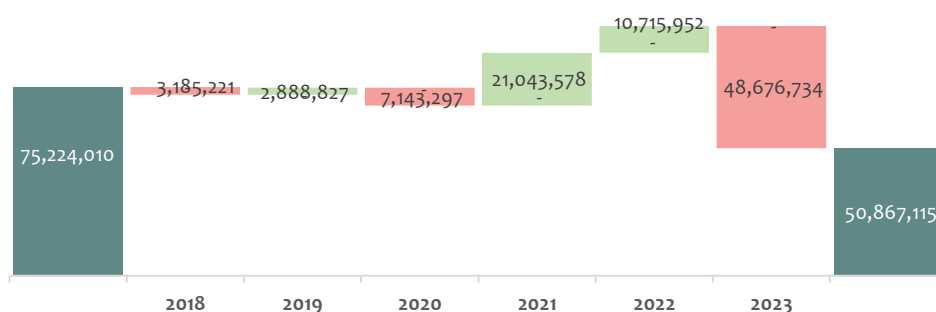
Type	Balance as at 30.06.2023		< 1 year	>1 year
	in euro	in lei		
Credit lines in euro ⁴	€ 2,996,194	14,871,309 lei	14,871,309 lei	- lei
Short term credits in euro	€ 266,448	- lei	- lei	- lei
Investment loans in euro	€ 2,113,694	11,813,597 lei	4,706,367 lei	7,107,227 lei
Total credits in euro	€ 5,376,336	26,684,906 lei	19,577,676 lei	7,107,227 lei
Short term credits in lei		- lei	- lei	- lei
Investment loans in lei		1,552,050 lei	468,869 lei	1,083,182 lei
Total credits in lei		1,552,050 lei	468,869 lei	1,083,182 lei
Total bank exposure		28,236,956 lei	20,046,545 lei	8,190,409 lei

⁴ In 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 was drawn by Livingjumbo Industry SA.

CURRENT LIABILITIES

Current liabilities of the Company, representing 68.50% of the Total Liabilities and 22.46% of Total Equity & Liabilities have decreased by - Lei 48,676,734 as compared with the beginning of the year, i.e. -48.90%.

Evolution of Total current liabilities in the period 2017-2023

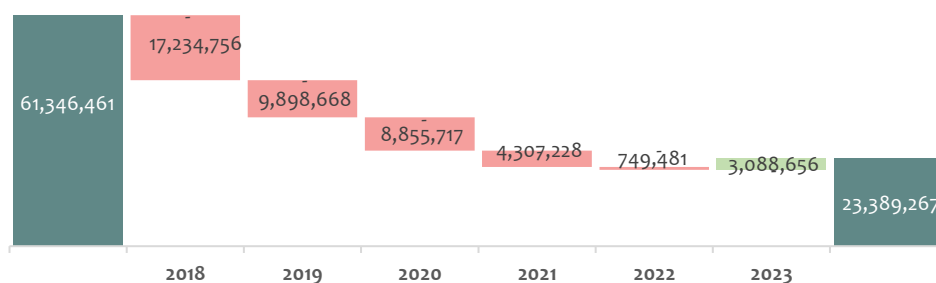


Current liabilities	30.06.2023	% in total liabilities	% in Total current liabilities	% in Total Equity and Liabilities	30.06.23 vs. 31.12.22
Trade and other payables	25,346,837	34.13%	49.83%	11.19%	-47.26%
Other current financial liabilities	20,046,543	27.00%	39.41%	8.85%	-56.29%
Other current non-financial liabilities	5,473,735	7.37%	10.76%	2.42%	-2.66%
Total current liabilities	50,867,115	68.50%	100.00%	22.46%	-48.90%

NON-CURRENT LIABILITIES

Non-current Liabilities representing 10.33% of the company's Equity & Liabilities recording in the reporting period an increase of Lei 3,088,656, i.e. 15.21%, as compared with the beginning of the year.

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

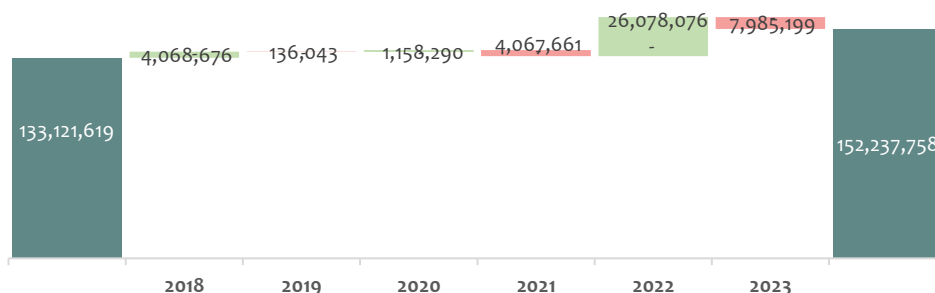


Non-current liabilities	30.06.2023	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and Liabilities	30.06.23 vs. 31.12.22
Other non – current provisions	1,000,000	1.35%	4.28%	0.44%	0.00%
Deferred tax liabilities	7,780,659	10.48%	33.27%	3.44%	0.00%
Other non-current financial liabilities	8,190,409	11.03%	35.02%	3.62%	102.49%
Other non-current non-financial liabilities	6,418,199	8.64%	27.44%	2.83%	-14.14%
Total non-current liabilities	23,389,267	31.50%	100.00%	10.33%	15.21%

EQUITY

Total Equity holds **67.21%** of Total Equity & Liabilities, recording in the reporting period a decrease of - Lei 7,985,199 as compared with the beginning of the year.

Evolution of Total Equity in the period 2017-2023



Equity	30.06.2023	% in Total Equity and liabilities
Issued capital (528,244,192 shares at Lei 0.10/share)	52,824,419	23.32%
Share premium	2,182,283	0.96%
Reserves	59,775,572	26.39%
Retained earnings	37,455,484	16.54%
Total equity	152,237,758	67.21%

On 30.06.2023 was completed the registration in the Trade Register of the increase of the company's share capital with the amount of 26,412,209.60 lei, from 26,412,209.60 lei to 52,824,419.20 lei by issuing a number of 264,122,096 new shares, with a nominal value of 0.10 lei/share, according to the AGEA decision dated 27/04/2023. The capital increase was achieved by incorporating into the company's share capital the amount of 26,412,209.60 lei, representing a part of the net profit recorded in the 2022 financial year and is intended to support the company's current activity. The newly issued shares will be distributed free of charge to all the company's shareholders registered in the Register of Shareholders held by the Central Depository on the date of registration (27.09.2023).

On 30.06.2023 the company's shareholders are natural and legal persons, list type, with a 100%/100% participation in profit and loss.



1.2. STATEMENT OF THE COMPREHENSIVE INCOME

Indicator	6 Months 2021	6 Months 2022	6 Months 2023	2023 vs. 2022	
Revenues (Net sales)	123,293,002	134,652,067	112,276,281	▼	(22,375,786) -17%
Other Income ⁵	2,223,429	2,254,827	2,141,875	▼	(112,952) -5%
Increase (decrease) in inventories of finished goods and work in progress	2,132,771	3,871,197	164,490	▼	(3,706,707) -96%
Raw materials, consumables and utilities	(89,702,894)	(101,857,503)	(79,008,710)	▼	22,848,793 -22%
Employee benefits expenses and social charges	(20,488,805)	(20,950,089)	(22,472,144)	▲	(1,522,055) 7%
Depreciation and amortisation expenses	(4,999,169)	(4,904,747)	(4,745,999)	▼	158,748 -3%
Other expenses	(7,887,790)	(7,862,018)	(8,190,697)	▲	(328,679) 4%
Other gains and losses	196,974	89,074	4,044,277	▲	3,955,203 4440%
Profit (loss) from operating activities	4,767,518	5,292,808	4,209,373	▼	(1,083,435) -20%
Finance Income	73,323	188,357	2,845,598	▲	2,657,241 1411%
Finance Cost	(1,046,125)	(703,394)	(1,059,500)	▲	(356,106) 51%
Profit (loss) before tax	3,794,716	4,777,771	5,995,471	▲	1,217,700 25%
Income Tax	(523,739)	(719,096)	(774,565)	▲	- 55,469 8%
Profit (loss) of the year	3,270,977	4,058,675	5,220,906	▲	1,162,231 29%
Total comprehensive income	3,270,977	4,058,675	5,220,906	▲	1,162,231 29%
EBITDA Operational	8,650,965	9,117,851	3,986,629	▼	(5,131,222) -56%

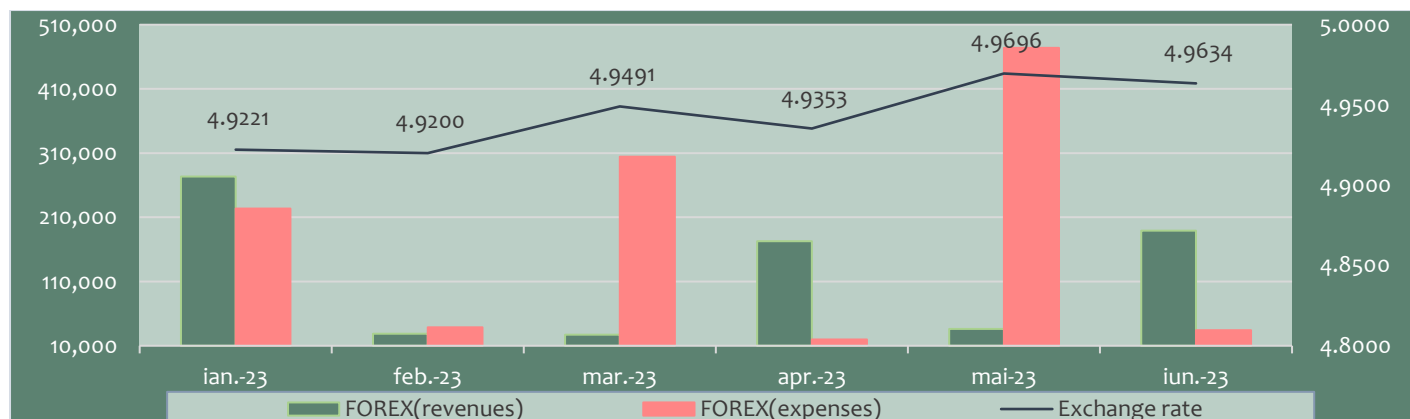
Note : EBITDA operational is calculated only for operational activity, excluding the depreciation, sales of non-current assets, non-repeating elements and financial activity.

Indicator	6 Months 2021	6 Months 2022	6 Months 2023
Average no. of personnel	825	758	697

⁵ In the item « Other income » are comprised the following items :

Indicator	6 Months 2021	6 Months 2022	6 Months 2023	2023 vs. 2022	
Rentals	1,093,704	1,125,102	1,084,886	▼	(40,216) -4%
Income from subsidies for investments	1,129,725	1,129,725	1,056,989	▼	(72,736) -6%
Total	2,223,429	2,254,827	2,141,875	▼	(112,952) -5%

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 6 Months of 2023 the company registered revenues in amount of Lei 728,492 and expenses in amount of Lei 1,094,869, resulting a loss of - Lei 366,377.



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 99,201.



Statement of the comprehensive income on quarters

Indicator	Q I 2023	Q II 2023	Q I 2023 vs. Q I 2022	Q II 2023 vs. Q II 2022
Revenues (Net sales)	61,570,251	50,706,030	(6,721,480)	(15,654,306)
Other Income	1,079,991	1,061,884	(36,622)	(76,330)
Increase (decrease) in inventories of finished goods and work in progress	959,536	(795,046)	(2,366,481)	(1,340,226)
Raw materials, consumables and utilities	(46,072,318)	(32,936,392)	8,892,938	13,955,855
Employee benefits expenses and social charges	(10,960,221)	(11,511,923)	(904,703)	(617,352)
Depreciation and amortisation expenses	(2,370,720)	(2,375,279)	88,805	69,943
Other expenses	(4,046,736)	(4,143,961)	(231,516)	(97,163)
Other gains and losses	4,022,658	21,619	3,958,056	(2,853)
Profit (loss) from operating activities	4,182,441	26,932	2,678,997	(3,762,432)
Finance Income	110,551	2,735,047	35,293	2,621,948
Finance Cost	(634,562)	(424,938)	(296,290)	(59,816)
Profit (loss) before tax	3,658,430	2,337,041	2,418,000	(1,200,300)
Income Tax	(468,902)	(305,663)	(279,091)	223,622
Profit (loss) of the year	3,189,528	2,031,378	2,138,909	(976,678)
Total comprehensive income	3,189,528	2,031,378	2,138,909	(976,678)
EBITDA Operational	2,050,044	1,936,586	(1,375,798)	(3,755,424)



1.3. REVENUES(NET SALES)

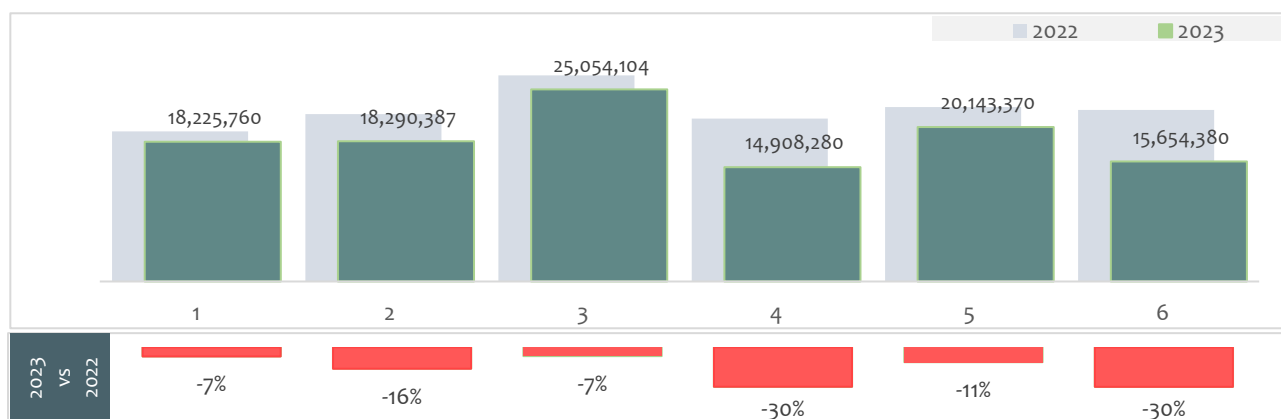
The item "Revenues(Net sales)" had the following evolution:

	6 Months 2021	6 Months 2022	6 Months 2023		2023 vs. 2022	
- Sales of finished goods	82,929,385	95,548,711	78,492,953	▼	(17,054,553)	-18%
- Sales of intermediary goods	11,536	57,676	727	▼	(56,950)	-99%
- Services rendered	245,210	403,383	268,912	▼	(134,471)	-33%
- Sales of commodities	37,592,779	34,874,238	29,796,197	▼	(5,078,041)	-15%
- Other sales	2,514,092	3,768,059	3,717,492	▼	(50,567)	-1%
Total revenues	123,293,002	134,652,067	112,276,281	▼	(22,375,786)	-17%

Grouped by activity sectors, Net Sales are presented in the following table:

	6 Months 2021	6 Months 2022	6 Months 2023		2023 vs. 2022	
Plastic processing sector: polyethylene+polystyrene+ polypropylene	61,312,889	67,473,991	53,749,285	▼	(13,724,706)	-20%
Recycled polymers & Compounds	18,665,292	23,570,544	21,053,908	▼	(2,516,636)	-11%
Other production sectors (industrial and automotive filters, active carbon, respiratory protective equipment, PVC traffic base)	2,951,204	4,504,176	3,689,759	▼	(814,417)	-18%
Other activities	40,363,617	39,103,356	33,783,328	▼	(5,320,028)	-14%
Total	123,293,002	134,652,067	112,276,281	▼	(22,375,786)	-17%

The evolution of the "Net sales" by month in the reporting period



	6 Months 2021	6 Months 2022	6 Months 2023		2023 vs. 2022	
Net sales	123,293,002	134,652,067	112,276,281	▼	(22,375,786)	-17%
Rental and royalty income	1,093,704	1,125,102	1,084,886	▼	(40,216)	-4%
Turnover, out of which:	124,386,706	135,777,169	113,361,167	▼	(22,416,002)	-17%
~domestic market	98,615,036	108,147,145	94,511,520	▼	(13,635,625)	-13%
~exports	25,771,670	27,630,024	18,849,647	▼	(8,780,377)	-32%

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	30.06.2021	30.06.2022	30.06.2023
EBIT	Gross profit + Income tax + Expenses with interest	4,268,745	5,346,579	6,895,870
EBITDA	EBIT + Depreciation-Subsidies for investment Revenue + Rental and royalty income	8,138,189	9,121,601	10,584,880
Sales		124,386,706	135,777,169	113,361,167
EBITDA to sales ratio	EBITDA/Sales	6.54%	6.72%	9.34%
EBITDA to Equity ratio	EBITDA/Equity	5.86%	6.73%	6.95%
Gross profit margin	Gross profit/Sales	3.05%	3.52%	5.29%
Current ratio	Current assets/Current liabilities	1.21	1.47	2.13
Quick ratio	(Current assets - Inventories)/Current liabilities	0.88	1.17	1.57
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	14%	13%	15%
Total liabilities to Assets ratio	Total liabilities/Total Assets	45%	43%	33%
Long term capital to Equity	Borrowed capital/Equity	2%	3%	5%
Long term capital to engaged capital	Borrowed capital/Engaged capital	2%	2%	5%
Interest coverage ratio	EBIT/Interest expenses	9.01	9.40	7.66
Account receivable turnover ratio (days)	Average receivables/Sales	69	84	102
Account payable turnover ratio (days)	Average payables/Sales	44	51	58
Non-current assets rotation	Non-current liabilities/Sales	0.92	1.02	0.96
Return on assets (ROA)	Net profit/Assets	1.35%	1.63%	2.31%
Return on equity (ROE)	Net profit/Equity	2.36%	2.99%	3.43%
Return on sales (ROS)	Net profit/Sales	2.63%	2.99%	4.61%

1.5. CASH-FLOW

	30/06/22	31/12/22	30/06/23
CASH FLOWS FROM OPERATIONS			
Cash generated from operations (A)	(5,326,911)	(3,855,720)	(33,788)
CASH FLOWS FROM INVESTMENT ACTIVITY			
Net cash (used in)/generated by investing activities(B)	(1,415,364)	5,499,742	58,283,230
CASH FLOWS FROM FINANCING ACTIVITY			
Net cash generated/used by/in financing activities (C)	440,450	(11,669,689)	(50,716,868)
NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)	(6,301,825)	(10,025,668)	7,532,574
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	6,496,552	2,772,709	10,305,284



2. ANALYSES OF THE COMPANY ACTIVITY

- 2.1 Nothing to mention
2.2 Nothing to mention
2.3 Nothing to mention

3. CHANGES IN THE REPORTING PERIOD WITH A MAJOR IMPACT ON THE COMPANY'S EQUITY AND COMPANY'S MANAGEMENT

3.1. In the reporting period the company fulfilled all its obligations regarding paying its financial, commercial, bank, and tax debts within the tenor.

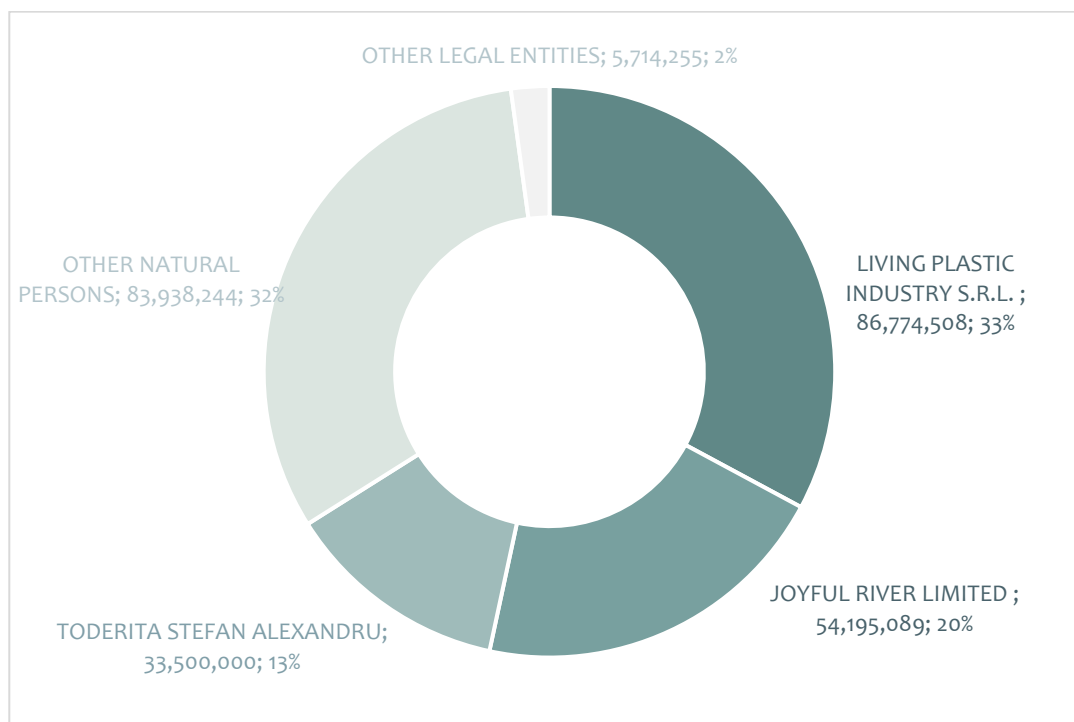
3.2. Nothing to mention.

4. TRANSACTIONS WITH AFFILIATES FOR THE PERIOD 01.01.2023 – 30.06.2023

Affiliate	Sales (w/o VAT)	Acquisitions (w/o VAT)
ECO PACK MANAGEMENT SA	0	0
INFO TECH SOLUTIONS S.R.L.	13,398	490,893
LIVINGJUMBO INDUSTRY SA	19,608,399	816,106
RC ENERGO INSTALL SRL	84,281	2,072,625
YENKI SRL BUZAU	2,785	0
Total	19,708,863	3,379,624

5. SHAREHOLDERS' STRUCTURE

As at **30.06.2023** SC Romcarbon SA shareholders' structure, according to Depozitarul Central SA was as follows:

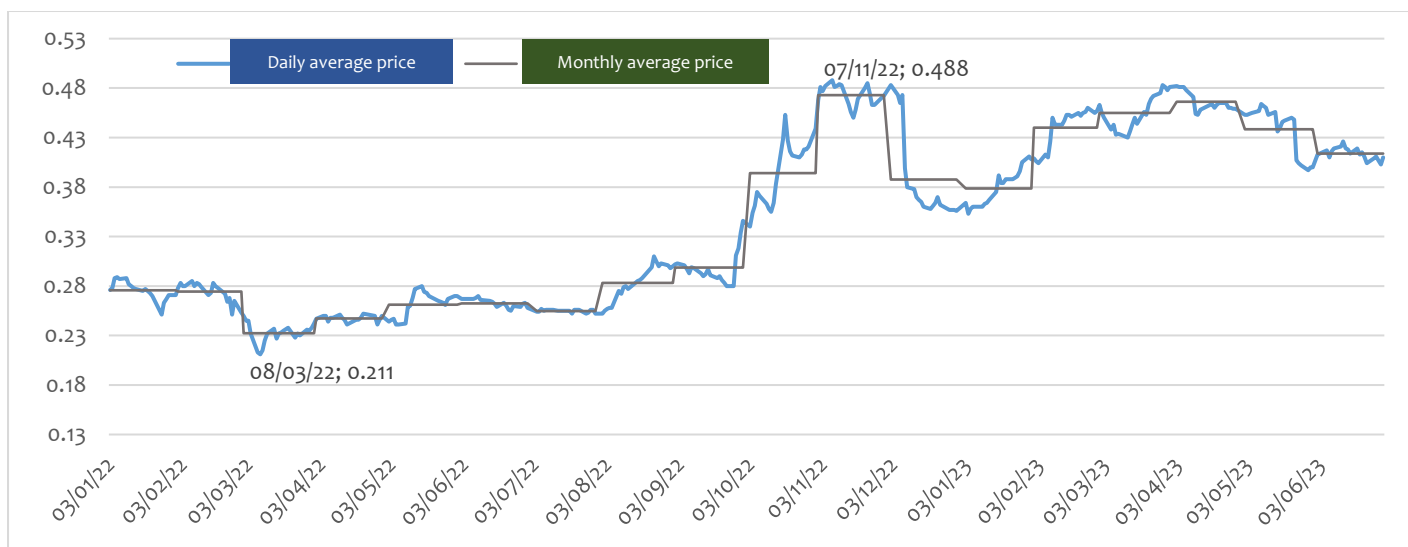


*On 30.06.2023, it was completed the registration in the Trade Register of the increase of the company's share capital with the amount of 26,412,209.60 lei, from 26,412,209.60 lei to 52,824,419.20 lei by issuing a number of 264,122,096 new shares, with a nominal value of 0.10 lei/share, according to the AGEA decision of 04/27/2023. The capital increase was achieved by incorporating into the company's share capital the amount of 26,412,209.60 lei, representing a part of the net profit recorded in the 2022 financial year.

At the date of this report, the shareholding structure registered at ORC Buzau is "Shareholders, natural and legal persons, list type, profit/loss participation rate 100%/100%", the 264,122,096 new shares to be distributed free of charge to all shareholders of the company registered in the Register of Shareholders held by the Central Depository on the date of registration (27.09.2023).



Evolution of average price of ROCE shares in the period 01.01.2022-30.06.2023



The Separate Financial Statements for the period ended June 30, 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 June 30, 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 JUNE 30, 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 JUNE 30, 2023**

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

	Period ended June 30, 2023 RON	Period ended June 30, 2022 RON
Revenues	112,276,281	134,652,067
Other income	2,141,875	2,254,827
Changes in inventories	164,490	3,871,197
Raw materials, consumables and utilities	(79,008,710)	(101,857,503)
Employee salaries and benefits	(22,472,144)	(20,950,089)
Depreciation and amortization expenses	(4,745,999)	(4,904,747)
Operational expenses	(8,190,697)	(7,862,018)
Other gains or losses	4,044,277	89,074
Profit from operating activities	4,209,373	5,292,808
Finance income	2,845,598	188,357
Finance cost	(1,059,500)	(703,394)
Profit before tax	5,995,471	4,777,771
Income tax	(774,565)	(719,096)
Profit of the year	5,220,906	4,058,675
Total comprehensive income	5,220,906	4,058,675
Earnings per share	0.0099	0.0154
Number of shares	528,244,192	264,122,096

The condensed interim Separate financial statements have been approved by the Board of Directors on August 8, 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 JUNE 30, 2023**

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

	June 30, 2023	December 31, 2022
ASSETS		
Non-current assets		
Property, plant and equipment	107,160,000	102,490,667
Investment property	9,883,738	9,883,738
Intangible assets	473,345	330,920
Financial assets	460,594	20,608,559
Total non-current assets	117,977,677	133,313,884
CURRENT ASSETS		
Inventories	28,417,526	29,963,708
Trade and other receivables	64,288,031	63,653,763
Other current financial assets	3,278,665	42,738,851
Other current non-financial assets	2,226,957	3,864,347
Cash and cash equivalents	10,305,284	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	108,516,463	142,993,378
Non-current assets held for sale	-	3,760,155
Total current assets	108,516,463	146,753,533
TOTAL ASSETS	226,494,140	280,067,417
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Issued capital	52,824,419	26,412,210
Retained earnings	37,455,484	70,732,989
Share premiums	2,182,283	2,182,283
Other Reserves	59,775,572	60,895,475
Total equity	152,237,758	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	8,190,409	4,044,764
Other non-current non-financial liabilities	6,418,199	7,475,188
Total non-current liabilities	22,389,267	19,300,611



**STATEMENT OF THE FINANCIAL POSITION
FOR THE PERIOD ENDED JUNE 30, 2023**

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

	June 30, 2023	December 31, 2022
Current liabilities		
Trade and other payables	25,346,837	48,060,899
Other current financial liabilities	20,046,543	45,859,692
Other current non-financial liabilities	5,473,735	5,623,258
Total current liabilities	50,867,115	99,543,849
Total liabilities	74,256,382	119,844,460
Total equity and liabilities	226,494,140	280,067,417

The condensed interim Separate financial statements have been approved by the Board of Directors on August 8, 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 CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED JUNE 30, 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	160,222,957
Increases from revaluation of property, plant and equipment	-	-	-	-	-	-	-
Decreases from revaluation of property, plant and equipment	-	-	-	-	-	-	-
Dividends declared	-	-	-	-	-	(13,206,105)	(13,206,105)
Net profit of the period	-	-	-	-	-	5,220,906	5,220,906
Transfer to reserves	-	-	-	-	-	-	-
Transfer of reserves to retained earnings	-	-	(1,119,903)	-	-	1,119,903	-
Transfer to capital	26.412.209	-	-	-	-	(26,412,209)	-
Adjusted deferred tax related to fiscally non-deductible revaluation reserves	-	-	-	-	-	-	-
30/Jun/2023	52,824,419	2,182,283	37,974,022	5,282,442	16,519,107	37,455,484	152,237,758

The resolution of the General Meeting of Shareholders of 27.04.2023 approved the dividend allocation in amount of Lei 13,206,105. The full amount was transferred to Depozitarul Central SA to pay dividends owed to shareholders.

The condensed interim Separate financial statements have been approved by the Board of Directors on August 8, 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 JUNE 30, 2023**

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

	30/06/2023	30/06/2022
Net profit(loss)	5,220,906	4,058,675
Income tax expense	774,565	719,096
Depreciation	4,745,999	4,904,747
(Gain) / Loss on fixed assets disposal	-	(9,006)
(Gain) / Loss on assets held for sale disposal	(3,992,451)	-
Gains on internal set-up of fixed assets	(34,287)	(9,793)
Loss on impairment of stocks and receivables	(1,427)	-
Loss on receivables and sundry debtors	1,427	188
Interest expense	1,059,500	703,394
Interest income	(326,931)	(81,626)
Income from subsidies	(1,056,989)	(1,129,725)
Unrealised foreign exchange gain / (loss)	(2,518,667)	(106,731)
Movements in working capital:		
(Increase) / Decrease in trade and other receivables	17,726,234	(10,810,547)
(Increase) / Decrease in inventories	1,547,608	(3,284,020)
(Increase) / Decrease in other assets	1,518,376	(204,884)
Increase / (Decrease) in trade payables	(22,714,063)	1,988,152
Increase / (Decrease) in other liabilities	(394,406)	(642,339)
Cash used in operating activities	1,555,394	(3,904,419)
Income tax paid	(529,682)	(719,096)
Interest and bank charges paid	(1,059,500)	(703,394)
Net cash used in operating activities	(33,788)	(5,326,909)
Cash flows from investing activities:		
Interest received	326,931	81,626
Payments for tangible assets	(9,324,090)	(1,470,742)
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	-	(33,593)
Payments for intangible assets	(199,383)	(655)
Proceeds from financial investments	20,147,966	-
Payment for financial investments	-	(1,000)
Dividends received	39,579,200	-
Net cash generated by/used in investing activities	58,283,230	(1,415,364)



**STATEMENT OF CASH-FLOW
FOR THE PERIOD ENDED JUNE 30, 2023**

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

	30/06/2023	30/06/2022
Cash flows from financing activities:		
Proceeds from/repayment of bank loans	(21,765,416)	440,447
Dividends paid	(28,951,452)	-
Net cash generated by/(used in) financing activities	(50,716,868)	440,447
Net increase/(decrease) in cash and cash equivalents	7,532,574	(6,301,825)
Cash and cash equivalents at the beginning of the year	2,772,710	12,798,377
Cash and cash equivalents at the end of the period	10.305.284	6.496.552

The condensed interim Separate financial statements have been approved by the Board of Directors on August 8, 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 JUNE 30, 2023**

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

REVENUES (NET SALES)

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Sales of finished goods	78,979,979	96,224,218
Sales of commodities	29,309,898	34,256,407
Services rendered	268,912	403,383
Other sales	3,717,492	3,768,059
Total	112,276,281	134,652,067

OTHER INCOME

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Income from lease of investment property	1,084,886	1,125,102
Income from subsidies	1,056,989	1,129,725
Total	2,141,875	2,254,827

RAW MATERIALS, CONSUMABLES AND UTILITIES

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Raw materials	36,093,230	52,103,034
Commodities sold	29,160,714	33,565,973
Energy, water and gas expenses	10,816,744	12,927,112
Consumables	2,938,022	3,261,384
Total	79,008,710	101,857,503

EMPLOYEE BENEFITS EXPENSES AND SOCIAL CHARGES

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Salaries	20,831,363	19,677,737
Social contributions (taxes)	487,286	478,193
Meal tickets	1,153,495	794,159
Total	22,472,144	20,950,089



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023**

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

**DEPRECIATION/AMORTIZATION AND
IMPAIRMENT EXPENSES**

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Total depreciation expenses, of which:	4,745,999	4,904,747
Depreciation of property plant and equipment	4,689,041	4,843,589
Amortization of intangible assets	56,958	61,158
Total	4,745,999	4,904,747

OPERATING EXPENSES

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Expenses with transport and logistics	2,584,805	2,893,244
Other expenses with third party services	3,669,855	2,890,492
Protocol and marketing	52,053	45,481
Expenses with repairs	640,039	837,061
Taxes and levies	642,160	622,469
Losses on receivables	1,427	188
Expenses with insurances	184,872	226,881
Expenses with postal charges and telecommunications	54,847	55,978
Expenses with travels	94,414	36,748
Expenses with rentals	94,082	80,069
Expenses with fines and penalties	39,037	3,427
Other expenses	133,106	169,980
Total	8,190,697	7,862,018

OTHER GAINS AND LOSSES

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Income from penalties charged	679	6,748
Gain / (Loss) on sale of non-current assets	-	9,006
Gain / (Loss) on disposal of assets held for sale	3,992,451	-
Gain / (loss) from the variation of provisions	1,427	-
Other gains	49,720	73,320
Total	4,044,277	89,074

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023**

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

FINANCE INCOME

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Interest income on bank deposits	326,931	81,626
Gains on foreign exchange differences	2,518,667	106,731
Total	2,845,598	188,357

FINANCE COST

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Bank interest and leases expenses	900,399	568,808
Bank commissions and assimilated charges	159,101	134,586
Loss on foreign exchange differences	-	-
Total	1,059,500	703,394

PROFIT TAX

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Current profit tax expense	774,565	719,096
Deferred profit tax expense	-	-
Total	774,565	719,096



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 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
<i>COST</i>						
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:	-	345,736	1,221,787	39,917	12,000,076	13,607,516
Transfers	-	345,736	1,221,787	39,917	-	1,607,440
Disposals, out of which:	-	-	(154,379)	-	(4,204,342)	(4,358,721)
Transfers	-	-	-	-	(1,607,440)	(1,607,440)
Balance as at June 30, 2023	43,567,512	19,181,858	119,652,366	907,473	12,282,224	195,591,433
	Land	Buildings	Plant and equipment	Installations and furniture	Tangible assets in progress and advances	Total
	RON	RON	RON	RON	RON	RON
<i>DEPRECIATION</i>						
Balance as at January 01, 2023	-	-	(83,355,743)	(496,228)	-	(83,851,971)
Expenses with depreciation	-	(667,732)	(3,994,900)	(26,409)	-	(4,689,041)
Decrease from sale of assets	-	-	109,580	-	-	109,580
Balance as at June 30, 2023	-	(667,732)	(87,241,063)	(522,637)	-	(88,431,432)
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 June 30, 2023	43,567,512	18,514,126	32,411,303	384,836	12,282,224	107,160,000



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023**

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

	Licences	Other intangible assets	Intangible assets in progress	Total
	RON	RON	RON	RON
COST				
Balance as at January 01, 2023	1,052,687	713,307	140,646	1,906,640
Additions, out of which:	-	-	199,384	199,384
Transfers				
Disposals, out of which:	-	-	-	-
Transfers				
Balance as at June 30, 2023	1,052,687	713,307	340,030	2,106,024
	Licences	Other intangible assets	Intangible assets in progress	Total
	RON	RON		RON
DEPRECIATION				
Balance as at January 01, 2023	(931,496)	(644,224)		(1,575,720)
Expenses with amortization	(41,410)	(15,549)		(56,959)
Decrease from sale of assets	-	-		-
Balance as at June 30, 2023	(972,906)	(659,773)		(1,632,679)
Net book value as at June 30, 2023	79,781	53,534	340,030	473,345

INVESTMENT PROPERTY

	30-06-2023	31-12-2022
Balance as at the beginning of the period	9,883,738	10,894,586
Additions, out of which:	-	707,837
From revaluations	-	702,518
Disposals, out of which:	-	(1,718,685)
From revaluations	-	(531,522)
Balance as at the end of the period	9,883,738	9,883,738



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 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	30/06/2023
			RON
RECYPLAT LTD CIPRU	Business and other management consultancy activities	Nicosia	113,154
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>10,192,231</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			460,594



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023**

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

CURRENT INVENTORIES

	30/06/2023	31/12/2022
	RON	RON
Raw materials	10,830,540	12,085,436
Consumables	4,218,065	4,136,060
Items of inventory	137,708	91,163
Packaging	236,181	338,888
Finished products	9,272,693	10,659,376
Unfinished products	2,234,322	2,545,108
Semi-finished products	1,977,047	1,154,260
Residual products	137,617	6,738
Commodities	1,029,522	634,233
Advances for purchases of inventory	59,760	28,374
Allowance for obsolete inventories	(1,715,929)	(1,715,929)
Total	28,417,526	29,963,708

TRADE AND OTHER RECEIVABLES

	30/06/2023	31/12/2022
	RON	RON
Trade receivables	55,042,292	64,392,234
Allowances for doubtful clients	(1,176,674)	(1,178,100)
Taxes to recovered	611,313	425,361
Other receivables	9,811,100	9,519
Subsidies receivable	-	4,750
Total	64,288,031	63,653,763

OTHER CURRENT FINANCIAL ASSETS

	30/06/2023	31/12/2022
	RON	RON
Loans granted to related parties	3,000,000	3,000,000
Interest related to loans granted to related parties	278,665	159,651
Dividends to be received from affiliates	-	39,579,200
Total	3,278,665	42,738,851

OTHER CURRENT NON-FINANCIAL ASSETS

	30/06/2023	31/12/2022
	RON	RON
Prepaid expenses	1,743,589	3,443,102
Advances to services suppliers	483,368	421,245
Total	2,226,957	3,864,347

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023**

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

CASH ON HAND AND AT BANKS

	30/06/2023	31/12/2022
	RON	RON
Cash at banks	10,159,608	2,288,028
Cash on hand	14,633	22,152
Cash equivalents	131,043	462,529
Total	10,305,284	2,772,709

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

	30/06/2023	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

	30/06/2023	31/12/2022
	RON	RON
528.244.192 fully paid ordinary shares. (2022: 264.122.096). The value of one share is lei 0.1	52,824,419	26,412,210
Inflation effect according to IAS 29	-	-
Total	52,824,419	26,412,210



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023**

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

	June 30, 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	33,500,000	12.57%	32,700,000	12.38%
Other legal entities	5,714,255	3.52%	9,815,721	3.72%
Other natural persons	83,938,244	30.54%	80,636,778	30.53%
Total	264,122,096*	100%	264,122,096	100%

*On 30.06.2023, it was completed the registration in the Trade Register of the increase of the company's share capital with the amount of 26,412,209.60 lei, from 26,412,209.60 lei to 52,824,419.20 lei by issuing a number of 264,122,096 new shares, with a nominal value of 0.10 lei/share, according to the AGEA decision of 04/27/2023. The capital increase was achieved by incorporating into the company's share capital the amount of 26,412,209.60 lei, representing a part of the net profit recorded in the 2022 financial year.

At the date of this report, the shareholding structure registered at ORC Buzau is "Shareholders, natural and legal persons, list type, profit/loss participation rate 100%/100%", the 264,122,096 new shares to be distributed free of charge to all shareholders of the company registered in the Register of Shareholders held by the Central Depository on the date of registration (27.09.2023).

RETAINED EARNINGS

	30/06/2023	31/12/2022
Balance at the beginning of the period	70,732,989	47,008,179
Net profit	5,220,906	51,471,690
Transfer to legal reserves	-	(1,105,471)
Transfer to other reserves	-	(862,410)
Transfers from revaluation reserves	1,119,903	633,211
Transfer to capital	(26,412,210)	-
Dividend allocation	(13,206,105)	(26,412,210)
Balance at the end of the period	37,455,484	70,732,989

RESERVES

	30/06/2023	31/12/2022
Legal reserves	5,282,442	5,282,442
Other reserves	16,519,108	16,519,108
Revaluation reserves	37,974,022	39,093,925
Total	59,775,572	60,895,475

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023**

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

REVALUATION RESERVES

	30/06/2023	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	(1,119,903)	(633,211)
Adjustment of deferred tax on fiscally non-deductible revaluation reserves	-	273,332
Balance at the end of the period	37,974,022	39,093,925

BORROWINGS (OTHER FINANCIAL LIABILITIES)
Borrowings – Short term

	30/06/2023	31/12/2022
	RON	RON
UniCredit Bank (credit line)	2,445,587	25,973,635
Eximbank SA (credit line)	12,425,722	12,333,191
UniCredit Bank - Investment loan - CCE 2015	2,190,347	2,757,779
Investment loan VI - UniCredit Bank	764,254	686,604
Investment loan VII - UniCredit Bank	2,220,633	308,881
Inventories purchase facility - UniCredit Bank	-	3,799,602
Total	20,046,543	45,859,692

BORROWINGS (OTHER FINANCIAL LIABILITIES)
Borrowings – Long term

	30/06/2023	31/12/2022
	RON	RON
Investment loan VI - UniCredit Bank	1,528,506	1,882,603
Investment loan VII - UniCredit Bank	6,661,903	2,162,161
Total	8,190,409	4,044,764

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023**

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

OTHER NON-FINANCIAL LIABILITIES**- SUBSIDIES**

	30/06/2023	31/12/2022
Grants – project co-funded by European funds for 2011	1,963,511	2,392,946
Grants – project co-funded by European funds for 2015	5,715,833	6,305,217
Grants – project co-funded by European funds for 2022	852,833	891,003
Subtotal subsidies	8,532,177	9,589,166

	30/06/2023	31/12/2022
- OTHER LIABILITIES		
Liabilities to employees	1,490,983	1,206,400
Liabilities related to social contributions	1,368,705	1,222,304
Other tax liabilities	500,069	1,080,576
Advance income	-	-
Subtotal other liabilities	3,359,757	3,509,280

Total Other non-financial liabilities, out of which:	11,891,934	13,098,446
- Short-term liabilities	5,473,735	5,623,258
- Long-term liabilities	6,418,199	7,475,188

TRADE PAYABLES AND OTHER PAYABLES

	30/06/2023	31/12/2022
	RON	RON
Trade payables	(21,991,107)	(28,599,321)
Other payables	(2,833,734)	(15,855,290)
Suppliers invoices not received	220,400	(688,421)
Advances from clients	(742,396)	(2,917,867)
Total	(25,346,837)	(48,060,899)



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 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	
	6 Months of 2022	6 Months of 2023	6 Months of 2022	6 Months of 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023
ECO PACK MANAGEMENT SA	0	0	0	0		0	29,442	29,442
INFO TECH SOLUTIONS S.R.L.	16,324	13,398	284,429	490,893		1,575	138,276	101,194
LIVINGJUMBO INDUSTRY SA	31,339,526	19,608,399	720,059	816,106	35,300,097	28,677,848	247,770	481,223
RC ENERGO INSTALL SRL	63,691	84,281	1,389,850	2,072,625		11,753	41,163	244,902
YENKI SRL BUZAU	0	2,785	0	0		0	0	0
TOTAL	31,419,540	19,708,863	2,394,338	3,379,624	35,300,097	28,691,175	456,651	856,761

Note : As at June 30, 2023 the Company has to receive from its subsidiary, RC Energo Install SRL, the amount of RON 3,278,665 representing a loan granted to the subsidiary whose maturity is June 2024 and the related interest.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 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	30.06.2021	30.06.2022	30.06.2023
EBIT	Gross profit + Income tax + Expenses with interest	4,268,745	5,346,579	6,895,870
EBITDA	<i>EBIT + Depreciation - Subsidies for investments</i>	8,138,189	9,121,601	10,584,880
EBITDA to sales ratios	EBITDA/Sales	6.54%	6.72%	9.34%
EBITDA to Equity	EBITDA/Equity	5.86%	6.73%	6.95%
Gross profit ratio	Gross profit/Sales	3.05%	3.52%	5.29%
Current liquidity	Current assets/Current liabilities	1.21	1.47	2.13
Quick liquidity	(Current assets- Inventories)/Current liabilities	0.88	1.17	1.57
Non-current liabilities to Equity	Non-current liabilities/Equity	14%	13%	15%
Total liabilities to Assets	Total liabilities/Total Assets	45%	43%	33%
Interest coverage ratio	EBIT/Interest expenses	9	9	8
Receivables rotation (days)	Average receivables/Sales	69	84	102
Payables rotation (days)	Average payables/Sales	44	51	58
Return on Assets(ROA)	Net profit/Assets	1.35%	1.63%	2.31%
Return on Equity(ROE)	Net profit/Equity	2.36%	2.99%	3.43%
Return on Sales(ROS)	Net profit/Sales	2.63%	2.99%	4.61%

The condensed interim Separate financial statements have been approved by the Board of Directors on August 8, 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 JUNE 30, 2023



BOARD OF DIRECTORS' REPORT REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS

MAIN ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Indicator	6 Months of 2021	6 Months of 2022	6 Months of 2023		2023 vs 2022	
Revenue (Sales)	155,704,391	193,051,431	158,872,867	▼	(34,178,564)	-18%
Other income	2,141,033	2,169,081	2,043,657	▼	(125,424)	-6%
Share of profit / loss of associates	2,366,339	2,957,723	-	▼	(2,957,723)	-100%
EBITDA	11,455,925	17,741,057	7,683,227	▼	(10,057,830)	-57%
EBITDA Operational	9,825,994	14,940,360	3,989,604	▼	(10,950,756)	-73%
Profit from operations	4,306,603	9,554,930	2,659,575	▼	(6,895,354)	-72%
Net profit	4,503,358	10,329,684	(34,143)	▼	(10,363,826)	-100%
Net profit without the impact of Share of profit / loss of associates [Green-Group]	2,137,019	7,371,960	(34,143)	▼	(7,406,103)	-100%
Non-Current assets	178,046,798	164,935,342	137,753,660	▼	(27,181,682)	-16%
Current assets	108,415,996	148,528,480	135,896,802	▼	(12,631,678)	-9%
Total Equity	141,611,864	146,653,770	156,660,506	▲	10,006,736	7%
Total Liabilities	144,850,931	166,810,054	116,989,957	▼	(49,820,097)	-30%
Cash and cash equivalents	8,541,186	12,593,245	13,344,068	▲	750,823	6%
Debt ratio	51%	53%	43%	▼	(0)	-20%
Current liquidity	102%	106%	154%	▲	0	45%

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 (6 Months)	2021	2022	2023	2023 vs 2022	
TURNOVER	124,386,706	135,777,169	113,361,167	-22,416,002	-17%
EBITDA Operational	8,650,965	9,117,851	3,986,629	-5,131,222	-56%
NET PROFIT	3,270,977	4,058,675	5,220,906	1,162,231	29%

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

Indicator (6 Months)	2021	2022	2023	2023 vs 2022	
EBITDA OPERATIONAL	8,650,965	9,117,851	3,986,629	(5,131,222)	-56%
Fixed assets depreciation	(4,999,169)	(4,904,747)	(4,745,999)	158,747	-3%
Revenues from subsidy from Government for investments	1,129,725	1,129,725	1,056,989	(72,737)	-6%
Interest expenses	(474,029)	(568,808)	(900,399)	(331,591)	58%
Gain/loss from sales of assets	(267)	9,006	3,992,452	3,983,446	44232%
Other non-operational items(provisions, penalties, donations)	(99,332)	(230,379)	(251,146)	(20,767)	9%
Forex gain/loss	(506,573)	106,730	2,518,667	2,411,937	2260%
Other gain/loss from Financial	93,398	118,392	338,279	219,887	186%
Tax on profit	(523,739)	(719,096)	(774,565)	(55,469)	8%
NET PROFIT	3,270,977	4,058,675	5,220,906	1,162,231	29%



LIVINGJUMBO INDUSTRY SA

Indicator (6 Months)	2021	2022	2023	2023 vs 2022	
TURNOVER	62,451,389	82,586,875	56,755,912	(25,830,963)	-31%
EBITDA Operational	924,629	4,601,801	-438,043	(5,039,844)	-110%
NET PROFIT	(1,274,133)	2,385,186	(2,723,977)	(5,109,163)	-214%

De la **EBITDA Operational** la **Profit net**

Indicator (6 Months)	2021	2022	2023	2023 vs 2022	
EBITDA OPERATIONAL	924,629	4,601,801	(438,043)	▼	(5,039,844)
Fixed assets depreciation	(2,366,854)	(2,396,720)	(2,449,831)	▲	(53,111)
Revenues from subsidy from Government for investments	743,120	743,120	743,120	—	-
Interest expenses	(344,735)	(369,894)	(516,259)	▲	(146,364)
Gain/loss from sales of assets			5,000	▲	5,000
Other non-operational items(provisions, penalties, donations)	(16,937)	(37,834)	(38,946)	▲	(1,112)
Forex gain/loss	(191,859)	(127,722)		▼	127,722
Other gain/loss from Financial	(21,497)	(27,565)	(19,727)	▼	7,839
NET PROFIT	(1,274,133)	2,385,186	(2,723,977)	▲	(5,109,163)



ACTIVITY OF THE GROUP

As at June 30, 2023 ROMCARBON SA holds participations directly and/or indirectly in 11 entities:

Entity	30.06.2023		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 June 30, 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 H1 2023 is presented in the table below:

Societate	Result 6 Months 2022 (in lei)	Result 6 Months 2023 (in lei)	2023 vs 2022
Romcarbon SA	4,058,675	5,220,906	1,162,231
Living Jumbo Industry SA	2,385,186	(2,723,977)	(5,109,163)
RC Energo Install SRL	936,597	253,363	(683,234)
Infotech Solutions SRL	71,026	150,551	79,525
Recyclat Ltd Cipru	(173)	(2,849,737)	(2,849,564)
Eco Pack Management SA	(1,407)	(2,390)	(983)
Consolidation adjustments ¹	2,879,781	(82,858)	(2,962,639)
Total	10,329,684	(34,143)	(10,363,827)

¹ Consolidation adjustments

Consolidation adjustments	Result 6 Months 2022 (in lei)	Result 6 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	(77,943)	(50,238)	27,705
Share of the profit of the associates (Romgreen Universal LTD)*	2,957,723	-	(2,957,723)
Adjustments related the capital premium cancellation in Recyclat	-	(32,377)	(32,377)
Corrections	-	(243)	(243)
Total adjustments	2,879,781	(82,858)	(2,962,639)

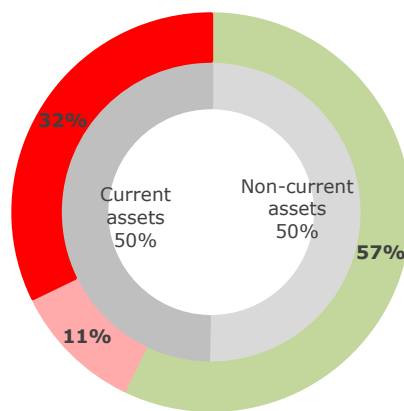
* In December 2022, the Group sold its holding in Romgreen Universal LTD

FINANCIAL STATEMENTS

A.) STATEMENT OF THE FINANCIAL POSITION

Indicator	30/06/2022	31/12/2022	30/06/2023	30.06.23 vs. 31.12.22	
Property, plant and equipment	127,160,130	123,886,765	126,929,571	3,042,806	▲ 2.46%
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	256,851	329,100	497,019	167,919	▲ 51.02%
Investments accounted for using equity method	26,282,341	0	0	0	▲ n/a
Investments in subsidiaries, joint ventures and associates	197,974	297,974	297,974	0	▲ 0.00%
Other non-current financial assets	0	1,898	1,898	0	▼ 0.00%
Total non-current assets	164,935,342	134,542,936	137,753,660	3,210,724	▲ 2.39%
Current inventories	66,519,860	65,899,751	57,183,241	-8,716,510	▼ -13.23%
Trade and other current receivables	62,959,796	60,979,526	62,725,635	1,746,109	▲ 2.86%
Other current financial assets	169,078	263,414	0	-263,414	▼ -100.00%
Other current non-financial assets	2,526,348	4,796,687	2,643,859	-2,152,828	▼ -44.88%
Cash and cash equivalents	12,593,245	73,869,061	13,344,068	-60,524,993	▼ -81.94%
Non-current assets classified as held for sale	3,760,155	3,760,155	0	-3,760,155	▼ -100.00%
Total current assets	148,528,482	209,568,594	135,896,802	-73,671,792	▼ -35.15%
ASSETS	313,463,824	344,111,530	273,650,462	-70,461,068	▼ -20.48%
Issued capital	26,412,210	26,412,210	52,824,419	26,412,209	▲ 100.00%
Share premium	2,182,283	2,182,283	2,182,283	0	— 0.00%
Reserves	59,975,060	62,917,677	61,861,921	-1,055,756	▼ -1.68%
Retained earnings	57,164,952	77,247,165	38,874,045	-38,373,120	▼ -49.68%
Equity attributable to equity holders of the parent	145,734,505	168,759,335	155,742,668	-13,016,667	▼ -7.71%
Non-controlling interests	919,264	920,916	917,837	-3,079	▼ -0.33%
Total equity	146,653,770	169,680,251	156,660,506	-13,019,745	▼ -7.67%
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	4,023,471	4,044,764	8,190,409	4,145,645	▲ 102.49%
Other non-current non-financial liabilities	14,442,960	13,384,594	11,584,485	-1,800,109	▼ -13.45%
Total non-current liabilities	27,138,627	26,639,034	28,984,570	2,345,536	▲ 8.80%
Trade and other current payables	54,384,647	63,161,506	32,538,875	-30,622,631	▼ -48.48%
Other current financial liabilities	75,434,713	74,737,029	46,170,950	-28,566,079	▼ -38.22%
Other current non-financial liabilities	9,852,067	9,893,710	9,295,562	-598,148	▼ -6.05%
Total current liabilities	139,671,427	147,792,245	88,005,387	-59,786,858	▼ -40.45%
Total liabilities	166,810,054	174,431,279	116,989,957	-57,441,322	▼ -32.93%
TOTAL EQUITY AND LIABILITIES	313,463,824	344,111,530	273,650,463	-70,461,067	▼ -20.48%

STRUCTURE OF THE FINANCIAL POSITION AS AT 30.06.2023



Current liabilities: 88,005,387 RON | 32%

Non-current liabilities: 28,984,570 RON | 11%

Equity: 156,660,506 RON | 57%

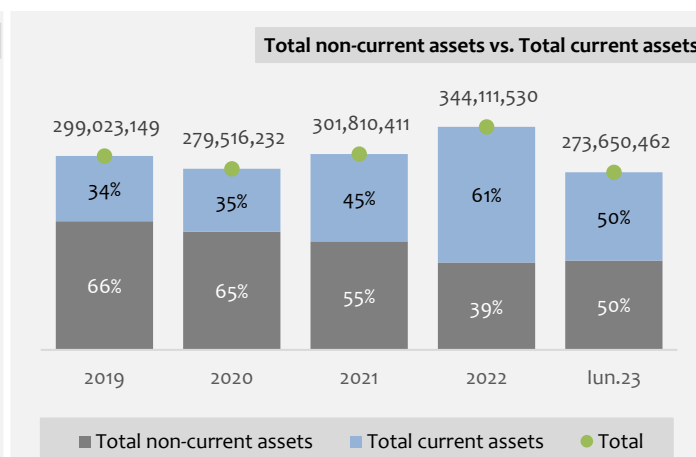
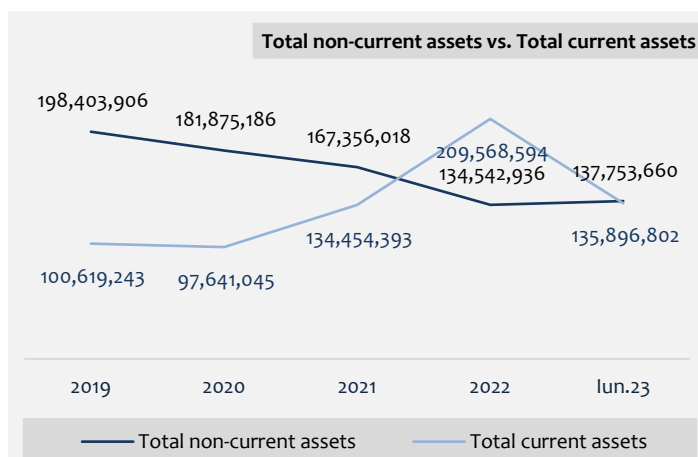
Non-current assets: 137,753,660 RON | 50%

Current assets: 135,896,802 RON | 50%

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

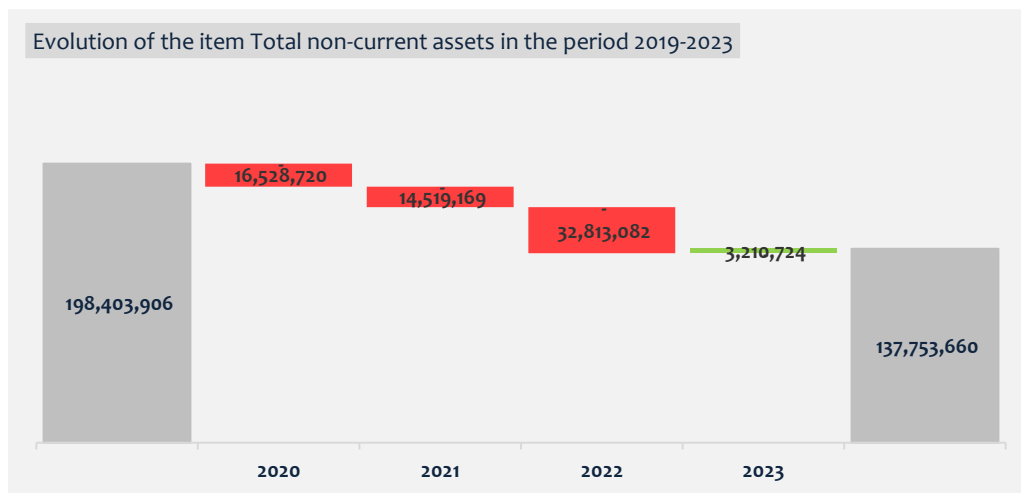
Company	Non-current assets	Current assets	Non-current liabilities	Current liabilities
Romcarbon SA	117,977,677	108,516,463	23,389,267	50,867,115
Livingjumbo Industry SA	20,764,277	46,955,940	5,595,303	63,032,235
RC Energo Install SRL	51,183	10,991,498		5,276,481
InfoTech Solutions SRL	41,759	928,096		450,555
Grinfield Ucraina	4,426,809	8,614		879,485
Grinruh Ucraina	1,186,187	1,007,788		6,728
Recyplat LTD	0	293,489		0
Eco Pack Management SA	28,751	162,838		883,523
Consolidation adjustments	(6,722,984)	(32,967,924)		(33,390,735)
Total	137,753,660	135,896,802	28,984,570	88,005,387

ASSETS



NON-CURRENT ASSETS

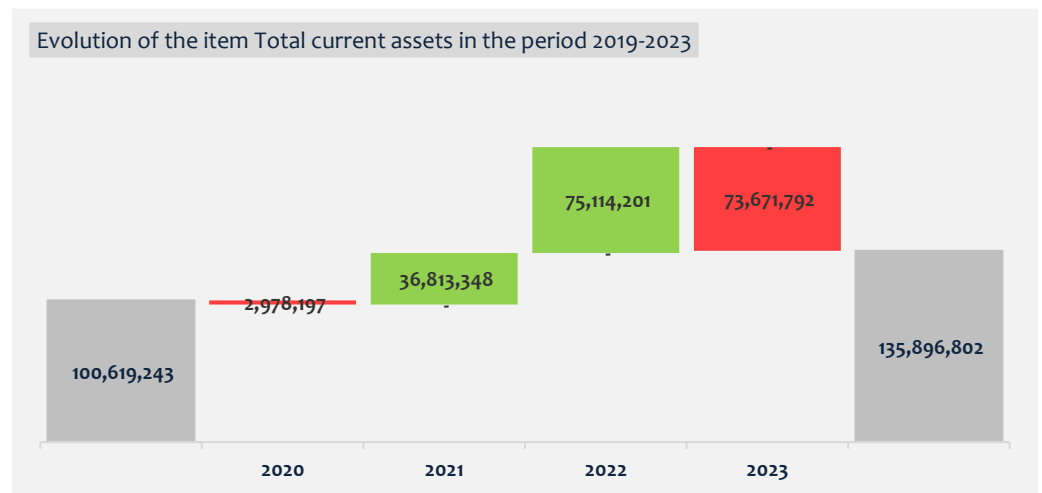
Non-current assets have a weight in Total Assets of 50,34% recording an increase of LEI 3,210,724, i.e. 2,39% as compared with the beginning of the year.



Non-current assets (lei)	30/06/2023	% in total NCA	% in total Assets	30/06/23 vs. 31.12.22
Property, plant and equipment	126,929,571	92.14%	46.38%	2.46%
Investment property	9,883,738	7.17%	3.61%	0.00%
Goodwill	143,461	0.10%	0.05%	0.00%
Intangible assets other than goodwill	497,019	0.36%	0.18%	51.02%
Investments accounted for using equity method	297,974	0.22%	0.11%	0.00%
Investments in subsidiaries, joint ventures and associates	1,898	0.00%	0.00%	0.00%
Total non-current assets	137,753,660	100.00%	50.34%	2.39%

CURRENT ASSETS

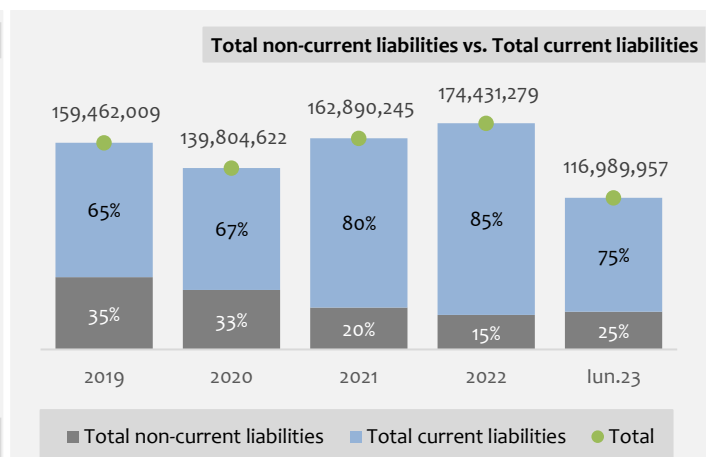
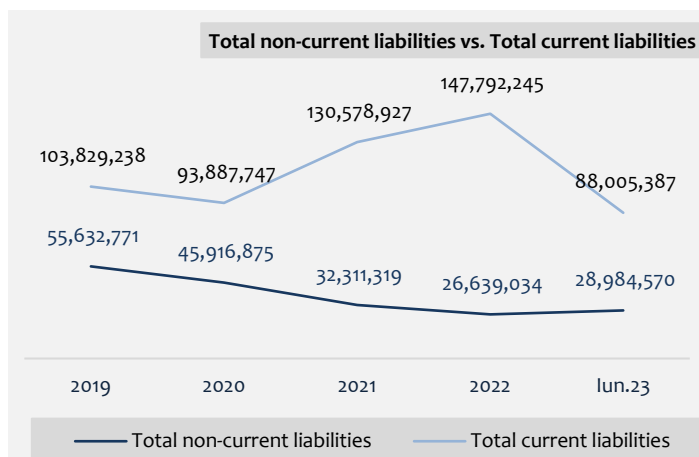
Current assets have a weight in Total Assets of 49.66% recording a decrease of - LEI 73,671,792, i.e. -35.15%, as compared with the beginning of the year.



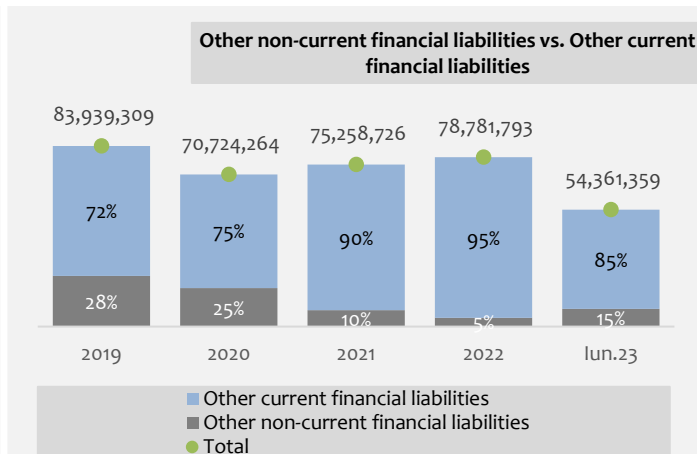
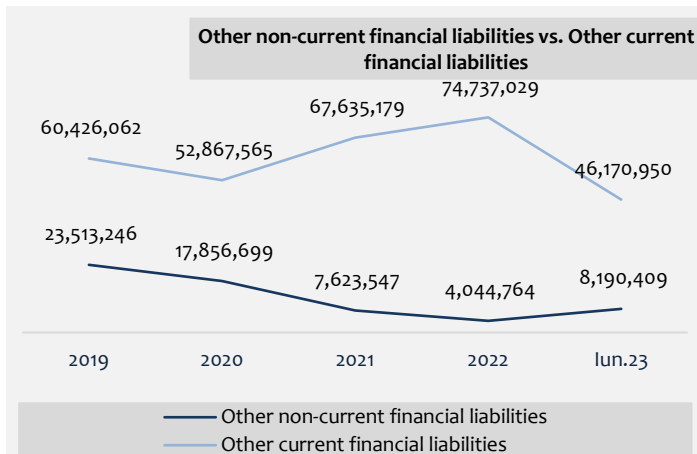
Current assets (lei)	30/06/2023	% in total CA	% in Total Assets	30.06.23 vs. 31.12.22
Current inventories	57,183,241	42.08%	20.90%	-13.23%
Trade and other current receivables	62,725,635	46.16%	22.92%	2.86%
Other current financial assets	0	0.00%	0.00%	-100.00%
Other current non-financial assets	2,643,859	1.95%	0.97%	-44.88%
Cash and cash equivalents	13,344,068	9.82%	4.88%	-81.94%
Non-current assets classified as held for sale	0	0.00%	0.00%	-100.00%
Total current assets	135,896,802	100.00%	49.66%	-35.15%

LIABILITIES

Total Liabilities hold 42.75% of the Group 's Equity&Liabilities recording a decrease of - Lei 57,441,322, i.e. -32,93%, as compared with the beginning of the year.



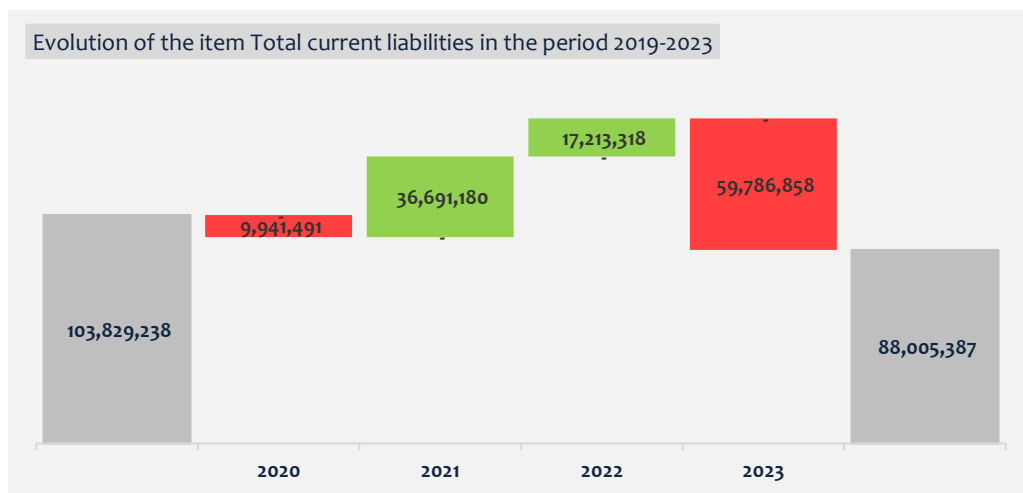
BORROWINGS



Company	31.12.2022	30.06.2023	2023 vs 2022
Romcarbon, total, out of which:	49,904,456	28,236,953	(21,667,502)
< 12 months	45,859,692	20,046,544	(25,813,148)
> 12 months	4,044,764	8,190,409	4,145,645
LivingJumbo Industry, total, out of which:	28,189,837	25,866,084	(2,323,754)
< 12 months	28,189,837	25,866,084	(2,323,754)
> 12 months	-	-	-
Energoinstall, total, out of which:	687,500	258,322	(429,178)
< 12 months	687,500	258,322	(429,178)
> 12 months	-	-	-
Total borrowings, out of which:	78,781,793	54,361,359	(24,420,434)
< 12 months	74,737,029	46,170,950	(28,566,079)
> 12 months	4,044,764	8,190,409	4,145,645

CURRENT LIABILITIES

Current liabilities of the Group have a weight in Total Liabilities of 75.22% and in Total Equity and Liabilities of 32.16% recording a decrease of - LEI 59,786,858, i.e. -40.45%, as compared with the beginning of the year.

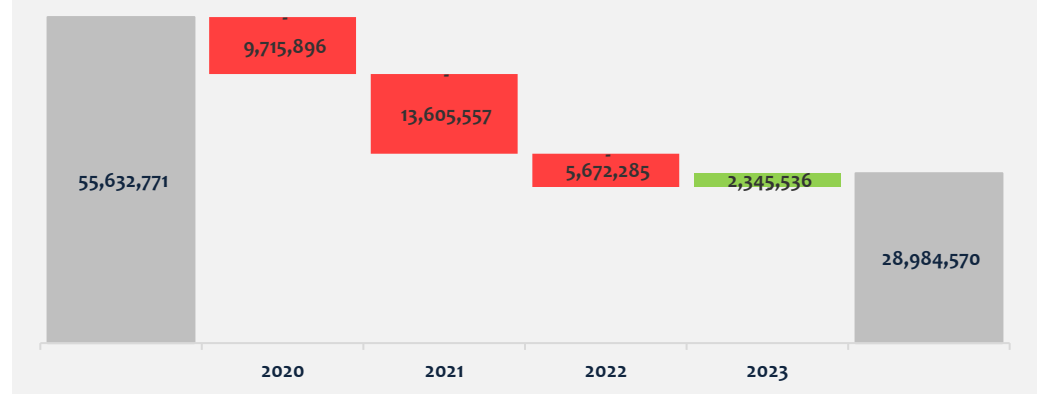


Current liabilities (lei)	30.06.2023	% in total liabilities	% in Total Current liabilities	% in Total Equity and liabilities	30.06.23 vs. 31.12.22
Trade and other current payables	32,538,875	27.81%	36.97%	11.89%	-48.48%
Other current financial liabilities	46,170,950	39.47%	52.46%	16.87%	-38.22%
Other current non-financial liabilities	9,295,562	7.95%	10.56%	3.40%	-6.05%
Total current liabilities	88,005,387	75.22%	100.00%	32.16%	-40.45%

NON-CURRENT LIABILITIES

Non-current liabilities have a weight in Total Equity and Liabilities of 10.59% recording an increase of LEI 2,345,536, i.e. 8.80%, as compared with the beginning of the year.

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

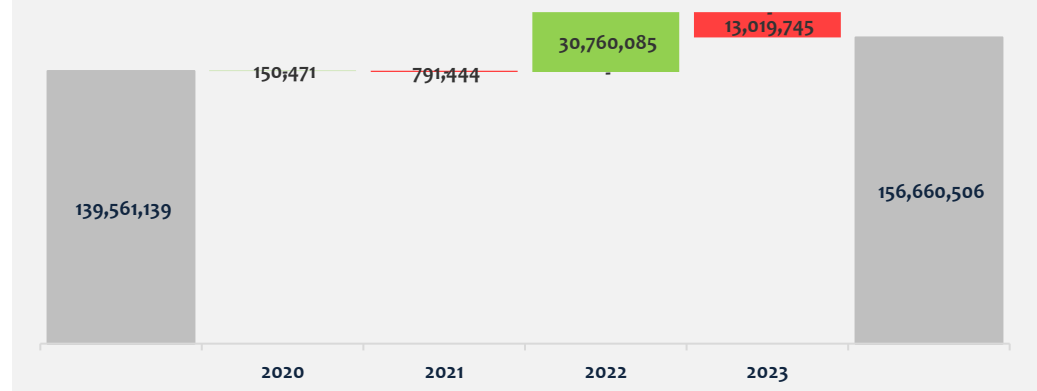


Non-current liabilities (lei)	30/06/2023	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and liabilities	30.06.23 vs. 31.12.22
Other non-current provisions	1,429,017	1.22%	4.93%	0.52%	0.00%
Deferred tax liabilities	7,780,659	6.65%	26.84%	2.84%	0.00%
Other non-current financial liabilities	8,190,409	7.00%	28.26%	2.99%	102.49%
Other non-current non-financial liabilities	11,584,485	9.90%	39.97%	4.23%	-13.45%
Total non-current liabilities	28,984,570	24.78%	100.00%	10.59%	8.80%

EQUITY

The Equity have a weight in Total Equity and Liabilities of 57.25% recording a decrease of - LEI 13,019,745, i.e. - 7.67%, as compared with the beginning of the year.

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



Equity (lei)	30/06/2023	30.06.23 vs 31.12.22
Issued capital	52,824,419	100.00%
Share premium	2,182,283	0.00%
Reserves	61,861,921	-1.68%
Retained earnings	38,874,045	-49.68%
Equity attributable to equity holders of the parent	155,742,668	-7.71%
Non-controlling interests	917,837	-0.33%
Total Equity	156,660,506	-7.67%

B.) STATEMENT OF THE COMPREHENSIVE INCOME

Indicators (lei)	6 Months of 2021	6 Months of 2022	6 Months of 2023		2023 vs.2022	
Revenue	155,704,391	193,051,431	158,872,867	▼	(34,178,564)	-18%
Other Income	2,141,033	2,169,081	2,043,657	▼	(125,424)	-6%
Increase (decrease) in inventories of finished goods and work in progress	5,243,675	7,306,232	1,938,892	▼	(5,367,340)	-73%
Raw materials, consumables and utilities	(104,614,407)	(132,839,011)	(105,001,448)	▼	27,837,563	-21%
Employee benefits expense	(37,294,803)	(38,768,031)	(40,396,699)	▲	(1,628,668)	4%
Depreciation and amortisation expenses	(7,452,482)	(7,358,608)	(7,233,766)	▼	124,842	-2%
Other expenses	(9,702,906)	(14,073,439)	(11,607,967)	▼	2,465,473	-18%
Other gains (losses)	282,102	67,275	4,044,039	▲	3,976,764	5911%
Profit (loss) from operating activities	4,306,603	9,554,930	2,659,575	▼	(6,895,354)	-72%
Finance Income	59,336	54,889	332,720	▲	277,831	506%
Finance costs	(1,680,442)	(1,331,343)	(2,177,597)	▲	(846,253)	64%
Share of profit (loss) of associates and joint ventures accounted for using equity method	2,366,339	2,957,723	-	▼	(2,957,723)	-100%
Profit / (loss) before tax	5,051,836	11,236,199	814,698	▼	(10,421,500)	-93%
Tax income (expense)	(548,478)	(906,515)	(848,841)	▼	57,674	-6%
Profit (loss) of the year, attributable to	4,503,358	10,329,684	(34,143)	▼	(10,363,826)	-100%
Equity holders of the parent	4,505,019	10,326,000	(31,064)	▼	(10,357,063)	-100%
Minority interest	(1,661)	3,684	(3,079)	▼	(6,763)	-184%
Profit (loss) from continuing operations	4,503,358	10,329,684	(34,143)	▼	(10,363,826)	-100%
Differences from foreign operations	85	(4)	243	▲	247	-6175%
Comprehensive income of the year, attributable to:	4,503,443	10,329,680	(33,900)	▼	(10,363,579)	-100%
Equity holders of the parent	4,505,104	10,325,996	(30,821)	▼	(10,356,816)	-100%
Minority interest	(1,661)	3,684	(3,079)	▼	(6,763)	-184%

Indicator	6 Months of 2021	6 Months of 2022	6 Months of 2023		2023 vs.2022	
EBITDA OPERATIONAL	9,825,994	14,940,360	3,989,604	▼	(10,950,756)	-73%

Indicator	6 Months of 2021	6 Months of 2022	6 Months of 2023
Average no.of personnel	1,467	1,381	1,263

From **EBITDA OPERATIONAL** to **Net profit**

Indicators	6 Months of 2021	6 Months of 2022	6 Months of 2023		2023 vs.2022	
EBITDA OPERATIONAL	9,825,994	14,940,360	3,989,604	▼	(10,950,756)	-73%
Fixed assets depreciation	(7,452,482)	(7,358,608)	(7,233,766)	▼	124,842	-2%
Revenues from subsidy from Government for investments	1,872,845	1,872,845	1,800,109	▼	(72,736)	-4%
Interest expenses	(824,452)	(1,019,096)	(1,434,872)	▲	(415,776)	41%
Gain/loss from sales of assets	(267)	6	3,997,213	▲	3,997,207	66620115%
Other non-operational items(provisions,penalties, donations)	(83,270)	(195,073)	(189,616)	▼	5,457	-3%
Forex gain/loss	(709,839)	(21,075)	(423,128)	▲	(402,053)	1908%
Share of profit / loss of associates	2,366,339	2,957,723	-	▼	(2,957,723)	-100%
Other gain/loss from Financial	56,969	59,116	309,153	▲	250,037	423%
Tax on profit	(548,478)	(906,515)	(848,841)	▼	57,674	-6%
NET PROFIT	4,503,358	10,329,684	(34,143)	▼	(10,363,826)	-100%

Statement of the comprehensive income on quarters

Indicators	Q I 2023	Q II 2023	Q I 2023 vs. Q I 2022	Q II 2023 vs. Q II 2022
Revenue	89,872,751	69,000,116	(5,492,393)	(28,686,171)
Other Income	1,031,513	1,012,144	(42,146)	(83,278)
Increase (decrease) in inventories of finished goods and work in progress	1,953,154	(14,261)	(4,450,621)	(916,718)
Raw materials, consumables and utilities	(61,899,368)	(43,102,080)	5,481,903	22,355,660
Employee benefits expense	(20,425,518)	(19,971,181)	(1,454,106)	(174,562)
Depreciation and amortisation expenses	(3,620,792)	(3,612,974)	70,935	53,907
Other expenses	(6,723,651)	(4,884,316)	2,321,172	144,301
Other gains (losses)	4,022,420	21,619	3,981,231	(4,467)
Profit (loss) from operating activities	4,210,508	(1,550,933)	415,973	(7,311,328)
Finance Income	247,396	85,324	194,541	83,290
Finance costs	(1,077,151)	(1,100,446)	(495,218)	(351,035)
Share of profit (loss) of associates and joint ventures accounted for using equity method	-	-	(1,583,476)	(1,374,247)
Profit / (loss) before tax	3,380,753	(2,566,055)	(1,468,180)	(8,953,320)
Tax income (expense)	(543,338)	(305,503)	(166,108)	223,782
Profit (loss) of the year, attributable to	2,837,415	(2,871,558)	(1,634,288)	(8,729,538)
Equity holders of the parent	2,838,338	(2,869,402)	(1,632,028)	(8,725,033)
Minority interest	(923)	(2,156)	(2,258)	(4,505)
Profit (loss) from continuing operations	2,837,415	(2,871,558)	(1,634,286)	(8,729,538)
Differences from foreign operations	156	87	158	89
Comprehensive income of the year, attributable to:	2,837,571	(2,871,471)	(1,634,128)	(8,729,449)
Equity holders of the parent	2,838,495	(2,869,316)	(1,631,869)	(8,724,947)
Minority interest	(923)	(2,156)	(2,258)	(4,505)
EBITDA OPERATIONAL	2,824,875	1,164,730	(3,747,336)	(7,203,419)

C.) REVENUES (NET SALES)

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

Company	6 Months of 2021	% in total	6 Months of 2022	% in total	6 Months of 2023	% in total	2023 vs 2022%
Romcarbon SA	123,293,002	65%	134,652,067	59%	112,276,281	62%	-16.62%
LivingJumbo Industry SA	62,451,389	33%	82,586,875	36%	56,755,912	31%	-31.28%
RC Energo Install SRL	2,828,752	1%	8,999,408	4%	10,368,054	6%	15.21%
Info Tech Solutions SRL	597,061	0%	558,466	0%	1,034,133	1%	85.17%
Total, out of which:	189,170,204	100%	226,796,816	100%	180,434,380	100%	-20.44%
Within the Group	33,465,813	18%	33,745,385	15%	21,561,513	12%	-36.11%
Outside of the Group	155,704,391	82%	193,051,431	85%	158,872,867	88%	-17.70%

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

Structure of Revenues (Net sales)	6 Months of 2021	% in total	6 Months of 2022	% in total	6 Months of 2023	% in total	2023 vs 2022%
Sales of finished goods (701+709)	132,813,228	85%	161,391,692	84%	126,674,872	80%	-21.51%
Sales of intermediary goods	8,097,990	5%	8,240,856	4%	4,224,025	3%	-48.74%
Sales of residual products	320,580	0%	283,872	0%	127,267	0%	-55.17%
Services rendered	1,299,564	1%	1,894,132	1%	2,099,320	1%	10.83%
Sales of goods purchased for resale	12,274,975	8%	15,463,927	8%	23,063,107	15%	49.14%
Revenues from sundry activities	898,054	1%	5,776,950	3%	2,684,276	2%	-53.53%
Total	155,704,391	100%	193,051,431	100%	158,872,867	100%	-17.70%

D.) STATEMENT OF CASH-FLOW

	6 Months of 2022	12 Months of 2022	6 Months of 2023
Net cash generated by operating activities	(8,289,622)	(6,738,464)	(5,418,096)
Net cash (used in)/generated by investing activities	(904,986)	70,172,389	(1,824,090)
Net cash (used in)/generated in financing activities	4,190,959	(7,161,758)	(53,282,807)
Net increase in cash and cash equivalents	(5,003,648)	56,272,168	(60,524,993)
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	12,593,245	73,869,061	13,344,068



E.) FINANCIAL RATIOS

Indicator	Formula	6 Months of 2021	6 Months of 2022	6 Months of 2023
EBIT	Gross profit + Income tax + Expenses with interest	5,876,288	12,255,294	2,249,570
EBITDA	EBIT + Depreciation-Subsidies for investment	11,455,925	17,741,057	7,683,227
Sales	Revenue + Rental and royalty income	155,972,578	193,347,666	159,116,414
EBITDA to sales ratio	EBITDA/Sales	7.34%	9.18%	4.83%
EBITDA to Equity ratio	EBITDA/Equity	8.09%	12.10%	4.90%
Gross profit margin	Gross profit/Sales	3.24%	5.81%	0.51%
Current ratio	Current assets/Current liabilities	1.02	1.06	1.54
Quick ratio	(Current assets- Inventories)/Current liabilities	0.60	0.59	0.89
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	27%	19%	19%
Total liabilities to Assets ratio	Total liabilities/Total Assets	51%	53%	43%
Interest coverage ratio	EBIT/Interest expenses	7.13	12.03	1.57
Account receivable turnover ratio	Average receivables/Sales (days)	51	54	70
Account payable turnover ratio	Average payables/Sales (days)	44	51	54
Return on assets (ROA)	Net profit/Assets	1.5721%	3.2953%	-0.0125%
Return on equity (ROE)	Net profit/Equity	3.1801%	7.0436%	-0.0218%
Return on sales (ROS)	Net profit/Sales	2.8873%	5.3425%	-0.0215%

The Consolidated Financial Statements for the period ended **June 30, 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 **June 30, 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 for Administrative Operations



ROMCARBON S.A. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 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)

	Notes	Period ended June, 30 2023 RON	Period ended June, 30 2022 RON
Revenue	3	158,872,867	193,051,431
Other income	4	2,043,657	2,169,081
Increase (decrease) in inventories of finished goods and work in progress		1,938,892	7,306,232
Raw materials and consumables used	5	(105,001,448)	(132,839,011)
Employee benefits expense	6	(40,396,699)	(38,768,031)
Depreciation and amortisation expenses	7	(7,233,766)	(7,358,608)
Other expenses	8	(11,607,967)	(14,073,439)
Other gains (losses)	9	4,044,039	67,275
Profit (loss) from operating activities		2,659,575	9,554,930
Finance income	10	332,720	54,889
Finance costs	11	(2,177,597)	(1,331,343)
Share of profit (loss) of associates and joint ventures accounted for using equity method		-	2,957,723
Profit (loss) before tax		814,698	11,236,199
Tax income (expense)	12	(848,841)	(906,515)
Profit (loss) from continuing operations		(34,143)	10,329,684
Profit (loss) from discontinued operations		-	-
Profit (loss) for the year		(34,143)	10,329,684
Attributable to:			
Equity holders of the parent		(31,064)	10,326,000
Minority interest PL		(3,079)	3,684

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	Period ended June, 30 2023	Period ended June, 30 2022
		RON	RON
Profit (loss)		(34,143)	10,329,684
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		243	(4)
Total OCI that will be reclassified to profit or loss, before tax		243	(4)
Total other comprehensive income, before tax		243	(4)
Income tax relating to changes in revaluation surplus included in other comprehensive income	12	-	-
Total other comprehensive income		243	(4)
Total comprehensive income		(33,900)	10,329,680
Comprehensive income attributable to			
Comprehensive income, attributable to owners of parent		(30,821)	10,325,996
Comprehensive income, attributable to non-controlling interests		(3,079)	3,684

The condensed interim consolidated financial statements have been approved by the Board of Directors on August 8, 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)

	Note	June 30, 2023	December 31, 2022
		RON	RON
ASSETS			
Non-current assets			
Property, plant and equipment	13	126,929,571	123,886,765
Investment property	14	9,883,738	9,883,738
Goodwill	15	143,461	143,461
Intangible assets other than goodwill	16	497,019	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		137,753,661	134,542,936
Current assets			
Current inventories	18	57,183,241	65,899,751
Trade and other current receivables	19	62,725,635	60,979,526
Other current financial assets		-	263,414
Other current non-financial assets	20	2,643,859	4,796,687
Cash and cash equivalents	21	13,344,068	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		135,896,803	205,808,439
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	22	-	3,760,155
Total current assets		135,896,803	209,568,594
TOTAL ASSETS		273,650,464	344,111,530
EQUITY AND LIABILITIES			
Capital and reserves			
Issued capital	23	52,824,419	26,412,210
Retained earnings	24	38,874,045	77,247,165
Share premium		2,182,283	2,182,283
Other reserves	25	61,861,921	62,917,677
Total equity attributable to owners of parent		155,742,668	168,759,335
Non-controlling interests	26	917,837	920,916
Total equity		156,660,505	169,680,251

The accompanying notes are integral part of these consolidated financial statements.
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(all amounts are expressed in lei, unless specified otherwise)

	Note	June 30, 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	8,190,409	4,044,764
Other non-current non-financial liabilities	29	11,584,485	13,384,594
Total non-current liabilities		28,984,570	26,639,034
Current liabilities			
Trade and other current payables	28	32,538,877	63,161,506
Other current financial liabilities	27	46,170,950	74,737,029
Other current non-financial liabilities	29	9,295,562	9,893,710
Total current liabilities other than liabilities included in disposal groups classified as held for sale		88,005,389	147,792,245
Liabilities included in disposal groups classified as held for sale		-	-
Total current liabilities		88,005,389	147,792,245
Total liabilities		116,989,959	174,431,279
Total equity and liabilities		273,650,464	344,111,530

The condensed interim consolidated financial statements have been approved by the Board of Directors on August 8, 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)

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 [01.01.2023]	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)	-	-	-	-	-	(31,064)	(31,064)	(3,079)	(34,143)
Other comprehensive income	-	-	-	-	243	-	243	-	243
Total comprehensive income	-	-	-	-	243	(31,064)	(30,821)	(3,079)	(33,900)
Issue of equity	26,412,209	-	-	-	-	(26,412,209)	-	-	-
Dividends recognised as distributions to owners	-	-	-	-	-	(13,206,105)	(13,206,105)	-	(13,206,105)
Increase (decrease) through other changes, equity	-	-	(1,118,250)	-	62,251	1,276,258	220,259	-	220,259
Equity at end of period [30.06.2023]	52,824,419	2,182,283	38,082,949	24,778,341	(999,369)	38,874,045	155,742,668	917,837	156,660,506

The resolution of the General Meeting of Shareholders of 27.04.2023 approved the dividend allocation in amount of Lei 13,206,105. The full amount was transferred to Depozitarul Central SA to pay dividends owed to shareholders.

The condensed interim consolidated financial statements have been approved by the Board of Directors on August 8, 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)

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 approved by the Board of Directors on August 8, 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.
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(all amounts are expressed in lei, unless specified otherwise)

	June 30, 2023	June 30, 2022
Cash flows from (used in) operating activities		
Profit / (loss) for the year	(34,143)	10,329,682
Adjustments for income tax expense	848,841	906,515
Finance expenses recognized in profit	1,719,554	1,276,216
(Gain) / Loss on sale or disposal of fixed assets	238	(9,106)
(Gain) / Loss on sale or disposal of assets held for sale	(3,992,451)	-
Production of the imobilization	(314,812)	(966,096)
Income from dividends	-	-
Interest income	(332,720)	(54,889)
Loss on impairment of stocks	(1,427)	-
Loss on time-barred receivables	1,427	188
Amortization / Depreciation of non-current assets	7,233,766	7,358,608
Net (gain) / loss on foreign exchange	423,128	21,075
(Gain) / Loss on share of profit of associates	-	(2,957,723)
Increases /(decreases) in subsidiaries	(1,800,109)	(1,872,845)
Movements in working capital:		
(Increase) / Decrease in trade and other receivables	(2,259,742)	(9,642,220)
(Increase) / Decrease in inventories	8,717,937	(11,716,201)
(Increase) / Decrease in other assets	2,416,242	2,544,027
Increase / (Decrease) in trade and other payables	(14,877,282)	(840,007)
Increase / (Decrease) in other payables	(726,133)	(498,717)
Cash generated by/used in operating activities	(2,943,543)	(16,451,174)
Interest paid	(1,434,872)	(1,019,096)
Income tax paid	(720,856)	(891,913)
Bank commissions paid	(284,683)	(257,121)
Net cash generated by/ utilized in operating activities	(5,418,096)	(8,289,622)
Cash flows from investing activities:		
Payments for property, plant and equipment	(9,757,924)	(927,030)
Payments for intangible assets	(252,486)	(40,934)
Proceeds from disposal of property, plant and equipment	-	9,100
Proceeds from investments in associates	101,001	-
Proceeds from sale of assets held for sales	7,752,606	-
Interest received	332,713	54,879
Net cash generated by / (used in) investing activities	(1,824,090)	(904,986)
Cash flows from financing activities:		
Proceeds from borrowing	6,665,337	8,687,497
Repayment of borrowing	(30,996,692)	(4,496,539)
Dividends paid	(28,951,452)	-
Net cash generated by / (used) by financing activities	(53,282,807)	4,190,959
Net decrease / (increase) in cash and cash equivalents	(60,524,993)	(5,003,648)
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	13,344,068	12,593,245



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

The condensed interim consolidated financial statements have been approved by the Board of Directors on August 8, 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 June 30, 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 main activity of the parent company is the manufacture of plastic packaging articles (NACE code 2222). In the reporting period it wasn't changed the name of the parent company nor the field of activity.

As at June 30, 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 June 30, 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 June 30, 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 June 30, 2023	Period ended June 30, 2022
	RON	RON
Revenues from sale of finished products	126,674,872	161,391,692
Revenues from sale of commodities	23,063,107	15,463,927
Revenues from services delivered	2,099,320	1,894,132
Other revenues (revenues from sale of semi-finished goods, residual goods, other income)	7,035,569	14,301,679
Total	158,872,867	193,051,431

SEGMENT REPORTING	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Sales on domestic market (Romania)	92,882,176	125,931,365
Sales on foreign market (Europe)	65,946,486	67,045,804
Other (China, Israel, s.o.)	44,204	74,262
Total	158,872,867	193,051,431

	SEGMENT : REVENUES		SEGMENT : PROFIT	
	Period ended June 30, 2023	Period ended June 30, 2022	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON	RON	RON
Plastics processing	109,380,773	148,667,105	10,082,443	15,696,558
Recycled polymers & Compounds	21,922,355	26,631,695	421,490	3,659,611
Other productive sectors	3,713,924	4,556,593	687,515	1,489,094
Revenues from sale of goods, sale of utilities, provision of services, other revenues	23,855,815	13,196,037	1,192,791	229,974
Total from operations	158,872,867	193,051,431	12,384,238	21,075,236
Other income	-	-	2,043,657	7,699,334
Other gains and losses, salaries and administrative expenses	-	-	(11,768,320)	(16,261,917)
Finance expenses	-	-	(4,696,264)	(1,331,343)
Finance income	-	-	2,851,387	54,889
Profit before taxation	-	-	814,698	11,236,199



(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 produsele din material reciclat destinat obtinerii de indicatoare rutiere.



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

3. REVENUES (continued)

		SEGMENT : ASSETS		SEGMENT : LIABILITIES	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
		RON	RON	RON	RON
	ASSETS AND LIABILITIES				
Romcarbon, LivingJumbo Industry	Plastics processing (Polypropylene, Polystyrene, Polyethylene, PET)	105,088,541	115,217,017	78,221,487	92,928,865
Romcarbon	Recycled polymers & Compounds	45,045,866	48,745,757	13,096,629	18,647,978
Romcarbon	Other productive sectors	4,904,749	5,307,606	1,895,827	2,699,423
Romcarbon, RC Energo Install, Info Tech Solutions, etc	Other activities(sale of goods, sale of utilities, provision of services, other revenues)	118,611,308	174,841,151	23,776,015	60,155,014
		273.650.464	344,111,530	116,989,959	174,431,279
Total Assets/Liabilities					
		SEGMENT : DEPRECIATION		Non-current assets additions *	
		June 30, 2023	June 30, 2022	June 30, 2023	December 31, 2022
		RON	RON	RON	RON
	Depreciation and Non-current assets additions				
Romcarbon, LivingJumbo Industry	Plastics processing (Polypropylene, Polystyrene, Polyethylene, PET)	3,613,104	3,563,149	520,071	2,293,951
Romcarbon	Recycled polymers & Compounds	1,836,281	1,989,306	665,725	22,554
Romcarbon	Other productive sectors	163,974	154,323	-	73,102
Romcarbon, RC Energo Install, Info Tech Solutions, etc	Other activities(sale of goods, sale of utilities, provision of services, other revenues)	1,620,408	1,651,829	606,468	2,504,151
		7.233.766	7,358,608	1.792.264	4,893,758
Total					

* 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 8% (2% in 6 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 243,548 (- LEI 52,688 compared to H1 2022) and income from subsidies LEI 1,800,109 (- LEI 72,736 compared to H1 2022).

5. RAW MATERIALS, CONSUMABLES AND UTILITES

The expenses with raw materials, consumables and utilities had a total decrease during the H1 2023 compared to H1 2022 of - LEI 27,837,563. The biggest decreases were recorded by the expenses with raw materials by -LEI 33,443,629 (-34%), and by the expenses with utilities by -LEI 2,389,533 (-18%). The decrease in expenses with raw materials is due to the decrease in Revenues and stocked production (-24%) but also to the more efficient use of raw materials and the reduction of the unit cost of polymers. An important increase in H1 2023 compared to H1 2022 was recorded in Costs of goods sold, + LEI 8,274,313 (+62%) due to the increase in trading activity.

6. EMPLOYEE BENEFITS EXPENSES

In 2023, the expenses with the employees benefits increased by Lei 1,628,668, 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 124,842.

8. OTHER EXPENSES

Also, in 2023, the Other expenses registered a variation compared to the similar period of the previous year of - LEI 2,465,473. The biggest increases were recorded in Expenses with third party services (+ LEI 384,548) and Expenses with other taxes (+LEI 125,791), while significant decreases were recorded in Expenses with rents (- LEI 2,384,179) - the biggest reduction took place in RC Energo Install SRL as a result of the invoicing of festive lighting services in December 2022, compared to the previous period when this took place in H1 2022 for 2021- and Transportation expenses (- LEI 422,164).

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 3,976,764. The main variations were recorded by Gain / (Loss) from the disposal of tangible assets (+ LEI 3,983,107) and Other Gains / losses* (- LEI 25,114)

10. FINANCE INCOME

Fincome increased in 2023 with Lei 277,831 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 2022 by LEI 846,253. Net losses from foreign exchange increased in the first 6 months of 2023 compared to the same period of the previous year by LEI 402,053, while expenses with interest and bank commissions increased by LEI 470,900.



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

12. INCOME TAX (EXPENSE)

Income tax expenses

	Period ended June 30, 2023	Period ended June 30, 2022
	RON	RON
Current income tax expense	848,841	906,515
Deferred tax income expense / (income)	-	-
Total expense (income) with income tax	848,841	906,515

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 June 30, 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

	Period ended June 30, 2023	Year ended December 31, 2022
	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. IMOBILIZARI CORPORALE

During 2023, the inputs of fixed assets amounted to Lei 1,792,264. During 2023, the outputs of fixed assets amounted to Lei 154,379, representing technical installations and machines. The depreciation expense in 2023 was Lei 7,154,200.

Pledged and restricted tangible assets

ROMCARBON S.A.

Tangible assets having a net book value of Lei 63,676,368 as at June 30, 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 19,762,655 as at June 30, 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 June 30, 2023 (December 31, 2022: Lei 10,122) represent security for credit lines contracted from EXIMBANK SA.

14. INVESTMENT PROPERTY

	Period ended June 30, 2023 <i>RON</i>	Year ended December 31, 2022 <i>RON</i>
	<u>RON</u>	<u>RON</u>
Land	3,618,291	3,618,291
Buildings	6,265,447	6,265,447
Total	9,883,738	9,883,738

As at June 30, 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 June 30, 2023 is Lei 143,461.

16. OTHER INTANGIBLE ASSETS

Other intangible assets had during 2023 entries amounting to Lei 48,101.
During the reporting period, the depreciation expense of the intangible assets was Lei 79,567.

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 70 days (2022: 56 days). As at 30.06.2023, the stocks recorded a variation compared to the beginning of the year of – Lei 8,716,510. The biggest increases were recorded in Semi-finished Products (+ Lei 1,430,577), Advances for stocks (+ Lei 455,301) and Products in progress (+ Lei 323,133), while significant decreases were recorded in Raw Materials (- Lei 6,125,958) and Goods for sale (- Lei 3,868,889).

19. TRADE AND OTHER CURRENT RECEIVABLES

	Period ended June 30, 2023	Year ended December 31, 2022
	RON	RON
Trade receivables	52,730,751	59,556,063
Allowances for doubtful clients	(2,044,898)	(2,046,324)
Taxes recoverable	833,769	2,131,900
Other receivables	10,686,996	889,066
Other non-trade receivables	519,017	448,821
	62,725,635	60,979,526
Total		
	Period ended June 30, 2023	Year ended December 31, 2022
	RON	RON
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.

30/06/2023	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	42,503,350	3,043,500	286,502	131,125	156,198	1,072,635	47,193,311

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 2,643,859 as at June 30, 2023, while on December 31, 2022 the balance was Lei 4,796,687. The significant decrease was registered in amounts paid in advance (- Lei 2,344,723).

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:

	June 30, 2023	December 31, 2022
	RON	RON
Cash at banks	13,174,403	73,370,121
Cash on hand	38,622	36,410
Cash equivalents	131,043	462,530
Total	13,344,068	73,869,061

22. ASSETS HELD FOR SALE

The assets held for sale have the following geographical distribution:

Assets held for sale	June 30, 2023	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	
	June 30, 2023	December 31, 2022
	RON	RON
528,244,192 fully paid ordinary shares (2022: 264,122,096). The value of one share is LEI 0.1 Inflation effect according to IAS 29	52,824,419	26,412,210
	-	-
Total	52,824,419	26,412,210

	June 30, 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	33,500,000	12.68%	32,700,000	12.38%
Other legal entities	5,714,255	2.16%	9,815,721	3.72%
Other individuals	83,938,244	31.78%	80,636,778	30.53%
Total	264,122,096*	100%	264,122,096	100%

* On 30.06.2023, it was completed the registration in the Trade Register of the increase of the company's share capital with the amount of 26,412,209.60 lei, from 26,412,209.60 lei to 52,824,419.20 lei by issuing a number of 264,122,096 new shares, with a nominal value of 0.10 lei/share, according to the AGEA decision of 04/27/2023. The capital increase was achieved by incorporating into the company's share capital the amount of 26,412,209.60 lei, representing a part of the net profit recorded in the 2022 financial year.

At the date of this report, the shareholding structure registered at ORC Buzau is "Shareholders, natural and legal persons, list type, profit/loss participation rate 100%/100%", the 264,122,096 new shares to be distributed free of charge to all shareholders of the company registered in the Register of Shareholders held by the Central Depository on the date of registration (27.09.2023).

24. RETAINED EARNINGS

	June 30, 2023	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	(31,064)	56,119,419
Reclassification of revaluation reserve to retained earnings	1,119,903	470,016
Transfer of retained earnings to reserves	-	(2,141,737)
Transfer to capital	(26,412,210)	-
Corrections of financial assets disposed	-	-
Dividends paid	(13,206,105)	(26,412,210)
Other	156,355	28,945
Balance at the end of the period	38,874,045	77,247,165



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

25. RESERVES

	June 30, 2023	December 31, 2022
	RON	RON
Revaluation reserves	37,974,022	39,093,925
Legal reserves	5,288,528	5,288,528
Other reserves	19,489,813	19,489,813
Translation differences	(890,442)	(954,589)
Total	61,861,921	62,917,677

26. NON-CONTROLLING INTERESTS

	June 30, 2023	December 31, 2022
	RON	RON
Balance at the beginning of the year	920,916	915,581
Share of profit / (loss) for the year	(3,079)	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 period	917,838	920,916

27. OTHER FINANCIAL LIABILITIES

	OTHER CURRENT FINANCIAL LIABILITIES		OTHER NON-CURRENT FINANCIAL LIABILITIES	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	RON	RON	RON	RON
Secured loans				
- at amortized cost				
Borrowings (Overdraft and Investment loans)	46,170,950	74,737,029	8,190,409	4,044,764
Lease liabilities	-	-	-	-
Total	46,170,950	74,737,029	8,190,409	4,044,764



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

27. OTHER FINANCIAL LIABILITIES (continued)

Short-term borrowings	Entity	June 30, 2023	December 31, 2022
		RON	RON
Credit line Euro – EximBank SA	Romcarbon	12,425,722	12,333,191
Credit line Euro – UniCredit Bank SA	Romcarbon	2,445,587	25,973,635
Facility in Euro - Inventory purchase - UniCredit Bank SA - RCB&LJI	Romcarbon	-	3,799,602
Investment loan VI in euro - UniCredit Bank	Romcarbon	764,254	686,604
Investment loan VII in euro - UniCredit Bank	Romcarbon	2,220,634	308,880
Investment loan Euro - UniCredit Bank SA - Proiect CCE 2015	Romcarbon	2,190,347	2,757,779
Credit line Euro – UniCredit Bank SA	LivingJumbo Industry	15,101,621	5,027,641
Facility in Euro - Inventory purchase - UniCredit Bank SA - RCB&LJI	LivingJumbo Industry	-	11,042,597
Credit line Euro – EximBank SA	LivingJumbo Industry	9,511,494	6,336,349
Investment loan Euro - UniCredit Bank SA - Proiect CCE 2015	LivingJumbo Industry	1,252,969	2,918,043
Multiproduct facility (factoring) in lei - Eximbank SA	LivingJumbo Industry	-	2,865,207
Credit for current activity - Eximbank SA	EnergoInstall	258,322	687,500
Total		46,170,951	74,737,029

Long-term borrowings	Entity	June 30, 2023	December 31, 2022
		RON	RON
Investment loan VI in euro - UniCredit Bank	Romcarbon	1,528,506	1,882,602
Investment loan VII in euro - UniCredit Bank	Romcarbon	6,661,902	2,162,161
Total		8,190,408	4,044,764



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

27. OTHER FINANCIAL LIABILITIES (continued)

OBLIGAȚII DE LEASING FINANCIAR

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	
	30 Iunie 2023 RON	31 Decembrie 2022 RON	30 Iunie 2023 RON	31 decembrie 2022 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

	June 30, 2023 RON	December 31, 2022 RON
Trade liabilities	26,636,267	42,006,642
Suppliers invoices not received	393,252	1,821,294
Advances to clients	1,291,374	2,094,029
Sundry creditors (a)	4,217,984	17,239,540
Miscellaneous payable	-	-
	32,538,877	63,161,506

29. OTHER NON-FINANCIAL LIABILITIES

	Other current non-financial liabilities		Other non-current non-financial liabilities	
	June 30, 2023 RON	December 31, 2022 RON	June 30, 2023 RON	December 31, 2022 RON
Subsidies	3,600,219	3,600,219	11,584,485	13,384,594
Other current liabilities	5,695,343	6,293,491	-	-
Total	9,295,562	9,893,710	11,584,485	13,384,594



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

29. OTHER NON-FINANCIAL LIABILITIES (continued)

DEFERED INCOME

As at June 30, 2023 the value of the investment subsidies received by the Group amounts to Lei 15,184,704, as follows:

Romcarbon SA:	8,532,177 lei
Livingjumbo Industry SA:	6,652,527 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, exposure 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	June 30,
	1 EUR = 4.9634 lei	1 USD = 4.575 lei	1 lei	2023 Total
	RON	RON	RON	RON
Cash and cash equivalents	517,989	169,304	12,656,775	13,344,068
Receivables and other current assets	10,666,870	-	52,058,765	62,725,635
Other current financial assets	-	-	-	-
Other current non-financial assets	130,362	-	2,513,497	2,643,859
LIABILITIES				
Trade and other liabilities	11,649,389	2,100	20,887,386	32,538,875
Short and long-term borrowings	52,550,992	-	1,810,367	54,361,359
Short and long-term finance lease liabilities	-	-	-	-
Other current non-financial liabilities	208	-	9,295,354	9,295,562
2022				
	EUR	USD	Leu	December 31,
	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.

	June 30, 2023	December 31, 2022
	RON	RON
Loss	(5,271,816)	(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	32,538,875	-	-	32,538,875
Other current liabilities	9,295,562	-	-	9,295,562
Interest bearing instruments				
Short and long-term borrowings	46,170,955	5,969,773	2,220,631	54,361,359
Short and long-term leases	-	-	-	-
Non-interest bearing				
Cash and cash equivalents	13,344,068	-	-	13,344,068
Receivables and other current assets	62,725,635	-	-	62,725,635
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 June 30, 2023	Period ended June 30, 2022
	RON	RON
Executive management salaries	2,226,730	2,259,215
Benefits for Board of Directors	22,428	21,663
Total	2,249,158	2,280,878

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

Shareholder borrowings	June 30, 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 June 30, 2023

The company has unused credit lines in amount of Eur 5,003,806 (31 December 2022: Eur 257,181) and investment loans in amount of Eur 1,160,393 (31 December 2022: Eur 2,857,496)

Guarantees for bank loans

At June 30, 2023, tangible assets (land, plants, equipment and machineries) having a net book value of Lei 63,676,368 (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 2,472,505 as at June 30, 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, 2024), 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 454,590 as at June 30, 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 2,000,000 for financing the current activity (due on May 25, 2024), 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 860,910 as at June 30, 2023.

LIVINGJUMBO INDUSTRY SA

Unused credit facilities as at June 30, 2023

The company has unused credit facilities in amount of Eur 1,591,077 (31 December 2022: Eur 4,253,038 and Lei 2,134,793).

Guarantees for bank loans

At June 30, 2023, tangible assets consist in equipment and machineries having a net book value of Lei 19,762,655 (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

Facilitati de credit neutilizate la 31 martie 2023

The company has unused credit facilities in amount of Lei 1,741,678 (31 December 2022 : Lei 1,000,000).

Guarantees for bank loans

At June 30, 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

ROMCARBON SA

- On 30.06.2023, it was completed the registration in the Trade Register of the increase of the company's share capital with the amount of Lei 26,412,209.60, from Lei 26,412,209.60 to Lei 52,824,419.20 by issuing a number of 264,122,096 new shares, with a nominal value of 0.10 lei/share, according to the AGEA decision of 04/27/2023. The capital increase was achieved by incorporating into the company's share capital the amount of Lei 26,412,209.60, representing a part of the net profit recorded in the 2022 financial year and is intended to support the company's current activity. The newly issued shares will be distributed free of charge to all the company's shareholders registered in the Register of Shareholders held by the Central Depository on the date of registration (27.09.2023). On **14.07.2023**, the Financial Supervision Authority issued the Financial Instruments Registration Certificate for the newly issued shares.
- Subscription of H2O shares: following the closing of the Hidroelectrica SA IPO (the largest electricity producer in the region, registered at ORC Bucharest under no. J40/7426/2000, CIF RO13267213), Romcarbon S.A. subscribed a volume of 28,086 shares issued by Hidroelectrica SA, in total value of 2,833,315.68 lei.

The group did not identify any other significant subsequent events.

36. APPROVAL OF THE FINANCIAL STATEMENTS

The condensed interim consolidated financial statements have been approved by the Board of Directors on August 8, 2023.

PREPARED BY,

HUANG LIANG NENG,

Chairman of the Board
and General Manager

VIORICA ZAINESCU,

Financial Manager

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