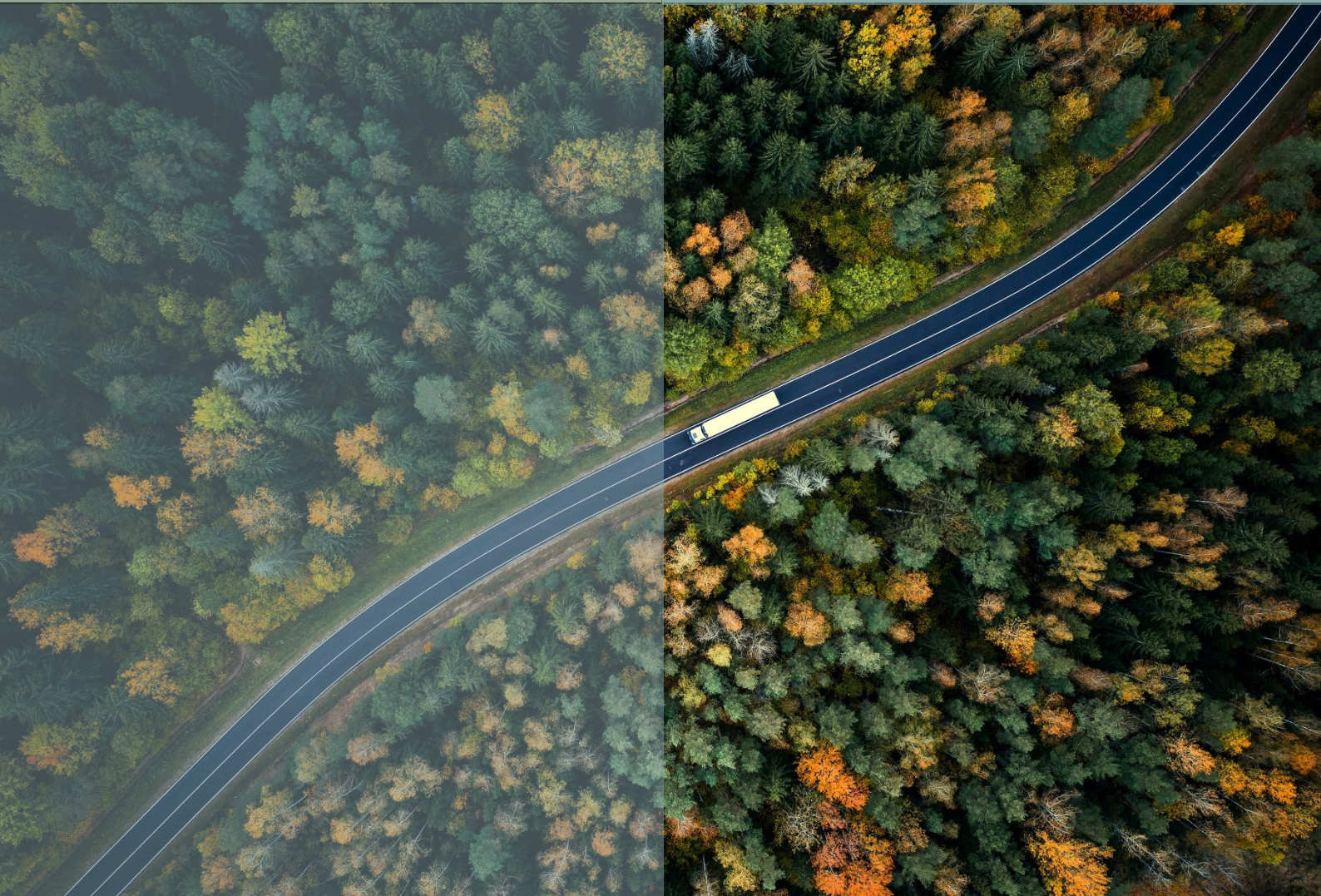




# QUARTERLY REPORT



30.09.2023

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

**Date of release:** 15.11.2023

**Reporting date:** 30.09.2023

**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.





# LANGUAGE DISCLAIMER

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# MANAGEMENT'S COMMENTS

## Dear shareholders,

For Romcarbon standalone 2023 9M recorded a net profit of 5,281,559 lei, decreased with -777,884 lei (-13%) as compared with 2022 9M.

The net profit was also influenced by the profit for selling assets (registered in Q1) and FOREX gain from the investment in Recyclat that was registered in LEI at historical cost.

Overall, the market situation started to recover in Q3, the Plastic Processing sector (polypropylene, polystyrene, polyethylene) registering better results in Q3 as compare to the previous periods of 2023. Polypropylene Processing and Polystyrene Processing sectors achieved better results than in the same period of the previous year, + 530,615 lei |+20%, respectively 304,619 lei |+6%, while the Polyethylene Processing sector even though recorded less profit compare with 2022, but increased significantly compare with Q1 and Q2 2023.

In the Recycled Polymers and Compounds sector we had several disruptions due to machine breakdowns. This was the main problem for Q2 with an impact on Q3 results too. However, with the new production line, we started to increase the capacity. The output of Oct. have reached the biggest quantity after Mar. 2023.

## The consolidated result of Romcarbon Group

The consolidated result in the first 9 months of 2023 is a net loss of - 906,030 lei, being mainly influenced by:  
> Livingjumbo Industry SA – registered a loss of – 3,599,624 lei, while in 2022 9M it was registered a net profit of 2,812,732 lei.

Livingjumbo had faced 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 positive aspect was observed in the Polypropylene Big Bags Sector, where, starting with June, a positive result was recorded, and this trend continued in the 3rd quarter.

> RC Energo Install SRL – registered a net profit of 109,319 lei, decreased by – 616,735 lei as compared with 2022 9M. The variation is mainly from the Christmas festive lighting projects. The variation is due to the timing of invoicing.

## Other remark

In July 2023, Romcarbon participated in the IPO of Hidroelectrica (H2O), buying a number of 28,086 shares, the total acquisition cost being 2,841,816 lei. The company keeps financial investments at acquisition cost. If this financial investment had been recorded at market value, the company would have had a profit on 30.09.2023 of 528,504 lei.

## The prospect for the future.

The Polyethylene sector has gained a big order of package for waste collection. With clear forecast, this will help us to organize the production more efficiently.

The Polypropylene sector is planning the reorganization of the production line to manage the production with less operators, since lack of manpower has been worsened. We plan to finish this reorganization by end of the year or beginning of Jan. 2024.

The Polystyrene sector is waiting to receive the certification of technical agreement for the new product – laminated underlay flooring. Unfortunately, there is some delay, but we shall have it in Nov. Afterward, we will be qualified to supply this product to the market.

The continue increase of the energy price and the minimum wage will be a big challenge for 2024.

Besides the efforts dedicated to the existing business, the management team is in discussion with some strategic partners for new business opportunities that can be developed on our existing facility with small investment. Those projects will create the added value for our existing business.

**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	9 Months 2021	9 Months 2022	9 Months 2023	2023 vs. 2022	
Revenues (Net sales)	201,408,483	201,268,839	<b>162,394,285</b>	▼	(38,874,554) -19%
Other Income	3,337,597	3,369,066	<b>3,222,537</b>	▼	(146,529) -4%
EBITDA	11,901,014	13,656,454	<b>12,237,620</b>	▼	(1,418,834) -10%
<b>EBITDA Operational</b>	<b>12,537,767</b>	<b>13,578,953</b>	<b>5,593,044</b>	▼	<b>(7,985,909)</b> -59%
<b>Profit(loss) from operations</b>	<b>6,779,916</b>	<b>7,982,060</b>	<b>3,857,564</b>	▼	<b>(4,124,496)</b> -52%
<b>Net profit (loss) (1)</b>	<b>4,669,567</b>	<b>6,059,443</b>	<b>5,281,559</b>	▼	<b>(777,884)</b> -13%
Profit on fixed assets sale (2)	55,256	79,572	<b>3,992,451</b>	▲	3,912,879 4917%
FOREX gain on diminishing the financial investment in Recyplat (3)	-	-	<b>2,913,582</b>	▲	2,913,582
<b>Net profit (loss) (1 - 2 -3)</b>	<b>4,614,311</b>	<b>5,979,871</b>	<b>(1,624,474)</b>	▼	<b>(7,604,345)</b> -127%
Non-Current assets	145,336,714	136,165,053	<b>116,582,827</b>	▼	(19,582,226) -14%
Current assets	107,960,537	117,264,899	<b>118,467,210</b>	▲	1,202,311 1%
Total Equity	140,240,889	137,563,103	<b>152,298,411</b>	▲	14,735,308 11%
Total Liabilities	113,056,362	115,866,849	<b>82,751,626</b>	▼	(33,115,223) -29%
Debt ratio	45%	46%	<b>35%</b>	▼	(0) -23%
Current liquidity	117%	124%	<b>196%</b>	▲	1 58%

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

Indicators	9 Months 2021	9 Months 2022	9 Months 2023	2023 vs. 2022	
Revenue (Sales)	247,775,883	288,827,110	229,981,206	▼	(58,845,904) -20%
Other income	3,206,812	3,243,392	3,074,258	▼	(169,134) -5%
Share of profit / loss of associates	2,857,339	3,825,314	-	▼	(3,825,314) -100%
EBITDA	16,019,992	24,518,607	9,620,650	▼	(14,897,957) -61%
<b>EBITDA Operational</b>	<b>14,103,112</b>	<b>20,837,719</b>	<b>5,992,767</b>	▼	<b>(14,844,952)</b> -71%
<b>Profit(loss) from operations</b>	<b>5,875,369</b>	<b>12,933,613</b>	<b>1,893,831</b>	▼	<b>(11,039,782)</b> -85%
<b>Net profit (loss) <sup>1</sup></b>	<b>5,676,182</b>	<b>13,407,174</b>	<b>(906,030)</b>	▼	<b>(14,313,203)</b> -107%
<b>Net profit (loss) without the impact of Share of profit / loss of associates [Green-Group]</b>	<b>2,818,844</b>	<b>9,581,860</b>	<b>(906,030)</b>	▼	<b>(10,487,889)</b> -109%
Non-Current assets	173,961,191	165,632,081	135,236,591	▼	(30,395,490) -18%
Current assets	126,480,541	150,312,232	148,022,999	▼	(2,289,233) -2%
Total Equity	142,784,719	149,715,065	155,789,239	▲	6,074,174 4%
Total Liabilities	157,657,014	166,229,248	127,470,351	▼	(38,758,897) -23%
Debt ratio	52%	53%	45%	▼	(0) -14%
Current liquidity	105%	109%	149%	▲	0 36%

<sup>1</sup> The contribution of the subsidiaries to the net profit of the Group

Company	Result 9 Months 2022 (in lei)	Result 9 Months 2023 (in lei)	2023 vs 2022
Romcarbon SA	6,059,443	5,281,559	(777,884)
Living Jumbo Industry SA	2,812,732	(3,599,624)	(6,412,356)
RC Energo Install SRL	726,054	109,319	(616,735)
Infotech Solutions SRL	84,873	251,766	166,893
Recyplat Ltd Cipru	(246)	(2,849,719)	(2,849,473)
Eco Pack Management SA	(1,479)	(2,465)	(987)
Consolidation adjustments (Share of the profit of the associate Romgreen Universal LTD (Green-Group))*	3,825,314	-	(3,825,314)
Other consolidation adjustments	(99,516)	(96,866)	2,651
<b>Total profit</b>	<b>13,407,174</b>	<b>(906,030)</b>	<b>(14,313,204)</b>

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



## BOARD OF DIRECTORS' REPORT REGARDING THE SEPARATE FINANCIAL STATEMENTS

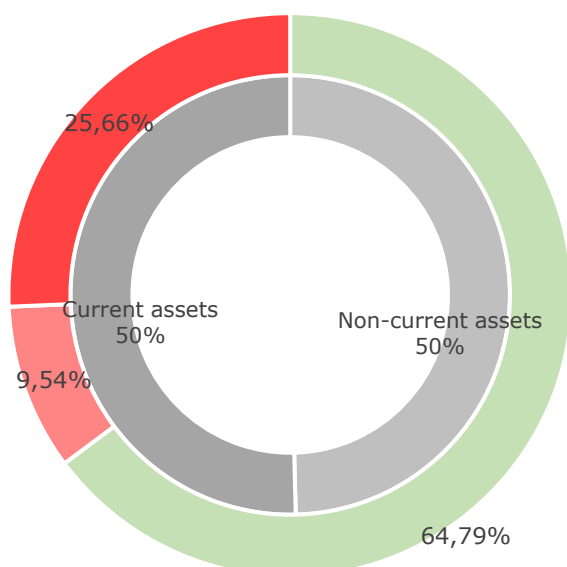
**A.1. No major events took place during the reporting period that would affect the company's financial position.**

**A.2 General description of the financial position and performance**

**1.1 STATEMENT OF THE FINANCIAL POSITION**

Indicator	30.09.2022	31.12.2022	30.09.2023	30.09.2023 vs. 31.12.2022		
Property, plant and equipment	104,631,864	102,490,667	105,770,556	3,279,889	▲	3.20%
Investment property	10,715,853	9,883,738	9,883,738	0	—	0.00%
Intangible assets other than goodwill	208,776	330,920	467,939	137,019	▲	41.41%
Investments in subsidiaries, joint ventures and associates	20,608,560	20,608,559	460,594	-20,147,965	▼	-97.77%
<b>Total non-current assets</b>	<b>136,165,053</b>	<b>133,313,884</b>	<b>116,582,827</b>	<b>-16,731,057</b>	<b>▼</b>	<b>-12.55%</b>
Current inventories	31,534,673	29,963,708	30,540,699	576,991	▲	1.93%
Trade and other current receivables	68,074,612	63,653,763	55,792,132	-7,861,631	▼	-12.35%
Other current financial assets	2,514,591	42,738,851	6,180,974	-36,557,877	▼	-85.54%
Other current non-financial assets	2,176,854	3,864,347	2,819,362	-1,044,985	▼	-27.04%
Cash and cash equivalents	9,204,014	2,772,709	23,134,043	20,361,334	▲	734.35%
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%
<b>Total current assets</b>	<b>117,264,899</b>	<b>146,753,533</b>	<b>118,467,210</b>	<b>-28,286,323</b>	<b>▼</b>	<b>-19.27%</b>
<b>Total assets</b>	<b>253,429,952</b>	<b>280,067,417</b>	<b>235,050,037</b>	<b>-45,017,380</b>	<b>▼</b>	<b>-16.07%</b>
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	58,173,257	60,895,475	59,595,992	-1,299,483	▼	-2.13%
Retained earnings	50,795,353	70,732,989	37,695,717	-33,037,272	▼	-46.71%
<b>Total Equity</b>	<b>137,563,103</b>	<b>160,222,957</b>	<b>152,298,411</b>	<b>-7,924,546</b>	<b>▼</b>	<b>-4.95%</b>
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	5,133,101	4,044,764	7,757,103	3,712,339	▲	91.78%
Other non-current non-financial liabilities	7,864,571	7,475,188	5,889,705	-1,585,483	▼	-21.21%
<b>Total non-current liabilities</b>	<b>21,410,246</b>	<b>20,300,611</b>	<b>22,427,467</b>	<b>2,126,856</b>	<b>▲</b>	<b>10.48%</b>
Trade and other payables	41,459,304	48,060,900	30,363,682	-17,697,218	▼	-36.82%
Other current financial liabilities	46,281,002	45,859,692	23,988,713	-21,870,979	▼	-47.69%
Other current non-financial liabilities	6,716,297	5,623,258	5,971,764	348,506	▲	6.20%
<b>Total current liabilities</b>	<b>94,456,603</b>	<b>99,543,849</b>	<b>60,324,159</b>	<b>-39,219,690</b>	<b>▼</b>	<b>-39.40%</b>
<b>Total liabilities</b>	<b>115,866,849</b>	<b>119,844,460</b>	<b>82,751,626</b>	<b>-37,092,834</b>	<b>▼</b>	<b>-30.95%</b>
<b>Total equity and liabilities</b>	<b>253,429,952</b>	<b>280,067,417</b>	<b>235,050,037</b>	<b>-45,017,380</b>	<b>▼</b>	<b>-16.07%</b>

**STRUCTURE OF THE FINANCIAL POSITION AT 30.09.2023**



Current liabilities: 60,324,159 lei | 26%

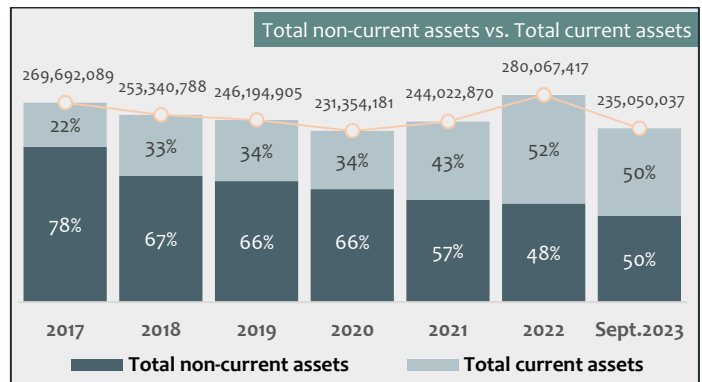
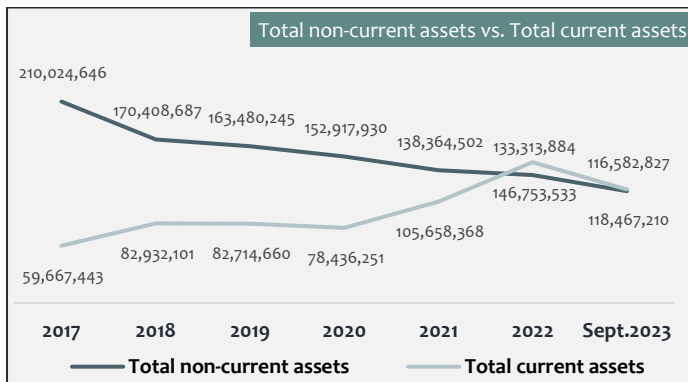
Non-current liabilities: 22,427,467 lei | 10%

Equity: 152,298,411 lei | 65%

Non-current assets: 116,582,827 lei | 50%

Current assets: 118,467,210 lei | 50%

## ASSETS

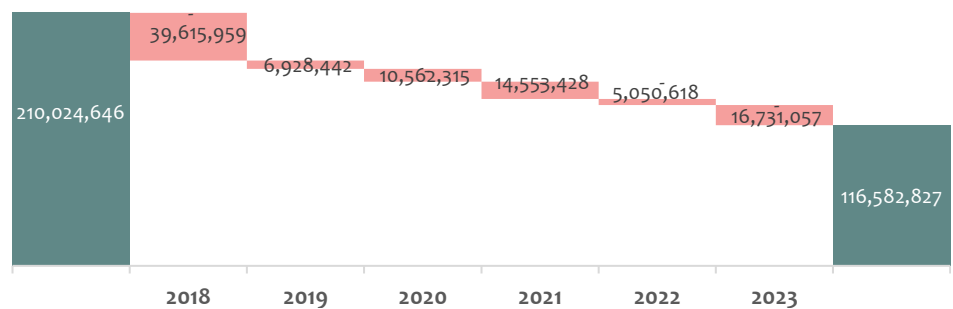


## NON-CURRENT ASSETS

As at 30.09.2023, **Non-currents assets** hold 49.60% of the company's assets, recording a decrease of

- Lei 16,731,057, i.e. - 12.55%, as compared with the beginning of the year

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



Non-current assets (NCA)	30.09.2023	% in total NCA	% in total Assets	30.09.23 vs. 31.12.22
Property, plant and equipment	105,770,556	90.73%	45.00%	3.20%
Investment property	9,883,738	8.48%	4.20%	0.00%
Intangible assets other than goodwill	467,939	0.40%	0.20%	41.41%
Investments in subsidiaries, joint ventures and associates	460,594	0.40%	0.20%	-97.77%
<b>Total non-current assets</b>	<b>116,582,827</b>	<b>100.00%</b>	<b>49.60%</b>	<b>-12.55%</b>

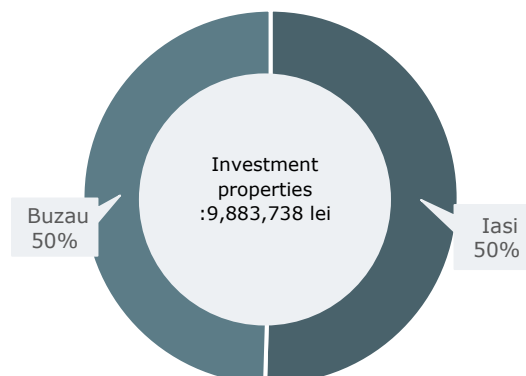
In the reporting period the entries of Non-current assets (except the investments in progress) are presented in the following table:

· Buildings (including re-arrangements and improvement)	:	784,154 lei
· Equipment and installations	:	5,965,636 lei

The inflows of the Non-current assets in the first 9 months of 2023 totalized LEI 6,749,790, out of which: CP7 – Recycled polymers & Compounds LEI 1,659,806, CP5 – Extruded PS LEI 4,031,805 and Administrative LEI 1,058,179.

The outputs of Non-current assets in 2023 totalized LEI 355,655, entire amount representing cassations/dismantle.

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





**Financial Investments** hold 0.20% of Total Assets, and 0.40% of Non-current assets.

As at 30.09.2023, 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%
<b>TOTAL</b>						<b>10.192.233</b>	

\*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.

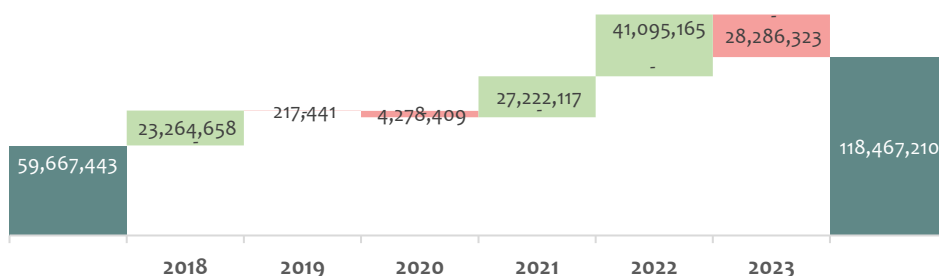
The impairment of financial investments are presented in the following table:

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
<b>Total</b>		<b>9,731,638</b>

## CURRENT ASSETS

La 30.09.2023 **actiunile curente** detin 50,40% din activele societatii, inregistrand o scadere cu -28.286.323 lei , respectiv de -19,27% fata de inceputul anului.

Evolution of Total current assets in the period 2017-2023



Current assets (CA)	30.09.2023	% in total CA	% in Total Assets	30.09.23 vs. 31.12.22
Current inventories	30,540,699	25.78%	12.99%	1.93%
Trade and other current receivables <sup>1</sup>	55,792,132	47.09%	23.74%	-12.35%
Other current financial assets <sup>2</sup>	6,180,974	5.22%	2.63%	-85.54%
Other current non-financial assets	2,819,362	2.38%	1.20%	-27.04%
Cash and cash equivalents	23,134,043	19.53%	9.84%	734.35%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners <sup>3</sup>	0	0.00%	0.00%	-100.00%
<b>Total current assets</b>	<b>18,467,210</b>	<b>100.00%</b>	<b>50.40%</b>	<b>-19.27%</b>



<sup>1</sup> Trade and other current receivables

Affiliate	Value of the contract	Balance as at 30.09.2023	Interest	Total	Tenor
RC Energo Install SRL	3,000,000 lei	3,000,000 lei	339,158 lei	3,339,158 lei	03/06/2024
<b>Total</b>	<b>3,000,000 lei</b>	<b>3,000,000 lei</b>	<b>339,158 lei</b>	<b>3,339,158 lei</b>	

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

<sup>2</sup> Shares held in the short term

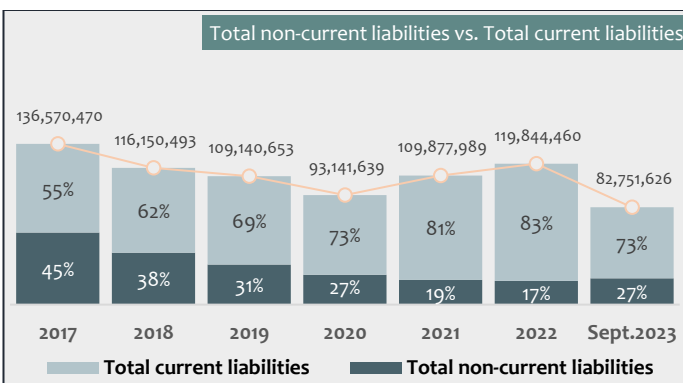
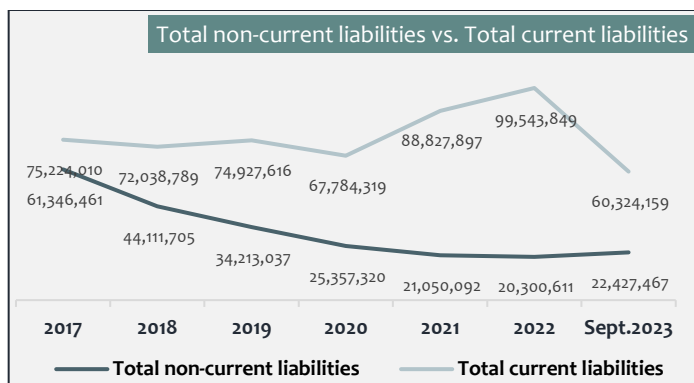
In the item „Other current financial assets” are also recorded the value of a number of 28,086 Hidroelectrica (H2O) shares at a purchase price of 101.18 lei/share, shares acquired during the Hidroelectrica IPO from June-July 2023.

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

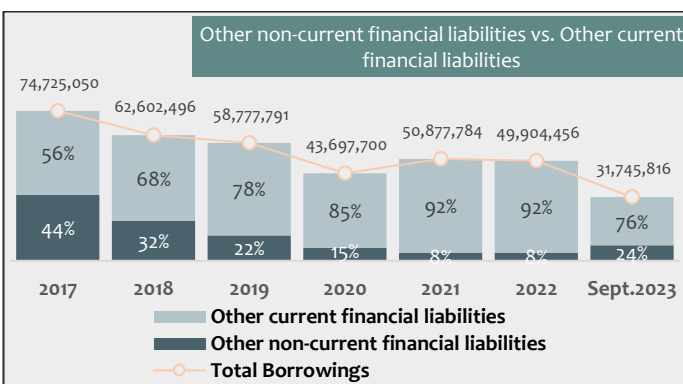
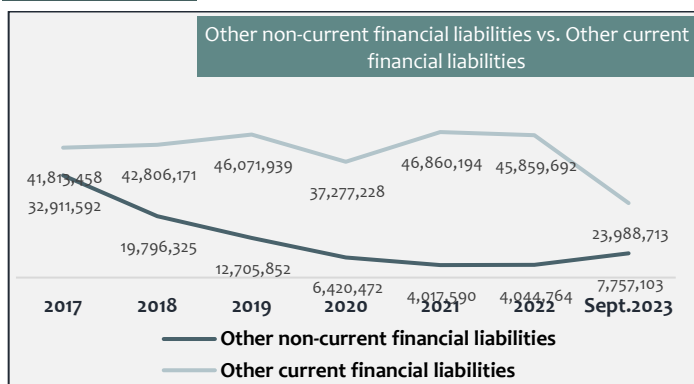
On 16.02.2023, it was signed the sale and purchase contract with LIDL ROMANIA S.C.S. the object of which is the sale of the land area of 7,407 sqm, the total price being Lei 7,659,971. The registration cost of this land is Lei 3,689,310. Initially, in December 2019, a sales-purchase anteacontract was 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 35.21% of the company’s Equity&Liabilities recording a decrease of - Lei 37,092,834, i.e. - 30.95% as compared with the beginning of the year.



**BORROWINGS**



As at 30.09.2023 the loans contracted by S.C. ROMCARBON S.A. have the following structure :

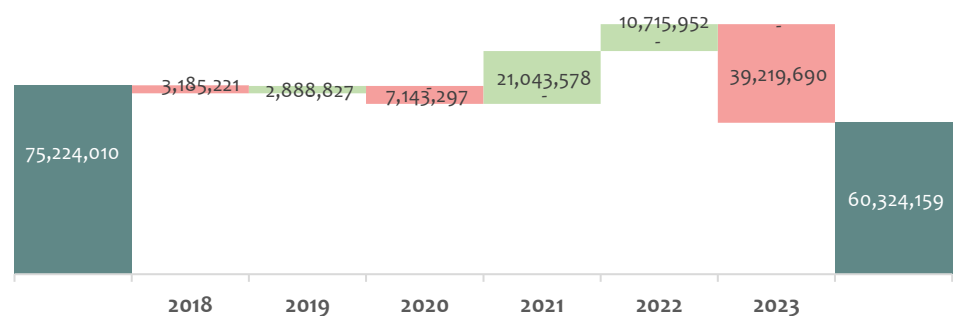
Type	Balance as at 30.09.2023		< 1 year	>1 year
	in euro	in lei		
Credit lines in euro <sup>4</sup>	€ 3,816,028	18,983,211 lei	18,983,211 lei	- lei
Investment loans in euro	€ 2,014,681	11,237,249 lei	4,512,494 lei	6,724,754 lei
<b>Total credits in euro</b>	<b>€6,074,953</b>	<b>30,220,460 lei</b>	<b>23,495,706 lei</b>	<b>6,724,754 lei</b>
Short term credits in lei		- lei	- lei	- lei
Investment loans in lei		1,525,356 lei	493,007 lei	1,032,349 lei
<b>Total credits in lei</b>		<b>1,525,356 lei</b>	<b>493,007 lei</b>	<b>1,032,349 lei</b>
<b>Total bank exposure</b>		<b>31,745,816 lei</b>	<b>23,988,713 lei</b>	<b>7,757,103 lei</b>

<sup>4</sup> 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 72.90% of the Total Liabilities and 25.66% of Total Equity & Liabilities have decreased by - Lei 39,219,690 as compared with the beginning of the year, i.e. -39.40%.

Evolution of Total current liabilities in the period 2017-2023

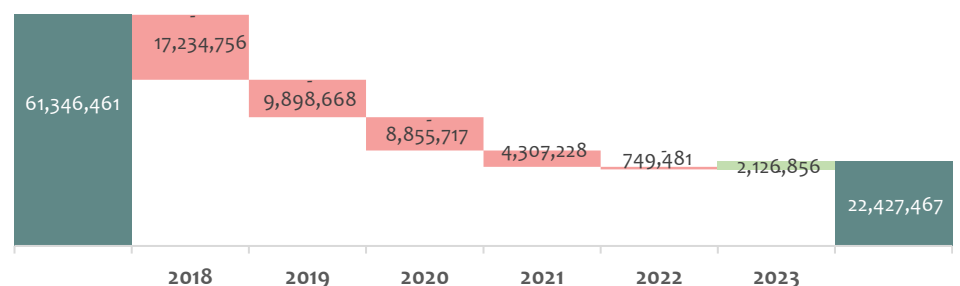


Current liabilities	30.09.2023	% in total liabilities	% in Total current liabilities	% in Total Equity and Liabilities	30.09.23 vs. 31.12.22
Trade and other payables	30,363,682	36.69%	50.33%	12.92%	-36.82%
Other current financial liabilities	23,988,713	28.99%	39.77%	10.21%	-47.69%
Other current non-financial liabilities	5,971,764	7.22%	9.90%	2.54%	6.20%
<b>Total current liabilities</b>	<b>60,324,159</b>	<b>72.90%</b>	<b>100.00%</b>	<b>25.66%</b>	<b>-39.40%</b>

## NON-CURRENT LIABILITIES

**Non-current Liabilities** representing 9.54% of the company's Equity & Liabilities recording in the reporting period an increase of Lei 2,126,856, i.e. 10.48%, as compared with the beginning of the year.

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

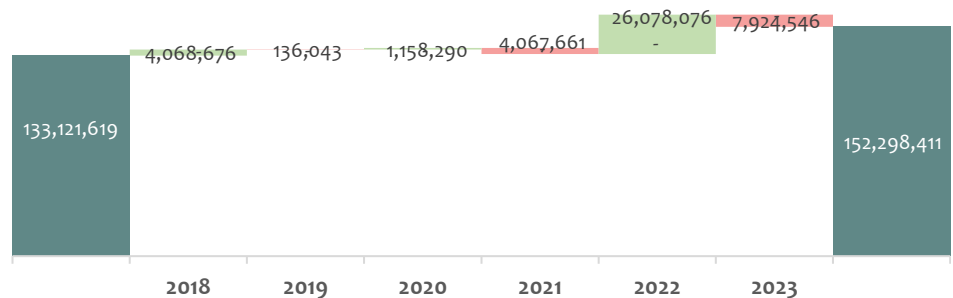


Non-current liabilities	30.09.2023	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and Liabilities	30.09.23 vs. 31.12.22
Other non – current provisions	1,000,000	1.21%	4.46%	0.43%	0.00%
Deferred tax liabilities	7,780,659	9.40%	34.69%	3.31%	0.00%
Other non-current financial liabilities	7,757,103	9.37%	34.59%	3.30%	91.78%
Other non-current non-financial liabilities	5,889,705	7.12%	26.26%	2.51%	-21.21%
<b>Total non-current liabilities</b>	<b>22,427,467</b>	<b>27.10%</b>	<b>100.00%</b>	<b>9.54%</b>	<b>10.48%</b>

## EQUITY

**Total Equity** holds **64.79%** of Total Equity & Liabilities, recording in the reporting period a decrease of - Lei 7,924,546 as compared with the beginning of the year.

Evolution of Total Equity in the period 2017-2023



Capitaluri	30.09.2023	% in Total Capitaluri si Datorii
Issued capital (528,244,192 shares at Lei 0.10/share)	52,824,419	22.47%
Share premium	2,182,283	0.93%
Reserves	59,595,992	25.35%
Retained earnings	37,695,717	16.04%
<b>Total equity</b>	<b>152,298,411</b>	<b>64.79%</b>

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.





## 1.2. STATEMENT OF THE COMPREHENSIVE INCOME

Indicator	9 Months 2021	9 Months 2022	9 Months 2023	2023 vs. 2022	
Revenues (Net sales)	201,408,483	201,268,839	162,394,285	▼	(38,874,554) -19%
Other Income <sup>5</sup>	3,337,597	3,369,066	3,222,537	▼	(146,529) -4%
Increase (decrease) in inventories of finished goods and work in progress	1,297,073	4,235,396	409,063	▼	(3,826,333) -90%
Raw materials, consumables and utilities	(149,410,533)	(150,346,697)	(112,880,443)	▼	37,466,254 -25%
Employee benefits expenses and social charges	(30,735,221)	(31,617,093)	(34,143,526)	▲	(2,526,433) 8%
Depreciation and amortisation expenses	(7,496,799)	(7,271,623)	(7,174,476)	▼	97,147 -1%
Other expenses	(11,920,018)	(11,848,187)	(12,030,775)	▲	(182,588) 2%
Other gains and losses	299,334	192,359	4,060,899	▲	3,868,540 2011%
<b>Profit (loss) from operating activities</b>	<b>6,779,916</b>	<b>7,982,060</b>	<b>3,857,564</b>	<b>▼</b>	<b>(4,124,496) -52%</b>
Finance Income	101,058	285,398	3,002,552	▲	2,717,154 952%
Finance Cost	(1,488,570)	(1,121,628)	(1,526,415)	▲	(404,787) 36%
<b>Profit (loss) before tax</b>	<b>5,392,404</b>	<b>7,145,830</b>	<b>5,333,701</b>	<b>▼</b>	<b>(1,812,129) -25%</b>
Income Tax	(722,837)	(1,086,387)	(52,142)	▼	1,034,245 -95%
<b>Profit (loss) of the year</b>	<b>4,669,567</b>	<b>6,059,443</b>	<b>5,281,559</b>	<b>▼</b>	<b>(777,884) -13%</b>
<b>Total comprehensive income</b>	<b>4,669,567</b>	<b>6,059,443</b>	<b>5,281,559</b>	<b>▼</b>	<b>(777,884) -13%</b>
<b>EBITDA Operational</b>	<b>12,537,767</b>	<b>13,578,953</b>	<b>5,593,044</b>	<b>▼</b>	<b>(7,985,909) -59%</b>

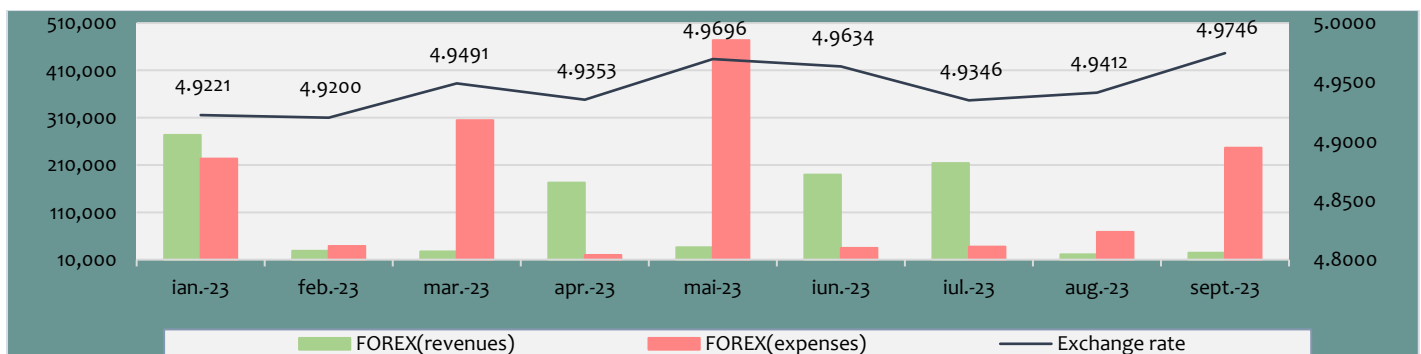
Note : EBITDA operational is calculated only for operational activity, excluding the depreciation, sales of non-current assets, non-repeating elements and financial activity.

Indicator	9 Months 2021	9 Months 2022	9 Months 2023
Average no. of personnel	818	744	690

<sup>5</sup> In the item « Other income » are comprised the following items :

Indicator	9 Months 2021	9 Months 2022	9 Months 2023	2023 vs. 2022	
Rentals	1,643,009	1,697,258	1,637,054	▼	(60,204) -4%
Income from subsidies for investments	1,694,588	1,671,808	1,585,483	▼	(86,325) -5%
<b>Total</b>	<b>3,337,597</b>	<b>3,369,066</b>	<b>3,222,537</b>	<b>▼</b>	<b>(146,529) -4%</b>

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 communicated by NBR. From this evaluation in 9 Months of 2023 the company registered revenues in amount of Lei 988,335 and expenses in amount of Lei 1,447,546, resulting a loss of - Lei 459,211.



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 83,580.



## Statement of the comprehensive income on quarters

Indicator	Q1 2023	Q2 2023	Q3 2023	Q1 2023 vs. Q1 2022	Q2 2023 vs. Q2 2022	Q3 2023 vs. Q3 2022
Revenues (Net sales)	61,570,251	50,706,030	50,118,004	(6,721,480)	(15,654,306)	(16,498,768)
Other Income	1,079,991	1,061,884	1,080,662	(36,622)	(76,330)	(33,577)
Increase (decrease) in inventories of finished goods and work in progress	959,536	(795,046)	244,573	(2,366,481)	(1,340,226)	(119,626)
Raw materials, consumables and utilities	(46,072,318)	(32,936,392)	(33,871,733)	8,892,938	13,955,855	14,617,461
Employee benefits expenses and social charges	(10,960,221)	(11,511,923)	(11,671,382)	(904,703)	(617,352)	(1,004,378)
Depreciation and amortisation expenses	(2,370,720)	(2,375,279)	(2,428,477)	88,805	69,943	(61,601)
Other expenses	(4,046,736)	(4,143,961)	(3,840,078)	(231,516)	(97,163)	146,091
Other gains and losses	4,022,658	21,619	16,622	3,958,056	(2,853)	(86,663)
<b>Profit (loss) from operating activities</b>	<b>4,182,441</b>	<b>26,932</b>	<b>(351,809)</b>	<b>2,678,997</b>	<b>(3,762,432)</b>	<b>(3,041,061)</b>
Finance Income	110,551	2,735,047	156,954	35,293	2,621,948	59,913
Finance Cost	(634,562)	(424,938)	(466,915)	(296,290)	(59,816)	(48,681)
<b>Profit (loss) before tax</b>	<b>3,658,430</b>	<b>2,337,041</b>	<b>(661,770)</b>	<b>2,418,000</b>	<b>(1,200,300)</b>	<b>(3,029,829)</b>
Income Tax	(468,902)	(305,663)	722,423	(279,091)	223,622	1,089,714
<b>Profit (loss) of the year</b>	<b>3,189,528</b>	<b>2,031,378</b>	<b>60,653</b>	<b>2,138,909</b>	<b>(976,678)</b>	<b>(1,940,115)</b>
<b>Total comprehensive income</b>	<b>3,189,528</b>	<b>2,031,378</b>	<b>60,653</b>	<b>2,138,909</b>	<b>(976,678)</b>	<b>(1,940,115)</b>
<b>EBITDA Operational</b>	<b>2,050,044</b>	<b>1,936,586</b>	<b>1,606,415</b>	<b>(1,375,798)</b>	<b>(3,755,424)</b>	<b>(2,854,688)</b>

### 1.3. REVENUES (NET SALES)

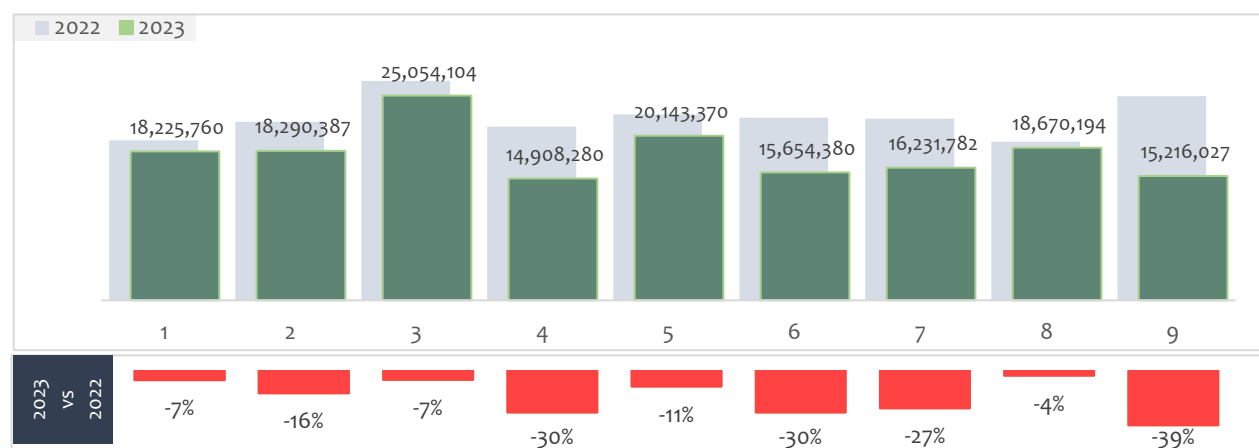
The item "Revenues(Net sales)" had the following evolution:

	9 Months 2021	9 Months 2022	9 Months 2023		2023 vs. 2022	
- Sales of finished goods	129,781,673	143,160,227	115,624,398	▼	(27,535,829)	-19%
- Sales of intermediary goods	20,507	64,889	4,268	▼	(60,621)	-93%
- Services rendered	368,803	589,416	357,249	▼	(232,168)	-39%
- Sales of commodities	67,488,938	51,823,055	41,085,485	▼	(10,737,571)	-21%
- Other sales	3,748,562	5,631,251	5,322,886	▼	(308,366)	-5%
<b>Total revenues</b>	<b>201,408,483</b>	<b>201,268,839</b>	<b>162,394,284</b>	<b>▼</b>	<b>(38,874,555)</b>	<b>-19%</b>

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

	9 Months 2021	9 Months 2022	9 Months 2023		2023 vs. 2022	
Plastic processing sector: polyethylene+polystyrene+ polypropylene	96,670,624	99,960,181	81,678,213	▼	(18,281,968)	-18%
Recycled polymers & Compounds	28,701,040	36,236,279	28,946,592	▼	(7,289,687)	-20%
Other production sectors (industrial and automotive filters, active carbon, respiratory protective equipment, PVC traffic base)	4,410,009	6,963,767	4,999,593	▼	(1,964,175)	-28%
Other activities	71,626,811	58,108,612	46,769,887	▼	(11,338,726)	-20%
<b>Total</b>	<b>201,408,483</b>	<b>201,268,839</b>	<b>162,394,284</b>	<b>▼</b>	<b>(38,874,555)</b>	<b>-19%</b>

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



	9 Months 2021	9 Months 2022	9 Months 2023		2023 vs. 2022	
Net sales	201,408,483	201,268,839	162,394,284	▼	(38,874,555)	-19%
Rental and royalty income	1,643,009	1,697,258	1,084,886	▼	(612,372)	-36%
<b>Turnover, out of which:</b>	<b>203,051,492</b>	<b>202,966,097</b>	<b>164,031,338</b>	<b>▼</b>	<b>(38,934,759)</b>	<b>-19%</b>
~domestic market	164,898,417	161,922,256	137,275,336	▼	(24,646,920)	-15%
~exports	38,153,075	41,043,841	26,756,003	▼	(14,287,839)	-35%

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	30.09.2021	30.09.2022	30.09.2023
EBIT	Gross profit + Income tax + Expenses with interest	6,098,803	8,056,639	6,648,627
EBITDA	EBIT + Depreciation-Subsidies for investment Revenue + Rental and royalty income	11,901,014	13,656,454	12,237,620
Sales(Turnover)		203,051,492	202,966,097	164,031,339
EBITDA to sales ratio	EBITDA/Sales	5.86%	6.73%	7.46%
EBITDA to Equity ratio	EBITDA/Equity	8.49%	9.93%	8.04%
Gross profit margin	Gross profit/Sales	2.66%	3.52%	3.25%
Current ratio	Current assets/Current liabilities	1.17	1.24	1.96
Quick ratio	(Current assets - Inventories)/Current liabilities	0.85	0.91	1.46
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	15%	16%	15%
Total liabilities to Assets ratio	Total liabilities/Total Assets	45%	46%	35%
Long term capital to Equity	Borrowed capital/Equity	3%	4%	5%
Long term capital to engaged capital	Borrowed capital/Engaged capital	2%	4%	5%
Interest coverage ratio	EBIT/Interest expenses	8.63	8.85	5.06
Account receivable turnover ratio (days)	Average receivables/Sales	71	84	98
Account payable turnover ratio (days)	Average payables/Sales	47	52	65
Non-current assets rotation	Non-current liabilities/Sales	1.40	1.49	1.41
Return on assets (ROA)	Net profit/Assets	1.84%	2.39%	2.25%
Return on equity (ROE)	Net profit/Equity	3.33%	4.40%	3.47%
Return on sales (ROS)	Net profit/Sales	2.30%	2.99%	3.22%

## 1.5. STATEMENT OF CASH FLOW

	30/09/22	31/12/22	30/09/23
<b>CASH FLOWS FROM OPERATIONS</b>			
Cash generated from operations ( A )	<b>1,651,268</b>	<b>(3,855,720)</b>	<b>9,940,083</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITY</b>			
Net cash (used in)/generated by investing activities( B )	<b>(5,748,897)</b>	<b>5,499,742</b>	<b>57,704,724</b>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>			
Net cash generated/used by/in financing activities ( C )	<b>503,266</b>	<b>(11,669,689)</b>	<b>(47,283,474)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)</b>	<b>(3,594,363)</b>	<b>(10,025,668)</b>	<b>20,361,333</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>12,798,377</b>	<b>12,798,377</b>	<b>2,772,709</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>9,204,014</b>	<b>2,772,709</b>	<b>23,134,043</b>



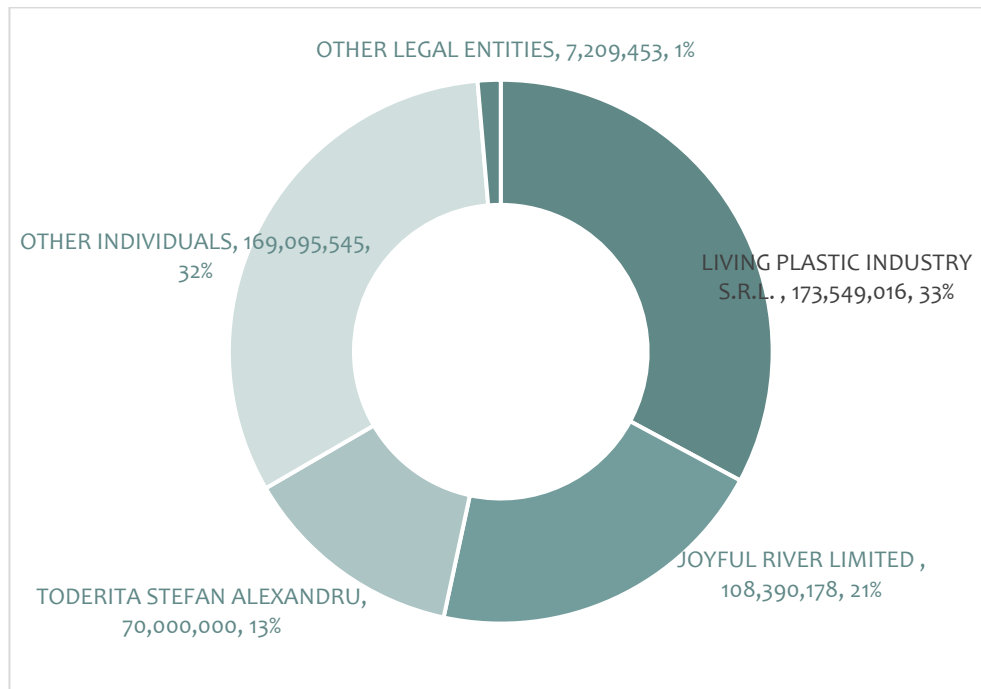


**2. TRANSACTIONS WITH AFFILIATES DURING THE PERIOD 01.01.2023 – 30.09.2023**

<b>Affiliate</b>	<b>Sales (w/o VAT)</b>	<b>Acquisitions (w/o VAT)</b>
ECO PACK MANAGEMENT SA	0	0
INFO TECH SOLUTIONS S.R.L.	18,290	642,238
LIVINGJUMBO INDUSTRY SA	30,471,245	1,221,393
RC ENERGO INSTALL SRL	113,403	3,472,202
YENKI SRL BUZAU	2,785	0
<b>Total</b>	<b>30,605,722</b>	<b>5,335,832</b>

**3. STRUCTURE OF SHAREHOLDERS**

As at **30.09.2023** 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.



Evolution of average price of ROCE shares in the period 01.01.2022-25.09.2023

Starting from 26.09.2023, a share price correction factor was applied with a value of 2. Details [HERE](#).

**The Separate Financial Statements for the period ended September 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 September 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 13 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 SEPTEMBER 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 SEPTEMBER 30, 2023**

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

	<b>Period ended September 30, 2023 RON</b>	<b>Period ended September 30, 2022 RON</b>
Revenues	162,394,285	201,268,839
Other income	3,222,537	3,369,066
Changes in inventories	409,063	4,235,396
Raw materials, consumables and utilities	(112,880,443)	(150,346,697)
Employee salaries and benefits	(34,143,526)	(31,617,093)
Depreciation and amortization expenses	(7,174,476)	(7,271,623)
Operational expenses	(12,030,775)	(11,848,187)
Other gains or losses	4,060,899	192,359
<b>Profit from operating activities</b>	<b>3,857,564</b>	<b>7,982,060</b>
Finance income	3,002,552	285,398
Finance cost	(1,526,415)	(1,121,628)
<b>Profit before tax</b>	<b>5,333,701</b>	<b>7,145,830</b>
Income tax	(52,142)	(1,086,387)
<b>Profit of the year</b>	<b>5,281,559</b>	<b>6,059,443</b>
<b>Total comprehensive income</b>	<b>5,281,559</b>	<b>6,059,443</b>
Earnings per share	0.0100	0.0229
<b>Number of shares</b>	<b>528,244,192</b>	<b>264,122,096</b>

The condensed interim Separate financial statements have been approved by the Board of Directors on November 14, 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 SEPTEMBER 30, 2023**

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

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	105,770,556	102,490,667
Investment property	9,883,738	9,883,738
Intangible assets	467,939	330,920
Financial assets	460,594	20,608,559
<b>Total non-current assets</b>	<b>116,582,827</b>	<b>133,313,884</b>
<b>CURRENT ASSETS</b>		
Inventories	30,540,699	29,963,708
Trade and other receivables	55,792,132	63,653,763
Other current financial assets	6,180,974	42,738,851
Other current non-financial assets	2,819,362	3,864,347
Cash and cash equivalents	23,134,043	2,772,709
<b>Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners</b>	<b>118,467,210</b>	<b>142,993,378</b>
Non-current assets held for sale	-	3,760,155
<b>Total current assets</b>	<b>118,467,210</b>	<b>146,753,533</b>
<b>TOTAL ASSETS</b>	<b>235,050,037</b>	<b>280,067,417</b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
Issued capital	52,824,419	26,412,210
Retained earnings	37,695,717	70,732,989
Share premiums	2,182,283	2,182,283
Other Reserves	59,595,992	60,895,475
<b>Total equity</b>	<b>152,298,411</b>	<b>160,222,957</b>
<b>Non-current provisions</b>		
Other provisions	1,000,000	1,000,000
<b>Total non-current provisions</b>	<b>1,000,000</b>	<b>1,000,000</b>
Deferred tax liabilities	7,780,659	7,780,659
Other non-current financial liabilities	7,757,103	4,044,764
Other non-current non-financial liabilities	5,889,705	7,475,188
<b>Total non-current liabilities</b>	<b>21,427,467</b>	<b>19,300,611</b>



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

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<b>Current liabilities</b>		
Trade and other payables	30,363,682	48,060,899
Other current financial liabilities	23,988,713	45,859,692
Other current non-financial liabilities	5,971,764	5,623,258
<b>Total current liabilities</b>	<u><b>60,324,159</b></u>	<u><b>99,543,849</b></u>
<b>Total liabilities</b>	<u><b>82,751,626</b></u>	<u><b>119,844,460</b></u>
<b>Total equity and liabilities</b>	<u><b>235,050,037</b></u>	<u><b>280,067,417</b></u>

The condensed interim Separate financial statements have been approved by the Board of Directors on November 14, 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 SEPTEMBER 30, 2023**

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

	<b>Issued capital</b>	<b>Share premiums</b>	<b>Revaluation reserves</b>	<b>Legal reserves</b>	<b>Other reserve</b>	<b>Retained earnings</b>	Total
<b>01/jan/2023</b>	<b>26,412,210</b>	<b>2,182,283</b>	<b>39,093,925</b>	<b>5,282,442</b>	<b>16,519,107</b>	<b>70,732,989</b>	<b>160,222,957</b>
Increases from revaluation of property, plant and equipment	-	-	-	-	-	-	-
Decreases from revaluation of property, plant and equipment	-	-	-	-	-	-	-
Dividends declared	-	-	-	-	-	(13,206,105)	<b>(13,206,105)</b>
Net profit of the period	-	-	-	-	-	5,281,559	<b>5,220,906</b>
Transfer to reserves	-	-	-	-	-	-	-
Transfer of reserves to retained earnings	-	-	(1,299,483)	-	-	1,299,483	-
Transfer to capital	26.412.209	-	-	-	-	(26,412,209)	-
Adjusted deferred tax related to fiscally non-deductible revaluation reserves	-	-	-	-	-	-	-
<b>30/sept/2023</b>	<b>52,824,419</b>	<b>2,182,283</b>	<b>37,794,442</b>	<b>5,282,442</b>	<b>16,519,107</b>	<b>37,695,717</b>	<b>152,298,410</b>

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 November 14, 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 SEPTEMBER 30, 2023**

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

	<b>30/09/2023</b>	<b>30/09/2022</b>
<b>Net profit of the period</b>	<b>5,281,559</b>	<b>6,059,443</b>
Income tax expense	52,142	1,086,387
Depreciation	7,174,476	7,271,623
(Gain) / Loss on fixed assets disposal	-	(9,006)
(Gain) / Loss on investment property disposal	-	(70,566)
(Gain) / Loss on assets held for sale disposal	(3,992,451)	-
Gains on internal set-up of fixed assets	(254,643)	(9,793)
Loss on impairment of stocks and receivables	(1,427)	-
Loss on receivables and sundry debtors	1,427	188
Interest expense	1,526,415	1,121,628
Interest income	(561,696)	(182,958)
Income from subsidies	(1,585,483)	(1,671,808)
Unrealised foreign exchange gain / (loss)	(2,440,856)	(102,440)
<b>Movements in working capital:</b>		
(Increase) / Decrease in trade and other receivables	26,219,792	(10,469,942)
(Increase) / Decrease in inventories	(575,565)	(3,887,159)
(Increase) / Decrease in other assets	(1,976,338)	10,424
Increase / (Decrease) in trade payables	(17,697,218)	4,297,394
Increase / (Decrease) in other liabilities	193,553	48,579
<b>Cash used in operating activities</b>	<b>11,363,687</b>	<b>3,491,994</b>
Income tax paid	102,811	(719,096)
Interest and bank charges paid	(1,526,415)	(1,121,628)
<b>Net cash used in operating activities</b>	<b>9,940,083</b>	<b>1,651,270</b>
<b>Cash flows from investing activities:</b>		
Interest received	561,696	182,958
Payments for tangible assets	(10,114,073)	(5,237,087)
Proceeds from sale of investment properties	-	249,299
Proceeds from sale of tangible and intangible assets	-	9,000
Proceeds from sale of assets held for sale	7,752,606	-
Proceeds from subsidies	-	300,230
Related party loans granted	-	(1,249,274)
Payments for intangible assets	(222,671)	(3,023)
Proceeds from financial investments	20,147,966	-
Payments for financial assets	-	(1,000)
Dividends received	39,579,200	-
<b>Net cash generated by/used in investing activities</b>	<b>57,704,724</b>	<b>(5,748,897)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from/repayment of bank loans	(18,332,022)	503,263
Dividends paid	(28,951,452)	-
<b>Net cash generated by/(used in) financing activities</b>	<b>(47,283,474)</b>	<b>503,263</b>



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

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

	<u>30/09/2023</u>	<u>30/09/2022</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>20,361,333</u>	<u>(3,594,363)</u>
<b>Cash and cash equivalents at the beginning of the year</b>	<u>2,772,710</u>	<u>12,798,377</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>23,134,043</u>	<u>9,204,014</u>

The condensed interim Separate financial statements have been approved by the Board of Directors on November 14, 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 SEPTEMBER 30, 2023**

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

**REVENUES (NET SALES)**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Sales of finished goods	116,312,435	144,070,964
Sales of commodities	40,401,715	50,977,207
Services rendered	357,249	589,416
Other sales	5,322,886	5,631,252
<b>Total</b>	<b>162,394,285</b>	<b>201,268,839</b>

**OTHER INCOME**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Income from lease of investment property	1,637,054	1,697,258
Income from subsidies	1,585,483	1,671,808
<b>Total</b>	<b>3,222,537</b>	<b>3,369,066</b>

**RAW MATERIALS, CONSUMABLES AND UTILITIES**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Raw materials	51,757,521	76,279,266
Commodities sold	40,305,056	50,057,534
Energy, water and gas expenses	15,830,344	18,977,145
Consumables	4,987,522	5,032,752
<b>Total</b>	<b>112,880,443</b>	<b>150,346,697</b>

**EMPLOYEE BENEFITS EXPENSES AND SOCIAL CHARGES**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Salaries	31,647,106	29,461,285
Social contributions (taxes)	741,648	708,387
Meal tickets	1,754,772	1,447,421
<b>Total</b>	<b>34,143,526</b>	<b>31,617,093</b>



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

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

**DEPRECIATION/AMORTIZATION AND  
IMPAIRMENT EXPENSES**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Total depreciation expenses, of which:	<b>7,174,476</b>	<b>7,271,623</b>
Depreciation of property plant and equipment	7,088,822	7,182,894
Amortization of intangible assets	85,654	88,729
<b>Total</b>	<b>7,174,476</b>	<b>7,271,623</b>

**OPERATING EXPENSES**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Expenses with transport and logistics	3,782,210	4,341,139
Other expenses with third party services	5,201,345	4,378,859
Protocol and marketing	84,809	93,404
Expenses with repairs	1,112,056	1,268,321
Taxes and levies	922,807	908,798
Losses on receivables	1,427	188
Expenses with insurances	297,262	279,793
Expenses with postal charges and telecommunications	81,385	84,298
Expenses with travels	143,678	84,935
Expenses with rentals	138,039	162,649
Expenses with fines and penalties	39,037	8,504
Other expenses	226,720	237,299
<b>Total</b>	<b>12,030,775</b>	<b>11,848,187</b>

**OTHER GAINS AND LOSSES**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
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	70,566
Gain / (loss) from the variation of provisions	1,427	-
Other gains	66,342	106,039
<b>Total</b>	<b>4,060,899</b>	<b>192,359</b>

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

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

**FINANCE INCOME**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Interest income on bank deposits	561,696	182,958
Gains on foreign exchange differences	2,440,856	102,440
<b>Total</b>	<b>3,002,552</b>	<b>285,398</b>

**FINANCE COST**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Bank interest and leases expenses	1,314,926	910,809
Bank commissions and assimilated charges	211,489	210,819
Loss on foreign exchange differences	-	-
<b>Total</b>	<b>1,526,415</b>	<b>1,121,628</b>

**PROFIT TAX**

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Current profit tax expense	52,142	1,086,387
Deferred profit tax expense	-	-
<b>Total</b>	<b>52,142</b>	<b>1,086,387</b>





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 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
<b>COST</b>						
<b>Balance as at January 01, 2023</b>	<b>43,567,512</b>	<b>18,836,122</b>	<b>118,584,958</b>	<b>867,556</b>	<b>4,486,490</b>	<b>186,342,638</b>
Additions, out of which:	-	784,154	5,922,210	43,426	12,692,440	19,442,230
Transfers	-	784,154	5,922,210	43,426		6,749,790
Disposals, out of which:	-	-	(338,517)	(17,138)	(9,028,718)	(9,384,372)
Transfers					(6,749,790)	(6,749,790)
<b>Sold la 30 Septembrie 2023</b>	<b>43,567,512</b>	<b>19,620,276</b>	<b>124,168,652</b>	<b>893,843</b>	<b>8,150,212</b>	<b>196,400,496</b>
	Land	Buildings	Plant and equipment	Installations and furniture	Tangible assets in progress and advances	Total
	RON	RON	RON	RON	RON	RON
<b>CUMULATED DEPRECIATION</b>						
<b>Balance as at January 01, 2023</b>	-	-	<b>(83,355,743)</b>	<b>(496,228)</b>	-	<b>(83,851,971)</b>
Expenses with depreciation	-	(1,010,522)	(6,037,256)	(41,046)	-	(7,088,824)
Decrease from sale of assets	-	-	293,717	17,138	-	310,855
<b>Balance as at September 30, 2023</b>	-	<b>(1,010,522)</b>	<b>(89,099,282)</b>	<b>(520,136)</b>	-	<b>(90,629,940)</b>
<b>Net book value as at January 01, 2023</b>	<b>43,567,512</b>	<b>18,836,122</b>	<b>35,229,215</b>	<b>371,328</b>	<b>4,486,490</b>	<b>102,490,667</b>
<b>Net book value as at September 30, 2023</b>	<b>43,567,512</b>	<b>18,609,754</b>	<b>35,069,370</b>	<b>373,707</b>	<b>8,150,212</b>	<b>105,770,555</b>



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

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

	<b>Licences</b>	<b>Other intangible assets</b>	<b>Intangible assets in progress</b>	<b>Total</b>
	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
<b><i>COST</i></b>				
<b>Balance as at January 01, 2023</b>	<b>1,052,687</b>	<b>713,307</b>	<b>140,646</b>	<b>1,906,640</b>
Additions, out of which:	1,004	22,284	199,384	222,672
Transfers				
Disposals, out of which:	-	-	-	-
Transfers				
<b>Balance as at September 30, 2023</b>	<b>1,053,691</b>	<b>735,591</b>	<b>340,030</b>	<b>2,129,312</b>
	<b>Licences</b>	<b>Other intangible assets</b>	<b>Intangible assets in progress</b>	<b>Total</b>
	<b>RON</b>	<b>RON</b>		<b>RON</b>
<b><i>CUMULATED AMORTIZATION</i></b>				
<b>Balance as at January 01, 2023</b>	<b>(931,496)</b>	<b>(644,224)</b>		<b>(1,575,720)</b>
Expenses with amortization	(61,712)	(23,942)		(85,654)
Decrease from sale of assets	-	-		-
<b>Balance as at September 30, 2023</b>	<b>(993,208)</b>	<b>(668,166)</b>		<b>(1,661,374)</b>
<b>Net book value as at September 30, 2023</b>	<b>60,483</b>	<b>67,425</b>	<b>340,030</b>	<b>467,938</b>

**INVESTMENT PROPERTY**

	<b>30-09-2023</b>	<b>31-12-2022</b>
<b>Balance as at the beginning of the period</b>	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)
<b>Balance as at the end of the period</b>	<b>9,883,738</b>	<b>9,883,738</b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 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:

	<b>Core activity</b>	<b>Place of establishment and operations</b>	<b>September 30, 2023</b>
			<b>RON</b>
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
<b>Total Cost</b>			<b><u>10,192,231</u></b>
<b>Adjustments of impairment</b>			
GRINFILD LTD			(2,687,755)
LIVING JUMBO INDUSTRY SA			(6,477,632)
ECO PACK MANAGEMENT SA			(554,263)
YENKI SRL			(11,988)
<b>Total adjustments</b>			<b>(9,731,638)</b>
<b>NET BOOK VALUE</b>			<b>460,594</b>

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

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

**CURRENT INVENTORIES**

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
Raw materials	12,481,747	12,085,436
Consumables	4,704,680	4,136,060
Items of inventory	127,247	91,163
Packaging	287,591	338,888
Finished products	9,604,650	10,659,376
Unfinished products	1,778,902	2,545,108
Semi-finished products	1,941,765	1,154,260
Residual products	71,605	6,738
Commodities	1,067,614	634,233
Advances for purchases of inventory	190,827	28,374
Allowance for obsolete inventories	(1,715,929)	(1,715,929)
<b>Total</b>	<b>30,540,699</b>	<b>29,963,708</b>

**TRADE AND OTHER RECEIVABLES**

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
Trade receivables	55,599,180	64,392,234
Allowances for doubtful clients	(1,176,674)	(1,178,100)
Taxes to recovered	1,362,756	425,361
Other receivables	6,870	9,519
Subsidies receivable	-	4,750
<b>Total</b>	<b>55,792,132</b>	<b>63,653,763</b>

**OTHER CURRENT FINANCIAL ASSETS**

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
Loans granted to related parties	3,000,000	3,000,000
Interest related to loans granted to related parties	339,158	159,651
Dividends to be received from affiliates	-	39,579,200
Other current financial assets	2,841,816	-
	<b>6,180,974</b>	<b>42,738,851</b>

**OTHER CURRENT NON-FINANCIAL ASSETS**

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
Prepaid expenses	2,598,576	3,443,102
Advances to services suppliers	220,786	421,245
<b>Total</b>	<b>2,819,362</b>	<b>3,864,347</b>



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

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

**CASH ON HAND AND AT BANKS**

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
Cash at banks	22,813,311	2,288,028
Cash on hand	28,115	22,152
Cash equivalents	292,617	462,529
<b>Total</b>	<b>23,134,043</b>	<b>2,772,709</b>

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

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
<b>Balance at the beginning of the period</b>	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	-	-
<b>Balance at the end of the period</b>	<b>-</b>	<b>3,760,155</b>

**ISSUED CAPITAL**

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
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	-	-
<b>Total</b>	<b>52,824,419</b>	<b>26,412,210</b>

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

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

	September 30, 2023		December 31, 2022	
	No. of Shares*	% holding	No. of shares	% holding
Living Plastic Industry SRL	173,549,016	32.85%	86,774,508	32.85%
Joyful River Limited Loc, Nicosia CYP	108,390,178	20.52%	54,195,089	20.52%
Toderita Stefan Alexandru	70,000,000	13.25%	32,700,000	12.38%
Other legal entities	7,209,453	1.36%	9,815,721	3.72%
Other natural persons	169,095,545	32.01%	80,636,778	30.53%
<b>Total</b>	<b>528,244,192</b>	<b>100%</b>	<b>264,122,096</b>	<b>100%</b>

\*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.

**RETAINED EARNINGS**

	30/09/2023	31/12/2022
<b>Balance at the beginning of the period</b>	<b>70,732,989</b>	<b>47,008,179</b>
Net profit	5,281,559	51,471,690
Transfer to legal reserves	-	(1,105,471)
Transfer to other reserves	-	(862,410)
Transfers from revaluation reserves	1,299,483	633,211
Transfer to capital	(26,412,209)	-
Dividend allocation	(13,206,105)	(26,412,210)
<b>Balance at the end of the period</b>	<b>37,695,717</b>	<b>70,732,989</b>

**RESERVES**

	30/09/2023	31/12/2022
Legal reserves	5,282,442	5,282,442
Other reserves	16,519,108	16,519,108
Revaluation reserves	37,794,442	39,093,925
<b>Total</b>	<b>59,595,992</b>	<b>60,895,475</b>



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

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

**REVALUATION RESERVES**

	<b>30/09/2023</b>	<b>31/12/2022</b>
<b>Balance at the beginning of the period</b>	<b>39,093,925</b>	<b>38,708,540</b>
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	(1,299,483)	(633,211)
Adjustment of deferred tax on fiscally non-deductible revaluation reserves	-	273,332
<b>Balance at the end of the period</b>	<b>37,794,442</b>	<b>39,093,925</b>

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

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
UniCredit Bank (credit line)	7,197,988	25,973,635
Eximbank SA (credit line)	11,785,224	12,333,191
UniCredit Bank - Investment loan - CCE 2015	1,906,465	2,757,779
Investment loan VI - UniCredit Bank	765,248	686,604
Investment loan VII - UniCredit Bank	2,333,788	308,881
Inventories purchase facility - UniCredit Bank	-	3,799,602
<b>Total</b>	<b>23,988,713</b>	<b>45,859,692</b>

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

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
Investment loan VI - UniCredit Bank	1,339,184	1,882,603
Investment loan VII - UniCredit Bank	6,417,919	2,162,161
<b>Total</b>	<b>7,757,103</b>	<b>4,044,764</b>



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

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

**OTHER NON-FINANCIAL LIABILITIES****- SUBSIDIES**

	<b>30/09/2023</b>	<b>31/12/2022</b>
Grants – project co-funded by European funds for 2011	1,748,794	2,392,946
Grants – project co-funded by European funds for 2015	5,421,141	6,305,217
Grants – project co-funded by European funds for 2022	833,748	891,003
<b>Subtotal subsidies</b>	<b>8,003,683</b>	<b>9,589,166</b>

**- OTHER LIABILITIES**

	<b>30/09/2023</b>	<b>31/12/2022</b>
Liabilities to employees	1,473,246	1,206,400
Liabilities related to social contributions	1,358,387	1,222,304
Other tax liabilities	1,026,153	1,080,576
Advance income	-	-
<b>Subtotal other liabilities</b>	<b>3,857,786</b>	<b>3,509,280</b>

**Total Other non-financial liabilities, out of which:**

- Short-term liabilities	5,971,764	5,623,258
- Long-term liabilities	5,889,705	7,475,188

**TRADE PAYABLES AND OTHER PAYABLES**

	<b>30/09/2023</b>	<b>31/12/2022</b>
	<b>RON</b>	<b>RON</b>
Trade payables	(26,583,553)	(28,599,321)
Other payables	(2,835,694)	(15,855,290)
Suppliers invoices not received	(556,520)	(688,421)
Advances from clients	(387,915)	(2,917,867)
<b>Total</b>	<b>(30,363,682)</b>	<b>(48,060,899)</b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 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	
	9 Months 2022	9 Months 2023	9 Months 2022	9 Months 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023
ECO PACK MANAGEMENT SA	0	0	0	0		0	29,442	29,442
INFO TECH SOLUTIONS S.R.L.	22,320	18,290	411,979	642,238		7,376	138,276	72,388
LIVINGJUMBO INDUSTRY SA	45,421,550	30,471,245	1,177,290	1,221,393	35,300,097	29,000,196	247,770	460,638
RC ENERGO INSTALL SRL	86,013	113,403	2,038,034	3,472,202		46,264	41,163	497,329
YENKI SRL BUZAU	0	2,785	0	0		0	0	0
<b>TOTAL</b>	<b>45,529,884</b>	<b>30,605,722</b>	<b>3,627,303</b>	<b>5,335,832</b>	<b>35,300,097</b>	<b>29,053,836</b>	<b>456,651</b>	<b>1,059,798</b>

Note : As at September 30, 2023 the Company has to receive from its subsidiary, RC Energo Install SRL, the amount of RON 3,339,158 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 SEPTEMBER 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	30.09.2021	30.09.2022	30.09.2023
EBIT	Gross profit + Income tax + Expenses with interest	6,098,803	8,056,639	6,648,627
EBITDA	<i>EBIT + Depreciation - Subsidies for investments</i>	11,901,014	13,656,454	12,237,620
EBITDA to sales ratios	EBITDA/Sales	5.86%	6.73%	7.46%
EBITDA to Equity	EBITDA/Equity	8.49%	9.93%	8.04%
Gross profit ratio	Gross profit/Sales	2.66%	3.52%	3.25%
Current liquidity	Current assets/Current liabilities	1.17	1.24	1.96
Quick liquidity	(Current assets- Inventories)/Current liabilities	0.85	0.91	1.46
Non-current liabilities to Equity	Non-current liabilities/Equity	15%	16%	15%
Total liabilities to Assets	Total liabilities/Total Assets	45%	46%	35%
Interest coverage ratio	EBIT/Interest expenses	9	9	5
Receivables rotation (days)	Average receivables/Sales	71	84	98
Payables rotation (days)	Average payables/Sales	47	52	65
Return on Assets(ROA)	Net profit/Assets	1.84%	2.39%	2.25%
Return on Equity(ROE)	Net profit/Equity	3.33%	4.40%	3.47%
Return on Sales(ROS)	Net profit/Sales	2.30%	2.99%	3.22%

The condensed interim Separate financial statements have been approved by the Board of Directors on November 14, 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 SEPTEMBER 30, 2023



## BOARD OF DIRECTORS' REPORT REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS

### MAIN ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Indicator	9 Months of 2021	9 Months of 2022	9 Months of 2023	2023 vs 2022	
Revenue (Sales)	247,775,883	288,827,110	229,981,206	▼	(58,845,904) -20%
Other income	3,206,812	3,243,392	3,074,258	▼	(169,134) -5%
Share of profit / loss of associates	2,857,339	3,825,314	-	▼	(3,825,314) -100%
EBITDA	16,019,992	24,518,607	9,620,650	▼	(14,897,957) -61%
<b>EBITDA Operational</b>	<b>14,103,112</b>	<b>20,837,719</b>	<b>5,992,767</b>	▼	<b>(14,844,952) -71%</b>
<b>Profit (loss) from operating activities</b>	<b>5,875,369</b>	<b>12,933,613</b>	<b>1,893,831</b>	▼	<b>(11,039,782) -85%</b>
Net profit/loss	<b>5,676,182</b>	<b>13,407,174</b>	<b>(906,030)</b>	▼	<b>(14,313,203) -107%</b>
<b>Net profit without the impact of Share of profit / loss of associates [Green-Group]</b>	<b>2,818,844</b>	<b>9,581,860</b>	<b>(906,030)</b>	▼	<b>(10,487,889) -109%</b>
Non-Current assets	173,961,191	165,632,081	135,236,591	▼	(30,395,490) -18%
Current assets	126,480,541	150,312,232	148,022,999	▼	(2,289,233) -2%
Total Equity	142,784,719	149,715,065	155,789,239	▲	6,074,174 4%
Total Liabilities	157,657,014	166,229,248	127,470,351	▼	(38,758,897) -23%
Cash and cash equivalents	12,389,833	15,370,035	26,726,183	▲	11,356,148 74%
Debt ratio	52%	53%	45%	▼	(0) -14%
Current liquidity	105%	109%	149%	▲	0 36%

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 (9 Months)	2021	2022	2023	2023 vs 2022	
<b>TURNOVER</b>	203,051,492	202,966,097	164,031,338	(38,934,759)	-19%
<b>EBITDA Operational</b>	12,537,767	13,578,953	5,593,044	(7,985,909)	-59%
<b>NET PROFIT/LOSS</b>	4,669,567	6,059,443	5,281,559	(777,884)	-13%

From **EBITDA Operational** to **Net Profit/Loss**

Indicator (9 months)	2021	2022	2023	2023 vs 2022	
<b>EBITDA OPERATIONAL</b>	<b>12,537,767</b>	<b>13,578,953</b>	<b>5,593,044</b>	<b>(7,985,909)</b>	<b>-59%</b>
Fixed assets depreciation	(7,496,799)	(7,271,623)	(7,174,476)	97,146	-1%
Revenues from subsidy from Government for investments	1,694,588	1,671,808	1,585,483	(86,324)	-5%
Interest expenses	(706,399)	(910,809)	(1,314,926)	(404,118)	44%
Gain/loss from sales of assets	55,256	79,572	3,992,452	3,912,880	4917%
Other non-operational items(provisions, penalties, donations)	(148,167)	(335,144)	(361,776)	(26,632)	8%
Forex gain/loss	(668,481)	102,438	2,440,856	2,338,417	2283%
Other gain/loss from Financial	124,637	230,634	573,044	342,410	148%
Tax on profit	(722,837)	(1,086,387)	(52,142)	1,034,245	-95%
<b>NET PROFIT</b>	<b>4,669,567</b>	<b>6,059,443</b>	<b>5,281,559</b>	<b>(777,884)</b>	<b>-13%</b>



## LIVINGJUMBO INDUSTRY SA

Indicator (9 Months)	2021	2022	2023	2023 vs 2022	
<b>TURNOVER</b>	96,285,241	125,478,380	86,487,357	(38,991,023)	-31%
<b>EBITDA Operational</b>	1,216,599	6,229,279	(64,245)	(6,293,524)	-101%
<b>NET PROFIT/LOSS</b>	(2,045,373)	2,812,732	(3,599,624)	(6,412,356)	-228%

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

From **EBITDA Operational** to **Net Profit/Loss**

Indicator (9 months)	2021	2022	2023	2023 vs 2022	
<b>EBITDA OPERATIONAL</b>	<b>1,216,599</b>	<b>6,229,279</b>	<b>(64,245)</b>	▼	(6,293,524)
Fixed assets depreciation	(3,555,448)	(3,611,183)	(3,655,572)	▲	(44,389)
Revenues from subsidy from Government for investments	1,114,681	1,114,681	1,114,681	—	-
Interest expenses	(498,585)	(627,388)	(856,447)	▲	(229,059)
Gain/loss from sales of assets	-	-	5,000	▲	5,000
Other non-operational items(provisions, penalties, donations)	(27,686)	(12,330)	(48,082)	▲	(35,752)
Forex gain/loss	(262,875)	(234,616)	(86,843)	▼	147,773
Other gain/loss from Financial	(32,058)	(45,712)	(8,117)	▼	37,595
<b>NET PROFIT/LOSS</b>	<b>(2,045,373)</b>	<b>2,812,732</b>	<b>(3,599,624)</b>	▲	<b>(6,412,356)</b>

## Presentation of the evolution of the key indicators on production sectors – 9 Months

	Indicators (9 Months)	A.2021	A.2022	A.2023	A.2023 vs A.2022		A.2023 vs B.2023		
ROMCARBON	<b>PLASTIC PROCESSING SECTOR: POLYETHYLENE</b>								
	Turnover	26,747,290	28,578,446	21,909,123	(6,669,323)	-23%	(11,864,867)	-35%	
	EBITDA before overhead	(372,006)	1,670,637	1,259,256	(411,382)	-25%	(1,506,756)	-54%	
	Profit before overhead	(964,818)	1,114,845	701,282	(413,563)	-37%	(1,494,742)	-68%	
	<b>PLASTIC PROCESSING SECTOR : POLYSTYRENE</b>								
	Turnover	40,803,243	42,713,335	35,981,150	(6,732,185)	-16%	(7,675,487)	-18%	
	EBITDA before overhead	8,463,720	6,068,554	6,398,916	330,363	5%	(629,560)	-9%	
	Profit before overhead	7,401,730	5,120,411	5,425,030	304,619	6%	(580,471)	-10%	
	<b>PLASTIC PROCESSING SECTOR : POLYPROPYLENE</b>								
	Turnover	32,538,674	31,888,939	25,628,376	(6,260,563)	-20%	(9,363,328)	-27%	
	EBITDA before overhead	4,322,447	2,911,600	3,464,336	552,735	19%	329,690	11%	
	Profit before overhead	4,079,108	2,671,637	3,202,251	530,615	20%	305,502	11%	
	<b>RECYCLED POLYMERS &amp; COMPOUNDS</b>								
	Turnover	29,696,954	40,118,668	30,125,010	(9,993,658)	-25%	(17,185,278)	-36%	
	EBITDA before overhead	4,547,805	6,321,434	84,552	(6,236,883)	-99%	(6,913,653)	-99%	
Profit before overhead	1,661,828	3,386,023	(2,669,064)	(6,055,087)	-179%	(6,720,025)	-166%		
<b>OTHER PRODUCTIVE SECTORS : FILTERS, ACTIVE CARBON, PROTECTIVE EQUIPMENT, PVC TRAFFIC BASE SIGNS</b>									
Turnover	4,448,167	7,037,692	5,027,131	(2,010,561)	-29%	(806,671)	-14%		
EBITDA before overhead	569,213	2,190,664	679,395	(1,511,269)	-69%	(168,153)	-20%		
Profit before overhead	328,434	1,958,205	434,373	(1,523,831)	-78%	(178,365)	-29%		
LIVINGJUMBO INDUSTRY	<b>PLASTIC PROCESSING SECTOR : POLYPROPYLENE</b>								
	Turnover	52,774,665	67,355,436	45,488,585	(21,866,851)	-32%	(17,238,201)	-27%	
	EBITDA before overhead	3,331,830	6,917,819	2,841,165	(4,076,654)	-59%	(2,353,214)	-45%	
	Profit before overhead	2,781,777	6,379,814	2,332,936	(4,046,878)	-63%	(2,342,863)	-50%	
	<b>PLASTIC PROCESSING SECTOR : PET</b>								
Turnover	43,510,577	58,122,941	40,998,773	(17,124,168)	-29%	(18,665,600)	-31%		
EBITDA before overhead	975,060	2,776,531	805,258	(1,971,273)	-71%	(3,159,506)	-80%		
Profit before overhead	(915,655)	818,034	(1,222,404)	(2,040,438)	-249%	(3,225,168)	-161%		

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

**A** = Actual; **B** = Budget





## ACTIVITY OF THE GROUP

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

EntitatYY	30.09.2023		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 September 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, 3<sup>rd</sup> 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 2023 is presented in the table below:

Company	Result 9 Months 2022 (in lei)	Result 9 Months 2023 (in lei)	2023 vs 2022
Romcarbon SA	6,059,443	5,281,559	(777,884)
Living Jumbo Industry SA	2,812,732	(3,599,624)	(6,412,356)
RC Energo Install SRL	726,054	109,319	(616,735)
Infotech Solutions SRL	84,873	251,766	166,893
Recyplat Ltd Cipru	(246)	(2,849,719)	(2,849,473)
Eco Pack Management SA	(1,479)	(2,465)	(987)
Consolidation adjustments <sup>1</sup>	3,725,798	(96,866)	(3,822,663)
<b>Total</b>	<b>13,407,174</b>	<b>(906,030)</b>	<b>(14,313,204)</b>

<sup>1</sup> Consolidation adjustments

Consolidation adjustments	Result 9 Months 2022 (in lei)	Result 9 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	(99,516)	(64,197)	35,319
Share of the profit of the associates (Romgreen Universal LTD)*	3,825,314	-	(3,825,314)
Adjustments related the capital premium cancellation in Recyplat	-	(32,377)	(32,377)
Corrections	-	(291)	(291)
<b>Total Adjustments</b>	<b>3,725,798</b>	<b>(96,866)</b>	<b>(3,822,663)</b>

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

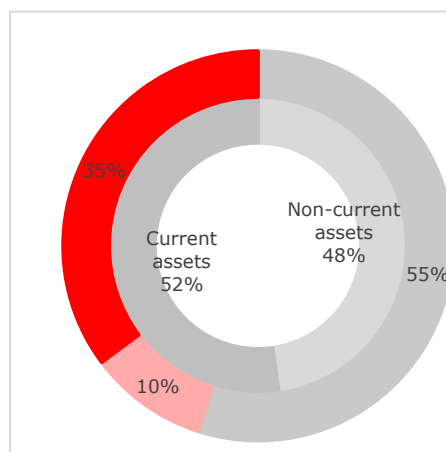


## CONSOLIDATED FINANCIAL STATEMENTS

## A.) STATEMENT OF THE FINANCIAL POSITION

Indicator	30/09/2022	31/12/2022	30/09/2023	30.09.23 vs. 31.12.22	
Property, plant and equipment	127,206,799	123,886,765	124,434,885	548,120	▲ 0.44%
Investment property	10,715,853	9,883,738	9,883,738	0	— 0.00%
Goodwill	143,461	143,461	143,461	0	— 0.00%
Intangible assets other than goodwill	218,062	329,100	476,533	147,433	▲ 44.80%
Investments accounted for using equity method	27,149,932	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	0	-1,898	▼ -100.00%
<b>Total non-current assets</b>	<b>165,632,081</b>	<b>134,542,936</b>	<b>135,236,591</b>	<b>693,655</b>	<b>▲ 0.52%</b>
Current inventories	66,607,284	65,899,751	57,882,504	-8,017,247	▼ -12.17%
Trade and other current receivables	62,064,972	60,979,526	56,570,494	-4,409,032	▼ -7.23%
Other current financial assets	21,862	263,414	2,879,208	2,615,794	▲ 993.04%
Other current non-financial assets	2,487,924	4,796,687	3,964,610	-832,077	▼ -17.35%
Cash and cash equivalents	15,370,035	73,869,061	26,726,183	-47,142,878	▼ -63.82%
Non-current assets classified as held for sale	3,760,155	3,760,155	0	-3,760,155	▼ -100.00%
<b>Total current assets</b>	<b>150,312,232</b>	<b>209,568,594</b>	<b>148,022,999</b>	<b>-61,545,595</b>	<b>▼ -29.37%</b>
<b>ASSETS</b>	<b>315,944,313</b>	<b>344,111,530</b>	<b>283,259,590</b>	<b>-60,851,940</b>	<b>▼ -17.68%</b>
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	59,858,409	62,917,677	61,682,913	-1,234,764	▼ -1.96%
Retained earnings	60,342,231	77,247,165	38,182,507	-39,064,658	▼ -50.57%
Equity attributable to equity holders of the parent	148,795,133	168,759,335	154,872,122	-13,887,213	▼ -8.23%
Non-controlling interests	919,932	920,916	917,117	-3,799	▼ -0.41%
<b>Total equity</b>	<b>149,715,065</b>	<b>169,680,251</b>	<b>155,789,239</b>	<b>-13,891,012</b>	<b>▼ -8.19%</b>
Other non-current provisions	659,623	1,429,017	1,429,017	0	— 0.00%
Deferred tax liabilities	8,012,574	7,780,659	7,780,659	0	— 0.00%
Other non-current financial liabilities	5,547,609	4,044,764	7,901,558	3,856,794	▲ 95.35%
Other non-current non-financial liabilities	14,145,537	13,384,594	10,684,428	-2,700,166	▼ -20.17%
<b>Total non-current liabilities</b>	<b>28,365,343</b>	<b>26,639,034</b>	<b>27,795,662</b>	<b>1,156,628</b>	<b>▲ 4.34%</b>
Trade and other current payables	52,400,244	63,161,506	38,888,223	-24,273,283	▼ -38.43%
Other current financial liabilities	75,582,802	74,737,029	51,020,445	-23,716,584	▼ -31.73%
Other current non-financial liabilities	9,880,859	9,893,710	9,766,021	-127,689	▼ -1.29%
<b>Total current liabilities</b>	<b>137,863,905</b>	<b>147,792,245</b>	<b>99,674,689</b>	<b>-48,117,556</b>	<b>▼ -32.56%</b>
<b>Total liabilities</b>	<b>166,229,248</b>	<b>174,431,279</b>	<b>127,470,351</b>	<b>-46,960,928</b>	<b>▼ -26.92%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>315,944,313</b>	<b>344,111,530</b>	<b>283,259,590</b>	<b>-60,851,940</b>	<b>▼ -17.68%</b>

## STRUCTURE OF THE FINANCIAL POSITION AS AT 30.09.2023



Current liabilities: 99,674,689 RON | 35%

Non-current liabilities: 27,795,662 RON | 10%

Equity: 155,789,239 RON | 55%

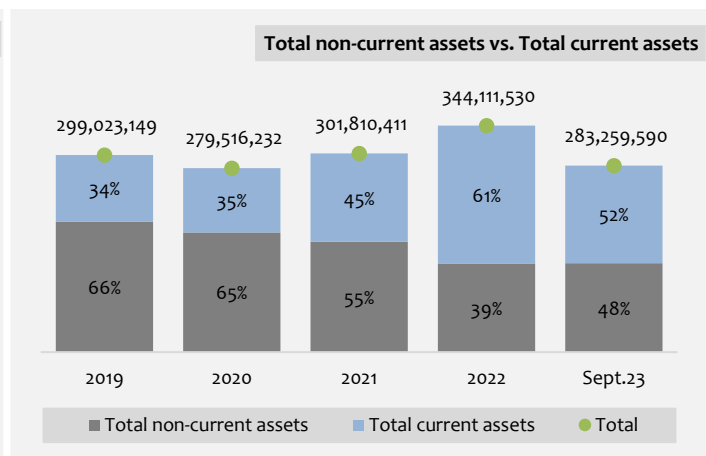
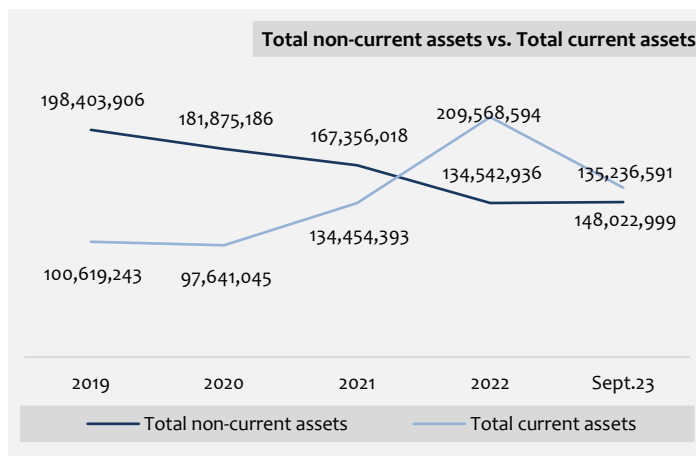
Non-current assets: 135,236,591 RON | 48%

Current assets: 148,022,999 RON | 52%

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

Company	LEI			
	Non-current assets	Current assets	Non-current liabilities	Current liabilities
Romcarbon SA	116,582,827	118,467,210	22,427,467	60,324,159
Livingjumbo Industry SA	19,677,475	48,178,211	5,223,743	64,414,912
RC Energo Install SRL	47,107	12,547,079	0	6,972,030
InfoTech Solutions SRL	333,266	949,570	144,452	517,865
Grinfeld Ucraina	4,426,809	8,614	0	879,485
Grinruh Ucraina	1,186,187	1,007,788	0	6,728
Recyplat LTD	0	294,079	0	0
Eco Pack Management SA	28,751	162,763	0	883,523
Consolidation adjustments	(7,045,832)	(33,592,315)	0	(34,324,013)
<b>Total</b>	<b>135,236,591</b>	<b>148,022,999</b>	<b>27,795,662</b>	<b>99,674,689</b>

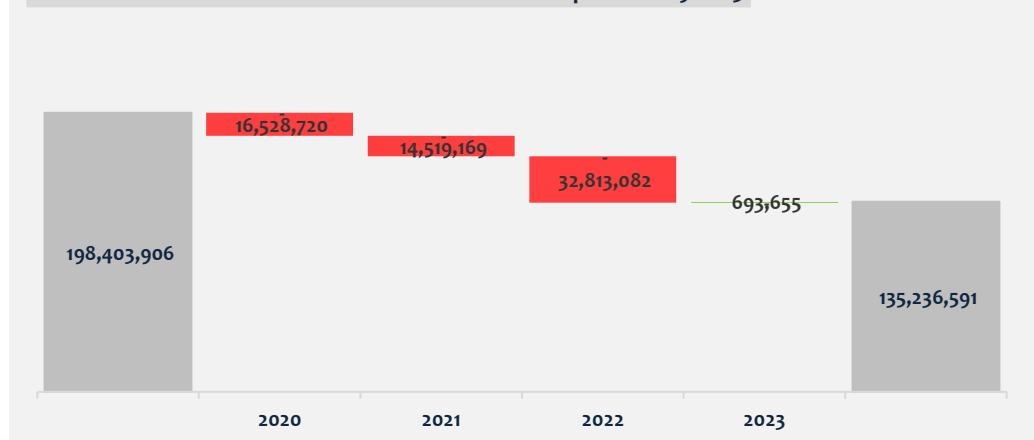
## ASSETS



## NON-CURRENT ASSETS

**Non-current assets** have a weight in Total Assets of 47.74% recording an increase of LEI 693,655, i.e. 0.52% as compared with the beginning of the year.

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

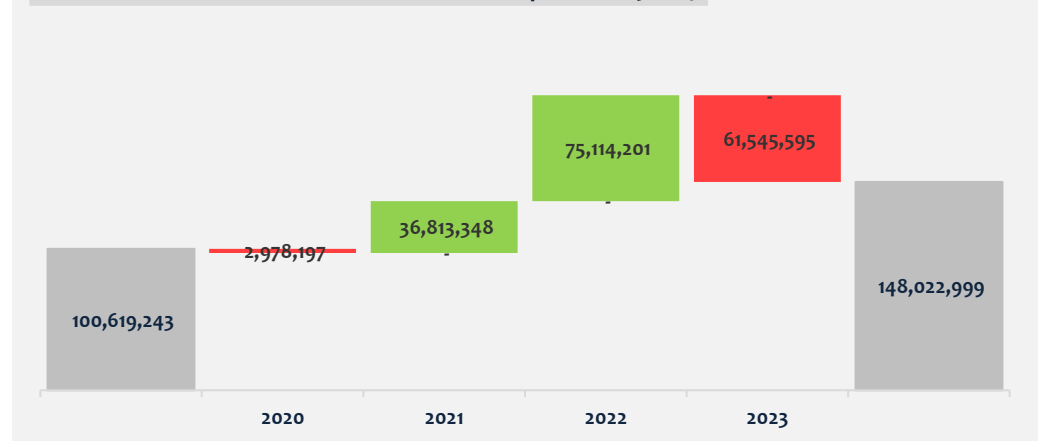


Non-current assets (lei)	30/09/2023	% in total NCA	% in total Assets	30/09/23 vs. 31.12.22
Property, plant and equipment	124,434,885	92.01%	43.93%	0.44%
Investment property	9,883,738	7.31%	3.49%	0.00%
Goodwill	143,461	0.11%	0.05%	0.00%
Intangible assets other than goodwill	476,533	0.35%	0.17%	44.80%
Investments accounted for using equity method	297,974	0.22%	0.11%	0.00%
Investments in subsidiaries, joint ventures and associates	0	0.00%	0.00%	-100.00%
<b>Total non-current assets</b>	<b>135,236,591</b>	<b>100.00%</b>	<b>47.74%</b>	<b>0.52%</b>

**CURRENT ASSETS**

**Current assets** have a weight in Total Assets of 52.26% recording a decrease of - LEI 61,545,595, i.e. -29.37%, as compared with the beginning of the year.

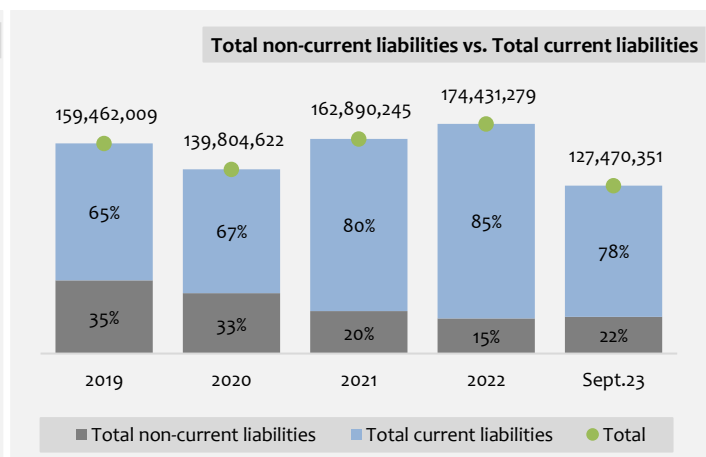
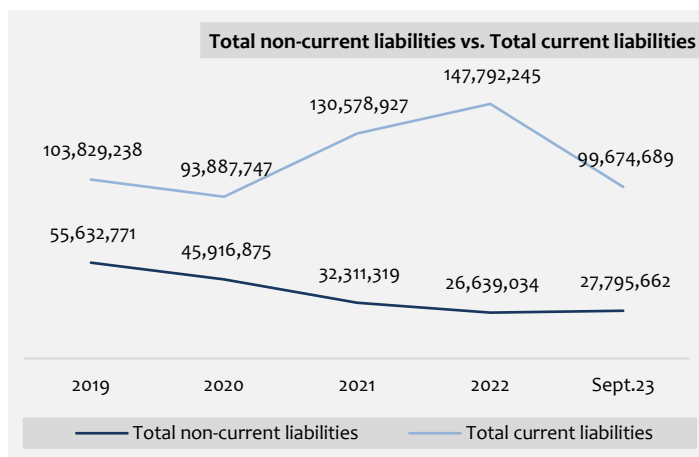
Evolution of the item Total current assets in the period 2019-2023

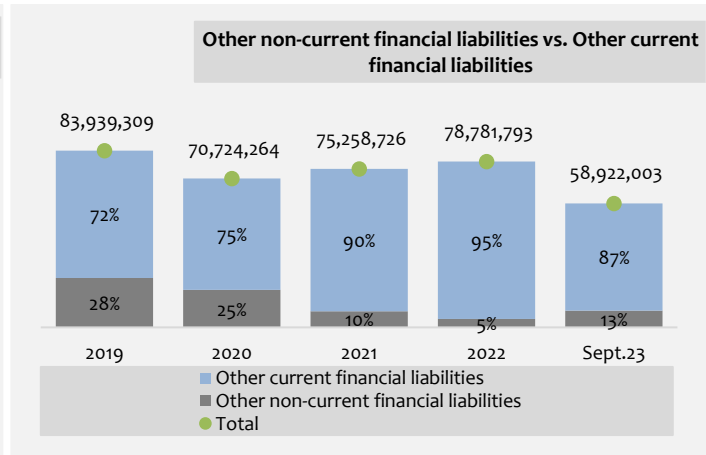
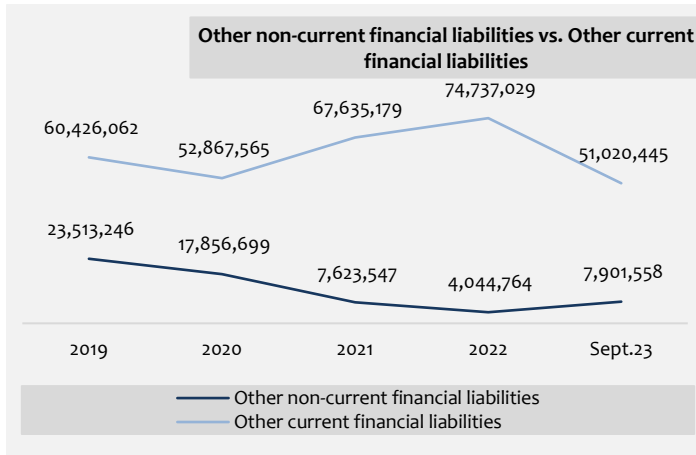


Current assets (lei)	30/09/2023	% in total CA	% in Total Assets	30.09.23 vs. 31.12.22
Current inventories	57,882,504	39.10%	20.43%	-12.17%
Trade and other current receivables	56,570,494	38.22%	19.97%	-7.23%
Other current financial assets	2,879,208	1.95%	1.02%	993.04%
Other current non-financial assets	3,964,610	2.68%	1.40%	-17.35%
Cash and cash equivalents	26,726,183	18.06%	9.44%	-63.82%
Non-current assets classified as held for sale	0	0.00%	0.00%	-100.00%
<b>Total current assets</b>	<b>148,022,999</b>	<b>100.00%</b>	<b>52.26%</b>	<b>-29.37%</b>

**LIABILITIES**

**Total Liabilities** hold 45% of the Group 's Equity&Liabilities recording a decrease of - Lei 46,960,928, i.e. -26.92%, as compared with the beginning of the year.

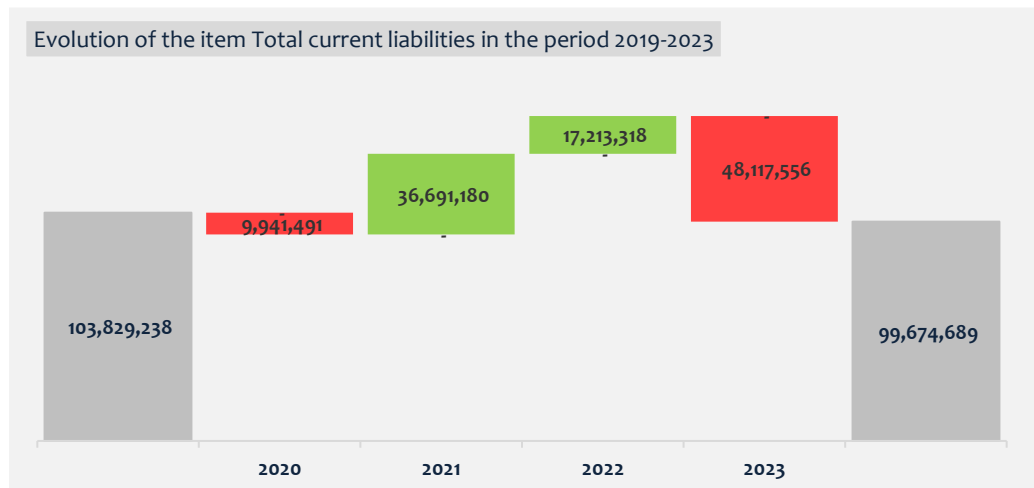


**BORROWINGS**

Company	31.12.2022	30.09.2023	2023 vs 2022
<b>Romcarbon, total, out of which:</b>	<b>49,904,456</b>	<b>31,745,816</b>	<b>(18,158,640)</b>
< 12 months	45,859,692	23,988,713	(21,870,978)
> 12 months	4,044,764	7,757,103	3,712,339
<b>LivingJumbo Industry, total, out of which:</b>	<b>28,189,837</b>	<b>25,255,475</b>	<b>(2,934,362)</b>
< 12 months	28,189,837	25,255,475	(2,934,362)
> 12 months	-	-	-
<b>Energoinstall, total, out of which:</b>	<b>687,500</b>	<b>1,704,029</b>	<b>1,016,529</b>
< 12 months	687,500	1,704,029	1,016,529
> 12 months	-	-	-
<b>Total borrowings, out of which:</b>	<b>78,781,793</b>	<b>58,705,320</b>	<b>(20,076,472)</b>
< 12 months	74,737,029	50,948,218	(23,788,811)
> 12 months	4,044,764	7,757,103	3,712,339
<b>Total leasing, out of which:</b>	<b>-</b>	<b>216,683</b>	<b>216,683</b>
< 12 months	-	72,228	72,228
> 12 months	-	144,455	144,455

**CURRENT LIABILITIES**

**Current liabilities of the Group** have a weight in Total Liabilities of 78.19% and in Total Equity and Liabilities of 35.19% recording a decrease of - LEI 48,117,556, i.e. -32.56%, as compared with the beginning of the year.

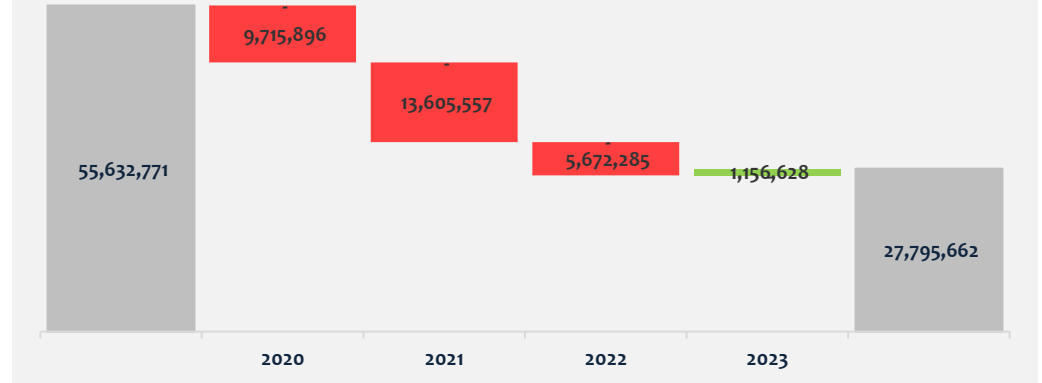


Current liabilities (lei)	30.09.2023	% in total liabilities	% in Total Current liabilities	% in Total Equity and liabilities	30.09.23 vs. 31.12.22
Trade and other current payables	38,888,223	30.51%	39.02%	13.73%	-38.43%
Other current financial liabilities	51,020,445	40.03%	51.19%	18.01%	-31.73%
Other current non-financial liabilities	9,766,021	7.66%	9.80%	3.45%	-1.29%
<b>Total current liabilities</b>	<b>99,674,689</b>	<b>78.19%</b>	<b>100.00%</b>	<b>35.19%</b>	<b>-32.56%</b>

**NON-CURRENT LIABILITIES**

**Non-current liabilities** have a weight in Total Equity and Liabilities of 9.81% recording an increase of LEI 1,156,628, i.e. 4.34%, as compared with the beginning of the year.

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

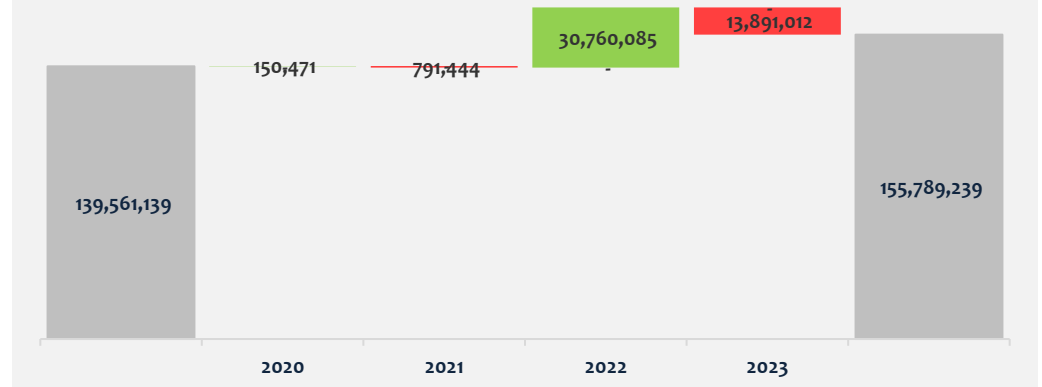


Non-current liabilities (lei)	30/09/2023	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and liabilities	30.09.23 vs. 31.12.22
Other non-current provisions	1,429,017	1.12%	5.14%	0.50%	0.00%
Deferred tax liabilities	7,780,659	6.10%	27.99%	2.75%	0.00%
Other non-current financial liabilities	7,901,558	6.20%	28.43%	2.79%	95.35%
Other non-current non-financial liabilities	10,684,428	8.38%	38.44%	3.77%	-20.17%
<b>Total non-current liabilities</b>	<b>27,795,662</b>	<b>21.81%</b>	<b>100.00%</b>	<b>9.81%</b>	<b>4.34%</b>

**EQUITY**

**The Equity** have a weight in Total Equity and Liabilities of 55% recording a decrease of - LEI 13,891,012, i.e. - 8.19%, 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	61,682,913	-1.96%
Retained earnings	38,182,507	-50.57%
<b>Equity attributable to equity holders of the parent</b>	<b>154,872,122</b>	<b>-8.23%</b>
Non-controlling interests	917,117	-0.41%
<b>Total Equity</b>	<b>155,789,239</b>	<b>-8.19%</b>



**B.) STATEMENT OF THE COMPREHENSIVE INCOME**

Indicator (lei)	9 Months of 2021	9 Months of 2022	9 Months of 2023		2023 vs.2022	
Revenue	247,775,883	288,827,110	229,981,206	▼	(58,845,904)	-20%
Other Income	3,206,812	3,243,392	3,074,258	▼	(169,134)	-5%
Increase (decrease) in inventories of finished goods and work in progress	4,388,104	6,120,858	2,159,615	▼	(3,961,243)	-65%
Raw materials, consumables and utilities	(168,812,816)	(197,309,514)	(149,203,905)	▼	48,105,609	-24%
Employee benefits expense	(55,550,133)	(58,362,747)	(61,189,083)	▲	(2,826,336)	5%
Depreciation and amortisation expenses	(11,181,368)	(10,960,933)	(10,881,921)	▼	79,012	-1%
Other expenses	(14,365,084)	(18,863,357)	(16,110,316)	▼	2,753,041	-15%
Other gains (losses)	413,971	238,804	4,063,977	▲	3,825,173	1602%
<b>Profit (loss) from operating activities</b>	<b>5,875,369</b>	<b>12,933,613</b>	<b>1,893,831</b>	▼	<b>(11,039,782)</b>	<b>-85%</b>
Finance Income	73,394	127,832	517,160	▲	389,328	305%
Finance costs	(2,375,356)	(2,205,779)	(3,190,603)	▲	(984,825)	45%
Share of profit (loss) of associates and joint ventures accounted for using equity method	2,857,339	3,825,314	-	▼	(3,825,314)	-100%
<b>Profit / (loss) before tax</b>	<b>6,430,746</b>	<b>14,680,980</b>	<b>(779,612)</b>	▼	<b>(15,460,591)</b>	<b>-105%</b>
Tax income (expense)	(754,563)	(1,273,806)	(126,418)	▼	1,147,388	-90%
<b>Profit (loss) of the year, attributable to</b>	<b>5,676,182</b>	<b>13,407,174</b>	<b>(906,030)</b>	▼	<b>(14,313,203)</b>	<b>-107%</b>
Equity holders of the parent	5,678,872	13,402,823	(902,231)	▼	(14,305,053)	-107%
Minority interest	(2,690)	4,351	(3,799)	▼	(8,150)	-187%
<b>Profit (loss) from continuing operations</b>	<b>5,676,182</b>	<b>13,407,174</b>	<b>(906,030)</b>	▼	<b>(14,313,203)</b>	<b>-107%</b>
Differences from foreign operations	114	-	290	▲	290	n/a
<b>Comprehensive income of the year, attributable to:</b>	<b>5,676,296</b>	<b>13,407,174</b>	<b>(905,740)</b>	▼	<b>(14,312,913)</b>	<b>-107%</b>
Equity holders of the parent	5,678,986	13,402,823	(901,941)	▼	(14,304,763)	-107%
Minority interest	(2,690)	4,351	(3,799)	▼	(8,150)	-187%

Indicator	9 Months of 2021	9 Months of 2022	9 Months of 2023		2023 vs.2022	
EBITDA OPERATIONAL	14,103,112	20,837,719	5,992,767	▼	(14,844,952)	-71%

Indicator	9 Months of 2021	9 Months of 2022	9 Months of 2023
Average no. of employees	1,457	1,356	1,244

**From EBITDA OPERATIONAL to PROFIT NET**

Indicator	9 Months of 2021	9 Months of 2022	9 Months of 2023		2023 vs.2022	
<b>EBITDA OPERATIONAL</b>	<b>14,103,112</b>	<b>20,837,719</b>	<b>5,992,767</b>	▼	(14,844,952)	-71%
Fixed assets depreciation	(11,181,368)	(10,960,933)	(10,881,921)	▼	79,012	-1%
Revenues from subsidy from Government for investments	2,809,269	2,786,489	2,700,164	▼	(86,325)	-3%
Interest expenses	(1,217,147)	(1,663,183)	(2,218,504)	▲	(555,322)	33%
Gain/loss from sales of assets	55,256	70,572	3,992,213	▲	3,921,641	5557%
Other non-operational items (provisions, penalties, donations)	(114,422)	(200,421)	(271,527)	▲	(71,106)	35%
Forex gain/loss	(945,895)	(132,185)	(577,739)	▲	(445,554)	337%
Share of profit / loss of associates	2,857,339	3,825,314	-	▼	(3,825,314)	-100%
Other gain/loss from Financial	64,603	117,608	484,937	▲	367,329	312%
Tax on profit	(754,563)	(1,273,806)	(126,418)	▼	1,147,388	-90%
<b>NET PROFIT</b>	<b>5,676,182</b>	<b>13,407,174</b>	<b>(906,030)</b>	▼	<b>(14,313,203)</b>	<b>-107%</b>

## Statement of the comprehensive income on quarters

Indicator	Q1 2023	Q2 2023	Q3 2023	Q1 2023 vs. Q1 2022	Q2 2023 vs. Q2 2022	Q3 2023 vs. Q3 2022
Revenue	89,872,751	69,000,116	71,108,339	(41,791)	(28,606,521)	(30,197,593)
Other Income	1,031,513	1,012,144	1,030,601	(5,492,749)	(162,928)	5,486,543
Increase (decrease) in inventories of finished goods and work in progress	1,953,154	(14,261)	220,723	(4,450,621)	(916,718)	1,406,097
Raw materials, consumables and utilities	(61,899,368)	(43,102,080)	(44,202,457)	5,481,903	22,355,661	20,268,046
Employee benefits expense	(20,425,518)	(19,971,181)	(20,792,384)	(1,454,106)	(174,562)	(1,197,668)
Depreciation and amortisation expenses	(3,620,792)	(3,612,974)	(3,648,155)	70,935	53,907	(45,830)
Other expenses	(6,723,651)	(4,884,316)	(4,502,349)	2,321,172	144,300	287,569
Other gains (losses)	4,022,420	21,619	19,938	3,981,231	(4,467)	(151,591)
<b>Profit (loss) from operating activities</b>	<b>4,210,508</b>	<b>(1,550,933)</b>	<b>(765,744)</b>	<b>415,973</b>	<b>(7,311,328)</b>	<b>(4,144,427)</b>
Finance Income	247,396	85,324	184,440	194,541	83,290	111,497
Finance costs	(1,077,151)	(1,100,446)	(1,013,007)	(495,218)	(351,035)	(138,571)
Share of profit (loss) of associates and joint ventures accounted for using equity method	-	-	-	(1,583,476)	(1,374,247)	(867,591)
<b>Profit / (loss) before tax</b>	<b>3,380,753</b>	<b>(2,566,055)</b>	<b>(1,594,310)</b>	<b>(1,468,180)</b>	<b>(8,953,320)</b>	<b>(5,039,091)</b>
Tax income (expense)	(543,338)	(305,503)	722,423	(166,108)	223,782	1,089,714
<b>Profit (loss) of the year, attributable to</b>	<b>2,837,415</b>	<b>(2,871,558)</b>	<b>(871,887)</b>	<b>(1,634,288)</b>	<b>(8,729,538)</b>	<b>(3,949,377)</b>
Equity holders of the parent	2,838,338	(2,869,402)	(871,167)	(1,632,030)	(8,725,033)	(3,947,990)
Minority interest	(923)	(2,156)	(720)	(2,258)	(4,505)	(1,387)
<b>Profit (loss) from continuing operations</b>	<b>2,837,415</b>	<b>(2,871,558)</b>	<b>(871,887)</b>	<b>(1,634,288)</b>	<b>(8,729,538)</b>	<b>(3,949,377)</b>
Differences from foreign operations	156	87	47	158	89	43
<b>Comprehensive income of the year, attributable to:</b>	<b>2,837,571</b>	<b>(2,871,471)</b>	<b>(871,840)</b>	<b>(1,634,130)</b>	<b>(8,729,449)</b>	<b>(3,949,334)</b>
Equity holders of the parent	2,838,495	(2,869,316)	(871,120)	(1,631,871)	(8,724,945)	(3,947,947)
Minority interest	(923)	(2,156)	(720)	(2,258)	(4,505)	(1,387)
<b>EBITDA OPERATIONAL</b>	<b>2,824,875</b>	<b>1,164,730</b>	<b>2,003,162</b>	<b>(3,747,336)</b>	<b>(7,203,419)</b>	<b>(3,894,197)</b>



**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	9 Months of 2021	% in total	9 Months of 2022	% in total	9 Months of 2023	% in total	2023 vs 2022%
Romcarbon SA	201,408,483	66%	201,268,839	60%	162,394,285	62%	-19.31%
LivingJumbo Industry SA	96,285,241	32%	125,478,378	37%	86,487,357	33%	-31.07%
RC Energo Install SRL	4,429,879	1%	10,261,649	3%	12,757,693	5%	24.32%
Info Tech Solutions SRL	810,904	0%	803,894	0%	1,443,845	1%	79.61%
<b>Total, out of which:</b>	<b>302,934,508</b>	<b>100%</b>	<b>337,812,760</b>	<b>100%</b>	<b>263,083,180</b>	<b>100%</b>	<b>-22.12%</b>
Within the Group	55,158,625	18%	48,985,650	15%	33,101,973	13%	-32.43%
<b>Outside of the Group</b>	<b>247,775,883</b>	<b>82%</b>	<b>288,827,110</b>	<b>85%</b>	<b>229,981,206</b>	<b>87%</b>	<b>-20.37%</b>

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

Structure of Revenues (Net sales)	9 Months of 2021	% in total	9 Months of 2022	% in total	9 Months of 2023	% in total	2023 vs 2022%
Sales of finished goods (701+709)	206,706,148	83%	242,625,771	84%	187,773,068	82%	-22.61%
Sales of intermediary goods	11,337,615	5%	12,564,003	4%	7,184,699	3%	-42.82%
Sales of residual products	443,037	0%	390,687	0%	192,732	0%	-50.67%
Services rendered	2,450,552	1%	2,485,949	1%	3,578,634	2%	43.95%
Sales of goods purchased for resale	25,890,204	10%	24,964,132	9%	28,389,765	12%	13.72%
Revenues from sundry activities	948,327	0%	5,796,568	2%	2,862,308	1%	-50.62%
<b>Total</b>	<b>247,775,883</b>	<b>100%</b>	<b>288,827,110</b>	<b>100%</b>	<b>229,981,206</b>	<b>100%</b>	<b>-20.37%</b>

**D.) STATEMENT OF CASH-FLOW**

	9 Months of 2022	12 Months of 2022	9 Months of 2023
Net cash generated by operating activities	(4,575,358)	(6,738,464)	3,819,198
Net cash (used in)/generated by investing activities	(3,552,552)	70,172,389	(2,246,922)
Net cash (used in)/generated in financing activities	5,901,051	(7,161,758)	(48,715,154)
<b>Net increase in cash and cash equivalents</b>	<b>(2,226,858)</b>	<b>56,272,168</b>	<b>(47,142,878)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>17,596,893</b>	<b>17,596,893</b>	<b>73,869,061</b>
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
<b>Cash and cash equivalents at the end of the period</b>	<b>15,370,035</b>	<b>73,869,061</b>	<b>26,726,183</b>



**E.) FINANCIAL RATIOS**

Indicator	Formula	9 Months of 2021	9 Months of 2022	9 Months of 2023
EBIT	Gross profit + Income tax + Expenses with interest	7,647,893	16,344,163	1,438,893
EBITDA	EBIT + Depreciation-Subsidies for investment	16,019,992	24,518,607	9,620,650
Sales	Revenue + Rental and royalty income	248,173,426	289,284,014	230,355,301
EBITDA to sales ratio	EBITDA/Sales	6.46%	8.48%	4.18%
EBITDA to Equity ratio	EBITDA/Equity	11.22%	16.38%	6.18%
Gross profit margin	Gross profit/Sales	2.59%	5.07%	-0.34%
Current ratio	Current assets/Current liabilities	1.05	1.09	1.49
Quick ratio	(Current assets- Inventories)/Current liabilities	0.59	0.61	0.90
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	26%	19%	18%
Total liabilities to Assets ratio	Total liabilities/Total Assets	52%	53%	45%
Interest coverage ratio	EBIT/Interest expenses	6.28	9.83	0.65
Account receivable turnover ratio	Average receivables/Sales (days)	51	54	69
Account payable turnover ratio	Average payables/Sales (days)	48	50	60
Return on assets (ROA)	Net profit/Assets	1.8893%	4.2435%	-0.3199%
Return on equity (ROE)	Net profit/Equity	3.9753%	8.9551%	-0.5816%
Return on sales (ROS)	Net profit/Sales	2.2872%	4.6346%	-0.3933%

The Consolidated Financial Statements for the period ended **September 30, 2023** have not been audited.

**PREPARED BY,****HUANG LIANG NENG**

Chairman of the Board and  
General Manager

**VIORICA ZAINESCU**

Financial Manager

**CARMEN MANAILA**

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 **September 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 SEPTEMBER 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)

	Note	Period ended September, 30 2023 RON	Period ended September, 30 2022 RON
Revenue	3	229,981,206	288,827,110
Other income	4	3,074,258	3,243,392
Increase (decrease) in inventories of finished goods and work in progress		2,159,615	6,120,858
Raw materials, consumables and utilities	5	(149,203,905)	(197,309,514)
Employee benefits expense	6	(61,189,083)	(58,362,747)
Depreciation and amortisation expenses	7	(10,881,921)	(10,960,933)
Other expenses	8	(16,110,316)	(18,863,357)
Other gains (losses)	9	4,063,977	238,804
<b>Profit (loss) from operating activities</b>		<b>1,893,831</b>	<b>12,933,613</b>
Finance income	10	517,160	127,832
Finance costs	11	(3,190,603)	(2,205,779)
Share of profit (loss) of associates and joint ventures accounted for using equity method		-	3,825,314
<b>Profit (loss) before tax</b>		<b>(779,612)</b>	<b>14,680,980</b>
Tax income (expense)	12	(126,418)	(1,273,806)
<b>Profit (loss) from continuing operations</b>		<b>(906,030)</b>	<b>13,407,174</b>
Profit (loss) from discontinued operations		-	-
<b>Profit (loss) for the year</b>		<b>(906,030)</b>	<b>13,407,174</b>
Attributable to:			
Equity holders of the parent		<b>(902,231)</b>	<b>13,402,823</b>
Minority interest PL		(3,799)	4,351

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	Period ended September, 30 2023	Period ended September, 30 2022
	-----	RON	RON
<b>Profit (loss)</b>		<b>(906.030)</b>	<b>13.407.174</b>
<b>Components of other comprehensive income that will not be reclassified to profit or loss, before tax</b>			
Other comprehensive income, before tax, gains (losses) on revaluation		-	-
<b>Total OCI that will not be reclassified to profit or loss, before tax</b>		<b>-</b>	<b>-</b>
<b>Components of other comprehensive income that will be reclassified to profit or loss, before tax</b>			
Gains (losses) on exchange differences on translation, before tax		290	-
<b>Total OCI that will be reclassified to profit or loss, before tax</b>		<b>290</b>	<b>-</b>
<b>Total other comprehensive income, before tax</b>		<b>290</b>	<b>-</b>
Income tax relating to changes in revaluation surplus included in other comprehensive income	12	-	-
<b>Total other comprehensive income</b>		<b>290</b>	<b>-</b>
<b>Total comprehensive income</b>		<b>(905.740)</b>	<b>13.407.174</b>
Comprehensive income attributable to			
<b>Comprehensive income, attributable to owners of parent</b>		<b>(901.941)</b>	<b>13.402.823</b>
<b>Comprehensive income, attributable to non-controlling interests</b>		<b>(3.799)</b>	<b>4.351</b>

The condensed interim consolidated financial statements have been approved by the Board of Directors on November 14, 2023.

**PREPARED BY,**

**HUANG LIANG NENG,**

Chairman of the Board  
and General Manager

**VIORICA ZAINESCU,**

Financial Manager

**CARMEN MANAILA,**

Deputy General Manager  
for administrative  
operations

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



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

	Notes	September 30, 2023	December 31, 2022
		RON	RON
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	124,434,885	123,886,765
Investment property	14	9,883,738	9,883,738
Goodwill	15	143,461	143,461
Intangible assets other than goodwill	16	476,533	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
<b>Total non-current assets</b>		<b>135,236,591</b>	<b>134,542,936</b>
<b>Current assets</b>			
Current inventories	18	57,882,504	65,899,751
Trade and other current receivables	19	56,570,494	60,979,526
Other current financial assets		2,879,208	263,414
Other current non-financial assets	20	3,964,610	4,796,687
Cash and cash equivalents	21	26,726,183	73,869,061
<b>Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners</b>		<b>148,022,999</b>	<b>205,808,439</b>
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	22	-	3,760,155
<b>Total current assets</b>		<b>148,022,999</b>	<b>209,568,594</b>
<b>TOTAL ASSETS</b>		<b>283,259,590</b>	<b>344,111,530</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Issued capital	23	52,824,419	26,412,210
Retained earnings	24	38,182,507	77,247,165
Share premium		2,182,283	2,182,283
Other reserves	25	61,682,913	62,917,677
<b>Total equity attributable to owners of parent</b>		<b>154,872,122</b>	<b>168,759,335</b>
Non-controlling interests	26	917,117	920,916
<b>Total equity</b>		<b>155,789,239</b>	<b>169,680,251</b>

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	September 30, 2023	December 31, 2022
		RON	RON
<b>Non-current liabilities</b>			
Other non-current provisions		1,429,017	1,429,017
<b>Total non-current provisions</b>		<b>1,429,017</b>	<b>1,429,017</b>
Deferred tax liabilities		7,780,659	7,780,659
Other non-current financial liabilities	27	7,901,558	4,044,764
Other non-current non-financial liabilities	29	10,684,428	13,384,594
<b>Total non-current liabilities</b>		<b>27,795,662</b>	<b>26,639,034</b>
<b>Current liabilities</b>			
Trade and other current payables	28	38,888,223	63,161,506
Other current financial liabilities	27	51,020,445	74,737,029
Other current non-financial liabilities	29	9,766,021	9,893,710
<b>Total current liabilities other than liabilities included in disposal groups classified as held for sale</b>		<b>99,674,689</b>	<b>147,792,245</b>
Liabilities included in disposal groups classified as held for sale		-	-
<b>Total current liabilities</b>		<b>99,674,689</b>	<b>147,792,245</b>
<b>Total liabilities</b>		<b>127,470,351</b>	<b>174,431,279</b>
<b>Total equity and liabilities</b>		<b>283,259,590</b>	<b>344,111,530</b>

The condensed interim consolidated financial statements have been approved by the Board of Directors on November 14, 2023.

**PREPARED BY,**

**HUANG LIANG NENG,**

Chairman of the Board  
and General Manager

**VIORICA ZAINESCU,**

Financial Manager

**CARMEN MANAILA,**

Deputy General Manager  
for administrative  
operations

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



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE PERIOD ENDED JUNE 30, 2023

**ROMCARBON SA**

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

2023	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
<b>Equity at beginning of period [01.01.2023]</b>	<b>26,412,210</b>	<b>2,182,283</b>	<b>39,201,199</b>	<b>24,778,341</b>	<b>(1,061,863)</b>	<b>77,247,165</b>	<b>168,759,335</b>	<b>920,916</b>	<b>169,680,251</b>
Profit (loss)	-	-	-	-	-	(902,231)	(902,231)	(3,799)	(906,030)
Other comprehensive income	-	-	-	-	290	-	290	-	290
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>290</b>	<b>(902,231)</b>	<b>(901,941)</b>	<b>(3,799)</b>	<b>(905,740)</b>
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	-	-	(1,297,305)	-	62,251	1,455,886	220,832	-	220,832
<b>Equity at end of period [30.09.2023]</b>	<b>52,824,419</b>	<b>2,182,283</b>	<b>37,903,894</b>	<b>24,778,341</b>	<b>(999,322)</b>	<b>38,182,506</b>	<b>154,872,122</b>	<b>917,117</b>	<b>155,789,239</b>

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 November 14, 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
<b>Equity at beginning of period [01.01.2022]</b>	<b>26,412,210</b>	<b>2,182,283</b>	<b>38,652,619</b>	<b>22,636,604</b>	<b>(1,061,863)</b>	<b>49,182,732</b>	<b>138,004,585</b>	<b>915,581</b>	<b>138,920,166</b>
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
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>1,018,596</b>	<b>0</b>	<b>0</b>	<b>56,119,419</b>	<b>57,138,015</b>	<b>5,336</b>	<b>57,143,351</b>
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
<b>Equity at end of period [31.12.2022]</b>	<b>26,412,210</b>	<b>2,182,283</b>	<b>39,201,199</b>	<b>24,778,341</b>	<b>(1,061,863)</b>	<b>77,247,165</b>	<b>168,759,335</b>	<b>920,916</b>	<b>169,680,251</b>

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 November 14, 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)

	30-Sept-23	30-Sept-22
<b>Cash flows from (used in) operating activities</b>		
<b>Profit / (loss) for the year</b>	<b>(906,028)</b>	<b>13,407,173</b>
<b>Adjustments for profit (loss) reconciliation</b>		
Adjustments for income tax expense	126,418	1,273,806
Finance expenses recognized in profit	2,569,293	2,014,182
(Gain) / Loss on sale or disposal of fixed assets	238	(9,127)
(Gain) / Loss on sale or disposal of assets held for sale	(3,992,451)	-
Production of the immobilization	(839,906)	(1,322,437)
Income from dividends	-	-
Interest income	(517,160)	(127,832)
Loss on impairment of stocks	(1,427)	-
Loss on time-barred receivables	1,427	188
Amortization / Depreciation of non-current assets	10,881,921	10,960,933
Net (gain) / loss on foreign exchange	577,739	132,185
(Gain) / Loss on share of profit of associates	-	(3,825,314)
Increases /(decreases) in subsidiaries	(2,700,164)	(2,786,489)
<b>Movements in working capital:</b>		
(Increase) / Decrease in trade and other receivables	3,733,778	(9,284,495)
(Increase) / Decrease in inventories	8,018,673	(11,803,625)
(Increase) / Decrease in other assets	(1,781,820)	2,729,667
Increase / (Decrease) in trade and other payables	(8,527,934)	(2,824,410)
Increase / (Decrease) in other payables	(162,343)	(132,820)
<b>Total adjustments for profit (loss) reconciliation</b>	<b>7,386,282</b>	<b>(15,076,153)</b>
Interest paid	(2,218,504)	(1,663,183)
Income tax paid	(91,764)	(892,194)
Bank commissions paid	(350,789)	(351,000)
<b>Net cash generated by/ utilized in operating activities</b>	<b>3,819,198</b>	<b>(4,575,358)</b>
<b>Cash flows from investing activities:</b>		
Payments for property, plant and equipment	(10,346,456)	(4,194,671)
Payments for intangible assets	(271,225)	(43,352)
Proceeds from disposal of property, plant and equipment	-	9,121
Proceeds from subsidiaries	-	300,230
Proceeds from disposal of investment property	-	249,299
Proceeds from investments in associates	101,001	-
Payments for financial assets	-	(1,001)
Proceeds from sale of assets held for sales	7,752,606	-
Interest received	517,153	127,822
<b>Net cash generated by / (used in) investing activities</b>	<b>(2,246,922)</b>	<b>(3,552,552)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from borrowing	11,049,969	15,078,694
Repayment of borrowing	(30,813,672)	(9,177,643)
Dividends paid	(28,951,452)	-
<b>Net cash generated by / (used) by financing activities</b>	<b>(48,715,155)</b>	<b>5,901,051</b>
<b>Net decrease / (increase) in cash and cash equivalents</b>	<b>(47,142,879)</b>	<b>(2,226,858)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>73,869,061</b>	<b>17,596,893</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>26,726,182</b>	<b>15,370,035</b>

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



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

The condensed interim consolidated financial statements have been approved by the Board of Directors on November 14, 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 September 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 September 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 September 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 September 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:

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Revenues from sale of finished products	187,773,068	242,625,771
Revenues from sale of commodities	28,389,765	24,964,132
Revenues from services delivered	3,578,634	2,485,949
Other revenues (revenues from sale of semi-finished goods, residual goods, other income)	10,239,739	18,751,258
<b>Total</b>	<b>229,981,206</b>	<b>288,827,110</b>

<b>SEGMENT REPORTING</b>	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Sales on domestic market (Romania)	166,336,169	187,670,813
Sales on foreign market (Europe)	63,355,240	101,043,496
Other (China, Israel, s.o.)	289,797	112,801
<b>Total</b>	<b>229,981,206</b>	<b>288,827,110</b>

	<b>SEGMENT : REVENUES</b>		<b>SEGMENT : PROFIT</b>	
	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
Plastics processing	166,527,763	222,970,308	16,806,760	21,933,363
Recycled polymers & Compounds	30,128,790	40,118,668	(819,434)	5,575,406
Other productive sectors	5,027,131	7,037,692	887,055	2,458,534
Revenues from sale of goods, sale of utilities, provision of services, other revenues	28,297,522	18,700,443	1,414,876	395,808
<b>Total from operations</b>	<b>229,981,206</b>	<b>288,827,110</b>	<b>18,289,257</b>	<b>30,363,111</b>
Other income	-	-	3,074,258	8,750,232
Other gains and losses, salaries and administrative expenses	-	-	(19,469,684)	(22,354,416)
Finance expenses	-	-	(3,190,603)	(2,205,779)
Finance income	-	-	517,160	127,832
<b>Profit before taxation</b>	<b>-</b>	<b>-</b>	<b>(779,612)</b>	<b>14,680,980</b>



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

### 3. REVENUES (continued)

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

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

**Other productive sectors** include the following groups of products:

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



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

**3. REVENUES (continued)**

		<b>SEGMENT: ASSETS</b>		<b>SEGMENT: LIABILITIES</b>	
		<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>30 Septembrie 2023</b>	<b>December 31, 2022</b>
		<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
<b>ASSETS AND LIABILITIES</b>					
Romcarbon, LivingJumbo Industry	Plastics processing (Polypropylene, Polystyrene, Polyethylene, PET)	107,089,914	115,217,017	82,890,092	92,928,865
Romcarbon	Recycled polymers & Compounds	46,811,931	48,745,757	14,780,583	18,647,978
Romcarbon	Other productive sectors	5,097,044	5,307,606	2,139,591	2,699,423
Romcarbon, RC Energo Install, Info Tech Solutions, etc	Other activities( sale of goods, sale of utilities, provision of services, other revenues)	124,260,700	174,841,151	27,660,084	60,155,014
<b>Total Assets/Liabilities</b>		<b>283,259,590</b>	<b>344,111,530</b>	<b>127,470,351</b>	<b>174,431,279</b>
		<b>SEGMENT: DEPRECIATION</b>		<b>Non-current assets additions *</b>	
		<b>September 30, 2023</b>	<b>September 30, 2022</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
		<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
<b>Depreciation and Non-current assets additions</b>					
Romcarbon, LivingJumbo Industry	Plastics processing (Polypropylene, Polystyrene, Polyethylene, PET)	5,449,517	5,355,082	4,306,821	2,293,951
Romcarbon	Recycled polymers & Compounds	2,753,615	2,935,411	1,659,806	22,554
Romcarbon	Other productive sectors	245,022	232,459	-	73,102
Romcarbon, RC Energo Install, Info Tech Solutions, etc	Other activities( sale of goods, sale of utilities, provision of services, other revenues)	2,433,767	2,437,980	1,306,628	2,504,151
<b>Total</b>		<b>10,881,921</b>	<b>10,960,933</b>	<b>7,273,255</b>	<b>4,893,758</b>

\* 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 6% (3% in 9 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 374,095 (- LEI 82,809 compared to 9 Months of 2022) and income from subsidies LEI 2,700,164 (- LEI 86,325 compared to 9 Months of 2022).

#### 5. RAW MATERIALS, CONSUMABLES AND UTILITES

The expenses with raw materials, consumables and utilities had a total decrease during 2023 compared to 9 months of 2022 of - LEI 48,105,609. The biggest decreases were recorded by the expenses with raw materials by -LEI 49,935,642 (-34%), and by the expenses with utilities by -LEI 3,327,609 (-17%). The decrease in expenses with raw materials is due to the decrease in Revenues and stocked production (-21%) but also to the more efficient use of raw materials and the reduction of the unit cost of polymers. An important increase in 2023 compared to 9 Months of 2022 was recorded in Costs of goods sold, + LEI 4,567,996 (+21%) due to the increase in trading activity.

#### 6. EMPLOYEE BENEFITS EXPENSES

In 2023, the expenses with the employees benefits increased by Lei 2,826,335, 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 79,012.

#### 8. OTHER EXPENSES

Also, in 2023, the Other expenses registered a variation compared to the similar period of the previous year of - LEI 2,753,042. The biggest increases were recorded in Expenses with third party services (+ LEI 378,609) and Expenses with other taxes (+LEI 133,436), while significant decreases were recorded in Expenses with rents (- LEI 2,422,569) - the biggest reduction recorded 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 Q1 2022 for 2021- and Transportation expenses (- LEI 705,395).

#### 9. OTHER GAINS (LOSSES)

The main variations were recorded by Gain / (Loss) from the disposal of tangible assets (+ LEI 3,983,107) and by Compensation, fines and penalty income (- LEI 50,581).

#### 10. FINANCE INCOME

Finance income increased in 2023 with Lei 389,328 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 984,825. Net losses from foreign exchange increased in the first 9 months of 2023 compared to the same period of the previous year by LEI 445,554, while expenses with interest and bank commissions increased by LEI 555,110.



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

## 12. INCOME TAX (EXPENSE)

### Income tax expenses

	Period ended September 30, 2023 <u>RON</u>	Period ended September 30, 2022 <u>RON</u>
Current income tax expense	126,418	1,273,806
Deferred tax income expense / (income)	-	-
<b>Total expense (income) with income tax</b>	<b>126,418</b>	<b>1,273,806</b>

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 September 30, 2023 <u>RON</u>	Year ended December 31, 2022 <u>RON</u>
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)
	-	-
<b>Recognized deferred income tax liabilities</b>	<b>7,780,659</b>	<b>7,780,659</b>
<b>of which: deferred tax on revaluation reserves from comprehensive income</b>	<b>7,780,659</b>	<b>7,780,659</b>
	<u>7,780,659</u>	<u>7,780,659</u>
	Period ended September 30, 2023 <u>RON</u>	Year ended December 31, 2022 <u>RON</u>
<b>Balance at the beginning of the period</b>	<b>7,780,659</b>	<b>8,012,574</b>
<b>(Expenses) / Revenue during the period</b>		
- movement from revaluation reserves	-	(273,332)
- recognized in income statement	-	41,417
- from acquisition of subsidiaries	-	-
<b>Balance at the end of period</b>	<b>7,780,659</b>	<b>7,780,659</b>



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

### 13. PROPERTY, PLANT AND EQUIPMENT

During 2023, the inputs of fixed assets amounted to Lei 7,273,255. During 2023, the outputs of fixed assets amounted to Lei 436,906, representing technical installations and machines. The depreciation expense in 2023 was Lei 10,758,128.

#### Pledged and restricted tangible assets

##### ROMCARBON S.A.

Tangible assets having a net book value of Lei 62,226,241 as at September 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 18,675,801 as at September 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 September 30, 2023 (December 31, 2022: Lei 10,122) represent security for credit lines contracted from EXIMBANK SA.

### 14. INVESTMENT PROPERTY

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

As at September 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.

### 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 September 30, 2023 is Lei 143,461.

### 16. OTHER INTANGIBLE ASSETS

Other intangible assets had during 2023 entries amounting to Lei 71,840. During the reporting period, the amortization expense of the intangible assets was Lei 123,792.





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

## 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 73 days (2022: 57 days). As at 30.09.2023, the inventories recorded a variation compared to the beginning of the year of - Lei 8,017,246. The biggest increases were recorded in Semi-finished Products (+ Lei 1,761,953), Consumables (+ Lei 727,683) and Products in progress (+ Lei 198,770), while significant decreases were recorded in Raw Materials (- Lei 5,502,865) , Goods for sale (- Lei 3,775,557) and Finished products (-Lei 1,699,252).

## 19. TRADE AND OTHER CURRENT RECEIVABLES

	<b>Period ended September 30, 2023 RON</b>	<b>Year ended December 31, 2022 RON</b>
Trade receivables	55,296,607	59,556,063
Allowances for doubtful clients	(2,044,898)	(2,046,324)
Taxes recoverable	1,486,592	2,131,900
Other receivables	1,078,301	889,066
Other non-trade receivables	753,893	448,821
<b>Total</b>	<b>56,570,494</b>	<b>60,979,526</b>
	<b>Period ended September 30, 2023 RON</b>	<b>Year ended December 31, 2022 RON</b>
<b>Changes of allowance for doubtful clients</b>	<b>2,046,324</b>	<b>2,100,964</b>
Receivables transferred to expenses during the year		
Decrease of allowance recognized in profit and loss	(1,426)	(54,640)
<b>Balance at the end of the period</b>	<b>2,044,898</b>	<b>2,046,324</b>



(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.

30/09/2023	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	45,000,929	3,365,535	192,924	114,548	76,302	1,181,052	<b>49,931,292</b>

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	<b>52,670,675</b>



(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 3,964,610 as at September 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 1,143,645).

## 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:

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>
Cash at banks	26,371,837	73,370,121
Cash on hand	61,729	36,410
Cash equivalents	292,617	462,530
<b>Total</b>	<b>26,726,183</b>	<b>73,869,061</b>

## 22. ASSETS HELD FOR SALE

The assets held for sale have the following geographical distribution:

<b>Assets held for sale</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>
Iasi	-	70,845
Buzau	-	3,689,310
<b>Total</b>	<b>-</b>	<b>3,760,155</b>



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

### 23. ISSUED CAPITAL

	<b>Issued capital</b>	
	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>
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
	-	-
<b>Total</b>	<b>52,824,419</b>	<b>26,412,210</b>

	<b>September 30, 2023</b>		<b>December 31, 2022</b>	
	<b>No. of Shares*</b>	<b>% holding</b>	<b>No. of shares</b>	<b>% holding</b>
Living Plastic Industry SRL	173,549,016	32.85%	86,774,508	32.85%
Joyful River Limited Loc, Nicosia CYP	108,390,178	20.52%	54,195,089	20.52%
Toderita Stefan Alexandru	70,000,000	13.25%	32,700,000	12.38%
Other legal entities	7,209,453	1.36%	9,815,721	3.72%
Other natural persons	169,095,545	32.01%	80,636,778	30.53%
<b>Total</b>	<b>528,244,192</b>	<b>100%</b>	<b>264,122,096</b>	<b>100%</b>

\*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.

### 24. RETAINED EARNINGS

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>
<b>Balance at the beginning of the year</b>	<b>77,247,165</b>	<b>49,182,732</b>
Net profit / (net loss) attributable to parent	(902,231)	56,119,419
Reclassification of revaluation reserve to retained earnings	1,299,483	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	156,404	28,945
<b>Balance at the end of the period</b>	<b>38,182,507</b>	<b>77,247,165</b>



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

## 25. RESERVES

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>
Revaluation reserves	37,794,442	39,093,925
Legal reserves	5,288,528	5,288,528
Other reserves	19,489,813	19,489,813
Translation differences	(889,870)	(954,589)
<b>Total</b>	<b>61,682,913</b>	<b>62,917,677</b>

## 26. NON-CONTROLLING INTERESTS

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>
<b>Balance at the beginning of the year</b>	<b>920,916</b>	<b>915,581</b>
Share of profit / (loss) for the year	(3,799)	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	-	-
<b>Balance at the end of the period</b>	<b>917,117</b>	<b>920,916</b>

## 27. OTHER FINANCIAL LIABILITIES

	<b>OTHER CURRENT FINANCIAL LIABILITIES</b>		<b>OTHER NON-CURRENT FINANCIAL LIABILITIES</b>	
	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
<b>Secured loans</b>				
- at amortized cost				
Borrowings (Overdraft and Investment loans)	50,948,217	74,737,029	7,757,103	4,044,764
Lease liabilities	72,228	-	144,455	-
<b>Total</b>	<b>51,020,445</b>	<b>74,737,029</b>	<b>7,901,558</b>	<b>4,044,764</b>



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

**27. OTHER FINANCIAL LIABILITIES (continued)**

Short-term borrowings	Entity	30-Sept-23	31-Dec-22
		RON	RON
Credit line Euro – EximBank SA	Romcarbon	11,785,224	12,333,191
Credit line Euro – UniCredit Bank SA	Romcarbon	7,197,988	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	765,249	686,604
Investment loan VII in euro - UniCredit Bank	Romcarbon	2,333,788	308,880
Investment loan Euro - UniCredit Bank SA - Proiect CCE 2015	Romcarbon	1,906,465	2,757,779
Credit line Euro – UniCredit Bank SA	LivingJumbo Industry	16,752,214	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	8,086,609	6,336,349
Investment loan Euro - UniCredit Bank SA - Proiect CCE 2015	LivingJumbo Industry	416,652	2,918,043
Multiproduct facility (factoring) in lei - Eximbank SA	LivingJumbo Industry	-	2,865,207
Credit for current activity - Eximbank SA	Energoinstall	1,704,029	687,500
<b>Total</b>		<b>50,948,218</b>	<b>74,737,029</b>

Long-term borrowings	Entity	30-Sept-23	31-Dec-22
		RON	RON
Investment loan VI in euro - UniCredit Bank	Romcarbon	1,339,183	1,882,602
Investment loan VII in euro - UniCredit Bank	Romcarbon	6,417,919	2,162,161
<b>Total</b>		<b>7,757,103</b>	<b>4,044,764</b>



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

## 27. OTHER FINANCIAL LIABILITIES (continued)

### Financial lease contracts

#### 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	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
	RON	RON	RON	RON
<b>Present value of finance lease payments</b>				
Amounts due within one year	72,228	-	72,228	-
More than one year, but less than 5 years	144,455	-	144,455	-
<b>Total lease liabilities</b>	<b>216,683</b>	<b>-</b>	<b>216,683</b>	<b>-</b>

## 28. TRADE AND OTHER CURRENT PAYABLES

	September 30, 2023	December 31, 2022
	RON	RON
Trade liabilities	32,247,882	42,006,642
Suppliers invoices not received	1,472,712	1,821,294
Advances to clients	947,685	2,094,029
Sundry creditors (a)	4,219,944	17,239,540
Miscellaneous payable	-	-
	<b>38,888,223</b>	<b>63,161,506</b>

## 29. OTHER NON-FINANCIAL LIABILITIES

	Other current non-financial liabilities		Other non-current non-financial liabilities	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
	RON	RON	RON	RON
Subsidies	3,600,219	3,600,219	10,684,428	13,384,594
Other current liabilities	6,165,802	6,293,491	-	-
<b>Total</b>	<b>9,766,021</b>	<b>9,893,710</b>	<b>10,684,428</b>	<b>13,384,594</b>



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

## 29. OTHER NON-FINANCIAL LIABILITIES (continued)

### DEFERED INCOME

As at September 30, 2023 the value of the investment subsidies received by the Group amounts to Lei 14,284,646, as follows:

Romcarbon SA:	8,003,683 lei
Livingjumbo Industry SA:	6,280,963 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:

	<b>EUR</b> <b>1 EUR = 4.9746</b> <b>lei</b>	<b>USD</b> <b>1 USD = 4.6864</b> <b>lei</b>	<b>Leu</b> <b>1</b> <b>lei</b>	<b>September 30,</b> <b>2023</b> <b>Total</b>
<b>2023</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
Cash and cash equivalents	579,179	63,010	26,083,993	<b>26,726,183</b>
Receivables and other current assets	10,061,532	-	46,508,962	<b>56,570,494</b>
Other current financial assets	-	-	2,879,208	<b>2,879,208</b>
Other current non-financial assets	130,362	-	3,834,249	<b>3,964,610</b>
<b>LIABILITIES</b>				
Trade and other liabilities	12,398,673	17,029	26,472,522	<b>38,888,223</b>
Short and long-term borrowings	55,475,935	-	3,229,381	<b>58,705,316</b>
Short and long-term finance lease liabilities	216,683	-	-	<b>216,683</b>
Other current non-financial liabilities	208	-	9,765,812	<b>9,766,021</b>
	<b>EUR</b> <b>1 EUR = 4,9474</b> <b>lei</b>	<b>USD</b> <b>1 USD = 4,6346</b> <b>lei</b>	<b>Leu</b> <b>1</b> <b>lei</b>	<b>December 31,</b> <b>2022</b> <b>Total</b>
<b>2022</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
Cash and cash equivalents	66,005,701	256,117	7,607,243	<b>73,869,061</b>
Receivables and other current assets	13,285,565	-	47,693,961	<b>60,979,526</b>
Other current financial assets	-	-	263,414	<b>263,414</b>
Other current non-financial assets	130,362	-	4,666,325	<b>4,796,687</b>
<b>LIABILITIES</b>				
Trade and other liabilities	17,627,848	2,056	45,531,601	<b>63,161,505</b>
Short and long-term borrowings	74,097,100	-	4,684,692	<b>78,781,793</b>
Short and long-term finance lease liabilities	-	-	-	-
Other current non-financial liabilities	208	-	9,893,501	<b>9,893,710</b>



(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.

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>
<b>Loss</b>	<b>(5,727,444)</b>	<b>(1,204,947)</b>

#### 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.

<b>2023</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Total</b>
	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
<b>Non-interest bearing</b>				
Trade liabilities	38,888,223	-	-	<b>38,888,223</b>
Other current liabilities	9,766,021	-	-	<b>9,766,021</b>
				-
<b>Interest bearing instruments</b>				
Short and long-term borrowings	51,164,902	7,757,098	-	<b>58,922,000</b>
Short and long-term leases	72,228	144,455	-	<b>216,683</b>
<b>Non-interest bearing</b>				
Cash and cash equivalents	26,726,183	-	-	<b>26,726,183</b>
Receivables and other current assets	56,570,494	-	-	<b>56,570,494</b>
<b>Interest bearing</b>				
Other current financial assets	2,879,208	-	-	<b>2,879,208</b>
<b>2022</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Total</b>
	<b>RON</b>	<b>RON</b>	<b>RON</b>	<b>RON</b>
<b>Non-interest bearing</b>				
Trade liabilities	63,161,505	-	-	<b>63,161,505</b>
Other current liabilities	9,893,710	-	-	<b>9,893,710</b>
<b>Interest bearing instruments</b>				
Short and long-term borrowings	74,737,029	2,741,605	1,303,158	<b>78,781,793</b>
Short and long-term leases	-	-	-	-
<b>Non-interest bearing</b>				
Cash and cash equivalents	73,869,061	-	-	<b>73,869,061</b>
Receivables and other current assets	60,979,526	-	-	<b>60,979,526</b>
<b>Interest bearing</b>				
Other current financial assets	263,414	-	-	<b>263,414</b>



(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:

	<b>Period ended September 30, 2023</b>	<b>Period ended September 30, 2022</b>
	<b>RON</b>	<b>RON</b>
Executive management salaries	3,445,004	3,584,802
Benefits for Board of Directors	33,747	32,649
<b>Total</b>	<b>3,478,751</b>	<b>3,617,451</b>

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

<b>Shareholder borrowings</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
	<b>RON</b>	<b>RON</b>
WU HUI TZU (Livingjumbo Industry SA)	18,417	18,417
WINPACK INDUSTRY (Eco Pack Management SA)	255,647	255,647
<b>Total</b>	<b>274,064</b>	<b>274,064</b>

### 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 September 30, 2023

The company has unused credit lines in amount of Eur 4,183,972 (31 December 2022: Eur 257,181) and investment loans in amount of Eur 1,076,666 (31 December 2022: Eur 2,857,496)

##### Guarantees for bank loans

At September 30, 2023, tangible assets (land, plants, equipment and machineries) having a net book value of Lei 62,226,241 (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 2,174,581 as at September 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 428,393 as at September 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 663,232 as at September 30, 2023.

#### LIVINGJUMBO INDUSTRY SA

##### Unused credit facilities as at September 30, 2023

The company has unused credit facilities in amount of Eur 1,473,114 (31 December 2022: Eur 4,253,038 and Lei 2,134,793).

##### Guarantees for bank loans

At September 30, 2023, tangible assets consist in equipment and machineries having a net book value of Lei 18,675,801 (31 December 2022: Lei 21,880,693) constitute collateral for loans and credit lines contracted by the company with UniCredit Bank SA and EximBank SA. For the loans from the banks, the Company also guaranteed with the present and future cash availability from the accounts opened with creditor banks, assigned the present and future receivables, as well as their accessories, coming from the present and future contracts with specific clients, these having the status of assigned debtors.

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



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

### **34. COMMITMENTS AND CONTINGENCIES (continued)**

#### **RC ENERGO INSTALL SRL**

##### **Unused credit facilities as at September 30, 2023**

The company has unused credit facilities in amount of Lei 295,971 (31 December 2022 : Lei 1,000,000).

##### **Guarantees for bank loans**

At September 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**

The group did not identify significant subsequent events.

### **36. APPROVAL OF THE FINANCIAL STATEMENTS**

The condensed interim consolidated financial statements have been approved by the Board of Directors on November 14, 2023.

#### **PREPARED BY,**

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**HUANG LIANG NENG,**

Chairman of the Board  
and General Manager

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**VIORICA ZAINESCU,**

Financial Manager

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**ROMCARBON SA** | Thinking forward

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