

ANNUAL REPORT

Regarding the remuneration and other advantages granted to the Directors and the CEO of the company during 2023 financial year

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I. Introduction

1. Presentation of Romcarbon S.A. Company

Romcarbon SA (Romcarbon), founded on October 27, 1952, under the name "CHEMICAL FACTORY NO. 12", is one of the reference plastic packaging manufacturers in Romania, being among the first companies listed on the Bucharest Stock Exchange (BVB).

With a history of 71 years, 27 of which as a company listed on the BSE, under the symbol ROCE, Romcarbon is a landmark of resilience and adaptation to the ever-changing global demands and trends in the plastic processing industry. Romcarbon is a company with a significant impact on the industry in which it operates, in a responsible and involved manner, by taking sustainable measures and decisions.

71 years after its establishment, Romcarbon is a recognized brand both on the Romanian and European markets. This longevity and privileged position is primarily due to the fact that, over time, the company has been consistent with the principles of business ethics and internal policies designed to ensure a sound and efficient management of both risks and opportunities.

Romcarbon has continuously developed, innovated and diversified its product range, persistently pursuing the goals it has set. We aim for Romcarbon's activity to become more and more sustainable and aligned with global trends, which is why, in the medium and long term, we aim to develop the activity of recycling and production of polymers from recycled materials as well as the implementation of photovoltaic power plant projects for the production of electricity from the conversion of solar energy.

Romcarbon is, de facto, one of the pioneers of the circular economy in Romania, thus, since the 80`s, the company has applied the circular use of some of the materials in its own production activity, having integrated a polyethylene recovery sector, in which it treated post- consumption waste, from polyethylene foils and films, mainly from agriculture, and a workshop for recycling used oil filters, collected from the big consumers of such equipment in the transport industry.

Therefore, although it represents a relatively new trend in global economic practices, for Romcarbon circular economy practices are not new and because recycling is in its DNA, Romcarbon opened a new development direction in 2012, in the field of plastics recycling, of the production of virgin and recycled raw materials and compounds and will thus continue on the circular economy path that it started a long time ago.

In fact, Romcarbon has always been associated with the idea of circular economy and recycling, being, since 2005, one of the founders of Green-Group, a group of companies that in recent years has become the largest integrated recycler in the southeast Europe. In 2022, Romcarbon decided to sell its holding in Green-Group, deciding to focus its financial and management efforts on the development of its own recycling activity. In this sense, the direction of sustainable development continues with the objective that by 2025, 35% of its turnover will be achieved from the sale of regenerated polymers.

Romcarbon is a company with fully private capital, having a share capital of 52,824,419.20 lei, divided into 528,244,192 dematerialized registered shares, worth 0.1 lei each, as a result of the capital increase carried out on 30.06.2023.

The main activities carried out by Romcarbon consist in the production of products from various plastics, the company's production activities being organized in seven profit centers (CP), each with a different activity profile, as follows:

SC Romcarbon S.A. Buzau's activity profile is the production of polymer products, filters and filter elements, individual protective equipment, activated carbon needed in the food, chemical and pharmaceutical industries, the recovery of plastic waste, regranulation and the manufacture of compounds.

In 2023, the production activity took place in 7 profit centers as follows:

- Profit Center no. 1 with the Filters Section where air, oil, fuel filters are produced for cars, trucks and tractors, railway equipment and industrial installations;
- Profit Center no. 2 with two workshops:
 - Individual respiratory protection equipment workshop that produces individual respiratory protection equipment - masks and cartridges - for the chemical industry, the mining industry, for M.Ap.N, civil defense and collective protection equipment.
 - The Active Coal workshop that produces semi-finished coal needed for protective equipment, as well as coal used in the petroleum, food, chemical and pharmaceutical industries.
- Profit Center no. 3 with the Polyethylene workshop where polyethylene packaging of various sizes is made (bags, bags, covers, through extrusion, printing, welding), general purpose film, sunscreen film, heat-shrinkable foil, photopolymer cliches.
- Profit Center no. 4 with two sectors:
 - PVC Pipe Sector whose activity is the production of pipes - semi-finished products for domestic consumption;
 - PVC supports sector, where pressed PVC supports are made for use in the field of road signs.
- Profit Center no. 5 with the Extruded Polystyrene Workshop consisting of the extrusion and thermoforming sectors, where packaging for the food industry - casseroles and construction products in the form of ribbed, perforated XPS plates and rolls are made.
- Profit Center no. 6 has 2 Polypropylene workshops where processed polypropylene products are made: laminated or non-laminated woven bags, in different types and dimensions for packaging agricultural products, food industry and chemical industry.
- Profit center no. 7 - has as its object of activity:
 - Treatment of plastic waste from WEEE recycling and the automotive industry, by separating the recyclable polymer fractions, grinding, extruding, filtering the separated fractions. The finished products of this center are plastic materials in the form of grinding or granules, compounds and composite materials.
 - Treatment of post-industrial and post-consumer polypropylene fabric waste as well as post-consumer polyethylene film waste by density sorting, extrusion and filtration. The finished products of this center are regranulated/polyethylene and polypropylene compounds.

Romcarbon S.A. also owns a series of financial investments, in the form of significant participations in Romanian and foreign legal entities, affiliated to the Company. As of the date of this report, the financial investment situation is as detailed in the table below:

Table 1: Romcarbon Group Component

Company	Total number of shares	Nr.of shares held	Holding percentage (%)
RECYPLAT LTD CIPRU	16.000	16.000	100,00%
RC ENERGO INSTALL SRL	200	200	100,00%
INFO TECH SOLUTIONS SRL	200	199	99,50%
LIVINGJUMBO INDUSTRY SA	1.400	1.398	99,86%
GRINFILD LLC UCRAINA			62,62%
YENKI SRL	32.800	10.934	33,34%
ECO PACK MANAGEMENT SA	144.600	36.670	25,36%

2. Statement of the Chairman of the Board of Directors of Romcarbon S.A. regarding the application of the remuneration policy

Huang Liang Neng, Chairman of the Board and CEO

"We are committed to protecting the health and well-being of employees and the local community, we have implemented digitization projects for support functions, we have developed flexible working programs, as well as other measures for the provision of IT equipment and solutions.

To these efforts we also added efforts to maintain jobs, in a context marked by increased volatility on the labor market. Despite the financial impact, we have managed to protect and maintain our activities while providing our employees, customers, business partners, local and central authorities with stability and ongoing support.

The remuneration policy is a key element in supporting the efforts mentioned above and it is an element without which all other strategies of the company would not be able to work and would not be able to bring the desired results."

3. Applicable remuneration policy

This Report on the remuneration and other advantages granted to the Directors and the CEO of the company during 2023 financial year (hereafter collectively referred to as "Executives") is based on the Romcarbon S.A. Remuneration Policy, approved by Ordinary General Meeting of Shareholders Decision no. 1 of 04.28.2021 and is drawn up in compliance with the provisions of Law no. 24/2017 on issuers of financial instruments, as amended including by Law no. 158/2020 for the amendment, completion and repeal of some normative acts, of Regulation no.5/2018 of the Financial Supervision Authority, regarding issuers of financial instruments and market operations, of Law no. 31/1990, regarding commercial companies, on the Incorporation Act of ROMCARBON S.A., on the Ordinary General Meeting of Shareholders Decision no. 1 of 25.01.2024, regarding the appointment of members of ROMCARBON's Board of Directors for a 4-year term and Decisions no. 19 of 24.12.2019, no. 1 of 20.01.2020 and no. 4 of 09.02.2024 of the Board of Directors of Romcarbon regarding the appointment of the CEO, regarding the approval of the Romcarbon Organization Chart and respectively regarding the extension of the mandate of the CEO of the company, from 17.02.2024 to 17.02.2028.

Romcarbon's remuneration policy was built to meet certain objectives, aligned with the company's major objectives, namely those of contributing to the long-term sustainability of the company, maintaining the company's competitiveness on the labor market, ensuring adequate conditions for attracting managers/employees with skills necessary and useful for the fulfillment of the company's purpose, to create a satisfactory level of retention of managers/employees, to support/facilitate the successful implementation/development of the company's strategy in the short, medium and long term and to provide tools to reward performance /outstanding achievements.

The annual report on the Remuneration Policy and other advantages granted to the Directors and the CEO of the company during the 2023 financial year will be submitted for approval to the company's shareholders who will meet during the Ordinary General Meeting of Shareholders convened for 29.04.2024 (30.04.2024 - the second convocation) and presents:

II. Remuneration for the financial year 2023

Section 1: The remuneration structure of the company's managers

Section 2: The variable remuneration in the form of shares and the right to recover the variable remuneration (component) of adjustment type (malus) and restitution type (claw – back)

Section 3: The company's performance in the 2023 financial year

Section 4: The degree of compliance of remuneration with the approved remuneration policy and the applied performance criteria

Section 5: Derogations from the application of the remuneration policy and/or from the procedure for its application

Section 6: The annual evolution of the remuneration, the performance of the company and the average remuneration based on the full-time equivalent of the issuer's employees who are not managers during the last 5 financial years

Section 1: The remuneration structure of the company's managers

A. Board of Directors

Romcarbon S.A. is administered by a Board of Directors composed of 3 members, elected by the Ordinary General Meeting of Shareholders, in accordance with the legal provisions, by secret ballot, for a period of 4 years, with the possibility of being re-elected.

The choice of directors is made from among the candidates for director positions, nominated by the members of the board of directors or by the shareholders.

The Board of Directors is responsible for taking all the necessary measures for carrying out the company's activity and for supervising its activity, the Board's powers being those detailed in the company's Articles of Incorporation as well as those established by Resolutions of the General Meeting of Shareholders.

By the Ordinary General Meeting of Shareholders Decision no. 1 of 25.11.2021, by agreement of the parties, on 29.11.2021 the mandate as a member of the Board of Directors of Mr. Wang Yi-Hao, by the same decision being appointed as a member of the Board of Directors Mr. Wey, Jiann - Shyang, for a mandate equal to the remaining term of his predecessor's mandate, respectively for a mandate valid between **29.11.2021-04.02.2024**.

Thus, starting from **29.11.2021**, the composition of the Board of Directors of Romcarbon SA is as follows:

- ▶ Chairman – HUANG, LIANG – NENG
- ▶ Depuru Chairman – WEY, JIANN - SHYANG
- ▶ Member – TODERITA STEFAN ALEXANDRU

The members of the Board of Directors, in office, were elected for a new mandate of 4 years, starting from 02.04.2024 and until 02.04.2028, based on Romcarbon Ordinary General Meeting of Shareholders Decision no. 1 of 25.01.2024.

Thus, during the 2023 financial year, the component of the Board of Directors of Romcarbon S.A. was the following:

Table 2: Member of the Board of Directors of Romcarbon SA in the 2023 financial year

Nr. crt.	Name and surname	Quality in BoD	Mandate start date	Mandate termination date
1	Huang Liang Neng	executive member and Chairman of the Board of Directors	04.02.2020	04.02.2024
2	Wey Jiann Shyang	independent, non-executive member	29.11.2021	04.02.2024

Nr. crt.	Name and surname	Quality in BoD	Mandate start date	Mandate termination date
		and Deputy-Chairman of the Board of Directors		
3	Toderita Stefan – Alexandru	non-executive member of the Board of Directors	04.02.2020	04.02.2024

Remuneration and other advantages granted to the Directors in the 2023 financial year

Regarding the remuneration of the members of the Board of Directors, they exercise their mandate without being remunerated and without receiving other benefits, according to what was decided by the Ordinary General Meeting of Shareholders Decision of 23.01.2021, considering the principle of aligning the interests of people with decision-making power in the company with the interests of shareholders and other parties involved.

With regard to any remuneration received by the Directors of the company from any entity belonging to the same group, respectively from entities affiliated with Romcarbon S.A., during the year 2023, we specify that among the Directors, the only one who received remuneration from an entity affiliated with Romcarbon S.A. during the financial year 2023 is Mr. Huang Liang Neng, Chairman of the Board of Directors and CEO of Romcarbon S.A., who also holds the position of Financial Advisor within Livingjumbo Industry SA (a company in which Romcarbon S.A. owns 99.8571% of the share capital).

The remuneration situation received by Mr. Huang Liang Neng, who also holds the position of CEO of Romcarbon SA, from entities affiliated with Romcarbon S.A., according to the aforementioned, will be detailed below in point B. dedicated to the remuneration of the CEO.

B. Executive Management - CEO

According to the Incorporation Act of Romcarbon S.A. and the provisions of Law no. 31/1990 on commercial companies, art. 143 paragraph 4, in the case of Romcarbon S.A., being a company subject to the legal obligation to financial statements audit, the management of the company is delegated by the Board of Directors to the CEO, who is responsible for carrying out all the measures corresponding to the management of the Company, within the scope of the Company's activity and in compliance with the exclusive powers reserved by the Law or the Articles of Incorporation, to the Board of Directors or to the General Meeting of Shareholders.

In this sense, in relations with third parties, the Company is represented by the CEO, based on the provisions of art. 143 para. 4 in conjunction with art. 143² para. 4 of Law 31/1990 on commercial companies.

The CEO is appointed and may be dismissed from office by the Board of Directors, which establishes the CEO's duties, responsibilities and powers as well as his remuneration.

The position of CEO is held by Mr. Huang Liang Neng, being appointed to the position of CEO by the Board of Directors of Romcarbon S.A. based on Decision no. 19 of 24.12.2019, for a 4-year mandate starting on 17.02.2020 and ending on 17.02.2024. The mandate of the CEO was extended by the Decision of the Board of Directors of Romcarbon no. 4 of 09.02.2024, for a period of 4 years, respectively from 17.02.2024 and until 17.02.2028, with the maintenance of all conditions and the allowance already approved, according to the Decision of the Board of Directors of Romcarbon SA no. 1/2020.

The CEO of Romcarbon S.A. fulfilled its duties during the financial year 2023 according to the Mandate Agreement concluded with the Company, represented by the Board of Directors, and according to those established by the Decisions of the Board of Directors and by Decisions of the General Meetings of Shareholders.

Table 3: Executive management during the 2023 financial year

Nr. crt.	Name and surname	Position	Mandate start date	Mandate termination date
1	Huang Liang Neng	CEO	17.02.2020	17.02.2024

Remuneration and other benefits granted to the CEO in the 2023 financial year

The amount of the remuneration of the CEO was also established by the Decision of the Board of Directors, being included, together with the other advantages, in the Mandate Contract concluded with the Company.

The remuneration of the CEO in 2023 is composed of:

- Fixed monthly remuneration in gross amount of 15,000 lei/month (180,000 lei/year);
- Variable remuneration - not granted;
- Other advantages in the total amount of 98,341 lei.

Details regarding the remuneration of the CEO, during the 2023 financial year, can be found in the table below:

Table 4: CEO remuneration information in the 2023 financial year

Period of activity	Fixed remuneration			Variable remuneration		Special benefits	Pensions	Total annual remuneration (lei)	The relative proportion of variable remuneration (Variable remuneration / fixed remuneration)	Share of fixed remuneration in total remuneration (Fixed remuneration / Total remuneration)
	The gross annual fixed remuneration (lei)	Advisory committee compensation	Other benefits (lei)	Gross variable remuneration	Long-term variable remuneration (gross multi-year)					
01.01.2023 - 31.12.2023	180000	no	98341	no	no	no	no	278341	n/a	n/a

* n/a – not applicable

The remuneration and other advantages/benefits granted to the CEO in 2023 comply with the incidental statutory approvals as well as the approved Remuneration Policy.

The table below shows the elements included in the "Other benefits" category granted to the CEO, such as travel expenses, medical insurance, company car, professional training/training, work accommodation, telephone, laptop, tablet, other benefits.

Table 5: Elements included in the "other benefits" category

Name and surname, Position	Period of activity	Non-financial advantages						
Huang Liang Neng	2023	Company car	Travel expenses	Work residence	Professional Preparation / Training	Medical insurance	Laptop	Phone
CEO		Yes	Yes	Yes	No	No	Yes	Yes

In the 2023 financial year, the CEO had to fulfill the objectives and duties mentioned in the Mandate Contract concluded with the company and in the company's medium and long-term strategies, as well as to manage multiple situations that arose during this financial year, which, correctly managed, impacted the results to a lesser extent.

Thus, part of the management strategy of the CEO consisted in taking all measures to ensure the development of the company's activity in safe conditions for all interested parties, in the context of some difficult involved markets, among which the market of raw materials and materials stands out, where the availability and price of raw materials represented a continuous challenge, the cost of plastic granules being maintained at a high level, not only in terms of the unit price, but also in terms of the increasing pressure on this price, the utilities market with prices raised to a level hard to imagine a few years ago, in the context of the geopolitical climate created by the war in Ukraine, and last but not least the labor market, which shows a continuously increasing volatility.

A successfully achieved objective was the completion by Romcarbon, at the end of December 2023 - the beginning of January 2024, of the signing of the financing contract with the Ministry of Energy for the financing from the PNRR of the project "Implementation of an electricity production capacity from renewable energy sources solar within the company ROMCARBON SA", in a total amount of 5,583,012.33 lei, which will be financed as follows: the value of 2,315,700 lei from non-refundable funds through PNRR, and the value of 3,267,312.33 lei from funds insured by Romcarbon S.A., both from own resources and from attracted resources.

Another notable operation coordinated and successfully completed by the team led by the CEO was the share capital increase carried out during 2023 and concluded with the issuance of 264,122,096 new shares, allocated according to the allocation rate decided by the Extraordinary General Meeting of the Shareholders from 27.04.2023, for 1 (one) existing share, the shareholders registered in the shareholders' register on 28.09.2023 received 1 (one) newly issued share free of charge. This operation aimed to create benefits for the company's shareholders and increase the free float of the company's shares.

Last but not least, it is worth mentioning the future collaboration of Romcarbon SA with SWANCOR HOLDING Co.Ltd, under the coordination of the CEO, for the development of a new recycling activity. The collaboration with Swancore aims to develop the activity of recycling thermosetting materials on the territory of the European Union, this collaboration with Swancor being a natural step for Romcarbon SA, in the context where the signs of climate change have become visible and the reduction of carbon emissions is no longer just

an environmental problem, but also has a solid economic impact, with all industries aiming for net zero emissions and sustainable operation.

In 2023, there were no increases in the fixed remuneration of Romcarbon CEO, nor were any other non-financial advantages granted, except for those presented in the table above.

Regarding any remuneration received by the CEO of the company from any entity belonging to the same group, respectively from entities affiliated with Romcarbon S.A. during the year 2023, we specify that the CEO of Romcarbon also holds, as stated above, the position of Financial Advisor within the company Livingjumbo Industry SA (company in which Romcarbon S.A. holds 99.8571% of the share capital).

The remuneration situation received by the CEO during the year 2023 from Romcarbon S.A. affiliated companies, in which it has significant holdings, over 25% of the share capital, is presented in the following table:

Table 6: The situation of the remunerations received by the executive management from other entities in the Romcarbon Group in 2023

Period of activity	Affiliated company	Fixed remuneration			Variable remuneration		Special benefits	Pensions	Total annual remuneration (lei)	The relative proportion of variable remuneration (Variable remuneration/fixed remuneration)	The share of fixed remuneration in the total remuneration (Fixed remuneration/Total remuneration)
		The gross annual fixed remuneration (lei)	Advisory committee compensation	Other benefits (lei)	Gross variable remuneration	Long-term variable remuneration (gross multi-year)					
01.01.2023 -31.12.2023	LivingJumbo Industry SA	100968	no	3152	no	no	no	no	104120	n/a	100%

* n/a – not aplicable

Section 2: The variable remuneration in the form of shares and the right to recover the variable remuneration (component) of adjustment type (malus) and restitution type (claw – back)

During the 2023 financial year, the company did not grant variable remuneration in the form of shares.

To the extent that, in the future, the decision to grant a variable remuneration component in the form of shares will be taken, the Board of Directors will proceed, at the optimal time, to reevaluate the remuneration policy, its revision and/or adequacy, so that establish, clearly, within the policy, the procedure regarding the recovery of the variable remuneration, including that granted in the form of shares, the period affected by the event that determines the recovery and/or the type of restitution, etc.

Section 3: The company's performance in the 2023 financial year

In 2023 Romcarbon S.A. achieved the following financial indicators:

- Cumulative sales reached the figure of 214,230,854 lei, with -18% less than in 2022. Net sales from the basic activity, respectively from the sale of the obtained products, decreased by -29,974,867 lei, -16% compared to the year 2022.
- Operational EBIDTA recorded a decrease of -10,152,024 lei, -68%, compared to 2022.
- The profit from operational activities in 2023 was 2,133,197 lei, down by - 4,488,031 lei (-68%) compared to the previous year.
- The net profit obtained in 2023 is 3,313,809 lei, with a decrease of - 48,157,881 lei compared to 2022.

Regarding operational activity, the biggest challenges in 2023 were represented by the decrease in market demand, under the effect of increased inflation, which led end consumers to reconsider their consumption behavior, but also by the continuous increase in the price of energy and gross minimum wage per country guaranteed in payment, which put additional pressure on the business.

The current international economic context in which there are global geopolitical tensions arising from the military interventions of the Russian Federation in Ukraine, respectively of Israel in the Gaza Strip have generated and are generating economic uncertainties on the energy and capital market, global prices being expected to be very volatile in the foreseeable future.

During this period, the management team, on the one hand, acted to adjust the sales prices of the products, so that they reflect the increases we faced in terms of utilities, minimum wage and logistics costs, continuing to monitor the increase the quantities sold, and on the other hand, great efforts were made to procure raw materials at the most advantageous prices, in order to ensure uninterrupted production activity.

Section 4: The degree of compliance of the remuneration with the approved remuneration policy and the remuneration principles/performance criteria applied

During the 2023 financial year, the remuneration was made in accordance with the principles applied in the administration/management of the company's activities, namely prudence, diligence, solid/sustainable development and effective risk management, without encouraging the assumption of risks incompatible with the activity profile, with the rules internal or with the company's incorporation act.

Likewise, the remuneration in 2023 respected the remuneration principles established by the applicable legal regulations in the matter of labor remuneration, the remuneration policy adopted by the company and was appropriate to the size of the company, its internal organization, as well as the nature and complexity of the company's activities.

Section 5: Derogations from the application of the remuneration policy and/or from the procedure for its application

Remuneration during the financial year 2023 did not register any exemptions from the application of the remuneration policy adopted by the company, as it was approved by the Ordinary General Meeting of Shareholders Decision no. 1 of 28.04.2021, regarding the Directors, respectively Romcarbon Board of Directors Decision no. 1/2020, regarding the CEO. Also, there were no deviations from the procedure to apply the remuneration policy.

Section 6: The annual evolution of the remuneration, the performance of the company and the average remuneration based on the full-time equivalent of the issuer's employees who are not managers during the last 5 financial years

The remuneration granted to the company's employees during each year from 2017 to 2023 reflects the conditions negotiated according to the Collective Labor Agreement, signed at the company level for the years 2017 – 2019, 2019 – 2021, 2021 – 2023 and 2023-2025 respectively, as well as the application the legal regulations incident to the establishment of the minimum gross salary for the country guaranteed in payment.

Table 7: The evolution of the annual average gross salary of Romcarbon SA employees based on the equivalent of the full rate during 5 financial years prior to 2023

Average annual gross salary based on the full-time equivalent of the Company's employees	Evolution 2023-2022	Evolution 2022-2021	Evolution 2021-2020	Evolution 2020-2019	Evolution 2019-2018	Evolution 2018-2017
Increase in the relative value of the average annual gross salary (%)	16.54%	10.44%	7.63%	8.56%	10.61%	30.30%
Annual average gross salary increase value per company (lei)	726	415	282	291	326	715

The evolution of the main financial indicators of Romcarbon SA for the period 2017-2023 can be found in the table below:

Table 8: The evolution of the main financial indicators during 5 financial years prior to 2023

The main financial indicators	Financial year 2023 compared to financial year 2022	Financial year 2022 compared to financial year 2021	Financial year 2021 compared to financial year 2020	Financial year 2020 compared to financial year 2019	Financial year 2019 compared to financial year 2018	Financial year 2018 compared to financial year 2017
EBITDA Operational	(10,152,024)	1,038,251	1,612,296	55,977	934,534	(798,272)
	-67.57%	7.42%	13.03%	0.45%	8.21%	-6.55%
Operational profit	(4,488,031)	(939,203)	4,364,788	(240,880)	(1,651,600)	(2,659,860)
	-67.78%	-12.75%	136.59%	-7.01%	-32.46%	-34.33%
Net profit	(48,157,881)	52,919,148	(2,316,562)	499,007	(4,430,257)	2,289
	-93.56%	3656.01%	-266.55%	134.83%	-92.29%	0.05%

*EBITDA Operational - only the basic activity is taken into account, excluding financial activity, asset sales, depreciation and other non-recurring elements.

A. The evolution of the gross annual fixed remuneration and its annual variation in the period 2018-2023, for acting Directors of Romcarbon S.A.

The gross annual fixed remuneration granted to administrators in the period 2018 – 2023 had the evolution from the following table:

Table 9: The evolution of the annual fixed remuneration of the members of the BoD during 5 financial years prior to 2023

Name and surname	Position	Period of activity	The gross annual fixed remuneration (lei)					2018
			2023	2022	2021	2020	2019	
Huang Liang Neng	Chairman BoD	26.04.2018 31.12.2023	0	0	0	15770	93501	68883
Wang Yi Hao	Member BoD	01.11.2010 29.11.2021	0	0	0	13408	79500	77852
Toderita Stefan Alexandru	Member BoD	04.02.2020 31.12.2023	0	0	0	0	n/a	n/a
Wey Jiann Shyang	Member BoD	29.11.2021 31.12.2023	0	0	0	0	n/a	n/a

* n/a – not aplicable

The variation of the gross annual fixed remuneration granted to the Directors of the company in relation to the previous year, for 5 financial years prior to the reporting year, respectively 2018 – 2023 is presented in the table below:

Table 10: The evolution of the variation of the annual fixed remuneration of the members of the BoD during 5 financial years prior to 2023

Name and surname	Position	Period of activity	The variation of the gross annual fixed remuneration					
			Fixed remuneration 2023/ Fixed remuneration 2022	Fixed remuneration 2022/ Fixed remuneration 2021	Fixed remuneration 2021/ Fixed remuneration 2020	Fixed remuneration 2020/ Fixed remuneration 2019	Fixed remuneration 2019/ Fixed remuneration 2018	Fixed remuneration 2018/ Fixed remuneration 2017
Huang Liang Neng	Chairman of BoD	26.04.2018 31.12.2023	n/a	n/a	n/a	1.01	1.02	n/a
Wang Yi Hao	Member BoD	01.11.2010 29.11.2021	n/a	n/a	n/a	1.01	1.02	1.22
Toderita Stefan Alexandru	Member BoD	04.02.2020 31.12.2023	n/a	n/a	n/a	n/a	n/a	n/a
Wey Jiann Shyan	Member BoD	29.11.2021 31.12.2023	n/a	n/a	n/a	n/a	n/a	n/a

* n/a – not aplicable

The ratio between the gross annual fixed remuneration granted to the company's Directors in their position during the 2023 financial year and the average gross salary per company based on the full-time equivalent granted to the issuer's employees, who are not managers, during the last 5 financial years is presented in the table below:

Table 11: The evolution of the variation of the annual fixed remuneration of the members of the Board of Directors compared to the average annual gross salary per company during 5 financial years prior to 2023

Name and surname	Position	Period of activity	The variation in gross annual fixed remuneration/The average annual gross salary per Company					
			2023	2022	2021	2020	2019	2018
Huang Liang Neng	Chairman of BoD	26.04.2018				2.13	2.29	2.49
		31.12.2023	n/a	n/a	n/a			
Wang Yi Hao	Member BoD	01.11.2010				1.81	1.95	2.11
		29.11.2021	n/a	n/a	n/a			
Toderita Stefan Alexandru	Member BoD	04.02.2020				n/a	n/a	n/a
		31.12.2023	n/a	n/a	n/a			
Wey Jiann Shyang	Member BoD	29.11.2021 31.12.2023	n/a	n/a	n/a	n/a	n/a	n/a

* n/a – not aplicable

B. The evolution of the gross annual fixed remuneration and its annual variation in the period 2018-2023, for acting CEO of Romcarbon S.A.

The gross annual fixed remuneration granted to the CEO in the period 2018 – 2023 had the evolution from the following table:

Table 12: The evolution of the annual fixed remuneration of the CEO during 5 financial years prior to 2023

Name and surname	Position	Period of activity	The gross annual fixed remuneration (lei)					
			2023	2022	2021	2020	2019	2018
Huang Liang Neng	CEO	17.02.2020 31.12.2023	180000	180000	180000	142500	n/a	n/a

* n/a – not aplicable

The variation of the gross annual fixed remuneration granted to the Company CEO in relation to the previous year, for 5 financial years prior to the reporting year, respectively 2018 – 2023 is presented in the table below:

Table 13: The evolution of the variation of the annual fixed remuneration of the General Director during 5 financial years prior to 2023

Name and surname	Position	Period of activity	The variation in gross annual fixed remuneration					
			2023/2022	2022/2021	2021/2020	2020/2019	2019/2018	2018/2017
Huang Liang Neng	CEO	17.02.2020 31.12.2023	1.00	1.00	1.00	n/a	n/a	n/a

* n/a – neaplicabil

The ratio between the gross annual fixed remuneration granted to the Company CEO, in office during the 2023 financial year, and the average gross salary per company based on the full-time equivalent granted to the issuer's employees, who are not managers, during the last 5 financial years is presented in the table below:

Table 14: The evolution of the variation of the annual fixed remuneration of the CEO related to the average gross annual salary per company during 5 financial years prior to 2023

Name and surname	Position	Period of activity	The variation in gross annual fixed remuneration/Gross average salary annually on the company					
			2023	2022	2021	2020	2019	2018
Huang Liang Neng	CEO	17.02.2020 31.12.2023	2.93	3.42	3.77	4.06	n/a	n/a

* n/a – not aplicable

III. Conclusions

This report on the remuneration and other advantages granted to the Directors and the CEO of the company during the financial year 2023 presents the complete synthetic situation of the remunerations and other advantages granted by the company to its managers, including by comparison with the average gross salary for the company based on the full-time equivalent granted to the issuer employees, who are not managers, during the last 5 financial years and was drawn up in compliance with the provisions of art. 107 of Law no. 24/2017 regarding issuers of financial instruments, as amended including by Law no. 158/2020 for the amendment, completion and repeal of some normative acts, of Regulation no. 5/2018 of the Financial Supervision Authority, regarding issuers of instruments financial and market operations, of Law no. 31/1990, regarding commercial companies, of the ROMCARBON S.A. Incorporation Act and of the Remuneration Policy approved according to Romcarbon S.A. Ordinary General Meeting of Shareholders Decision no. 1 of 28.04.2021.

The remuneration report for the 2023 financial year will be subject to the approval of the company's shareholders in the meeting of the Ordinary General Meeting of Shareholders to be convened for 29.04.2024 (30.04.2024 – second convocation), according to the financial calendar published by the company.

Chairman of the Board of Directors
Huang Liang Neng

Financial Manager
Zainescu Viorica Ioana

Deputy CEO for Administration
Manaila Carmen