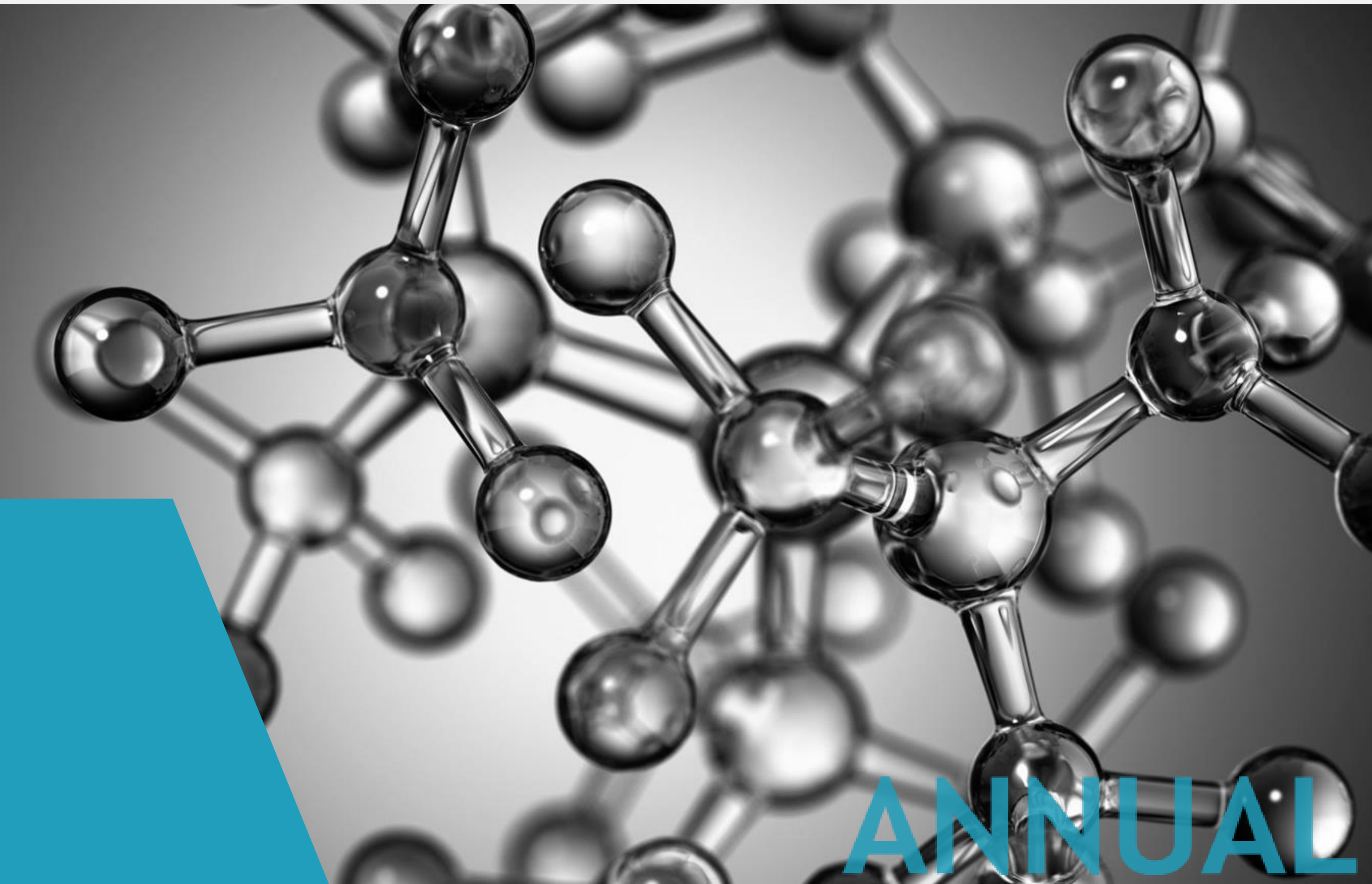
ROMCARBON
since 1952



ANNUAL REPORT 2024

132 Transilvaniei street, Buzau

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Annual report regarding the Separate Financial Statements

Annual report according FSA no. 5/2018
Date of release: 29/30.04.2025
Reporting date: 31.12.2024
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: J1991000083106
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 COMMENTS

Dear shareholders,

In 2024, from the perspective of individual financial statements, Romcarbon recorded a net loss of -5,992,980 RON, primarily due to the negative impact of the **Recycled Polymers & Compounds sector**, which incurred losses of approximately 7 million RON due to reduced capacity caused by the breakdown of a production line. Additionally, there was a noticeable decline in market demand, as the consumption of recycled polymers was discouraged by the low price of virgin material, which remained stable throughout 2024.

The **Polypropylene Processing** sector registered a profit of 2.2 million RON, a decrease of 1.4 million RON compared to 2023, mainly due to contractions in markets such as fertilizers and grains.

The **Polystyrene Processing** sector also saw a decline in results, with a decrease of 0.95 million RON compared to 2023, driven by lower market demand, which made it challenging to reflect rising costs (particularly labor costs) in sales prices.

On the other hand, significant improvements were recorded in the **Polyethylene Processing** sector, where the result was approximately 1.4 million RON higher than in 2023. The product portfolio was redefined, and less competitive items were eliminated. As a result, the sector's structure was adjusted to optimize costs.

Outlook for 2025

The main challenges are rising wages and market demand uncertainty. To address these challenges, our strategies include optimizing existing businesses and developing new ones.

Concrete actions:

1. **Wages:** Starting in 2024, we implemented an ongoing process to mitigate the impact of the rising minimum wage. By closing unprofitable production lines, adjusting work shifts, redistributing tasks, halting recruitment, and encouraging retirements, we reduced the organization's size by approximately 20%, which will significantly improve results for 2025.

2. **Recycled Polymers & Compounds:** A new production line, operational since late October 2024, has started increasing production capacity. This will eliminate the frequent breakdowns of the old line. Measures were also taken to reduce labor costs.

3. **Polypropylene Processing:** We plan to invest in automation for a production process, which will help reduce labor costs by approximately 12,000 euros/month.

4. **Polystyrene Processing:** The installation of a new production line has been completed, and production will start in March. The new line has higher capacity, is more efficient, consumes fewer raw materials, and produces higher-quality finished products. A contract with a client for the new capacities is already in place, and expectations for improved results starting in March are positive.

5. **Carbon Fiber Recycling Project:** We are in the final stage of discussions with our partner to invest in this plant. Announced in 2024, the project is ongoing and scheduled for launch this year.

In summary, compared to the loss of -5,992,979 RON in 2024, we have budgeted a profit of 2,832,974 RON for 2025, representing a significant improvement of 8,825,953 RON. Although the profit margin for 2025 is only 1%, considering that many actions, including investments, will yield results starting in the second half of the year, we anticipate the continuation of positive outcomes in subsequent years, 2026 and 2027, with a significant improvement in margin.

Huang Liang Neng
Chairman of the Board and General Manager
on behalf of the Management team

1.ANALYSIS OF THE COMPANY ACTIVITY

1.1.a) S.C. Romcarbon S.A. has the following main activities:
2221 Manufacture of plates, sheets, tubes and plastic profiles
2222 Manufacture of plastic packaging
2223 Manufacture of plastics for construction
2229 Manufacture of other plastic products
2932 Manufacture of other parts and accessories for motor vehicles and their engines
3832 Recovery of sorted materials
3299 Other manufacturing
4677 Wholesale of waste

1.1.b) S.C. Romcarbon S.A. was founded in 1952 under the name "Fabrica Chimica nr.12".
SC Romcarbon S.A. was established under Law No. 15 and 31/1990, HG 1213/1990 as a result of reorganization of „Intreprinderii de Mase Plastice Buzau”.
1.1.c) There were no merges or reorganization of the Company during the year ended.
1.1.d) The inputs of “Property, plant and equipment” during 2024 are presented in the table below :

Category	Value
Plants	1,472,532
Equipment and Machineries	12,851,063
Controlling device	52,199
Vehicles	224,908
Furniture	430,442
TOTAL	**15,031,144**

The main “Property, plant and equipment” entries during the reporting period were:

Item	Entry value	Section
WASHING LINE PP/LDPE (INAN)	5,625,679	CP7 – Recycled polymers & compounds
PHOTOVOLTAIC PANNEL SYSTEM 999.18 kWp	2,546,422	Administrative
MILL WITH A SINGLE SHAFT	905,619	CP7 – Recycled polymers & compounds
GRANULATING LINE MIN. 950 KG/H (INTAREMA 1716)	598,130	CP7 – Recycled polymers & compounds
ELECTRICITY TRANSFORMER 16 MVA	528,867	Administrative
ELECTRICITY TRANSFORMER 16 MVA	509,677	Administrative

1.1.1 General assessment items

Indicator	2023	2024	2024 vs. 2023	
Sales of finished goods	**153,331,408**	**158,936,063**	**5,604,655**	**3.66%**
Total sales (Turnover)	216,420,862	227,789,211	11,368,349	5.25%
Exports	**34,506,100**	**34,323,377**	**(182,724)**	**-0.53%**
Total Revenues	233,580,501	239,840,301	6,259,800	2.68%
Total Expenses	(230,084,172)	(245,833,281)	(15,749,109)	6.84%
Gross profit/loss, total, out of which:	**3,496,328**	**(5,992,980)**	**(9,489,308)**	**n/a**
Exploitation result	1,848,012	(7,405,743)	(9,253,755)	-500.74%
Financial result	1,648,320	(240,993)	(1,889,313)	n/a
Profit tax	(182,523)	1,653,756	1,836,279	-1006.05%
Net profit	**3,313,809**	**(5,992,980)**	**(9,306,789)**	**n/a**
EBIT	5,303,794	(5,392,331)	(10,696,125)	-201.67%
EBITDA	12,582,621	2,598,383	(9,984,238)	-79.35%
EBITDA Operational	**4,873,276**	**579,594**	**(4,293,682)**	**-88.11%**
Cash and bank balances	29,382,497	8,566,956	(20,815,541)	-70.84%

Market share (%) in Romania:

Group of products		% of domestic market (estimation)
Automotive and industrial filters	~CP1	2%
Active carbon	~CP2	3%
Individual protective equipment	~CP2	18%
Polyethylene products	~CP3	5%
PVC products	~CP4	1%
Polystyrene products	~CP5	8%
Polypropylene products (pp bags)	~CP6	16%
Regenerated plastics & Compounds	~CP7	3%

1.1.2 Technical assessment of the company

SC Romcarbon S.A. Buzau activity profile is to process polymers and convert them into plastic packaging, to manufacture filters and filter elements, protective materials, active carbon for the food, chemical and pharmaceutical industry, plastic waste recovery, regranulation and manufacture of compounds.
In 2024, production activity was carried out in 7 profit centers as follows:

- **Profit Center No. 1 – Filters.**
  - Filters workshop: In this center are manufactured air, oil, fuel and cabin filters for cars, trucks and tractors, railway equipment and industrial installations.
- **Profit Center No. 2 – Protective equipment and Active Carbon**
  - Protective equipment workshop: production of personal protective respiratory equipment – gas masks and filter cartridges - for chemical industry, mining industry, for the Ministry of National Defense, civil defense and collective protective equipment.
  - Active Carbon Workshop that manufactures active carbon, powder or grains, impregnated- semi-finished products necessary for protective equipment, as well as active carbon used in oil industry, food, chemical and pharmaceutical industries.
- **Profit Center No. 3 with Polyethylene workshop** - here varied sizes of polyethylene packaging (small bags, garbage bags, pouches, cover bags by extrusion, printing, welding), general purpose film, foil for greenhouse, shrinkable film and photopolymer clichés are produced.
- **Profit Center No. 4 with two workshops:**
  - Support for traffic signs workshop based on recycled PVC, extruded and pressed.
  - PVC pipes workshop is engaged in the production of PVC pipes as semi-finished products for internal use.
- **Profit Center No. 5 with extruded Polystyrene Workshop**, consisting of extrusion and thermoforming sector, where are manufactured packaging trays for food industry and products for constructions as XPS plates and rolls, ribbed and perforated.
- **Profit Center No. 6 with 2 workshops of Polypropylene**-where are manufactured polypropylene products: laminated and non-laminated woven bags in different sizes for packaging products used in agriculture, food, chemical and construction industry.
- **Profit Center No. 7 – Compounds- with two activities:**
  - Processing plastic waste from the automotive industry through optical, density-based, and electrostatic separation of recyclable polymer fractions, followed by grinding, extrusion, and filtration of the separated fractions. The final products of this Center are plastic materials in the form of ground plastic or granules, compounds, and composite materials.
  - Processing post-industrial and post-consumer polypropylene fabric waste, as well as post-consumer polyethylene film waste, through density-based sorting, extrusion, and filtration. The final products of this Center are polyethylene and polypropylene regranulated and compounds

The company has a working points in Iasi where the main activity is renting the assets for production purpose.

The main groups of products and their share in total turnover

	2022	2023	2024
- Sales of finished products, total, out of which:	**69.16%**	**70.85%**	**69.77%**
CP1~ Automotive and industrial filters,	*1.28%*	*1.69%*	*1.49%*
CP2~ Respiratory protective equipment and Active Carbon	*2.04%*	*1.05%*	*1.20%*
CP3~ Polyethylene processing products	*13.63%*	*13.99%*	*16.06%*
CP4~ PVC processing products	*0.26%*	*0.19%*	*0.18%*
CP5~ Polystyrene processing products	*19.27%*	*21.62%*	*21.28%*
CP6~ Polypropylene processing products	*15.13%*	*14.79%*	*14.45%*
CP7~ Recycled plastics & Compounds	*17.54%*	*17.51%*	*15.11%*

The difference up to 100% represents the sales of merchandises, services, rents and other sales

New products developed in 2024

The technical and investment activities were focused on new products and technologies, alongside expanding the porfolio of offered products. In 2024, the range of filters was expanded with 9 new items, including 5 automotive and 4 industrial ones. In the polypropylene packaging (bags) sector, products containing recycled materials—derived from the residues generated during product processing—were developed. To meet customer requirements, the range of type-dimensional woven polypropylene packaging was adapted and expanded with 652 new items. New compounds from recyclable plastic fractions were developed, including optimizations aimed at reducing costs and improving the efficiency of raw material usage, amounting to approximately 900 tons. These products were sent to customers for testing, validation, and use.

1.1.3 The assessment of the procurement activity (domestic and import)

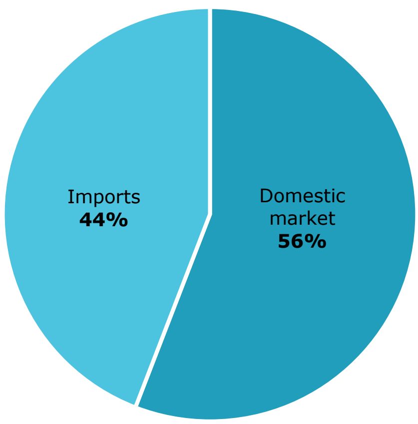
The supplying chain of raw materials, materials and services is done according to the specific internal procedures. Following the analysis of a minimum 3 commercial offers, the best alternative is selected, which then becomes the acquisition. Collaborations with agreed suppliers are conducted on the basis of commercial contracts or confirmed spot orders. The portfolio of raw materials suppliers for most production sectors includes companies with the headquarters in Romania in a percentage of 56% (2023 : 48%), and companies acting on the foreign markets in a percentage of 48% (2023 : 52%).

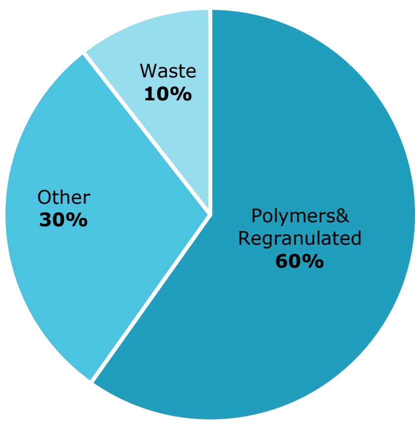
For the Recycled Compounds sector, the raw material supplied—plastic waste—originates almost entirely from Romania.

The most significant share (60%) of the value of raw material purchases consists of polymer granules (polypropylene, polyethylene, polystyrene) and regranulated materials, which represent the main raw material.

These are provided by various companies with which SC Romcarbon SA has developed partnerships over time. To ensure its customers receive products at the best quality-price ratio, Romcarbon is actively involved in the development of new projects and remains open to new collaborations.

Related to the supplier's domicile in 2024 the acquisitions of raw materials and materials had the following structure:





1.1.4 The assessment of sales activity

Evolution of turnover resulting from the sales of finished products is presented in the following table:

Group	2022	2023	2024		2024 vs. 2023	
CP1~ Auto and industrial filters,	3,395,182	3,652,168	3,403,206	▼	-248,961	-7%
CP2~ Respiratory protective equipment and Active Carbon	5,396,649	2,278,627	2,729,267	▲	450,640	20%
CP3~ Polyethylene products	36,123,918	30,273,457	36,580,283	▲	6,306,826	21%
CP4~ PVC products	697,669	420,422	416,700	▼	-3,722	-1%
CP5~ Polystyrene products	51,082,952	46,799,705	48,473,938	▲	1,674,233	4%
CP6~ Polypropylene products	40,107,774	32,001,778	32,908,027	▲	906,249	3%
CP7~ Regenerated plastics & Compounds	46,502,132	37,905,250	34,424,642	▼	-3,480,608	-9%
Total	**183,306,276**	**153,331,406**	**158,936,063**	▲	**5,604,657**	**4%**

Evolution of turnover resulting from the sales of finished products according to its distribution on the domestic/foreign market is presented below:

Sales of finished products	2022		2023		2024	
	Value	%	Value	%	Value	%
Domestic market	135,276,630	74%	120,551,519	79%	125,877,735	79%
Exports	48,029,646	26%	32,779,887	21%	33,058,328	21%
Total	**183,306,276**	**100%**	**153,331,406**	**100%**	**158,936,063**	**100%**

1)AUTOMOTIVE AND INDUSTRIAL FILTERS

a) **Market**

Filters are predominantly sold on the domestic market (95%), while a portion of the automotive filters are exported by distributors (5%). Of the total sales of this profit center, 29% are automotive filters, 29% railway and naval filters, 16% industrial filters, and 26% agricultural filters and others. The filter sales process is carried out both directly by Romcarbon and through distributors.

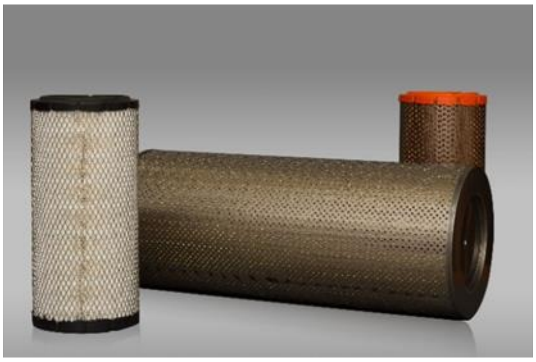
The main objectives pursued in the marketing and sales process are:

• Maintaining and diversifying the sales of filters for the railway and naval sectors.

• Developing filters for household and HORECA applications, such as vacuum cleaners, exhaust hoods, etc.

• Expanding the sale of industrial filters by offering customized components to replace imported filters with equivalents.

• Reducing automotive filter sales, while increasing the proportion of cabin filters, which will ensure continuity amid declining sales of filters for polluting engines



Competition

From the point of view of the brand, we maintain the Romcarbon brand, recognized by customers who are aware of its European-level quality. In addition, we produce under different brands of car component distributors, which hold significant shares in the after-market products, thus managing to be present on this market as well.

Romcarbon filters are recognized as having the appropriate quality, are risk-free, and have fair prices.

The competition is represented by established companies, both for industrial filters such as Pall, Donaldson, but also for automotive and agricultural filters, Mann, Mahle, Knecht, our advantage being the price adapted to local purchasing power. A significant competition also comes from importers or regional distributors selling products from China and other low-cost sources. Our main advantage is the quality-price ratio, and an additional advantage is the relatively short delivery time, based on our policy of having sufficient stocks of the main raw materials and on the versatility of our technological lines.

2) ACTIVE CARBON AND INDIVIDUAL RESPIRATORY PROTECTIVE EQUIPMENTS

a) **Market:**

ROMCARBON is a long-standing manufacturer of activated carbon and individual and collective respiratory protection equipment, producing complete masks, half masks, filters against industrial toxins in the workplace atmosphere, chemical filters for shelters and mobile units for the Ministry of National Defense (MApN), as well as granulated and powdered activated carbon. These are used for air purification by reducing volatile compounds, potable water treatment in municipal stations, industrial wastewater treatment, decolorization in the food and pharmaceutical industries, biogas purification, and the removal of dioxins and furans from gases in waste treatment processes.

Although Romania ranks among the last in the EU in terms of expenditures on respiratory protection equipment, ROMCARBON has made every effort to retain its longstanding clients in 2024, while also placing significant emphasis on attracting new customers.

The sales market is primarily domestic, with 96% of total sales value coming from companies that design and build filter-ventilation systems, companies specialized in metal coatings, the pharmaceutical and food industries, biogas production and purification plants/farms, telecom infrastructure component

manufacturers, and the automotive industry. The remaining 4% of sales are directed toward companies in the chemical industry.
Products from this sector have been sold both directly to end users (75% of clients) and through distributor companies for protective equipment (25%).

b) Competition:

The sales team focused on product promotion and attracting new customers, with sales to these customers representing approximately 25% of the total sales of individual protective equipment and activated carbon. This achievement was made despite the availability of a range of high-performance products on the market from globally recognized manufacturers, such as DRAEGER SAFETY (Germany), SPERIAN (Italy), HONEYWELL (USA), MSA AUER (Germany) for protective equipment, and DONAUCHEM ROMANIA, Vulcascot (Austria), PREST ECO TREND for activate carbon

3) POLYETHYLENE PROCESSING

a) Market:

Romcarbon is the first Romanian producer of coextruded film in 3 layers of large sizes, between 2 - 12 m wide. The range of products includes basic foil, general-purpose polyethylene foil, construction foil, foil for solariums, printed heat-shrinkable foil and covers, transparent foil for plant germination, household bags and for other purposes, bags.
In 2019, the company started the production of biodegradable and biocompostable packaging.
Polyethylene products were sold in 2024 on the domestic market in a proportion of 98% and 2% on the foreign market.

b) Competion:

ROMCARBON has generally kept pace with competitors by adapting to customer requirements, offering competitive pricing, reasonable payment terms, and conditions for fast delivery.
A notable trend is the shift in demand towards the market for general-purpose films made from recycled materials and garbage bags made from recycled materials.

4) PVC PROCESSING

In 2024, sales of PVC supports recycled material for road signs have a share of 66% on domestic market and 34% on the foreign markets.

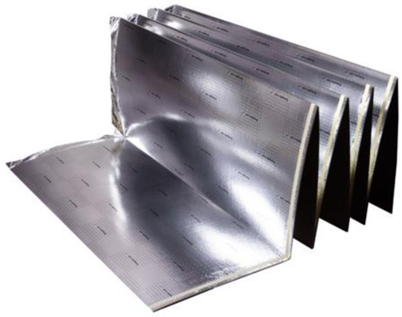
5) POLYSTYRENE PROCESSING

a) Market

- **Extruded polystyrene trays** (67% of total sales of the sector)

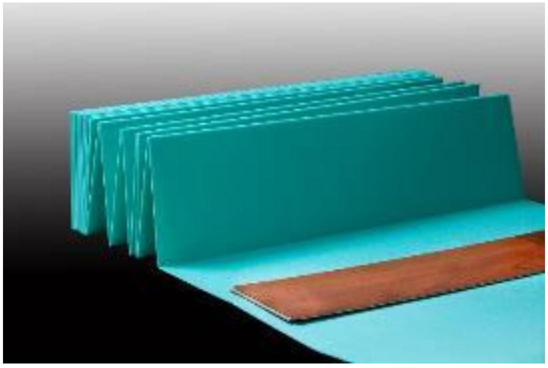
In this sector are produced trays for the food industry (standard trays and absorbent trays).
National Institute of Statistics' data could not provide the market situation for the specific products but only all packaging material made of polystyrene at large. According to Romcarbon's own market analysis Romanian market is dominated mainly by local producers (Romcarbon is one of the two biggest local suppliers)and there are some insignificant weight from the import.

In 2024, the distribution of sales of trays was 66% on domestic market and 34% to export, mainly to Balkans countries.



- **Extruded polystyrene underlayment for floor insulation** (33% of total sales of the sector)

For extruded polystyrene underlayment, Romcarbon is in a dominant position as a local producer. The import is approximately 29% of the market share.
The main market for this type of product is the domestic one. The sale of this range of products is carried out both through national distributors and directly to final consumers.
In 2024, the distribution of extruded polystyrene board sales was 65% on the domestic market and 35% on export, the largest foreign market being Bulgaria.
In 2024, we introduce laminated XPS underlayment to the market. However, sales did not meet expectations, as this product targets a smaller segment of consumers - those interested in premium products - who are more difficult to convince of the quality of new products on the market.



b) Competition:

The main competitors for polystyrene packaging are: British Foam Group and Euroconf Impex SRL Belcesti - local producers, and other European manufacturers such as Linpac, Sirapgema.
For XPS underlayment, the main competitors are manufacturers from Poland (DECORA, VTM) and Germany (SELITAC).

6) PROLYPROPYLENE PROCESSING

a) Market:

The main market is represented by the plastic packaging market. In recent years, we have experienced increased demand in specific segments, such as the food industry and animal feed production. This, combined with a significantly higher sales volume to DIY stores, has largely compensated for the declining demand in the industrial sector over the past few years.

The type of sales we practice is consultative, aiming to always anticipate our customers' requirements and provide them with the optimal packaging solutions for their products.

The sales structure in 2024 consisted of 71% on the domestic market and 31% on the external market.

a.1) Domestic market

S.C. ROMCARBON S.A. is a leader in the Romanian small polypropylene bag market, holding the largest production capacity for these products. Sales activities are conducted both through distributors and directly to companies operating in sectors such as milling and baking, the chemical industry, the sugar industry, the salt processing industry, animal feed production, and the DIY sector. Since the domestic market values not only competitive pricing but also the quality of products and services, we strive to provide comprehensive support to our customers and meet their requirements by offering packaging solutions tailored to their products.
According to data provided by the National Institute of Statistics (INS), S.C. ROMCARBON S.A. holds approximately 16% of the local market

a.2) Foreign market

Customers on the foreign market are primarily large traders and distributors of packaging from European countries such as Poland, Greece, Austria, Serbia, Spain, France, Bulgaria, Lithuania, Moldova, and others. We do not have data to help determine our market share in the external market. However, what we can state is that we face very competitive pricing from importers in the Asian market. Our clients particularly value the flexibility, shorter delivery times, and lower costs that we can offer, thanks to the advantage of having our production capacity located in Europe.

b) <u>Competition:</u>

On the domestic market of polypropylene packaging, are 2 other large producers, Romtextil SA and Luna Plast SRL, and several importers of small polypropylene bags from the Asian market. On the external market, the competition is determined, apart from the entry of large quantities of packaging from Asia, by producers from the immediate vicinity, such as those from Bulgaria.
Major dependents. There are no significant customers who, in terms of turnover with them, to represent a risk factor for our company.

7) RECYCLED POLYMERS AND COMPOUNDS

a) <u>Main market</u>

As a result of the long experience in the field of plastics processing, is the Plastics Compounds Division of ROMCARBON, which represents the latest investment, starting in August 2012.
By adding and mixing different types of additives and fillers in polymers, improved mechanical properties are obtained, resistance to UV radiation, flame resistance, shock resistance, etc. The center is equipped with state-of-the-art modern technology purchased from various suppliers, world leaders in the field of extrusion equipment and laboratory equipment.
The current production capacity of the compounds factory is approximately 15,000 tons/year. The production capacity increased in 2020 with the start of the activity of the new polymer fraction sorting line.Recycled polymers represent an alternative to reduce costs with virgin raw materials.
Depending on the purity of the material, Romcarbon, through the installed technology, has the possibility to provide its customers with regranulates with exclusive content of recycled polymers, combinations in various proportions of virgin polymers with recycled polymers, as well as to provide optimized products from the combination of recycled polymers with various reinforced materials (calcium carbonate, talc, glass fiber, etc).

The potential of this market segment is determined by the presence of Renault in Romania and, implicitly, of its subcontractors that supply various plastic injection parts; it is shown a growing trend for recycled plastic (especially polypropylene) to certain parts of the vehicles.
Since 2021, a new product made out of recycled was added to the range of products dedicated exclusively to the automotive industry, and at the same time the customer portfolio grew with two new companies supplying injected parts to Renault.
In parallel with the research and development of products for the automotive industry, we have made new products for the home furniture and interior design market, forming a partnership with one of the largest international retailers.
In present, similar products in this subcategory are:

- Polypropylene regranulated in various colors.
- Polypropylene recycled compounds for various industries;
- Polystyrene regranulated in various colors;
- ABS (Acrylonitrile Butadiene Styrene) regranulated;
- High and low density Polyethylene regranulated
- Low density linear polyethylene regranulated;
- Polycarbonate regranulated.

In 2024 sales were distributed as follows : 84% on the domestic market and 16% on foreign markets.
The foreign market is represented by clients from Italy, Croatia, Greece, Germany, Spain, Poland, Hungary, Bulgaria, Netherlands, s.o.
The demand for recycled polymers is estimated to increase with the new EC regulations for increasing the quantities of recycled plastic in the EU by 10,000,000 tons, the target being 2025.
As technological evolution defines the future, the company invests in research for the development of recyclable plastics and recycled raw materials with advanced features, designed to meet the increasingly demanding standards of partner industries.
In addition, ROMCARBON is exploring partnerships and collaborations with environmental organizations and industry associations to help develop sustainable solutions and promote the responsible use of plastics throughout the industry.
These additional efforts reflect ROMCARBON's continued commitment to being a key player in the plastic compounds industry, bringing innovation and sustainability to every aspect of its business.

b) Competition:

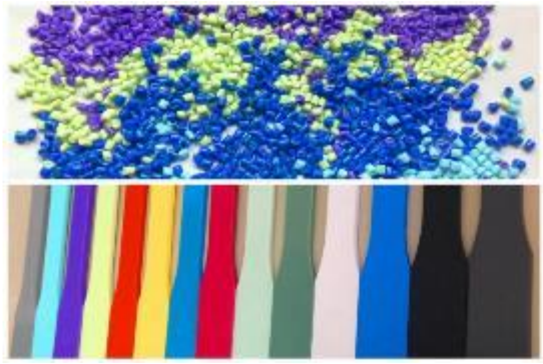
The competition of virgin compounds is represented by large companies from the petrochemical industry.

➢ Internal market – recycled polymers

The main internal competitors are: PROINTERMED SRL, ITALPLAST GROUP SRL, MOTION&TECHNIK SRL, EXPERT RECYCLING SRL, ECOSISTEM RECYCLING SRL, RECYCLING MONDO PLAST SRL, PLASTIC RECYCLING EXPORT SRL, ECOFRIEND RECYCLING SRL, EXPRESS RECYCLING NEAMT SRL, ECO MITADIA INTERMED SRL, COMPACT ECO SRL, TAURUS TEHNOLOGII MEDIU S.R.L., TOTAL RECOVER SRL, ROMTEXTIL SA

➢ Foreign market – recycled polymers

The most important external competitors are: Ecoinvest (Bulgaria), PMB (Bulgaria), Sky Plastic (Austria), Atus Recycling (Poland), Rego Plast (Hungary), Pokas Recycling (Greece), Megaport (Bulgaria), Galoo Plastics (Belgium), Synova (France), Borealis (Germany), Versalis (Italy), LyondellBasell Industries (Netherlands).



Since 2024, the Plastic Compounds Division has been certified by RecyClass. The certification is based on the European standard EN 15343:2007, providing suppliers and clients with the assurance that pre- and post-consumer processed plastic materials are handled according to best practices and with respect for the environment. Obtaining the RecyClass certification enables the company to meet the requirements of the REACH Directive and contributes to the implementation of best practices regarding the traceability of recycled plastic materials (throughout the recycling process and supply chain) as well as the quality of the recycled content in the final product.

The purpose of this certification is to acknowledge plastic recycling processes for pre-consumer and post-consumer waste that operate within a facility in compliance with the requirements set forth in the recycling process conformity assessment scheme. Certification under this audit scheme allows recyclers to demonstrate their contribution to plastic waste management and to transparently communicate the origin of the materials. The audit scheme requirements are aligned with EN 15343:2007 and ISO 22095:2020 standards.

1.1.5 The assessment of the aspects related to the personnel of the company

The number of employees at 31.12.2024 was 727, grouped according to the level of education as follows:

Total personnel, out of which:	727	%
• higher education*	**91**	12%
• post-secondary school	**11**	2%
• technical school for foreman	**9**	1%
• secondary education	**268**	37%
• vocational school	**193**	28%
• 9 – 11 classes/apprentice school	**80**	10%
• occupational qualification	**2**	0%
• school	**73**	10%

**Out of the total personnel with higher education, 67 persons are employed on positions which require higher education.*

The relationships between managers and employees are relations of subordination according to the Company's organizational chart, job descriptions and individual labor contract.

Each employee is directly subordinated to their superior. Superiors are responsible for the legality and validity of the instructions they issue, and the consequences of these instructions.

There were no conflicts in the relations between managers and employees.
Employees are not organized within a union structure, but they have appointed four representatives who represent them in their relations with the company, particularly for collective labor agreement (C.C.M.) negotiations or other types of consultations

1.1.6 The assessment of the impact of the company's activity on environment

SC ROMCARBON S.A. holds the environmental authorization revised on 13.03.2024, valid with an annual visa, on the new CAEN codes in accordance with the new Classification of activities in the national economy, revised edition, CAEN REV 2, according to INS Order 337/2007, published in the Official Gazette of Romania , Part I, no. 293 / 03.05.2007.

SC ROMCARBON S.A. respects the legislation by protecting the environment, not being involved in litigation regarding the violation of the legislation in the field. Compliance with legal, regulatory and other requirements to which the organization subscribes is periodically evaluated.

SC ROMCARBON S.A. has implemented and certified an integrated management system for quality - environment - health and safety at work according to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2023 standards, - certified by SRAC.

The activity of assessment/reassessment of the environment aspects is based on the internal procedure - PS-03-Environment aspects. This procedure founds the process through which the company evaluates the environment aspects of its activities and its products, - aspects that the company can control, and also the impact of its products on the environment after the products had finished their life cycle.

For evaluating the environment aspects are taking in consideration the air emissions, water leaks, soil impregnances, raw materials and natural resources usage, energy consumption, energy emissions (heat, rays, vibrations (noise), light), wastage generation, space usage.

A special attention is given to the products' life cycles stages which can be controlled or influenced by the company. The list of the significant environment aspects is updated yearly or whenever appear changes in the company, in regulations in force or other requires to whom the company choose to comply with.

Based on the significant environment aspects, the top management together with the Environment responsible and MCM Office (Quality and Environment Management) setup the strategic objectives (Level 1) and operational objectives(Level 2) founded in the Annual management program.
The objectives are setup in accordance with Policy for Quality, Environment, Health and Safety, with the engagements in preventing the pollution, with obligations for compliance and improving.

The changes and developing new activities or products could invalidate the aspects previously indentified or may demands additions in the list of the significant environment aspects, in which cases is made a reassessment of the enironment aspects.

The changes and developing new activities or products could invalidate the aspects previously indentified or may demands additions in the list of the significant environment aspects, in which cases is made a reassessment of the environment aspects.
Exemples of such changes:

- Change of the applicability area of Integrated Management System;
- Development of new products or services;

- Changes of the production processes, changes of tehnology, or insertion of new processes;
- Significant increase or decrease of the production capacity;
- Extension or relocation of an activity;
- Changes in compliance obligations with environment issues;
- Emergency situations

At the beginning of 2024 were evaluated the environment aspects and the list of significant environmental aspects was drawn up in normal, abnormal conditions and emergency situations.
Annually, the company outlines sustainability aspects and topics in its sustainability report. For 2024, the sustainability report of the Romcarbon Group will be included in the consolidated financial reporting and will be available for consultation **HERE**.

Climate Change

ROMCARBON strives to minimize its impact on climate change and to conduct all its activities in a sustainable manner. We believe that the industry plays a key role in finding sustainable solutions to current climate challenges. ROMCARBON adheres to the principles of the Paris Agreement (2015), which represents a milestone in the multilateral process of combating climate change. For the first time, a legally binding agreement unites all nations in a common cause to undertake ambitious efforts to mitigate the impact of climate change and adapt to its effects.

ROMCARBON is committed to:
- Conducting all activities in compliance with relevant environmental legislation and regulations.
- Considering opportunities and risks related to climate change when making business decisions.
- Monitoring, measuring, and striving to reduce greenhouse gas emissions from its operations.
- Pursuing a sustainable energy strategy, focusing on efficiency and the use of renewable energy sources, where available.
- Optimizing logistics processes to make them more eco-friendly.
- Managing natural resources responsibly and sustainably.
- Considering and striving to minimize the impact of climate change across its entire value chain.

1.1.7 The assessment of the research and development activity

The technical-investment activity was carried out by the Department of Technical and Investment in collaboration with internal departments involved and with agreed service providers, included:

- ➢ certification and recertification of products regulated in accordance with national and European legislation.

In 2024, the following certifications were extended:

- In the Individual Protective Materials sector: filter cartridges for protective equipment and insulating masks.
- In the PS sector: obtaining the technical agreement for laminated XPS boards and extending the agreement for XPS boards.
- In the recycling sector: extension of Recyclass certification, which recognizes the company as a recycler complying with industry-imposed standards.
- In the PE sector: extension of TUV certification for OK Compost Industrial packaging.
- In the PP sector: extension of certification for PP products used in the transportation of hazardous goods.

- ➢ Annual certification of health compliance for extruded polystyrene food packaging required for export to non-EU countries.
- ➢ Recertification of polypropylene, polyethylene, and polystyrene packaging for food compatibility, in accordance with current regulations.
- ➢ Commissioning of new technological equipment to enhance productivity and quality, including a bag conversion line, chiller, and shredder.
- ➢ Contracting construction and installation works to transform an open, covered area into a closed hall, meeting ISU compliance requirements.
- ➢ Contracting the XPS film production line to increase sector capacity and product quality.
- ➢ Implementation of a solar energy production capacity with a yearly output of 1,207.66 MWh, funded through non-refundable financing. Objectives include CO2 reduction by 745.97 tons/year, gross primary energy production from renewable sources at 103.84 TOE/year, and total renewable energy production at 24,153.20 MWh over 20 years.
- ➢ Updating technical, technological, and control documentation for products in the polystyrene sector, protective equipment and filters.

The cost of research and development activity in 2024 was 698,291 lei, while for 2025 it was budgeted a cost of 735,912 lei.

1.1.8 The assessment of the company's activity related to risk management

SC ROMCARBON SA has implemented risk management in accordance with the requirements of the SR EN ISO 31010 - Risk Management standard, encompassing evaluation techniques through which risks at all functional sectors within the organization have been identified and analyzed. Risk Registers were developed for each functional sector, along with an organizational-level Risk Register and a Risk Mitigation Action Plan.
To align with sustainability requirements, the Risk Register was supplemented to include risks related to corruption/bribery/ethics as well as technological security risks.
The working procedure was revised to incorporate these new aspects and to establish tools for prioritizing stakeholders and analyzing their requirements. The analysis is documented in the "Determination of Stakeholder Requirements," which is updated annually.

Market risk

In 2024, the company recorded a 5% increase in total turnover, reaching 227,789,211 RON (2023: 216,420,862 RON). Regarding the sales of finished products, there was a 4% increase (2023: 153,331,408 RON).

The main market for Romcarbon S.A.'s products is the local market, with turnover from the main activity (revenues from finished product sales) in Romania accounting for 78% in 2024 (compared to 77% in 2023).

The company's production activity customer portfolio is diverse, with no dependency on specific clients. However, in the goods sales activity, S.C. Romcarbon S.A. had two major clients (Kasakrom Chemicals SRL and LivingJumbo Industry SA) which represented 11% and 14%, respectively, of the total turnover in 2024. Sales to LivingJumbo Industry SA included finished product sales, rents, and revenues from other activities, totaling 5% of the company's turnover.

In 2024, the main challenge faced by the company was the significant decrease in demand in the markets in which it operates, resulting from changing consumer behavior and the economic crisis at both the national and European levels

Currency risk

Currency exposure of Romcarbon SA is generated mainly by the loans denominated in euro for financing the production and the investments activities. As at 31.12.2024 the balance of these loans was EUR 8,241,776 (2023 : EUR 8,772,256).

In 2024 the profit generated by the fluctuation of foreign currencies rate was RON 165,723 (2023: - RON 455,106).

Liquidity rick

Current liquidity of Romcarbon SA (calculated as a ratio between current assets and current debts) recorded a decrease in 2024, i.e. 1.45 as compared with 1.77 in 2023.

Cash-flow risk

Romcarbon SA is not exposed to a high risk in terms of cash flow as the company cash management is very rigorous; by forecasting cash inflows and outflows over a period of three months and daily tracking performance of this projection, surplus cash is placed in term deposits, aiming at getting the best interest rates on the market. Regarding loans to finance production activity, they are contracted for a period of 12 months with the possibility of extending the due date for a similar period, and in this sense are not anticipated higher cash outflow during the year 2025.

1.1.9 Perspective elements regarding the company's activity

a) Presentation and analysis of trends, elements, events, or factors of uncertainty that affect or could affect the company's liquidity compared to the same period last year.

For 2025, the company projected the following economic and financial indicators in its income and expenditure budget:

- A total turnover of 266,165,199 RON, representing a 17% increase compared to 2024, with turnover related to the core activity budgeted at 185,569,633 RON, reflecting a 16% increase from 2024.
- Achievement of a gross profit of 2,832,974 RON, compared to a loss of 5,992,980 RON recorded in 2024

b) Presentation and analysis of the effects of capital spending, current or anticipated on the company's financial situation compared to the same period last year.

The main inputs of capital assets are set out in paragraph 1.1.d.

c) Presentation and analysis of events, transactions economic changes that significantly affect revenues from the base activity.

As of the date of this report, no risks have been identified that would significantly affect the income from the basic activity, however, the global geopolitical tensions arising from the military interventions in Ukraine by the Russian Federation have generated and are generating economic uncertainties on the energy and capital markets, the global prices of energy prices have increased and are expected to be very volatile in the foreseeable future. At the date of this report, management cannot reliably estimate the effects on the Company's financial outlook and cannot rule out negative consequences for the business, operations and financial condition. Management considers that it is taking all necessary measures to support the sustainability and growth of the Company's business in the current circumstances and that the professional reasoning in these financial statements remains adequate.

2. TANGIBLE ASSETS OF THE COMPANY

2.1. S.C. Romcarbon S.A. Buzau has the following tangible assets:

- land and industrial and civil construction located in the municipality of Buzau, Transilvania Street no. 132, with a total area of 150.598 square meters of which built area of 62,594.52 square meters;
- land and industrial and civil construction located in Transilvania Street no. 132 - the sport facility - a total area of 22.830 square meters of which 1.053 square meters built area.
- land and commercial space located in Buzau city, Unirii Street, total area of 287 square meters of which 287 square meters built area;
- land and industrial buildings located in town of Buzau, Zone B, capture water - total area of 111,340 square meters, of which built area of 265 square meters;
- land and industrial buildings located in Iasi, str. Calea Chisinau, no. 29 total area of 9,207.50 square meters, built area of 1,766 square meters;

Main production facilities :

I.)BUZAU

I.1.) The main building used for production activity, services and warehousing:

- Band filters hall - 1,830 square meters building area of prefabricated foundation pillars of glass type with precast concrete beams, brick masonry and glass, the foundation of reinforced concrete roof;
- Protective materials hall - area 1,458 square meters prefabricated foundation pillars of glass type, prefabricated reinforced concrete beams, brick masonry and glass reinforced concrete roof;
- Active charcoal Hall 1 - area of 639 square meters built in reinforced concrete foundation, brick walls, concrete roof;
- Active charcoal Hall 2 - area of 1,803 square meters, built of prefabricated foundation pillars of glass type prefabricated reinforced concrete beams, brick masonry on concrete foundation.
- Polyethylene- Polypropylene Hall - an area of 11,666 square meters, built of prefabricated foundation pillars glass type with precast concrete beams, brick masonry and reinforced concrete foundation, reinforced concrete slab;
- Production hall + expansion and modernization of EU funds (Compounds Hall) - total area of 4,106 square meters of prefabricated foundation pillars of glass type with precast concrete beams, brick masonry and glass, the foundation of reinforced concrete roof in which the extent of 1,806 square meters - hall with glass type foundation, metal poles and steel structure; Tristram wall panels 6 cm, aluminum joinery and double glazing and roof panels Tristram 8 cm floor made of concrete and reinforcing mesh with a mesh of 100 * 100 * 8 mm quartz elicopterizat and treatment resistance to wear and dust ; access to the plant is made by six industrial doors with electric drives; electrical facilities have been fully restored;

- Production hall – total area 873 square meters built on the foundation of reinforced concrete, structure of concrete pillars, aluminum frames, Thermopane windows;
- Polystyrene hall and Warehouse - an area of 5,156.5 square meters, built of prefabricated foundation pillars of glass type precast concrete beams, brick walls, glass panels and three-layer, reinforced concrete floor and roof panels Tristram;
- PSE mill hall and warehouse area of 577 square meters built on reinforced concrete foundation, brick walls, concrete roof;
- Wiring Hall 1 -Surface 415 square meters built on reinforced concrete foundation, brick walls, concrete floor;
- Laboratory - area 642 square meters, built on concrete foundation, brick masonry, roof;
- Compressor hall with an area of 396 square meters, built on the foundation of reinforced concrete, brick walls, concrete slab, of which 276.5 square meters rent;
- Deposit filters - area of 1,144 square meters, built on the foundation of reinforced concrete, reinforced concrete walls, prefabricated roof;
- Administrative building - area 375 square meters, built on the foundation of reinforced concrete, brick masonry, reinforced concrete roof slab;
- Hall with an area of 1,653 square meters, prefabricated foundation pillars of glass type precast concrete beams, brick masonry and glass, the concrete foundation of reinforced concrete roof;

<u>I.2.) Buildings leased to our customers:</u>

- Hall area of 717 square meters built on reinforced concrete foundation, structure of concrete pillars, brick masonry, concrete floor;
- Hall - an area of 3,135 square meters, prefabricated foundation pillars of glass type precast concrete beams, brick masonry and glass, the concrete foundation concrete roof;
- Hall - an area of 2,718 square meters, prefabricated foundation pillars of glass type precast concrete beams, brick masonry and glass, the concrete foundation concrete roof; .
- Wiring Hall 2 - area of 468 square meters built on reinforced concrete foundation, brick walls, floor of corrugated sheets;
- Hall with an area of 692 square meters, brick walls, concrate roof;
- Hall with an area of 1,034 square meters, built of prefabricated foundation pillars of glass type precast concrete beams, brick masonry, roof prefabricated concrete.
- Hall with an area of 1,795 square meters, built of prefabricated foundation pillars of glass type precast concrete beams, brick masonry, roof prefabricated concrete.
- Warehouse with an area of 436 square meters, built on the foundation of reinforced concrete, metal pillars, walls and roof from prefabricated panels ;
- Warehouse with an area of 743 square meters, built on the foundation of reinforced concrete, metal pillars, walls and roof from prefabricated panels.

II.) IASI WORKING POINT

<u>ASSET 18.</u>

- Fiber house 1 body A - area of 675 square meters built on reinforced concrete foundation, structure of concrete pillars, brick masonry, concrete floor ;

<u>ASSET 19</u>

- Fiber house 1 body B - area of 1,076 square meters built on reinforced concrete foundation, structure of concrete pillars, brick masonry, concrete floor ;

At the work point in Iasi, SC Romcarbon SA does not conduct production activity, but some of these buildings and constructions have been rearranged for renting.

2.2 Some of the company's buildings have a significant age and a wear rate of 15% up to 50%.

These buildings are in the Active Carbon section, and few of them in Filters section, Materials for protection section, PE and PP sections.

2.3 S.C. Romcarbon S.A. Buzau holds property documents over all the tangible assets.

3. SECURITY MARKET

3.1 The Company' shares are traded on the Bucharest Stock Exchange SA, Section Equities, **Standard category,** under the symbol **ROCE.**

To ensure transparency in the capital market and permanent information both for shareholders and potential investors in the Extraordinary General Meeting of Shareholders dated 20.11.2007, the shareholders decided on admission to trading of the company on BSE, Equities Section, Category II. At the hearing dated **11.03.2008**, National Securities Commission decided, by Decision no. 469 / 11.03.2008, the approval of the Prospectus prepared for admission to trading on the regulated market administered by SC Bucharest Stock Exchange S. A. of the shares issued by SC ROMCARBON S.A.

The main characteristics of the securities issued by the company: 528,244,192 shares dematerialized, with a nominal value of 0.1 lei.

On 30.06.2023, the registration in the Trade Register was completed with 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.

3.2 The total amount of dividends due in the last 3 financial years:

2022 – 13,206,104.80 lei
2023 – 2,641,220.21 lei
2024 - conform AGOA din 29/30.04.2025

3.3 The Company has not undertaken activities to acquire its own shares.

3.4 If the company has branches, specifying the number and nominal value of shares issued by the parent company owned subsidiaries.

Not applicable .

3.5 S.C. Romcarbon SA did not issue bonds or other debt securities in 2024.

4. THE MANAGEMENT OF THE COMPANY

4.1. DIRECTORS

a) The Board of Directors in 2024:

Huang Liang Neng – Chairman of the Board, appointed on Ordinary General Meeting of Shareholders decision of SC ROMCARBON SA dated 25.01.2024 for a mandate of 4 years, expiring on 04.02.2028, 54 years old;

Wey Jiann-Shyang - Deputy chairman of the Board , appointed on Ordinary General Meeting of Shareholders decision of SC ROMCARBON SA dated 25.01.2024 for a mandate which will expire on 04.02.2028, 61 years old;

Toderita Stefan Alexandru – Member of the Board , appointed on Ordinary General Meeting of Shareholders decision of SC ROMCARBON SA dated 25.01.2024 for a mandate of 4 years, expiring on 04.02.2028, 30 years old;

b) Not applicable.

c) Participation of administrators to share capital of SC Romcarbon SA, at the reference date 31.12.2024:

Huang Liang Neng - 0 shares
Wey Jiann-Shyang - 0 shares
Toderita Stefan Alexandru – 72,400,000 shares (13.7058%)

d) Company' s affiliates as per 31.12.2024:

d.1. Legal entities in which SC Romcarbon S.A. owned, on 31.12.2024, directly, at least 25% holdings:

Company	Total number of shares	Nominal Value (lei)	Social capital (lei)	No. of shares held	Investment value	Interest quota (%)
RECYPLAT LTD CIPRU	26,000	4.3521	113,154	26,000	113,154	100.0000%
RC ENERGO INSTALL SRL	200	10	2,000	200	15,112	100.0000%
INFO TECH SOLUTIONS SRL	200	10	2,000	199	1,990	99.5000%
LIVINGJUMBO INDUSTRY SA	1,400	4,032	5,644,800	1,398	6,477,632	99.8571%
GRINFILD LLC UCRAINA					2,687,755	62.6200%
YENKI SRL	32,800	10	328,000	10,934	100,000	33.3354%
ECO PACK MANAGEMENT SA	144,600	10	1,446,000	36,670	586,625	25.3596%

d.2**.** Legal entities who have in SC ROMCARBON S.A. a direct holding of at least 25% - SC LIVING PLASTIC INDUSTRY S.R.L.- 32.8540%.

4.2. Executive members
In 2024, the management of the company was exercised by the following persons:

a.1) Limited period (mandate):
Huang Liang Neng- Chief Executive Officer (17.02.2024 – 17.02.2028)

a.2) Unlimited period:
Manaila Carmen – Deputy General Manager for Administrative operations starting with 17.02.2020;
Dobrota Cristinel – Deputy General Manager for Development starting with 17.02.2020;
Cretu Victor- Manager of the Profit Centers no.6 – Polypropylene products starting with 17.02.2020;
Pindaru Marina Alina - Manager of the Profit Centers no.3 – Polyethylene products starting with 17.02.2020;
Ungureanu Ion - Manager of the Profit Centers no. 5– Polystyrene products starting with 17.02.2020;
Constantinescu Gabriel - Manager of the Profit Centers no.1 si 2 – Auto and Industrial filters and Individual protective equipments starting with 17.02.2020;
Titi Mihai - Technical Manager since 21.01.2019;
Zainescu Viorica Ioana - CFO starting on 15.01.2010
For more details regarding the directors and managers please access the following link:
https://www.romcarbon.com/about-romcarbon/#Corporate-governance
b) Not applicable.
c) Not applicable.
4.3. There were not any litigations or administrative proceedings to be involved with the management members (administrators) or senior executives or persons listed in pct.4.1 and 4.2.

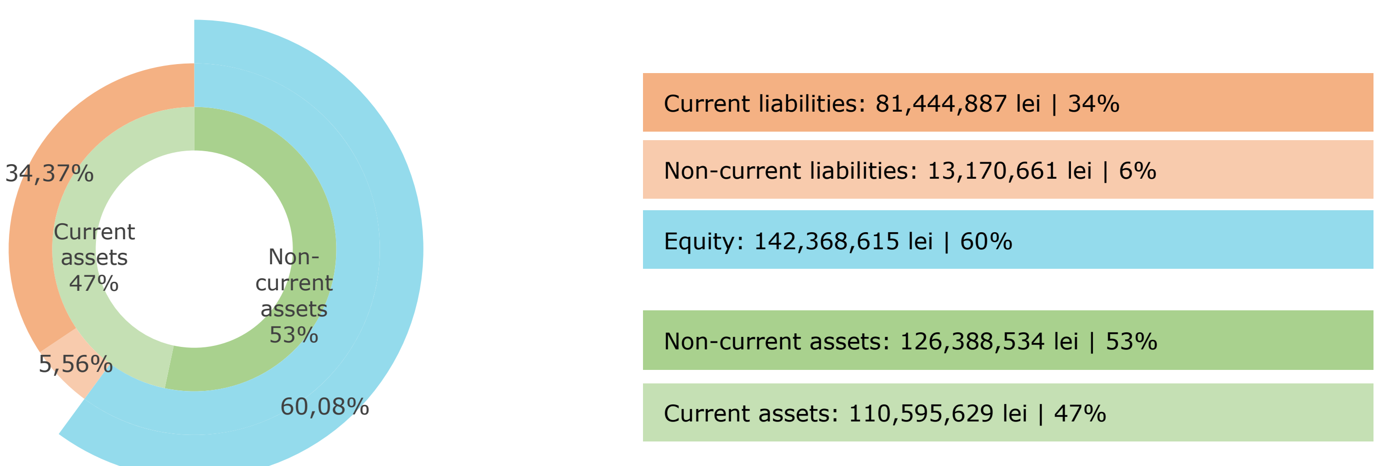
5. . FINANCIAL STATEMENTS
Attachments:

-Separate financial statements for the year ended on 31.12.2024 prepared in accordance with Accounting Act no. 82/1991, republished, Order no. 2844/2016 as subsequently amended, O.M.F.P. no. 881/2012 on application by the companies whose securities are admitted to trading on a regulated market of International Financial Reporting Standards - standards adopted under the procedure provided for in art. 6 para. (2) of Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The company will issue for the year 2024 consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") (Including: Independent-auditor Report of BDO Audit SRL -, Income and expenses statement, Statement of comprehensive income, Statement of financial position, Statement of changes in equity, Cash flow statement, Notes to financial statements, the Administrators Financial Report attached to the financial statements.
- The decision of the Ordinary General Meeting of Shareholders dated 29/30.04.2025, which approved the 2024 financial statements.
- Declaration of the management company of the conformity of the accounting statements.

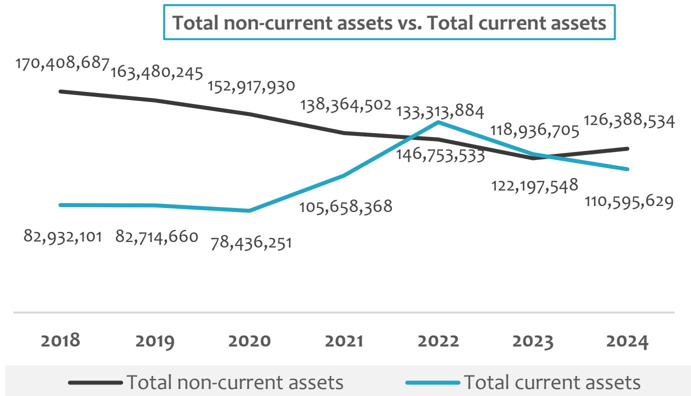
5.1 STATEMENT OF THE FINANCIAL POSITION

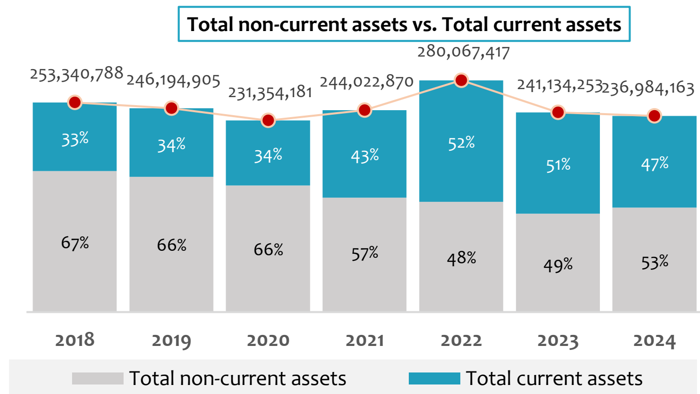
Indicator	31.12.2022	31.12.2023	31.12.2024	31.12.2024 vs. 31.12.2023		
Property, plant and equipment	102,490,667	106,808,714	113,487,855	6,679,141	▲	6.25%
Investment property	9,883,738	10,857,912	11,909,857	1,051,945	▲	9.69%
Intangible assets other than goodwill	330,920	809,485	573,640	-235,845	▼	-29.14%
Investments in subsidiaries, joint ventures and associates	20,608,560	460,594	417,182	-43,412	▼	-9.43%
Total non-current assets	**133,313,884**	**118,936,705**	**126,388,534**	**7,451,829**	▲	**6.27%**
Current inventories	29,963,707	30,951,095	38,329,848	7,378,753	▲	23.84%
Trade and other current receivables	63,653,763	55,388,563	57,139,836	1,751,273	▲	3.16%
Other current financial assets	42,738,851	5,929,217	5,479,250	-449,967	▼	-7.59%
Other current non-financial assets	3,864,347	546,176	1,079,739	533,563	▲	97.69%
Cash and cash equivalents	2,772,710	29,382,497	8,566,956	-20,815,541	▼	-70.84%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	3,760,155	-	-	-	—	
Total current assets	**146,753,534**	**122,197,548**	**110,595,629**	**-11,601,919**	▼	**-9.49%**
Total assets	**280,067,418**	**241,134,253**	**236,984,163**	**-4,150,090**	▼	**-1.72%**
Issued capital	26,412,210	52,824,419	52,824,419	0	—	0.00%
Share premium	2,182,283	2,182,283	2,182,283	0	—	0.00%
Other reserves	60,895,475	63,215,703	62,684,059	-531,644	▼	-0.84%
Retained earnings	70,732,989	32,593,737	24,677,854	-7,915,883	▼	-24.29%
Total Equity	**160,222,958**	**150,816,142**	**142,368,615**	**-8,447,527**	▼	**-5.60%**
Other non – current provisions	1,000,000	1,117,000	1,117,000	-	—	0.00%
Deferred tax liabilities	7,780,659	7,477,700	5,637,270	-1,840,430	▼	-24.61%
Other non-current financial liabilities	4,044,764	7,283,273	-	-7,283,273	▼	-100.00%
Other non-current non-financial liabilities	7,475,188	5,361,210	6,416,391	1,055,181	▲	19.68%
Total non-current liabilities	**20,300,610**	**21,239,183**	**13,170,661**	**-8,068,522**	▼	**-37.99%**
Trade and other payables	48,060,900	24,772,724	34,178,762	9,406,038	▲	37.97%
Other current financial liabilities	45,859,692	38,178,595	42,395,909	4,217,314	▲	11.05%
Other current non-financial liabilities	5,623,258	6,127,609	4,870,216	-1,257,393	▼	-20.52%
Total current liabilities	**99,543,850**	**69,078,928**	**81,444,887**	**12,365,959**	▲	**17.90%**
Total liabilities	**119,844,460**	**90,318,111**	**94,615,548**	**4,297,437**	▲	**4.76%**
Total equity and liabilities	**280,067,418**	**241,134,253**	**236,984,163**	**-4,150,090**	▼	**-1.72%**

STRUCTURE OF THE FINANCIAL POSIITION AS OF 31.12.2024



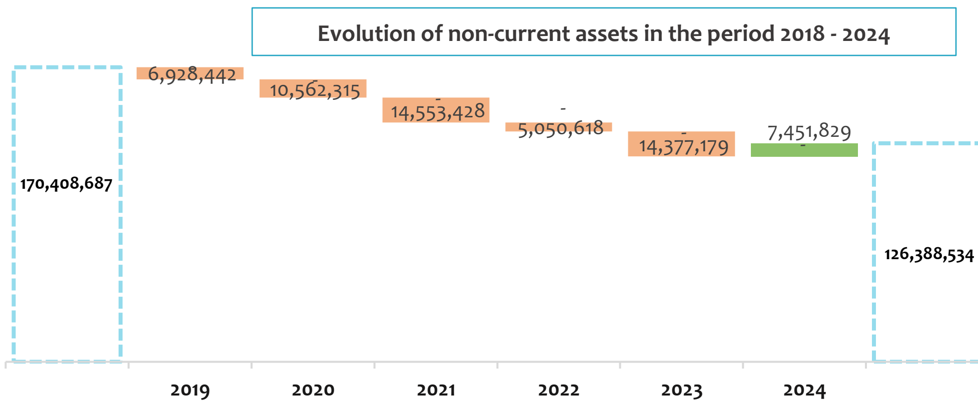
ASSETS





NON-CURRENT ASSETS

Non-current assets hold 53.33% of the company's assets, recording an increase of Lei 7,451,829, i.e. +6.27%, as compared with the beginning of the year.



Non-current assets (NCA)	31.12.2024	% in total NCA	% in total Assets	2024 vs. 2023
Property, plant and equipment	113,487,855	89.79%	47.89%	6.25%
Investment property	11,909,857	9.42%	5.03%	9.69%
Intangible assets other than goodwill	573,640	0.45%	0.24%	-29.14%
Investments in subsidiaries, joint ventures and associates	417,182	0.33%	0.18%	-9.43%
Total non-current assets	**126,388,534**	**100.00%**	**53.33%**	**6.27%**

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) : 1,472,532 lei
- Equipment and installations : 13,558,612 lei

The inflows of the Non-current assets in 2024 totalized Lei 15,031,144, out of which: CP7 – Recycled polymers & Compounds Lei 8,.487,976, CP3 – Polyethylene Processing LEI 815,087, CP5 – Extruded PS Lei 553,717, CP6-Polypropylene Processing Lei 215,092 and Administrative & others sectors Lei 4,959,272.
During the reporting period, the outflows of fixed assets, representing cassations, totalized Lei 362,528.

On December 31, 2024, the Company revaluated the investment property held at the end of the financial year, resulting in an increase in the net value of LEI 435,955 lei, the amount was recorded as a result of the year.

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

Investment property: 11,909,858 lei	
Buzau: 55%	Iasi: 45%

Financial Investments hold 0.18% of Total Assets, and 0.33% of Non-current assets.
As at 31.12.2024, S.C. ROMCARBON S.A. held shares in other companies totalizing Lei 10,148,821, 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	69,743	100.00%
RC ENERGO INSTALL SRL	200	10	2,000	2,000	200	15,112	100.00%
INFO TECH SOLUTIONS SRL	200	10	2,000	1,980	199	1,990	99.50%
LIVINGJUMBO INDUSTRY SA	1,400	4,032	5,644,800	5,636,736	1,398	6,477,632	99.8571%
GRINFILD LLC UCRAINA						*2,687,755*	*62.62%*
YENKI SRL	32,800	10	328,000	109,340	10,934	100,000	33.34%
ECO PACK MANAGEMENT SA	144,600	10	1,446,000	366,700	36,670	586,625	25.36%
KANG YANG BIOTECHNOLOGY CO.LTD	2,889,993			0	139,000	203,963	1.95%
REGISTRUL MIORITA SA	10,500	10	105,000	3,980	398	5,000	3.79%
VIITORUL INCEPE AZI (ONG)	7,000					1,000	14.29%
TOTAL						**10,148,821**	

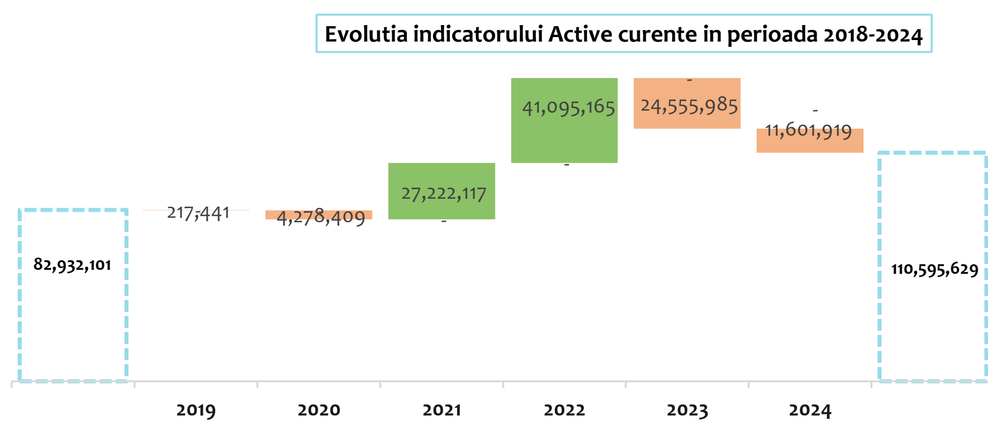
* The company is in the process of voluntary dissolution.

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

Company	Holdings (%)	Adjustments
GRINFILD LLC UCRAINA	62,62%	2,687,755
YENKI SRL	33,34%	11,989
ECO PACK MANAGEMENT SA	25,36%	554,262
LIVINGJUMBO INDUSTRY SA	99,86%	6,477,632
Total		**9,731,638**

CURRENT ASSETS

As at 31.12.2024, **<u>currents assets</u>** hold 46.67% of the company's assets, recording a decrease of – Lei 11,601,919, i.e. -9.49%, as compared with the beginning of the year.



Current assets (CA)	31.12.2024	% in total CA	% in Total Assets	2024 vs. 2023
Current inventories	38,329,848	34.66%	16.17%	23.84%
Trade and other current receivables	57,139,836	51.67%	24.11%	3.16%
Other current financial assets [1] [2]	5,479,250	4.95%	2.31%	-7.59%
Other current non-financial assets	1,079,739	0.98%	0.46%	97.69%
Cash and cash equivalents	8,566,956	7.75%	3.61%	-70.84%
Total current assets	**110,595,629**	**100.00%**	**46.67%**	**-9.49%**

[1] 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 2024, an additional act was signed by which the loan was extended by 12 months.

Affiliate	Value of the contract	Balance as at 31.12.2024	Interest	Total	Tenor
RC Energo Install SRL	3,000,000 lei	3,000,000 lei	138,740 lei	3,138,740 lei	03/06/2025
Total	**3,000,000 lei**	**3,000,000 lei**	**138,740 lei**	**3,138,740 lei**	

[2] Shares held on the short term

During the reporting period, a number of 25,000 Hidroelectrica (H2O) shares were sold at an average price of 120.69 lei/share, recording a profit of Lei 487,651.

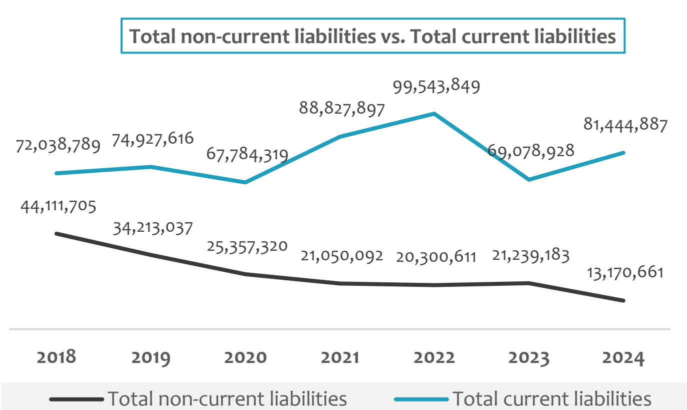
In January 2024, a number of 2,062,500 Aquila Part Prod Com S.A. ("AQUILA") shares were purchased at a unit price of 0.96 lei/share. During the reporting period, the purchased shares were sold at an average price of 1.05 lei/share, recording a profit of Lei 174,026.

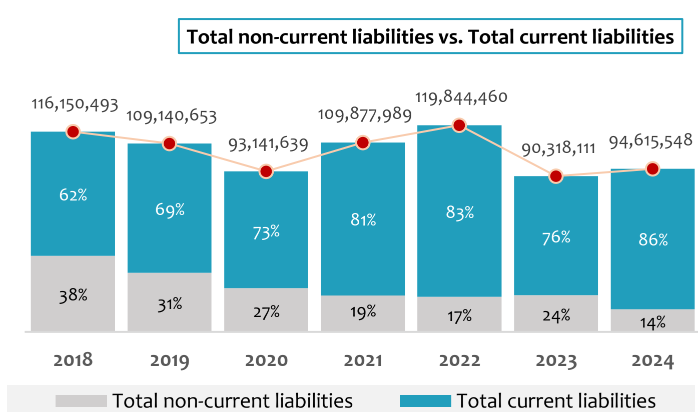
In May 2024, the company participated in the Premier Energy PLC IPO, purchasing a number of 46,549 shares for which it paid a total price of Lei 862,553. During the same month, the purchase shares were sold, recording a profit of Lei 120,630.

In November 2024, the company purchased 1,000,000 shares of Antibiotice S.A. (ATB) at a unit price of 2.65 lei/share. On 31.12.2024, this share package was a component of the item „Other current financial assets”. On the same date, a decrease in their value was noted, and an impairment provision of 97,950 lei was recorded.

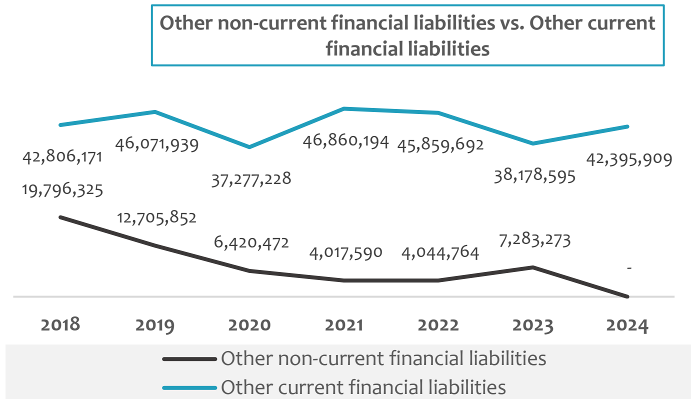
LIABILITIES

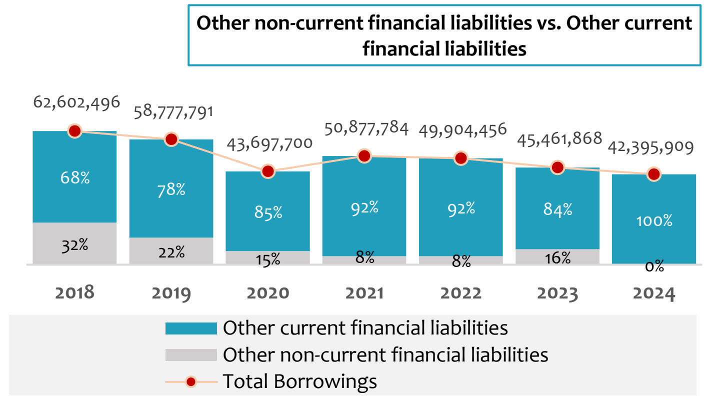
Total Liabilities hold 39.92% of the company's Equity&Liabilities recording an increase of Lei 4,297,437, i.e. 4.76% as compared with the beginning of the year.





BORROWINGS





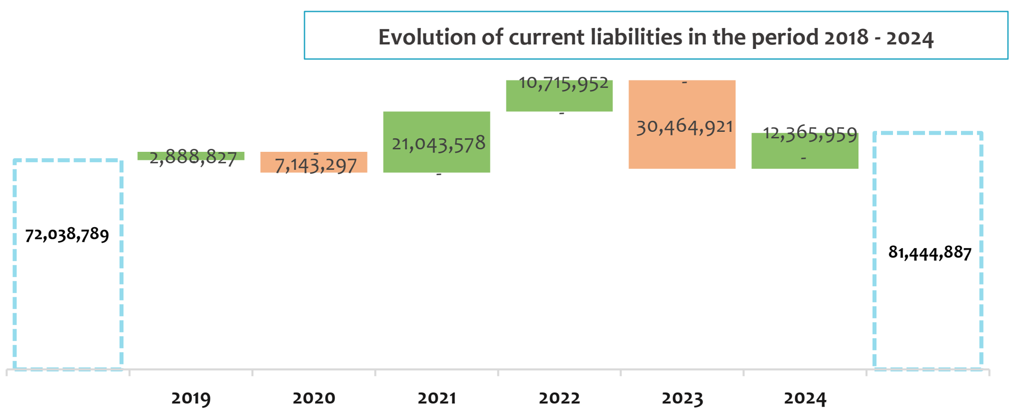
As at 31.12.2024 the loans contracted by S.C. ROMCARBON S.A. have the following structure :

Type	Balance as at 31.12.2024 in euro	Balance as at 31.12.2024 in lei	< 1 year	>1 year
Credit lines in euro [3]	€ 6,736,621	33,508,628 lei	33,508,631 lei	- lei
Investment loans in euro	€ 1,505,155	7,486,790 lei	7,486,790 lei	
Total credits in euro	**€ 8,241,776**	**40,995,419 lei**	**40,995,422 lei**	**- lei**
Investment loans in lei		1,400,489 lei	1,400,488 lei	
Total credits in lei		**1,400,489 lei**	**1,400,488 lei**	**- lei**
Total bank exposure		**42,395,907 lei**	**42,395,909 lei**	**- lei**

[3] In December 2022, the ceiling of the credit line contracted with UniCredit Bank SA 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

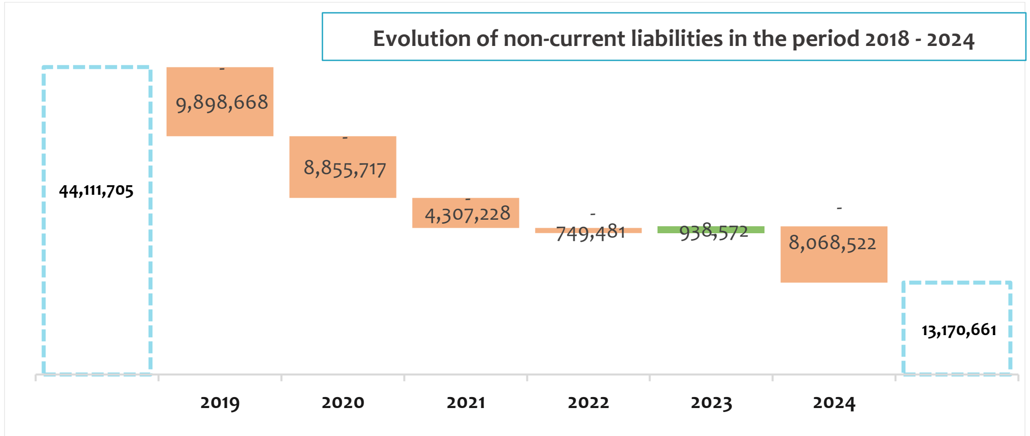
Current liabilities of the Company, representing 86.08% of the Total Liabilities and 34.37% of Total Equity & Liabilities have increased by Lei 12,365,959 as compared with the beginning of the year, i.e. +17.90%.



Current liabilities	31.12.2024	% in total liabilities	% in Total current liabilities	% in Total Equity and Liabilities	2024 vs. 2023
Trade and other payables	34,178,762	36.12%	41.97%	14.42%	37.97%
Other current financial liabilities	42,395,909	44.81%	52.05%	17.89%	11.05%
Other current non-financial liabilities	4,870,216	5.15%	5.98%	2.06%	-20.52%
Total current liabilities	**81,444,887**	**86.08%**	**100.00%**	**34.37%**	**17.90%**

NON-CURRENT LIABILITIES

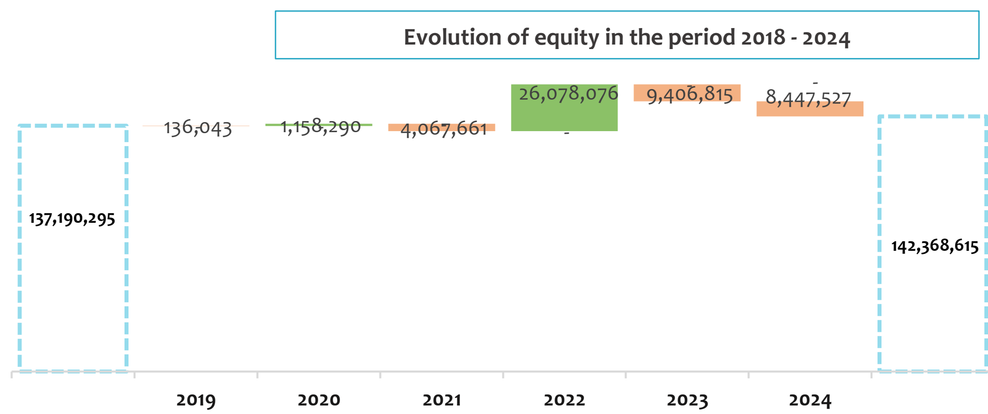
Non-current Liabilities representing 5.56% of the company's Equity& Liabilities recording in the reporting period a decrease of - Lei -8,068,522, i.e. -37.99%, as compared with the beginning of the year.



Non-current liabilities	31.12.2024	% in total liabilities	% in Total current liabilities	% in Total Equity and Liabilities	2024 vs. 2023
Other non – current provisions	1,117,000	1.18%	8.48%	0.47%	0.00%
Deferred tax liabilities	5,637,270	5.96%	42.80%	2.38%	-24.61%
Other non-current financial liabilities	0	0.00%	0.00%	0.00%	-100.00%
Other non-current non-financial liabilities	6,416,391	6.78%	48.72%	2.71%	19.68%
Total non-current liabilities	**13,170,661**	**13.92%**	**100.00%**	**5.56%**	**-37.99%**

EQUITY

Total Equity holds **60.08% of** Total Equity &Liabilities, recording in the reporting period a decrease of - Lei 8,447,527 as compared with the beginning of the year.



Equity	31.12.2024	% in Total Equity and Liabilities
Issued capital (528,244,192 shares at Lei 0.10/share)	52,824,419	22.29%
Share premium	2,182,283	0.92%
Reserves	62,684,059	26.45%
Retained earnings	24,677,854	10.41%
Total equity	**142,368,615**	**60.08%**

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.

5.2 STATEMENT OF COMPREHENSIVE INCOME

Indicator	12 Months 2022	12 Months 2023	12 Months 2024		2024 vs. 2023	
Revenues from contracts with customers	262,801,054	214,230,854	225,633,834	▲	11,402,980	5%
Other Income [4]	4,454,249	4,303,986	3,994,432	▼	(309,554)	-7%
Increase (decrease) in inventories of finished goods and work in progress	7,447,653	485,526	2,705,618	▲	2,220,092	457%
Raw materials, consumables and utilities	(199,065,784)	(148,776,840)	(159,392,433)	▲	(10,615,593)	7%
Employee benefits expenses and social charges	(42,312,860)	(47,111,543)	(53,544,515)	▲	(6,432,972)	14%
Depreciation and amortization expenses	(9,609,158)	(9,392,805)	(9,829,769)	▲	(436,964)	5%
Other expenses	(18,863,785)	(16,469,733)	(17,149,321)	▲	(679,588)	4%
Other gains and losses	1,769,859	4,863,752	380,896	▼	(4,482,856)	-92%
Profit (loss) from operating activities	**6,621,228**	**2,133,197**	**(7,201,258)**	▲	**(9,334,455)**	**-438%**
Finance Income [5]	47,336,583	3,444,434	2,038,951	▼	(1,405,483)	-41%
Finance Cost	(1,574,050)	(2,081,299)	(2,386,479)	▲	(305,180)	15%
Gain/loss from the impairment of financial investment	-	-	(97,950)	▲	(97,950)	
Profit (loss) before tax	**52,383,761**	**3,496,332**	**(7,646,736)**	▲	**(11,143,068)**	**-319%**
Income Tax [6]	(912,071)	(182,523)	1,653,756	▲	1,836,279	-1006%
Profit (loss) of the year	**51,471,690**	**3,313,809**	**(5,992,980)**	▲	**(9,306,789)**	**-281%**
Other comprehensive income	745,264	-	0	—	-	
Deferred tax adjustment for non-deductible tax revaluation reserves	273,332	485,482	186,674	▼	(298,808)	
Total comprehensive income	**52,490,286**	**3,799,291**	**(5,806,306)**	▲	**(9,605,597)**	**-253%**
EBITDA Operational	14,036,140	4,873,276	579,594	▼	(4,293,682)	-88%

Nota : EBITDA operational ia in calcul doar activitatea de exploatare, excluzand cheltuiala cu amortizarea, vanzarile de active, elementele nerecurente si activitatea financiara.

Indicator	12 Months 2022	12 Months 2023	12 Months 2024
Average no. of employees	734	692	701

In accordance with Order no. 2844/2016 the company bank availabilities, the receivables and the liabilities expressed in a foreign currency are evaluated each month at the closing exchange rate comunicated by NBR. From this evaluation in 2024 the company registered revenues in amount of Lei 336,436 and expenses in amount of Lei 170,713, resulting a profit of Lei 165.723.
In the same period of 2023 by re-valuating the company bank availabilities, receivables and liabilities expressed in a foreign currency it was registered a loss of - Lei 455,106.

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

Indicator	12 Months 2022	12 Months 2023	12 Months 2024		2024 vs. 2023	
Rentals	2,247,585	2,190,008	2,155,377	▼	*(34,631)*	-2%
Income from subsidies for investments	2,206,664	2,113,978	1,839,055	▼	*(274,923)*	-13%
Total	**4,454,249**	**4,303,986**	**3,994,432**	▼	**(309,554)**	-7%

[5] In the item « Finance Income» are comprised the following items :

Indicator	12 Months 2022	12 Months 2023	12 Months 2024		2024 vs. 2023	
Revenues from interests	316,730	983,890	1,013,506	▲	*29,616*	3%
Revenues from short-term financial investments	0	57,882	782,307	▲	*724,425*	n/a
Revenues from dividends- Recyplat LTD	46,745,700	-	-	▬	-	
Net gain from Forex	274,153	2,402,662	243,138	▼	*(2,159,524)*	-90%
Total	**47,336,583**	**3,444,434**	**2,038,951**	▼	**(1,405,483)**	-41%

**Equivalent of 9,500,000 Eur*

The "Income Tax" indicator for 2024 represents adjustments related to deferred tax

Form Net profit/loss to EBITDA to EBITDA Operational

Indicator	2022	2023	2024	2024 vs 2023	
NET PROFIT/LOSS	**51,471,690**	**3,313,809**	**(5,992,980)**	**(9,306,789)**	**-281%**
Fixed assets depreciation	9,609,158	9,392,805	9,829,769	436,964	5%
Revenues from subsidy from the Government for investments	(2,206,664)	(2,113,978)	(1,839,055)	274,923	-13%
Interest expenses	1,286,399	1,807,462	2,254,405	446,943	25%
Tax on profit	912,071	182,523	(1,653,756)	(1,836,279)	-1006%
EBITDA	**61,072,655**	**12,582,622**	**2,598,383**	**(9,984,238)**	**-79%**
Gain/loss from sales of assets	(2,106,927)	(3,992,452)	(6,827)	3,985,624	-100%
Gain/loss from re-evaluating the investment property	(170,996)	(974,174)	(435,954)	538,220	-55%
Other non-operational items (provisions, penalties, donations)	2,625,737	713,062	437,403	(275,660)	-39%
Forex gain/loss	(274,153)	(2,402,662)	(243,138)	2,159,524	-90%
Other gain/loss from Financial	(47,110,176)	(1,053,120)	(1,770,274)	(717,153)	68%
EBITDA OPERATIONAL	**14,036,140**	**4,873,276**	**579,594**	**(4,293,683)**	**-88%**

Statement of the comprehensive income on quarters

Indicator	Q1 2024	Q2 2024	Q3 2024	Q3 2024	Q1 2024 vs. Q1 2023	Q2 2024 vs. Q2 2023	Q3 2024 vs. Q3 2023	Q4 2024 vs. Q4 2023
Revenues from contracts with customers	52,636,019	55,636,234	64,091,511	53,270,070	(8,934,232)	4,930,204	13,973,507	1,433,501
Other Income	1,082,131	1,064,265	1,056,529	791,507	2,140	2,381	(24,133)	(289,942)
Increase (decrease) in inventories of finished goods and work in progress	1,525,045	2,725,173	(2,926,685)	1,382,085	565,509	3,520,219	(3,171,258)	1,305,622
Raw materials, consumables and utilities	(37,431,091)	(39,821,419)	(42,595,648)	(39,544,275)	8,641,227	(6,885,027)	(8,723,915)	(3,647,878)
Employee benefits expenses and social charges	(13,003,627)	(13,620,458)	(13,968,559)	(12,951,871)	(2,043,406)	(2,108,535)	(2,297,177)	16,146
Depreciation and amortisation expenses	(2,519,755)	(2,549,528)	(2,571,539)	(2,188,947)	(149,035)	(174,249)	(143,062)	29,382
Other expenses	(4,154,819)	(4,340,112)	(4,385,570)	(4,268,820)	(108,083)	(196,151)	(545,492)	170,138
Other gains and losses	998	146,264	101,909	131,725	(4,021,660)	124,645	85,287	(671,128)
Profit (loss) from operating activities	**(1,865,099)**	**(759,581)**	**(1,198,052)**	**(3,378,526)**	**(6,047,540)**	**(786,513)**	**(846,243)**	**(1,654,159)**
Finance Income	985,900	271,731	305,964	475,356	875,349	(2,463,316)	149,010	33,474
Finance Cost	(585,119)	(629,922)	(651,246)	(520,192)	49,443	(204,984)	(184,331)	34,692
Gain/loss from the impairment of financial investment	-	-	-	(97,950)	-	-	-	(97,950)
Profit (loss) before tax	**(1,464,318)**	**(1,117,772)**	**(1,543,334)**	**(3,521,312)**	**(5,122,748)**	**(3,454,813)**	**(881,564)**	**(1,683,943)**
Income Tax	-	-	-	1,653,756	468,902	305,663	(722,423)	1,784,137
Profit (loss) of the year	**(1,464,318)**	**(1,117,772)**	**(1,543,334)**	**(1,867,556)**	**(4,653,846)**	**(3,149,150)**	**(1,603,987)**	**100,194**
Deferred tax adjustment for non-deductible tax revaluation reserves		-	-	186,674	-	-	-	(298,808)
Total comprehensive income	**(1,464,318)**	**(1,117,772)**	**(1,543,334)**	**(1,680,882)**	**(4,653,846)**	**(3,149,150)**	**(1,603,987)**	**(198,614)**
EBITDA Operational	**144,410**	**1,183,998**	**807,457**	**(1,556,272)**	**(1,905,634)**	**(752,588)**	**(798,958)**	**(836,503)**

Presentation of the evolution of the key indicators on production sectors – 12 Months

	Indicator	2022	2023	2024	2024 vs 2023	
ROMCARBON	**PLASTIC PROCESSING SECTOR: POLYETHYLENE**					
	Turnover	36,512,692	30,894,710	36,634,416	5,739,706	19%
	EBITDA before overhead	2,439,836	2,208,646	3,689,402	1,480,756	67%
	Profit before overhead	1,697,246	1,461,071	2,890,603	1,429,532	98%
	PLASTIC PROCESSING SECTOR: POLYSTYRENE					
	Turnover	54,425,638	47,592,623	49,175,346	1,582,723	3%
	EBITDA before overhead	7,382,299	7,925,922	7,075,847	(850,075)	-11%
	Profit before overhead	6,131,441	6,578,447	5,623,885	(954,562)	-15%
	PLASTIC PROCESSING SECTOR: POLYPROPYLENE					
	Turnover	40,326,620	32,928,129	33,981,757	1,053,628	3%
	EBITDA before overhead	3,454,650	3,964,026	2,610,371	(1,353,655)	-34%
	Profit before overhead	3,129,217	3,616,936	2,208,380	(1,408,556)	-39%
	RECYCLED POLYMERS & COMPOUNDS					
	Turnover	51,224,339	39,125,177	35,453,261	(3,671,916)	-9%
	EBITDA before overhead	6,952,632	(1,572,300)	(3,526,096)	(1,953,797)	124%
	Profit before overhead	3,094,107	(5,026,755)	(7,087,665)	(2,060,910)	41%
	OTHER PRODUCTIVE SECTORS: FILTERS, ACTIVE CARBON, PROTECTIVE EQUIPMENT, PVC TRAFFIC BASE SIGNS					
	Turnover	9,569,410	6,388,942	6,592,659	203,717	3%
	EBITDA before overhead	2,933,897	704,507	606,749	(97,758)	-14%
	Profit before overhead	2,623,639	379,493	247,625	(131,868)	-35%

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

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5.3 REVENUES FROM CONTRACTS WITH CUSTOMERS (NET SALES)

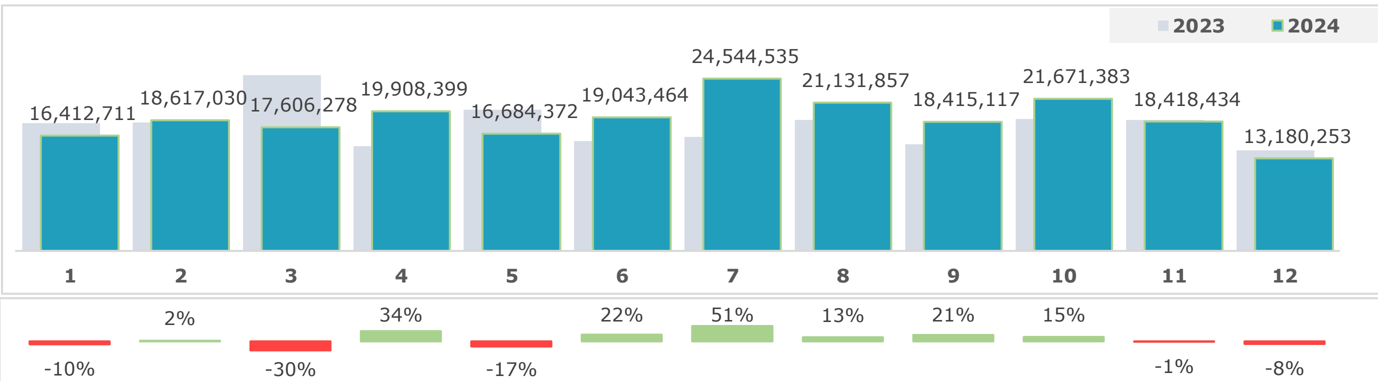
The item "Revenues (Net sales)" had the following evolution:

	12 months of 2022	12 months of 2023	12 months of 2024		2024 vs. 2023	
- Sales of finished goods, total, out of which:	**183,306,275**	**153,331,408**	**158,936,063**	▲	**5,604,655**	**4%**
CP1~ Auto and industrial filters	*3,395,181*	*3,652,168*	*3,403,206*	▼	*(248,961)*	*-7%*
CP2~ Respiratory protective equipment and Active Carbon	*5,396,649*	*2,278,627*	*2,729,267*	▲	*450,640*	*20%*
CP3~ Polyethylene products	*36,123,918*	*30,273,457*	*36,580,283*	▲	*6,306,826*	*21%*
CP4~ PVC products	*697,669*	*420,422*	*416,700*	▼	*(3,722)*	*-1%*
CP5~ Polystyrene products	*51,082,952*	*46,799,707*	*48,473,938*	▲	*1,674,231*	*4%*
CP6~ Polypropylene products	*40,107,774*	*32,001,778*	*32,908,027*	▲	*906,249*	*3%*
CP7~Compounds	*46,502,132*	*37,905,250*	*34,424,642*	▼	*(3,480,608)*	*-9%*
- Sales of intermediary goods and residual products	68,499	4,378	231,369	▲	226,992	5185 %
- Services rendered	721,836	425,122	403,437	▼	(21,685)	-5%
- Sale of commodities	71,556,260	53,057,503	60,156,404	▲	7,098,901	13%
- Revenues from sundry services	7,148,184	7,412,444	5,906,562	▼	(1,505,882)	-20%
Total net sales	**262,801,054**	**214,230,854**	**225,633,834**	▲	**11,402,980**	**5%**

Grouped by segments of activities, the Revenues are presented in the below table

	12 months of 2022	12 months of 2023	12 months of 2024		2024 vs. 2023	
Plastic processing sector: polyethylene+polystyrene+polypropylene	127,314,644	109,074,941	117,962,248	▲	*8,887,306*	8%
Recycled polymers & Compounds	46,502,132	37,905,250	34,424,642	▼	*(3,480,608)*	-9%
Other production sectors (industrial and automotive filters, active carbon, respiratory protective equipment, PVC traffic base)	9,489,499	6,351,216	6,549,173	▲	*197,957*	3%
Other activities	79,494,779	60,899,446	66,697,771	▲	*5,798,326*	10%
Total	**262,801,054**	**214,230,854**	**225,633,834**	▲	**11,402,980**	5%

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



	12 months of 2022	12 months of 2023	12 months of 2024		2024 vs. 2023	
Net sales	262,801,054	214,230,854	225,633,834	▲	*11,402,980*	5%
Rental and royalty income	2,247,585	2,190,008	2,155,377	▼	*(34,631)*	-2%
Turnover, out of which:	**265,048,639**	**216,420,862**	**227,789,211**	▲	**11,368,349**	5%
~domestic market	211,389,473	181,914,762	193,465,835	▲	*11,551,073*	6%
~exports	53,659,166	34,506,100	34,323,377	▼	*(182,724)*	-1%

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

5.4 FINANCIAL RATIOS

Indicator	Formula	31.12.2022	31.12.2023	31.12.2024
EBIT	Gross profit + Income tax + Expenses with interest	53,670,160	5,303,794	(5,392,331)
EBITDA	EBIT + Depreciation-Subsidies for investment	61,072,654	12,582,621	2,598,383
Sales(Turnover)	Revenue + Rental and royalty income	265,048,639	216,420,862	227,789,211
EBITDA to sales ratio	EBITDA/Sales	23.04%	5.81%	1.14%
EBITDA to Equity ratio	EBITDA/Equity	38.12%	8.34%	1.83%
Gross profit margin	Gross profit/Sales	19.76%	1.62%	-3.36%
Current ratio	Current assets/Current liabilities	1.47	1.77	1.36
Quick ratio	(Current assets - Inventories)/Current liabilities	1.17	1.32	0.89
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	13%	14%	9%
Total liabilities to Assets ratio	Total liabilities/Total Assets	43%	37%	40%
Long term capital to Equity	Borrowed capital/Equity	3%	5%	0%
Long term capital to engaged capital	Borrowed capital/Engaged capital	2%	5%	0%
Interest coverage ratio	EBIT/Interest expenses	41.72	2.93	(2.39)
Account receivable turnover ratio (days)	Average receivables/Sales	83	99	89
Account payable turnover ratio (days)	Average payables/Sales	58	61	47
Non-current assets rotation	Non-current liabilities/Sales	1.99	1.82	1.80
Return on assets (ROA)	Net profit/Assets	18.38%	1.37%	-2.53%
Return on equity (ROE)	Net profit/Equity	32.13%	2.20%	-4.21%
Return on sales (ROS)	Net profit/Sales	19.42%	1.53%	-2.63%

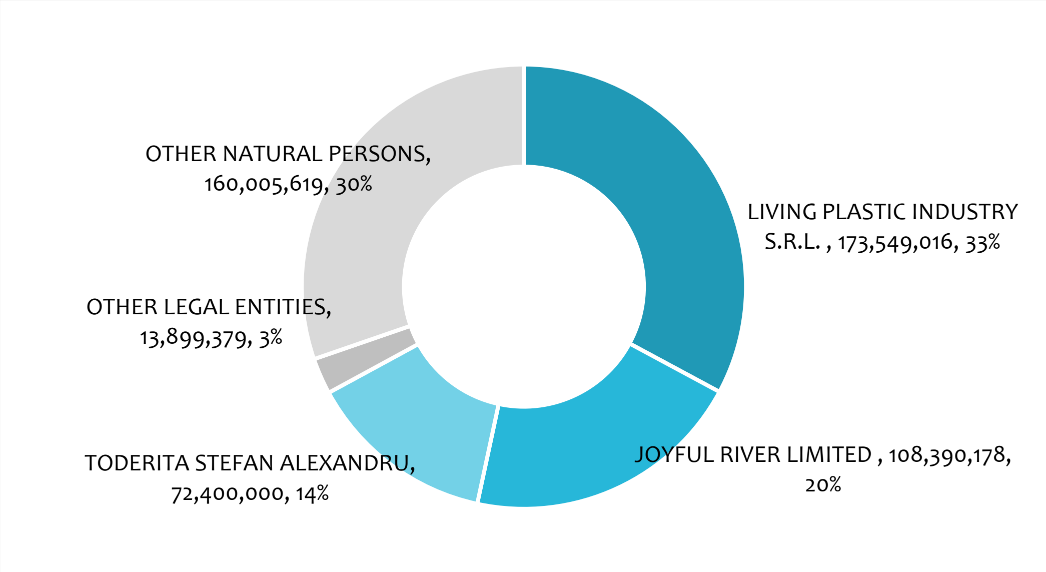
5.5 CASH-FLOW

	31/12/2022	31/12/2023	31/12/2024
Profit (Loss) of the year	**51,471,690**	**3,313,809**	**(5,992,980)**
Income tax expense / (income)	870,654	-	(1,653,756)
Deferred income tax expense / (income)	41,417	182,523	-
Non-current asset depreciation/(impairment)	9,609,158	9,392,805	9,829,769
Provisions for untaken leaves	600,000	117,000	-
(Gain) / Loss on sale of fixed assets	(915,621)	-	(6,826)
(Gain) / Loss on changes in fair value of investment property	(170,996)	(974,174)	(435,954)
(Gain) / Loss on disposal of investment property	(1,191,307)	-	-
(Gain) / Loss on disposal of short-term financial investment			(782,307)
(Gain) / Loss on revaluation of tangible assets	1,370,104	-	-
(Gain) / Loss on disposal of assets held for sales	-	(3,992,451)	-
Gains on internal set-up of fixed assets	(9,793)	(288,092)	(839,740)
Expenses / (Revenues) regarding value adjustments for clients and inventories	(54,640)	83,148	368,573
Loss on receivables and sundry debtors	54,270	54,865	61,710
Expenses / (Revenues) regarding allowances for financial assets	-	-	97,950
Interest expense	1,574,050	2,081,299	2,386,479

	31/12/2022	31/12/2023	31/12/2024
Interest income	(316,730)	(983,890)	(1,013,506)
Income from dividends	(46,745,700)	-	-
Income from subsidies	(2,206,664)	(2,113,978)	(1,839,055)
Unrealised foreign exchange gain / (loss)	(274,153)	(2,402,662)	(243,138)
			-
Movements in working capital:			-
(Increase) / Decrease in trade and other receivables	(6,316,829)	8,975,358	(3,886,580)
(Increase) / Decrease in inventories	(2,261,553)	(1,119,740)	(7,747,327)
(Increase) / Decrease in other assets	(3,571,403)	3,078,170	(53,162)
Increase / (Decrease) in trade payables	(4,846,357)	(7,989,155)	8,225,816
Increase / (Decrease) in other liabilities	1,751,137	504,351	1,636,842
Cash used in operating activities	**(1,539,266)**	**7,919,186**	**(1,887,191)**
Income tax paid	(1,015,734)	(619,612)	-
Interest and bank charges paid	(1,574,050)	(2,081,299)	(2,386,479)
Cash used in operating activities	**(4,129,050)**	**5,218,275**	**(4,273,670)**
Cash flows from investing activities:			
Interest received	316,730	983,890	1,013,506
Payments for tangible assets	(5,756,882)	(13,307,466)	(15,806,028)
Payments for investment property			(615,991)
Proceeds from sale of investment property	2,373,151	-	-
Proceeds from sale of tangible and intangible assets	915,615	-	1,796,170
Proceeds from sale of held-for-sale assets	-	7,752,606	-
Proceeds from government grants	912,179	-	-
Payments for short-term financial investments	-	(2,529,566)	(128,384)
Payments for intangible assets	(153,219)	(593,862)	(236,418)
Proceeds from financial investments	-	23,061,548	43,412
Proceeds from short-term financial investments	-	-	782,307
Payments for financial assets	(1,000)	-	-
Dividends received	7,166,500	39,418,400	-
Net cash generated by/used in investing activities	**5,773,074**	**54,785,550**	**(13,151,426)**
Cash flows from financing activities:			
Proceeds/Repayments from bank loans	(1,002,830)	(4,442,587)	(3,064,925)
Dividends paid	(10,666,862)	(28,951,452)	(2,641,220)
Proceeds from government grants	-	-	2,315,700
Net cash generated by/used in financing activities	**(11,669,692)**	**(33,394,039)**	**(3,390,445)**
Net increase/decrease) in cash and cash equivalents	**(10,025,668)**	**26,609,786**	**(20,815,541)**
Cash and cash equivalents at the beginning of the year	**12,798,377**	**2,772,710**	**29,382,497**
Cash and cash equivalents at the end of the year	**2,772,710**	**29,382,497**	**8,566,956**

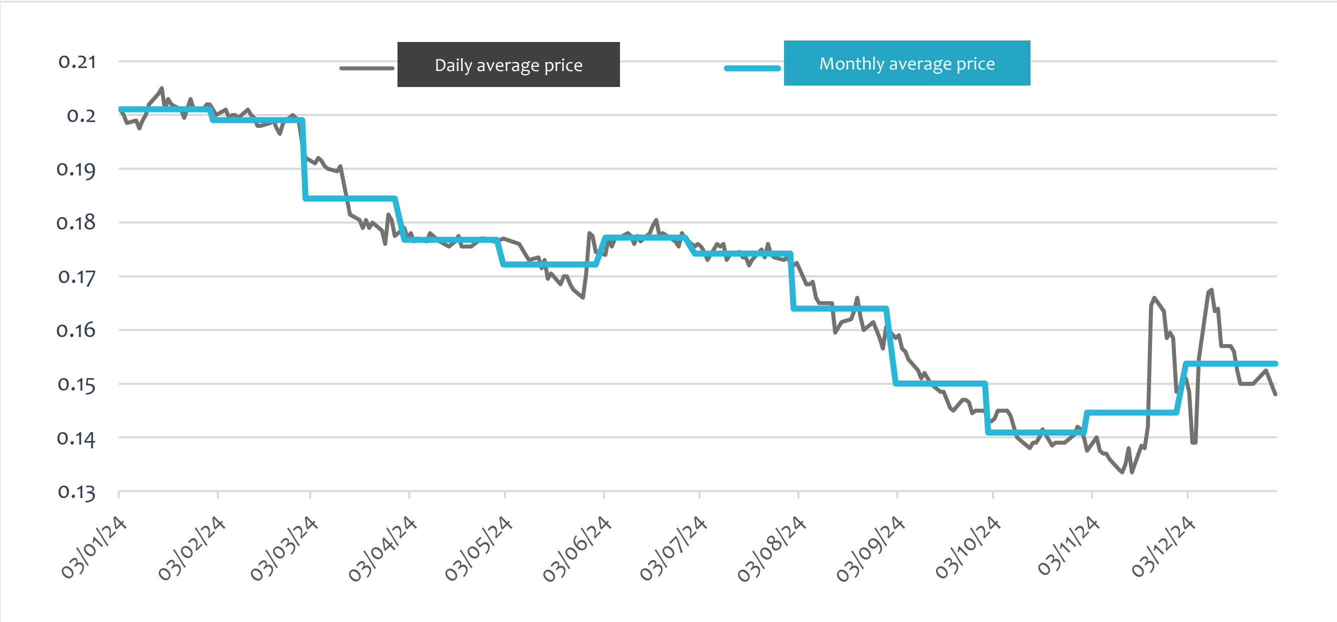
5.6 STRUCTURE OF SHAREHOLDERS

As at **31.12.2024** SC Romcarbon SA shareholders' structure, according to Depozitarul Central SA was as follows:



*On 30.06.2023, 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 the average price of ROCE shares in 2024



Starting from 26.09.2023, a share price correction factor was applied with a value of 2. Details HERE.

6. CORPORATE GOVERNANCE

I. PREAMBLE

This Chapter of Corporate Governance of the Company summarizes the main rules, structures, procedures and decision-making practices within the company, governance standards that ensure the application of the general principles of effective administration and control of the activities carried out by the company according to its object of activity, for shareholders benefit and increasing investor confidence. The entire set of corporate governance standards provides the structure through which the company's objectives are established, the means of achieving them and monitoring performance and aims to promote fairness, transparency, and responsibility at the company level.

"ROMCARBON" S.A. Commercial Company is a Romanian legal entity, operating as a joint-stock company, according to the normative acts in force. It carries out its activity in accordance with the Romanian laws and the incorporation act.

The company was founded in 1952, initially under the name "Chemical Factory no. 12". The company is headquartered in Romania, Buzau, Strada Transilvaniei, no. 132, is organized as a joint-stock company and is subject to Romanian legislation.

The main field of activity of the company is: 222 - Manufacture of plastic articles, and as the main activity, according to the codification - 2221 Manufacture of plastic plates, foils, tubes and profiles.

In 2005, the company implemented a modern ERP system for company resource planning (ERP - Enterprise Resources Planning), in order to optimize the decision-making process.

The investments made by the company aimed at the expansion of production activities through the purchase of land, the modernization and purchase of machinery, the expansion and introduction of new products in line with the legal regulations in force (including alignment with the European Union norms).

During the meeting of 11.03.2008, the National Securities Commission decided, by decision no. 469/11.03.2008, approval of the Prospectus prepared for admission to trading on the regulated market administered by S.C. BUCHAREST STOCK EXCHANGE S.A. of shares issued by S.C. ROMCARBON S.A.

Thus, **starting with the date of 30.05.2008 and until the date of 05.01.2015**, the shares of S.C. ROMCARBON S.A. were traded on the regulated market administered by the Bucharest Stock Exchange, Capital Securities Sector, Category II Shares.

Starting from 05.01.2015 the shares of S.C. ROMCARBON S.A. are traded on the regulated market administered by the Bucharest Stock Exchange, Capital Securities Sector, Standard Category, according to the new market segmentation introduced by the Bucharest Stock Exchange.

Prior to trading on the Bucharest Stock Exchange, the company was listed in Category II of the RASDAQ market.

The main characteristics of the shares issued by S.C. ROMCARBON S.A. are:

- number of shares – 528,244,192

a) nominal value – 0.1 lei

b) ISIN code: ROROCEACNOR1

c) symbol: ROCE

Entered the regulated market BVB, S.C. ROMCARBON S.A. proposed the implementation of both a profit-oriented policy for shareholders and one of assuming a role oriented towards social, corporate, ethical and environmental responsibility, with a notable impact on the environment and implicitly on the community.

In this sense, the management of S.C. ROMCARBON S.A. declares that it voluntarily and self-imposed adopts the provisions of the Corporate Governance Code of the Bucharest Stock Exchange, as it was adopted by the Council of the Bucharest Stock Exchange in December 2007, with subsequent changes, with the sole purpose of implementing it at the company level, through assuming an own corporate governance policy.

A first step in the implementation of a corporate governance policy was the adoption, respectively the implementation, of the Corporate Governance Code of the Bucharest Stock Exchange, at company level, a Code that can be accessed in Romanian and English on the website of the Bucharest Stock Exchange – www.bvb.ro

Implementation of the Code at the S.C. level. ROMCARBON S.A. consisted, first of all, in the adoption by the company's Board of Directors of the Corporate Governance Regulation, a regulation that can be accessed on the company's website- https://www.romcarbon.com/about-romcarbon/#Corporate-governance

The regulations we comply with in the elaboration of this corporate governance chapter: Law no. 31/1990 of commercial companies, republished in 2004, with subsequent amendments and additions, Law no. 297/2004 regarding the capital market, Law no. 24/2017 regarding issuers of financial instruments and market operations, with subsequent amendments and additions, the normative acts issued by A.S.F. for the regulation of the capital market (Regulation no. 5 of 21.06.2018 on issuers of financial instruments and market operations, Regulation no. 10/2016 on the organization and functioning of the Financial Supervisory Authority, etc.) accounting regulations,

regulations on audit activity, Law no. 82/1991 of accounting, republished with subsequent amendments and additions, the Corporate Governance Code of the Bucharest Stock Exchange adopted by the Council of the Bucharest Stock Exchange in December 2007, the Constitutive Act of S.C. ROMCARBON S.A., the Collective Labor Agreement together with the Internal Regulations concluded at the level of the Company and the Code of Ethics, hereinafter referred to generically as "Legal Provisions".

II. STRUCTURES AND ASPECTS OF CORPORATE GOVERNANCE.

2.1. General Meeting of Shareholders

The General Meeting of Shareholders (**GMS**) includes all shareholders and meets in ordinary meetings (**OGM**) and extraordinary meetings (**EGM**), each with the powers established by the legal provisions/constitutional act of the company.

Convening, organizing and conducting the works of the G.M.S. it is done in strict accordance with the legal provisions, ensuring the presentation of the materials, the recording of the works and the adopted decisions**.**

2.2. The Board of Directors

Currently, the management system of the Company is **unitary**.

SC ROMCARBON S.A. is administered by the Board of Directors composed of 3 members, elected or appointed by the 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 members of the Board of Directors (BoD) guarantee the efficiency of the ability to supervise, analyze and evaluate the activity of the directors as well as the fair treatment of the shareholders.

The choice of administrators is made from among the persons appointed by the shareholders.

When appointing the members of the Board of Directors, the general meeting followed a balanced composition of the Board of Directors in accordance with the structure and activity of ROMCARBON S.A. as well as with the experience and personal qualifications of the members of the BoD.

The Board of Directors meets at the company headquarters or in other places, monthly and whenever necessary, at the call of the Chairman, at the motivated request of at least 2 of its members or of the General Director, the Chairman of B.o.D. being obliged to comply with such a request.

The Board of Directors is chaired by the Chairman, and in his absence, by the Deputy Chairman.

The notices for the meetings of the Board of Directors are sent at least 5 days before the date of the meeting, by any means of remote communication (post, e-mail, fax) that ensure confirmation of receipt, in writing, by the addressee/member to the convened Board of Directors. These convocations include the date, respectively the location where the meeting of the Board of Directors will be held, as well as the agenda, no decision can be taken on other issues, except in case of urgency and with the condition of ratification in the next meeting by the absent members. In exceptional cases, justified by the urgency of the situation and the interest of the company, the decisions of the board of directors can be taken by the unanimous vote of the members expressed in writing, including by e-mail, without the need for a meeting of the respective bodies.

For the validity of the decisions taken, the presence/vote of at least half of the members of the Board of Directors is required, and the decisions are taken with a simple majority of the members present. In case of equality of votes, the Chairman of the Board of Directors (who is not the director of the company at the same time) will have the decisive vote. If the acting Chairman of the Board of Directors cannot or is forbidden to participate in the vote, the other members of the Board of Directors will be able to elect a meeting Chairman, having the same rights as the acting Chairman. In case of parity of votes and if the Chairman does not benefit from a decisive vote, the proposal put to the vote is considered rejected.

The meetings of the Board of Directors take place in the presence of the directors or by correspondence (post, e-mail, etc.).

The members of the Board of Directors will express their vote regarding the issues on the agenda during the meeting, as well as through any means of remote communication (mail, e-mail, fax) that ensures confirmation of the receipt of the vote expressed in writing, by the secretary the Board of Directors, at the latest until the end of the meeting for which they were summoned.

The decision-making process remains a collective responsibility of the members of the Board of Directors, who are held jointly and severally responsible for all decisions taken in the exercise of their powers.

The Board of Directors' debates are recorded in the minutes of the meeting, which are entered in a register.

The meetings of the Board of Directors can be audio-video recorded. The minutes of the meeting are signed by the chairman of the meeting and by at least one other administrator.

The Chairman of the Board of Directors, its members, the directors of the company, the executive directors, are liable individually or jointly, as the case may be, to the company, for the damages resulting from crimes or deviations from the legal provisions, for deviations from the constitutive act, as well as for mistakes in administration and management of the company. In such situations, they may be revoked by the decision of the General Meeting of Shareholders, respectively of the Board of Directors.

On the date of this annual report, the Board of Directors of S.C. ROMCARBON S.A. is made up of the following directors, elected during the Ordinary General Meeting of 25.01.2024, for a 4-year term, which expires on 04.02.2028.

► Chairman – HUANG, LIANG - NENG
***Professional experience**
- Economist - KENG FANG LTD., Taiwan - Nov.1993 -Iun. 1997
- Economist – DECATHLON – Taiwan Branch, Taiwan - Jul. 1997- May 2001
- Associate and director of Tairom Import-Export SRL Buzau – Sept. 2001 – Apr. 2004
- Director of Living Plastic Industry SA Buzau: March 2007-March 2011
- Censor of Greentech SA Buzau – Jan.2005 – Mar.2005
- Director of Greentech SA Buzau: Jan. 2009 - 2012;
- Unique Director of S.C. GREENFIBER INTERNATIONAL SA: Jun. 2005- Mar.2007;
- Director of S.C. GREENFIBER INTERNATIONAL SA: Mart. 2007- 2012;
- Financial Consultant of Livingjumbo Industry SA - 2012-present.

►Deputy Chairman – WEY JIANN SHYANG
* **Professional experience**:
- Deputy General Manager of Living Water in Spring International Co., Ltd - 2006- present
- Invetment Banking Departamentul Manager for Sinopac and Jihsun and MasterLink, financial investment company - 1996 - 2005
- Auditor Coordinator in the Audit Department of Deloitte Touche Tohmatsu (DTT) - 1992-1995
- Director of Eco Pack Management SA – 12.08.2021 - present

►Membru – TODERITA STEFAN ALEXANDRU
* **Professional experience**:
- Consultant, Mastercard Europe 2018 – April 2021
- Associate, Business Consulting at Boston Consulting Group, February 2018 – April 2018
- Consultant for A.T. Kearney, Iulie 2016 – November 2017
- Swiss Capital, broker, October 2012 – March 2015
- Edenred Romania, Strategy & Business Development Director, May 2021 – July 2023
- Edenred Romania, Strategy & Partners Director, July 2023 – February 2025
- Mastercard Europe, March 2025 - present

Therefore, starting with 25.01.2024, the structure of the Board of Directors of Romcarbon SA is as follows:
►Chairman – HUANG, LIANG – NENG
►Deputy Chairman – WEY JIANN SHYANG
►Member – TODERITA STEFAN ALEXANDRU

The powers of the Board of Directors are those stipulated in the Incorporation Act of S.C. ROMCARBON S.A. being in strict accordance with the legal provisions, ensuring the presentation of the materials, the recording of the works and the adopted decisions.

Nomination and remuneration of administrators

Nomination of ROMCARBON S.A. directors it is made by the shareholders, the nominations being subject to the approval of the general meeting of shareholders. Candidates for the position of member of the Board of Directors of the company must fulfill, in addition to the general conditions provided by Law no. 31/1990 and the special ones established by Law no. 24/2017.

In 2024, the Board of Directors met in 22 meetings, the decisions being taken either with the majority of votes of those present, or with unanimity and with the fulfillment of the legal provisions regarding the convening and the quorum for the meeting, respectively the legal adoption of the decisions. The main decisions taken by the Board of Directors concerned:
- Approval of the appointment, starting with 01.01.2024, of NOVA CONT AUDIT SRL, legally represented by administrator Cojocaru Venera, as internal auditor of Romcarbon SA, with a remuneration of 5,000 Euros per year (excluding VAT) and the empowerment of the General Manager of the company, Mr. Huang Liang Neng, to sign the internal audit contract with a duration of 1 year and with the possibility of being extended year by year, if neither party notifies the other party of its intention to terminate, at least 30 days before the automatic extension of the contract. (Decision no. 1/19.01.2024)Approval of the extension by 12 months, starting with January 1, 2024, of the sales contract no. 1200/22.05.2012 (3326/24.05.2012) concluded between ROMCARBON SA and KASAKROM CHEMICALS SRL., with a value, in 2023, of 17,234,289.33 (excluding VAT) and the authorization of the General Manager of Romcarbon, Mr. Huang Liang Neng, to represent the company in relation to Kasakrom Chemicals SRL to sign the additional act extending the sales-purchase contract.(Decision no. 1/19.01.2024).
- Approval of the acquisition (purchase) of shares of Aquila Part Prod Com S.A. ("Aquila") worth up to 2,500,000 lei. (Decision no. 2/26.01.2024).
- Approval of the 4-year extension of the mandate of Mr. Huang Liang Neng as General Manager of Romcarbon S.A., starting with 17.02.2024, until 17.02.2028, with the maintenance of all conditions and the already

approved compensation, according to the Decision of the Board of Directors of Romcarbon SA no. 1/2020. (Decision no. 4/09.02.2024)

- Approval of the appointment of Mr. Huang, Liang-Neng as Chairman of the Board of Directors for a term of 4 years, starting with 04.02.2024, which will coincide with the term of office as a member of the Board of Directors, according to the provisions of art. 15 of the company's articles of association. (Decision no. 4/09.02.2024)
- Approval of the appointment of Mr. Wey Jiann Shyang as Deputy Chairman of the Board of Directors for a term of 4 years, starting with 04.02.2024, which will coincide with the term of office as a member of the Board of Directors, according to the provisions of art. 15 of the company's articles of association. (Decision no. 4/09.02.2024)
- Approval of the structure of the Audit Committee that will work as an advisory committee for the Romcarbon Board of Directors in the following component: Mr. Wey Jiann Shyang – non-executive, independent member of the board of directors, Chairman of the Audit Committee; Mr. Toderita Stefan Alexandru – non-executive member, member of the Audit Committee. (Decision no. 4/09.02.2024)
- Approval, taking into account the investment plan approved by the EGMS Decision no. 1 of 27.04.2023, for Romcarbon to purchase the Ripper (shredder) equipment for the Compounds sector (CP 7), in a total value of 173,000 Euro (excluding VAT), and the General Manager of Romcarbon, Mr. Huang Liang Neng, is authorized to represent the company in relation to the supplier and to sign the equipment purchase contract. (Decision no. 5/23.02.2024)Approval of the convocation of the Ordinary General Meeting of Shareholders, for 29.04.2024, or as the case may be on 30.04.2024, at 12.00, at the company's headquarters in Buzău, str. Transilvaniei, no. 132. (Decision no. 6/25.03.2024)
- Approval of the convocation of the Extraordinary General Meeting of Shareholders, for 29.04.2024, or as the case may be on 30.04.2024, at 12.30, at the company's headquarters in Buzău, str. Transilvaniei, no. 132. (Decision no. 6/25.03.2024)
- Approval, considering the express request made by Deloitte Audit S.R.L, as external financial auditor, the issuance by Romcarbon S.A. of a letter of financial support for Livingjumbo Industry SA, for the financial year 2024, assuming all obligations associated/arising from the issuance of this document, as well as authorizing the General Manager, Mr. Huang Liang Neng, to sign this letter as well as to submit all necessary due diligences resulting from the issuance by Romcarbon S.A. of this document. (Decision no. 6/25.03.2024)
- Approval as Romcarbon S.A. to subscribe shares in the company PREMIER ENERGY PLC in the amount of up to 1,600,000 Euros, at the Offer Price Range of 19 lei and 21.50 lei per share. (Decision no. 7/10.05.2024)
- Approval of the Directors' Report for the First Quarter of 2024, which includes the unaudited individual and consolidated financial statements of the company for the first quarter of 2024 and empowering the Chairman of the Board of Directors of the company, the Chief Financial Officer and the Deputy General Administrative Director to sign all documents related to reporting to the authorities and to the BVB, according to the legal provisions in force. (Decision no. 8/15.05.2024)
- Approval, considering the Decision of the Extraordinary General Meeting of Shareholders no. 1 of April 29, 2024, regarding the approval of the company's banking exposure for the year 2024, for Romcarbon SA to concludes with Exim Banca Românească the additional act for the extension by 12 months of the maturity of the credit line in the amount of 2,550,000 Euro. (Decision no. 8/15.05.2024)
- Approval of the extension by 12 months of the duration of the loan agreement no. 4365/03.12.2019 concluded by Romcarbon as Lender and RC ENERGO INSTALL as Borrower, loan value 3,000,000 lei, interest 8%/year. (Decision no. 8/15.05.2024)
- Approval of the items included on the agenda of the Ordinary General Meeting of Shareholders of Livingjumbo Industry, regarding: Approval of the management report of the Board of Directors for the financial year 2023; Approval of the individual unconsolidated financial statements for the financial year 2023 composed of: balance sheet, profit and loss account, statement of changes in equity, statement of cash flows, accounting policies as well as explanatory notes, based on: the Administrators' Report and the External Financial Auditor's Report for the year 2023; Approval that the net loss in the amount of 6,045,845 lei for the financial year 2023 be covered from the profit of future financial years; Approval of the discharge of the members of the Board of Directors for the activity carried out in the financial year 2023; Approval of the appointment of S.C BDO AUDIT S.R.L as the company's statutory financial auditor for a 1-year term starting on 13.07.2024 (13.07.2024-13.07.2025) and the empowerment of the Deputy General Manager of the company - Ms. Carmen Manaila to represent the company in relation to S.C BDO AUDIT S.R.L, to negotiate and sign, in the name and on behalf of the company, the contract for the provision of statutory audit services as well as any other documents necessary to fulfill those approved during this Ordinary General Meeting of Shareholders; Approval of the income and expenditure budget for the 2024 SA financial year. (Decision no. 9/29.05.2024)
- Approval of the Sustainability Report of the Romcarbon Group for the financial year 2023, as detailed in the attached material and approval of the publication of the Sustainability Report on July 1, 2024, 8:00 a.m. (Decision no. 11/28.06.2024)

- Approval of the Annual Report of the Audit Committee for the year 2023 prepared in accordance with Law no. 162/2017 on the statutory audit of annual financial statements and consolidated annual financial statements and on amending certain regulations. (Decision no. 11/28.06.2024)
- It was noted that following the OGMA Decision no. 1 of 29.04.2024, the Audit Committee of Romcarbon S.A. has 3 members, one of whom is independent and appointed by the OGMA, thus, starting with 29.04.2023, the Audit Committee is composed of: Wey Jiann Shyang - chairman of the audit committee; Toderita Stefan-Alexandru - member of the audit committee; Stefanoi Vasile from the Individual Audit Cabinet Stefanoiu Vasile - independent member of the audit committee. (Decision no. 11/28.06.2024)
- Approval of the annual internal audit plan proposed by the internal auditor Nova Cont SRL. (Decision no. 11/28.06.2024)
- Approval, taking into account those approved by the OGMS Decision no. 1 of 29.04.2024 regarding the distribution of dividends for the year 2023, of the Procedure for distributing dividends for the financial year 2023. (Decision no. 12/18.07.2024)
- Approval of the restructuring/reorganization of the company's activity by eliminating a number of up to 25 jobs, from the company's profit centers (production sectors) and/or from the support departments under the coordination of the General Manager, respectively under the coordination of the Administrative Deputy General Manager, as a result of the need to reduce expenses. (Decision no. 13/30.07.2024)
- Approval of the Administrators' Report on the Individual and Consolidated Financial Statements of ROMCARBON S.A. on 30.06.2024 (H1), prepared in accordance with the provisions of Law 24/2017, which includes the Semi-annual Report on the interim individual financial statements, the unaudited condensed interim individual financial statements for the period ended 30 June 2024, the Semi-annual Report on the Consolidated Financial Statements and the unaudited condensed interim consolidated financial statements for the period ended 30 June 2024. (Decision no. 14/13.08.2024)
- Approval, taking into account the powers conferred on the Council, by EGMS Decision no. 1 of 29.04.2024, of the redistribution of the value of 2,000,000 euros from the ceiling allocated to administrative and general investments, approved by EGMS Decision no. 1 of 29.04.2024, to the ceiling for productive investments, for the approval of the project " ESTABLISHMENT OF A PLASTIC WASTE RECYCLING AND VALORATION UNIT. (Decision no. 15/16.08.2024)
- Approval of the Feasibility Study, including the financial analysis, respectively the technical and economic indicators, for the project "ESTABLISHMENT OF A PLASTIC WASTE RECYCLING AND VALORATION UNIT". (Decision no. 15/16.08.2024)
- Approval, in consideration of the powers conferred on the Board by Decision of the Extraordinary General Meeting of Shareholders no. 1 of 29.04.2024, for Romcarbon to contract, under the administrative investment category, the rehabilitation works of main pipelines 1 and 4, part of the water supply system of the company's platform, in the amount of 1,349,929.87 lei (excluding VAT) and the authorization of the company's CEO to represent the company, negotiate and sign the execution contract. (Decision no. 16/03.09.2024)
- Approval of the items on the agenda of the General Meeting of RECYPLAT LIMITED Associates regarding the approval of the financial statements for the 2023 financial year and the confirmation letter. (Decision no. 17/30.09.2024)Approval of the Directors' Report for the Third Quarter of 2024, which includes the unaudited individual and consolidated financial statements of the company for the Third Quarter of 2024, and empowers the Chairman of the Board of Directors of the company, Mr. Huang Liang Neng, the Financial Director, Ms. Zainescu Viorica Ioana and the Deputy General Administrative Director, Ms. Manaila Carmen to sign all documents related to reporting to the authorities and to the BVB, in accordance with the legal provisions in force. (Decision no. 18/14.11.2024)
- Approval, considering those approved by the EGMS Decision no. 1 of 29.04.2024, that Romcarbon SA (as borrower and guarantor) signs with Exim Banca Românească SA (as lender) an addendum to the credit agreement no. 9-ABZ of 28.05.2020, regarding the credit in the amount of 2,000,000 Euros, for the extension of this contract, until 23.05.2025 and for the modification of the product type into a multi-company, revolving ceiling, with the companies Romcarbon SA and Livingjumbo Industry SA as borrowers and guarantors. (Decision no. 19/21.11.2024)
- Approval for Romcarbon S.A. to invest in a photovoltaic energy system with a capacity of 335 kW, in a total amount of 163,000 Euros (excluding VAT) and the authorization of the General Manager of the company to negotiate and sign the execution contract with the supplier of this system. (Decision no. 19/21.11.2024)
- Approval, taking into account the approval granted by the Decision of the Extraordinary General Meeting of Shareholders of April 29, 2024, for Romcarbon SA to acquire a number of 1,000,000 shares issued by the company ANTIBIOTICE S.A. (BVB symbol ATB) with a purchase price of 2.65 lei/share. (Decision no. 20/22.11.2024)

- Approval, taking into account the approved by the Extraordinary General Meeting of Shareholders Decision no. 1 of 29.04.2024, 12:30, the extension by 12 months of the duration of the credit consisting of a cash/noncash multi-purpose credit line, overdraft and non-cash ceiling, in the amount of EUR 8,000,000, contracted by Romcarbon S.A. (and Livingjumbo Industry SA as co-borrower) from Unicredit Bank SA, based on the contract no. BUZA/014/2012. (Decision no. 21/03.12.2024)
- Approval, taking into account the approved by the Extraordinary General Meeting of Shareholders Decision no. 1 of 29.04.2024, 12:30, as Romcarbon S.A. to sign, as guarantor, with Unicredit Bank S.A. the addendum to the credit agreement no. BUZA/152021/CSC, for the guarantee of the working capital loan - overdraft, in the amount of EUR 2,000,000 contracted by Livingjumbo Industry SA from Unicredit Bank SA. (Decision no. 21/03.12.2024)
- Approval of the Romcarbon Investor Relations Policy. (Decision no. 21/03.12.2024)
- Approval of the ESG Strategy of Romcarbon Grup for the period 2025 - 2050 and empowerment of the General Director of Romcarbon SA, with the possibility of sub-delegating this power to the executive management, to carry out all activities and make all decisions for the implementation of the ESG Strategy. (Decision no. 22/24.12.2024)
- Approval for Romcarbon S.A. and affiliated companies the following Policies: Climate Change Policy; Environmental Policy; Social Responsibility Policy; Sustainable Procurement Policy.(Decision no.22/24.12.2024)
- Approval of the modification of the company's Organization Chart for the introduction of the Sustainability Office under the coordination of the Deputy General Administrative Director, Ms. Carmen Manaila. (Decision no.22/24.12.2024)

Convening of General Meetings of Shareholders:

OGMS of 25.01.2024, by Decision C.A. no.20/18.12.2023, regarding:

- Election of 3 new members of the Board of Directors, for a 4-year term, starting with 04.02.2024, following the expiration of the term of office of the company's administrators.
- Approval of the date of 20.02.2024 as the "registration date", according to art.86 paragraph 1 of law no.24/2017 and art.2 paragraph 2 letter f of A.S.F. Regulation no.5/2018.

Approval of the date of 19.02.2024 as the "ex-date", according to art.2 paragraph 2 letter l of A.S.F. Regulation no.5/2018.

OGMS of 29.04.2024, by Board of Directors Decision no. 6/25.03.2024, regarding:

- Presentation, discussion and approval of the annual report of the Board of Directors for the fiscal year 2023.
- Presentation and approval of the individual financial statements for the financial year 2023 in accordance with International Financial Reporting Standards (IFRS) based on: Directors' Report and External Financial Auditor's Report for the financial year 2023.
- Presentation of the report of the external financial auditor - Deloitte Audit SRL, member of Deloitte Touche Tohmatsu - on the consolidated financial statements for the financial year 2023.
- Presentation and approval of the consolidated financial statements, for the financial year 2023 in accordance with International Financial Reporting Standards (IFRS) based on: Directors' Report and External Financial Auditor's Report for the financial year 2023.
- Presentation of the report of the external financial auditor - Deloitte Audit SRL, member of Deloitte Touche Tohmatsu - changing situations on the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for the fiscal year 2023.
- Presentation and approval of the Annual Report for 2023, prepared in accordance with ASF Regulation No.5/2018 on issuers and operations with securities and the Corporate Governance Code of the Bucharest Stock Exchange.
- Approval to discharge the members of the Board of Directors for the work in fiscal year 2023.
- Approval to contract services for the statutory audit of the company for the financial year 2024.
- Approval to appoint an independent member of the Audit Committee for a 1 year mandate starting the appointment date, in accordance with the provisions of art.65, Title I, chapter IX of Law 162/2017 and for setting the remuneration of the appointed independent member.
- Approval of the income and expenses budget for the financial year 2024.
- Approval of the Remuneration Report for the financial year 2023.
- Approval to distribute the net profit registered in the financial year 2023 in the amount of 3,313,808.58 lei on the following destinations, according to the attached material:

1) Legal reserves amounting to 165,690 lei;
2) Other reserves amounting to 3,148,118.58 lei;

- Approval for the company to distribute as cash dividends the amount of 2,641,220.96 lei, representing part of the net profit recorded in the financial year 2022, remained undistributed (according to the Ordinary General Meeting of Shareholders Decision no.1 of 27.04.2023, pt.11 item 4), and as consequence approval to distribute a gross dividend/share of 0.005 lei/share for total number of 528,244,192 shares, distribution of the dividends following to be made according to the provisions of the law, article of incorporation and under the condition of obtaining consent from the company's creditor banks.
- Approval of 09.08.2024 as "registration date", according to Law 24/2017.
- Approval of 08.08.2024 as "ex-date", according to Law 24/2017.
- Approval of the date of 30.08.2024 as "payment date" according to art. 2 para. 2 letter h and art. 178 paragraph 1 of the A.S.F. Regulation. no. 5/2018.
- Empowerment of the company Board of Directors to take any/all measures and make formalities for the fulfillment of resolutions adopted by the OGMS.

- **EGMS of 29.04.2024, by Board of Directors Decision no. 6/25.03.2024 regarding:** Approval for the banking exposure of Romcarbon SA for the financial years 2024-2025, consisting of: Bank credits in amount of in a limit of EUR 14,161,781 and RON 550,000 as well as increasing this exposure with a maximum ceiling of EUR 2,000,000 or equivalent in lei for unforeseen financing needs, Guarantees given to Livingjumbo Industry SA for the credits contracted with UniCredit Bank (EUR 2,450,000 euro) and with Eximbank SA (EUR 2,000,000 euro);Guarantees given to RC Energo Install SRL for the credit contracted with Eximbank SA in amount of RON 2,000,000 lei, according to material no.960/21.03.2024.
- Approval for:
  - The possibility to contract if it is needed a factoring facility with the ceiling of EUR 500.000 for a period of 36 months;
  - The extension at maturity or, if necessary, before the maturity of the ceiling of bank letters contracted with UniCredit Bank SA in the amount of RON 500,000 for a period of 36 months and/or the modification of guarantees, as well as, if necessary, to increase it to RON 600,000
  - Contracting a ceiling of bank guarantee letters in the amount of 100,000 lei with Exim Bank SA for a period of 36 months which will be guaranteed with guarantees consisting of cash collateral;
  - Prolongation for a period of 12 months the validity of the credit lines contracted with Exim Bank SA (in the amount of 2,550,000 euros) and UniCredit Bank SA (in the amount of 8,000,000 euros) with the maintenance of the related guarantees;
  - contracting a multicurrency loan to finance the investment plan for the year 2024 in the amount of 7,400,000 euros, for a period of 60 months;
  - contracting a bridging loan for the project with European funds from the PNRR program with a value of 5,040,000 euros;
- Empower the Board of Directors to negotiate and decide regarding:
  - modification of the crediting conditions of existing loans/ prolongation of short-term facilities/credit lines by up to a maximum of 12 months;
  - modification and/or approving new guarantees for existing loans and the approval of guarantees for new loans that will be contracted within the limit of the approved exposure;
  - contracting new loans within the limits of bank exposure and establishing new guarantees under the conditions of the law, as well as, as the case may be, restructuring existing bank loans/eixting guarantees/exposure, currency change or refinancing of existing credits;
  - contracting new loans by increasing the current exposure, within the limit of a maximum ceiling of 2,000,000 euros or equivalent in lei mentioned.;
- Empowering for the General Director and Financial Director, to sign credit agreements and all additional documents to them, related warranties and all additional acts, leasing and factoring contracts and all additional documents, as well as any other documents required in to view the fulfillment of the EGMS decision to sign credit agreements, addendums thereto related, mortgage deeds and other guarantees, and any other documents necessary for the carrying out of the EGMS' s decision.
- Approval for Romcarbon SA 2024 Investment Plan.
- Approval of 09.08.2024 as "registration date", according to Law 24/2017.
- Approval of 08.08.2024 as "ex-date", according to Law 24/2017.
- Empowerment of the company Board of Directors to take any/all measures and formalities for the fulfillment of resolutions adopted by the EGMS.

- Empowerment of the EGMS Chairman as apointed to sign with full powers in the name and on behalf of the shareholders, present, represented and who will vote by correspondence, the OGMS Resolutions.

Empowerment of the Company legal counselor, Mrs. Mihaela Jurubita to fulfill all formalities regarding registration of the EGMS resolutions at the Trade Register and for the publication in the Official Monitor.

Regarding compliance with the provisions of art. 138² of Law 31/1990 respectively of Principle VI (CGC) and of recommendation no. 16 of the Implementation Guide of the Corporate Governance Code, we mention that among the directors of the company the condition of independence is met only by Mr. WEY JIANN SHYANG, who is an independent, non-executive director.

Alongside the Board of Directors of the Company, an Audit Committee was established, whose structure was supplemented by the OGMS Decision no. 1 of 29.04.2024 with an independent member who meets the conditions provided for by the provisions of art. 65 paragraph 3 of Law no. 162/2017 on the statutory audit of annual financial statements and consolidated annual financial statements and amending certain normative acts, as of the date of this report the Audit Committee has the following structure:

- WEY JIANN SHYANG, independent, non-executive member of the Board of Directors, Chiarman of the committee.
- TODERITA STEFAN ALEXANDRU, non-executive member of the Board of Directors, member of the committee.
- STEFANOIU VASILE, financial auditor within the "Cabinet Individual de Audit Stefanoiu Vasile", independent member of the committee, C.A.F.R. certified with skills in the field of accounting and statutory audit.

With regard to the existence of a Remuneration Committee, we make it clear that the company does not intend to establish such an advisory committee, the attribution of establishing, respectively applying the remuneration policy at the level of the company belongs exclusively to the General Meeting of Shareholders (remuneration/indemnity of members of the Board of Directors) respectively to the Board of Directors (remuneration of the executive management respectively of the employed personnel), within the legal limits conferred on these bodies by the Constitutive Act of the company and the legislation on commercial companies.

Currently, the Directors' remuneration is made in accordance with the provisions of the incorporation act and the Resolution of the Ordinary General Meeting of Shareholders no. 1 of 23.01.2020.

2.3. Executive management

The executive management of ROMCARBON S.A. is ensured by the following persons, who have been delegated the management duties of the company:

Huang Liang Neng - General Manager, starting from 17.02.2020

Manaila Carmen – Deputy Administrative General Director, starting on 17.02.2020

Dobrota Cristinel – Deputy General Director Development, starting from 17.02.2020

Cretu Victor - Polypropylene Profit Center Manager starting on 17.02.2020

Constantinescu Gabriel – Manager of the Filters, EIP and Activated Carbon Profit Center, starting from 17.02.2020

Ungureanu Ion – Extruded Polystyrene Profit Center Manager starting from 17.02.2020

Titi Mihai - Technical Deputy General Manager starting from 01.06.2010

Zainescu Viorica Ioana - Financial Director starting from 15.01.2010

The management of the company is delegated by the Board of Directors to the General Director, who acts independently and is responsible for the fulfillment of all measures corresponding to the management of the Company, within the scope of the Company's activity and in compliance with the exclusive competences reserved by the Law or the Articles of Association, to the Board of Directors or the General Meeting of Shareholders.

In this sense, in relations with third parties, the Company is represented by the General Director of the Company pursuant to the provisions of art. 143 para. 4 in conjunction with art. 143 ² para. 4 of Law 31/1990 on commercial companies, acting independently within the limits of the mandate received.

The General Director of the company is appointed or revoked from his position by the Board of Directors, which establishes his duties, responsibilities and powers, the duties of representing the Company can be delegated by the General Director of the Company to a third party only with the prior written consent of the Board of Directors Administration.

Remuneration policy of the company

Starting with 2021, the company has adopted a remuneration policy that can be consulted at the following link:
https://www.romcarbon.com/wp-content/uploads/2021/04/ROCE_Remuneration-policy_EN.pdf

For the year 2024, the company issues, according to the legal provisions, the Remuneration Report of administrators and directors available at the following link: https://www.romcarbon.com/remuneration-reports/

III. CORPORATE RIGHTS OF SHAREHOLDERS

The shareholders of the company are the natural or legal persons who have acquired or will acquire the ownership of one or more shares issued by the company and who have registered their acquired right in the Register of Shareholders kept by the company designated by contract, under the conditions of the law - S.C. DEPOZITARUL CENTRAL S.A.

The acquisition, in any form, of the company's shares, requires the shareholders' unreserved adherence to all the provisions of the incorporation act in force on the date of acquisition.

SC ROMCARBON S.A. respects the rights of the holders of shares and ensures equal treatment for all holders of shares of the same type and class, providing them with all the relevant information so that they can exercise all their rights. The holders of shares must exercise their rights conferred on by them, in good faith, respecting the rights and legitimate interests of the other holders and the priority interest of the commercial company, otherwise they will be liable for the damage caused.

Each share subscribed and paid by the shareholders gives them the right to a vote in the general meeting of shareholders, the right to elect and be elected in the management bodies of the company, the right to participate in the distribution of the profit, according to the provisions of the company's incorporation act and of the social asset upon dissolution of the company, as well as other rights provided by the legislation in force.

The rights and obligations related to each share follow it in case they pass into the ownership of another person. The company's obligations are guaranteed with its patrimony.

The company's assets cannot be encumbered by any debt or personal obligation of the shareholders.

A creditor of a shareholder can make claims on the part of the company's benefit due to him, only after the general meeting of shareholders approves the balance sheet and the benefit, as well as the share of it, which is due to each shareholder.

Each of the shareholders participates in benefits and losses in proportion to the share held in the social capital.

The share capital of the company can be increased by the decision of the Extraordinary General Meeting or, in the situations provided by law, by the Decision of the Board of Directors through all the means and procedures provided by the legal provisions and under the conditions provided by the law.

The existing shareholders will have the right of pre-emption, under the conditions of the law, to the acquisition of the new shares, proportional to the percentage held in the company's share capital at that time. The payment made by the shareholders to the company in exchange for these shares will be made in accordance with the legal provisions and the approval of the General Meeting of Shareholders.

The term for exercising the right of pre-emption is set by the Extraordinary General Meeting of Shareholders that approves the capital increase and cannot be shorter than the term provided by law. If any of the aforementioned shareholders declines or fails for any reason to exercise their right of pre-emption regarding the acquisition of new shares within the term set by the Extraordinary General Meeting of Shareholders, this right will be transmitted to the other shareholders, who will be able to exercise within 1 week from the expiration of the term set by the meeting that approves the capital increase and proportional to the share held in the share capital on the date of identification of the shareholders who will benefit from the rights, established by this meeting.

The General Meeting of Shareholders will be able to decide the reintegration of the social capital by issuing new shares.

The Extraordinary General Meeting of Shareholders or the Board of Directors will decide to reduce the share capital, in accordance with the legal provisions, by reducing the nominal value of the shares, or by reducing the number of shares, or by acquiring own shares, followed by their cancellation, as well as in the other cases of reduction of the social capital.

In no case will the reduction of the social capital in any way affect the quality of the shareholder and the equality between the shareholders.

Currently, the social capital of S.C. ROMCARBON S.A. is **52,824,419.20 lei**.

<u>All holders of shares issued by S.C. ROMCARBON S.A. they are treated fairly. All shares issued give the holders equal rights.</u>

SC ROMCARBON S.A. facilitates and encourages: the participation of shareholders in the works of the General Meetings of Shareholders (GMS), the full exercise of their rights, the dialogue between shareholders and members of the Board of Directors and/or management.

The General Shareholders' Meeting is the governing body of the company, which decides on its activity and ensures its economic and commercial policy.

The responsibilities of the General Meeting of Shareholders are those stipulated in the Incorporation Act of S.C. ROMCARBON S.A. being in strict accordance with the legal provisions, ensuring the presentation of the materials, the recording of the works and the adopted decisions.

The general meeting is convened by the board of directors whenever necessary.

Shareholders registered in the Shareholders' Register (issued by S.C. DEPOZITARUL CENTRAL S.A.) have the right to participate and vote at the General Shareholders' Meeting on the reference date established/approved by the Board of Directors. Shareholders can participate in their own name or through representation by other persons. The representation of shareholders in the general meeting of shareholders can also be done by other persons than shareholders, based on a special or general power of attorney, according to art. 105 paragraph 7 of Law no. 24/2007.

In the case of personal voting, natural person shareholders and legal person shareholders are entitled to participate in the GMS meeting by simply proving their identity, in the case of natural person shareholders with their identity document (identity card, identity card, passport, residence permit) and in the case of shareholders of legal entities with the identity document of the legal representative (identity card, identity card, passport, residence permit). The quality of legal representative is proven with a certificate of verification issued by the trade register or any equivalent document issued by a competent authority in the state in which the legal entity shareholder is legally registered, which certifies the quality of legal representative, presented in original or in copy according to the original. The documents attesting the legal representative capacity of the legal entity shareholder will be issued no later than 3 months before the date of publication of the GMS Notice. Documents presented in a language other than English will be accompanied by a translation made by an authorized translator in the Romanian/English languages.

In the case of proxy voting, it is possible to represent the shareholders at the GMS meetings by a representative/mandatory who can be another shareholder or a third person. The vote by representation with a special power of attorney can be expressed by completing and signing the special power of attorney forms made available by the company in 3 copies of which: one copy will be sent in writing, in original, to the registered office, the second copy will be handed to the representative , so that he can prove his representative capacity at the request of the technical secretariat of the meeting, the third copy remaining with the shareholder. The special/general power of attorney will be sent in physical format, in the original in the case of the special power of attorney, respectively in a copy according to the original under the signature of the representative, in the case of the general power of attorney, so that they are registered for receipt at the registered office in due time, or by e -mail to the address office@romcarbon.com (situation in which electronic means are used, the special power of attorney will be sent through the extended electronic signature incorporated according to Law no. 455/2001), until the same date and time. Irrespective of the method of transmission of the proxies for representation in the AGM, they must contain the mention written clearly and in capital letters "POWER FOR THE ORDINARY/EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS FROM ______ (the date of convening the GMS)".

A shareholder can designate only one person to represent him in the GMS. A shareholder can designate by special power of attorney one or more alternate representatives to ensure his representation in the general meeting in case the designated representative is unable to fulfill his mandate. In the event that several substitute representatives are appointed through the special power of attorney, the order in which they will exercise their mandate will also be established. Also, a shareholder can grant a general power of attorney valid for a period that will not exceed 3 years, by which he empowers his representative to vote in all aspects under discussion at the GMS, including regarding disposition documents, provided that the power of attorney be granted by the shareholder as a client to an intermediary within the meaning of capital legislation or to a lawyer. For identification purposes, the special/general power of attorney will be accompanied by the following documents: a copy of the shareholder's identity card (identity card, identity card, passport, residence permit) and a copy of the representative's identity card, in the case of natural persons; copy of the identity document of the natural person representative/mandatory (identity card, identity card, passport, residence permit), copy of the identity document of the representative/mandatory lawyer accompanied by the power of attorney in the original or, in the case of the legal person representative/mandatory, a copy of the document of the identity of the legal representative of the legal entity representative accompanied by the ascertaining certificate issued by the trade register or any equivalent document issued by a competent authority in the state in which the representative/legal entity representative is legally registered, presented in original or a copy in accordance with the original. Documents presented in a language other than English will be accompanied by a translation made by an authorized translator in the Romanian/English languages.

When completing the special power of attorney forms, the shareholders will consider the possibility of updating the agenda, in which case the power of attorney forms will be updated and sent to the company's headquarters in good time.

The shareholders cannot be represented in the general meeting of shareholders on the basis of a general power of attorney by a person who is in a situation of conflict of interests that may arise in particular in one of the following cases: he is a majority shareholder of the issuer or another the person controlled by the respective shareholder; is a member of an administrative, management or supervisory body of the issuer, of a majority shareholder or of a controlled person, according to the provisions of art. 105 para. 15 lit. a) from Law no. 24/2017; is a member of an administrative, management or supervisory body of the issuer, of a majority shareholder or of a controlled person, according to the provisions of art. 105 paragraph 15 letter b) of Law no. 24/2017; is an employee or an auditor of the company or of a majority shareholder or of a controlled entity, according to the provisions of art. 105 para. 15 lit. c) from Law no. 24/2017; is the spouse, relative or next of kin up to the fourth degree inclusive of one of the natural persons provided for in art. 105 para. 15 letter d) of Law no. 24/2017.

The special power of attorney for representation in the GMS given by a shareholder to a credit institution that provides custody services will be valid without the presentation of other additional documents related to the respective shareholder, if the special power of attorney is drawn up according to ASF Regulation no. 5/2018, it is signed by the respective shareholder and is accompanied by a declaration on his own responsibility given by the legal representative of the credit institution who received the power of attorney through a special power of attorney, from which it appears that: (i) the credit institution provides custody services for the respective shareholder; (ii) the instructions in the special power of attorney are identical to the instructions in the SWIFT message received by the credit institution to vote on behalf of the respective shareholder; (iii) the special power of attorney is signed by the shareholder. The special power of attorney and the self-responsibility declaration must be submitted to the registered office in original, signed and, as the case may be, stamped, without the fulfillment of other formalities related to the form of these documents.

Shareholders registered in the Register of Shareholders on the reference date can express and send their vote regarding the items on the agenda of the GMS by correspondence. Voting forms can be obtained from the company's headquarters - Shareholder Service or can be downloaded from the company's website, both in Romanian and in English. The voting form by correspondence, completed and signed by the shareholder, will be sent in writing, in the original to the company's headquarters or by e-mail to the address office@romcarbon.com bearing the extended electronic signature incorporated according to Law no. 455/2001, so that be recorded as having been received in due time. Regardless of the method of sending the voting form by mail, it must contain the clearly written mention in capital letters "VOTING FORM BY CORRESPONDENCE FOR THE ORDINARY/EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS FROM _______ (the date of convening the GMS)". The postal voting form will be accompanied by the following documents: copy of identity card in the case of natural person shareholders; copy of the identity document of the representative/mandatory, certificate of verification issued by the trade register or any equivalent document issued by a competent authority in the state in which the shareholder is legally registered, certifying the quality of the legal representative, presented in the original or in a copy in accordance with the original, in the case of shareholders of legal entities.

The documents certifying the legal representative capacity of the legal entity shareholder will be issued no later than 3 months before the date of publication of the GMS convocation. Documents presented in a language other than English will be accompanied by a translation made by an authorized translator in Romanian or English. In the event that the shareholder who cast his vote by mail participates in person or through a representative at the AGM, the mail vote expressed for the GMS is cancelled. In this situation, the vote expressed in the meeting in person or by representatives will be considered.

The postal voting form for the vote in the GMS sent by a shareholder for whom a credit institution provides custody services, will be valid without the presentation of other additional documents related to that shareholder if the voting form is drawn up according to FSA Regulation no. 5/2018 , is signed by the respective shareholder and is accompanied by a declaration on his own responsibility given by the legal representative of the credit institution, from which it appears that: (i) the credit institution provides custody services for the respective shareholder; (ii) the mail voting form is signed by the shareholder and contains voting options identical to those mentioned by the shareholder through a SWIFT message received by the credit institution from the said shareholder. When completing the voting form by correspondence, shareholders must consider the possibility of completing/updating the agenda, in which case these documents will be updated and made available in due time.

Power of attorney (special power of attorney) or voting by mail forms, in Romanian and English, can be obtained from shareholders and from the company's registered office, every working day, starting with the date of the convening of the AGM between 9:00 a.m. and 5:00 p.m. or from on the company website www.romcarbon.com. A copy of the special power of attorney will be sent in writing, in original, to the registered office so that it is registered as received at the office at least 2 days before the date of the new AGM, at 5:00 p.m. or by e-mail to office@romcarbon.com (provided that electronic means are used, the special power of attorney will be sent through the extended electronic signature), until the same date and time.

One or more shareholders representing, individually or together, at least 5% of the share capital have the right to introduce items on the agenda of the General Meetings of Shareholders, provided that each item is accompanied by justification or a draft decision proposed for adoption and to propose draft decisions for the items included or proposed to be included on the agenda. Proposals regarding the draft decision can be submitted in a sealed envelope at the company's headquarters in Buzau, Transilvaniei str., no. 132, in good time or sent by e-mail with the extended electronic signature incorporated according to Law no. 455/2001 regarding the electronic signature, until the same date and time at the address office@romcarbon.com with the written mention "PROPOSAL OF NEW ITEMS ON THE AGENDA FOR THE ORDINARY / EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ON ______ (date of convening the GMS). ". Each new point proposed must be accompanied by justification or a draft resolution proposed for adoption at the AGM meeting. These proposals must be accompanied by a copy of the identity document in the case of natural person shareholders; copy of the identity document of the representative/mandatory, certificate of verification issued by the trade register or any equivalent document issued by a competent authority in the state in which the shareholder is legally registered, certifying the quality of the legal representative, presented in the original or in a copy in accordance with the original, in the case of shareholders of legal entities. The documents certifying the legal representative capacity of the legal entity shareholder will be issued no later than 3 months before the date of publication of the AGM convenor.

Each shareholder has the right to ask questions regarding the items on the agenda according to art. 198 of ASF Regulation no. 5/2018. Questions can be submitted in writing, at the company's headquarters or by e-mail with the extended electronic signature incorporated in accordance with Law 455/2001 on electronic signatures, to the address office@romcarbon.com mentioning in the subject "FOR THE ORDINARY / EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS DATED DE_ (date of convening the GMS)". The questions must be accompanied by a copy of the identity document in the case of natural person shareholders; copy of the identity document of the representative/mandatory, certificate of verification issued by the trade register or any equivalent document issued by a competent authority in the state in which the shareholder is legally registered, certifying the quality of the legal representative, presented in the original or in a copy in accordance with the original, in the case of shareholders of legal entities. The documents certifying the legal representative capacity of the legal entity shareholder will be issued no later than 3 months before the date of publication of the GMS convocation.

The company will formulate a general answer for questions with the same content that will be made available on the company's website, in question-answer format.

Informative materials, special power of attorney forms and draft decisions related to the items on the agenda can be consulted at the company's headquarters, every working day, or on the company's website https://www.romcarbon.com/general-shareholders-meetings-2024/

In the event of non-fulfillment of the conditions stipulated by the law and the articles of incorporation for holding the General Meeting of Shareholders at the date and time provided in the Convocation, the next meeting is convened for a later date approved by the Board of Directors, in the same place, with the same agenda and for shareholders registered on the same reference date.

In order to provide shareholders with relevant information in real time, S.C. ROMCARBON S.A. has created a special section on its website, called Investors, https://www.romcarbon.com/investor/ accessible and permanently updated.

The page is structured in such a way as to contain all the information necessary for the holders of securities: information regarding the C.A. meetings, general meetings of shareholders, financial calendar, periodic and current reports, dividends, corporate governance, etc.

Also, S.C. ROMCARBON S.A. has specialized internal structures for the relationship with investors and the relationship with its own shareholders, at the company level operating an Investor Relations Service. The persons designated to maintain contact with investors and shareholders periodically follow specialization courses.

Regarding the relationship with shareholders and investors, S.C. ROMCARBON S.A. obeys a corporate discipline by making appropriate periodic and continuous reports on all important events, including the financial situation, performance, ownership and management. In order to adapt the activity to the rules and discipline regarding corporate governance, the Company established the Investor Relations Service, which ensures compliance with the corporate rules according to the Corporate Governance Code of the Bucharest Stock Exchange.

The mentioned reports are submitted to the Bucharest Stock Exchange, the Financial Supervisory Authority, as the case may be, published in a national and local newspaper, and posted on the Company's website at https://www.romcarbon.com/reports-and-information/

S.C. ROMCARBON S.A. develops and disseminates relevant periodic and ongoing information, in accordance with the International Financial Reporting Standards (IFRS) and other reporting standards, namely environmental, social and governance (ESG – Environment, Social and Governance).

In the spirit of the same corporate discipline, the Company has developed and applies starting with 2024 the Communication Policy in relations with investors which is available at the following link:
https://www.romcarbon.com/wp-content/uploads/2025/02/POLITICA-DE-COMUNICARE-CU-INVESTITORII_-EN.pdf

Currently, the external financial auditor of S.C. ROMCARBON S.A. is S.C. BDO AUDIT S.R.L. and was elected based on the A.G.O.A. Decision of 29.04.2024, for a period of 1 year. Regarding the administration of the conflict of interests in the case of transactions with the involved parties, the corporate behavior of the members of the BoD is the following: avoiding any direct or indirect conflict of interest with the company or any subsidiary controlled by it, by informing the Board of Directors about the conflicts of interest involved, a situation in which they will abstain from the debates and voting on the respective issues.

IV. SOCIAL RESPONSIBILITY

The company's strategy regarding environmental protection, corporate governance and social responsibility is based on a set of principles that define its relationship with its partners - employees, creditors, suppliers, customers, investors, local authorities and community members (stakeholders).

In accordance with this strategy ROMCARBON S.A. developed in 2022 its first Sustainability Report corresponding to 2021, in the belief that the inclusion of sustainability principles in the strategies of the Romcarbon Group, in communication and even in the business model, can contribute to improving its reputation among its clients, suppliers and investors and can play an important role in increasing employee involvement and reducing staff turnover. In preparing the content of this report, the principles established in the GRI Standards regarding Materiality, Inclusiveness, Sustainability Context and Exhaustiveness were taken into account. The quality of the content of the report was ensured by observing the principles of the GRI Standards regarding Balance, Comparability, Accuracy, Regularity, Clarity and Reliability.

Starting with the year 2022 ROMCARBON S.A. published, annually, for the previous exercise, a Sustainability Report through which it aims to provide a consistent and objective picture of the progress achieved by the company in the implementation of the Sustainability Strategy, adopted in 2022, simultaneously with the continuous integration of the environmental objectives, social responsibility and corporate governance in the business model. The sustainability reports corresponding to the 2021 and 2022 financial years were prepared in accordance with the Global Reporting Initiative Standards, but also in accordance with the provisions of the M.F.P. Order. No. 1938/2016 and Order No. 2844/2016, which transpose in Romania the EU Directive no. 95/2014 regarding non-financial reporting. The quality of the reports was ensured by observing the principles of the Global Reporting Initiative (GRI) Standards stated in GRI 1 – Foundation 2021, regarding Accuracy, Balance, Clarity, Comparability, Comprehensiveness, Sustainability Context, Regularity and Verifiability.

For the 2021 Sustainability Report, Romcarbon was awarded the 3rd place in the top of the best sustainability reports, by a specialized jury made up of representatives of the capital market, in a competition of the best sustainability reports, organized by ARIR (Association for Investor Relations from Romania). The 5 judges analyzed all the competing reports based on 8 criteria and appreciated the concrete data presented by Romcarbon in its Sustainability Report for 2021 and also appreciated the inclusion of clear indicators and targets for Romcarbon's

ESG activity.With the entry into force at European level of the new sustainability reporting standards (ESRS), through Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards, for the implementation of the CSRD Directive, Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) no. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU regarding sustainability reporting by companies, the Company has made every effort to adapt to the new sustainability reporting requirements (sustainability) and starting with 2024, for the financial year 2023, it has prepared the Sustainability Report in preparation for the ESRS, a report which is available at the following link:

https://www.romcarbon.com/sustainability-reports/

The management team of S.C. ROMCARBON S.A. considers that development is not possible without the contribution of each individual employee as well as of society as a whole.

The company aims, through an active CSR policy:

* **to support and respect the human rights**, of its own employees in particular. In this sense, the employees benefit from various specialization/professional training programs as well as permanent information about the evolution of the company (the presentation to the employee representatives, respectively the periodic analysis of the company's financial statements). Within its own responsibilities, the company has taken the necessary measures to protect the safety and health of employees, including the activities to prevent occupational risks of information and training, as well as the implementation of the labor protection organization and the means necessary for it. (e.g. periodical training, provision of individual protective equipment, work equipment, hygienic-sanitary materials, periodical medical check-up, etc.) S.C. ROMCARBON S.A. does not use child labor, does not engage in human trafficking, and does not encourage these ideas in any way. Corporal punishment or mental, physical or verbal pressure or any form of inhumane treatment is not tolerated in any form.

* ***to support the right to free association.*** *The company respects the legal right of the entire staff to appoint representatives, who negotiate on their behalf and for them in the periodic negotiations of the collective labor contract at the company level. Employee representatives are guaranteed the protection of the law against any form of conditioning, coercion or limitation of the exercise of their functions.*

* ***to contribute to the elimination of discrimination in the occupation of jobs, the exercise of the profession, the establishment and granting of the salary.*** *Any direct or indirect discrimination against an employee, based on sex, sexual orientation, genetic characteristics, age, nationality, race, color, ethnicity, religion, political choice, social origin, disability, family situation or responsibility, membership or trade union activity , is prohibited at the level of the Company.*

* ***to combat any form of corruption.***

* ***to support educational activities.***

* ***to support different social categories (deserving young people, sick or disabled people) through humanitarian actions that include sponsorships/patronages but also assistance in extreme cases as well as to give help to disadvantaged or people in difficulty.*** *As part of this active CSR policy, ROMCARBON SA granted during the financial year 2024 material aid, in the amount of 36,600 lei, to its own employees affected by various events with a strong social and human impact (birth of children, deaths of some family members , fires, floods, etc.).*

In 2024, sponsorships totaling 27,072 RON were granted across various fields, including social, sports, and education.

* ***to support sports activities in the municipality of Buzau, through financial aid;***

In the local community where it operates, the company assumes an active role, by supporting community initiatives through human and financial resources.

* ***to proactively address environmental issues and promote responsibility towards the environment.***

SC ROMCARBON S.A. values and protects life. Starting 2018, the company constantly organizes together with the Buzau Transfusion Center blood donation campaigns at the company headquarters. Until this date, ROMCARBON SA employees have donated over 2,900 units of blood. These campaigns will continue.

In this sense, S.C. ROMCARBON S.A. aims to both improve the quality of environmental factors and preserve biodiversity, by promoting awareness of environmental and health issues.

SC ROMCARBON S.A. respects the legislation by protecting the environment, not being involved in litigation regarding the violation of the legislation in the field. Compliance with legal, regulatory and other requirements to which the organization subscribes is periodically evaluated.

SC ROMCARBON S.A. has implemented and certified an integrated management system for quality - environment - occupational health and safety according to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2023 standards, applicable for the design and manufacture of individual respiratory protection equipment - certificate of SRAC.

Within S.C. ROMCARBON S.A. all real and potential, positive and negative environmental aspects are identified, including the indirect aspects generated by the companies that carry out their activity at the company headquarters and can affect the environmental performance. The identification of environmental aspects is based on the systematic analysis of each process/sub-process (including their inputs and outputs) according to the "PS 03 Environmental Aspects" system procedure in normal, abnormal (including start-up and stop) and emergency, accident situations.

Under normal operating conditions, the company's activity **does not produce a significant impact** on the environment. Following the identification and evaluation of environmental aspects, management programs were developed to improve the company's environmental performance.

For a better quality of life, S.C. ROMCARBON S.A. has carried out in recent years a series of social responsibility actions and specific sponsorships that were directed to various fields: education, health, social issues, environmental protection, such as: participation in various events/campaigns/contests organized on the occasion of the International Day of the Environment celebrated on **June 5** of each year, under the title: "For a cleaner world!"/"We have only one Earth. Let's give it priority!", etc.

Partners of these events are, constantly, the Buzau Environmental Protection Agency, the Buzau Prefect's Institution and the Buzau City Hall.

Besides, environmental protection is an absolute priority, S.C. ROMCARBON S.A. decisively supporting the development, in Buzau, of an "industry" that proves, more and more, the fact that the economy and the environment can survive together without compromise - "Green Industry".

Since 2012 within the Profit Center no. 7 - Compounds, plastic waste treatment activities are carried out by separating the recyclable fractions and grinding, extruding, filtering the separated fractions to obtain composite materials.

Starting September 4, 2014, Romcarbon SA becomes a member of the Romanian Sanitation Association, meanwhile becoming the Romanian Association for Waste Management - A.R.M.D.; as a final waste recycler, Romcarbon SA supports the directions of action of this entity:

- Sustained promotion of the interests of its members;
- Permanent involvement in the process of drafting legislation in the field of waste management in Romania;
- The dynamic involvement of the Association in waste management in Romania, through studies and market research;
- Initiating contracts with organizations in order to attract funds and grants, both for the members and for the sustainable development of the association's activity;

Regarding social involvement actions aimed at contributing to the development of the local community, we mention the participation of ROMCARBON SA, in 2024, as a sponsor in actions to promote learning at exceptional levels among young people and children.

Romcarbon was among the sponsors who supported the organization of the 2024 National Chemistry Olympiad in Buzau, which opened in Buzau for 340 students and included 7th grade students for the first time.

As a company with over 70 years of experience in the chemical industry, Romcarbon considered it a duty of honor to be able to support students who are passionate about Chemistry at such a high level to develop their skills in the field of chemistry with the aim of promoting the chemical industry as an attractive industry for future employees specialized in the field.

During the Winter holidays, we continued the initiatives started in 2023 to give children from schools and kindergartens operating in the county Buzau, packages with sweets specific to the Christmas season, thus bringing the spirit of the holidays into the hearts of the little ones. So in 2024 it was the turn of students from the Tache and Ecaterina Tocilescu Junior High School in Vintila Voda. As a thank you for our initiative, a group of students from this school, under the coordination of the Director of the Tache and Ecaterina Tocilescu Secondary School in Vintila Voda, Father Professor Liviu Pirlog, offered us the privilege of singing carols in the traditional way and giving us a small carol show at our headquarters.

In 2024, the initiative started in July 2023 continued, through which books and reading were brought back to the forefront, through the involvement of some colleagues, who also carried out the project "Book Shelf. With a book closer to others" in 2024. Romcarbon supported and financed the purchase of new books to increase the available fund so that employees who are passionate about reading can satisfy this pleasure and others can discover it.

As **a socially responsible company**, S.C. ROMCARBON S.A. therefore aims not only to increase the satisfaction of employees, commercial partners and its own shareholders, but also to increase involvement in the community, to increase the quality of life at the local level, but also to stimulate the labor market by raising the level of professional competence of human resources.

7. ANNEX : It is not the case

Chairman of the Board and General Manager,	**Financial Manager,**
Huang Liang Neng	**ec. Zainescu Viorica Ioana**

Deputy General Manager for Administrative Operations,
Manaila Carmen

Section	Provisions of the Code that must be respected	Comply	Does not comply or partially comply	The reason for non-compliance
Section A – Responsabilities				
A.1.	All companies should have an internal regulation of the Board which includes terms of reference/ responsibilities of the Board and key management of the Company, and which apply, inter alia, the general principles of Section A.		Partially	Articles of Incorporation contain provisions on the terms of reference and responsibilities of the Board of Directors. The Board of Directors will take action for the adoption of a Board regulation.
A.2.	Provisions for managing conflicts of interest should be included in the Board of Directors Regulation. However, the Board members must notify the Board of Directors of any conflicts of interest that have arisen or may arise and refrain from participating in discussions (including by default, unless that failure would prevent the formation of quorum) and vote for a decision on the matter that gives rise to this conflict of interest.		Partially	The Articles of Incorporation of the company include provisions for managing conflicts of interest and how to vote. Provisions for managing conflicts of interest will be included in the Board of Directors Regulation to be adopted.
A.3.	The Board of Directors or the Supervisory Board must consist of at least five members.		**NO**	Articles of Incorporation provide for a Board of directors comprising of three members according to article 137 paragraph 2 of Law No. 31/1990.
A.4.	The majority of the Board members must have no executive function. At least one member of the Board or the Supervisory Board should be independent in the case of companies in the Standard category.	**YES**		
A.4.	Each independent member of the Board of Directors or the Supervisory Board, as appropriate, shall submit a declaration at the time of his nomination for the election or re-election, and when there is any change of status or indicating the elements based on which it is considered that it is independent in terms of its character and judgment.		**NO**	Regulation of the Board of Directors to be developed and approved will regulate measures to comply with this requirement.
A.5.	Other commitments and professional obligations are relatively permanent of a member of the Board of Directors, including non-executive Board members and executive positions of companies and nonprofit institutions, shareholders and potential investors should be disclosed before and during his mandate.	**YES**		On the company's website are published the board members CV's including information on its member's professional obligations.
A.6.	Any member of the Board must provide information on any relation to a shareholder who directly or indirectly holds shares representing more than 5% of all voting rights. This also applies to any report that may affect limb position on matters decided by the Board.	**YES**		
A.7.	The company must appoint a secretary of the Board responsible for supporting the Board of Directors activity.	**YES**		
A.8.			**NO**	

Section	Provisions of the Code that must be respected	Comply	Does not comply or partially comply	The reason for non-compliance
	Corporate governance statement will inform if there was an evaluation of the Board of Directors under the President or the nomination committee and, if so, will summarize the key measures and changes resulting from it. The company must have a policy/guidance on the assessment of the Committee including the scope, criteria and frequency of the evaluation process.			It will be analyzed and implemented, the company will inform interested parties in a current report on compliance with this requirement.
A.9.	The corporate governance statement must contain information on the number of meetings of the Board and Committees during the past year, participating administrators (in person and in absence) and a report of the Board of Directors and committees on their activities.	**YES**		
A.10.	The corporate governance statement must include information on the exact number of independent members of the Board of Directors or Supervisory Board.	**YES**		
A.11.	The Board of Premium Category Companies should establish a nomination committee consisting of people without executive functions, which will lead to the nomination procedure for new members in the Board and make recommendations to the Board. Most members of the nomination committee should be independent.			**Not the case**
Section B - The risk management and internal control system				
B.1.	The board should establish an audit committee on which at least one member must be an independent non-executive director. Most members, including the president, must be shown to have appropriate qualifications relevant to the functions and responsibilities of the committee. At least one audit committee member should have accounting or auditing experience, proven and appropriate. If companies are in the premium category, the audit committee must be composed of at least three members and the majority of audit committee members must be independent.	**YES**		
B.2.	Chairman of the audit committee must be an independent non-executive member.	**YES**		
B.3.	Within its responsibilities, the audit committee must conduct an annual assessment of the internal control system.	**YES**		
B.4.	The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of reporting risk management and internal control presented to the Audit Committee of the Board, timeliness and effectiveness of the executive management solves deficiencies or weaknesses identified from internal control and presenting relevant reports to the Board.	**YES**		

Section	Provisions of the Code that must be respected	Comply	Does not comply or partially comply	The reason for non-compliance
B.5.	The Audit Committee shall assess conflicts of interest in connection with the transactions of the Company and its subsidiaries with related parties.	YES		
B.6.	The Audit Committee shall assess the effectiveness of the internal control system and risk management systems.	YES		
B.7.	The audit committee must monitor the implementation of legal standards and internal audit standards generally accepted. The Audit Committee should receive and evaluate internal audit team reports.	YES		
B.8.	Whenever they mention code or analysis reports initiated by the Audit Committee, they must be followed by periodic reports (at least annually) or ad hoc Board to be submitted later.	YES		
B.9.	No shareholder may be given preferential treatment over other shareholders in connection with the transactions and agreements concluded by the company with shareholders and their affiliates.	YES		
B.10.	Board should adopt a policy to ensure that any transaction of the Company with any of the companies with which it has close relationships whose value is equal to or greater than 5% of the net assets of the company (according to the latest financial report) approved Board following a binding opinions by the audit committee of the Board and disclosed correctly shareholders and potential investors, to the extent that such transactions fall within the category of events subject to reporting requirements.	YES		
B.11.	Internal audits must be performed by a separate structural division (internal audit department) within the company or by hiring an independent third-party entity.	YES		
B.12.	In order to ensure the fulfillment of the main functions of the internal audit department, he must report functionally to the Board through the audit committee. Administrative purposes and the management obligations to monitor and reduce risks must be reported directly to the Director General.	YES		

Section	Provisions of the Code that must be respected	Comply	Does not comply or partially comply	The reason for non-compliance
Section C1 - Just reward and motivation				
C.1.	The company shall publish on its website the remuneration policy and include a statement in the annual report on the implementation of remuneration policy during the annual period under consideration. Remuneration policy should be formulated so as to allow shareholders understand the principles and arguments underlying remuneration of Board members and the CEO, and the Executive Board in the dual system. It should describe the driving process and make decisions regarding remuneration, detailing components of the remuneration of the executive management (such as salary, annual bonus, long-term incentives linked to shareholder value, benefits in kind, pension and others) and describe purpose, principles and assumptions underlying each component (including the general performance criteria related to any form of variable remuneration). In addition, the remuneration policy should specify the duration of the contract with the Executive Director and the period of notice stipulated in the contract and any compensation for unjust dismissal. Report on remuneration must submit implementation of the remuneration policy for persons identified in the remuneration policy during the annual period under consideration. Any fundamental change in remuneration policy interventions must be published in due course on the website of the company.	YES		
Section D - adding value to the investor relations				
D.1.	The company must hold an Investor Relations Service -made widely known by the person / persons responsible or organizational unit. In addition to the information required by the law, the company must include on its website a section dedicated to investor relations in Romanian and English, with all relevant information of interest to investors, including.	YES		
D.1.1.	The main corporate regulations: articles of association, the procedures for general meetings of shareholders;	YES		
D.1.2.	Professional CV's of the management members of the Company, other professional commitments of Board members, including non-executive and executive positions on boards of companies or nonprofit institutions;	YES		

Section	Provisions of the Code that must be respected	Comply	Does not comply or partially comply	The reason for non-compliance
D.1.3.	Current reports and periodic reports (quarterly and annual) - at least those provided for in section D.8 - including current reports with detailed information on non-compliance with this Code;	YES		
D.1.4.	Information on shareholders meetings: agenda and information materials; the election of Board members; arguments supporting the proposals of candidates for election to the Board, together with their professional CVs; Shareholders with questions regarding items on the agenda and the company's response, including decisions adopted;	YES		
D.1.5.	Information on corporate events such as payment of dividends and other distributions to shareholders or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles of such operations. The information will be published within a period to allow investors to take investment decisions;	YES		
D.1.6.	Name and contact details of someone who can provide, upon request, relevant information;	YES		Contact information for investors are posted on the company's website, it will be filled with information about those responsible for investor relations.
D.1.7.	Company presentation (e.g. Investor presentations, quarterly results presentations, etc.), financial statements (quarterly, half-yearly, annual) audit reports and annual reports.	YES		
D.2.	The company will have an annual dividend distribution policy or other benefits to shareholders, proposed by the Director General or by the Executive Board and adopted as a set of guidelines that the company intends to follow on the distribution of net profits. Principles policy annual distribution to shareholders will be published on the website of the company.	YES		By Decision no.19 / 24.12.2019 the Board of Directors has adopted the dividend policy of ROMCARBON S.A.
D.3.	The company will adopt a policy about predictions, whether they are made public or not. Projections refer to findings quantified studies aimed at determining the overall impact of a number of factors relating to a future period (so called hypotheses) by its nature. This project has a high level of uncertainty, actual results can differ significantly according to forecasts presented initially. Policy forecasts will determine the frequency, time and content envisaged forecasts. If published projections can only be included in the annual reports, semi-annual or quarterly. Policy forecasts will be published on the website of the company.		NO	Until now the company has not implemented policy forecasts. It will consider the future implementation of such policies.
D.4.	Rules shareholders' meetings should not limit participation of shareholders at general meetings and exercise their rights. Rule changes will come into force at the earliest, starting with the next meeting of shareholders.	YES		

Section	Provisions of the Code that must be respected	Comply	Does not comply or partially comply	The reason for non-compliance
D.5.	External auditors will be present at the general meeting of shareholders when their reports are presented at these meetings.	YES		
D.6.	The Board will present the annual general meeting of shareholders with a brief assessment of the internal control systems and management of significant risks and opinions on issues subject to the decision of the General Assembly.	YES		
D.7.	Any specialist, consultant, expert or financial analyst may participate in the shareholders' meeting under a prior invitation from the Board. Accredited journalists can also attend the general meeting of shareholders, unless the Chairman of the Board decides otherwise requires.	YES		
D.8.	Quarterly and semi-annual financial reports will include information in both Romanian and English regarding the key factors influencing changes in sales levels, operating profit, net profit, and other relevant financial indicators, both from one quarter to another and year over year	YES		
D.9.	A company will hold at least two meetings / teleconferences with analysts and investors every year. Information presented on these occasions will be published in the Investor Relations section of the company website at meetings / teleconferences.	YES		On the company's website and through reports that society makes, ensure transparently inform all those interested in its work. The company also responded and responded positively to requests from representatives from the specialized press and analysts on the provision of financial information and / or information regarding future development projects designed for communication media channels. The Company will inform investors about oragnizarea advance of any meetings / teleconferences with analysts and investors.
D.10.	If a company supports various forms of artistic expression and cultural, sports, educational activities or scientific and considers their impact on the innovative nature and competitiveness of the company are part of the mission and its development strategy, will publish policy on activity in this area.	YES		

Chairman of the Board and General Manager,

Huang Liang Neng

Financial Manager,

ec. Zainescu Viorica Ioana

Deputy General Manager for Administrative Operations,

Manaila Carmen

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