

For 2024 Q1, as stand alone, Romcarbon recorded a net loss of -1,464,318 lei, while for 2023 Q1 it was net profit of 3,189,528 lei. In 2023 Q1, the company had a profit of around 4 million lei from the land transaction with LIDL.

Apart from this difference, the main influences are from the sectors Recycled Polymers & Compounds and Polypropylene processing.

For the Recycled Polymers & Compounds sector, the main problem was the production interruption and generated losses of around 2.6 million lei in 2024 Q1. However, following the replacement of the broken parts and old equipment, the loss has decreased monthly, from 1.2 million lei in Jan. to 0.75 million lei in Feb. and respectively to 0.5 million lei in Mar. Some more equipment is yet to be delivered in 2024 Q2 and we expect to unlock most of obstacles by Jun.

For Polypropylene processing, market uncertainty and instability continue to remain the main cause for decrease in profit. In Q1 2024, the sector recorded a profit of 0.64 million lei, down by approximately 0.19 million lei compared to Q1 2023.

In contrast to the poor results of the two sectors mentioned above, we have significant improvement in Polyethylene processing sector. This sector achieved good results, around 0.95 million lei in plus compared with 2023 Q1. We expect a good result or even better growth in the next period.

Also, in the Polystyrene processing sector we launched in Q1 2024 the sales of laminated XPS floor underlayment, although the quantities sold were small. The result of this sector is slightly improved from Q1 2023, and we expect higher performance in the following periods with the increase in sales of the new product.

It worth mentioned that Romcarbon recorded a profit of 661,677 lei in Q1 from the sale of the short-term investment in Hidroelectrica (H2O) and Aquila Part Prod Com S.A. ("AQUILA").

The evolution of the company main indicators is shown in the following table:

Indicators	3 Months 2022	3 Months 2023	3 Months 2024		2024 vs. 2023	
Revenues (Net sales)	68,291,731	61,570,251	<b>52,636,019</b>	▼	(8,934,232)	-15%
Other Income	1,116,613	1,079,991	<b>1,082,131</b>	▲	2,140	0%
EBITDA	3,408,727	5,879,987	<b>1,086,205</b>	▼	(4,793,782)	-82%
<b>EBITDA Operational</b>	3,425,842	2,050,044	<b>144,410</b>	▼	(1,905,634)	-93%
<b>Profit(loss) from operations</b>	1,503,444	4,182,441	<b>(1,865,099)</b>	▼	(6,047,540)	-145%
<b>Net profit (loss) (1)</b>	1,050,619	3,189,528	<b>(1,464,318)</b>	▼	(4,653,846)	-146%
Profit on fixed assets sale (2)	9,000	3,992,451	-	▼	(3,992,451)	-100%
<b>Net profit (loss) (1 - 2)</b>	1,041,619	(802,923)	<b>(1,464,318)</b>	▲	(661,395)	82%
Non-Current assets	136,227,246	131,323,225	<b>119,090,165</b>	▼	(12,233,060)	-9%
Current assets	120,937,427	122,294,166	<b>115,387,548</b>	▼	(6,906,618)	-6%
Total Equity	135,195,501	163,412,486	<b>149,351,823</b>	▼	(14,060,663)	-9%
Total Liabilities	121,969,172	90,204,905	<b>85,125,890</b>	▼	(5,079,015)	-6%
Debt ratio	47%	36%	<b>36%</b>	▲	0	2%
Current liquidity	119%	173%	<b>177%</b>	▲	0	2%

<sup>1</sup> EBITDA Operational was calculated taking into account only the exploitation activity, excluding financial activity, sales of assets, depreciation and any other non-recurring items. From the point of view of evaluating the main activity of the company, this indicator is the most relevant.

### The consolidated result of Romcarbon Group

The consolidated net result in 2024 Q1 compared to 2023 Q1 is a loss of -2,190,555 lei, being mainly influenced by:

- Livingjumbo Industry SA: recorded a loss of - 1,293,561 lei, higher by - 507,104 lei compared 2023 Q1. Livingjumbo is facing the market downturn since 2023, especially in the PET (food packaging) sector, as consumers have steadily reduced spending due to inflation.
- RC Energo Install SRL: registered a net profit of 581,494 lei, an increase of 185,293 lei compared to the similar period of 2023.

The evolution of the Group main indicators is shown in the following table:

Indicators	3 Months 2022	3 Months 2023	3 Months 2024		2024 vs. 2023	
Revenue (Sales)	95,365,144	89,872,751	74,869,494	▼	(15,003,257)	-17%
Other income	1,073,659	1,031,513	1,035,717	▲	4,204	0%
Share of profit / loss of associates	1,583,476	-	-	—	-	-
EBITDA	8,089,483	6,880,433	1,741,244	▼	(5,139,189)	-75%
<b>EBITDA Operational</b>	<b>6,572,211</b>	<b>2,824,875</b>	<b>833,629</b>	▼	<b>(1,991,245)</b>	<b>-70%</b>
<b>Profit(loss) from operations</b>	<b>3,794,534</b>	<b>4,210,509</b>	<b>(1,996,803)</b>	▼	<b>(6,207,312)</b>	<b>-147%</b>
<b>Net profit (loss) <sup>1</sup></b>	<b>4,471,702</b>	<b>2,837,416</b>	<b>(2,190,555)</b>	▼	<b>(5,027,971)</b>	<b>-177%</b>
<b>Net profit (loss) without the impact of Share of profit / loss of associates [Green-Group]</b>	<b>2,888,226</b>	<b>2,837,416</b>	<b>(2,190,555)</b>	▼	<b>(5,027,971)</b>	<b>-177%</b>
Non-Current assets	166,350,918	132,568,036	134,431,041	▲	1,863,005	1%
Current assets	148,386,734	170,485,095	144,758,370	▼	(25,726,725)	-15%
Total Equity	143,437,963	172,675,744	149,907,881	▼	(22,767,863)	-13%
Total Liabilities	171,299,688	130,377,387	129,281,530	▼	(1,095,857)	-1%
Debt ratio	54%	43%	46%	▲	0	8%
Current liquidity	105%	162%	138%	▼	(0)	-15%

<sup>1</sup> The contribution of the company to the profit of the Group:

Company	Result 3 Months 2023 (in lei)	Result 3 Months 2024 (in lei)	2024 vs 2023
Romcarbon SA	3,189,528	(1,464,318)	(4,653,846)
Living Jumbo Industry SA	(786,458)	(1,293,561)	(507,104)
RC Energo Install SRL	396,201	581,494	185,293
Infotech Solutions SRL	35,822	91,270	55,448
Recyplat Ltd Cipru	25,775	(18,251)	(44,026)
Eco Pack Management SA	(75)	(75)	-
Consolidation adjustments	(23,377)	(87,115)	(63,738)
<b>Total profit</b>	<b>2,837,416</b>	<b>(2,190,555)</b>	<b>(5,027,971)</b>

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

### Outlook for the rest of the year

In general, several profit centers are in a good direction and will continue in this path. Here we are talking about Polyethylene and Polystyrene processing sectors and Recycled Polymers & Compounds sector.

For PET sector, we have set some targets to be achieved by end of Jun. and we will review our strategy according to the results.

Regarding the Processed Polypropylene sector, we continue to optimize operational costs and carefully follow the evolution of the market to adapt and respond to the expectations of our customers.

### About the Group

Romcarbon Group consists of companies that produce: (i) plastic packaging products and other plastic profiles (Romcarbon SA and Livingjumbo Industry SA), (ii) regenerated polymers and compounds (Romcarbon SA), (iii) other productive activities (Romcarbon SA) and (iv) other activities (RC Energo Install SRL, Infotech Solutions SRL, Recyplat Ltd Cipru, Eco Pack Management SA).

The main companies of the Group with production activities are Romcarbon SA and Livingjumbo Industry SA, owning 84% and 12% of the total fixed assets.

The revenue distribution by field of activity in 2024 was as follows:

- plastics processing (polyethylene, polystyrene, polypropylene, PET): 75% (64% in 2023 Q1);
- regenerated polymers and compounds: 14% (13% in 2023 Q1);



- other productive activities (production of filters for motor vehicles and industrial filters, production of respiratory protection masks, PVC traffic base): 2% (2% in 2023 Q1);
- other activities: 9% (21% in 2023 Q1).

We also inform that the main financial information comprised in the report are available, for download, in excel format, on the company's website - [www.romcarbon.com](http://www.romcarbon.com), **Investors, Reports and information, Financial Information/Presentations.**

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