

QUARTERLY REPORT



30.09.2022

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

Date of release: 15.11.2022

Reporting date: 30.09.2022

Name of the Company: SC ROMCARBON SA

Headquarters: Buzau , 132, Transilvaniei street

Tel / fax: 0238/711155; 0238/710697

Sole registration code: RO 1158050

Registered business number: J10 / 83/1991

Subscribed and paid up share capital: RON 26,412,209.60

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: 264,122,096 registered shares, dematerialized, with a nominal value of RON 0.1.



LANGUAGE DISCLAIMER

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MANAGEMENT COMMENTS

Dear Shareholders,

For the 9 months results, compared with the same period of 2021, the profit from operational activities of Romcarbon is 7,982,060 lei, increased by 1,202,144 lei (+18%); the net profit is 6,059,443 lei, increased by 1,389,876 lei (+30%) and EBITDA Operational is 13,578,953 lei, increased by 1,041,187 lei (+8%). The sales of finished products amounting 143,160,227 lei, increased by 13,378,554 lei (+10%) in 9 months 2022, while the total sales registered a slight decrease of -0.07% amounting 201,268,839 lei.

The turbulence caused by the geopolitical conflicts, the drastic inflation, the difficulties in raw material supply and the energy crisis are the biggest challenges in 2022 not only for our industry but also for our clients.

Regarding the consolidated result of Romcarbon Group, the net profit is 13,407,174 lei, increasing with 7,730,992 lei (+136%) as compared with 9 Months 2021.

In addition to Romcarbon's standalone result, the consolidated result was influenced by:

- Livingjumbo Industry SA – registered a profit of 2,812,732 lei, while it was a loss of – 2,045,373 lei in 9 Months 2021. Both PP and PET sectors have improved the performance significantly;
- RC Energo Install SRL – registered a profit of 726,054 lei, increased with 520,350 lei as compared with 9 Months 2021, due to the increasing of Christmas lighting business in the winter 2021- 2022.
- Green-Group – the performance has improved significantly in 9 Months 2022 compared with the similar period of 2021. WEEE business benefits very much from the surge of the raw material price. The same is for Green Glass.

The impact of the result of the associates (Green-Group) in the Consolidated Statements of the Romcarbon Group in 2022 is 3,825,314 lei, + 967,975 lei | + 34% as compared with the 9 Months of 2021 period.

Regarding the future challenges, on short term, it will be the energy cost, and for the long run, it will be the sustainability of our products.

To address these challenges, the management team has drafted an ambitious investment plan, of around 11 million EUR, to be implemented starting next year.

We will invest more in the green energy, by installing photovoltaic panels with a capacity of 1MW for generating more energy for our own consumption. In 2022 we have already installed the first group of photovoltaic panels.

Also, we will invest in replacing old, energy-intensive machinery, with modern technology, to reduce energy consumption and we will introduce more recycled material into the production process.

We shall develop new products that are not for single use, but long lasting.

We focus to increase the capacity of the plastic recycling division, while aiming to improve the quality of the products in this sector.

The future strategy aims to direct the company to be more sustainable in terms of the products and energy consumption.

We are confident that, despite the growing challenges we are confronting, we will succeed to adapt our business to any change and to increase the profitability of the company.

Huang Liang Neng

Chairman of the Board and General Manager
On behalf of the management team



MAIN ITEMS OF THE REPORT

Evolution of the main indicators of the Standalone financial statements of ROMCARBON SA

Indicators	9 Months 2020	9 Months 2021	9 Months 2022	2022 vs. 2021	
Revenues (Net sales)	137,741,165	201,408,483	201,268,839	▼	(139,644) 0%
Other Income	2,977,130	3,337,597	3,369,066	▲	31,469 1%
EBITDA	9,193,928	11,901,014	13,656,454	▲	1,755,440 15%
EBITDA Operational	10,424,982	12,537,767	13,578,953	▲	1,041,187 8%
Profit(loss) from operations	4,249,704	6,779,916	7,982,060	▲	1,202,144 18%
Net profit (loss)	1,920,992	4,669,567	6,059,443	▲	1,389,876 30%
Non-Current assets	156,838,739	145,336,714	136,165,053	▼	(9,171,661) -6%
Current assets	82,063,534	107,548,547	116,958,462	▲	9,409,915 9%
Total Equity	138,975,244	140,240,889	137,563,103	▼	(2,677,786) -2%
Total Liabilities	99,927,029	112,644,371	115,560,412	▲	2,916,041 3%
Debt ratio	42%	45%	46%	▲	0 2%
Current liquidity	114%	117%	124%	▲	0 6%

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

Indicator	9 Months 2020	9 Months 2021	9 Months 2022	2022 vs 2021	
Revenue (Sales)	193,429,377	247,006,543	283,320,270	▲	36,313,727 15%
Other income	3,648,287	3,976,152	8,750,232	▲	4,774,080 120%
Share of profit / loss of associates	(1,244,003)	2,857,339	3,825,314	▲	967,975 34%
EBITDA	13,002,355	16,019,992	24,518,607	▲	8,498,615 53%
EBITDA Operational	15,468,410	14,103,112	20,837,719	▲	6,734,607 48%
Profit(loss) from operations	7,056,512	5,875,369	12,933,613	▲	7,058,244 120%
Net profit ¹	2,531,394	5,676,182	13,407,174	▲	7,730,992 136%
Net profit without the impact of Share of profit / loss of associates [Green-Group]	3,775,396	2,818,844	9,581,860	▲	6,763,016 240%
Non-Current assets	187,149,148	173,961,193	165,632,081	▼	(8,329,112) -5%
Current assets	103,026,397	126,480,541	150,051,122	▲	23,570,581 19%
Total Equity	142,017,125	142,784,719	149,715,065	▲	6,930,346 5%
Total Liabilities	148,158,421	157,657,014	165,968,138	▲	8,311,124 5%
Debt ratio	51%	52%	53%	▲	0 0%
Current liquidity	100%	105%	109%	▲	0 4%

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

Company	Result 9 Months 2021 (in lei)	Result 9 Months 2022 (in lei)	2022 vs 2021
Romcarbon SA	4,669,567	6,059,443	1,389,876
Living Jumbo Industry SA	(2,045,373)	2,812,732	4,858,105
RC Energo Install SRL	205,703	726,054	520,350
Infotech Solutions SRL	62,288	84,873	22,585
Recyplat Ltd Cipru	(276)	(246)	30
Eco Pack Management SA	(18,062)	(1,479)	16,583
Consolidation adjustments (Share of the profit of the associate Romgreen Universal LTD (Green-Group))	2,857,339	3,825,314	967,975
Intercompany eliminations and other consolidation adjustments	(55,003)	(99,516)	(44,513)
Total Net profit of the Group	5,676,182	13,407,174	7,730,992



BOARD OF DIRECTORS REPORT REGARDING THE SEPARATE FINANCIAL STATEMENTS

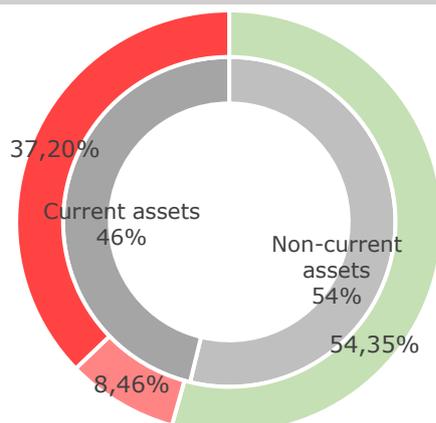
A.1. No major events took place during the reporting period that would affect the company's financial position.

A.2 General description of the financial position and performance

1.1 STATEMENT OF THE FINANCIAL POSITION

Indicator	30.09.2021	31.12.2021	30.09.2022	30.09.2022 vs. 31.12.2021		
Property, plant and equipment	107,898,541	106,567,874	104,631,864	-1,936,010	▼	-1.82%
Investment property	10,087,266	10,894,586	10,715,853	-178,733	▼	-1.64%
Intangible assets other than goodwill	265,726	294,483	208,776	-85,707	▼	-29.10%
Investments in subsidiaries, joint ventures and associates	27,085,181	20,607,559	20,608,560	1,001	▲	0.00%
Total non-current assets	145,336,714	138,364,502	136,165,053	-2,199,449	▼	-1.59%
Current inventories	29,403,947	27,647,514	31,534,673	3,887,159	▲	14.06%
Trade and other current receivables	69,301,930	57,463,154	67,768,175	10,305,021	▲	17.93%
Other current financial assets	1,248,241	1,265,317	2,514,591	1,249,274	▲	98.73%
Other current non-financial assets	1,297,096	2,187,278	2,176,854	-10,424	▼	-0.48%
Cash and cash equivalents	6,226,488	12,798,377	9,204,014	-3,594,363	▼	-28.08%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	70,845	3,760,155	3,760,155	0	—	0.00%
Total current assets	107,548,547	105,121,795	116,958,462	11,836,667	▲	11.26%
Total assets	252,885,260	243,486,297	253,123,515	9,637,218	▲	3.96%
Issued capital	26,412,210	26,412,210	26,412,210	0	—	0.00%
Share premium	2,182,283	2,182,283	2,182,283	0	—	0.00%
Other reserves	59,118,787	58,542,209	58,173,257	-368,952	▼	-0.63%
Retained earnings	52,527,609	47,008,179	50,795,353	3,787,174	▲	8.06%
Total Equity	140,240,889	134,144,881	137,563,103	3,418,222	▲	2.55%
Other non – current provisions	200,000	400,000	400,000	0	—	0.00%
Deferred tax liabilities	7,857,468	8,012,574	8,012,574	0	—	0.00%
Other non-current financial liabilities	3,566,589	4,017,590	5,133,101	1,115,511	▲	27.77%
Other non-current non-financial liabilities	9,184,791	8,619,928	7,864,571	-755,357	▼	-8.76%
Total non-current liabilities	20,808,848	21,050,092	21,410,246	360,154	▲	1.71%
Trade and other payables	44,171,290	37,161,910	41,459,304	4,297,394	▲	11.56%
Other current financial liabilities	40,873,822	46,860,194	46,281,002	-579,192	▼	-1.24%
Other current non-financial liabilities	6,790,411	4,269,220	6,409,860	2,140,640	▲	50.14%
Total current liabilities	91,835,523	88,291,324	94,150,166	5,858,842	▲	6.64%
Total liabilities	112,644,371	109,341,416	115,560,412	6,218,996	▲	5.69%
Total equity and liabilities	252,885,260	243,486,297	253,123,515	9,637,218	▲	3.96%

STRUCTURE OF THE FINANCIAL POSITION AS AT 30.09.2022



Current liabilities: 94.150.166 lei | 37%

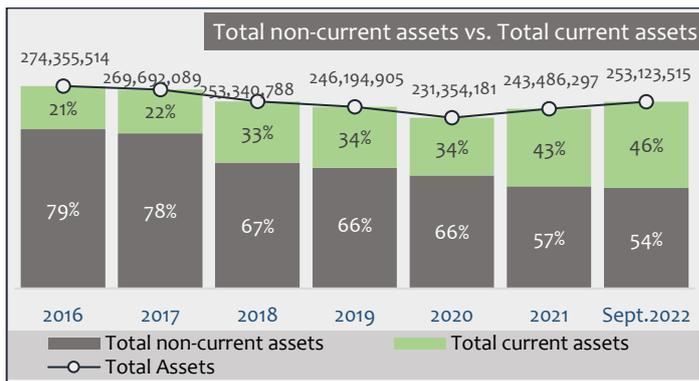
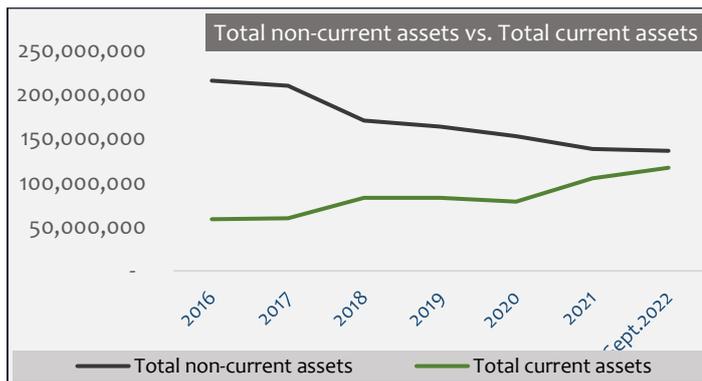
Non-current liabilities: 21.410.246 lei | 8%

Equity: 137.563.103 lei | 54%

Non-current assets: 136.165.053 lei | 54%

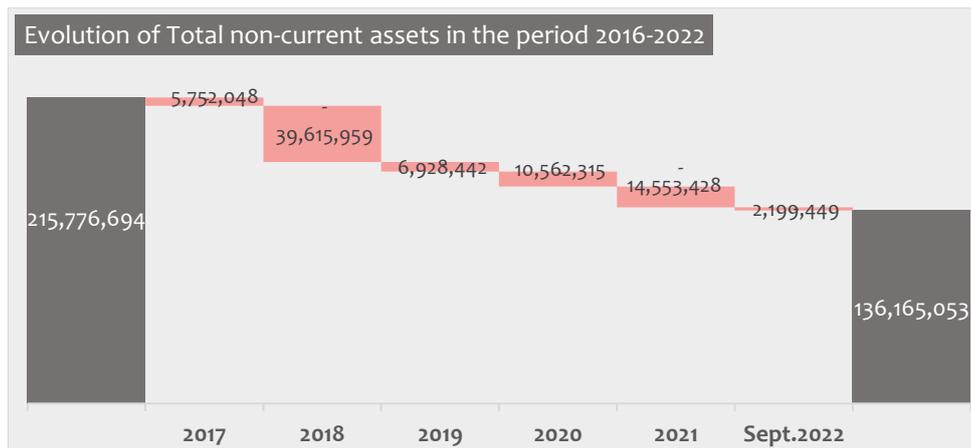
Current assets: 116.958.462 lei | 46%

ASSETS



NON-CURRENT ASSETS

As at 30.09.2022, **Non-currents assets** hold 53.79% of the company's assets, recording a decrease of - Lei 2,199,449, i.e. - 1.59%, as compared with the beginning of the year



Non-current assets (NCA)	30.09.2022	% in total NCA	% in total Assets	30.09.22 vs. 31.12.21
Property, plant and equipment	104,631,864	76.84%	41.34%	-1.82%
Investment property	10,715,853	7.87%	4.23%	-1.64%
Intangible assets other than goodwill	208,776	0.15%	0.08%	-29.10%
Investments in subsidiaries, joint ventures and associates	20,608,560	15.13%	8.14%	0.00%
Total non-current assets	136,165,053	100.00%	53.79%	-1.59%

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) : 1,280,822 lei
- Equipment and installations : 1,349,645 lei

The inflows of the Non-current assets in the first 9 months of 2022 totalized LEI 2,630,467, most of which were for Administrative department.

The outputs of Non-current assets in 2022 totalized LEI 530,109 out of which LEI 461,276 cassations/dismantle and LEI 68,833 sales.

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



Financial Investments hold 8,14% of Total Assets, and 15,13% of Non-current assets.

As at 30.09.2022, S.C. ROMCARBON S.A. held shares in other companies totalizing Lei 30,340,197, 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	20,261,120	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						30,340,197	

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

Company	Holdings (%)	Adjustments
GRINFILD LLC UCRAINA	62.62%	2,687,755
YENKI SRL	33.34%	11,989
ECO PACK MANAGEMENT SA	25.36%	554,262
LIVINGJUMBO INDUSTRY SA	99.86%	6,477,632
Total		9,731,638

CURRENT ASSETS

As at 30.09.2022, **Current assets** hold 46.21% of total assets recording an increase of Lei 11,836,667, i.e. 11.26% as compared with the beginning of the year.



Current assets (CA)	30.09.2022	% in total CA	% in Total Assets	30.09.22 vs. 31.12.21
Current inventories	31,534,673	26.96%	12.46%	14.06%
Trade and other current receivables	67,768,175	57.94%	26.77%	17.93%
Other current financial assets ¹	2,514,591	2.15%	0.99%	98.73%
Other current non-financial assets	2,176,854	1.86%	0.86%	-0.48%
Cash and cash equivalents	9,204,014	7.87%	3.64%	-28.08%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	3,760,155	3.21%	1.49%	0.00%
Total current assets	116,958,462	100.00%	46.21%	11.26%



¹ Loan granted to affiliates

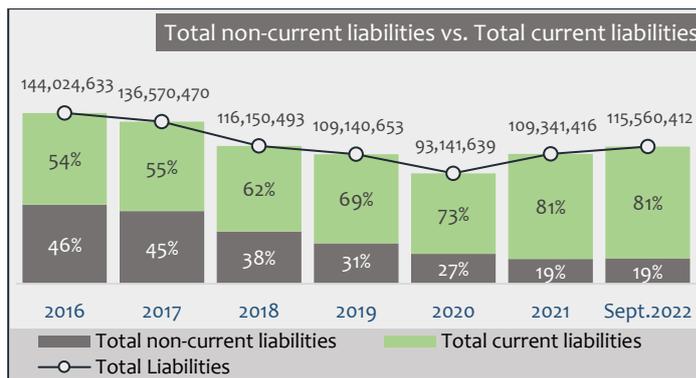
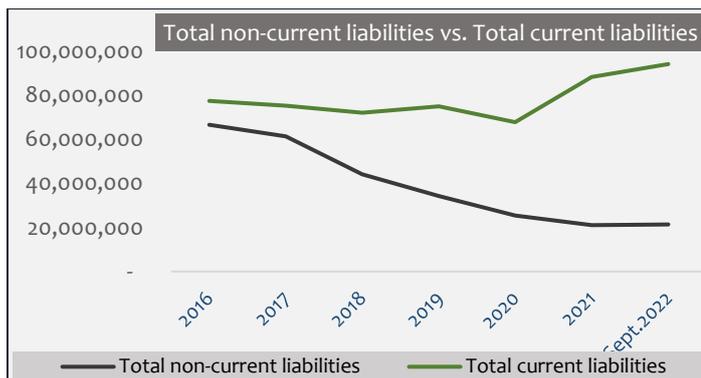
Affiliate	Value of the contract	Balance as at 30.09.2022	Interest	Total	Tenor
RC Energo Install SRL	3,000,000 lei	2,411,700 lei	102,891 lei	2,514,591 lei	03/06/2023
Total	3,000,000 lei	2,411,700 lei	102,891 lei	2,514,591 lei	

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.

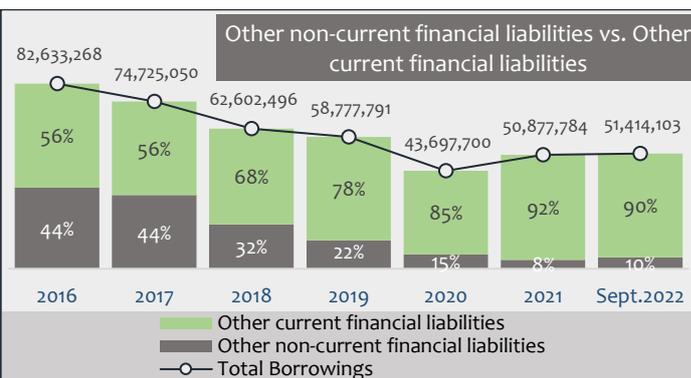
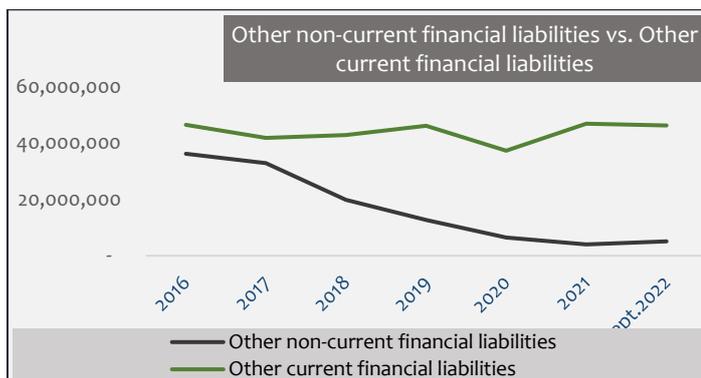
In July 2022, an additional act was signed by which the ceiling limit was increased to LEI 3,000,000.

LIABILITIES

Total Liabilities hold 45.65% of the company's Equity&Liabilities recording an increase of Lei 6,218,996, i.e. 5.69% as compared with the beginning of the year.



BORROWINGS



As at 30.09.2022 the loans contracted by S.C. ROMCARBON S.A. have the following structure :

Type	Balance as at 30.09.2022		< 1 year	> 1 year
	in euro	in lei		
Credit lines in euro	€ 7,470,862	36,973,294 lei	36,973,294 lei	- lei
Short term credits in euro	€ 1,135,927	5,621,705 lei	5,621,705 lei	- lei
Investment loans in euro	€ 1,332,039	6,592,263 lei	2,348,580 lei	4,243,683 lei
Total credits in euro	€ 9,938,828	49,187,262 lei	44,943,578 lei	4,243,683 lei
Short term credits in lei		1,013,999 lei	1,013,999 lei	- lei
Investment loans in lei		1,212,842 lei	323,424 lei	889,418 lei
Total credits in lei		2,226,842 lei	1,337,424 lei	889,418 lei
Total bank exposure		51,414,103 lei	46,281,002 lei	5,133,101 lei

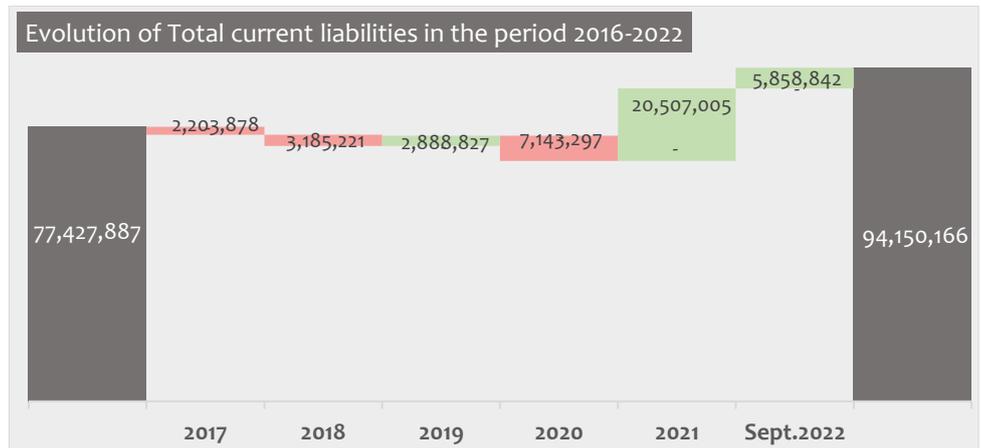
In June 2022, Romcarbon SA and Livingjumbo Industry SA signed a credit contract with UniCredit Bank SA to finance the purchase of inventories with a ceiling of EUR 3,000,000, the maturity of the credit being 06.07.2023. The credit facility will be used 26% by Romcarbon and 74% by Livingjumbo Industry.

Also in June 2022, Romcarbon SA signed a long-term loan agreement with UniCredit Bank SA with a value of EUR 2,950,000 for the financing of the investment plan for the year 2022, the maturity of the loan being 08.06.2027.



CURRENT LIABILITIES

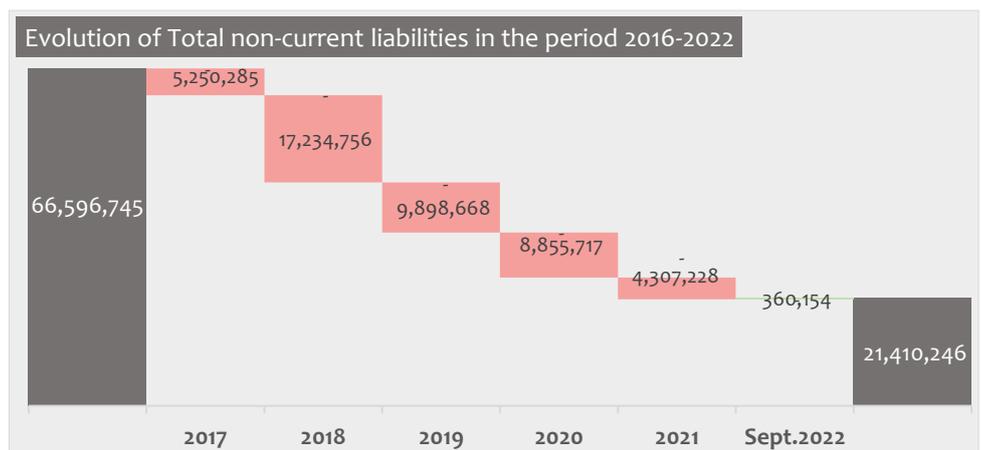
Current liabilities of the Company, representing 81.47% of the Total Liabilities and 37.20% of Total Equity & Liabilities have increased by Lei 5,858,842 as compared with the beginning of the year, i.e. 6.64%.



Current liabilities	30.09.2022	% in total liabilities	% in Total current liabilities	% in Total Equity and Liabilities	30.09.22 vs. 31.12.21
Trade and other payables	41,459,304	35.88%	44.04%	16.38%	11.56%
Other current financial liabilities	46,281,002	40.05%	49.16%	18.28%	-1.24%
Other current non-financial liabilities	6,409,860	5.55%	6.81%	2.53%	50.14%
Total current liabilities	94,150,166	81.47%	100.00%	37.20%	6.64%

NON-CURRENT LIABILITIES

Non-current Liabilities representing 8.46% of the company's Equity & Liabilities recording in the reporting period an increase of - Lei 360,154, i.e. 1.71%, as compared with the beginning of the year.



Non-current liabilities	30.09.2022	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and Liabilities	30.09.22 vs. 31.12.21
Other non - current provisions	400,000	0.35%	1.87%	0.16%	0.00%
Deferred tax liabilities	8,012,574	6.93%	37.42%	3.17%	0.00%
Other non-current financial liabilities	5,133,101	4.44%	23.97%	2.03%	27.77%
Other non-current non-financial liabilities	7,864,571	6.81%	36.73%	3.11%	-8.76%
Total non-current liabilities	21,410,246	18.53%	100.00%	8.46%	1.71%



EQUITY

Total Equity holds **54.35%** of Total Equity & Liabilities, recording in the reporting period an increase of Lei 3,418,222 as compared with the beginning of the year.

Evolution of Total Equity in the period 2016-2022



Equity	30.09.2022	% in Total Equity and liabilities
Issued capital (264,122,096 shares at Lei 0.10/share)	26,412,210	10.43%
Share premium	2,182,283	0.86%
Reserves	58,173,257	22.98%
Retained earnings	50,795,353	20.07%
Total equity	137,563,103	54.35%

1.2. STATEMENT OF THE COMPREHENSIVE INCOME

Indicator	9 Months of 2020	9 Months of 2021	9 Months of 2022	2022 vs. 2021	
Revenues (Net sales)	137,741,165	201,408,483	201,268,839	▼	(139,644) 0%
Other Income ²	2,977,130	3,337,597	3,369,066	▲	31,469 1%
Increase (decrease) in inventories of finished goods and work in progress	(925,794)	1,297,073	4,235,396	▲	2,938,323 227%
Raw materials and consumables used	(89,409,088)	(149,410,533)	(150,346,697)	▲	(936,164) 1%
Employee benefits expenses and social charges	(27,791,581)	(30,735,221)	(31,617,093)	▲	(881,872) 3%
Depreciation and amortisation expenses	(7,671,348)	(7,496,799)	(7,271,623)	▼	225,176 -3%
Other expenses	(11,013,520)	(11,920,018)	(11,848,187)	▼	71,831 -1%
Other gains and losses	342,740	299,334	192,359	▼	(106,975) -36%
Profit (loss) from operating activities	4,249,704	6,779,916	7,982,060	▲	1,202,144 18%
Finance Income	48,474	101,058	285,398	▲	184,340 182%
Finance Cost	(1,976,828)	(1,488,570)	(1,121,628)	▼	366,942 -25%
Profit (loss) before tax	2,321,350	5,392,404	7,145,830	▲	1,753,426 33%
Income Tax	(400,358)	(722,837)	(1,086,387)	▲	(363,550) 50%
Profit (loss) of the year	1,920,992	4,669,567	6,059,443	▲	1,389,876 30%
Total comprehensive income	1,920,992	4,669,567	6,059,443	▲	1,389,876 30%
EBITDA Operational	10,424,982	12,537,767	13,578,953	▲	1,041,187 8%

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

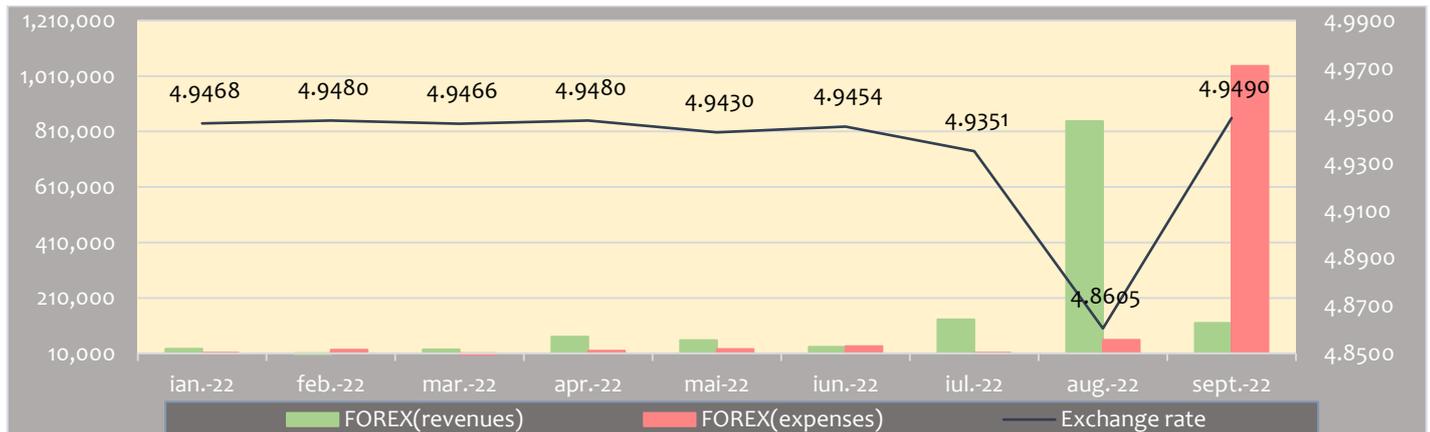
Indicator	9 Months of 2020	9 Months of 2021	9 Months of 2022
Average no. of employees	801	818	744



² In the item « Other income » are comprised the following items :

Indicator	9 Months of 2020	9 Months of 2021	9 Months of 2022	2022 vs. 2021	
Rentals	1,280,104	1,643,009	1,697,258	▲	54,249 3%
Income from subsidies for investments	1,697,026	1,694,588	1,671,808	▼	(22,780) -1%
Total	2,977,130	3,337,597	3,369,066	▲	31,469 1%

In accordance with Order no. 1286/2012 the company bank availabilities, the receivables and the liabilities expressed in a foreign currency are evaluated each month at the closing exchange rate communicated by NBR. From this evaluation in 9 Months of 2022 the company registered revenues in amount of Lei 1,316,592 and expenses in amount of Lei 1,233,012, resulting a profit of Lei 83,579.



In the same period of last year by re-valuating the company bank availabilities, receivables and liabilities expressed in a foreign currency it was registered a loss of – Lei 664,737.



On quarters, **the Statement of the comprehensive income** has the following evolution:

Indicator	Q I 2022	Q II 2022	Q III 2022	Q I 2022 vs. Q I 2021	Q II 2022 vs. Q II 2021	Q III 2022 vs. Q III 2021
Revenues (Net sales)	68,291,731	66,360,336	66,616,772	7,066,974	4,292,091	(11,498,709)
Other Income	1,116,613	1,138,214	1,114,239	7,643	23,755	71
Increase (decrease) in inventories of finished goods and work in progress	3,326,017	545,180	364,199	2,277,561	(539,135)	1,199,897
Raw materials and consumables used	(54,965,256)	(46,892,247)	(48,489,194)	(8,917,055)	(3,237,554)	11,218,445
Employee benefits expenses and social charges	(10,055,518)	(10,894,571)	(10,667,004)	(126,089)	(335,195)	(420,588)
Depreciation and amortisation expenses	(2,459,525)	(2,445,222)	(2,366,876)	63,939	30,483	130,754
Other expenses	(3,815,220)	(4,046,798)	(3,986,169)	61,986	(36,214)	46,059
Other gains and losses	64,602	24,472	103,285	(21,925)	(85,975)	925
Profit (loss) from operating activities	1,503,444	3,789,364	2,689,252	413,034	112,256	676,854
Finance Income	75,258	113,099	97,041	27,299	87,735	69,306
Finance Cost	(338,272)	(365,122)	(418,234)	413,431	(70,700)	24,211
Profit (loss) before tax	1,240,430	3,537,341	2,368,059	853,764	129,291	770,371
Income Tax	(189,811)	(529,285)	(367,291)	(99,393)	(95,964)	(168,193)
Profit (loss) of the year	1,050,619	3,008,056	2,000,768	754,371	33,327	602,178
Total comprehensive income	1,050,619	3,008,056	2,000,768	754,371	33,327	602,178
EBITDA Operational	3,425,842	5,692,009	4,461,103	352,510	114,375	574,301



1.3. REVENUES (NET SALES)

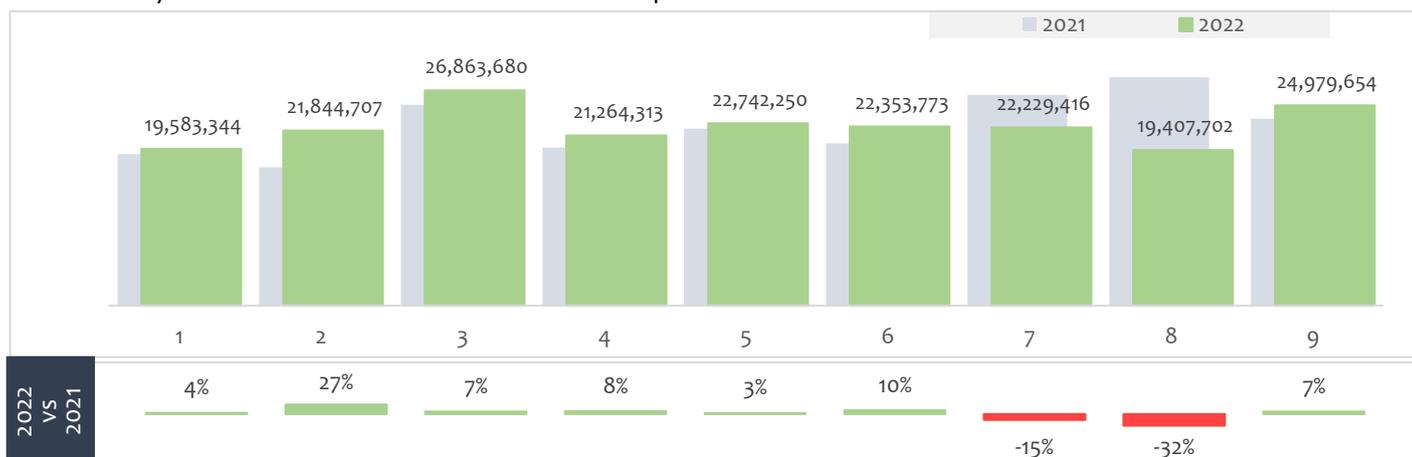
The item "Revenues(Net sales)" had the following evolution:

	9 Months of 2020	9 Months of 2021	9 Months of 2022		2022 vs. 2021	
- Sales of finished goods	98,631,501	129,781,673	143,160,227	▲	13,378,554	10%
- Sales of intermediary goods	11,425	20,507	64,889	▲	44,382	216%
- Services rendered	252,636	368,803	589,416	▲	220,613	60%
- Sales of commodities	34,611,613	67,488,938	51,823,055	▼	(15,665,883)	-23%
- Other sales	4,233,991	3,748,562	5,631,251	▲	1,882,689	50%
Total revenues	137,741,165	201,408,483	201,268,839	▼	(139,644)	0%

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

	9 Months of 2020	9 Months of 2021	9 Months of 2022		2022 vs. 2021	
Plastic processing sector: polyethylene+polystyrene+polypropylene	77,373,280	96,670,624	99,960,181	▲	3,289,557	3%
Recycled polymers & Compounds	17,077,422	28,701,040	36,236,279	▲	7,535,239	26%
Other production sectors (industrial and automotive filters, active carbon, respiratory protective equipment, PVC traffic base)	4,180,799	4,410,009	6,963,767	▲	2,553,758	58%
Other activities	39,109,664	71,626,811	58,108,612	▼	(13,518,198)	-19%
Total	137,741,165	201,408,483	201,268,839	▼	(139,644)	0%

The monthly evolution of the Revenues and the comparison with 2021



	9 Months of 2020	9 Months of 2021	9 Months of 2022		2022 vs. 2021	
Net sales	137,741,165	201,408,483	201,268,839	▼	(139,644)	0%
Rental and royalty income	1,280,104	1,643,009	1,697,258	▲	54,249	3%
Turnover, out of which:	139,021,269	203,051,492	202,966,097	▼	(85,395)	0%
~domestic market	110,584,389	164,898,417	161,922,256	▼	(2,976,161)	-2%
~exports	28,436,880	38,153,075	41,043,841	▲	2,890,766	8%

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



1.4. FINANCIAL RATIOS

Indicator	Formula	30.09.2020	30.09.2021	30.09.2022
EBIT	Gross profit + Income tax + Expenses with interest	3,219,606	6,098,803	8,056,639
EBITDA	EBIT + Depreciation-Subsidies for investment	9,193,928	11,901,014	13,656,454
Sales	Revenue + Rental and royalty income	139,021,269	203,051,492	202,966,097
EBITDA to sales ratio	EBITDA/Sales	6.61%	5.86%	6.73%
EBITDA to Equity ratio	EBITDA/Equity	6.62%	8.49%	9.93%
Gross profit margin	Gross profit/Sales	1.67%	2.66%	3.52%
Current ratio	Current assets/Current liabilities	1.14	1.17	1.24
Quick ratio	(Current assets - Inventories)/Current liabilities	0.86	0.85	0.91
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	20%	15%	16%
Total liabilities to Assets ratio	Total liabilities/Total Assets	42%	45%	46%
Long term capital to Equity	Borrowed capital/Equity	6%	3%	4%
Long term capital to engaged capital	Borrowed capital/Engaged capital	5%	3%	4%
Interest coverage ratio	EBIT/Interest expenses	3.58	8.63	8.85
Account receivable turnover ratio (days)	Average receivables/Sales	91	71	83
Account payable turnover ratio (days)	Average payables/Sales	48	47	52
Non-current assets rotation	Non-current liabilities/Sales	0.89	1.40	1.49
Return on assets (ROA)	Net profit/Assets	0.80%	1.85%	2.39%
Return on equity (ROE)	Net profit/Equity	1.38%	3.33%	4.40%
Return on sales (ROS)	Net profit/Sales	1.38%	2.30%	2.99%

1.5. STATEMENT OF THE CASH-FLOW

	30/09/21	31/12/21	30/09/22
CASH FLOWS FROM OPERATIONS			
<i>Cash generated from operations (A)</i>	(8,601,504)	(5,149,660)	1,651,268
CASH FLOWS FROM INVESTMENT ACTIVITY			
<i>Net cash (used in)/generated by investing activities(B)</i>	(170,030)	(3,432,448)	(5,748,897)
CASH FLOWS FROM FINANCING ACTIVITY			
<i>Net cash generated/used by/in financing activities (C)</i>	(2,590,576)	3,791,887	503,266
NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)	(11,362,110)	(4,790,221)	(3,594,363)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	17,588,598	17,588,598	12,798,377
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6,226,488	12,798,377	9,204,014

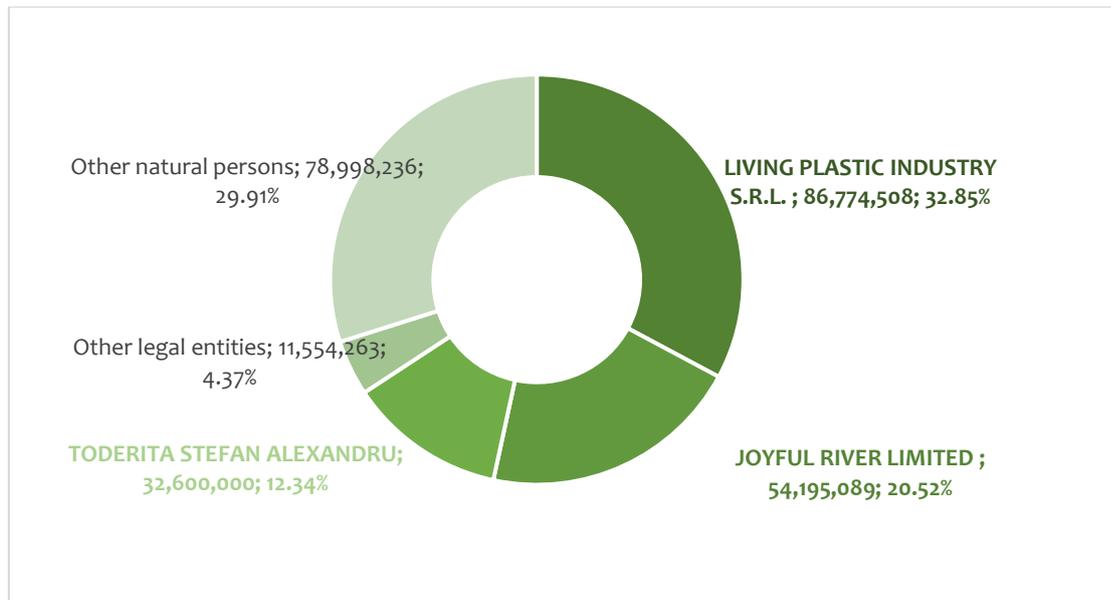


2. TRANSACTIONS WITH AFFILIATES 01.01.2022 – 30.09.2022

Affiliate	Sales (w/o VAT)	Acquisitions (w/o VAT)
ECO PACK MANAGEMENT SA	0	0
INFO TECH SOLUTIONS S.R.L.	22,320	411,979
LIVINGJUMBO INDUSTRY SA	45,421,550	1,177,290
RC ENERGO INSTALL SRL	86,013	2,038,034
Total	45,529,884	3,627,303

3. SHAREHOLDERS STRUCTURE

As at **30.09.2022** SC Romcarbon SA shareholders' structure, according to Depozitarul Central SA was as follows:



Evolution of average price of ROCE shares in the period 01.01.2021-31.10.2022



The Separate Financial Statements for the period ended September 30, 2022 have not been audited.

Chairman of the Board and General Manager,

Huang Liang Neng

Financial Manager,

ec. Zainescu Viorica Ioana

General Manager for Administrative Operations,

Manaila Carmen



DECLARATION OF THE MANAGEMENT

Undersigners, **HUANG LIANG NENG**- the Chairman of the Board and General Manager, **MANAILA CARMEN**- the Deputy General Manager for Administrative Operations and **ZĂINESCU VIORICA-IOANA**, the Financial Manager of ROMCARBON S.A. Buzau, a company located in Buzau, 132 Transilvaniei street, registered with Buzau Trade Register under the number J10/83/91, having the sole registration number RO1158050, hereby declare that, to the best of our knowledge, the **Interim Standalone Financial Statements for the period ended September 30, 2022** prepared in accordance with International Financial Reporting Standards (IFRS) as it were adopted by European Union provide a fair and accurate view of the assets, liabilities, financial position, income statement and statement of comprehensive income and the report of the Board of Directors prepared in accordance with the appendix 14 of the F.S.A. Regulation no. 5/2018 provides fairly and comprehensively the information regarding ROMCARBON S.A

HUANG LIANG NENG,
Chairman of the Board
And General Manager

ZAINESCU VIORICA,
Financial Manager

MANAILA CARMEN,
Deputy General Manager for Administrative operations



S.C. ROMCARBON S.A.

**UNAUDITED CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

PREPARED IN ACCORDANCE WITH THE
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION



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**STATEMENT OF THE COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

	9 Months of 2022 RON	9 Months of 2021 RON
Revenues	201,268,839	201,408,483
Other income	3,369,066	3,337,597
Changes in inventories	4,235,396	1,297,073
Raw materials and consumables used	(150,346,697)	(149,410,533)
Employee salaries and benefits	(31,617,093)	(30,735,221)
Depreciation and amortization expenses	(7,271,623)	(7,496,799)
Operational expenses	(11,848,187)	(11,920,018)
Other gains or losses	192,359	299,334
Profit from operating activities	7,982,060	6,779,916
Finance income	285,398	101,058
Finance cost	(1,121,628)	(1,488,570)
Profit before tax	7,145,830	5,392,404
Income tax	(1,086,387)	(722,837)
Profit of the year	6,059,443	4,669,567
Total comprehensive income	6,059,443	4,669,567
Earnings per share	0,0229	0,0177
Number of shares	264,122,096	264,122,096

The condensed interim Standalone financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager
for Administrative
operations



**STATEMENT OF THE FINANCIAL POSITION
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

	September 30, 2022	December 31, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	104,631,864	106,567,874
Investment property	10,715,853	10,894,586
Intangible assets	208,776	294,483
Financial assets	20,608,560	20,607,559
Total non-current assets	136,165,053	138,364,502
CURRENT ASSETS		
Inventories	31,534,673	27,647,514
Trade and other receivables	67,768,175	57,463,154
Other current financial assets	2,514,591	1,265,317
Other current non-financial assets	2,176,854	2,187,278
Cash and cash equivalents	9,204,014	12,798,377
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners	113,198,307	101,361,640
Non-current assets held for sale	3,760,155	3,760,155
Total current assets	116,958,462	105,121,795
TOTAL ASSETS	253,123,515	243,486,297
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Issued capital	26,412,210	26,412,210
Retained earnings	50,795,353	2,182,283
Share premiums	2,182,283	58,542,209
Other Reserves	58,173,257	47,008,179
Total equity	137,563,103	134,144,881
Non-current provisions		
Other provisions	400,000	400,000
Total non-current provisions	400,000	400,000
Deferred tax liabilities	8,012,574	8,012,574
Other non-current financial liabilities	5,133,101	4,017,590
Other non-current non-financial liabilities	7,864,571	8,619,928
Total non-current liabilities	21,010,246	20,650,092

**STATEMENT OF THE FINANCIAL POSITION
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

	September 30, 2022	December 31, 2021
Current liabilities		
Trade and other payables	41,459,304	37,161,910
Other current financial liabilities	46,281,002	46,860,194
Other current non-financial liabilities	6,409,860	4,269,220
Total current liabilities	94,150,166	88,291,324
Total liabilities	115,560,412	109,341,416
Total equity and liabilities	253,123,515	243,486,297

The condensed interim Standalone financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager
for Administrative
operations



**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

	Issued capital	Share premiums	Revaluation reserves	Legal reserves	Other reserve	Retained earnings	Total
01/ian/2022	26,412,210	2,182,283	38,708,540	4,176,971	15,656,697	47,008,179	134,144,881
Increases from revaluation of property, plant and equipment	-	-	-	-	-	-	-
Decreases from revaluation of property, plant and equipment	-	-	-	-	-	-	-
Dividends declared	-	-	-	-	-	(2,641,221)	(2,641,221)
Net profit of the period	-	-	-	-	-	6,059,443	6,059,443
Transfer to reserves	-	-	-	-	-	-	-
Transfer of reserves to retained earnings	-	-	(368,952)	-	-	368,952	-
Adjusted deferred tax related to fiscally non-deductible revaluation reserves	-	-	-	-	-	-	-
30/sept/2022	26,412,210	2,182,283	38,339,588	4,176,971	15,656,697	50,795,353	137,563,103

The resolution of the General Meeting of Shareholders of 08.06.2022 approved the dividend allocation in amount of Lei 2,641,221. The full amount will be transferred to the Central Depository to pay dividends owed to shareholders.

The condensed interim Standalone financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager for Administrative
operations



STATEMENT OF CASH-FLOW
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

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

	Period ended September 30, 2022	Period ended September 30, 2021
Net profit(loss)	6,059,443	4,669,567
Income tax expense	1,086,387	722,837
Depreciation	7,271,623	7,496,799
(Gain) / Loss on fixed assets disposal	(9,006)	267
(Gain) / Loss on property investment disposal	(70,566)	(55,523)
Gains on internal set-up of fixed assets	(9,793)	(266,708)
Loss on impairment of stocks and receivables		(3,794)
Loss on receivables and sundry debtors	188	-
Interest expense	1,121,628	843,668
Interest income	(182,958)	(101,058)
Income from subsidies	(1,671,808)	(1,694,588)
Unrealised foreign exchange gain / (loss)	(102,440)	668,481
Movements in working capital:		
(Increase) / Decrease in trade and other receivables	(10,469,944)	(32,438,443)
(Increase) / Decrease in inventories	(3,887,159)	(7,114,382)
(Increase) / Decrease in other assets	10,424	(216,733)
Increase / (Decrease) in trade payables	4,297,394	18,041,758
Increase / (Decrease) in other liabilities	48,579	2,213,755
Cash used in operating activities	3,491,992	(7,234,097)
Income tax paid	(719,096)	(523,739)
Interest and bank charges paid	(1,121,628)	(843,668)
Net cash used in operating activities	1,651,268	(8,601,504)
Cash flows from investing activities:		
Interest received	182,958	101,058
Payments for tangible assets	(5,237,087)	(1,377,831)
Proceeds from sale of property investment	249,299	1,853,603
Proceeds from sale of tangible and intangible assets	9,000	-
Proceeds from subsidies	300,230	-
Related party loans granted	(1,249,274)	(677,467)
Proceeds from loans granted	-	-
Payments for intangible assets	(3,023)	(69,393)
Payments for financial assets	(1,000)	-
Net cash generated by/used in investing activities	(5,748,897)	(170,030)



**STATEMENT OF CASH-FLOW
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

	Period ended September 30, 2022	Period ended September 30, 2021
Cash flows from financing activities:		
Proceeds from/repayment of bank loans	503,266	50,644
Dividends paid	-	(2,641,220)
Net cash generated by/(used in) financing activities	503,266	(2,590,576)
Net increase/(decrease) in cash and cash equivalents	(3,594,363)	(11,362,110)
Cash and cash equivalents at the beginning of the year	12,798,377	17,588,598
Cash and cash equivalents at the end of the period	9,204,014	6,226,488

The condensed interim Standalone financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager
for Administrative
operations



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

REVENUES

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Sales of finished goods	144,070,964	130,159,890
Sales of commodities	50,977,207	67,131,227
Services rendered	589,416	368,803
Other sales	5,631,252	3,748,563
Total	201,268,839	201,408,483

OTHER INCOME

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Income from lease of investment property	1,697,258	1,643,009
Income from subsidies	1,671,808	1,694,588
Total	3,369,066	3,337,597

RAW MATERIALS AND CONSUMABLES USED

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Raw materials	76,279,266	66,240,212
Commodities sold	50,057,534	66,299,113
Energy expenses	18,977,145	11,756,295
Consumables	5,032,752	5,114,913
Total	150,346,697	149,410,533

EMPLOYEE BENEFITS EXPENSES AND SOCIAL CHARGES

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Salaries	29,461,285	29,037,359
Social contributions (taxes)	708,387	707,431
Meal tickets	1,447,421	990,431
Total	31,617,093	30,735,221



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

**DEPRECIATION/AMORTIZATION AND
IMPAIRMENT EXPENSES**

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Total depreciation expenses, of which:	7,271,623	7,496,799
Depreciation of property plant and equipment	7,182,894	7,416,267
Amortization of intangible assets	88,729	80,532
Total	7,271,623	7,496,799

OPERATING EXPENSES

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Expenses with transport and logistics	4,341,139	4,812,396
Other expenses with third party services	4,378,859	4,264,889
Protocol and marketing	93,404	83,261
Expenses with repairs	1,268,321	875,436
Taxes and levies	908,798	1,129,189
Losses on receivables	188	(1,466)
Expenses with insurances	279,793	317,995
Expenses with postal charges and telecommunications	84,298	89,294
Expenses with travels	84,935	29,866
Expenses with rentals	162,649	181,083
Expenses with fines and penalties	8,504	16,068
Other expenses	237,299	122,007
Total	11,848,187	11,920,018

OTHER GAINS AND LOSSES

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Income from penalties charged	6,748	8,202
Gain / (Loss) on sale of non-current assets	9,006	(267)
Gain / (Loss) on disposal of investment property	70,566	55,523
Gain / (loss) from the variation of provisions	-	3,794
Other gains	106,039	232,082
Total	192,359	299,334

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

FINANCE INCOME

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Interest income on bank deposits	182,958	101,058
Gains on foreign exchange differences	102,440	-
Total	285,398	101,058

FINANCE COST

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Bank interest and leases expenses	910,809	682,820
Bank commissions and assimilated charges	210,819	137,269
Loss on foreign exchange differences	-	668,481
Total	1,121,628	1,488,570

PROFIT TAX

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Current profit tax expense	1,086,387	722,837
Deferred profit tax expense	-	-
Total	1,086,387	722,837



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

	Land	Buildings	Plant and equipment	Installations and furniture	Tangible assets in progress and advances	Total
	RON	RON	RON	RON	RON	RON
COST						
Balance as at January 01, 2022	44,725,838	20,892,549	120,314,075	760,217	2,017,738	188,710,417
Additions, out of which:	-	1,280,822	1,268,069	81,575	2,907,949	5,538,416
Transfers	-	1,280,822	1,268,069	81,575		2,630,467
Disposals, out of which:	-	(53,471)	(469,556)	(7,081)	(189,471)	(719,580)
Transfers					(2,630,467)	(2,630,467)
Balance as at SEPTEMBER 30, 2022	44,725,838	22,119,901	121,112,588	834,711	4,736,216	193,529,254
	Land	Buildings	Plant and equipment	Installations and furniture	Tangible assets in progress and advances	Total
	RON	RON	RON	RON	RON	RON
AMORTIZARE CUMULATĂ						
Balance as at January 01, 2022	-	(2,603,514)	(79,089,008)	(450,020)	-	(82,142,542)
Expenses with depreciation	-	(961,362)	(6,183,686)	(37,845)	-	(7,182,893)
Decrease from sale of assets	-	25,844	397,971	4,230	-	428,045
Balance as at SEPTEMBER 30, 2022	-	(3,539,032)	(84,874,723)	(483,635)	-	(88,897,390)
Net book value as at January 01, 2022	44,725,838	18,289,035	41,225,067	310,197	2,017,738	106,567,874
Net book value as at September 30, 2022	44,725,838	18,580,869	36,237,865	351,076	4,736,216	104,631,864



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

	Licences	Other intangible assets	Total
	RON	RON	RON
<i>COST</i>			
Balance as at January 01, 2022	1,309,929	713,307	2,023,236
Additions, out of which: Transfers	3,024	-	3,024
Disposals, out of which: Transfers	(269,817)	-	(269,817)
			-
Balance as at September 30, 2022	1,043,136	713,307	1,756,443

	Licences	Other intangible assets	Total
	RON	RON	RON
<i>AMORTIZATION</i>			
Balance as at January 01, 2022	(1,115,624)	(613,129)	(1,728,754)
Expenses with amortization	(65,408)	(23,321)	(88,729)
Decrease from sale of assets	(269,816)	-	(269,816)
Balance as at September 30, 2022	(911,217)	(636,450)	(1,547,667)
			-
			-
Net book value as at September 30, 2022	131,919	76,857	208,775

INVESTMENT PROPERTY

	30/09/2022	01/01/2022
Balance at the beginning of the period	10,894,586	11,885,346
Total additions, out of which:	-	1,471,880
Revaluation increases	-	1,389,174
Total disposals, of which:	178,733	2,462,640
Revaluation decreases	-	11,256
Balance at the end of the period	10,715,853	10,894,586



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Details on the Company's investments in subsidiaries and associates are as follows:

	Activitatea de bază	Place of establishment and operations	30-sept-22
			RON
RECYPLAT LTD CIPRU	Business and other management consultancy activities	Nicosia	20,261,120
RC ENERGO INSTALL SRL	Plumbing, heat and air conditioning installation (NACE code 4322)	Buzau	15,112
INFO TECH SOLUTIONS SRL	Other information technology and computer service activities (NACE code 6209)	Buzau	1,990
LIVING JUMBO INDUSTRY SA	Manufacture of plastic packing goods (NACE code 2222).	Buzau	6,477,632
GRINFILD LTD	Retail trade	Odessa	2,687,755
ECO PACK MANAGEMENT SA	Other business support service activities n.e.c. (NACE code 8299)	Buzau	586,625
YENKI SRL	Activities of sports facilities (NACE code 9311)	Buzau	100,000
KANG YANG BIOTECHNOLOGY CO. LTD	Manufacture of products beneficial for the human health	Taiwan	203,963
REGISTRUL MIORITA SA	Other financial service activities, except insurance and pension funding n.e.c (NACE code 6499)	Cluj	5,000
VIITORUL INCEPE AZI (VIA)	NGO	Buzau	1,000
Total Cost			<u>30,340,198</u>
Adjustments of impairment			
GRINFILD LTD			(2,687,755)
LIVING JUMBO INDUSTRY SA			(6,477,632)
ECO PACK MANAGEMENT SA			(554,263)
YENKI SRL			(11,988)
Total adjustments			(9,731,638)
NET BOOK VALUE			<u>20,608,560</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

CURRENT INVENTORIES

	30/09/2022	01/01/2022
	RON	RON
Raw materials	16,191,523	16,589,873
Consumables	4,349,357	3,336,223
Items of inventory	92,719	127,527
Packaging	351,490	281,504
Finished products	8,329,925	5,162,842
Unfinished products	2,418,986	1,953,919
Semi-finished products	822,842	881,607
Residual products	21,065	33,564
Commodities	657,655	594,784
Advances for purchases of inventory	15,040	401,601
Allowance for obsolete inventories	(1,715,929)	(1,715,929)
Total	31,534,673	27,647,515

TRADE AND OTHER RECEIVABLES

	30/09/2022	01/01/2022
	RON	RON
Trade receivables	67,976,004	58,097,359
Allowances for doubtful clients	(1,232,740)	(1,232,740)
Taxes to recovered	320,381	503,644
Other receivables	87,831	94,411
Subsidies receivable	616,699	479
Total	67,768,175	57,463,153

OTHER CURRENT FINANCIAL ASSETS

	30/09/2022	01/01/2022
	RON	RON
Loans granted to related parties	2,411,700	1,231,700
Interest related to loans granted to related parties	102,891	33,617
Total	2,514,591	1,265,317

OTHER CURRENT NON-FINANCIAL ASSETS

	30/09/2022	01/01/2022
	RON	RON
Prepaid expenses	1,880,463	1,755,931
Advances to services suppliers	296,391	431,347
Total	2,176,854	2,187,278



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

CASH ON HAND AND AT BANKS

	30/09/2022	01/01/2022
	RON	RON
Cash at banks	9,218,806	12,489,119
Cash on hand	12,245	25,117
Cash equivalents	(27,037)	284,141
Total	9,204,014	12,798,377

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

	30/09/2022	01/01/2022
	RON	RON
Balance at the beginning of the period	3,760,155	70,845
Total additions, out of which:	-	3,689,310
Transfers from investment property and tangible assets	-	757,273
Revaluation increases	-	-
Total disposals, of which:	-	-
Revaluation decreases	-	-
Balance at the end of the period	3,760,155	3,760,155

ISSUED CAPITAL

	30/09/2022	01/01/2022
	RON	RON
264,122,096 fully paid ordinary shares. The value of one share is lei 0.1	26,412,210	26,412,210
Inflation effect according to IAS 29	-	-
Total	26,412,210	26,412,210



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

	September 30, 2022		December 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Living Plastic Industry SRL	86,774,508	32.85%	86,774,508	32.85%
Joyful River Limited Loc, Nicosia CYP	54,195,089	20.52%	54,195,089	20.52%
Toderita Stefan Alexandru	32,600,000	12.34%	30,600,000	11.59%
Other legal entities	11,554,263	4.37%	11,613,182	4.40%
Other natural persons	78,998,236	29.91%	80,939,317	30.64%
Total	264,122,096	100%	264,122,096	100%

RETAINED EARNINGS

	30/09/2022	01/01/2022
Balance at the beginning of the period	47,008,179	50,151,453
Net profit	6,059,443	(1,447,458)
Transfer to legal reserves	-	-
Transfer to other reserves	-	-
Transfers from revaluation reserves	368,951	945,404
Dividend allocation	(2,641,221)	(2,641,221)
Balance at the end of the period	50,795,353	47,008,179

RESERVES

	30/09/2022	01/01/2022
Legal reserves	4,176,971	4,176,971
Other reserves	15,656,698	15,656,698
Revaluation reserves	38,339,588	38,708,540
Total	58,173,257	58,542,209

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

REVALUATION RESERVES

	30/09/2022	01/01/2022
Balance at the beginning of the period	38,708,541	39,632,928
Increases from revaluation of property, plant and equipment	-	-
Decreases from revaluation of property, plant and equipment	-	-
Transfer of reserves to retained earnings	(368,953)	(945,404)
Adjustment of deferred tax on fiscally non-deductible revaluation reserves	-	21,017
Balance at the end of the period	38,339,588	38,708,541

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

	30/09/2022	01/01/2022
	RON	RON
Investmen loan Euro II - BRD	-	515,237
Investmen loan Euro III - BRD	-	65,055
UniCredit Bank (credit line)	24,631,861	23,347,205
Eximbank SA (credit line)	12,341,432	12,290,542
UniCredit Bank - Investment loan - CCE 2015	2,152,815	2,152,424
Investment loan I - Eximbank SA	-	420,086
Investment loan II - Eximbank SA	-	596,833
Investment loan VI - UniCredit Bank	364,699	341,069
Investment loan VII - UniCredit Bank	154,490	-
Inventories purchase facility - UniCredit Bank - I	3,225,820	7,131,743
Inventories purchase facility - UniCredit Bank - II	3,409,885	-
Total	46,281,002	46,860,194

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

	30/09/2022	01/01/2022
	RON	RON
UniCredit Bank - Investment loan - CCE 2015	1,144,059	2,758,169
Investment loan VI - UniCredit Bank	1,671,691	1,259,421
Investment loan VII - UniCredit Bank	2,317,351	-
Total	5,133,101	4,017,590

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

OTHER NON-FINANCIAL LIABILITIES**- SUBSIDIES**

	30/09/2022	01/01/2022
Grants – project co-funded by European funds for 2011	2,607,663	3,375,688
Grants – project co-funded by European funds for 2015	6,599,909	7,503,691
Grants – project co-funded by European funds for 2022	916,450	-
Subtotal subsidies	10,124,022	10,879,379

- OTHER LIABILITIES

	30/09/2022	01/01/2022
Liabilities to employees	1,221,145	1,096,338
Liabilities related to social contributions	889,535	583,755
Other tax liabilities	1,305,839	329,676
Advance income	733,890	-
Subtotal other liabilities	4,150,409	2,009,769

Total Other non-financial liabilities, out of which:

- Short-term liabilities	6,049,544	4,269,220
- Long-term liabilities	7,864,571	8,619,928

TRADE PAYABLES AND OTHER PAYABLES

	30/09/2022	01/01/2022
	RON	RON
Trade payables	35,197,219	33,458,585
Other payables	2,778,446	109,519
Suppliers invoices not received	448,593	556,958
Advances from clients	3,035,046	3,036,848
Total	41,459,304	37,161,910



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

TRANSACTIONS WITH AFFILIATES

Affiliate	Sales of goods and services		Purchases of goods and services		Amounts to be received from affiliates		Amounts to be paid to affiliates	
	9 Months of 2021	9 Months of 2022	9 Months of 2021	9 Months of 2022	December 31, 2021	September 30, 2022	December 31, 2021	September 30, 2022
ECO PACK MANAGEMENT SA	4,462	0	0	0	0	0	29,442	29,442
INFO TECH SOLUTIONS S.R.L.	18,015	22,320	529,073	411,979	0	15,990	97,566	154,618
LIVINGJUMBO INDUSTRY SA	53,051,672	45,421,550	890,661	1,177,290	34,158,899	35,855,638	618,119	515,036
RC ENERGO INSTALL SRL	65,575	86,013	1,919,554	2,038,034	0	0	296,645	195,293
TOTAL	53,135,261	45,529,884	3,339,288	3,627,303	34,158,900	35,871,628	1,041,772	864,946

Note : As at September 30, 2022 the Company has to receive from its subsidiary, RC Energo Install SRL, the amount of RON 2,376,700 representing a loan granted to the subsidiary whose maturity is June 2023



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

The economic-financial performance of SC Romcarbon SA during the reporting period can be evaluated in the light of the following indicators:

Indicator	Formula	30.09.2020	30.09.2021	30.09.2022
EBIT	Gross profit + Income tax + Expenses with interest	3,219,606	6,098,803	8,056,639
EBITDA	<i>EBIT + Depreciation - Subsidies for investments</i>	9,193,928	11,901,014	13,656,454
EBITDA to sales ratios	EBITDA/Sales	6.61%	5.86%	6.73%
EBITDA to Equity	EBITDA/Equity	6.62%	8.49%	9.93%
Gross profit ratio	Gross profit/Sales	1.67%	2.66%	3.52%
Current liquidity	Current assets/Current liabilities	1.14	1.17	1.24
Quick liquidity	(Current assets- Inventories)/Current liabilities	0.86	0.85	0.91
Non-current liabilities to Equity	Non-current liabilities/Equity	20%	15%	16%
Total liabilities to Assets	Total liabilities/Total Assets	42%	45%	46%
Interest coverage ratio	EBIT/Interest expenses	4	9	9
Receivables rotation (days)	Average receivables/Sales	91	71	83
Payables rotation (days)	Average payables/Sales	48	47	52
Return on Assets(ROA)	Net profit/Assets	0.80%	1.85%	2.39%
Return on Equity(ROE)	Net profit/Equity	1.38%	3.33%	4.40%
Return on Sales(ROS)	Net profit/Sales	1.38%	2.30%	2.99%

The condensed interim Standalone financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG

Chairman of the Board
and
General Manager

VIORICA ZAINESCU

Financial Manager

CARMEN MANAILA

Deputy General Manager
for Administrative
operations





BOARD OF DIRECTORS' REPORT

REGARDING THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022



BOARD OF DIRECTORS REPORT REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS

MAIN ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Indicator	9 Months of 2020	9 Months of 2021	9 Months of 2022		2022 vs 2021	
Revenue (Sales)	193,429,377	247,006,543	283,320,270	▲	36,313,727	15%
Other income	3,648,287	3,976,152	8,750,232	▲	4,774,080	120%
Share of profit / loss of associates	(1,244,003)	2,857,339	3,825,314	▲	967,975	34%
EBITDA	13,002,355	16,019,992	24,518,607	▲	8,498,615	53%
EBITDA Operational	15,468,410	14,103,112	20,837,719	▲	6,734,607	48%
Profit from operations	7,056,512	5,875,369	12,933,613	▲	7,058,244	120%
Net profit	2,531,394	5,676,182	13,407,174	▲	7,730,992	136%
Net profit without the impact of Share of profit / loss of associates [Green-Group]	3,775,396	2,818,844	9,581,860	▲	6,763,016	240%
Non-Current assets	187,149,148	173,961,193	165,632,081	▼	(8,329,112)	-5%
Current assets	103,026,397	126,480,541	150,051,122	▲	23,570,581	19%
Total Equity	142,017,125	142,784,719	149,715,065	▲	6,930,346	5%
Total Liabilities	148,158,421	157,657,014	165,968,138	▲	8,311,124	5%
Cash and cash equivalents	16,104,330	12,389,833	15,370,035	▲	2,980,202	24%
Debt ratio	51%	52%	53%	▲	0	0%
Current liquidity	100%	105%	109%	▲	0	4%

The main indicators of the Statement of profit or loss registered by the two major companies of the Group, Romcarbon SA and Livingjumbo Industry SA, according to their Standalone Financial Statements.

ROMCARBON SA

Indicator (9 Months)	A. 2020	A. 2021	B. 2022	A. 2022	A. 2022 vs A. 2021		A. 2022 vs B. 2022	
TURNOVER	139,021,267	203,051,493	227,811,147	202,966,098	(85,395)	0%	(24,845,050)	-11%
EBITDA Operational	10,424,982	12,537,767	11,037,003	13,578,953	1,041,187	8%	2,541,951	23%
NET PROFIT	1,920,992	4,669,567	2,967,271	6,059,443	1,389,877	30%	3,092,172	104%

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

Indicator (9 Months)	A. 2020	A. 2021	A. 2022	A. 2022 vs A. 2021	
EBITDA OPERATIONAL	10,424,982	12,537,767	13,578,953	1,041,187	8%
Fixed assets depreciation	(7,671,348)	(7,496,799)	(7,271,623)	225,176	-3%
Revenues from subsidy from Government for investments	1,697,026	1,694,588	1,671,808	(22,780)	-1%
Interest expenses	(898,256)	(706,399)	(910,809)	(204,410)	29%
Gain/loss from sales of assets	(234,171)	55,256	79,572	24,315	44%
Other non-operational items(provisions, penalties, donations)	(151,095)	(148,167)	(335,144)	(186,977)	126%
Forex gain/loss	(917,747)	(668,481)	102,438	770,920	n/a
Other gain/loss from Financial	71,960	124,637	230,634	105,997	85%
Tax on profit	(400,358)	(722,837)	(1,086,387)	(363,550)	50%
NET PROFIT	1,920,993	4,669,566	6,059,443	1,389,877	30%



LIVINGJUMBO INDUSTRY SA

Indicator (9 Months)	A.2020	A.2021	B.2022	A.2022	A.2022 vs A.2021	A.2022 vs B.2022
TURNOVER	84,308,381	96,285,241	116,461,953	125,478,380	29,193,139	30%
EBITDA	4,624,823	1,216,599	6,197,190	6,229,279	5,012,680	412%
Operational						
NET PROFIT	1,279,703	(2,045,373)	3,180,802	2,812,732	4,858,105	-238%

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

Indicator (9 Months)	A.2020	A.2021	A.2022	A.2022 vs A.2021
EBITDA OPERATIONAL	4,624,823	1,216,599	6,229,279	▲ 5,012,681
Fixed assets depreciation	(3,682,183)	(3,555,448)	(3,611,183)	▲ (55,735)
Revenues from subsidy from Government for investments	1,147,960	1,114,681	1,114,681	— -
Interest expenses	(400,318)	(498,585)	(627,388)	▲ (128,803)
Gain/loss from sales of assets	4,665	-	-	— -
Other non-operational items(provisions, penalties, donations)	(53,839)	(27,686)	(12,330)	▼ 15,356
Forex gain/loss	(331,197)	(262,875)	(234,616)	▼ 28,259
Other gain/loss from Financial	(30,209)	(32,058)	(45,712)	▲ (13,654)
NET PROFIT	1,279,703	(2,045,373)	2,812,732	▲ 4,858,105

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

	Indicator (9 Months)	A.2020	A.2021	B.2022	A.2022	A.2022 vs A.2021		A.2022 vs B.2022		
ROMCARBON	PLASTIC PROCESSING SECTOR : POLYETHYLENE									
	Turnover	21,612,756	26,747,290	33,418,869	28,578,446	1,831,156	7%	(4,840,423)	-14%	
	EBITDA before overhead	1,035,308	(372,006)	1,949,554	1,670,637	2,042,644	-549%	(278,917)	-14%	
	Profit before overhead	370,233	(964,818)	1,366,336	1,114,845	2,079,662	-216%	(251,491)	-18%	
	PLASTIC PROCESSING SECTOR : POLYSTYRENE									
	Turnover	30,776,225	40,803,243	41,894,795	42,713,335	1,910,092	5%	818,540	2%	
	EBITDA before overhead	8,393,519	8,463,720	6,687,091	6,068,554	(2,395,166)	-28%	(618,537)	-9%	
	Profit before overhead	7,234,516	7,401,730	5,660,227	5,120,411	(2,281,320)	-31%	(539,816)	-10%	
	PLASTIC PROCESSING SECTOR : POLYPROPYLENE									
	Turnover	26,552,500	32,538,674	38,254,236	31,888,939	(649,735)	-2%	(6,365,297)	-17%	
	EBITDA before overhead	3,696,173	4,322,447	2,258,132	2,911,600	(1,410,846)	-33%	653,469	29%	
	Profit before overhead	3,460,305	4,079,108	2,014,781	2,671,637	(1,407,471)	-35%	656,856	33%	
	RECYCLED POLYMERS & COMPOUNDS									
	Turnover	17,287,767	29,696,954	37,392,325	40,118,668	10,421,714	35%	2,726,343	7%	
	EBITDA before overhead	2,308,059	4,547,805	6,169,071	6,321,434	1,773,629	39%	152,363	2%	
Profit before overhead	(467,892)	1,661,828	3,199,908	3,386,023	1,724,195	104%	186,115	6%		
OTHER PRODUCTIVE SECTORS : FILTERS, ACTIVE CARBON, PROTECTIVE EQUIPMENT, PVC TRAFFIC BASE SIGNS										
Turnover	4,208,537	4,448,167	4,708,004	7,037,692	2,589,525	58%	2,329,688	49%		
EBITDA before overhead	870,616	569,213	548,188	2,190,664	1,621,451	285%	1,642,476	300%		
Profit before overhead	624,974	328,434	320,749	1,958,205	1,629,771	496%	1,637,456	511%		
LIVINGJUMBO INDUSTRY	PLASTIC PROCESSING SECTOR : POLYPROPYLENE									
	Turnover	45,942,095	52,774,666	56,443,235	67,355,437	14,580,771	28%	10,912,202	19%	
	EBITDA before overhead	4,381,407	3,331,834	4,469,133	6,917,824	3,585,990	108%	2,448,691	55%	
	Profit before overhead	3,705,369	2,781,780	3,920,133	6,379,817	3,598,037	129%	2,459,684	63%	
	PLASTIC PROCESSING SECTOR : PET									
	Turnover	38,366,286	43,510,575	60,018,718	58,122,943	14,612,368	34%	(1,895,775)	-3%	
	EBITDA before overhead	3,296,873	975,066	5,249,285	2,776,532	1,801,466	185%	(2,472,753)	-47%	
Profit before overhead	1,444,655	(915,651)	3,350,285	818,032	1,733,683	-189%	(2,532,253)	-76%		

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



ACTIVITY OF THE GROUP

As at September 30, 2022 ROMCARBON SA holds participations directly and/or indirectly in 11 entities:

Company	30.09.2022		Consolidation method
	Interest	Control	
RECYPLAT LTD CIPRU	100.00%	100.00%	Global
RC ENERGO INSTALL SRL	100.00%	100.00%	Global
ECO PACK MANAGEMENT SA	25.36%	99.88%	Global
LIVINGJUMBO INDUSTRY SA	99.86%	99.86%	Global
INFOTECH SOLUTIONS SRL	99.50%	99.50%	Global
GRINFILD LLC UCRAINA	62.62%	62.62%	Global
GRINRUH LLC UCRAINA	62.62%	62.62%	Global
YENKI SRL	33.34%	33.34%	Equity method
REGISTRUL MIORITA SA	3.79%	3.79%	Outside the consolidation area
KANG YANG BIOTECHNOLOGY CO.LTD	1.95%	1.95%	Outside the consolidation area
ONG VIITORUL INCEPE AZI (VIA)	14.29%	16.80%	Outside the consolidation area

As at September 30, 2022, the Group holds indirect participations through Recyplat LTD in Romgreen Universal LTD and its subsidiaries as follows:

Company	30.09.2022	
	Interest	Control
ROMGREEN UNIVERSAL LTD CIPRU	17.5879%	17.5879%
GREENWEEE INTERNATIONAL SA	17.5879%	17.5879%
GREENTECH SA	17.5879%	17.5879%
GREENGLASS RECYCLING SA	12.3116%	12.3116%
GREENFIBER INTERNATIONAL SA	17.5879%	17.5879%
TOTAL WASTE MANAGEMENT SRL	17.5879%	17.5879%
GREEN RESOURCES MANAGEMENT S.A.	11.7259%	11.7259%
GREENTECH BALTIC UAB LITUANIA	17.5879%	17.5879%
ASOCIATIA ECOLOGICA GREENLIFE	17.5879%	17.5879%
GREENTECH SLOVAKIA S.R.O.(EKOLUMI S.R.O)	14.0704%	14.0704%
ELTEX RECYCLING SRL	17.5879%	17.5879%
CIRCULAR VENTURES SA	17.5879%	17.5879%
SENEX SIGAD S.R.L.	12.3490%	12.3490%

These companies have been included in the consolidated financial statements by using the equity method.

PRESENTATION OF THE GROUP AND THE MAIN INDICATORS ACHIEVED IN 2022**PRESENTATION OF THE GROUP'S MEMBER COMPANIES**

As at September 30, 2022 the company was holding directly or through other subsidiaries, participating interest in the following entities:

RECYPLAT LTD is a company established in 2011, having a share capital of Lei 112,532 (EUR 26,000) wholly owned by SC Romcarbon SA. The company's main office is located in Akropoleos, 59-61, 3rd floor, Nicosia, Cyprus.

The company's main object of activity is the Conduct of activities and business of consultants, experts in all scientific fields, financial, administrative or otherwise, in relation to the setting up, operation, development and improvement of any business, industry, company, partnership or other organization.

RC ENERGO INSTALL S.R.L. is a company established in 2005, with a share capital of lei 2,000, fully owned by S.C. Romcarbon S.A. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company was established by outsourcing the maintenance and repair of heating, water installations, sewage and substations; the main object of activity is Plumbing, heat and air conditioning installation (NACE code 4322).



ECO PACK MANAGEMENT SA is a company established in 2010, with a share capital of lei 1,446,000, where SC Romcarbon SA directly holds 25.36% and 74.62% indirectly. The remaining shares are held by Romanian legal persons. The company's main office is located in Buzau, 132 Transilvaniei street, Granules Hall, room no.7, 2nd floor. The company's main object of activity is Other business support service activities n.e.c. (NACE code 8299). Starting with 10.12.2021, the company suspended his activity for a period of 3 years.

INFO TECH SOLUTIONS S.R.L. is a company established in 2005, with a share capital of lei 2,000, where S.C. Romcarbon S.A. holds 99.50% of the shares and the remaining shares are held by natural persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company was established by outsourcing the IT services and its main object of activity is Other information technology and computer service activities (NACE code 6209).

LIVINGJUMBO INDUSTRY S.A. is a company established in 2002, with a share capital of lei 5,644,800, where S.C. Romcarbon S.A. holds 99.86% of the shares and the remaining shares are held by Romanian legal persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company's main object of activity is Manufacture of plastic packing goods (NACE code 2222).

GRINFILD LLC UKRAINE is a company established in 2007, with a share capital of lei 4,312,062, where SC Romcarbon SA holds 62.62% of the shares and the remaining shares are held by foreign legal persons. The company's main office is located in Ukraine, Odessa region, Krijianivka locality, Str. Mikolayevska, Bl. 2. The company's main object of activity is wholesale. The company ceased its activity in 2012.

GRINRUH LLC UKRAINE is a company established in 2007, with a share capital of lei 4,426,809, where SC Romcarbon SA holds 62.62%. The company's main office is located in Ukraine, Odessa region, Krijianivka locality, Str. Mikolayevska, Bl. 2. The company's main object of activity is construction and wholesale. The company ceased its activity in 2012.

YENKI S.R.L. is a company established in 2007, with a share capital of lei 328,000, where S.C. Romcarbon S.A. holds 33.34% of the shares and the remaining shares are held by Romanian legal and natural persons. The company's main office is located at Soseaua Nordului, DN2, Buzău. The company's main object of activity is Operation of sports facilities (NACE code 9311).

Association 'VIITORUL INCEPE AZI (VIA)', established in accordance with GO no. 26/2000, is a non-governmental, non-profit and non-political organization; The association's mission is to improve the quality of technical professional training and development in the Buza area (Romania), to support and promote the interests and needs of its members in front of the authorities and/or various bodies, third parties.

The association was established in 2022 by 7 economic operators from Buzau - Voestalpine RAILWAY SYSTEMS ROMANIA SA, URBIS SERV SRL, LUCSOR IMPEX SRL, URSUS BREWERIES SA, ROMCARBON SA, BENCAMP SRL, GREENFIBER INTERNATIONAL SA - as founding members, with contribution equal in its patrimony and with equal right to vote in the General Assembly.

The association's assets, worth 7,000 lei, constituted by the membership contribution of the founding members.

ROMGREEN UNIVERSAL LTD Cyprus is a company established in 2011, with a share capital of lei 177,858 (EUR 39,800), where SC Romcarbon SA indirectly holds 17.5879% of the shares through Recyplat LTD Cyprus. The company's main office is located in 2 Prodromou & Dimitrakopoulou, 5th floor, 1090, Cyprus. The company's object of activity is the conduct of activities and business of consultants, experts in all scientific fields, financial, administrative or otherwise, in relation to the setting up, operation, development and improvement of any business, industry, company, partnership or other organization.

"Greenlife" Ecological Association, established in accordance with GO no. 26/2000, is a non-governmental, non-profit and non-political organization. The association's patrimony amounts to RON 1,200. The association's purpose is to represent, promote and support the employer and professional interests of its members in the relationship with public authorities and other legal and natural persons, to consolidate their authority and social renown and to act towards modernizing the developing the field regarding environmental protection according to the international rules and standards. Also, the association sets itself to promote human solidarity, by organizing and supporting humanitarian actions. The association was established by SC Greenfiber International SA, SC Greentech SA and SC Romcarbon SA as founding members, each holding 33.33% of its patrimony. In May 2020, SC Romcarbon SA resigned from its membership in this association, the place being taken over by SC Greenweee International SA. After this change, the indirect ownership of Romcarbon SA in the association is 17.59%.



GREENWEEE INTERNATIONAL SA is a company established in 2007, with a share capital of lei 28,827,300, where SC Romcarbon SA indirectly holds 17.5879% of the shares. The company's main office is located in Buzău, Comuna Tintesti, Str. Ferma Frasinu. The company's object of activity is Dismantling of wrecks for materials recovery (NACE code 3831).

On 31.12.2019 GREENWEEE INTERNATIONAL SA (absorbing company) merged with GREENLAMP RECICLARE S.A. (absorbed company). As a result of the merger process, the share capital of GREENWEEE INTERNATIONAL SA increased from lei 26,212,300 to lei 28,827,300 , issuing 26,150 new shares with a nominal value of lei 100.

GREENTECH SA is a company established in 2002, with a share capital of lei 4,649,117, where SC Romcarbon SA indirectly holds LTD 17.5879% of the shares. The company's main office is located in Buzău, Aleea Industriilor, nr. 17. The company's main object of activity is Recovery of sorted materials (NACE code 3832).

GREENFIBER INTERNATIONAL SA is a company established in 2004, with a share capital of lei 35,250,000, where SC Romcarbon SA indirectly holds 17.5879% of the shares. The company's main office is located in Buzău, Aleea Industriilor, nr. 17. The company's main object of activity is Manufacture of man-made fibres (NACE code 2060).

TOTAL WASTE MANAGEMENT SRL is a company established in 2005. In 2012, it changed its object of activity from Business and other management consultancy activities (NACE code 7022) to Collection of non-hazardous waste (NACE code 3811). The company's share capital is lei 19,442,580. The company's main office is located in Buzău, Str. Aleea Industriilor, nr. 17. As at the date of these financial statements, SC Romcarbon SA was indirectly holding 17.5879% of the share capital.

GREENGLASS RECYCLING SA is a company established in 2013, where SC Romcarbon SA indirectly holds 12.3116% of the shares. The remaining shares are held by natural and legal persons. The company's share capital is lei 6,750,000. The company's main office is located in Ilfov, Popești Leordeni Șos. OLTENIJEI 181, Corp Administrativ. The company's main object of activity is Recovery of sorted materials (NACE code 3832).

GREEN RESOURCES MANAGEMENT is a company established in 2016, having a share capital of lei 400,000 where SC Romcarbon SA indirectly holds 11.73%. The company's main office is located in Bucharest, sector 2, Barbu Vacarescu 164A Barbu Vacarescu stret, etaj 3, within Building C3 – Office Building, room 18-22. The company's main object of activity is Other business support service activities n.e.c. (NACE code 8299).

GREENTECH BALTIC UAB LITUANIA is a company established in 2016 where SC Romcarbon SA indirectly holds 17.5879%. The company's main office is located in Vilnius, Sandeliu g.16. The company's share capital is lei 8,444,696 (EUR 1,852,500). The company's object of activity is commercial, economic, financial and industrial activity.

GREENTECH SLOVAKIA S.R.O. (EKOLUMI s.r.o) is a company established in 2010 where SC Romcarbon SA indirectly holds 14.07% and the remaining shares are held by foreign natural persons. The company's share capital is lei 17,829,227 (EUR 3,705,000). The company's main office is located in Slovakia, Partizánska cesta 4634, Banská Bystrica. The company's object of activity is collection of non-hazardous waste (NACE code 3811).

ELTEX RECYCLING SRL is a company established in 2014 having a share capital of lei 50,000 where SC Romcarbon SA indirectly holds 17.5879%. The company's main office is located in Oradea, 5 Octavian Goga street. The company's object of activity is Treatment and disposal of non-hazardous waste (NACE code 3821).

In December 2020, Romgreen Universal LTD sold its holdings in GREENTECH DOO SERBIA and GRINTEH MK DOO MACEDONIA.

CIRCULAR VENTURES SA is a company established in 2022 having a share capital of lei 9,000 where SC Romcarbon SA indirectly holds 17.5879%. The company's main office is located in 165 Calea Floreasca, OneTower, 11 Floor, District 1, Bucuresti. The company's main object of activity is Other business support service activities n.e.c. (NACE code 8299).

In August 2021, the company GREENWEEE INTERNATIONAL HUNGARY KFT was deregistered from Hungarian business registers.



ACTIVITY OF THE GROUP OF COMPANIES**PRESENTATION OF THE GROUP COMPANIES**

The following persons ensured the executive management of the group companies in 2022:

ROMCARBON SA – General Manager – Huang Liang Neng
 RECYPLAT LTD CYPRUS – Director – Nicos Avraamides
 RC ENERGO INSTALL SRL – General Manager Duca Eugen Florin
 ECO PACK MANAGEMENT SA –Sole administrator WEY, JIANN-SHYANG
 INFO TECH SOLUTIONS SRL- General Manager Hristache Cornel
 LIVINGJUMBO INDUSTRY SA – General Manager WU,HUI-TZU
 GRINFILD LLC UKRAINE – The company has not been operating since 2012
 GRINRUH LLC UKRAINE – The company has not been operating since 2012
 YENKI SRL – Administrator Petre Romeo Florinel
 ROMGREEN UNIVERSAL LTD CYPRUS– Nicos Avraamides, Constantinos Chiotis, Grzegorz Adam Piejka, Nicolaos Koronis, Paulina Anna Pietkiewicz
 GREENGLASS RECYCLING SA – General Manager Costache Iulian Marius
 GREENWEEE INTERNATIONAL SA – General Manager Costache Iulian Marius
 TOTAL WASTE MANAGEMENT SRL – Administrators – Genes Alina Elena, Stanculescu Adrian, Enache Pommer Matei
 GREENTECH SA General Manager Genes Alina Elena
 GREENFIBER INTERNATIONAL SA – General Manager Genes Alina Elena
 GREENWEEE INTERNATIONAL SA – General Manager Costache Marius Iulian
 GREEN RESOURCES MANAGEMENT S.A – General Manager –Bratu Constantin
 GREENTECH BALTIC UAB LITHUANIA – Administrator VLADAS VENSKUTONIS
 GREENTECH SLOVAKIA S.R.O. – Administrators – Michal Figur, Lukas Cierny
 ELTEX RECYCLING SRL – Administrators – Marin Georgian Ionut, Bartha Zoltan, Costache Marius Iulian
 CIRCULAR VENTURES SA – Administrators – Costache Marius Iulian, Vorosciuc Gabriela, Stoica Serban Andrei
 SENEX SIGAD S.R.L. – Administrators – Costache Marius Iulian, Dobrin Andrei, Stoica Serban Andrei

ACTIVITY OF THE GROUP OF COMPANIES

The evolution of the subsidiaries' contribution to the consolidated net profit of the group in 2022 is presented in the table below:

Societate	Result 9 Months of 2021 (in lei)	Result 9 Months of 2022 (in lei)	2022 vs 2021
Romcarbon SA	4,669,567	6,059,443	1,389,876
Living Jumbo Industry SA	(2,045,373)	2,812,732	4,858,105
RC Energo Install SRL	205,703	726,054	520,350
Infotech Solutions SRL	62,288	84,873	22,585
Recyplat Ltd Cipru	(276)	(246)	30
Eco Pack Management SA	(18,062)	(1,479)	16,583
Consolidation adjustments ¹	2,802,335	3,725,798	923,463
Total	5,676,182	13,407,174	7,730,992

¹ Consolidation adjustments

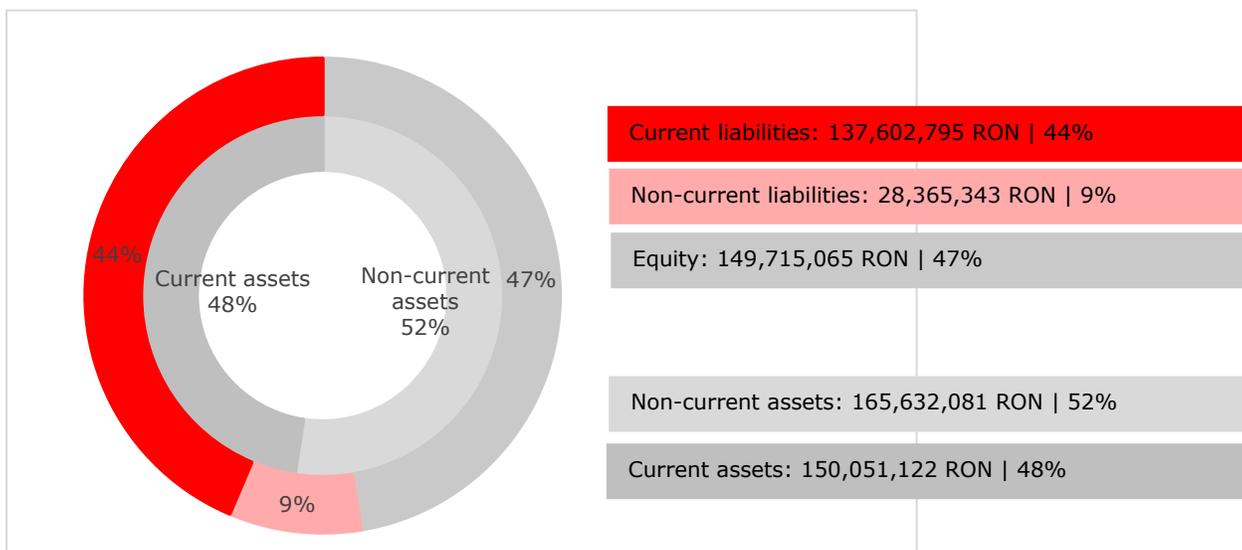
Consolidation adjustments	Result 9 Months of 2021 (in lei)	Result 9 Months of 2022 (in lei)	2022 vs 2021
Elimination of the unrealized profit related to the raw material inventories and fixed assets from the Group companies	(55,004)	(99,516)	(44,512)
Share of the profit of the associates (Romgreen Universal LTD)	2,857,339	3,825,314	967,975
Total Ajustari	2,802,335	3,725,798	923,463

FINANCIAL STATEMENTS

A.) STATEMENT OF THE FINANCIAL POSITION

Indicator	30/09/2021	31/12/2021	30/09/2022	Variatie	30.09.22 vs. 31.12.21
Property, plant and equipment	135,832,552	132,497,914	127,206,799	-5,291,115	▼ -3.99%
Investment property	10,087,266	10,894,586	10,715,853	-178,733	▼ -1.64%
Goodwill	143,461	143,461	143,461	0	▲ 0.00%
Intangible assets other than goodwill	274,010	298,466	218,062	-80,404	▼ -26.94%
Investments accounted for using equity method	27,326,940	23,324,617	27,149,932	3,825,315	▲ 16.40%
Investments in subsidiaries, joint ventures and associates	196,964	196,974	197,974	1,000	▲ 0.51%
Other non-current financial assets	100,000	0	0	0	— #DIV/0!
Total non-current assets	173,961,193	167,356,018	165,632,081	-1,723,937	▼ -1.03%
Current inventories	55,287,695	54,803,659	66,607,284	11,803,625	▲ 21.54%
Trade and other current receivables	57,105,579	52,981,338	61,803,862	8,822,524	▲ 16.65%
Other current financial assets	181,047	617,902	21,862	-596,040	▼ -96.46%
Other current non-financial assets	1,445,542	4,621,551	2,487,924	-2,133,627	▼ -46.17%
Cash and cash equivalents	12,389,833	17,596,893	15,370,035	-2,226,858	▼ -12.65%
Non-current assets classified as held for sale	70,845	3,760,155	3,760,155	0	— 0.00%
Total current assets	126,480,541	134,381,497	150,051,122	15,669,625	▲ 11.66%
ASSETS	300,441,734	301,737,515	315,683,203	13,945,688	▲ 4.62%
Issued capital	26,412,210	26,412,210	26,412,210	0	▼ 0.00%
Share premium	2,182,283	2,182,283	2,182,283	0	— 0.00%
Reserves	60,803,937	60,227,360	59,858,409	-368,951	▼ -0.61%
Retained earnings	52,470,281	49,182,732	60,342,231	11,159,499	▲ 22.69%
Equity attributable to equity holders of the parent	141,868,711	138,004,585	148,795,133	10,790,548	▲ 7.82%
Non-controlling interests	916,009	915,581	919,932	4,351	▲ 0.48%
Total equity	142,784,719	138,920,166	149,715,065	10,794,899	▲ 7.77%
Other non-current provisions	446,038	659,623	659,623	0	— 0.00%
Deferred tax liabilities	7,857,468	8,012,574	8,012,574	0	— n/a
Other non-current financial liabilities	11,984,710	7,623,547	5,547,609	-2,075,938	▼ -27.23%
Other non-current non-financial liabilities	16,951,998	16,015,575	14,145,537	-1,870,038	▼ -11.68%
Total non-current liabilities	37,240,214	32,311,319	28,365,343	-3,945,976	▼ -12.21%
Trade and other current payables	55,186,922	55,224,664	52,400,244	-2,824,420	▼ -5.11%
Other current financial liabilities	55,206,701	67,635,179	75,582,802	7,947,623	▲ 11.75%
Other current non-financial liabilities	10,023,177	7,646,187	9,619,749	1,973,562	▲ 25.81%
Total current liabilities	120,416,801	130,506,031	137,602,795	7,096,764	▲ 5.44%
Total liabilities	157,657,014	162,817,349	165,968,138	3,150,789	▲ 1.94%
TOTAL EQUITY AND LIABILITIES	300,441,734	301,737,515	315,683,203	13,945,688	▲ 4.62%

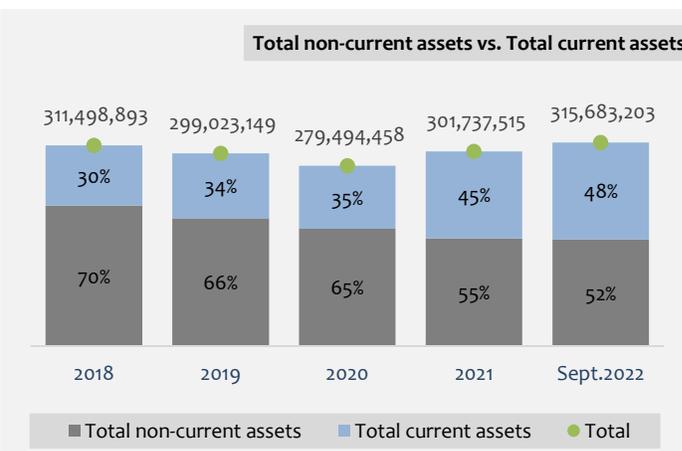
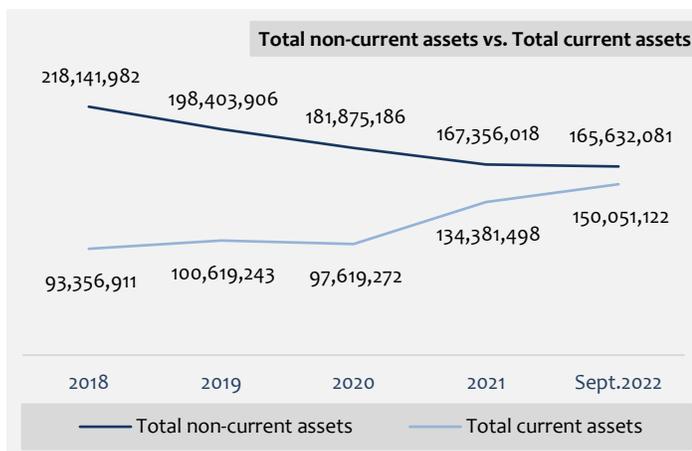
STRUCTURE OF THE FINANCIAL POSITION AS AT 30.09.2022



The participation of the consolidated companies in the indicators of the Statement of Financial Position in 2022 is presented in the table below

Company	LEI			
	Non-current assets	Current assets	Non-current liabilities	Current liabilities
Romcarbon SA	136,165,053	116,958,462	21,410,246	94,150,166
Livingjumbo Industry SA	24,007,038	60,989,372	6,955,097	76,889,047
RC Energo Install SRL	73,136	9,915,645	0	5,049,810
InfoTech Solutions SRL	43,861	414,119	0	120,662
Grinfeld Ucraina	4,426,809	8,614	0	879,485
Grinruh Ucraina	1,186,187	1,007,788	0	6,728
Recyplat LTD	20,607,507	6,741	0	0
Eco Pack Management SA	28,751	164,068	0	868,928
Consolidation adjustments	(20,906,261)	(39,413,686)	0	(40,362,031)
Total	165,632,081	150,051,122	28,365,343	137,602,795

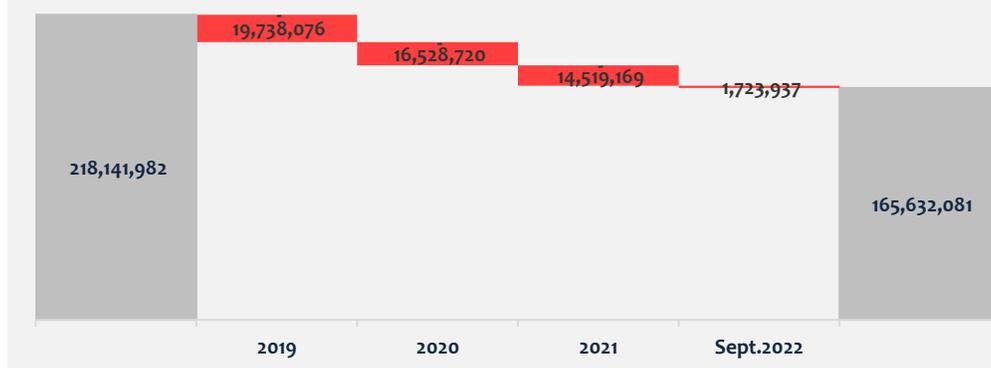
ASSETS



NON-CURRENT ASSETS

Non-current assets have a weight in Total Assets of 52.47% recording a decrease of - LEI 1,723,937, i.e. - 1.03%, as compared with the beginning of the year.

Evolution of the item Total non-current assets in the period 2018-2022

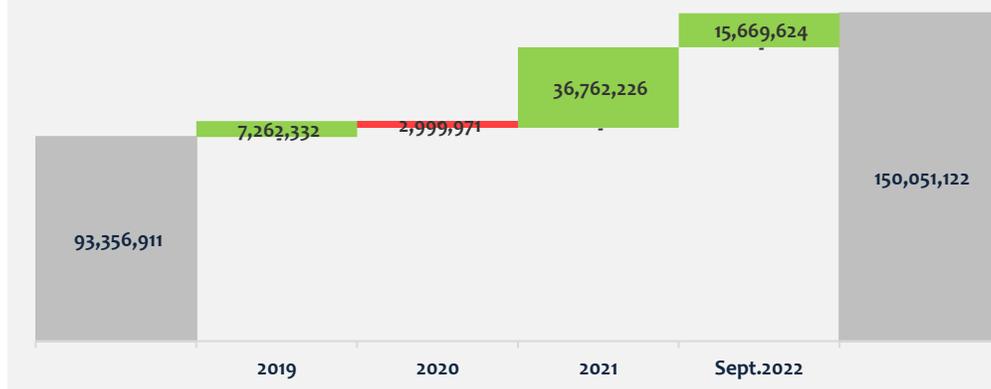


Non-current assets (lei)	30/09/2022	% in total NCA	% in total Assets	30.09.22 vs. 31.12.21
Property, plant and equipment	127,206,799	76.80%	40.30%	-3.99%
Investment property	10,715,853	6.47%	3.39%	-1.64%
Goodwill	143,461	0.09%	0.05%	0.00%
Intangible assets other than goodwill	218,062	0.13%	0.07%	-26.94%
Investments accounted for using equity method	27,149,932	16.39%	8.60%	16.40%
Investments in subsidiaries, joint ventures and associates	197,974	0.12%	0.06%	0.51%
Total non-current assets	165,632,081	100.00%	52.47%	-1.03%

CURRENT ASSETS

Current assets have a weight in Total Assets of 47.53% recording an increase of LEI 15,669,624, i.e. 11.66%, as compared with the beginning of the year.

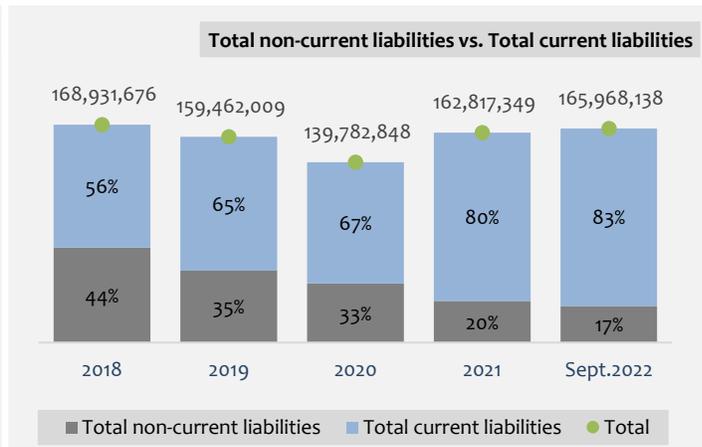
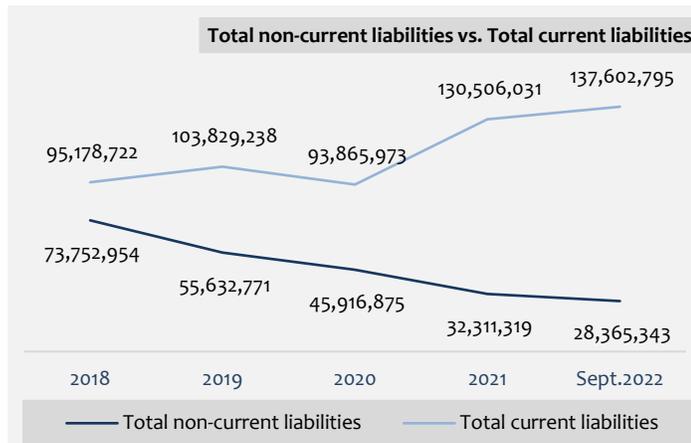
Evolution of the item Total current assets in the period 2018-2022



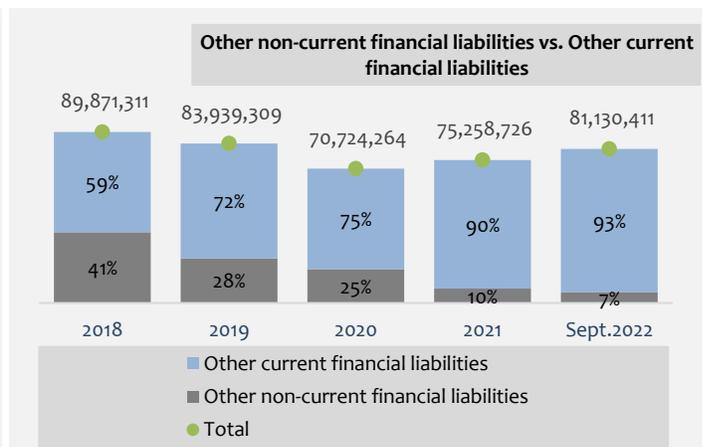
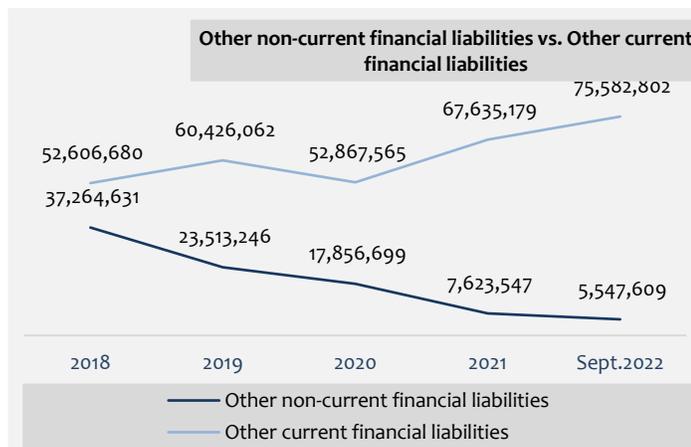
Current assets (lei)	30/09/2022	% in total CA	% in Total Assets	30.09.22 vs. 31.12.21
Current inventories	66,607,284	40.21%	21.10%	21.54%
Trade and other current receivables	61,803,862	37.31%	19.58%	16.65%
Other current financial assets	21,862	0.01%	0.01%	-96.46%
Other current non-financial assets	2,487,924	1.50%	0.79%	-46.17%
Cash and cash equivalents	15,370,035	9.28%	4.87%	-12.65%
Non-current assets classified as held for sale	3,760,155	2.27%	1.19%	0.00%
Total current assets	150,051,122	90.59%	47.53%	11.66%

LIABILITIES

Total Liabilities hold 52.57% of the Group's Equity&Liabilities recording an increase of Lei 3,150,789, i.e. 1.94%, as compared with the beginning of the year.



BORROWINGS



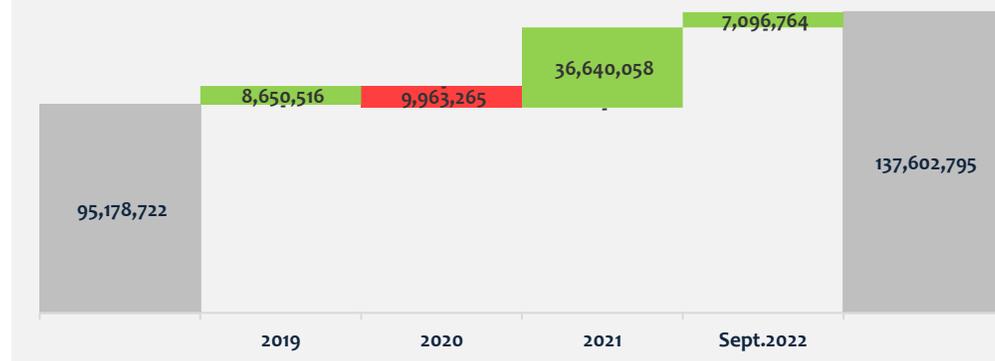
BORROWINGS

Company	31.12.2021	30.09.2022	2022 vs 2021
Romcarbon, total, out of which:	50,877,784	51,414,103	536,319
< 12 months	46,860,194	46,281,002	- 579,192
> 12 months	4,017,591	5,133,101	1,115,511
LivingJumbo Industry, total, out of which:	20,111,839	27,659,091	7,547,252
< 12 months	17,193,383	27,244,584	10,051,200
> 12 months	2,918,456	414,508	- 2,503,949
Energoinstall, total, out of which:	4,269,102	2,057,217	- 2,211,885
< 12 months	3,581,602	2,057,217	- 1,524,385
> 12 months	687,500	-	- 687,500
Total borrowings, out of which:	75,258,726	81,130,411	5,871,685
< 12 months	67,635,179	75,582,802	7,947,624
> 12 months	7,623,547	5,547,609	- 2,075,938

CURRENT LIABILITIES

Current liabilities of the Group have a weight in Total Liabilities of 82.91% and in Total Equity and Liabilities of 43.59% recording an increase of LEI 7,096,764, i.e. 5.44%, as compared with the beginning of the year.

Evolution of the item Total current liabilities in the period 2018-2022

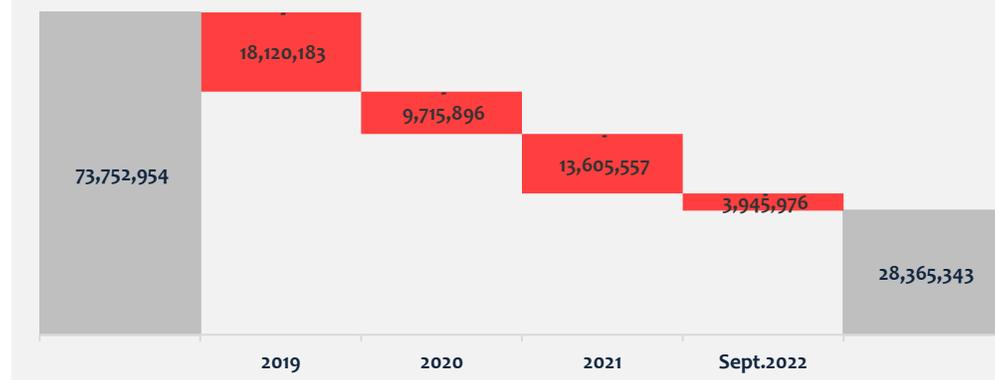


Current liabilities (lei)	30/09/2022	% in total liabilities	% in Total Current liabilities	% in Total Equity and liabilities	30.09.22 vs. 31.12.21
Trade and other current payables	52,400,244	31.57%	38.08%	16.60%	-5.11%
Other current financial liabilities	75,582,802	45.54%	54.93%	23.94%	11.75%
Other current non-financial liabilities	9,619,749	5.80%	6.99%	3.05%	25.81%
Total current liabilities	137,602,795	82.91%	100.00%	43.59%	5.44%

NON-CURRENT LIABILITIES

Non-current liabilities have a weight in Total Equity and Liabilities of 8.99% recording a decrease of - LEI 3,945,976, i.e. -12.21%, as compared with the beginning of the year.

Evolution of the item Total non-current liabilities in the period 2018-2022

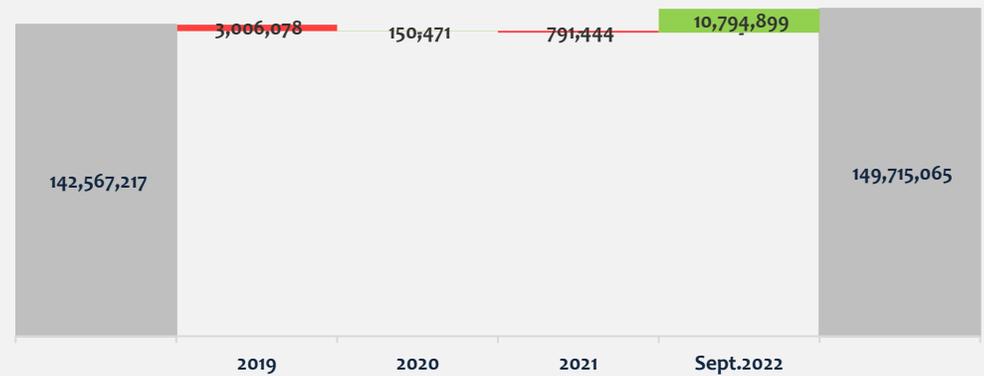


Non-current liabilities (lei)	30/09/2022	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and liabilities	30.09.22 vs. 31.12.21
Other non-current provisions	659,623	0.40%	2.33%	0.21%	0.00%
Deferred tax liabilities	8,012,574	4.83%	28.25%	2.54%	0.00%
Other non-current financial liabilities	5,547,609	3.34%	19.56%	1.76%	-27.23%
Other non-current non-financial liabilities	14,145,537	8.52%	49.87%	4.48%	-11.68%
Total non-current liabilities	28,365,343	17.09%	100.00%	8.99%	-12.21%

EQUITY

The Equity have a weight in Total Equity and Liabilities of 47.43% recording an increase of LEI 10,794,899 , i.e. 7.77%, as compared with the beginning of the year.

Evolution of the item Total equity in the period 2018-2022



Equity (lei)	30/09/2022	30.09.22 vs 31.12.21
Issued capital	26,412,210	0.00%
Share premium	2,182,283	0.00%
Reserves	59,858,409	-0.61%
Retained earnings	60,342,231	22.69%
Equity attributable to equity holders of the parent	148,795,133	7.82%
Non-controlling interests	919,932	0.48%
Total Equity	149,715,065	7.77%



B.) STATEMENT OF THE COMPREHENSIVE INCOME

Indicator (lei)	9 Months of 2020	9 Months of 2021	9 Months of 2022		2022 vs.2021	
Revenue	193,429,377	247,006,543	283,320,270	▲	36,313,727	15%
Other Income	3,648,287	3,976,152	8,750,232	▲	4,774,080	120%
Increase (decrease) in inventories of finished goods and work in progress	(973,188)	4,388,104	6,120,858	▲	1,732,754	39%
Raw materials and consumables used	(112,526,038)	(168,812,816)	(197,309,514)	▲	(28,496,698)	17%
Employee benefits expense	(52,220,576)	(55,550,133)	(58,362,747)	▲	(2,812,614)	5%
Depreciation and amortisation expenses	(11,510,072)	(11,181,368)	(10,960,933)	▼	220,435	-2%
Other expenses	(13,649,944)	(14,365,084)	(18,863,357)	▲	(4,498,273)	31%
Other gains (losses)	858,666	413,971	238,804	▼	(175,167)	-42%
Profit (loss) from operating activities	7,056,512	5,875,369	12,933,613	▲	7,058,244	120%
Finance Income	38,725	73,394	127,832	▲	54,438	74%
Finance costs	(2,862,098)	(2,375,356)	(2,205,779)	▼	169,577	-7%
Share of profit (loss) of associates and joint ventures accounted for using equity method	(1,244,003)	2,857,339	3,825,314	▲	967,975	34%
Profit / (loss) before tax	2,989,136	6,430,746	14,680,980	▲	8,250,234	128%
Tax income (expense)	(457,742)	(754,563)	(1,273,806)	▲	(519,243)	69%
Profit (loss) of the year, attributable to	2,531,394	5,676,182	13,407,174	▲	7,730,992	136%
Equity holders of the parent	2,527,356	5,678,872	13,402,823	▲	7,723,951	136%
Minority interest	4,038	(2,690)	4,351	▲	7,041	-262%
Profit (loss) from continuing operations	2,531,394	5,676,182	13,407,174	▲	7,730,992	136%
Differences from foreign operations	12,171	114	-	▼	(114)	-100%
Comprehensive income of the year, attributable to:	2,543,565	5,676,296	13,407,174	▲	7,730,878	136%
Equity holders of the parent	2,539,527	5,678,986	13,402,823	▲	7,723,837	136%
Minority interest	4,038	(2,690)	4,351	▲	7,041	-262%

Indicator	9 Months of 2020	9 Months of 2021	9 Months of 2022		2022 vs.2021	
EBITDA OPERATIONAL	15,468,410	14,103,112	20,837,719	▲	6,734,607	48%

Indicator	9 Months of 2020	9 Months of 2021	9 Months of 2022
Average no. of employees	1,457	1,457	1,356

From EBITDA OPERATIONAL to Net profit

Indicator	9 Months of 2020	9 Months of 2021	9 Months of 2022		2022 vs.2021	
EBITDA OPERATIONAL	15,468,410	14,103,112	20,837,719	▲	6,734,607	48%
Fixed assets depreciation	(11,510,072)	(11,181,368)	(10,960,933)	▼	220,435	-2%
Revenues from subsidy from Government for investments	2,844,986	2,809,269	2,786,489	▼	(22,780)	-1%
Interest expenses	(1,348,133)	(1,217,147)	(1,663,183)	▲	(446,035)	37%
Gain/loss from sales of assets	(236,235)	55,256	70,572	▲	15,316	28%
Other non-operational items(provisions,penalties, donations)	239,634	(114,420)	(200,422)	▲	(86,002)	75%
Forex gain/loss	(1,255,320)	(945,895)	(132,185)	▼	813,710	-86%
Share of profit / loss of associates	(1,244,003)	2,857,339	3,825,314	▲	967,975	34%
Other gain/loss from Financial	29,868	64,601	117,610	▲	53,009	82%
Tax on profit	(457,742)	(754,563)	(1,273,806)	▲	(519,243)	69%
NET PROFIT	2,531,394	5,676,182	13,407,175	▲	7,730,992	136%

Quarterly, the **Statement of the comprehensive income** had the following evolution:

Income statement	Q I 2022	Q II 2022	Q III 2022	Q I 2022 vs. Q I 2021	Q II 2022 vs. Q II 2021	Q III 2022 vs. Q III 2021
Revenue	89,914,541	97,606,637	95,799,092	16,839,901	15,746,226	3,727,600
Other Income	6,524,262	1,175,072	1,050,898	4,684,163	104,798	(14,881)
Increase (decrease) in inventories of finished goods and work in progress	6,403,775	902,457	(1,185,374)	3,868,781	(1,806,224)	(329,803)
Raw materials and consumables used	(67,381,271)	(65,457,740)	(64,470,503)	(17,949,516)	(10,275,088)	(272,094)
Employee benefits expense	(18,971,412)	(19,796,619)	(19,594,716)	(737,844)	(735,384)	(1,339,386)
Depreciation and amortisation expenses	(3,691,727)	(3,666,881)	(3,602,325)	54,079	39,795	126,561
Other expenses	(9,044,823)	(5,028,616)	(4,789,918)	(3,968,062)	(402,471)	(127,740)
Other gains (losses)	41,189	26,086	171,529	(76,486)	(138,341)	39,660
Profit (loss) from operating activities	3,794,535	5,760,395	3,378,683	2,715,015	2,533,312	1,809,917
Finance Income	52,855	2,034	72,943	11,846	(16,293)	58,885
Finance costs	(581,933)	(749,410)	(874,435)	545,041	(195,942)	(179,522)
Share of profit (loss) of associates and joint ventures accounted for using equity method	1,583,476	1,374,247	867,591	843,600	(252,216)	376,591
Profit / (loss) before tax	4,848,934	6,387,265	3,444,781	4,115,503	2,068,861	2,065,871
Tax income (expense)	(377,230)	(529,285)	(367,291)	(245,969)	(112,068)	(161,206)
Profit (loss) of the year, attributable to	4,471,704	5,857,980	3,077,490	3,869,534	1,956,793	1,904,665
Equity holders of the parent	4,470,369	5,855,631	3,076,823	3,867,369	1,953,613	1,902,969
Minority interest	1,335	2,349	667	2,165	3,180	1,696
Profit (loss) from continuing operations	4,471,704	5,857,980	3,077,490	3,869,534	1,956,793	1,904,665
Differences from foreign operations	(2)	(2)	4	(84)	(5)	(25)
Comprehensive income of the year, attributable to:	4,471,702	5,857,978	3,077,494	3,869,450	1,956,788	1,904,640
Equity holders of the parent	4,470,367	5,855,629	3,076,827	3,867,285	1,953,608	1,902,944
Minority interest	1,335	2,349	667	2,165	3,180	1,696
EBITDA OPERATIONAL	6,572,211	8,368,149	5,897,359	2,670,226	2,444,140	1,620,241



C.) REVENUES (NET SALES)

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

Company	9 Months of 2020	% in total	9 Months of 2021	% in total	9 Months of 2022	% in total	2022 vs.2021
Romcarbon SA	137,741,165	61%	201,408,483	67%	201,268,839	61%	-0.07%
LivingJumbo Industry SA	84,308,381	37%	96,285,241	32%	125,478,378	38%	30.32%
RC Energo Install SRL	4,519,164	2%	3,660,539	1%	4,754,809	1%	29.89%
Info Tech Solutions SRL	717,740	0%	810,904	0%	803,894	0%	-0.86%
Total, out of which:	227,286,450	100%	302,165,168	100%	332,305,920	100%	9.97%
Within the Group	33,857,073	15%	55,158,625	18%	48,985,650	15%	-11.19%
Outside of the Group	193,429,377	85%	247,006,543	82%	283,320,270	85%	14.70%

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

Structure of Revenues (Net sales)	9 Months of 2020	% in total	9 Months of 2021	% in total	9 Months of 2022	% in total	2022 vs.2021
Sales of finished goods (701+709)	167,613,933	87%	206,706,148	84%	242,625,771	86%	17.38%
Sales of intermediary goods	9,877,641	5%	11,337,615	5%	12,564,003	4%	10.82%
Sales of residual products	251,889	0%	443,037	0%	390,687	0%	-11.82%
Services rendered	3,080,131	2%	2,450,552	1%	2,485,949	1%	1.44%
Sales of goods purchased for resale	12,220,325	6%	25,890,204	10%	24,964,132	9%	-3.58%
Revenues from sundry activities	385,458	0%	178,987	0%	289,728	0%	61.87%
Total	193,429,377	100%	247,006,543	100%	283,320,270	100%	14.70%

D.) STATEMENT OF CASH-FLOW

	9 Months of 2021	Year 2021	9 Months of 2022
Net cash generated by operating activities	(3,317,221)	(1,778,786)	(4,575,358)
Net cash (used in)/generated by investing activities	188,424	(2,175,748)	(3,552,552)
Net cash (used in)/generated in financing activities	(5,186,002)	846,795	5,901,051
Net increase in cash and cash equivalents	(8,314,799)	(3,107,739)	(2,226,858)
Cash and cash equivalents at the beginning of the year	20,704,632	20,704,632	17,596,893
Effects of exchange rate changes on the balance of cash held in foreign currencies	0	0	0
Cash from subsidiaries acquired during the year	0	0	0
Cash and cash equivalents at the end of the period	12,389,833	17,596,893	15,370,035



E.) FINANCIAL RATIOS

Indicator	Formula	9 Months of 2020	9 Months of 2021	9 Months of 2022
EBIT	Gross profit + Income tax + Expenses with interest	4,337,269	7,647,893	16,344,163
EBITDA	EBIT + Depreciation-Subsidies for investment	13,002,355	16,019,992	24,518,607
Sales	Revenue + Rental and royalty income	194,232,677	248,173,426	289,284,014
EBITDA to sales ratio	EBITDA/Sales	6.69%	6.46%	8.48%
EBITDA to Equity ratio	EBITDA/Equity	9.11%	11.53%	16.38%
Gross profit margin	Gross profit/Sales	1.54%	2.59%	5.07%
Current ratio	Current assets/Current liabilities	1.00	1.05	1.09
Quick ratio	(Current assets- Inventories)/Current liabilities	0.59	0.61	0.61
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	32%	26%	19%
Total liabilities to Assets ratio	Total liabilities/Total Assets	51%	52%	53%
Interest coverage ratio	EBIT/Interest expenses	3.22	6.28	9.83
Account receivable turnover ratio	Average receivables/Sales (days)	52	51	54
Account payable turnover ratio	Average payables/Sales (days)	51	48	50
Return on assets (ROA)	Net profit/Assets	0.8724%	1.8893%	4.2470%
Return on equity (ROE)	Net profit/Equity	1.7825%	3.9753%	8.9551%
Return on sales (ROS)	Net profit/Sales	1.3033%	2.2872%	4.6346%

The Consolidated Financial Statements for the period ended **September 30, 2022** have not been audited.

HUANG LIANG NENG

Chairman of the Board of Directors
& General Manager

ZAINESCU VIORICA

Financial Manager

MANAILA CARMEN

Deputy general manager for administrative operations



DECLARATION OF THE MANAGEMENT REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS

Undersigners

Huang Liang Neng, Chairman of the Board and General Manager
Manaila Carmen, Deputy General Manager for Administrative Operations,
Zainescu Viorica Ioana, Financial Manager

declare that the Consolidated Financial Statements for the period ended **September 30, 2022** prepared in accordance with IFRS, give, to the best of our knowledge, a true and fair view of the assets, liabilities, financial position, of the incomes and expenses of S.C. Romcarbon S.A. and its subsidiaries and the Directors' report prepared in accordance with FSA regulation no.5/2018, gives a true and fair view of the activity of ROMCARBON SA and its subsidiaries.

Given today, 14.11.2022

HUANG LIANG NENG
Chairman of the Board of Directors
& General Manager

ZAINESCU VIORICA
Financial Manager

MANAILA CARMEN
Deputy general manager



ROMCARBON S.A. AND SUBSIDIARIES

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

Prepared in accordance with Ministry of Public Finance Order no. 2844/2016
for the approval of Accounting regulations conforming with International Financial Reporting
Standards as adopted by the European Union, with subsequent amendments



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

	Notes	Period ended September 30, 2022	Period ended September 30, 2021
		RON	RON
Revenue	3	283,320,270	247,006,543
Other income	4	8,750,232	3,976,152
Increase (decrease) in inventories of finished goods and work in progress		6,120,858	4,388,104
Raw materials and consumables used	5	(197,309,514)	(168,812,816)
Employee benefits expense	6	(58,362,747)	(55,550,133)
Depreciation and amortisation expenses	7	(10,960,933)	(11,181,368)
Other expenses	8	(18,863,357)	(14,365,084)
Other gains (losses)	9	238,804	413,971
Profit (loss) from operating activities		12,933,613	5,875,369
Finance income	10	127,832	73,394
Finance costs	11	(2,205,779)	(2,375,356)
Share of profit (loss) of associates and joint ventures accounted for using equity method		3,825,314	2,857,339
Profit (loss) before tax		14,680,980	6,430,746
Tax income (expense)	12	(1,273,806)	(754,563)
Profit (loss) from continuing operations		13,407,174	5,676,183
Profit (loss) from discontinued operations		-	-
Profit (loss) for the year		13,407,174	5,676,183
Attributable to:			
Equity holders of the parent		13,402,823	5,678,873
Minority interest PL		4,351	(2,690)
From operations:			
RON (per share)		0.051	0.021
Average no. of shares		264,122,096	264,122,096

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



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

	Notes	Period ended September 30, 2022	Period ended September 30, 2021
		RON	RON
Profit (loss)		13,407,174	5,676,183
Components of other comprehensive income that will not be reclassified to profit or loss, before tax			
Other comprehensive income, before tax, gains (losses) on revaluation		-	-
Total OCI that will not be reclassified to profit or loss, before tax		-	-
Components of other comprehensive income that will be reclassified to profit or loss, before tax			
Gains (losses) on exchange differences on translation, before tax		-	114
Total OCI that will be reclassified to profit or loss, before tax		-	114
Total other comprehensive income, before tax		-	114
Income tax relating to changes in revaluation surplus included in other comprehensive income	12	-	-
Total other comprehensive income		-	114
Total comprehensive income		13,407,174	5,676,297
Comprehensive income attributable to			
Comprehensive income, attributable to owners of parent		13,402,823	5,678,987
Comprehensive income, attributable to non-controlling interests		4,351	(2,690)

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG,

Chairman of the Board
and General Manager

VIORICA ZAINESCU,

Financial Manager

CARMEN MANAILA,

Deputy General Manager
for administrative
operations

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



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

	Notes	September 30, 2022	December 31, 2021
		RON	RON
ASSETS			
Non-current assets			
Property, plant and equipment	13	127,206,799	132,497,914
Investment property	14	10,715,853	10,894,586
Goodwill	15	143,461	143,461
Intangible assets other than goodwill	16	218,062	298,466
Investments accounted for using equity method	17	27,149,932	23,324,617
Investments in subsidiaries, joint ventures and associates		197,974	196,974
Total non-current assets		165,632,081	167,356,018
Current assets			
Current inventories	18	66,607,284	54,803,659
Trade and other current receivables	19	61,803,862	52,981,338
Other current financial assets	20	21,862	617,902
Other current non-financial assets	21	2,487,924	4,621,551
Cash and cash equivalents	22	15,370,035	17,596,893
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners		146,290,967	130,621,343
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	23	3,760,155	3,760,155
Total current assets		150,051,122	134,381,498
TOTAL ASSETS		315,683,203	301,737,516
EQUITY AND LIABILITIES			
Capital and reserves			
Issued capital	24	26,412,210	26,412,210
Retained earnings	25	60,342,231	49,182,732
Share premium		2,182,283	2,182,283
Other reserves	26	59,858,409	60,227,360
Total equity attributable to owners of parent		148,795,133	138,004,585
Non-controlling interests	27	919,932	915,581
Total equity		149,715,065	138,920,166

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



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

	Notes	September 30, 2022	December 31, 2021
		RON	RON
Non-current liabilities			
Other non-current provisions		659,623	659,623
Total non-current provisions		659,623	659,623
Deferred tax liabilities		8,012,574	8,012,574
Other non-current financial liabilities	28	5,547,609	7,623,547
Other non-current non-financial liabilities	30	14,145,537	16,015,575
Total non-current liabilities		28,365,343	32,311,319
Current liabilities			
Trade and other current payables	29	52,400,244	55,224,665
Other current financial liabilities	28	75,582,802	67,635,179
Other current non-financial liabilities	30	9,619,749	7,646,187
Total current liabilities other than liabilities included in disposal groups classified as held for sale		137,602,795	130,506,031
Liabilities included in disposal groups classified as held for sale		-	-
Total current liabilities		137,602,795	130,506,031
Total liabilities		165,968,138	162,817,350
Total equity and liabilities		315,683,203	301,737,516

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG,

Chairman of the Board
and General Manager

VIORICA ZAINESCU,

Financial Manager

CARMEN MANAILA,

Deputy General Manager
for administrative
operations

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



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

2022	Issued capital	Share premium	Revaluation surplus	Legal reserves & Other reserves	Reserve of exchange differences on translation	Retained earnings	Equity attributable to owners of parent	Non-controlling interests	Equity
Equity at beginning of period [01.01.2022]	26,412,210	2,182,283	38,652,619	22,636,604	(1,061,863)	49,182,731	138,004,584	915,581	138,920,165
Profit (loss)	-	-	-	-	-	13,402,823	13,402,823	4,351	13,407,174
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	13,402,823	13,402,823	4,351	13,407,174
Issue of equity	-	-	-	-	-	-	-	-	-
Dividends recognised as distributions to owners	-	-	-	-	-	(2,641,221)	(2,641,221)	-	(2,641,221)
Increase (decrease) through other changes, equity	-	-	(368,952)	-	-	397,898	28,946	-	28,946
Equity at end of period [30.09.2022]	26,412,210	2,182,283	38,283,667	22,636,604	(1,061,867)	60,342,231	148,795,132	919,932	149,715,064

The resolution of the General Meeting of Shareholders of 08.06.2022 approved the dividend allocation in amount of Lei 2,641,221. The full amount will be transferred to the Central Depository to pay dividends owed to shareholders.

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG,
Chairman of the Board
and General Manager

VIORICA ZAINESCU,
Financial Manager

CARMEN MANAILA,
Deputy General Manager for administrative
operations

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



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

2021	Issued capital	Share premium	Revaluation surplus	Legal reserves & Other reserves	Reserve of exchange differences on translation	Retained earnings	Equity attributable to owners of parent	Non-controlling interests	Equity
Equity at beginning of period [01.01.2021]	26,412,210	2,182,283	39,577,007	22,454,150	(1,062,080)	49,238,098	138,801,668	909,941	139,711,609
Profit (loss)	0	0	0	0	0	1,793,730	1,793,730	(3,118)	1,790,612
Other comprehensive income	0	0	21,017	0	115	0	21,132	0	21,132
Total comprehensive income	0	0	21,017	0	115	1,793,730	1,814,862	(3,118)	1,811,744
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	(2,641,221)	(2,641,221)	0	(2,641,221)
Increase (decrease) through other changes, equity	0	0	(945,405)	182,454	102	792,125	29,276	8,758	38,034
Equity at end of period [31.12.2021]	26,412,210	2,182,283	38,652,619	22,636,604	(1,061,863)	49,182,732	138,004,585	915,581	138,920,166

The resolution of the General Meeting of Shareholders of 28.04.2021 approved the dividend allocation in amount of Lei 2,641,221. The full amount was transferred to the Central Depository to pay dividends owed to shareholders.

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

HUANG LIANG NENG,
Chairman of the Board
and General Manager

VIORICA ZAINESCU,
Financial Manager

CARMEN MANAILA,
Deputy General Manager for administrative
operations

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

	30-sept-22	30-sept-21
Cash flows from (used in) operating activities		
Profit (loss)	13,407,173	5,676,180
Adjustments to reconcile profit (loss)		
Adjustments for income tax expense	1,273,806	754,563
Finance expenses recognized in profit	2,014,182	1,420,611
(Gain) / Loss on sale or disposal of fixed assets	(9,127)	267
Production of the imobilization	(70,566)	(55,523)
Interest income	(1,322,437)	(431,659)
Loss on impairment of stocks	(127,832)	(73,394)
Loss on time-barred receivables	-	(3,794)
Amortization / Depreciation of non-current assets	188	-
Net (gain) / loss on foreign exchange	10,960,933	11,181,368
(Gain) / Loss on share of profit of associates	132,185	945,895
Increases /(decreases) in subsidiaries	(3,825,314)	(2,857,339)
Movement in working capital	(2,786,489)	(2,809,269)
(Increase) / Decrease in trade and other receivables	(9,284,495)	(22,880,975)
(Increase) / Decrease in inventories	(11,803,625)	(16,016,114)
(Increase) / Decrease in other assets	2,729,667	(209,151)
Increase / (Decrease) in trade and other payables	(2,824,410)	21,811,928
Increase / (Decrease) in other payables	(132,820)	2,229,026
Total adjustments to reconcile profit (loss)	(15,076,153)	(6,993,560)
Interest paid	(1,663,183)	(1,217,147)
Income taxes refund (paid)	(892,194)	(579,231)
Bank commissions paid	(351,000)	(203,464)
Net cash flows from (used in) operating activities	(4,575,358)	(3,317,221)
Cash flows from (used in) investing activities		
Payments for property, plant and equipment	(4,194,671)	(1,663,883)
Payments for intangible assets	(43,352)	(74,590)
Proceeds from disposal of property, plant and equipment	9,121	-
Proceeds from subsidiaries	300,230	-
Payments for financial assets	(1,001)	(100)
Proceeds from disposal of property investments	249,299	1,853,603
Interest received	127,822	73,394
Net cash flows from (used in) investing activities	(3,552,552)	188,424
Cash flows from (used in) financing activities		
Proceeds from borrowing	15,078,694	3,557,146
Repayment of borrowing	(9,177,643)	(6,092,188)
Lease payments	-	(9,740)
Dividends paid	-	(2,641,221)
Net cash flows from (used in) financing activities	5,901,051	(5,186,002)
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	(2,226,858)	(8,314,799)
Effect of exchange rate changes on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	(2,226,858)	(8,314,799)
Cash and cash equivalents at beginning of period	17,596,893	20,704,632
Cash and cash equivalents at end of period	15,370,035	12,389,833



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

Situațiile financiare consolidate interimare condensate au fost autorizate de către Consiliul de Administratie pentru a fi emise la 14 Noiembrie 2022.

ÎNTOCMIT,

HUANG LIANG NENG,
Presedinte CA si Director
General

VIORICA ZAINESCU,
Director Financiar

CARMEN MANAILA,
Director General Adjunct
Administrativ



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

1. GENERAL INFORMATION

ROMCARBON S.A. (the "Parent") has its main office in Buzău, Str. Transilvaniei, nr. 132 and is organised as a joint-stock company with the following identification details: registered with the Registry of Commerce under no. J10/83/1991, Fiscal Code RO1158050. Country of incorporation is Romania. As at September 30, 2022 the Parent's shares were traded on the BSE and its main shareholders were Living Plastic Industry S.R.L., Joyful River Limited Loc. Nicosia CYP, Toderiță Ștefan Alexandru. The reporting entity of the Group is Romcarbon SA.

The Parent's main field of activity is the manufacture of plastic packaging, NACE code 2222. In the reporting period it wasn't changed the name of the parent company nor the field of activity.

As at September 30, 2022 the Parent was holding directly or through other subsidiaries, participating interest in the following entities, thus forming Romcarbon Group:

RC ENERGO INSTALL S.R.L. is a company established in 2005, where S.C. Romcarbon S.A. holds 100%. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company was established by outsourcing the maintenance and repair of water installations, sewage and substations; the main object of activity is Plumbing, heat and air conditioning installation (NACE code 4322).

LIVINGJUMBO INDUSTRY S.A. is a company established in 2002, where S.C. Romcarbon S.A. holds 99.86% of the shares and the remaining shares are held by legal persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company's main object of activity is Manufacture of plastic packing goods (NACE code 2222).

INFO TECH SOLUTIONS S.R.L. is a company established in 2005, where S.C. Romcarbon S.A. holds 99.50% of the shares and the remaining shares are held by natural persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132. The company was established by outsourcing the IT services and its main object of activity is Data processing, hosting and related activities (NACE code 6311) or Computer consultancy activities (NACE code 6202).

YENKI S.R.L. is a company established in 2007, where S.C. Romcarbon S.A. holds 33.34% of the shares and the remaining shares are held by Romanian legal and natural persons. The company's main office is located at Soseaua Nordului, DN2, Buzău. The company's main object of activity is Operation of sports facilities (NACE code 9311).

GRINFILD UKRAINE is a company established in 2007, where SC Romcarbon SA holds 62.62% of the shares and the remaining shares are held by foreign legal persons. The company's main office is located in Ukraine, Odessa region, Krijianivka locality, Str. Mikolayevska, Bl. 2. The company's main object of activity is wholesale. The company ceased its activity in 2012.

GRINRUH LLC UKRAINE is a company established in 2007, where SC Romcarbon SA indirectly holds 62.62%. The company's main office is located in Ukraine, Odessa region, Krijianivka locality, Str. Mikolayevska, Bl. 2. The company's main object of activity is construction and wholesale. The company ceased its activity in 2012.

ECO PACK MANAGEMENT SA is a company established in 2010, where SC Romcarbon SA directly holds 25.36% and 74.62%, indirectly through Livingjumbo Industry SA. The remaining shares are held by Romanian legal persons. The company's main office is located in Buzău, Str. Transilvaniei, nr. 132, Granules Hall, room no.7, 2nd Floor. The company's main object of activity is - NACE code 8299 - Other business support service activities n.e.c.

RECYPLAT LTD is a company established in 2011, wholly owned by SC Romcarbon SA. The company's main office is located in Akropoleos, 59-61, 3rd floor, Nicosia, Cyprus. The company's main object of activity is the Conduct of activities and business of consultants, experts in all scientific fields, financial, administrative or otherwise, in relation to the setting up, operation, development and improvement of any business, industry, company, partnership or other organization.



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

CHANGES DURING 2022

Association "VIITORUL INCEPE AZI (VIA)", established in accordance with GO no. 26/2000, is a non-governmental, non-profit and non-political organization; The association's mission is to improve the quality of technical professional training and development in the Buza area (Romania), to support and promote the interests and needs of its members in front of the authorities and/or various bodies, third parties.

The association was established in 2022 by 7 economic operators from Buzau - Voestalpine RAILWAY SYSTEMS ROMANIA SA, URBIS SERV SRL, LUCSOR IMPEX SRL, URSUS BREWERIES SA, ROMCARBON SA, BENCOMP SRL, GREENFIBER INTERNATIONAL SA - as founding members, with contribution equal in its patrimony and with equal right to vote in the General Assembly.

The association's assets, worth 7,000 lei, constituted by the membership contribution of the founding members.

CIRCULAR VENTURES SA is a company established in 2022 in whose capital SC Romcarbon SA indirectly holds through GREENWEEE INTERNATIONAL SA 17.5879%. The company's main office is located in 165 Calea Floreasca, OneTower, 11 Floor, District 1, Bucuresti. The company's main object of activity is Other business support service activities n.e.c. (NACE code 8299).

SENEX SIGAD S.R.L. is a company established in 2016 in whose capital SC Romcarbon SA indirectly holds through CIRCULAR VENTURES SA SA 12.349%. The company's main office is located in Sector 1, Str. G-ral Ernest Broșteanu, Nr.31, Et.2, Ap.4, Bucuresti. The company's main object of activity is The writing, modifying, testing and supporting of software (NACE code 6201)



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

2. MAIN ACCOUNTING POLICIES

Statement of compliance

The condensed interim consolidated financial statements for the period ended September 30, 2022, of the Company have been prepared in accordance with Accounting Standard IAS 34 - Interim Financial Reporting.

The condensed interim consolidated financial statements do not include the details of all explanatory notes normally included in an annual financial report. Accordingly, these condensed interim consolidated financial statements will be read together with the annual consolidated financial statements for the year ended 31 December 2021.

The accounting policies adopted in these financial statements are in accordance with those adopted in the previous financial year and in the interim reporting period corresponding to the previous year. During the period ended September 30, 2022, there were no changes in accounting policies compared to the last financial statements ended December 31, 2021.

Bases of preparation

The consolidated financial statements were prepared on a going concern basis, at historical cost, adjusted to hyperinflation as at December 31, 2003 for fixed assets, share capital and reserves.

The financial statements are prepared based on the statutory accounts kept in accordance with Romanian accounting principles, adjusted for compliance with IFRS.

Bases of consolidation

The consolidated financial statements include the financial statements of the Parent, of its subsidiaries and joint ventures. Control is obtained when the Parent has the power to govern the financing and operating policies of an entity to acquire benefits from the latter's activities.

Considering the Commission Delegated Regulation (EU) 2018/815 (hereinafter referred to as the RTS ESEF) which specifies the single electronic reporting format (ESEF) in which all financial statements are prepared, the Group considered it necessary to align the presentation of the overall result and the financial position in compliance with ESEF taxonomy.

The profit of the subsidiary acquired during the year is included in the consolidated income statement as at the acquisition date.

Where required, the subsidiary's financial statements are corrected to adjust its accounting policies in accordance with the policies used by the Parent.

All group transactions, balances, income and expenses are completely eliminated from the consolidation.

Non-controlling interests in net assets (excluding goodwill) of the subsidiary are disclosed separately from the Group's equity. Non-controlling interests consist in the sum of interests as at the date of the original business combination (see below) and the non-controlling share in changes in equity starting from the combination date. Losses corresponding to the minority, which exceed the non-controlling interest held in the subsidiary's equity are allocated as compared to the Group's interests, except if the minority holds an obligation and can make additional investments to cover losses.



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

2. MAIN ACCOUNTING POLICIES (continued)

Initial application of new changes to existing standards in force for the current reporting period

The following amendments and interpretations of existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU apply for the current reporting period:

- **Amendments to IAS 16 "Property, Plant and Equipment"** - Proceeds before Intended Use adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),
- **Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"** - Onerous Contracts - Cost of Fulfilling a Contract adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),
- **Amendments to IFRS 3 "Business Combinations"** - Reference to the Conceptual Framework with amendments to IFRS 3 adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),
- **Amendments to various standards due to "Improvements to IFRSs (cycle 2018 -2020)"** resulting from the annual improvement project of IFRS (IFRS 1, IFRS 9, IFRS 16 and IAS 41) primarily with a view to removing inconsistencies and clarifying wording - adopted by the EU on 28 June 2021 (The amendments to IFRS 1, IFRS 9 and IAS 41 are effective for annual periods beginning on or after 1 January 2022. The amendment to IFRS 16 only regards an illustrative example, so no effective date is stated.).

The adoption of amendments to the existing standards has not led to any material changes in the Group's financial statements

At the date of authorisation of these financial statements, the following amendments to the existing standards were issued by IASB and adopted by the EU and which are not yet effective:

- **Amendments to IFRS 17 "Insurance contracts"** - Initial Application of IFRS 17 and IFRS 9 - Comparative Information (effective for annual periods beginning on or after 1 January 2023).

New standards and amendments to the existing standards issued by IASB but not yet adopted by the EU

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except for the following new standards and amendments to the existing standards, which were not endorsed for use in EU at date of publication of these consolidated financial statements (the effective dates stated below is for IFRS as issued by IASB):

- **IFRS 14 "Regulatory Deferral Accounts"** (effective for annual periods beginning on or after 1 January 2016) - the European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard,
- **Amendments to IAS 1 "Presentation of Financial Statements"** - Classification of Liabilities as Current or Non-Current (effective for annual periods beginning on or after 1 January 2023),
- **Amendments to IAS 1 "Presentation of Financial Statements"** - Disclosure of Accounting Policies (effective for annual periods beginning on or after 1 January 2023),
- **Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"** - Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023),
- **Amendments to IAS 12 "Income Taxes"** - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023),



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

2. MAIN ACCOUNTING POLICIES (continued)

The Group anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Group in the period of initial application. Hedge accounting for a portfolio of financial assets and liabilities whose principles have not been adopted by the EU remains unregulated.

According to the Group's estimates, the application of hedge accounting to a portfolio of financial assets or liabilities pursuant to IAS 39: "Financial Instruments: Recognition and Measurement" would not significantly impact the financial statements, if applied as at the balance sheet date

3. REVENUES

Below is an analysis of the Group's revenues for the financial reporting period:

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Revenues from sale of finished products ¹	242,625,771	206,706,148
Revenues from sale of commodities	24,964,132	25,890,204
Revenues from services delivered	2,485,949	2,450,552
Other revenues (revenues from sale of semi-finished goods, residual goods, other income)	13,244,418	11,959,639
Total	283,320,270	247,006,543

¹ The increase in Revenues from sales of finished products and from the sale of commodities is mainly due to the significant increase in raw material prices (plastic granules) during the reporting period and is correlated with the increased cost of raw materials.



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

3. REVENUES (continued)

SEGMENT REPORTING	Period ended September 30, 2022 RON	Period ended September 30, 2021 RON
Sales on domestic market (Romania)	182,163,973	161,835,382
Sales on foreign market (Europe)	101,043,496	84,143,493
Other (China, Israel, s.o.)	112,801	1,027,668
Total	283,320,270	247,006,543

	SEGMENT : REVENUES		SEGMENT : PROFIT	
	Period ended September 30, 2022 RON	Period ended September 30, 2021 RON	Period ended September 30, 2022 RON	Period ended September 30, 2021 RON
Plastics processing	222,970,307	192,162,044	21,933,362	19,955,655
Recycled polymers & Compounds	40,118,668	29,696,954	5,575,406	3,743,472
Other productive sectors	7,037,692	4,448,167	2,458,534	756,142
Revenues from sale of goods, sale of utilities, provision of services, other revenues	13,193,604	20,699,378	395,808	620,981
Total from operations	283,320,270	247,006,543	30,363,110	25,076,249
Other income	-	-	8,750,232	3,976,152
Other gains and losses, salaries and administrative expenses	-	-	(22,354,415)	(20,319,693)
Finance expenses	-	-	(2,308,219)	(2,375,356)
Finance income	-	-	230,272	73,394
Profit before taxation	-	-	14,680,980	6,430,746

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

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

Other productive sectors include the following groups of products:

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



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

3. REVENUES (continued)

		SEGMENT : ASSETS		SEGMENT : LIABILITIES	
		September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
		RON	RON	RON	RON
	ASSETS AND LIABILITIES				
Romcarbon, LivingJumbo Industry	Plastics processing (Polypropylene, Polystyrene, Polyethylene, PET)	132,598,636	120,116,717	113,026,484	105,315,946
Romcarbon	Recycled polymers & Compounds	57,950,244	55,171,383	22,006,831	21,024,345
Romcarbon	Other productive sectors	6,076,969	5,785,563	2,456,175	2,346,520
Romcarbon, RC Energo Install, Info Tech Solutions, etc	Other activities(sale of goods, sale of utilities, provision of services, other revenues)	119,057,355	120,663,854	28,478,648	34,130,540
Total Assets/Liabilities		315,683,203	301,737,516	165,968,138	162,817,350
		SEGMENT : DEPRECIATION		Non-current assets additions *	
		September 30, 2022	September 30, 2021	September 30, 2022	December 31, 2021
		RON	RON	RON	RON
	Depreciation and Non-current assets additions				
Romcarbon, LivingJumbo Industry	Plastics processing (Polypropylene, Polystyrene, Polyethylene, PET)	5,355,082	5,453,588	1,033,924	1,850,257
Romcarbon	Recycled polymers & Compounds	2,935,411	2,885,977	85,214	1,250,354
Romcarbon	Other productive sectors	232,459	240,779	-	27,275
Romcarbon, RC Energo Install, Info Tech Solutions, etc	Other activities(sale of goods, sale of utilities, provision of services, other revenues)	2,437,980	2,601,024	2,342,238	1,311,246
Total		10,960,933	11,181,368	3,461,376	4,439,132

* Non-current assets additions represent inflows of fixed assets during the year and do not include inflows from purchases of subsidiaries.
In "Other activities" segment, the Group has one client (Kasakrom Chemicals SRL) whose turnover represents 3% (7% in 9 Months 2021) of the Group's sales.



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

4. OTHER INCOME

During the period, there was an increase in revenues from rents compared to the similar period of the previous year of Lei 4,774,080. The increase is due to the subsidiary RC Energo Install SRL where there was an increase of the business of festive lighting in the winter of 2021-2022.

5. RAW MATERIALS AND CONSUMABLES USED

Expenses with raw materials and consumables used had a total increase during 2022 compared to 2021 of Lei 28,496,698. In 2022, the expenses with raw materials increased by Lei 22,317,889, while the expenses with utilities increased by Lei 7,491,339.

The increase in expenses with raw materials took place as a result of the increase in the purchase costs of plastic granules and is correlated with the increase in revenues from sales of finished products.

6. EMPLOYEE BENEFITS EXPENSES

In 2022, the expenses with the employees' benefits increased by Lei 2,812,614, compared to the previous period, mainly as a result of the increase of the minimum wage but also to the increased value of meal tickets.

7. DEPRECIATION AND AMORTIZATION EXPENSES

Expenses with depreciation and amortization decreased in 2022 compared to the similar period of the previous year by -Lei 220,435.

8. OTHER EXPENSES

Also, in 2022, the Other expenses registered a variation compared to the similar period of the previous year of + Lei 4,498,273. The highest increases were recorded in Expenses with rents (+ Lei 2,886,243) and in Expenses with third party services (+ Lei 1,457,801) and it is owed to the festive lighting business in RC Energo Install SRL, while significant decreases were registered in Expenses with other taxes (- Lei 346,595) and Transportation Expenses (- Lei 317,860).

9. OTHER GAINS (LOSSES)

In 2022, Other gains (losses) registered a decrease compared to the similar period of the previous year of - Lei 175,167. The main variations were registered by the Compensations, fines and penalties income (+ Lei 43,058) and by Other gains (- Lei 238,868).

10. FINANCE INCOME

Finance income increased in 2022 with Lei 54,438 compared with the similar period of the previous year.

11. FINANCE EXPENSES

The financial expenses that including interest expenses, net foreign exchange losses and expenses with bank fees decreased in 2022 compared to 2021 by - Lei 169,577. The highest decrease (- LEI 813,710) was registered for net foreign exchange losses. The expenses with interests and bank fee increased in 9 Months 2022 by Lei 593,572.



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

12. INCOME TAX (EXPENSE)

Income tax expenses

	Period ended September 30, 2022	Period ended September 30, 2021
	RON	RON
Current income tax expense	1,273,806	754,563
Deferred tax income expense / (income)	-	-
Total expense (income) with income tax	1,273,806	754,563

The tax rate applied for the reconciliation above related to 2022 and 2021 is 16% and is due by all Romanian legal entities.

Components of deferred tax liabilities

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Property, plant and equipment	7,588,146	7,588,146
Investment property	837,044	837,044
Inventories	(274,549)	(274,549)
Trade and other receivables and other	(138,067)	(138,067)
Recognized deferred income tax liabilities	8,012,574	8,012,574
of which: deferred tax on revaluation reserves from comprehensive income	8,012,574	8,012,574

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Balance at the beginning of the period	8,012,574	7,857,468
(Expenses) / Revenue during the period		
- movement from revaluation reserves	-	(21,017)
- recognized in income statement	-	176,123
- from acquisition of subsidiaries	-	-
Balance at the end of period	8,012,574	8,012,574



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

13. PROPERTY, PLANT AND EQUIPMENT

During 2022, the inputs of fixed assets amounted to Lei 3,461,376. During 2022, the outputs of fixed assets amounted to Lei 711,843, of which buildings Lei 53,471, technical installations and machines Lei 651,291, other installations and equipment Lei 7,081. The depreciation expense in 2022 was Lei 10,837,176.

Pledged and restricted tangible assets

ROMCARBON S.A.

Tangible assets having a net book value of Lei 70,896,095 as at September 30, 2022 (December 31, 2021: Lei 80,298,674) represent security for loans and credit lines contracted from: UniCredit Bank, EXIMBANK SA and CEC Bank SA.

LIVINGJUMBO INDUSTRY S.A.

Tangible assets having a net book value of Lei 23,787,993 as at September 30, 2022 (December 31, 2021: Lei 25,412,377) represent security for loans and credit lines contracted from: EXIMBANK SA and UniCredit Bank SA.

RC Energo Install SRL

Tangible assets having a net book value of Lei 25,830 as at September 30, 2022 (December 31, 2021: Lei 56,852) represent security for credit lines contracted from EXIMBANK SA.

14. INVESTMENT PROPERTIES

	Period ended September 30, 2022 RON	Year ended December 31, 2021 RON
Land	4,475,410	4,654,143
Buildings	6,240,443	6,240,443
Total	10,715,853	10,894,586

As at September 30, 2022, the Group owns in its locations in Iasi and Buzau non-current assets that are not used for its core activity. They are held to acquire future appreciation and to be partly rented to third parties. Based on such criteria, in accordance with IAS 40 "Investment Property", the Company decided to classify such non-current assets as investment property.

The Group performs the revaluation of real Investment properties held at the end of each financial year.



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

15. GOOD WILL

In accordance with International Financial Reporting Standards, Goodwill is reviewed at the end of each reporting period for any impairment losses. The goodwill as at September 30, 2022 is Lei 143,461.

16. OTHER INTANGIBLE ASSETS

Other intangible assets had during 2022 entries amounting to Lei 43,352.
During the reporting period, the depreciation expense of the intangible assets was Lei 123,756.

17. OTHER FINANCIAL INVESTMENTS

In 2022 there were no changes regarding the Group's associates.

Movements of the associates and financial assets

As at September 30, 2022 the balance of the investment in associates amounted to Lei 27,149,932 (31.12.2021 : Lei 23,324,617), recording an increase of Lei 3,825,315 as compared to December 31, 2021 owed to the associate Romgreen Universal LTD (Green-Group).

18. CURRENT INVENTORIES

During 2022, the Group's inventories average rotation were 60 days (2021: 51 days). On 30.09.2022, the current inventories registered a variation compared to the beginning of the year of + Lei 11,803,625. The highest increases were registered in Raw materials (+ Lei 4,402,803), Finished products (+ Lei 3,576,809), Raw materials (+ Lei 2,768,566) and Semi-finished products (+ Lei 4,351,925), and Advances for inventories (+ Lei 1,010,473), while the most important decreases were registered in Items of inventory (- Lei 64,662) and Residual products (- Lei 37,885).

As a result of the instability registered in 2021 and which continued in 2022 on the market of raw materials, in particular polymers, the management of the Group decided to increase the safety stocks of raw materials necessary for the production activity.

19. TRADE AND OTHER CURRENT RECEIVABLES

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Trade receivables ¹	61,522,347	52,965,513
Allowances for doubtful clients	(2,100,964)	(2,100,964)
Taxes recoverable	796,693	1,143,375
Other receivables	1,585,787	973,414
Other non-trade receivables	-	-
	61,803,862	52,981,338
Total	61,803,862	52,981,338

¹ The increase in trade receivables is due to the increase in sales with term payment in the Regenerated polymers & Compounds sector as a result of the return to activity before the Covid-19 pandemic, but also due to the increase in plastic processing prices due to rising raw material costs.



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

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Changes of allowance for doubtful clients		
Balance at the beginning of the period	<u>2,100,964</u>	<u>2,087,323</u>
Receivables transferred to expenses during the year		
Decrease of allowance recognized in profit and loss		13,642
Balance at the end of the period	<u>2,100,964</u>	<u>2,100,964</u>



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

19. TRADE AND OTHER CURRENT RECEIVABLES (continued)

When determining the recoverability of a receivable, the Group takes into account any change in the receivable's crediting capacity from the date the loan was granted, until the reporting date. The level of credit risk is limited given that the client basis is large and the client portfolio is diverse and clients are independent from each other.

The Group registers adjustments of receivables as per IFRS 9, and specific allowances for doubtful clients. Therefore, the Group's management considers that there is no need for an additional provision exceeding the allowance for doubtful debts.

30/09/2022	Not past due	Trade receivables – days past due					Total
		<30	31-60	61-90	91-120	>120	
Expected loss rate	0.00%	0.01%	0.02%	0.02%	0.03%	0.06%	
Total gross carrying amount of specific un-provisioned receivables	48,259,506	5,341,325	657,255	216,089	162,166	815,898	55,452,239

31/12/2021	Not past due	Trade receivables – days past due					Total
		<30	31-60	61-90	91-120	>120	
Expected loss rate	0.00%	0.01%	0.02%	0.02%	0.03%	0.06%	
Total gross carrying amount of specific un-provisioned receivables	40,538,004	4,234,902	2,043,197	269,188	66,999	481,611	47,633,902



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

20. OTHER CURRENT FINANCIAL ASSETS

The balance of bank deposits as at September 30, 2022 was Lei 21,862.

21. OTHER CURRENT NON - FINANCIAL ASSETS

The balance of other non-financial current assets amounted to Lei 2,487,924 as at September 30, 2022, while on December 31, 2021 the balance was Lei 4,621,551. The significant decrease was registered in amounts paid in advance (- Lei 2,142,946).

22. CASH ON HAND AND AT BANKS

Within the meaning of statement of cash flows, cash and cash equivalent include petty cash and bank accounts. Cash and cash equivalents at the end of the financial year, as presented in the statement of cash flows, may be reconciled with the corresponding elements of balance sheet, as follows:

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Cash at banks	15,243,753	17,272,872
Cash on hand	46,106	39,880
Cash equivalents	80,176	284,141
Total	15,370,035	17,596,893

23. ASSETS HELD FOR SALE

The assets held for sale have the following geographical distribution:

Assets held for sale	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Iasi	70,845	70,845
Buzau	3,689,310	3,689,310
Total	3,760,155	3,760,155



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

24. ISSUED CAPITAL

	Issued capital	
	September 30, 2022	December 31, 2021
	RON	RON
264,122,096 fully paid ordinary shares (2021: 264,122,096).		
The value of one share is LEI 0.1	26,412,210	26,412,210
Inflation effect according to IAS 29	-	-
Total	26,412,210	26,412,210

	September 30, 2022		December 31, 2021	
	No. of shares	% Holding	No. of shares	% Holding
Living Plastic Industry SRL	86,774,508	32.85%	86,774,508	32.85%
Joyful River Limited Loc, Nicosia CYP	54,195,089	20.52%	54,195,089	20.52%
Toderita Stefan Alexandru	32,600,000	12.34%	30,600,000	11.59%
Other legal entities	11,554,263	4.37%	11,613,182	4.40%
Other individuals	78,998,236	29.91%	80,939,317	30.64%
Total	264,122,096	100%	264,122,096	100%

The main characteristics of the securities issued by the parent company: 264,122,096 nominal shares, dematerialized, at nominal value of LEI 0.1.

25. RETAINED EARNINGS

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Balance at the beginning of the year	49.182.732	49.238.098
Net profit / (net loss) attributable to parent	13,402,823	1,793,730
Reclassification of revaluation reserve to retained earnings	368,952	945,405
Transfer of retained earnings to reserves	-	(26,914)
Corrections of financial assets disposed	-	(155,540)
Dividends paid	(2,641,221)	(2,641,221)
Other	28,946	29,175
Balance at the end of the year	60,342,231	49,182,732

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

26. RESERVES

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Revaluation reserves	38,339,588	38,708,540
Legal reserves	4,009,201	4,009,201
Other reserves	18,627,403	18,627,403
Translation differences	(1,117,783)	(1,117,784)
Total	59,858,409	60,227,360

27. NON-CONTROLLING INTERESTS

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Balance at the beginning of the year	915,581	909,941
Share of profit / (loss) for the year	4,351	(3,118)
Share of other items of capital		
Decrease of minority holding further to the increase of parent's holding		
Corrections regarding dissolution of subsidiaries	-	8,758
Balance at the end of the year	919,932	915,581

28. OTHER FINANCIAL LIABILITIES

	OTHER CURRENT FINANCIAL LIABILITIES		OTHER NON-CURRENT FINANCIAL LIABILITIES	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
	RON	RON	RON	RON
Secured loans				
- at amortized cost				
Borrowings (Overdraft and Investment loans)	75,582,802	67,635,179	5,547,609	7,623,547
Lease liabilities	-	-	-	-
Total	75,582,802	67,635,179	5,547,609	7,623,547



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

28. OTHER FINANCIAL LIABILITIES (continued)

<u>Short-term borrowings</u>	<u>Entity</u>	<u>30-sept-22</u>	<u>31-dec-21</u>
		<u>RON</u>	<u>RON</u>
Credit line Euro – EximBank SA	Romcarbon	12,341,432	12,290,542
Investment loan II Euro-BRD	Romcarbon	-	515,237
Investment loan III Euro-BRD	Romcarbon	-	65,055
Credit line Euro – UniCredit Bank SA	Romcarbon	24,631,861	23,347,205
Facility in Euro - Inventory purchase - UniCredit Bank SA - I	Romcarbon	3,225,820	7,131,743
Facility in Euro - Inventory purchase - UniCredit Bank SA - RCB&LJI	Romcarbon	3,409,885	-
Investment loan VI in euro- UniCredit Bank	Romcarbon	364,699	341,069
Investment loan VII in euro- UniCredit Bank	Romcarbon	154,490	-
Investment loan Euro - UniCredit Bank SA - Proiect CCE 2015	Romcarbon	2,152,815	2,152,424
Investment loan in lei I - Eximbank SA	Romcarbon	-	420,086
Investment loan in lei II - Eximbank SA	Romcarbon	-	596,833
Facility in Euro - Inventory purchase - UniCredit Bank SA - RCB&LJI	LivingJumbo Industry	11,046,168	-
Credit line Euro – EximBank SA	LivingJumbo Industry	6,418,398	8,825,961
Investment loan Euro - UniCredit Bank SA - Proiect CCE 2015	LivingJumbo Industry	3,339,306	3,338,699
Investment loan Euro-UniCredit Bank SA	LivingJumbo Industry	-	260,203
Investment loan I in Euro -BRD	LivingJumbo Industry	-	310,676
Multiproduct facility (factoring) in lei - Eximbank SA	LivingJumbo Industry	2,173,158	145,182
Credit in lei - CEC Bank	LivingJumbo Industry	4,267,554	4,312,663
Credit in line - Eximbank SA	Energoinstall	957,217	460,887
Credit for current activity - Eximbank SA	Energoinstall	1,100,000	3,120,715
Total		<u>75,582,802</u>	<u>67,635,179</u>

<u>Long-term borrowings</u>	<u>Entity</u>	<u>30-sept-22</u>	<u>31-dec-21</u>
		<u>RON</u>	<u>RON</u>
Investment loan VI in euro- UniCredit Bank	Romcarbon	1,671,691	1,259,422
Investment loan VII in euro- UniCredit Bank	Romcarbon	2,317,351	
Investment loan Euro - UniCredit Bank SA - Project CCE	Romcarbon	1,144,059	2,758,169
Investment loan Euro - UniCredit Bank SA - Project CCE 2015	LivingJumbo Industry	414,508	2,918,456
Credit for financing the current activity - Eximbank SA	Energoinstall	-	687,500
Total		<u>5,547,609</u>	<u>7,623,547</u>



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

28. OTHER FINANCIAL LIABILITIES (continued)

Credit contracts signed in 2022

a) *Short-term credit – financing the purchase of inventories contracted from UniCredit Bank SA in amount of EUR 3,000,000 (ctr. BUZA/73770/CSC)*

- Currency : EUR and RON
- Borrowees: Romcarbon SA and Livingjumbo Industry SA
- Balance of the drawings of Romcarbon SA in EURO as at 30.09.2022: LEI 3,409,885 (equivalent of EUR 689,005)
- Balance of the drawings of Livingjumbo Industry SA in EURO as at 30.09.2022: Lei 11,046,168 (equivalent of EUR 2,232,000)
- Due on: 07.06.2023
- Guarantees:
 1. Mortgage of equipment owned by Romcarbon SA and Livingjumbo Industry SA;
 2. Mortgage on movable goods of the nature of stocks that will be purchased with financing from this credit having a value of at least Eur 2,000,000;
 3. Mortgage over the credit balance of the accounts in lei or foreign currency opened by S.C. Romcarbon S.A. and Livingjumbo Industry SA with UniCredit Bank – Buzău Branch;

b) *Investment loan in amount of Eur 2,950,000 to finance and re-finance objectives included in the 2022 investment plan contracted from UniCredit Bank SA Buzau Branch, (ctr. BUZA/74706/CSC)*

- Currency : EUR and RON
- Balance of the drawings in EURO as at 30.09.2022: LEI 2,471,841 (equivalent of EUR 499,463)
- Due on: 08.06.2027
- Guarantees:
 1. Mortgage on an immovable asset (land + constructions), identified by the cadastral number 64815 (in total area of 13,678 sq m) located in Buzau, 132 Transilvaniei street
 2. Mortgage over the credit balance of the accounts in lei or foreign currency opened by S.C. Romcarbon S.A. with UniCredit Bank – Buzău Branch;
 3. The movable mortgage on the machinery that will be purchased with financing from the present facility.



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

FINANCE LEASE LIABILITIES

Lease contracts

Finance leases refer to vehicles leased for 5-6 years' term. The Group has the option to purchase the equipment for a nominal amount at the end of the contractual terms. The Group's finance lease obligations are secured by the lessee's ownership right over the assets.

Finance lease liabilities

	Minimum lease payments		Present value of minimum lease payments	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
	RON	RON	RON	RON
Present value of finance lease payments				
Amounts due within one year	-	-	-	-
More than one year, but less than 5 years	-	-	-	-
Total lease liabilities	-	-	-	-

29. TRADE AND OTHER CURRENT PAYABLES

	Period ended September 30, 2022	Year ended December 31, 2021
	RON	RON
Trade liabilities	44,029,419	49,203,709
Suppliers invoices not received	1,283,691	1,113,793
Advances to clients	2,935,456	3,287,775
Sundry creditors (a)	4,149,335	1,619,388
Miscellaneous payable	2,343	-
Total	52,400,244	55,224,665

30. OTHER NON-FINANCIAL LIABILITIES

	Other current non-financial liabilities		Other non-current non-financial liabilities	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
	RON	RON	RON	RON
Subsidies	3,745,692	3,745,692	14,145,537	16,015,575
Other current liabilities	5,874,057	3,900,495	-	-
Total	9,619,749	7,646,187	14,145,537	16,015,575



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

DEFERED INCOME

As at September 30, 2022 the value of the investment subsidies received by the Group amounts to Lei 17,891,229, as follows:

Romcarbon SA:	10,124,022 lei
Livingjumbo Industry SA:	7,767,207 lei

As at December 31, 2021 the value of the investment subsidies received by the Group amounts to Lei 19,761,267, as follows:

Romcarbon SA:	10,879,379 lei
Livingjumbo Industry SA:	8,881,888 lei

31. FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group manages its capital to ensure that Group entities will be able to continue as a going concern while maximizing revenues for shareholders, by optimizing the debt and equity balance.

The Group's capital consists of liabilities, which include the borrowings presented in note 28, cash and cash equivalent and equity attributable to the company. Equity comprises the share capital, reserves and retained earnings as presented in notes 24, 25 and 26.

The management of the Group's risk also consists in a regular review of the capital structure. As part of this review, the management takes into account the cost of capital and risks associated with each class of capital. Based on the management's recommendations, the Group will balance the general structure of its capital by dividend payment, issuance of new shares and redemption of shares, as well as by contracting new debts or settling existing debts.

(b) Main accounting policies

Details of the main accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

(c) Objectives of financial risk management

The Group's treasury function supplies services necessary to the business, coordinates access to national and international financial market, monitors and manages financial risk related to the Group's operations through reports on internal risks, analysing exposure by the degree and extent of risks. Such risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

(d) Market risk

The Group's activities expose it firstly to financial risks regarding the fluctuation of the foreign exchange rate (see (e) below) and interest rate (see (f) below).

There has been no change in the Group's exposure to market risks or in the manner the Group manages and measures risks.

(e) Currency risk management

The Group undertakes transactions denominated in various foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policies.



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

31. FINANCIAL INSTRUMENTS (continued)

(f) Interest rate risk management

The Group is exposed to interest rate risk given that Group entities borrow funds both at fixed and at variable interest. The risk is managed by the Group by maintaining a balance between fixed rate and variable rate borrowings.

The Group's exposures to interest rates over financial assets are presented in the section regarding liquidity risk management under this note.

(g) Other risks regarding prices

The Group is exposed to risks related to equity, arising from equity investments. Equity investments are held for strategic purposes rather than commercial purposes. The Group does not actively trade such investments.

(h) Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The management monitors the Group's exposure and the credit ratings of its contractual counterparties.

Trade receivables consist of a large number of clients from various industries and geographical areas. Credits are constantly assessed as regards the clients' financial status and, if applicable, credit insurance is concluded.

The Group does not have any significant credit risk exposure towards any counterparty or any group of similar counterparties. The Group defines counterparties as having similar characteristics when they are related entities. At no time during the year has the credit risk percentage exceeded 5% of the gross monetary assets.

(i) Liquidity risk management

The ultimate responsibility for liquidity risk management rests with the Board of Administration, which has built a proper liquidity risk management framework regarding the Group funds' short, medium and long term insurance and the liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, backup banking facilities and loan facilities, by continually monitoring cash flows and matching the maturity profiles of financial assets and liabilities. Note 32 includes a list of additional facilities not drawn, available to the Group in order to further mitigate liquidity risk.

(j) Fair value of financial instruments

The fair values of financial assets and liabilities are determined as follows:

- the fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined by reference to quoted market prices;
- the fair value of other financial assets and liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The financial statements include unlisted share holdings, measured at fair value. The best estimate for fair value is determined using the historical cost of shares.

The financial instruments in the balance sheet include trade receivables and other receivables, cash and cash equivalents, short and long term borrowings and other liabilities. The estimated fair values of such instruments approximate their carrying values. The carrying values represent the Group's maximum exposure to credit risks related to existing receivables.



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

31. FINANCIAL INSTRUMENTS (continued)

The carrying values of the Group's currencies expressed in monetary assets and liabilities as at the reporting date are as follows:

2022	EUR	USD	Leu	September 30,
	1 EUR = 4.949 lei	1 USD = 5.0469 lei	1 lei	2022 Total
	RON	RON	RON	RON
Cash and cash equivalents	3,438,274	463,223	11,468,539	15,370,035
Receivables and other current assets	18,080,210	-	43,723,652	61,803,862
Other current financial assets	-	-	21,862	21,862
Other current non-financial assets	150,597	350	2,337,327	2,487,924
LIABILITIES				
Trade and other liabilities	9,786,082	685,033	41,929,129	52,400,244
Short and long-term borrowings	70,405,639	-	10,724,771	81,130,410
Short and long-term finance lease liabilities	-	-	-	-
Other current non-financial liabilities	208	-	9,619,541	9,619,749
2021				
	EUR	USD	Leu	December 31,
	1 EUR = 4.9481 lei	1 USD = 4.3707 lei	1 lei	2021 Total
	RON	RON	RON	RON
Cash and cash equivalents	2,728,892	1,421,134	13,446,868	17,596,893
Receivables and other current assets	14,005,125	-	38,976,213	52,981,338
Other current financial assets	-	-	617,902	617,902
Other current non-financial assets	130,362	-	4,491,190	4,621,551
LIABILITIES				
Trade and other liabilities	16,091,168	15,882	39,117,615	55,224,664
Short and long-term borrowings	62,205,375	-	13,053,351	75,258,726
Short and long-term finance lease liabilities	-	-	-	-
Other current non-financial liabilities	208	-	7,645,979	7,646,187
	-	-	-	-

This is a free translation from the original Romanian version.



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

31. FINANCIAL INSTRUMENTS (continued)

The Group is mainly exposed to EUR and USD exchange rates. The following table details the Group's sensitivity to a 10% increase and decrease in the LEI against the USD/EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to top management and represents management's estimate of the reasonably possible changes in foreign exchange rates. The vulnerability analysis includes only outstanding foreign currency denominated in monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. In the following table, a negative number below indicates a decrease in profit, whereas the LEI weaken 10% against the EUR/USD. For a 10% strengthening of the LEI against the EUR/USD, there would be an equal and opposite impact on the profit and other equity, and the balances below will be positive. Changes will be attributable to the exposure related to EUR borrowings at the end of the year.

	September 30, 2022	December 31, 2021
	RON	RON
Loss	(5,874,466)	(6,002,712)

Tables regarding liquidity and interest rate risks

The following tables present the maturity terms of the Group's financial liabilities.

The tables have been prepared based on the cash flows, not current, of the financial liabilities on the nearest date when the Group is likely to be claimed payment. The table includes both interest and cash flows related to principal.

2022	Less than 1 year	1-2 years	2-5 years	Total
	RON	RON	RON	RON
Non-interest bearing				
Trade liabilities	52,400,244	-	-	52,400,244
Other current liabilities	9,619,749	-	-	9,619,749
				-
Interest bearing instruments				
Short and long-term borrowings	75,582,803	2,537,694	3,009,913	81,130,410
Non-interest bearing				
Cash and cash equivalents	15,370,035	-	-	15,370,035
Receivables and other current assets	61,803,862	-	-	61,803,862
Interest bearing				
Other current financial assets	21,862	-	-	21,862
2021	Less than 1 year	1-2 years	2-5 years	Total
	RON	RON	RON	RON
Non-interest bearing				
Trade liabilities	55,224,664	-	-	55,224,664
Other current liabilities	7,646,187	-	-	7,646,187
Interest bearing instruments				
Short and long-term borrowings	67,635,179	7,083,794	539,753	75,258,726
Non-interest bearing				
Cash and cash equivalents	17,596,893	-	-	17,596,893
Receivables and other current assets	52,981,338	-	-	52,981,338
Interest bearing				
Other current financial assets	617,902	-	-	617,902



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

31. FINANCIAL INSTRUMENTS (continued)

The table below present the credit limit and the balance of 10 major counterparties as at the date of the balance sheet, in LEI:

COMPANY	COUNTERPARTY	SALES 9 MONTHS OF 2022	RECEIVABLES AS AT 30.09.2022	LIMIT CREDIT	CREDIT DAYS
Romcarbon SA	KASAKROM CHEMICALS SRL	8,847,194	4,037,128	NO	50
Romcarbon SA	DEDEMAN SRL	7,765,016	3,422,056	NO	90
Romcarbon SA	COMANDOR IMPEX SRL	4,963,280	497,916	NO	24
Romcarbon SA	KINTRADE EOOD	4,947,029	-256,045	NO	0
Romcarbon SA	NOVARES AUTOMOTIVE ROMANIA SRL	3,986,717	1,048,238	NO	54
Livingjumbo Industry	MICRO GRUP BUSINESS SOLUTION SRL	14,923,732	6,617,683	NO	90
Livingjumbo Industry	POLIMERO	10,891,884	1,389,805	NO	35
Livingjumbo Industry	CARLESTAM POLAND SP. Z O.O.	6,788,498	2,695,123	NO	60
Livingjumbo Industry	MULTIVAC ROMANIA SRL	5,899,912	1,824,007	NO	90
Livingjumbo Industry	SIGMA BAGS	5,784,173	992,973	NO	60

32. RELATED PARTY TRANSACTIONS

The transactions among the Parent and its subsidiaries – Group’s related parties – were eliminated from the consolidation and are not presented under this note. Companies and individuals may be deemed related parties if one party holds control or exercises significant influence over the other party.

Indemnities granted to top management

The remuneration of managers and other top management members was the following:

	Period ended September 30, 2022 RON	Period ended September 30, 2021 RON
Executive management salaries	3,584,802	3,330,769
Benefits for Board of Administration	32,649	31,959
Total	3,617,451	3,362,728

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

	Period ended September 30, 2022 RON	Year ended December 31, 2021 RON
Shareholder borrowings		
WU HUI TZU (Livingjumbo Industry SA)	18,417	18,417
WINPACK INDUSTRY (Eco Pack Management SA)	242,287	242,287
Total	260,704	260,704



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

32. RELATED PARTY TRANSACTIONS (continued)

Related party transactions

	Sales of goods and services (w/o VAT)		Purchases of goods and services (w/o VAT)		Receivables from related parties		Payables to related parties	
	9 Months of 2022	9 Months of 2021	9 Months of 2022	9 Months of 2021	30/09/2022	31/12/2021	30/09/2022	31/12/2021
GREENFIBER INTERNATIONAL SA	1,938,780	2,938,604	11,615	26,056	186,175	5,169	0	2,381
GREENTECH SA	2,385,460	2,376,566	12,805	104,723	29,856	1,523	0	875
GREENWEEE INTERNATIONAL SA	522,370	592,445	0	977,088	7,377	0	0	215,704
GREEN RESOURCES MANAGEMENT S.A.	0	5,713	159,520	537,933	0	0	19,822	44,771
ELTEX RECYCLING SRL	4,330	0	0	0	0	0	0	0
TOTAL	4,850,940	5,913,328	183,940	1,645,799	223,409	6,692	19,822	263,731



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

33. ACQUISITION OF SUBSIDIARIES

In 2022 the Group did not purchase new subsidiaries.

34. DISPOSAL OF SUBSIDIARIES

In 2022, the Group did not sell subsidiaries.

35. COMMITMENTS AND CONTINGENCIES

There are no changes

36. SUBSEQUENT EVENTS

ROMCARBON SA

On 17.10.2022 the Board of Directors of Romcarbon SA convened the Ordinary and Extraordinary General Meeting of Shareholders for 22.11.2022, having on the agenda the approval of the distribution to shareholders of dividends from the profit recorded in 2014 in the amount of LEI 2,641,220.96, the approval of the sale of the 17.59% stake held by Recyplat LTD in Romgreen Universal LTD (Green-Group) for the price of EUR 14,200,000, the increasing of the ceiling of the credit line contracted with UniCredit Bank SA from 5,450,000 Eur to 8,000,000 Eur, and granting a guarantee to the subsidiary Livingjumbo Industry SA for contracting with UniCredit Bank a credit line having a ceiling of 2,000,000 Eur.

On 31.10.2022 the Board of Directors of Romcarbon SA met to supplement the agenda of the OGMS of 22.11.2022 by submitting for approval the granting to shareholders of the amount of 21,129,767.68 lei as dividends representing part of the profit net registered in the 2014 financial year, in addition to the previously mentioned amount of 2,641,220.96 lei.

The group did not identify any other significant subsequent events.

The condensed interim consolidated financial statements have been authorized by the Board of Directors to be issued on November 14, 2022.

PREPARED BY,

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and General Manager

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