

# ANNUAL REPORT



**RMCARBON**  
*since 1952*

PRELIMINARY RESULTS

# 2023

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**Annual report regarding the preliminary results**

**Date of release:** 28.02.2024

**Reporting date:** 31.12.2023

**Name of the Company:** SC ROMCARBON SA

**Headquarters:** Buzau , 132, Transilvaniei street

**Tel / fax:** 0238/711155; 0238/710697

**Sole registration code:** RO 1158050

**Registered business number:** J10 / 83/1991

**Subscribed and paid up share capital:** RON 52,824,419.20

**Regulated market where the issued securities are traded:** Bucharest Stock Exchange, Standard category, **Symbol ROCE**

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



# MANAGEMENT'S COMMENTS

Dear shareholders,



For Romcarbon standalone 2023 recorded a net profit of 3,496,332 lei, decreased by -47,975,358 lei as compared to 2022. Out of this difference, 45,784,358 lei was the profit from selling of the financial investment in Green Group. From the core business point of view, the profit decreased by -4,488,031 lei as compared to 2022.

Overall, the market situation started to recover in Q3, the Plastic Processing sector (polypropylene, polystyrene, polyethylene) registering better results in Q3 as compared to the previous periods of 2023. Polypropylene Processing and Polystyrene Processing sectors achieved better results than in the previous year, + 487,718 lei |+16% respectively 447,006 lei |+7%, while the Polyethylene Processing sector even though recorded less profit compared to 2022, - 236,175 lei | -14%, but increased significantly compared to H1 2023.

In the Recycled Polymers and Compounds sector we had several disruptions due to machine breakdowns. This was the main problem for Q2 with an impact on H2 results too.

## The consolidated result of Romcarbon Group

The consolidated result in 2023 is a loss of -4,953,324 lei, being mainly influenced by:

> Livingjumbo Industry SA – registered a loss of – 6,045,845 lei, while in 2022 it was registered a net profit of 3,477,122 lei.

Livingjumbo had faced the same difficulties as Romcarbon in terms of low demand on the market, especially in the PET sector (food packaging), as consumers have steadily reduced spending due to inflation.

A positive aspect was observed in the Polypropylene Big Bags Sector, where, starting with June, a positive result was recorded, and this trend continued in H2 2023.

> RC Energo Install SRL – registered a net profit of 289,398 lei, decreased by -872,732 lei as compared to 2022. The variation is mainly from the Christmas festive lighting projects. The variation is due to the timing of invoicing.

## Other remark

In July 2023, Romcarbon participated in the IPO of Hidroelectrica (H2O), buying a number of 28,086 shares, the total acquisition cost being 2,841,816 lei. At 31.12.2023 the company still held a number of 25,000 shares. The company keeps financial investments at acquisition cost. If this financial investment had been recorded at market value, the company would have had a profit on 31.12.2023 of 670,434 lei according to the number of shares held at the end of the year.

## The prospect for 2024

In December 2023, we launched the sales of XPS laminated floor underlayment, this new product will increase the turnover and the profit of the company.

For the Polymers and Recycled Compounds sector, we have installed a new production line in Q4, which will increase production capacity. The new production line will also give us the ability to do maintenance work on the old production lines in advance, reducing the possibility of unexpected production interruptions.

Considering the evolution of the business in the last months of 2023, the management team sees a high possibility of business recovery in 2024. In addition, the management team will continue to optimize the company administrative costs and to invest in new equipment.

**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	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs. 2022	
<b>Revenues (Net sales)</b>	264,737,647	262,801,054	<b>214,230,854</b>	▼ (48,570,200)	-18%
<b>Other Income</b>	4,459,406	4,454,249	<b>4,303,986</b>	▼ (150,263)	-3%
<b>EBITDA</b>	8,112,816	61,072,654	<b>12,582,621</b>	▼ (48,490,033)	-79%
<b>EBITDA Operational</b>	13,987,048	15,025,300	<b>4,873,276</b>	▼ (10,152,024)	-68%
<b>Profit(loss) from operations</b>	7,560,431	6,621,228	<b>2,133,197</b>	▼ (4,488,031)	-68%
<b>Net profit (loss)</b>	(1,447,458)	51,471,690	<b>3,496,332</b>	▼ (47,975,358)	-93%
Revenues from dividends	-	46,745,700	-	▼ (46,745,700)	-100%
Expenses related to the sales of Green-group shares	-	(989,160)	-	▼ 989,160	-100%
<b>Net profit w/o the impact of the sales of Green-Group shares</b>	(1,447,458)	5,715,150	<b>3,496,332</b>	▼ (2,218,818)	-39%
<b>Non-Current assets</b>	138,364,501	133,313,884	<b>118,936,705</b>	▼ (14,377,179)	-11%
<b>Current assets</b>	105,658,369	146,753,533	<b>122,197,547</b>	▼ (24,555,986)	-17%
<b>Total Equity</b>	134,144,882	160,222,957	<b>150,513,184</b>	▼ (9,709,773)	-6%
<b>Total Liabilities</b>	109,877,988	119,844,460	<b>90,621,068</b>	▼ (29,223,392)	-24%
<b>Debt ratio</b>	45%	43%	<b>38%</b>	▼ (0)	-12%
<b>Current liquidity</b>	119%	147%	<b>177%</b>	▲ 0	20%

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

Indicator	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs 2022	
Revenue (Sales)	341,319,436	381,985,677	304,683,985	▼ (77,301,692)	-20%
Other income	4,291,042	4,287,141	4,103,607	▼ (183,534)	-4%
Share of profit / loss of associates	(1,144,985)	2,402,565	-	▼ (2,402,565)	-100%
EBITDA	15,528,594	70,401,193	8,949,657	▼ (61,451,536)	-87%
<b>EBITDA Operational</b>	<b>16,824,568</b>	<b>24,700,499</b>	<b>5,210,408</b>	▼ (19,490,091)	-79%
<b>Profit(loss) from operations</b>	<b>6,833,937</b>	<b>12,867,795</b>	<b>(1,534,380)</b>	▼ (14,402,175)	-112%
<b>Net profit <sup>1</sup></b>	<b>1,790,613</b>	<b>56,124,755</b>	<b>(4,953,324)</b>	▼ (61,078,079)	-109%
<b>Net profit without the impact of Share of profit / loss of associates [Green-Group] and sales of the financial investment</b>	<b>2,935,598</b>	<b>9,196,295</b>	<b>(4,953,324)</b>	▼ (14,149,619)	-154%
Non-Current assets	167,356,018	134,542,936	134,774,315	▲ 231,379	0%
Current assets	134,454,393	209,568,594	157,796,518	▼ (51,772,076)	-25%
Total Equity	138,920,166	169,680,251	151,741,844	▼ (17,938,407)	-11%
Total Liabilities	162,890,245	174,431,279	140,828,988	▼ (33,602,291)	-19%
Debt ratio	54%	51%	48%	▼ (0)	-5%
Current liquidity	103%	142%	138%	▼ (0)	-2%

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

Company	12 Months of 2022	12 Months of 2023	2023 vs 2022
Romcarbon SA (without impact of the GreenGroup Share transaction)	5,687,332	3,496,332	(2,191,000)
<b>Profit from Green-Group share transactions after adjustments</b>	<b>45,784,358</b>	<b>-</b>	<b>(45,784,358)</b>
Living Jumbo Industry SA	3,477,122	(6,045,845)	(9,522,967)
RC Energo Install SRL	1,162,130	289,398	(872,732)
Infotech Solutions SRL	116,305	283,646	167,341
Recyplat Ltd Cipru	-	(2,856,302)	(2,856,302)
Eco Pack Management SA	(14,914)	(2,540)	12,374
Elimination of the unrealized profit related to the raw material inventories and fixed assets from the Group companies	(115,397)	(85,444)	29,953
Other consolidation adjustments	27,818	(32,568)	(60,386)
<b>Total</b>	<b>56,124,755</b>	<b>(4,953,324)</b>	<b>(61,078,079)</b>



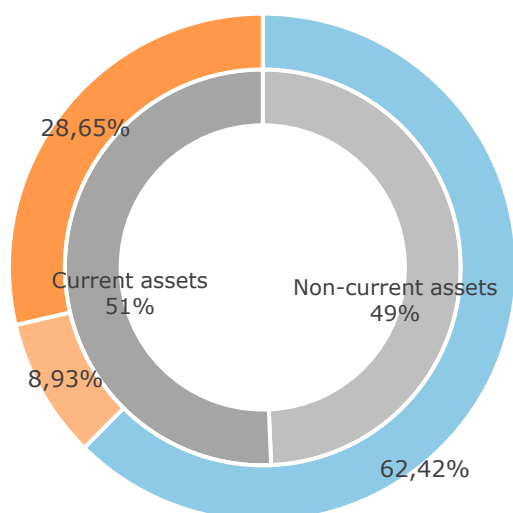


Report regarding the Separate Financial Statements

1.1 STATEMENT OF THE FINANCIAL POSITION

Indicator	31.12.2021	31.12.2022	31.12.2023	31.12.2023 vs. 31.12.2022		
Property, plant and equipment	106,567,874	102,490,667	106,808,714	4,318,047	▲	4.21%
Investment property	10,894,586	9,883,738	10,857,912	974,174	▲	9.86%
Intangible assets other than goodwill	294,483	330,920	809,485	478,565	▲	144.62%
Investments in subsidiaries, joint ventures and associates	20,607,559	20,608,560	460,594	-20,147,966	▼	-97.77%
<b>Total non-current assets</b>	<b>138,364,501</b>	<b>133,313,884</b>	<b>118,936,705</b>	<b>-14,377,179</b>	<b>▼</b>	<b>-10.78%</b>
Current inventories	27,647,514	29,963,707	30,951,094	987,387	▲	3.30%
Trade and other current receivables	57,999,727	63,653,763	55,388,563	-8,265,200	▼	-12.98%
Other current financial assets	1,265,317	42,738,851	5,929,217	-36,809,634	▼	-86.13%
Other current non-financial assets	2,187,278	3,864,347	546,176	-3,318,171	▼	-85.87%
Cash and cash equivalents	12,798,377	2,772,710	29,382,497	26,609,787	▲	959.70%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	3,760,155	3,760,155	-	-3,760,155	▼	-100.00%
<b>Total current assets</b>	<b>105,658,369</b>	<b>146,753,533</b>	<b>122,197,547</b>	<b>-24,555,986</b>	<b>▼</b>	<b>-16.73%</b>
<b>Total assets</b>	<b>244,022,870</b>	<b>280,067,417</b>	<b>241,134,252</b>	<b>-38,933,165</b>	<b>▼</b>	<b>-13.90%</b>
Issued capital	26,412,210	26,412,210	52,824,419	26,412,209	▲	100.00%
Share premium	2,182,283	2,182,283	2,182,283	0	—	0.00%
Other reserves	58,542,209	60,895,475	59,416,413	-1,479,062	▼	-2.43%
Retained earnings	47,008,179	70,732,989	36,090,069	-34,642,920	▼	-48.98%
<b>Total Equity</b>	<b>134,144,882</b>	<b>160,222,957</b>	<b>150,513,184</b>	<b>-9,709,773</b>	<b>▼</b>	<b>-6.06%</b>
Other non – current provisions	400,000	1,000,000	1,117,000	117,000	▲	11.70%
Deferred tax liabilities	8,012,574	7,780,659	7,780,659	0	—	0.00%
Other non-current financial liabilities	4,017,590	4,044,764	7,283,273	3,238,509	▲	80.07%
Other non-current non-financial liabilities	8,619,928	7,475,188	5,361,210	-2,113,978	▼	-28.28%
<b>Total non-current liabilities</b>	<b>21,050,091</b>	<b>20,300,610</b>	<b>21,542,142</b>	<b>1,241,532</b>	<b>▲</b>	<b>6.12%</b>
Trade and other payables	37,161,910	48,060,900	24,772,723	-23,288,177	▼	-48.46%
Other current financial liabilities	46,860,194	45,859,692	38,178,595	-7,681,097	▼	-16.75%
Other current non-financial liabilities	4,805,793	5,623,258	6,127,608	504,350	▲	8.97%
<b>Total current liabilities</b>	<b>88,827,897</b>	<b>99,543,850</b>	<b>69,078,926</b>	<b>-30,464,924</b>	<b>▼</b>	<b>-30.60%</b>
<b>Total liabilities</b>	<b>109,877,988</b>	<b>119,844,460</b>	<b>90,621,068</b>	<b>-29,223,392</b>	<b>▼</b>	<b>-24.38%</b>
<b>Total equity and liabilities</b>	<b>244,022,870</b>	<b>280,067,417</b>	<b>241,134,252</b>	<b>-38,933,165</b>	<b>▼</b>	<b>-13.90%</b>

STRUCTURE OF THE FINANCIAL POSITION AT 31.12.2023



Current liabilities: 69,078,926 lei | 29%

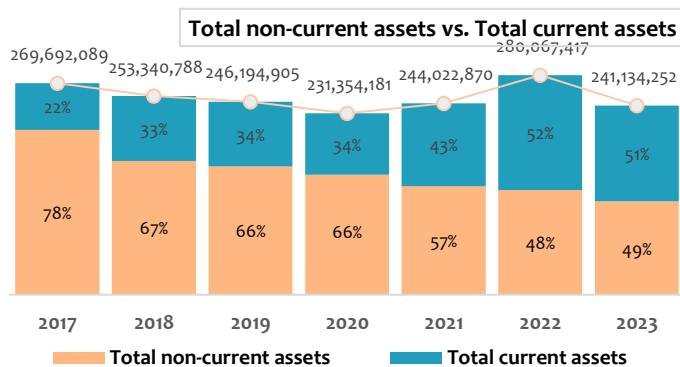
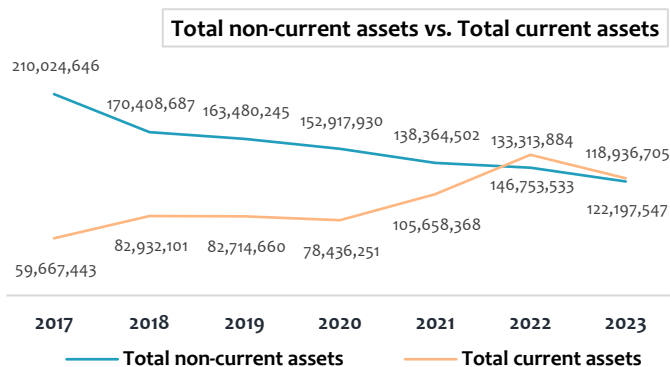
Non-current liabilities: 21,542,142 lei | 9%

Equity: 150,513,184 lei | 62%

Non-current assets: 118,936,705 lei | 49%

Current assets: 122,197,547 lei | 51%

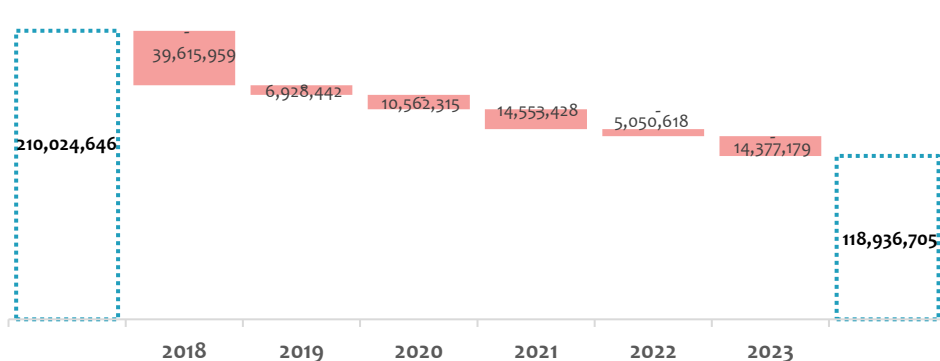




NON-CURRENT ASSETS

**Non-currents assets** hold 49.32% of the company's assets, recording a decrease of - Lei 14,377,179, i.e. - 10,78%, as compared with the beginning of the year

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



Non-current assets (NCA)	31.12.2023	% in total NCA	% in total Assets	31.12.23 vs. 31.12.22
Property, plant and equipment	106,808,714	89.80%	44.29%	4.21%
Investment property	10,857,912	9.13%	4.50%	9.86%
Intangible assets other than goodwill	809,485	0.68%	0.34%	144.62%
Investments in subsidiaries, joint ventures and associates	460,594	0.39%	0.19%	-97.77%
<b>Total non-current assets</b>	<b>118,936,705</b>	<b>100.00%</b>	<b>49.32%</b>	<b>-10.78%</b>

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

- Buildings (including re-arrangements and improvement) : 1,898,259 lei
- Equipment and installations : 6,769,812 lei

The inflows of the Non-current assets in 2023 had the following destinations: Plastics processing sector: Lei 5,694,647, Recycled polymers & Compounds : LEI 1,947,399 and Administrative and other sectors: 1,026,026 lei. The outputs of Non-current assets in 2023 totalized LEI 468,040, entire amount representing cassations/dismantle.

On December 31, 2023, the Company revaluated the investment property held at the end of the financial year, resulting in an increase in the net value of LEI 974,174 lei, the amount was recorded as a result of the year

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

Investment property: 10,857,912 lei	
Buzau: 52%	Iasi: 48%





**Financial investments** hold 0.19% of Total Assets, and 0.39% of Non-current assets.

As at 31.12.2023, S.C. ROMCARBON S.A. held shares in other companies totalizing Lei 10,192,233, as follows:

2/12

Company	Total no. of shares	Nominal value (lei)	Capital (lei)	Capital held (lei)	No. of shares held	Acquisition value of the shares (lei)	Participati on quota (%)
RECYPLAT LTD CYPRUS*	26,000	4,3521	113,154	113,154	26,000	113,154	100.00%
RC ENERGO INSTALL SRL	200	10	2,000	2,000	200	15,112	100.00%
INFO TECH SOLUTIONS SRL	200	10	2,000	1,980	199	1,990	99.50%
LIVINGJUMBO INDUSTRY SA	1,400	4,032	5,644,800	5,636,736	1,398	6,477,632	99.8571%
GRINFILD LLC UCRAINA						2,687,755	62.62%
YENKI SRL	32,800	10	328,000	109,340	10,934	100,000	33.34%
ECO PACK MANAGEMENT SA	144,600	10	1,446,000	366,700	36,670	586,625	25.36%
KANG YANG BIOTECHNOLOGY CO.LTD	2,889,993			0	139,000	203,963	1.95%
REGISTRUL MIORITA SA	10,500	10	105,000	3,980	398	5,000	3.79%
VIITORUL INCEPE AZI (ONG)	7,000					1,000	14.29%
<b>TOTAL</b>						<b>10.192.233</b>	

\*On 07.06.2023, the amount of EUR 4,648,100 was collected from Recyplat LTD, resulting from the operation of reducing the share capital with a number of 10,000 ordinary shares with a value of EUR 1.00 per share, issued with a premium of issue, thus the issue premium account of Recyplat Limited, being reduced from EUR 4,648,100 to EUR 0.00.

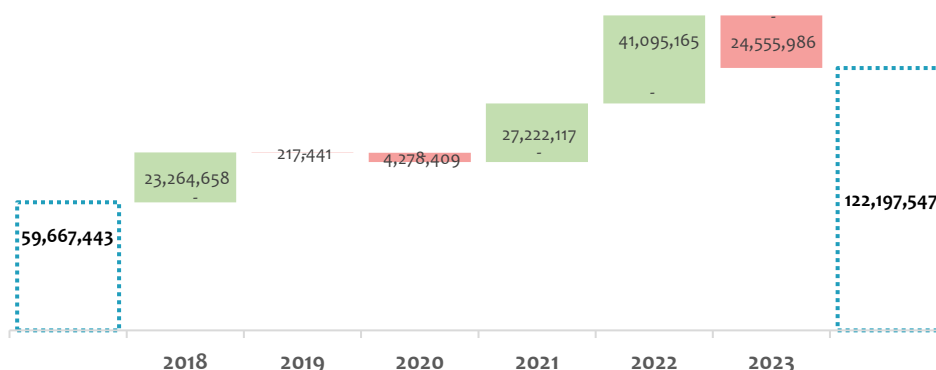
The impairment of financial investments are presented in the following table:

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

### CURRENT ASSETS

As at 31.12.2023, **Current assets** hold 50.68% of total assets recording a decrease of - Lei 24,555,986, i.e. -16.73% as compared with the beginning of the year.

Evolution of Total current assets in the period 2017-2023





Current assets (CA)	31.12.2023	% in total CA	% in Total Assets	31.12.23 vs. 31.12.22
Current inventories	30,951,094	25.33%	12.84%	3.30%
Trade and other current receivables <sup>1</sup>	55,388,563	45.33%	22.97%	-12.98%
Other current financial assets <sup>2</sup>	5,929,217	4.85%	2.46%	-86.13%
Other current non-financial assets	546,176	0.45%	0.23%	-85.87%
Cash and cash equivalents	29,382,497	24.05%	12.19%	959.70%
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners <sup>3</sup>	0	0.00%	0.00%	-100.00%
<b>Total current assets</b>	<b>122,197,547</b>	<b>100.00%</b>	<b>50.68%</b>	<b>-16.73%</b>

<sup>1</sup> In January 2023, the amount of LEI 39,579,200 (equivalent to EUR 8,000,000) was collected from Recyplat LTD, representing dividends receivable registered in December 2022.

<sup>2</sup> In June 2022, the loan granted in 2019 to RC Energo Install SRL having a maximum ceiling of LEI 1,231,700 was extended by 12 months.

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

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

Affiliate	Value of the contract	Balance as at 31.12.2023	Interest	Total	Tenor
RC Energo Install SRL	3,000,000 lei	3,000,000 lei	399,651 lei	3,399,651 lei	03/06/2024
<b>Total</b>	<b>3,000,000 lei</b>	<b>3,000,000 lei</b>	<b>399,651 lei</b>	<b>3,399,651 lei</b>	

**Shares held in the short term**

In the item „Other current financial assets“ are also recorded the value of a number of 25,000 Hidroelectrica (H2O) shares at a purchase price of 101.18 lei/share, shares remained at 31.12.2023 from the total number of 28,086 shares acquired during the Hidroelectrica IPO from June-July 2023.

**Subsequent events**

In January 2024, a number of 20,000 Hidroelectrica (H2O) shares were sold at an average price of 119.31 lei/share.

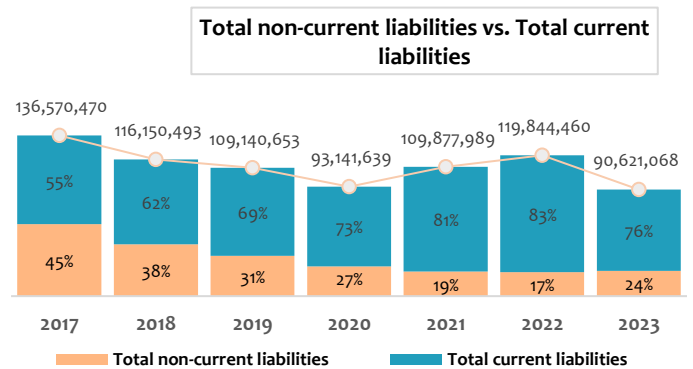
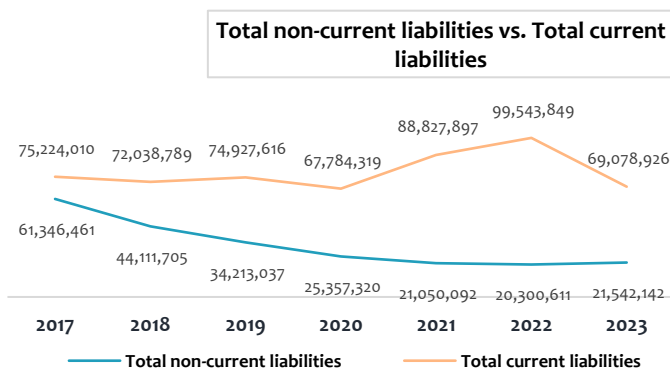
In January 2024, a number of 2,062,500 Aquila Part Prod Com S.A. ("AQUILA") shares were purchased at a unit price of 0.96 lei/share. In the same month, a number of 1,062,500 shares were sold at an average price of 1.0188 lei/share.

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

On 16.02.2023, it was signed the sale and purchase contract with LIDL ROMANIA S.C.S. the object of which is the sale of the land area of 7,407 sqm, the total price being Lei 7,659,971. The registration cost of this land is Lei 3,689,310. Initially, in December 2019, a sales-purchase anteccontract was signed with LIDL ROMANIA S.C.S. on the basis of which an advance of Lei 2,419,280 (Eur 488,862) was collected in December 2021, the transaction being completed in February 2023 when the difference of Lei 5,240,691 was collected.

**LIABILITIES**

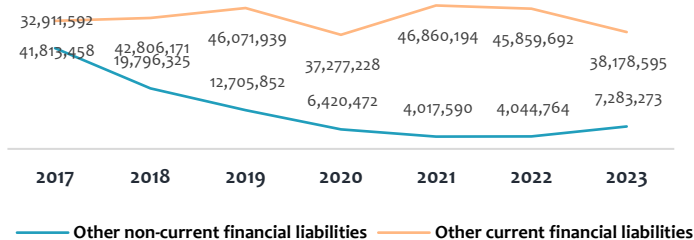
**Total Liabilities** hold 37.58% of the company's Equity&Liabilities recording a decrease of - Lei 29,223,392, i.e. - 24.38% as compared with the beginning of the year.



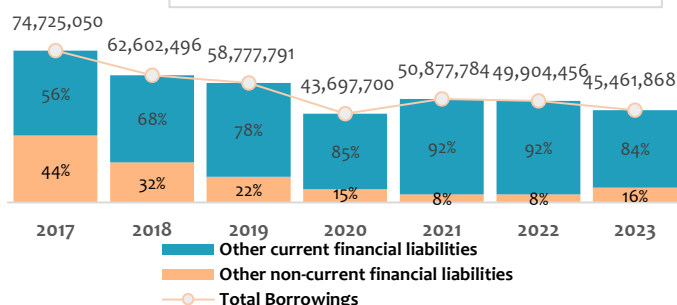


**BORROWINGS**

Other non-current financial liabilities vs. Other current financial liabilities



Other non-current financial liabilities vs. Other current financial liabilities



As at 31.12.2023 the loans contracted by S.C. ROMCARBON S.A. have the following structure :

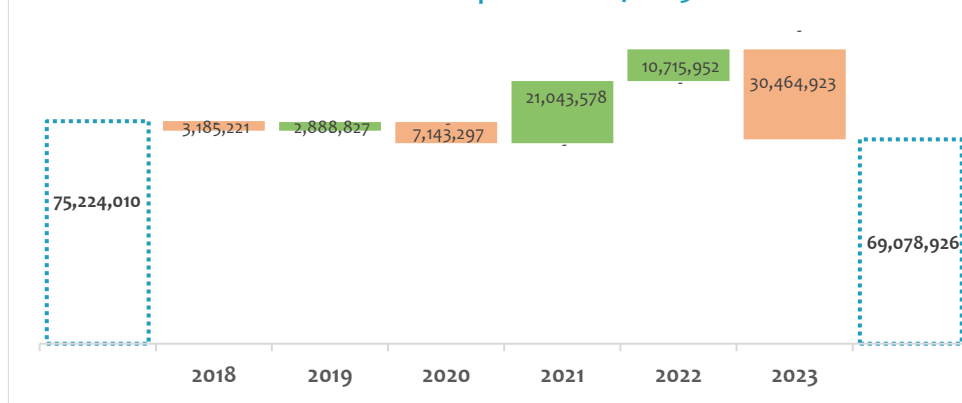
Type	Balance as at 31.12.2023		< 1 year	> 1 year
	in euro	in lei		
Credit lines in euro <sup>4</sup>	€ 7,027,537	34,959,186 lei	34,959,186 lei	- lei
Investment loans in euro	€ 1,744,718	8,679,277 lei	2,606,030 lei	6,073,247 lei
<b>Total credits in euro</b>	<b>€ 8,772,256</b>	<b>43,638,463 lei</b>	<b>37,565,216 lei</b>	<b>6,073,247 lei</b>
Investment loans in lei		1,823,405 lei	613,379 lei	1,210,026 lei
<b>Total credits in lei</b>		<b>1,823,405 lei</b>	<b>613,379 lei</b>	<b>1,210,026 lei</b>
<b>Total bank exposure</b>		<b>45,461,868 lei</b>	<b>38,178,595 lei</b>	<b>7,283,273 lei</b>

<sup>3</sup> In December 2022, the ceiling of the credit line contracted with UniCredit Bank SA was increased from EUR 5,450,000 to EUR 8,000,000. The limit of 2,550,000 Eur was drawn by Livingjumbo Industry SA. In December 2023, the credit line was extended for a period of 12 months.

**CURRENT LIABILITIES**

**Current liabilities of the Company,** representing 76.23% of the Total Liabilities and 28.65% of Total Equity & Liabilities decreased by - Lei 30,464,924 as compared with the beginning of the year, i.e. -30.60%.

Evolutia indicatorului Datorii curente in perioada 2017-2023



Current liabilities	31.12.2023	% in total liabilities	% in Total current liabilities	% in Total Equity and Liabilities	31.12.23 vs. 31.12.22
Trade and other payables	24,772,723	27.34%	35.86%	10.27%	-48.46%
Other current financial liabilities	38,178,595	42.13%	55.27%	15.83%	-16.75%
Other current non-financial liabilities	6,127,608	6.76%	8.87%	2.54%	8.97%
<b>Total current liabilities</b>	<b>69,078,926</b>	<b>76.23%</b>	<b>100.00%</b>	<b>28.65%</b>	<b>-30.60%</b>

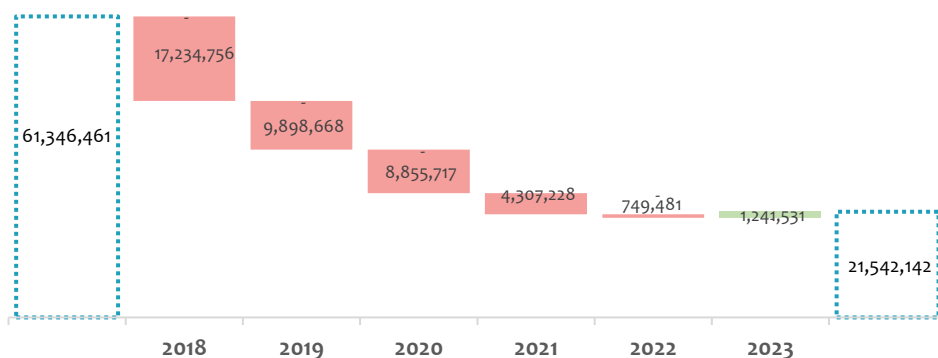


## NON-CURRENT LIABILITIES

### Non-current Liabilities

representing 8.93% of the company's Equity & Liabilities recording in the reporting period an increase of Lei 1,241,531, i.e. 6.12%, as compared with the beginning of the year.

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

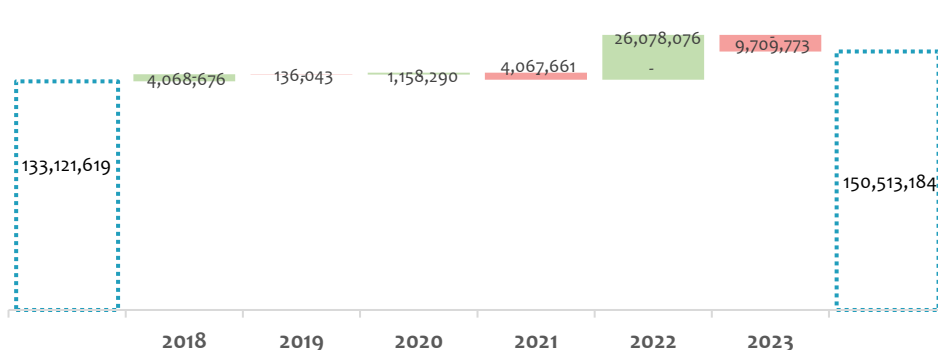


Non-current liabilities	31.12.2023	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and Liabilities	31.12.23 vs. 31.12.22
Other non – current provisions	1,117,000	1.23%	5.19%	0.46%	11.70%
Deferred tax liabilities	7,780,659	8.59%	36.12%	3.23%	0.00%
Other non-current financial liabilities	7,283,273	8.04%	33.81%	3.02%	80.07%
Other non-current non-financial liabilities	5,361,210	5.92%	24.89%	2.22%	-28.28%
<b>Total non-current liabilities</b>	<b>21,542,142</b>	<b>23.77%</b>	<b>100.00%</b>	<b>8.93%</b>	<b>6.12%</b>

## CAPITALURI

Total Equity holds **62.42%** of Total Equity & Liabilities, recording in the reporting period a decrease of - Lei 9,709,773 as compared with the beginning of the year.

### Evolution of Total Equity in the period 2017-2023



Equity	31.12.2023	% in Total Equity and Liabilities
Issued capital (528,244,192 shares at Lei 0.10/share)	52,824,419	21.91%
Share premium	2,182,283	0.91%
Reserves	59,416,413	24.64%
Retained earnings	36,090,069	14.97%
<b>Total equity</b>	<b>150,513,184</b>	<b>62.42%</b>

On 30.06.2023 was completed the registration in the Trade Register of the increase of the company's share capital with the amount of 26,412,209.60 lei, from 26,412,209.60 lei to 52,824,419.20 lei by issuing a number of 264,122,096 new shares, with a nominal value of 0.10 lei/share, according to the AGEA decision dated 27/04/2023. The capital increase was achieved by incorporating into the company's share capital the amount of 26,412,209.60 lei, representing a part of the net profit recorded in the 2022 financial year and is intended to support the company's current activity.



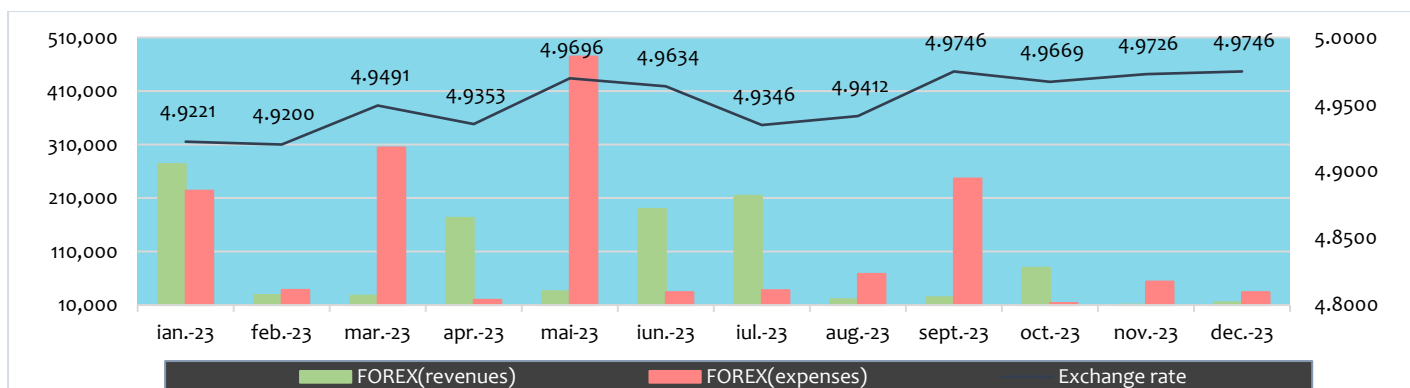
1.2. STATEMENT OF THE COMPREHENSIVE INCOME

Indicator	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs. 2022	
Revenues (Net sales)	264,737,647	262,801,054	214,230,854	▼	(48,570,200) -18%
Other Income <sup>5</sup>	4,459,406	4,454,249	4,303,986	▼	(150,263) -3%
Increase (decrease) in inventories of finished goods and work in progress	872,217	7,447,653	485,526	▼	(6,962,127) -93%
Raw materials, consumables and utilities	(197,945,281)	(199,065,784)	(148,776,840)	▼	50,288,944 -25%
Employee benefits expenses and social charges	(40,568,395)	(42,312,860)	(47,111,543)	▲	(4,798,683) 11%
Depreciation and amortisation expenses	(9,977,583)	(9,609,158)	(9,392,805)	▼	216,353 -2%
Other expenses	(15,900,695)	(18,863,785)	(16,469,733)	▼	2,394,052 -13%
Other gains and losses	1,883,115	1,769,859	4,863,752	▲	3,093,893 175%
<b>Profit (loss) from operating activities</b>	<b>7,560,431</b>	<b>6,621,228</b>	<b>2,133,197</b>	<b>▼</b>	<b>(4,488,031) -68%</b>
Finance income <sup>6</sup>	128,719	47,336,583	3,444,434	▼	(43,892,149) -93%
Finance cost	(1,769,889)	(1,574,050)	(2,081,299)	▲	(507,249) 32%
Gain/loss from the impairment of financial investment	(6,477,632)	-	-	—	- n/a
<b>Profit (loss) before tax</b>	<b>(558,371)</b>	<b>52,383,761</b>	<b>3,496,332</b>	<b>▼</b>	<b>(48,887,429) -93%</b>
Income Tax	(889,087)	(912,071)	-	▼	912,071 -100%
<b>Profit (loss) of the year</b>	<b>(1,447,458)</b>	<b>51,471,690</b>	<b>3,496,332</b>	<b>▼</b>	<b>(47,975,358) -93%</b>
Net gain/loss from the revaluation of tangible assets		745,264		▼	(745,264)
Deferred tax adjustment for non-deductible tax revaluation reserves	21,017	273,332		▼	(273,332) -100%
<b>Total comprehensive income</b>	<b>(1,426,441)</b>	<b>52,490,286</b>	<b>3,496,332</b>	<b>▼</b>	<b>(48,993,954) -93%</b>
<b>Operational EBITDA</b>	<b>13,987,048</b>	<b>15,025,300</b>	<b>4,873,276</b>	<b>▼</b>	<b>(10,152,024) -68%</b>

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

Indicator	2021	2022	2023
Average no. of personnel	807	734	692

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 comunicated by NBR. From this evaluation in 2023 the company registered revenues in amount of Lei 1,094,197 and expenses in amount of Lei 1,549,303, resulting a loss of -Lei 455,106.



In 2022 by re-valuating the company bank availabilities, receivables and liabilities expressed in a foreign currency it was registered a profit of Lei 229,121.



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

Indicator	12 M 2021	12 M 2022	12 M 2023		2023 vs. 2022	
Rentals	2,199,955	2,247,585	2,190,008	▼	(57,577)	-3%
Income from subsidies for investments	2,259,451	2,206,664	2,113,978	▼	(92,686)	-4%
<b>Total</b>	<b>4,459,406</b>	<b>4,454,249</b>	<b>4,303,986</b>	▼	<b>(150,263)</b>	-3%

<sup>6</sup> In the item « Financial income» are comprised the following items :

	12 M 2021	12 M 2022	12 M 2023		2023 vs. 2022	
Revenues from interests	128,719	316,730	983,890	▲	667,160	211%
Revenues from financial investments	0	0	57,882	▲	57,882	n/a
Revenues from dividends -Recyplat LTD*	0	46,745,700*	0	▼	(46,745,700)	-100%
Forex net gain	0	274,153	2,402,662	▲	2,128,509	776%
<b>Total</b>	<b>128,719</b>	<b>47,336,583</b>	<b>3,444,434</b>	▼	<b>(43,892,149)</b>	-93%

\*Echivalent a 9.500.000 Eur



Statement of the comprehensive income on quarters

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2023 vs. Q1 2022	Q2 2023 vs. Q2 2022	Q3 2023 vs. Q3 2022	Q4 2023 vs. Q4 2022
Revenues (Net sales)	61,570,251	50,706,030	50,118,004	51,836,569	(6,721,480)	(15,654,306)	(16,498,768)	(9,695,646)
Other Income	1,079,991	1,061,884	1,080,662	1,081,449	(36,622)	(76,330)	(33,577)	(3,734)
Increase (decrease) in inventories of finished goods and work in progress	959,536	(795,046)	244,573	76,463	(2,366,481)	(1,340,226)	(119,626)	(3,135,794)
Raw materials, consumables and utilities	(46,072,318)	(32,936,392)	(33,871,733)	(35,896,397)	8,892,938	13,955,855	14,617,461	12,822,690
Employee benefits expenses and social charges	(10,960,221)	(11,511,923)	(11,671,382)	(12,968,017)	(904,703)	(617,352)	(1,004,378)	(2,272,250)
Depreciation and amortisation expenses	(2,370,720)	(2,375,279)	(2,428,477)	(2,218,329)	88,805	69,943	(61,601)	119,206
Other expenses	(4,046,736)	(4,143,961)	(3,840,078)	(4,438,958)	(231,516)	(97,163)	146,091	2,576,640
Other gains and losses	4,022,658	21,619	16,622	802,853	3,958,056	(2,853)	(86,663)	(774,647)
<b>Profit (loss) from operating activities</b>	<b>4,182,441</b>	<b>26,932</b>	<b>(351,809)</b>	<b>(1,724,367)</b>	<b>2,678,997</b>	<b>(3,762,432)</b>	<b>(3,041,061)</b>	<b>(363,535)</b>
Finance income	110,551	2,735,047	156,954	441,882	35,293	2,621,948	59,913	(46,609,303)
Finance cost	(634,562)	(424,938)	(466,915)	(554,884)	(296,290)	(59,816)	(48,681)	(102,462)
Gain/loss from the impairment of financial investment	-	-	-	-	-	-	-	-
<b>Profit (loss) before tax</b>	<b>3,658,430</b>	<b>2,337,041</b>	<b>(661,770)</b>	<b>(1,837,369)</b>	<b>2,418,000</b>	<b>(1,200,300)</b>	<b>(3,029,829)</b>	<b>(47,075,300)</b>
Income Tax	(468,902)	(305,663)	722,423	52,142	(279,091)	223,622	1,089,714	(122,174)
<b>Profit (loss) of the year</b>	<b>3,189,528</b>	<b>2,031,378</b>	<b>60,653</b>	<b>(1,785,227)</b>	<b>2,138,909</b>	<b>(976,678)</b>	<b>(1,940,115)</b>	<b>(47,197,474)</b>
Net gain/loss from the revaluation of tangible assets	-	-	-	-	-	-	-	(745,264)
Deferred tax adjustment for non-deductible tax revaluation reserves	-	-	-	-	-	-	-	(273,332)
<b>Total comprehensive income</b>	<b>3,189,528</b>	<b>2,031,378</b>	<b>60,653</b>	<b>(1,785,227)</b>	<b>2,138,909</b>	<b>(976,678)</b>	<b>(1,940,115)</b>	<b>(48,216,070)</b>
<b>Operational EBITDA</b>	<b>2,050,044</b>	<b>1,936,586</b>	<b>1,606,415</b>	<b>(719,768)</b>	<b>(1,375,798)</b>	<b>(3,755,424)</b>	<b>(2,854,688)</b>	<b>(2,166,115)</b>



### 1.3. REVENUES (NET SALES)

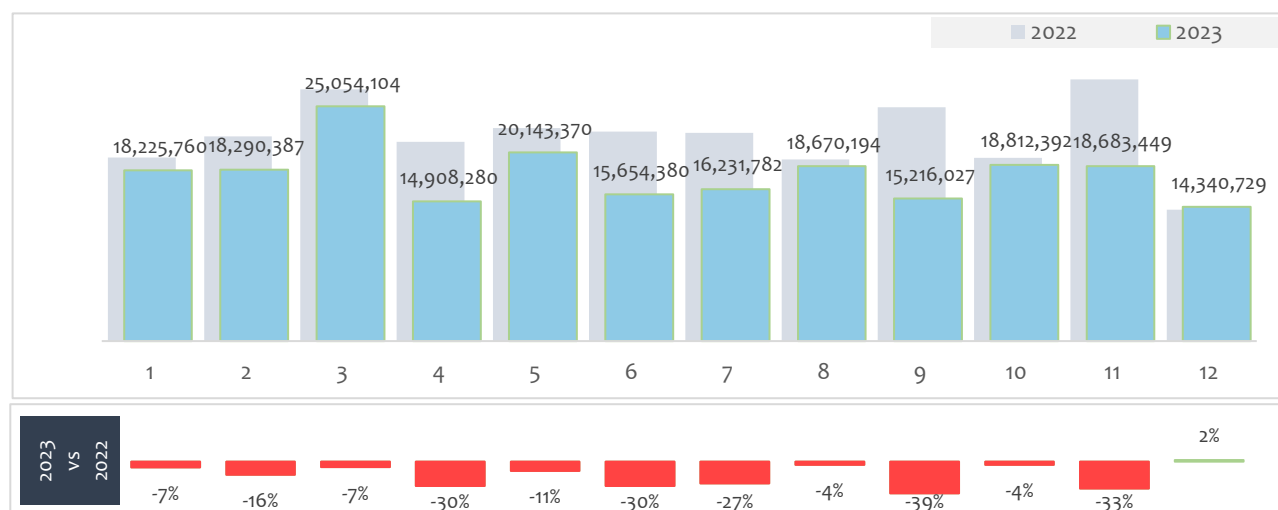
The item "Revenues(Net sales)" had the following evolution:

	12 months of 2021	12 months of 2022	12 months of 2023		2023 vs. 2022	
- Sales of finished goods	169,491,035	183,306,275	153,331,408	▼	(29,974,867)	-16%
- Sales of intermediary goods	40,938	68,499	4,378	▼	(64,122)	-94%
- Services rendered	488,677	721,836	425,122	▼	(296,714)	-41%
- Sales of commodities	89,734,867	71,556,260	53,057,503	▼	(18,498,757)	-26%
- Other sales	4,982,130	7,148,184	7,412,444	▲	264,260	4%
<b>Total revenues</b>	<b>264,737,647</b>	<b>262,801,054</b>	<b>214,230,854</b>	▼	<b>(48,570,200)</b>	<b>-18%</b>

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

	12 months of 2021	12 months of 2022	12 months of 2023		2023 vs. 2022	
Plastic processing sector: polyethylene+polystyrene+polypropylene	125,387,823	127,314,644	109,074,941	▼	(18,239,702)	-14%
Recycled polymers & Compounds	38,271,305	46,502,132	37,905,250	▼	(8,596,881)	-18%
Other production sectors (industrial and automotive filters, active carbon, respiratory protective equipment, PVC traffic base)	5,831,907	9,489,499	6,351,216	▼	(3,138,283)	-33%
Other activities	95,246,612	79,494,779	60,899,446	▼	(18,595,333)	-23%
<b>Total</b>	<b>264,737,647</b>	<b>262,801,054</b>	<b>214,230,854</b>	▼	<b>(48,570,200)</b>	<b>-18%</b>

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



	12 months 2021	12 months 2022	12 months 2023		2023 vs. 2022	
Net sales	264,737,647	262,801,054	214,230,854	▼	(48,570,200)	-18%
Rental and royalty income	2,199,955	2,247,585	2,190,008	▼	(57,577)	-3%
<b>Turnover, out of which:</b>	<b>266,937,602</b>	<b>265,048,639</b>	<b>216,420,862</b>	▼	<b>(48,627,777)</b>	<b>-18%</b>
~domestic market	216,788,924	211,389,473	181,914,762	▼	(29,474,712)	-14%
~exports	50,148,679	53,659,166	34,506,100	▼	(19,153,066)	-36%

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	31.12.2021	31.12.2022	31.12.2023
EBIT	Gross profit + Income tax + Expenses with interest	394,684	53,670,160	5,303,794
EBITDA	EBIT + Depreciation-Subsidies for investment	8,112,816	61,072,654	12,582,621
Sales(Turnover)	Revenue + Rental and royalty income	266,937,602	265,048,639	216,420,862
EBITDA to sales ratio	EBITDA/Sales	3.04%	23.04%	5.81%
EBITDA to Equity ratio	EBITDA/Equity	6.05%	38.12%	8.36%
Gross profit margin	Gross profit/Sales	-0.21%	19.76%	1.62%
Current ratio	Current assets/Current liabilities	1.19	1.47	1.77
Quick ratio	(Current assets - Inventories)/Current liabilities	0.88	1.17	1.32
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	16%	13%	14%
Total liabilities to Assets ratio	Total liabilities/Total Assets	45%	43%	38%
Long term capital to Equity	Borrowed capital/Equity	3%	3%	5%
Long term capital to engaged capital	Borrowed capital/Engaged capital	3%	2%	5%
Interest coverage ratio	EBIT/Interest expenses	0.41	41.72	2.93
Account receivable turnover ratio (days)	Average receivables/Sales	64	83	99
Account payable turnover ratio (days)	Average payables/Sales	43	58	61
Non-current assets rotation	Non-current liabilities/Sales	1.93	1.99	1.82
Return on assets (ROA)	Net profit/Assets	-0.59%	18.38%	1.45%
Return on equity (ROE)	Net profit/Equity	-1.08%	32.13%	2.32%
Return on sales (ROS)	Net profit/Sales	-0.54%	19.42%	1.62%

## 1.5. STATEMENT OF THE CASH-FLOW

	31/12/2021	31/12/2022	31/12/2023
<b>CASH FLOWS FROM OPERATIONS</b>			
<i>Cash generated from operations ( A )</i>	<b>(4,583,835)</b>	<b>(4,129,049)</b>	<b>5,635,684</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITY</b>			
Net cash (used in)/generated by investing activities( B )	<b>(3,998,272)</b>	<b>5,773,075</b>	<b>54,562,334</b>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>			
<i>Net cash generated/used by/in financing activities ( C )</i>	<b>3,791,886</b>	<b>(11,669,692)</b>	<b>(33,588,231)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)</b>	<b>(4,790,221)</b>	<b>(10,025,667)</b>	<b>26,609,787</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>17,588,598</b>	<b>12,798,377</b>	<b>2,772,710</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>12,798,377</b>	<b>2,772,710</b>	<b>29,382,497</b>

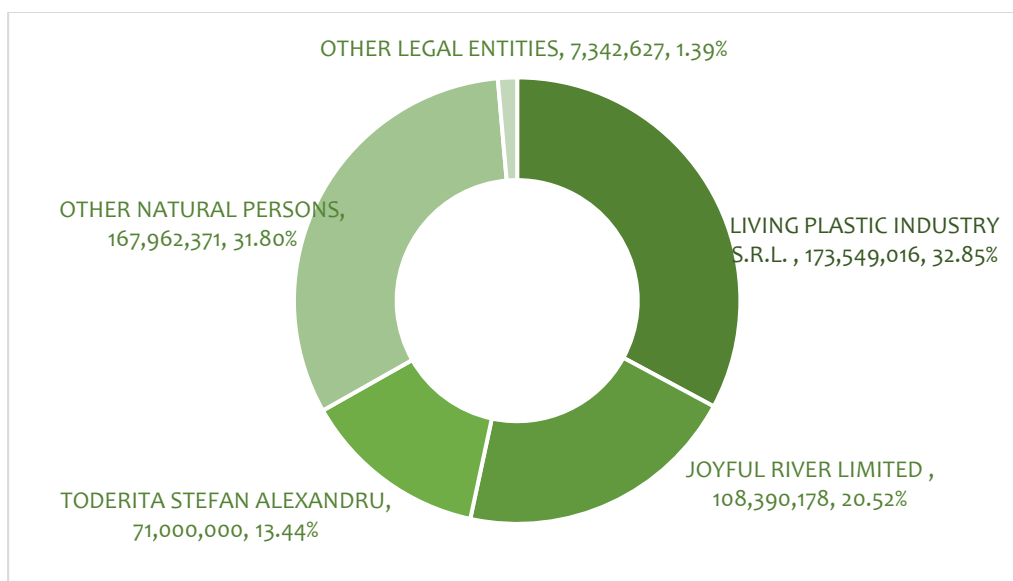
## 2. TRANZACTIIONS WITH AFFILIATES

Affiliate	Sales (w/o VAT)	Acquisitions (w/o VAT)
ECO PACK MANAGEMENT SA	0	0
INFO TECH SOLUTIONS S.R.L.	23,554	869,771
LIVINGJUMBO INDUSTRY SA	43,217,462	1,689,706
RC ENERGO INSTALL SRL	148,926	5,883,977
YENKI SRL BUZAU	5,303	0
<b>Total</b>	<b>43,395,245</b>	<b>8,443,453</b>

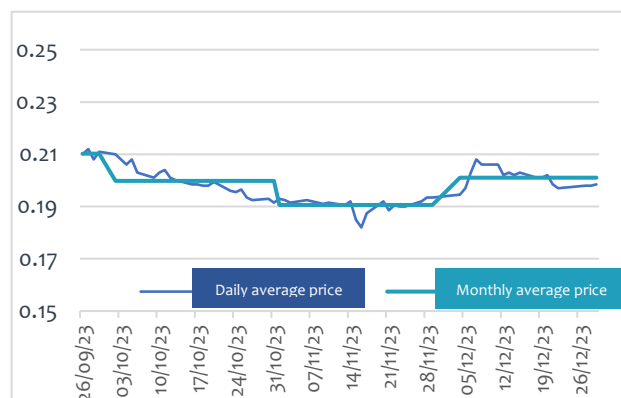
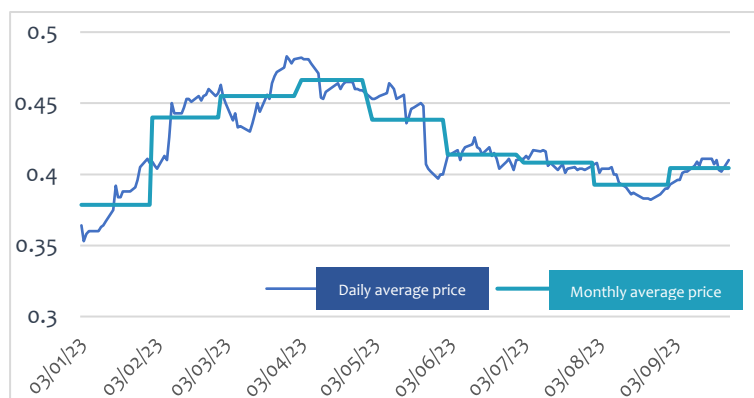


### 3. STRUCTURE OF SHAREHOLDERS

As at **31.12.2023** SC Romcarbon SA shareholders' structure, according to Depozitarul Central SA was as follows:



\*On 30.06.2023, it was completed the registration in the Trade Register of the increase of the company's share capital with the amount of 26,412,209.60 lei, from 26,412,209.60 lei to 52,824,419.20 lei by issuing a number of 264,122,096 new shares, with a nominal value of 0.10 lei/share, according to the AGEA decision of 04/27/2023. The capital increase was achieved by incorporating into the company's share capital the amount of 26,412,209.60 lei, representing a part of the net profit recorded in the 2022 financial year.



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

**The Separate Financial Statements for the period ended December 31, 2023 have not been audited.**

#### HUANG LIANG NENG

Chairman of the Board of Directors  
and General Manager

#### ZAINESCU VIORICA

Financial Manager

#### MANAILA CARMEN

Deputy General Manager for Administrative Operations







**REPORT REGARDING THE PRELIMINARY UNAUDITED  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED DECEMBER 31, 2023**

## REPORT REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS

## MAIN ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Indicator	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs 2022	
Revenue (Sales)	341,319,436	381,985,677	304,683,985	▼	(77,301,692) -20%
Other income	4,291,042	4,287,141	4,103,607	▼	(183,534) -4%
Share of profit / loss of associates	(1,144,985)	2,402,565	-	▼	(2,402,565) -100%
EBITDA	15,528,594	70,401,193	8,949,657	▼	(61,451,536) -87%
<b>Operational EBITDA</b>	<b>16,824,568</b>	<b>24,700,499</b>	<b>5,210,408</b>	<b>▼</b>	<b>(19,490,091) -79%</b>
<b>Profit from operations</b>	<b>6,833,937</b>	<b>12,867,795</b>	<b>(1,534,380)</b>	<b>▼</b>	<b>(14,402,175) -112%</b>
<b>Net profit/loss</b>	<b>1,790,613</b>	<b>56,124,755</b>	<b>(4,953,324)</b>	<b>▼</b>	<b>(61,078,079) -109%</b>
<b>Net profit without the impact of Share of profit / loss of associates [Green-Group] and sales of financial investments</b>	<b>2,935,598</b>	<b>9,196,295</b>	<b>(4,953,324)</b>	<b>▼</b>	<b>(14,149,619) -154%</b>
Non-Current assets	167,356,018	134,542,936	134,774,315	▲	231,379 0%
Current assets	134,454,393	209,568,594	157,796,518	▼	(51,772,076) -25%
Total Equity	138,920,166	169,680,251	151,741,844	▼	(17,938,407) -11%
Total Liabilities	162,890,245	174,431,279	140,828,988	▼	(33,602,291) -19%
Cash and cash equivalents	17,596,893	73,869,061	33,716,158	▼	(40,152,903) -54%
Debt ratio	54%	51%	48%	▼	(0) -5%
Current liquidity	103%	142%	138%	▼	(0) -2%

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	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs 2022	
Turnover	266,937,602	265,048,639	216,420,862	(48,627,777)	-18%
Operational EBITDA	13,987,048	15,025,300	4,873,276	(10,152,024)	-68%
Profit	(1,447,458)	51,471,690	3,496,332	(47,975,358)	-93%

## From Operational EBITDA to Net Profit

Indicator (12 luni)	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs 2022	
<b>Operational EBITDA</b>	<b>13,987,048</b>	<b>15,025,300</b>	<b>4,873,276</b>	<b>-10,152,024</b>	<b>-68%</b>
Fixed assets depreciation	(9,977,583)	(9,609,158)	(9,392,805)	216,353	-2%
Revenues from subsidy from Government for investments	2,259,451	2,206,664	2,113,978	(92,686)	-4%
Interest expenses	(953,055)	(1,286,399)	(1,807,462)	(521,062)	41%
Gain/loss from sales of assets	432,513	2,106,927	3,992,452	1,885,525	89%
Gain/loss from revaluation of fixed assets and investment properties	1,377,918	(1,199,108)	974,174	2,173,282	-181%
Other non-operational items(provisions, penalties, donations)	(715,608)	(2,244,793)	(713,062)	1,531,730	-68%
Forex gain/loss	(654,633)	274,153	2,402,662	2,128,509	776%
Other gain/loss from Financial	(6,314,423)	47,110,176	1,053,120	(46,057,056)	-98%
Tax on profit	(889,087)	(912,071)	-	912,071	-100%
<b>Net profit/loss</b>	<b>(1,447,458)</b>	<b>51,471,690</b>	<b>3,496,332</b>	<b>(47,975,358)</b>	<b>-93%</b>



## LIVINGJUMBO INDUSTRY SA

Indicator	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs 2022	
Turnover	133,415,290	164,064,764	115,487,834	(48,576,931)	-30%
Operational EBITDA	2,349,885	8,164,661	(437,348)	(8,602,009)	n/a
Profit	(2,319,221)	3,477,122	(6,045,845)	(9,522,967)	n/a

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

Indicator	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs 2022	
<b>Operational EBITDA</b>	<b>2,349,885</b>	<b>8,164,661</b>	<b>(437,348)</b>	▼	(8,602,009)
Fixed assets depreciation	(4,748,269)	(4,829,234)	(4,845,029)	▲	(15,795)
Revenues from subsidy from Government for investments	1,486,241	1,486,241	1,486,241	—	-
Interest expenses	(657,540)	(895,464)	(1,237,042)	▲	(341,578)
Gain/loss from sales of assets	-	-	5,000	▲	5,000
Other non-operational items(provisions, penalties, donations)	(355,245)	(345,627)	(910,338)	▲	(564,711)
Forex gain/loss	(353,372)	(46,915)	(100,652)	▲	(53,737)
Other gain/loss from Financial	(40,921)	(56,540)	(6,678)	▼	49,862
<b>Net profit/loss</b>	<b>(2,319,221)</b>	<b>3,477,122</b>	<b>(6,045,845)</b>	▲	<b>(9,522,967)</b>



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

	Indicator	12 Months of 2021	12 Months of 2022	12 Months of 2023	2023 vs 2022		
ROMCARBON	<b>PLASTIC PROCESSING SECTOR : POLYETHYLENE</b>						
	Turnover	36,047,057	36,512,692	30,894,710	(5,617,982)	-15%	
	EBITDA before overhead	3,051	2,439,836	2,208,646	(231,190)	-9%	
	Profit before overhead	(779,566)	1,697,246	1,461,071	(236,175)	-14%	
	<b>PLASTIC PROCESSING SECTOR : POLYSTYRENE</b>						
	Turnover	51,040,479	54,425,638	47,592,623	(6,833,015)	-13%	
	EBITDA before overhead	9,725,267	7,382,299	7,925,922	543,623	7%	
	Profit before overhead	8,335,220	6,131,441	6,578,447	447,006	7%	
	<b>PLASTIC PROCESSING SECTOR : POLYPROPYLENE</b>						
	Turnover	42,780,899	40,326,620	32,928,129	(7,398,491)	-18%	
	EBITDA before overhead	4,719,369	3,454,650	3,964,026	509,376	15%	
	Profit before overhead	4,394,850	3,129,217	3,616,936	487,718	16%	
	<b>RECYCLED POLYMERS &amp; COMPOUNDS</b>						
	Turnover	40,009,626	51,224,339	39,125,177	(12,099,163)	-24%	
	EBITDA before overhead	5,811,810	6,952,632	(1,572,300)	(8,524,932)	n/a	
	Profit before overhead	1,930,489	3,094,107	(5,026,755)	(8,120,862)	n/a	
	<b>OTHER PRODUCTIVE SECTORS : FILTERS, ACTIVE CARBON, PROTECTIVE EQUIPMENT, PVC TRAFFIC BASE SIGNS</b>						
	Turnover	5,876,115	9,569,410	6,388,942	(3,180,468)	-33%	
EBITDA before overhead	743,723	2,933,897	704,507	(2,229,390)	-76%		
Profit before overhead	429,011	2,623,639	379,493	(2,244,146)	-86%		
LIVINGJUMBO INDUSTRY	<b>PLASTIC PROCESSING SECTOR : POLYPROPYLENE</b>						
	Turnover	70,185,696	87,305,549	60,872,037	(26,433,512)	-30%	
	EBITDA before overhead	4,090,236	9,554,043	3,964,035	(5,590,008)	-59%	
	Profit before overhead	3,356,297	8,842,685	3,315,726	(5,526,959)	-63%	
	<b>PLASTIC PROCESSING SECTOR : PET</b>						
	Turnover	63,229,595	76,759,215	54,615,796	(22,143,419)	-29%	
EBITDA before overhead	2,532,900	3,208,616	1,323,484	(1,885,132)	-59%		
Profit before overhead	4,811	576,980	(1,381,385)	(1,958,365)	-339%		



**ACTIVITY OF THE GROUP**

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

Entity	31.12.2023		Consolidation method
	Interes detinut	Control detinut	
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%	14,29%	Outside the consolidation area

**PRESENTATION OF THE GROUP AND THE MAIN INDICATORS ACHIEVED IN 2023****PRESENTATION OF THE GROUP'S MEMBER COMPANIES**

As at December 31, 2023 the company was holding directly or through other subsidiaries, participating interest in the following entities:

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

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

**RC ENERGO INSTALL SRL** 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 SRL** 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 UCRAINA** 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 UCRAINA** 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 SRL** 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).







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

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

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

## ACTIVITY OF THE GROUP OF COMPANIES

### PRESENTATION OF THE GROUP COMPANIES

The following persons ensured the executive management of the group companies in 2023:

ROMCARBON SA – General Manager – Huang Liang Neng  
 RECYPLAT LTD CYPRUS – Director – Nicos Avraamides  
 RC ENERGO INSTALL SRL – General Manager Duca Eugen Florin  
 ECO PACK MANAGEMENT SA – Sole administrator WEY, JIANN-SHYANG  
 INFO TECH SOLUTIONS SRL- General Manager Hristache Cornel  
 LIVINGJUMBO INDUSTRY SA – General Manager WU,HUI-TZU  
 GRINFILD LLC UKRAINE – The company has not been operating since 2012  
 GRINRUH LLC UKRAINE – The company has not been operating since 2012  
 YENKI SRL – Administrator Petre Romeo Florinel

## ACTIVITY OF THE GROUP OF COMPANIES

The evolution of the subsidiaries' contribution to the consolidated net profit of the group in 2023 is presented in the table below:

Company	Result 12M 2022 (in lei)	Result 12M 2023 (in lei)	2023 vs 2022
Romcarbon SA	51,471,690	3,496,332	51,471,690
Living Jumbo Industry SA	3,477,122	(6,045,845)	3,477,122
RC Energo Install SRL	1,162,130	289,398	1,162,130
Infotech Solutions SRL	116,305	283,646	116,305
Recyplat Ltd Cipru	47,338,730	(2,856,302)	47,338,730
Eco Pack Management SA	(14,914)	(2,540)	(14,914)
Consolidation adjustments *	(47,426,309)	(118,012)	(47,426,309)
<b>Total</b>	<b>56,124,755</b>	<b>(4,953,324)</b>	<b>56,124,755</b>

Consolidation adjustments	Result 12M 2022 (in lei)	Result 12M 2023 (in lei)	2023 vs 2022
Elimination of the unrealized profit related to the raw material inventories and fixed assets from the Group companies	(115,397)	(85,444)	29,953
Share of the profit of the associates (Romgreen Universal LTD)*	2,402,565	-	(2,402,565)
Elimination of the dividends from Recyplat LTD	(46,745,700)	-	46,745,700
Elimination of the share of the profit of the associates registered until 2022	(5,119,676)	-	5,119,676
Elimination of the FOREX related to the dividends to be received from Recyplat	(254,600)	-	254,600
Elimination of the FOREX related to Recyplat investment in Romgreen	2,306,499	-	(2,306,499)
Adjustments related the capital premium cancellation in Recyplat	-	(32,377)	(32,377)
Corrections	100,000	(191)	(100,192)
<b>Total Adjustments</b>	<b>(47,426,309)</b>	<b>(118,012)</b>	<b>47,308,296</b>

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



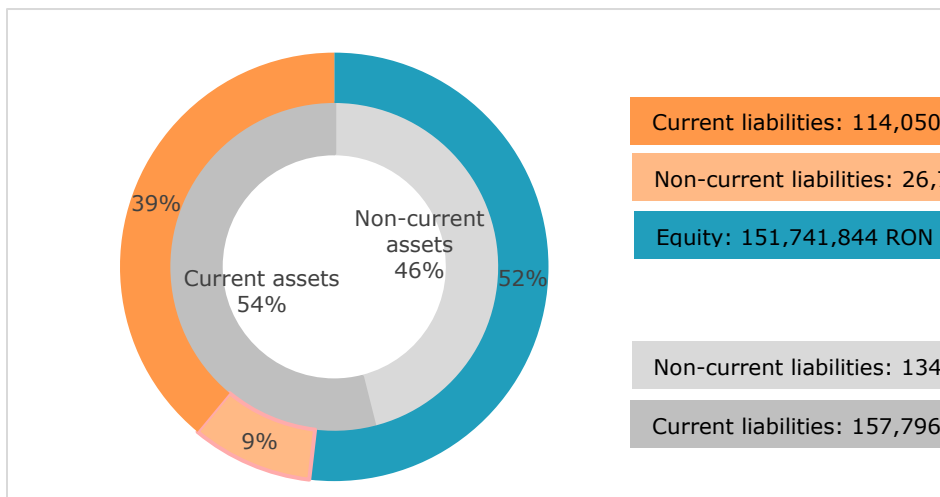
## FINANCIAL STATEMENTS

## A.) STATEMENT OF THE FINANCIAL POSITION

Indicator	31.12.2021	31.12.2022	31.12.2023	2023 vs. 2022	
Property, plant and equipment	132,497,914	123,886,765	122,672,069	-1,214,696	▼ -0,98%
Investment property	10,894,586	9,883,738	10,857,912	974,174	▲ 9,86%
Goodwill	143,461	143,461	143,461	0	— 0,00%
Intangible assets other than goodwill	298,466	329,100	802,899	473,799	▲ 143,97%
Investments accounted for using equity method	23,324,617	0	0	0	— #DIV/0!
Investments in subsidiaries, joint ventures and associates	196,974	297,974	297,974	0	— 0,00%
Other non-current financial assets	0	1,898	0	-1,898	▼ -100,00%
<b>Total non-current assets</b>	<b>167,356,018</b>	<b>134,542,936</b>	<b>134,774,315</b>	<b>231,379</b>	<b>▲ 0,17%</b>
Current inventories	54,803,659	65,899,751	59,716,567	-6,183,184	▼ -9,38%
Trade and other current receivables	53,054,234	60,979,526	60,437,183	-542,343	▼ -0,89%
Other current financial assets	617,902	263,414	2,833,298	2,569,884	▲ 975,61%
Other current non-financial assets	4,621,551	4,796,687	1,093,312	-3,703,375	▼ -77,21%
Cash and cash equivalents	17,596,893	73,869,061	33,716,157	-40,152,904	▼ -54,36%
Non-current assets classified as held for sale	3,760,155	3,760,155	0	-3,760,155	▼ -100,00%
<b>Total current assets</b>	<b>134,454,393</b>	<b>209,568,594</b>	<b>157,796,517</b>	<b>-51,772,077</b>	<b>▼ -24,70%</b>
<b>ASSETS</b>	<b>301,810,411</b>	<b>344,111,530</b>	<b>292,570,832</b>	<b>-51,540,698</b>	<b>▼ -14,98%</b>
Issued capital	26,412,210	26,412,210	52,824,419	26,412,209	▲ 100,00%
Share premium	2,182,283	2,182,283	2,182,283	0	— 0,00%
Reserves	60,227,360	62,917,677	61,503,334	-1,414,343	▼ -2,25%
Retained earnings	49,182,732	77,247,165	34,317,957	-42,929,208	▼ -55,57%
Equity attributable to equity holders of the parent	138,004,585	168,759,335	150,827,993	-17,931,342	▼ -10,63%
Non-controlling interests	915,581	920,916	913,851	-7,065	▼ -0,77%
<b>Total equity</b>	<b>138,920,166</b>	<b>169,680,251</b>	<b>151,741,844</b>	<b>-17,938,407</b>	<b>▼ -10,57%</b>
Other non-current provisions	659,623	1,429,017	1,803,188	374,171	▲ 26,18%
Deferred tax liabilities	8,012,574	7,780,659	7,780,659	0	— 0,00%
Other non-current financial liabilities	7,623,547	4,044,764	7,409,934	3,365,170	▲ 83,20%
Other non-current non-financial liabilities	16,015,575	13,384,594	9,784,375	-3,600,219	▼ -26,90%
<b>Total non-current liabilities</b>	<b>32,311,319</b>	<b>26,639,034</b>	<b>26,778,156</b>	<b>139,122</b>	<b>▲ 0,52%</b>
Trade and other current payables	55,224,664	63,161,506	39,045,876	-24,115,630	▼ -38,18%
Other current financial liabilities	67,635,179	74,737,029	65,128,044	-9,608,985	▼ -12,86%
Other current non-financial liabilities	7,719,083	9,893,710	9,876,912	-16,798	▼ -0,17%
<b>Total current liabilities</b>	<b>130,578,927</b>	<b>147,792,245</b>	<b>114,050,832</b>	<b>-33,741,413</b>	<b>▼ -22,83%</b>
<b>Total liabilities</b>	<b>162,890,245</b>	<b>174,431,279</b>	<b>140,828,988</b>	<b>-33,602,291</b>	<b>▼ -19,26%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>301,810,411</b>	<b>344,111,530</b>	<b>292,570,832</b>	<b>-51,540,698</b>	<b>▼ -14,98%</b>



STRUCTURE OF THE FINANCIAL POSITION AS AT 31.12.2023

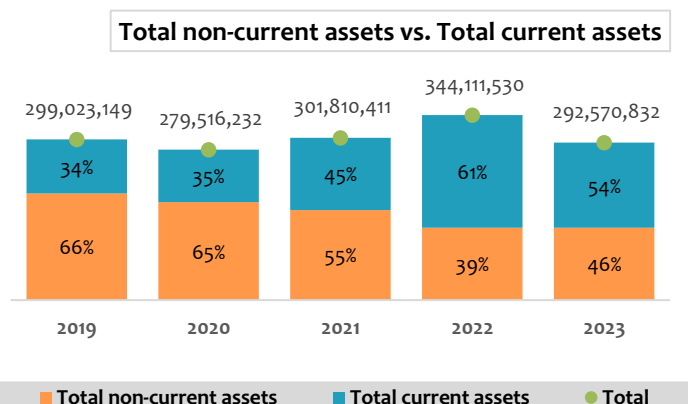
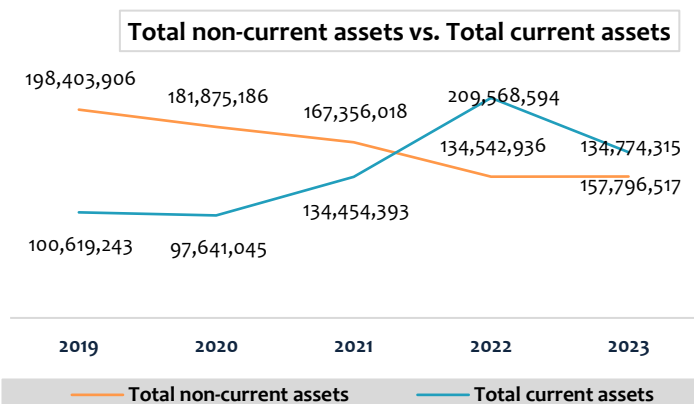


Current liabilities: 114,050,832 RON   39%
Non-current liabilities: 26,778,156 RON   9%
Equity: 151,741,844 RON   52%
Non-current liabilities: 134,774,315 RON   46%
Current liabilities: 157,796,517 RON   54%

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

Company	Non-current assets	Current assets	Non-current liabilities	LEI
				Current liabilities
Romcarbon SA	118,936,705	122,197,547	21,542,142	69,078,926
Livingjumbo Industry SA	18,563,585	47,160,212	5,009,352	64,943,632
RC Energo Install SRL	76,366	20,223,211	100,000	14,397,341
InfoTech Solutions SRL	305,028	850,378	126,661	376,349
Grinfield Ucraina	4,426,809	8,614	0	879,485
Grinruh Ucraina	1,186,187	1,007,788	0	6,728
Recyclat LTD	0	294,007	0	6,512
Eco Pack Management SA	28,751	162,688	0	883,523
Consolidation adjustments	(8,749,115)	(34,107,928)	0	(36,521,664)
<b>Total</b>	<b>134,774,315</b>	<b>157,796,517</b>	<b>26,778,156</b>	<b>114,050,832</b>

ASSETS

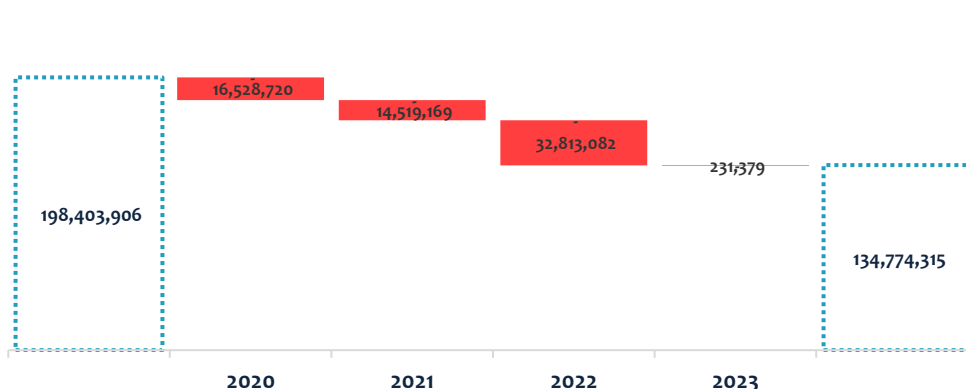




## NON-CURRENT ASSETS

**Non-current assets** have a weight in Total Assets of 46.07% recording an increase of LEI 231,379, i.e. 0.17% as compared with the beginning of the year.

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

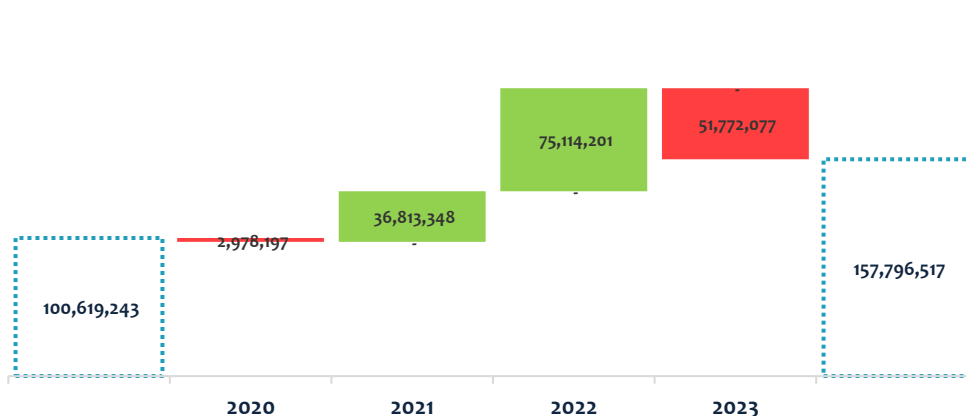


Non-current assets (lei)	31/12/2023	% in total NCA	% in total Assets	31/12/23 vs. 31.12.22
Property, plant and equipment	122,672,069	91.02%	41.93%	-0.98%
Investment property	10,857,912	8.06%	3.71%	9.86%
Goodwill	143,461	0.11%	0.05%	0.00%
Intangible assets other than goodwill	802,899	0.60%	0.27%	143.97%
Investments accounted for using equity method	297,974	0.22%	0.10%	0.00%
Investments in subsidiaries, joint ventures and associates	0	0.00%	0.00%	-100.00%
<b>Total non-current assets</b>	<b>134,774,315</b>	<b>100.00%</b>	<b>46.07%</b>	<b>0.17%</b>

## CURRENT ASSETS

**Current assets** have a weight in Total Assets of 53.93% recording a decrease of - LEI 51,772,077, i.e. -24.70%, as compared with the beginning of the year.

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

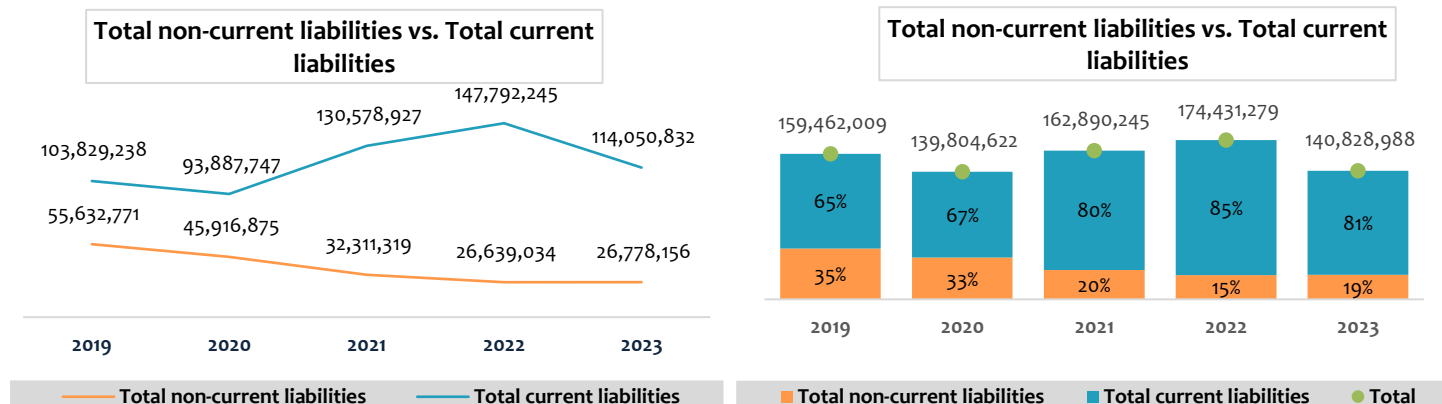


Current assets (lei)	31/12/2023	% in total CA	% in Total Assets	31.12.23 vs. 31.12.22
Current inventories	59,716,567	37.84%	20.41%	-9.38%
Trade and other current receivables	60,437,183	38.30%	20.66%	-0.89%
Other current financial assets	2,833,298	1.80%	0.97%	975.61%
Other current non-financial assets	1,093,312	0.69%	0.37%	-77.21%
Cash and cash equivalents	33,716,157	21.37%	11.52%	-54.36%
Non-current assets classified as held for sale	0	0.00%	0.00%	-100.00%
<b>Total current assets</b>	<b>157,796,517</b>	<b>100.00%</b>	<b>53.93%</b>	<b>-24.70%</b>

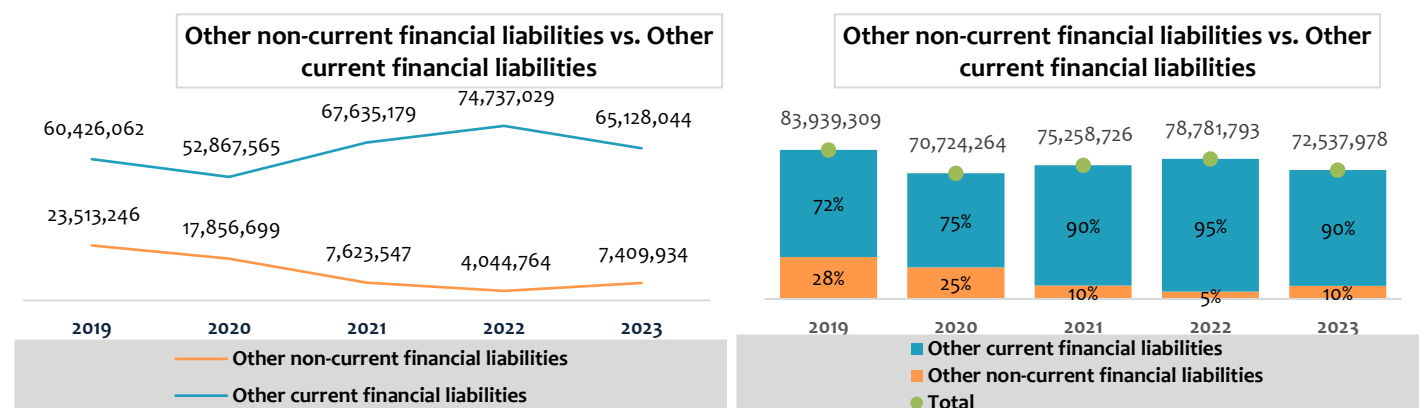


## LIABILITIES

**Total Liabilities** hold 48.14% of the Group 's Equity&Liabilities recording a decrease of - Lei 33,602,291, i.e. -19.26%, as compared with the beginning of the year.



## BORROWINGS



Note: Bank loans and long-term and short-term leasing contracts are included in Other financial liabilities.

## STRUCTURE OF BORROWINGS

Company	31.12.2022	31.12.2023	2023 vs 2022
<b>Romcarbon, total, out of which:</b>	<b>49,904,456</b>	<b>45,461,868</b>	<b>(4,442,588)</b>
< 12 months	45,859,692	38,178,595	(7,681,097)
> 12 months	4,044,764	7,283,273	3,238,509
<b>LivingJumbo Industry, total, out of which:</b>	<b>28,189,837</b>	<b>24,954,230</b>	<b>(3,235,607)</b>
< 12 months	28,189,837	24,954,230	(3,235,607)
> 12 months	-	-	-
<b>EnergoInstall, total, out of which:</b>	<b>687,500</b>	<b>1,923,006</b>	<b>1,235,506</b>
< 12 months	687,500	1,923,006	1,235,506
> 12 months	-	-	-
<b>Total borrowings, out of which:</b>	<b>78,781,793</b>	<b>72,339,104</b>	<b>(6,442,689)</b>
< 12 months	74,737,029	65,055,831	(9,681,198)
> 12 months	4,044,764	7,283,273	3,238,509
<b>Total leasing, out of which:</b>	-	<b>198,874</b>	<b>198,874</b>
< 12 months	-	72,213	72,213
> 12 months	-	126,661	126,661

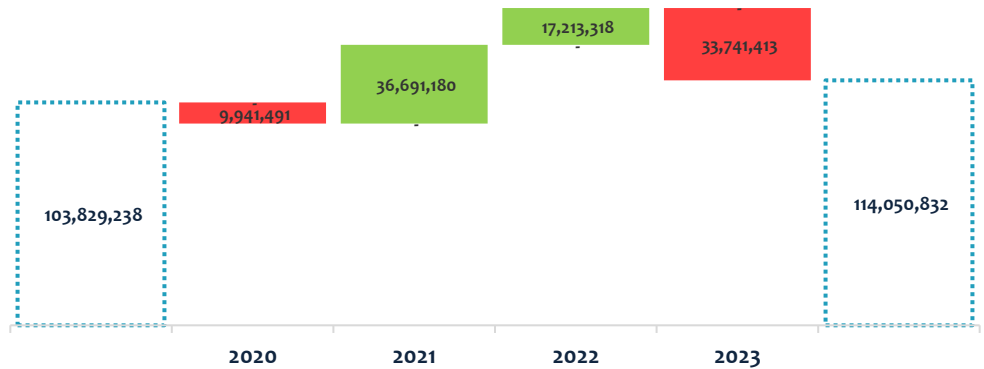




**CURRENT LIABILITIES**

***Current liabilities of the Group*** have a weight in Total Liabilities of 80.99% and in Total Equity and Liabilities of 38.98% recording a decrease of - LEI 33,741,413, i.e. -22.83%, as compared with the beginning of the year.

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

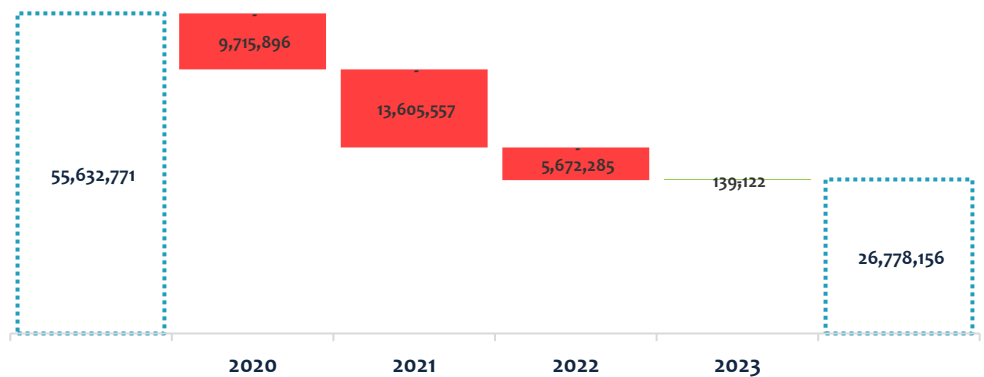


Current liabilities (lei)	31.12.2023	% in total liabilities	% in Total Current liabilities	% in Total Equity and liabilities	31.12.23 vs. 31.12.22
Trade and other current payables	39,045,876	27.73%	34.24%	13.35%	-38.18%
Other current financial liabilities	65,128,044	46.25%	57.10%	22.26%	-12.86%
Other current non-financial liabilities	9,876,912	7.01%	8.66%	3.38%	-0.17%
<b>Total current liabilities</b>	<b>114,050,832</b>	<b>80.99%</b>	<b>100.00%</b>	<b>38.98%</b>	<b>-22.83%</b>

**NON-CURRENT LIABILITIES**

***Non-current liabilities*** have a weight in Total Equity and Liabilities of 9.15% recording an increase of LEI 139,122, i.e. 0.52%, as compared with the beginning of the year.

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

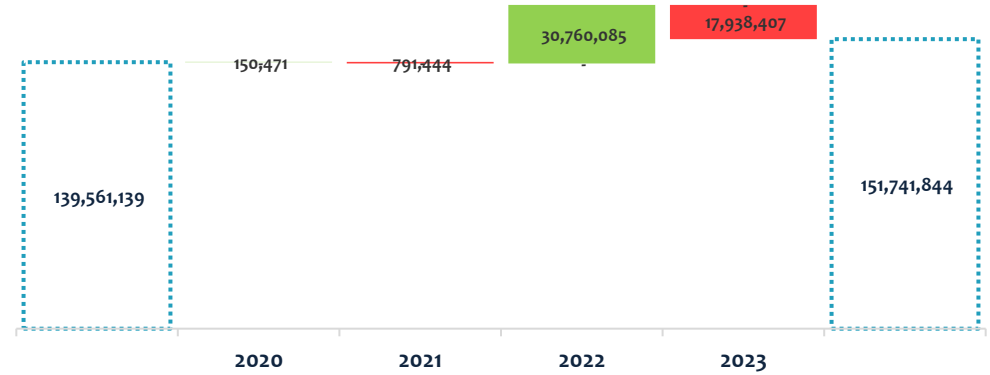


Non-current liabilities (lei)	31.12.2023	% in total liabilities	% in Total Non-current liabilities	% in Total Equity and liabilities	31.12.23 vs. 31.12.22
Other non-current provisions	1,803,188	1.28%	6.73%	0.62%	26.18%
Deferred tax liabilities	7,780,659	5.52%	29.06%	2.66%	0.00%
Other non-current financial liabilities	7,409,934	5.26%	27.67%	2.53%	83.20%
Other non-current non-financial liabilities	9,784,375	6.95%	36.54%	3.34%	-26.90%
<b>Total non-current liabilities</b>	<b>26,778,156</b>	<b>19.01%</b>	<b>100.00%</b>	<b>9.15%</b>	<b>0.52%</b>

**EQUITY**

**The Equity** have a weight in Total Equity and Liabilities of 51.86% recording a decrease of - LEI 17,938,407, i.e. - 10.57%, as compared with the beginning of the year.

Evolution of the item Total equity in the period 2019-2023



Equity (lei)	31/12/2023	2023 vs 2022
Issued capital	52,824,419	100.00%
Share premium	2,182,283	0.00%
Reserves	61,503,334	-2.25%
Retained earnings	34,317,957	-55.57%
<b>Equity attributable to equity holders of the parent</b>	<b>150,827,993</b>	<b>-10.63%</b>
Non-controlling interests	913,851	-0.77%
<b>Total Equity</b>	<b>151,741,844</b>	<b>-10.57%</b>



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

Indicator (lei)	12M 2021	12M 2022	12M 2023	2023 vs.2022	
Revenue	341,319,436	381,985,677	304,683,985	▼	(77,301,692) -20%
Other Income	4,291,042	4,287,141	4,103,607	▼	(183,534) -4%
Increase (decrease) in inventories of finished goods and work in progress	4,710,209	11,496,807	2,516,172	▼	(8,980,635) -78%
Raw materials,consumables, commodities and utilities used	(235,396,370)	(263,732,961)	(191,297,563)	▼	72,435,398 -27%
Employee benefits expense	(73,746,328)	(78,261,063)	(84,574,383)	▲	(6,313,320) 8%
Depreciation and amortisation expenses	(14,897,799)	(14,538,409)	(14,320,887)	▼	217,522 -1%
Other expenses	(21,382,633)	(30,646,145)	(27,713,730)	▼	2,932,415 -10%
Other gains (losses)	1,936,380	2,276,748	5,068,419	▲	2,791,671 123%
<b>Profit (loss) from operating activities</b>	<b>6,833,937</b>	<b>12,867,795</b>	<b>(1,534,380)</b>	<b>▼</b>	<b>(14,402,175) -112%</b>
Finance Income	85,170	290,047	944,878	▲	654,831 226%
Finance costs	(3,054,857)	(2,894,705)	(4,303,354)	▲	(1,408,649) 49%
Net gain/(loss) on disposal of financial investments	-	44,525,895	-		
Share of profit of associates*	(1,144,985)	2,402,565	-	▼	(2,402,565) -100%
<b>Profit / (loss) before tax</b>	<b>2,719,265</b>	<b>57,191,597</b>	<b>(4,892,856)</b>	<b>▼</b>	<b>(62,084,453) -109%</b>
Tax income (expense)	(928,652)	(1,066,842)	(60,468)	▼	1,006,374 -94%
<b>Profit (loss) of the year, attributable to</b>	<b>1,790,613</b>	<b>56,124,755</b>	<b>(4,953,324)</b>	<b>▼</b>	<b>(61,078,079) -109%</b>
Equity holders of the parent	1,793,731	56,119,419	(4,946,259)	▼	(61,065,678) -109%
Minority interest	(3,118)	5,336	(7,065)	▲	(12,401) -232%
<b>Profit (loss) from continuing operations</b>	<b>1,790,613</b>	<b>56,124,755</b>	<b>(4,953,324)</b>	<b>▼</b>	<b>(61,078,079) -109%</b>
Differences from foreign operations	115	-	191	▲	191 n/a
Net losses from revaluation of tangible assets	-	745,264	-	▼	(745,264) -100%
Deffered profit tax allocated to the comprehensive income	21,017	273,332	-	▼	(273,332) -100%
<b>Comprehensive income of the year, attributable to:</b>	<b>1,811,745</b>	<b>57,143,351</b>	<b>(4,953,133)</b>	<b>▼</b>	<b>(62,096,484) -109%</b>
Equity holders of the parent	1,814,863	57,138,015	(4,946,068)	▼	(62,084,083) -109%
Minority interest	(3,118)	5,336	(7,065)	▲	(12,401) -232%

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

Indicator	12M 2021	12M 2022	12M 2023	2023 vs.2022	
Operational EBITDA	16,824,568	24,700,499	5,210,408	▼	(19,490,091) -79%

Indicator	2021	2022	2023
Average no. of employees	1,440	1,338	1,245

**From Operational EBITDA to NET PROFIT**

Indicator	12M 2021	12M 2022	12M 2023	2023 vs 2022	
<b>EBITDA OPERATIONAL</b>	<b>16,824,568</b>	<b>24,700,499</b>	<b>5,210,408</b>	<b>▼</b>	<b>(19,490,091) -79%</b>
Fixed assets depreciation	(14,897,799)	(14,538,409)	(14,320,887)	▼	217,523 -1%
Revenues from subsidy from Government for investments	3,745,692	3,692,905	3,600,219	▼	(92,686) -3%
Interest expenses	(1,657,222)	(2,364,092)	(3,121,845)	▲	(757,754) 32%
Gain/loss from sales of assets	(85,226)	1,191,313	3,988,054	▲	2,796,741 235%
Net gain/loss from revaluating the investment properties and fixed assets	1,377,918	170,996	974,174	▲	803,178 470%
Other non-operational items(provisions,penalties, donations)	(483,113)	(1,856,193)	(1,496,286)	▼	359,907 -19%
Forex gain/loss	(1,037,861)	71,335	(633,143)	▲	(704,478) -988%
Share of profit / loss of associates	(1,144,985)	2,402,565	-	▼	(2,402,565) -100%
Net gain/(loss) on disposal of financial investments	-	44,525,895	-	▼	(44,525,895) -100%
Other gain/loss from Financial	77,293	(805,217)	906,450	▲	1,711,667 -213%
Tax on profit	(928,652)	(1,066,842)	(60,468)	▼	1,006,374 -94%
<b>NET PROFIT/LOSS</b>	<b>1,790,613</b>	<b>56,124,755</b>	<b>(4,953,324)</b>	<b>▼</b>	<b>(61,078,079) 109%</b>







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

Indicators	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2023 vs. Q1 2022	Q2 2023 vs. Q2 2022	Q3 2023 vs. Q3 2022	Q4 2023 vs. Q4 2022
Revenue	89,872,751	69,000,116	71,108,339	74,702,779	(41,791)	(28,606,521)	(30,197,593)	(18,455,788)
Other Income	1,031,513	1,012,144	1,030,601	1,029,349	(5,492,749)	(162,928)	5,486,543	(14,400)
Increase (decrease) in inventories of finished goods and work in progress	1,953,154	(14,261)	220,723	356,557	(4,450,621)	(916,718)	1,406,097	(5,019,392)
Raw materials, consumables, commodities and utilities used	(61,899,368)	(43,102,080)	(44,202,457)	(42,093,658)	5,481,903	22,355,661	20,268,046	24,329,789
Employee benefits expense	(20,425,518)	(19,971,181)	(20,792,384)	(23,385,300)	(1,454,106)	(174,562)	(1,197,668)	(3,486,984)
Depreciation and amortisation expenses	(3,620,792)	(3,612,974)	(3,648,155)	(3,438,966)	70,935	53,907	(45,830)	138,510
Other expenses	(6,723,651)	(4,884,316)	(4,502,349)	(11,603,414)	2,321,172	144,300	287,569	179,374
Other gains (losses)	4,022,420	21,619	19,938	1,004,442	3,981,231	(4,467)	(151,591)	(1,033,502)
<b>Profit (loss) from operating activities</b>	<b>4,210,508</b>	<b>(1,550,933)</b>	<b>(765,744)</b>	<b>(3,428,211)</b>	<b>415,973</b>	<b>(7,311,328)</b>	<b>(4,144,427)</b>	<b>(3,362,393)</b>
Finance Income	247,396	85,324	184,440	427,718	194,541	83,290	111,497	265,503
Finance costs	(1,077,151)	(1,100,446)	(1,013,007)	(1,112,751)	(495,218)	(351,035)	(138,571)	(423,824)
Net gain/(loss) on disposal of financial investments	-	-	-	-	-	-	-	(44,525,895)
Share of profit of associates*	-	-	-	-	(1,583,476)	(1,374,247)	(867,591)	1,422,749
<b>Profit / (loss) before tax</b>	<b>3,380,753</b>	<b>(2,566,055)</b>	<b>(1,594,310)</b>	<b>(4,113,244)</b>	<b>(1,468,180)</b>	<b>(8,953,320)</b>	<b>(5,039,091)</b>	<b>(46,623,862)</b>
Tax income (expense)	(543,338)	(305,503)	722,423	65,950	(166,108)	223,782	1,089,714	(141,014)
<b>Profit (loss) of the year, attributable to</b>	<b>2,837,415</b>	<b>(2,871,558)</b>	<b>(871,887)</b>	<b>(4,047,294)</b>	<b>(1,634,288)</b>	<b>(8,729,538)</b>	<b>(3,949,377)</b>	<b>(46,764,876)</b>
Equity holders of the parent	2,838,338	(2,869,402)	(871,167)	(4,044,028)	(1,632,030)	(8,725,033)	(3,947,990)	(46,760,625)
Minority interest	(923)	(2,156)	(720)	(3,266)	(2,258)	(4,505)	(1,387)	(4,251)
<b>Profit (loss) from continuing operations</b>	<b>2,837,415</b>	<b>(2,871,558)</b>	<b>(871,887)</b>	<b>(4,047,294)</b>	<b>(1,634,288)</b>	<b>(8,729,538)</b>	<b>(3,949,377)</b>	<b>(46,764,876)</b>
Differences from foreign operations	156	87	47	(99)	158	89	43	(99)
Net losses from revaluation of tangible assets	-	-	-	-	-	-	-	(745,264)
Deffered profit tax allocated to the comprehensive income	-	-	-	-	-	-	-	(273,332)
<b>Comprehensive income of the year, attributable to:</b>	<b>2,837,571</b>	<b>(2,871,471)</b>	<b>(871,840)</b>	<b>(4,047,393)</b>	<b>(1,634,130)</b>	<b>(8,729,449)</b>	<b>(3,949,334)</b>	<b>(47,783,571)</b>
Equity holders of the parent	2,838,495	(2,869,316)	(871,120)	(4,044,127)	(1,631,871)	(8,724,945)	(3,947,947)	(47,779,320)
Minority interest	(923)	(2,156)	(720)	(3,266)	(2,258)	(4,505)	(1,387)	(4,251)
<b>OPERATIONAL EBITDA</b>	<b>2.824.875</b>	<b>1.164.730</b>	<b>2.003.162</b>	<b>(782.359)</b>	<b>(3.747.336)</b>	<b>(7.203.419)</b>	<b>(3.894.197)</b>	<b>(4.645.139)</b>



**C.) REVENUES (NET SALES)**

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

Company	12 Months of 2021	% in total	12 Months of 2022	% in total	12 Months of 2023	% in total	2023 vs.2022
Romcarbon SA	264,737,647	64%	262,801,054	59%	214,230,854	61%	-18.48%
LivingJumbo Industry SA	133,415,290	32%	164,064,764	37%	115,487,834	33%	-29.61%
RC Energo Install SRL	11,711,050	3%	17,005,204	4%	20,393,926	6%	19.93%
Info Tech Solutions SRL	1,071,637	0%	1,124,044	0%	2,029,034	1%	80.51%
<b>Total, out of which:</b>	<b>410,935,625</b>	<b>100%</b>	<b>444,995,067</b>	<b>100%</b>	<b>352,141,648</b>	<b>100%</b>	<b>-20.87%</b>
Within the Group	69,616,189	17%	63,009,389	14%	47,457,663	13%	-24.68%
<b>Outside of the Group</b>	<b>341,319,436</b>	<b>83%</b>	<b>381,985,677</b>	<b>86%</b>	<b>304,683,985</b>	<b>87%</b>	<b>-20.24%</b>

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

Structure of Revenues (Net sales)	12 Months of 2021	% in total	12 Months of 2022	% in total	12 Months of 2023	% in total	2023 vs.2022
Sales of finished goods (701+709)	276,755,901	81%	313,728,863	82%	249,100,439	82%	-20.60%
Sales of intermediary goods	14,703,881	4%	17,584,021	5%	9,958,085	3%	-43.37%
Sales of residual products	643,853	0%	479,172	0%	293,095	0%	-38.83%
Services rendered	3,514,731	1%	3,141,708	1%	4,167,180	1%	32.64%
Sales of goods purchased for resale	43,132,592	13%	37,641,933	10%	32,316,563	11%	-14.15%
Revenues from sundry activities	2,568,478	1%	9,409,981	2%	8,848,623	3%	-5.97%
<b>Total</b>	<b>341,319,436</b>	<b>100%</b>	<b>381,985,677</b>	<b>100%</b>	<b>304,683,985</b>	<b>100%</b>	<b>-20.24%</b>

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

	12 Months of 2021	12 Months of 2022	12 Months of 2023
Net cash generated by operating activities	(1,778,786)	(6,738,464)	3,931,902
Net cash (used in)/generated by investing activities	(2,175,748)	70,172,389	(8,984,994)
Net cash (used in)/generated in financing activities	846,795	(7,161,758)	(35,099,812)
<b>Net increase in cash and cash equivalents</b>	<b>(3,107,739)</b>	<b>56,272,168</b>	<b>(40,152,904)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>20,704,632</b>	<b>17,596,893</b>	<b>73,869,061</b>
Effects of exchange rate changes on the balance of cash held in foreign currencies	0	0	0
Cash from subsidiaries acquired during the year	0	0	0
<b>Cash and cash equivalents at the end of the period</b>	<b>17,596,893</b>	<b>73,869,061</b>	<b>33,716,157</b>

**E.) FINANCIAL RATIOS**

Indicator	Formula	12 Months of 2021	12 Months of 2022	12 Months of 2023
EBIT	Gross profit + Income tax + Expenses with interest	4,376,487	59,555,689	(1,771,011)
EBITDA	EBIT + Depreciation-Subsidies for investment	15,528,594	70,401,193	8,949,657
Sales	Revenue + Rental and royalty income	341,864,786	382,579,913	305,187,373
EBITDA to sales ratio	EBITDA/Sales	4.54%	18.40%	2.93%
EBITDA to Equity ratio	EBITDA/Equity	11.18%	41.49%	5.90%
Gross profit margin	Gross profit/Sales	0.80%	14.95%	-1.60%
Current ratio	Current assets/Current liabilities	1.03	1.42	1.38
Quick ratio	(Current assets- Inventories)/Current liabilities	0.61	0.97	0.86
Non-current liabilities to Equity ratio	Non-current liabilities/Equity	23%	16%	18%
Total liabilities to Assets ratio	Total liabilities/Total Assets	54%	51%	48%
Interest coverage ratio	EBIT/Interest expenses	2.64	25.19	(0.57)
Account receivable turnover ratio	Average receivables/Sales (days)	47	54	72
Account payable turnover ratio	Average payables/Sales (days)	47	56	60
Return on assets (ROA)	Net profit/Assets	0.5933%	16.3100%	-1.6930%
Return on equity (ROE)	Net profit/Equity	1.2890%	33.0768%	-3.2643%
Return on sales (ROS)	Net profit/Sales	0.5238%	14.6701%	-1.6230%

The Preliminary Consolidated Financial Statements for the period ended **December 31, 2023** have not been audited.

**HUANG LIANG NENG**

Chairman of the Board of Directors and General Manager

**ZAINESCU VIORICA**

Financial Manager

**MANAILA CARMEN**

Deputy General Manager for Administrative Operations





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