

- **Romcarbon's sales increased by 12% (+7,066,974 lei) in Q1 2022 compared with Q1 2021 while the Group's sales increased with 23% (+16,839,901 lei) ;**
- **Romcarbon's net profit increased by 255% (+754,371 lei) in Q1 2022 compared with Q1 2021 and the Group's net profit increased by 643% (+3,869,532 lei).**

In a nutshell in Q1 2022, Romcarbon performed better than in the similar period of 2021.

The total sales is 68,291,731 lei, increased by 12% as compared with the similar period of 2021. EBITDA Operational recorded an increase with 352,510 lei, +11% compared with Q1 2021.

The profit from operational activities is, in Q1 2021, of 1,503,444 lei, increasing by 413,034 lei (+38%) compared to the previous year and the net profit is 1,050,619 lei, increasing by 754,371 lei (+255%) compared to the similar period of the previous year.

The biggest challenge for Q1 2022 remained the cost and the availability of the raw material (plastic granules) and the accelerating increase of the cost of utilities.

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

Indicator (LEI)	3 months 2020	3 months 2021	3 months 2022		2022 vs. 2021	
Revenues (Net sales)	48,249,634	61,224,757	68,291,731	▲	7,066,974	12%
Other Income	971,688	1,108,970	1,116,613	▲	7,643	1%
EBITDA	2,172,392	2,578,603	3,408,727	▲	830,124	32%
EBITDA Operational	2,949,137	3,073,331	3,425,842	▲	352,510	11%
Profit(loss) from operations	688,806	1,090,410	1,503,444	▲	413,034	38%
Net profit (loss)	(162,818)	296,248	1,050,619	▲	754,371	255%
Non-Current assets	161,432,961	150,847,181	136,227,247	▼	(14,619,934)	-10%
Current assets	91,718,704	98,323,760	120,683,339	▲	22,359,579	23%
Total Equity	136,891,434	138,508,792	135,195,500	▼	(3,313,292)	-2%
Total Liabilities	116,260,230	110,662,148	121,715,085	▲	11,052,937	10%
Debt ratio	46%	44%	47%	▲	0	7%
Current liquidity	109%	113%	119%	▲	0	5%

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

Regarding the consolidated result of Romcarbon Group, the net profit is 4,471,702 lei, increasing with 3,869,532 lei as compared with Q1 2021.

The main impact, besides Romcarbon' standalone result, is from:

➤ Livingjumbo Industry SA – registered a **profit of 710,386 lei**, while it was a loss of (652,149) lei in Q1 2021. The good result is mainly owed to the changes made in the PET sector in the second part of 2021;

➤ RC Energo Install SRL – registered a **profit of 1,195,726 lei**, increased with 981,549 lei as compared with Q1 2021, the highest of the Group's companies, due to the increasing of Christmas lighting business in the winter 2021- 2022.

➤ Green-Group – the performance has improved significantly in Q1 2022 compared with Q1 2021. WEEE business plays huge role in it because the raw material price soared. The same is for Green Glass. The synthetic fiber business due to the market conditions has a negative impact in the Green-Group results.

The impact of the result of the associates (Green-Group) in the Consolidated Statements of the Romcarbon Group in 2022 is 1,583,476 lei, + 843,600 lei | + 114% as compared with Q1 2021.

Overall, the management team is seeing the business heading in the positive direction, although there are still some significant challenges for specific divisions which we have made the strategy for.

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

Indicator (LEI)	3 months 2020	3 months 2021	3 months 2022	2022 vs 2021	
Revenue (Sales)	65,609,112	73,074,641	89,914,541	▲	16,839,901 23%
Other income	1,433,848	1,840,099	6,524,262	▲	4,684,163 255%
Share of profit / loss of associates	(294,690)	739,876	1,583,476	▲	843,600 114%
EBITDA	3,046,841	3,962,851	8,089,482	▲	4,126,632 104%
EBITDA Operational	4,315,733	3,901,985	6,572,211	▲	2,670,226 68%
Net profit ¹	(445,916)	602,170	4,471,702	▲	3,869,532 643%
Net profit without the impact of Share of profit / loss of associates [Green-Group]	(151,226)	(137,706)	2,888,226	▲	3,025,931 2197%
Non-Current assets	195,123,611	179,381,875	166,350,918	▼	(13,030,957) -7%
Current assets	111,454,295	115,840,779	148,329,157	▲	32,488,378 28%
Total Equity	139,139,447	140,351,897	143,437,963	▲	3,086,066 2%
Total Liabilities	167,438,458	154,870,758	171,242,112	▲	16,371,354 11%
Debt ratio	55%	52%	54%	▲	0 4%
Current liquidity	97%	104%	105%	▲	0 1%

¹ The contribution of the company to the profit of the Group:

Company	Result 3 months 2021 (in lei)	Result 3 months 2022 (in lei)	2022 vs 2021
Romcarbon SA	296,248	1,050,619	754,371
Living Jumbo Industry SA	(652,149)	710,386	1,362,534
RC Energo Install SRL	214,178	1,195,726	981,549
Infotech Solutions SRL	20,618	68,177	47,559
Recyplat Ltd Cipru	(102)	(101)	1
Eco Pack Management SA	(2,634)	(7)	2,627
Consolidation adjustments (Share of the profit of the associate Romgreen Universal LTD (Green-Group))	739,876	1,583,476	843,600
Intercompany eliminations and other consolidation adjustments	(13,866)	(136,574)	(122,708)
Total Net profit of the Group	602,169	4,471,702	3,869,533



About the Group

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

Romcarbon SA holds a stake of 17.59% of Romgreen Universal LTD (Green-Group), the major integrated recycler from South-East Europe.

The main companies of the Group with production activities are Romcarbon SA and Livingjumbo Industry SA, owning 72% and 14% of the total fixed assets.

The revenue distribution by field of activity in 2022 was as follows:

- plastics processing (polyethylene, polystyrene, polypropylene, PET): 79% (78% in Q1 2021);
- regenerated polymers and compounds: 15% (11% in Q1 2021);
- other productive activities (production of filters for motor vehicles and industrial filters, production of respiratory protection masks, PVC traffic base): 2% (2% in Q1 2021);
- other activities: 4% (9% in Q1 2021).

**Chairman of the Board and General Manager,
Huang Liang Neng**

**Financial Manager,
ec. Zainescu Viorica Ioana**

**Deputy General Manager for Administrative Operations,
Manaila Carmen**