



Individual half-yearly report for the 1st half of 2024 according to the Financial Supervisory Authority Regulation no. 5/2018

Report date	August 16 th , 2024
Name of the issuing entity	VRANCART SA
Registered office	Adjud, 17 Ecaterina Teodoroiu Street, Vrancea county
Telephone/fax no.:	0237-640.800; 0237-641.720
Tax Identification Number:	1454846
Trade Registry registration no.:	J39/239/1991
Subscribed and paid-in share capital	RON 201.041.740
The regulated market onto which the issued securities are traded	the Bucharest Stock Exchange
Main characteristics of the securities issued by the issuing entity	Standard category

1. The economic and financial situation of VRANCART SA

During the first half of 2024, the performance of Vrancart SA (the "Company") was impacted by the decrease in sales volumes, as well as by the lower prices in the corrugated cardboard and packaging market, which resulted in revenues lower than in 2023, but which are expected to be recovered by the end of the current year.

Packaging demand has started to pick up slightly since the second half of the first quarter and the Company's management expects improved results starting from the second half of the year. The minimum wage increase from October 1st, 2023 continued to impact personnel-related costs in the first half of the current year. Financing costs, although down by 1,3% compared to the same period of the previous year, still remain at high levels.

EBITDA was RON 19,0 mil. (vs. the budgeted amount of RON 17,9 mil.) in absolute value, and its relative value recorded the level of 10,4% (vs. 9% budgeted). The Company's management aims to maintain the trend recorded in the first half of the year until the year end.

Compared to the same period of the previous year, the net result recorded was RON -8.4 million (vs. RON +8.5 million). The current liquidity improved to 0,92 (vs. 0,88), being influenced by the reimbursement at the maturity date (March 15th, 2024) of the debenture loan.

The interim (simplified, unaudited) individual financial statements as at June 30th, 2024 according to the Order of the Ministry of Public Finances no. 2844/2016 for the approval of the Accounting regulations compliant with the International Financial Reporting Standards applicable to trade companies whose securities are admitted to trading on a regulated market are enclosed hereto.



The interim individual financial statements for the 1st half of 2024 have not been revised by an independent external auditor, as this is not a legal or statutory requirement.

1.1. Balance sheet items

<i>(all items in RON, unless otherwise stated)</i>	June 30th, 2024	December 31st, 2023
Non-current assets	537.686.225	464.830.509
Current assets, out of which:	182.569.920	168.699.328
- <i>Trade receivables</i>	77.855.260	67.913.133
Total assets	720.256.145	633.529.837
Total liabilities, out of which:	333.164.450	270.002.131
- <i>Current liabilities</i>	197.566.924	158.463.201
Equity, out of which:	387.091.695	363.527.706
- <i>Reserves</i>	178.848.640	179.304.246
- <i>Retained earnings</i>	7.201.315	15.101.795

As at June 30th, 2024 and during the period January 1st – June 30th, 2024, the evolution of the main financial indicators was as follows:

- The Company's non-current assets increased by 16% as a result of the increase in tangible assets by RON 48.989.939.
- The amount of the Company's current assets increased by 8% as at June 30th, 2024 compared to the year beginning, mainly due to the increase of trade receivables by 15% generated by a higher business volume.
- Trade receivables increased by RON 9.942.127 in the first six months of 2024 compared to the year beginning, as a result of the increase in the volume of sales in the context of the increase in the average number of days of collection.
- The total liabilities recorded as at June 30th, 2024 amount to RON 333.164.450, up by 23% compared to the amount recorded as at January 1st, 2024, mainly as a result of the working capital financing by using short-term credit lines, as well as due to the long-term loans contracted to finance the investment projects approved by the General Meeting of the Shareholders in April 2024 and previously.
- The amount of equity as at June 30th, 2024 is RON 387.091.695, up by 6% compared to the year beginning, as a result of the share capital increase by RON 31.920.075. The reserves remained relatively constant from the year beginning.



1.2. Profit and loss account

<i>(all items in RON, unless otherwise stated)</i>	June 30th, 2024	June 30th, 2023
Operating income, out of which:	191.779.706	235.753.258
<i>Income from agreements concluded with customers</i>	189.275.825	220.693.320
Operating expenses	(194.230.106)	(220.597.848)
Operating result	(2.450.400)	15.155.410
Financial income	805.460	490.779
Financial expenses	(6.028.714)	(6.110.309)
Total income	192.585.166	236.244.037
Total expenses	(200.258.820)	(226.708.157)
Gross profit/loss	(7.673.654)	9.535.880
Net profit/loss	(8.442.867)	8.540.680

The Company's performance in the first half of 2024 was influenced by the increase in the prices of raw materials and utilities tariffs generated by the trends in the international market, which were also reflected in the local market, the tariffs of services provided by third parties, as well as by the impact of the minimum wage increase starting from October 1st, 2023 and the turnover tax.

The results achieved in this period, which are reflected in the negative profitability, but some balanced financial indicators, confirm the Company's resilience to adverse changes in the market.

In the first half of 2024, the evolution of the main indicators of the Profit and loss account is as follows:

- The total income during the analysed period amounted to RON 192.585.166, down by 18% compared to the same period of the previous year, due to the reduction of the prices charged by the company, in an attempt to maintain the production achieved and sold.
- The total expenses of the period amounted to RON 200.258.820, down by 12% compared to the same period of the previous year; however, the cost of raw materials recorded an increase by 50% as a result of the impact of the increasing trend of purchase prices.
- The Company's operating profit recorded a decrease as a result of the effects listed above, but the management intends to remedy it in the second half of the year through various strategic and tactical measures.



1.3. Cash flows

(all items in RON, unless otherwise stated)

	June 30 th , 2024	June 30 th , 2023
<i>Cash flows from operating activities</i>		
Amounts collected from operating activities	208.195.059	268.720.736
Payments made from operating activities	(177.368.933)	(236.477.894)
Net cash flows from operating activities	30.826.126	32.242.842
<i>Cash flows from investment activities</i>		
Amounts collected from investment activities	1.888.777	251.779
Payments made from investment activities	(94.765.797)	(21.979.020)
Net cash flows from investment activities	(92.877.020)	(21.727.241)
<i>Cash flows from financing activities</i>		
Amounts collected from financing activities	133.998.726	25.814.524
Payments made from financing activities	(70.235.728)	(35.859.874)
Net cash flows from financing activities	63.762.998	(10.045.350)
Balance as at the beginning of the period	2.088.021	1.288.888
Balance as at the end of the period	3.800.124	1.759.139

The balance of cash and cash equivalents recorded as at June 30th, 2024 is positive, namely RON 3.800.124. During this period, the Company was able to manage its funds in an effective manner and met all its outstanding obligations.

2. Analysis of the activity of VRANCART SA

2.1. Presentation and analysis of the trends, elements, events or uncertainty factors that affect or might affect the issuer's liquidity, compared to the same period of the previous year

The Company's management considers the results achieved as at June 30th, 2024 as unsatisfactory, being lower than in the previous year, affected by the negative evolution of the increasing prices and tariffs for raw materials and utilities. The control mechanisms and methods implemented ensure that the company's financial balance is maintained, and the company's development strategy is correlated and adapted to market requirements and the company's development needs.

2.2. Presentation and analysis of the effects of all current or anticipated capital expenditures on the issuer's financial situation (stating the purpose and financing sources of these expenditures) compared to the same period of the previous year

The amount of the investments made by the Company during the first six months of 2024 was RON 65.401.555, compared to RON 25.290.260 in the first half of the previous year. Major investments have been made in the 20MW photovoltaic park, as well as in the modernization and endowment of the existing production machinery. These projects were adequately financed, partly from non-reimbursable funds which are expected to be received in the second half of the year.

The Company will continue to implement its investment projects planned for 2024, which were approved by the General Meeting of the Shareholders in April 2024, the sources of financing being both internal and attracted sources (bank loans for investments).

The Company expects that the investments made in the first half of the year will favourably impact the Company's financial position in the medium and long term.



The economic and financial indicators as at June 30th, 2024 are as follows:

Indicator's name	M.U.	June 30 th , 2024	June 30 th , 2023
Overall liquidity	ratio	0,92	0,88
Immediate liquidity	ratio	0,61	0,56
Stock turnover	rot/year	6	7
Debt recovery	days	74	71
Reimbursement of trade liabilities	days	51	34
Operating profitability	%	-1%	6,9
Gross profit rate	%	-4%	4,3

Overall and immediate liquidity recorded a slight increase as at June 30th, 2024 compared to June 30th, 2023, as a result of the cash inflow received on the share capital increase.

The debt recovery period recorded a slight increase and at the same time, the number of days of credit obtained from suppliers also increased, which contributed to the improvement in the company's liquidity.

Profitability from operating activities decreased in the first six months of 2024 compared to the same period of the previous year. The gross profit rate decreased as at June 30th, 2024 compared to the same period of 2023, as a result of higher production cost and lower prices.

2.3. Presentation and analysis of the events, transactions, economic changes that affect to a significant extent the income from the main activity. Specification of the extent to which the income was affected by each of the elements identified. Comparison to the corresponding period of the previous year.

VRANCART SA has no events and transactions to report that could significantly affect the income from the main business.

3. Changes that affect the issuer's capital and management

3.1. Description of the circumstances when the issuer was unable to meet its financial obligations during the analysed period

The company VRANCART S.A. was not in any situation unable to meet its financial obligations during the analysed period. The company does not have any outstanding liabilities to the public budgets or to its private partners.

3.2. Description of any changes related to the rights of the holders of securities issued by the issuer

The company VRANCART S.A. does not have any changes to report in relation to the rights of the holders of securities issued.



4. Major transactions

On **April 29th, 2024**, the Ordinary General Meeting of the Shareholders approved the individual and consolidated financial statements as at December 31st, 2023 and the Revenues and Expenses Budget of VRANCART SA for the financial year 2024, along with the Investment Plan for 2024.

On **July 4th, 2024**, the Company completed the share capital increase operation and the legal procedures for the registration of the new share capital amount with the competent authorities is currently in progress. 318.899.098 ordinary nominative shares, with a nominal value of RON 0,1/share and a total value of RON 31.956.862,07 have been subscribed, out of which RON 31.889.909,80 represents the total nominal value and RON 66.952,27 represents the share premium.

CIUCIOI Ionel-Marian
Chairman of the Board of Directors

ARSENE Vasilica-Monica
Financial Manager



VRANCART SA

**INTERIM INDIVIDUAL FINANCIAL STATEMENTS
(SIMPLIFIED, UNAUDITED)**

AS AT JUNE 30th, 2024

drawn up in accordance with
the Order of the Ministry of Public Finances no. 2844/2016
for the approval of the Accounting regulations compliant with
the International Financial Reporting Standards, applicable to
trade companies whose securities are admitted to trading
on a regulated market

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Vrancart SA
Individual statement of financial position
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

	June 30th, 2024	December 31st, 2023
ASSETS		
Tangible assets	413.620.521	364.630.582
Down-payments for tangible assets	22.694.854	19.706.483
Intangible assets	712.790	775.019
Goodwill	3.380.811	3.380.811
Financial assets	62.587.328	62.587.328
Other non-current receivables	34.689.921	13.750.286
Total non-current assets	537.686.225	464.830.509
Inventories	61.128.361	66.810.661
Trade receivables	77.855.260	67.913.133
Prepaid expenses	1.812.361	972.024
Receivables related to current profit tax	-	835.908
Other receivables	18.248.053	10.353.820
Cash and cash equivalents	3.800.124	2.088.021
	162.844.159	148.973.567
Assets held for sale	19.725.761	19.725.761
Total current assets	182.569.920	168.699.328
TOTAL ASSETS	720.256.145	633.529.837
EQUITY		
Share capital	201.041.740	169.121.665
Share premiums	775.497	775.497
Revaluation reserves	103.937.735	104.393.341
Legal reserves	13.345.280	13.345.280
Other reserves	60.790.128	60.790.128
Retained earnings	7.201.315	15.101.795
Total equity	387.091.695	363.527.706
LIABILITIES		
Long-term loans	92.751.824	67.826.778
Long-term lease liabilities	21.316.103	21.333.018
Subsidies	8.077.762	8.761.341
Long-term debts to employees	444.379	444.379
Liabilities related to deferred profit tax	12.566.556	13.160.453
Provisions	440.902	12.961
Total long-term liabilities	135.597.526	111.538.930

Vrancart SA
Individual statement of financial position
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

	June 30th, 2024	De 2023
Short-term trade liabilities	54.120.599	32.527.381
Short-term loans	119.727.995	62.541.116
Short-term loans from bond issues	-	38.250.000
Short-term lease liabilities	9.284.247	9.300.908
Subsidies	1.360.293	1.361.714
Debts to employees	5.854.618	5.979.709
Liabilities related to current profit tax	12.723	-
Other liabilities	7.206.449	8.502.373
Total current liabilities	197.566.924	158.463.201
TOTAL LIABILITIES	333.164.450	270.002.131
TOTAL EQUITY AND LIABILITIES	720.256.145	633.529.837

The interim financial statements have been approved by the Board of Directors.

General Manager
Nicu Ciprian Fedor

Financial Manager
Monica Vasilica Arsene

Vrancart SA
Individual statement of comprehensive income
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

	June 30th, 2024	June 30th, 2023
Income from agreements concluded with customers	189.275.825	220.693.320
Income from operating subsidies	3.476.143	11.891.176
Other income	4.456.483	1.888.196
Variation in finished product inventories and production in progress	(5.427.745)	1.280.566
Expenses related to raw materials and consumables	(95.924.992)	(116.906.034)
Expenses related to commodities	(5.429.028)	(6.890.603)
Third-party expenses	(15.322.649)	(19.141.757)
Personnel-related expenses	(49.516.646)	(51.186.674)
Other expenses	(6.566.352)	(6.488.277)
EBITDA	19.021.039	35.139.913
Expenses related to amortisation and depreciation of assets	(21.471.439)	(19.984.503)
Operating result	(2.450.400)	15.155.410
Financial income	805.460	490.779
Financial expenses	(6.028.714)	(6.110.309)
Profit before taxation	(7.673.654)	9.535.880
Profit tax expense	(769.213)	(995.200)
Profit for the year	(8.442.867)	8.540.680
Other comprehensive income items		
Changes in the reserve from revaluation of tangible assets, net of deferred tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(8.442.867)	8.540.680

The interim financial statements have been approved by the Board of Directors.

General Manager
Nicu Ciprian Fedor

Financial Manager
Monica Vasilica Arsene

Vrancart SA
Statement of changes in equity
as at June 30th, 2024

(all amounts in RON, unless otherwise stated)

	Share capital	Revaluation reserves	Premiums	Legal reserves	Other reserves	Retained earnings	Total equity
Balance as at January 1st, 2023	120.338.551	106.393.534	664.564	13.037.107	55.469.278	24.754.468	320.657.501
Comprehensive income for the period							
Net profit/loss for the period	-	-	-	-	-	5.629.023	5.629.023
Changes in the reserve from revaluation of tangible assets, net of deferred tax	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	5.629.023	5.629.023
Share capital increase	48.783.114	-	-	-	-	-	48.783.114
Dividends	-	-	-	-	-	(12.033.855)	(12.033.855)
Distribution of legal reserves and other reserves	-	-	110.933	308.173	5.320.850	(5.248.034)	491.923
Transfer of the revaluation reserve to retained earnings following the sale/cassation of tangible assets	-	(2.000.193)	-	-	-	2.000.193	-
Balance as at December 31st, 2023	169.121.665	104.393.341	775.497	13.345.280	60.790.128	15.101.795	363.527.706
Balance as at January 1st, 2024	169.121.665	104.393.341	775.497	13.345.280	60.790.128	15.101.795	363.527.706
Comprehensive income for the period							
Net profit/loss for the period	-	-	-	-	-	(8.442.867)	(8.442.867)
Changes in the reserve from revaluation of tangible assets, net of deferred tax	-	86.781	-	-	-	-	86.781
Total comprehensive income	-	86.781	-	-	-	(8.442.867)	(8.356.086)
Share capital increase	31.920.075	-	-	-	-	-	31.920.075
Dividends	-	-	-	-	-	-	-
Distribution of legal reserves and other reserves	-	-	-	-	-	-	-
Transfer of the revaluation reserve to retained earnings following the sale/cassation of tangible assets	-	(542.387)	-	-	-	542.387	-
Balance as at June 30th, 2024	201.041.740	103.937.735	775.497	13.345.280	60.790.128	7.201.315	387.091.695

Vrancart SA
Individual statement of cash flows
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

DIRECT METHOD

	June 30th, 2024	June 30th, 2023
Cash flows from operating activities		
Amounts collected from customers	208.195.059	268.720.736
Payments to suppliers	(121.611.349)	(167.721.572)
Payments to employees	(34.407.980)	(35.481.785)
Payments to the state budget	(20.921.907)	(32.024.081)
Profit tax paid	(427.697)	(1.250.456)
Net cash flows from operating activities	30.826.126	32.242.842
Cash flows from investment activities		
Payments for the purchase of tangible and intangible assets	(72.615.797)	(21.979.020)
Loans granted to affiliates	(22.150.000)	-
Amounts collected from the sale of tangible assets	1.887.250	250.442
Interests collected	1.527	1.337
Net cash flows from investment activities	(92.877.020)	(21.727.241)
Cash flows from financing activities		
Amounts collected from loans	102.059.558	25.814.524
Share capital increase	31.939.168	-
Loans reimbursed	(19.802.323)	(24.952.635)
Bonds reimbursed	(38.250.000)	-
Payments made under leasing agreements	(6.387.357)	(5.243.811)
Interests paid	(5.796.049)	(5.663.428)
Net cash flows from financing activities	63.762.997	(10.045.350)
Net increase/(reduction) of cash and cash equivalents	1.712.103	470.251
Cash and cash equivalents as at the financial year beginning	2.088.021	1.288.888
Cash and cash equivalents as at the financial year end	3.800.124	1.759.139

General Manager
Nicu Ciprian Fedor

Financial Manager
Monica Vasilica Arsene

The reporting entity

Vrancart SA (“the Company”) is a joint-stock trade company operating in Romania under the provisions of Law no. 31/1990 on trade companies.

The Company is based in Adjud, 17 Ecaterina Teodoroiu Street, Vrancea County.

The Company has working points opened in the following localities: Bucharest, Călimănești, Ungheni, Iași, Focșani, Ploiești, Botoșani, Sibiu, Constanța, Arad, Brașov, Pitești, Timișoara, Bacău, Cluj, Craiova, Baia Mare, Târgu Mureș, Sântana de Mureș, Brăila and Piatra Neamț.

The Company’s main object of activity is represented by the manufacture and trading of the following products:

- single-wall, double-wall and double-double wall corrugated cardboard, corrugated cardboard with micro-flutes;
- corrugated cardboard packaging;
- paperboards;
- tissue papers in various assortments.

The Company’s shares are listed on the Bucharest Stock Exchange, Standard category, with the indicative VNC, starting from July 15th, 2005 and the Company posts its individual financial statements on its website **www.vrancart.ro**.

As at June 30th, 2024, the Company is owned 76% by LION Capital SA (formerly called SIF Banat – Crișana SA), 17% by Paval Holding SRL and 7% by other shareholders.

The records of shares and shareholders is kept according to law by Depozitarul Central S.A. Bucharest.

Accounting principles, policies and methods

The simplified interim individual financial statements for the first six months ended on June 30th, 2024 were drawn up in accordance with IAS 34 Interim Financial Statements.

The simplified interim financial statements do not include all the information and items presented in the annual report and shall be read together with the Company’s annual financial statements, drawn up as at December 31st, 2023.

The accounting policies and the evaluation methods used for the preparation of the simplified interim financial statements are in accordance with those used for the preparation of the Company’s annual financial statements for the year ended on December 31st, 2023.

The interim individual financial statements for the first six months of 2024 have not been revised by an external financial auditor, as this is not a legal or statutory requirement.

The functional and presentation currency

The Company’s management considers that the functional currency, as defined by IAS 21 “The effects of exchange rate variation” is the Romanian leu (lei/RON). The individual financial statements are presented in lei, rounded to the closest amount in lei.

The operations expressed in foreign currencies are recorded in RON at the official exchange rate on the date of discounting of the transactions. The monetary assets and liabilities denominated in foreign currencies on the date of preparation of the accounting balance are converted into the functional currency at the exchange rate of that day.

Vrancart SA
Notes to the individual financial statements
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

The gains or losses from their discounting and from the conversion using the exchange rate as at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

The exchange rates of the main foreign currencies were as follows:

Currency	June 30th, 2024	December 31st, 2023	Variation
Euro (EUR)	4.9771	4.9746	+0,05%
American dollars (USD)	4.6489	4.4958	+3,41%

Other notes

As at June 30th, 2024, the Company recorded a positive cash balance of RON 3.800.124 and it has no outstanding liabilities to the public budgets or to its private partners.

The Company's management considers that the Company will be able to continue its business in the foreseeable future, therefore the application of the going concern principle in the preparation of the financial statements is justified.

Subsequent events

On **April 29th, 2024**, the Ordinary General Meeting of the Shareholders approved the individual and consolidated financial statements as at December 31st, 2023 and the Revenues and Expenses Budget of VRANCART SA for the financial year 2024, along with the Investment Plan for 2024.

On **July 4th, 2024**, the Company completed the share capital increase operation and the legal procedures for the registration of the new share capital amount with the competent authorities is currently in progress. 318.899.098 ordinary nominative shares, with a nominal value of RON 0,1/share and a total value of RON 31.956.862,07 have been subscribed, out of which RON 31.889.909,80 represents the total nominal value and RON 66.952,27 represents the share premium.

Management's statement

According to our best information available, we confirm that the simplified interim individual financial statements as at June 30th, 2024 and for the period then ended, drawn up in accordance with the International Financial Reporting Standards, provide a fair and accurate view of the Company's position and financial performances, as provided by the applicable accounting standards, and that the information presented in this report provides a fair and accurate view of the main events that took place during the first six months of the financial year and of their impact onto the simplified interim financial statements.

General Manager
Nicu Ciprian Fedor

Financial Manager
Monica Vasilica Arsene



Consolidated half-yearly report for the 1st half of 2024 according to the Financial Supervisory Authority Regulation no. 5/2018

Report date	August 16 th , 2024
Name of the issuing entity	VRANCART SA
Registered office	Adjud, 17 Ecaterina Teodoroiu Street, Vrancea county
Telephone/fax no.:	0237-640.800; 0237-641.720
Tax Identification Number	1454846
Trade Registry registration no.:	J39/239/1991
Subscribed and paid-in share capital	RON 201.041.740
The regulated market onto which the securities issued are traded	the Bucharest Stock Exchange
Main characteristics of the securities issued by the issuing entity	Standard category

1. The economic and financial situation of VRANCART SA

During the first half of 2024, the performance of the Vrancart Group (the "Group") was impacted by the lower volumes sold and also by the lower prices, which led to revenues lower than in 2023, but which are expected to be recovered by the end of the current year for the paper and corrugated cardboard businesses carried out through Vrancart S.A.

EBITDA amounted to RON 22,2 mil. (vs. the budgeted amount of RON 25,5 mil.) in absolute value, and the relative value recorded the level of 9,1% (vs. 9,5% budgeted). The Group's management aims to recover by the end of the year the gap recorded during the semester under review.

Compared to the same period of the previous year, the net result recorded was RON -9,2 mil. (vs. RON +8,9 mil). The current liquidity decreased to 0,95 (vs. 1,10), being influenced by the repayment at the maturity date (March 15th, 2024) of the debenture loan by Vrancart S.A. and by the ongoing investments for which the company expects to receive a grant under the National Recovery and Resilience Program in the second semester.

As the investment projects that are in progress this year are completed, the Group will benefit from significant synergies in terms of production cost optimization and productivity increase that will lead, starting from Q4 2024, to higher than usual profitability, an expanded product portfolio and a massive positive impact onto the environment.

The interim (simplified, unaudited) consolidated financial statements as at June 30th, 2024 according to the Order of the Ministry of Public Finances no. 2844/2016 for the approval of the Accounting



regulations compliant with the International Financial Reporting Standards applicable to trade companies whose securities are admitted to trading on a regulated market are enclosed hereto.

The interim consolidated financial statements for the 1st half of 2024 have not been revised by an independent external auditor, as this is not a legal or statutory requirement.

1.1. Balance sheet items

<i>(all items in RON, unless otherwise stated)</i>	June 30th, 2024	December 31st, 2023
Non-current assets	658.202.503	589.006.547
Current assets, out of which:	241.320.084	186.005.400
- Trade receivables	82.379.102	74.408.633
Total assets	899.522.587	775.011.947
Total liabilities, out of which:	519.489.721	417.468.712
- Current liabilities	254.235.677	226.566.109
Equity, out of which:	380.032.866	357.543.235
- Reserves	179.533.295	179.988.889
- Retained earnings	(542.169)	8.432.683

As at June 30th, 2024 and during the period January 1st – June 30th, 2024, the evolution of the main financial indicators was as follows:

- The Group's non-current assets increased by 12% as a result of the investments made in the first half of 2024.
- The amount of the Group's current assets increased by 30% as at June 30th, 2024 compared to the beginning of the year, mainly as a result of the recording of the receivables related to the subsidy for compensation for the high electricity costs resulting from indirect emission costs as a result of the EU Emissions Trading Scheme (ETS) at the Parent-company, as well as the investment subsidies received by the subsidiary Vrancart Recycling.
- Trade receivables increased by RON 7.970.469 in the first six months of 2024 compared to the year beginning, as a result of higher sales volumes and longer payment terms to stimulate sales.
- The total liabilities recorded as at June 30th, 2024 amount to RON 519.489.721, up by 24% compared to the amount recorded as at January 1st, 2024, mainly as a result of the additional working capital financing, by using short-term credit lines, as well as due to the increase in liabilities related to long-term bank loans, required to finance the ongoing investments, which will be reduced by the state aid received at the end of June and by the grant to be received in the second half of the year.
- The amount of equity as at June 30th, 2024 is RON 380.032.866, up by 6% compared to the beginning of the year, as a result of the share capital increase at the Parent-company. The Group's reserves did not change significantly during the period.



1.2. Profit and loss account

<i>(all amounts in RON, unless otherwise stated)</i>	June 30th, 2024	June 30th, 2023
Operating income, out of which:	243.723.502	285.966.361
<i>Income from turnover</i>	239.431.262	271.137.126
Operating expenses	(245.471.221)	(269.252.422)
Operating profit	(1.747.719)	16.713.939
Financial income	749.297	490.944
Financial expenses	(7.339.361)	(7.076.101)
Total income	244.472.799	286.457.305
Total expenses	(252.810.582)	(276.328.523)
Gross profit	(8.337.783)	10.128.782
Net profit	(9.268.900)	8.987.962

The Group's performance in the first six months of 2024 was influenced by the volumes produced and sold in the first part of the half-year under review, but also by the decreasing sales prices, in a context where costs did not follow this trend. At the same time, salary expenses and personnel-related expenses increased, naturally leading to a cost saving policy whose impact will be seen in the next semester.

The Group's management is considering a series of measures to improve profitability and bring the company back in line with the expectations, as well as on a trend of good financial indicators to confirm the business sustainability, as well as the Group's resilience to the adverse market changes it has faced over the past 3 years.

In the first half of 2024, the evolution of the main indicators of the Profit and loss account was as follows:

- The total income during the period under review amounted to RON 244.472.799, down by 15% compared to the same period of the previous year, due to a decrease in sales following a reduction in orders.
- The total expenses for the period amounted to RON 252.810.582, down by 9% compared to the same period of the previous year, mainly due to the increase in raw material prices and utility tariffs and higher personnel-related expenses, as a result of salary increases at the end of last year. Turnover tax also had a negative impact onto the result as at June 30th, 2024.
- The Group's operating result amounted to RON -1.747.719 lei as a result of the aforementioned effects, and the net result recorded a significant decrease in the first six months of 2024 compared to the same reporting period of the previous year. The net result, although decreasing compared to the same reporting period of the previous year, is at the expected level in line with volatile market evolution.



1.3. Cash flows

(all amounts in RON, unless otherwise stated)

	June 30th, 2024	June 30th, 2023
<i>Cash flows from operating activities</i>		
Amounts collected from operating activities	261.642.599	322.001.639
Payments made from operating activities	(229.730.123)	(289.326.442)
Net cash flows from operating activities	31.912.476	32.675.197
<i>Cash flows from investment activities</i>		
Amounts collected from investment activities	153.676.467	293.769
Payments made from investment activities	(100.600.426)	(49.964.502)
Net cash flows from investment activities	(53.076.041)	(49.670.733)
<i>Cash flows from financing activities</i>		
Amounts collected from financing activities	151.743.426	43.385.796
Payments made from financing activities	(88.353.613)	(24.541.246)
Net cash flows from financing activities	63.389.813	18.844.550
Balance as at the beginning of the period	2.823.520	3.563.830
Balance as at the end of the period	45.049.768	5.412.844

The balance of cash and cash equivalents recorded as at June 30th, 2024 is positive, namely RON 45.049.768, well above last year's result. In the context of a negative profit, the Group's cash flow looked very good on each of its three components compared to the same period of the previous year. During the period, the Vrancart Group met all its outstanding obligations on time.

2. Analysis of the activity of VRANCART SA

2.1. Presentation and analysis of the trends, elements, events or uncertainty factors that affect or might affect the issuer's liquidity, compared to the same period of the previous year

The Group's management considers as unsatisfactory the results as at June 30th, 2024, in the context of similar economic developments both internally and abroad.

Compared to the previous year, these were affected by the decrease in consumption, and consequently in the demand for the company's products on the Romanian market, as well as by the negative (increasing) evolution of raw material prices and utility tariffs, and salary increases.

The control mechanisms and methods implemented ensure that the company's financial balance is maintained, and the company's development strategy is correlated and adapted to the market requirements and the company's development needs.

2.2. Presentation and analysis of the effects of all current or anticipated capital expenditures onto the issuer's financial situation (stating the purpose and financing sources of these expenditures) compared to the same period of the previous year

The amount of the investments made by the Company during the first six months of 2024 was RON 90.340.324, compared to RON 41.390.127 in the first half of the previous year. Major investments have been made in the 20MW photovoltaic park, the Vrancart Recycling project, as well as in modernization and endowment of the existing production machinery. These have benefited from adequate financing from both attracted sources (long-term bank loans for investments) and internal sources.



The Group will continue to implement its investment projects planned for 2024, which were approved by the General Meeting of the Shareholders in April 2024 and previously.

The Vrancart Group expects that the investments made in the first half of the year will favourably impact its financial position in the medium and long term.

The economic and financial indicators as at June 30th, 2024 are as follows:

Indicator's name	M.U.	June 30 th , 2024	June 30 th , 2023
Overall liquidity	ratio	0,95	0,93
Immediate liquidity	ratio	0,66	0,62
Stock turnover	rot/year	7	7
Debt recovery	days	62	61
Reimbursement of trade liabilities	days	48	37
Operating profitability	%	-1%	6,2
Gross profit rate	%	-3%	3,7

Overall liquidity recorded an improvement as at June 30th, 2024 compared to June 30th, 2023, mainly as a result of the collection of investment grants at the subsidiary Vrancart Recycling SRL.

There were no significant changes in the debt recovery period and the number of days of credit obtained from suppliers.

The gross profit rate recorded decreasing values as at June 30th, 2024 compared to the same period of the previous year, mainly as a result of the higher decrease in revenues than the decrease in expenses and the increase in production costs.

2.3. Presentation and analysis of the events, transactions, economic changes that affect to a significant extent the income from the main activity. Specification of the extent to which the income was affected by each of the elements identified. Comparison to the corresponding period of the previous year.

VRANCART Group has no events and transactions to report that could significantly affect the income from its main business.

3. Changes that affect the issuer's capital and management

3.1. Description of the circumstances when the issuer was unable to meet its financial obligations during the analysed period

VRANCART Group was not in any situation unable to meet its financial obligations during the analysed period. The Group does not have any outstanding liabilities to the public budgets or to its private partners.

3.2. Description of any changes related to the rights of the holders of securities issued by the issuer

The company VRANCART SA does not have any changes to report in relation to the rights of the holders of securities issued.



4. Major transactions

On **April 29th, 2024**, the Ordinary General Meeting of the Shareholders approved the individual and consolidated financial statements as at December 31st, 2023 and the Revenues and Expenses Budget of VRANCART SA for the financial year 2024, along with the Investment Plan for 2024.

On **July 4th, 2024**, the Company completed the share capital increase operation and the legal procedures for the registration of the new share capital amount with the competent authorities is currently in progress. 318.899.098 ordinary nominative shares, with a nominal value of RON 0,1/share and a total value of RON 31.956.862,07 have been subscribed, out of which RON 31.889.909,80 represents the total nominal value and RON 66.952,27 represents the share premium.

CIUCIOI Ionel-Marian
Chairman of the Board of Directors

ARSENE Vasilica-Monica
Financial Manager



VRANCART SA

**CONSOLIDATED FINANCIAL STATEMENTS
(SIMPLIFIED, UNAUDITED)**

AS AT JUNE 30th, 2024

drawn up in accordance with
the Order of the Ministry of Public Finances no. 2844/2016
for the approval of the Accounting regulations compliant with
the International Financial Reporting Standards, applicable to
trade companies whose securities are admitted to trading
on a regulated market

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Vrancart SA
Consolidated statement of financial position
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

	June 30th, 2024	December 31st, 2023
ASSETS		
Tangible assets	622.210.575	552.107.867
Down-payments for tangible assets	23.545.704	23.363.024
Intangible assets	3.098.989	3.785.076
Other non-current receivables	820.844	1.224.189
Goodwill	8.526.391	8.526.391
Total non-current assets	658.202.503	589.006.547
Inventories	73.426.478	76.630.055
Trade receivables	82.379.102	74.408.633
Prepaid expenses	2.269.243	1.054.817
Receivables related to current profit tax	-	835.908
Other receivables	18.469.732	10.526.706
Cash and cash equivalents	45.049.768	2.823.520
	221.594.323	166.279.639
Assets held for sale	19.725.761	19.725.761
Total current assets	241.320.084	186.005.400
TOTAL ASSETS	899.522.587	775.011.947
EQUITY		
Share capital	201.041.740	169.121.665
Share premiums	775.497	775.497
Revaluation reserves	100.513.532	100.969.137
Legal reserves	13.646.880	13.646.880
Other reserves	64.601.130	64.601.130
Retained earnings	(542.169)	8.432.683
Total equity – Parent-company	380.036.610	357.546.992
Non-controlling interests	(3.744)	(3.757)
Total equity	380.032.866	357.543.235
LIABILITIES		
Long-term loans	172.248.337	140.955.586
Long-term lease liabilities	21.960.849	21.977.764
Subsidies	56.844.150	13.137.193
Long-term debts to employees	444.379	444.379
Liabilities related to deferred profit tax	13.315.427	13.894.851
Provisions	440.902	492.830
Total long-term liabilities	265.254.044	190.902.603

Vrancart SA
Consolidated statement of financial position
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

	June 30th, 2024	December 31st, 2023
Short-term trade liabilities	64.101.007	57.577.273
Short-term loans	157.838.799	104.412.448
Short-term lease liabilities	9.304.298	9.320.959
Short-term loans from bond issues	-	38.250.000
Subsidies	2.052.978	1.361.714
Debts to employees	7.007.560	7.072.857
Liabilities related to current profit tax	21.848	92.996
Other liabilities	13.909.187	8.477.862
Total current liabilities	254.235.677	226.566.109
TOTAL LIABILITIES	519.489.721	417.468.712
TOTAL EQUITY AND LIABILITIES	899.522.587	775.011.947

The financial statements have been approved by the Board of Directors.

General Manager
Nicu-Ciprian Fedor

Financial Manager
Monica Vasilica Arsene

Vrancart SA
Consolidated statement of comprehensive income
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

	June 30th, 2024	June 30th, 2023
Income from agreements concluded with customers	239.431.262	271.137.126
Income from operating subsidiaries	3.476.143	11.891.176
Other income	5.150.732	1.740.769
Variation in finished product inventories and production in progress	(4.334.635)	1.197.290
Expenses related to raw materials and consumables	(109.643.762)	(124.374.059)
Expenses related to commodities	(20.207.766)	(27.038.888)
Third-party expenses	(21.678.203)	(24.640.656)
Personnel-related expenses	(58.555.122)	(59.212.723)
Other expenses	(11.347.336)	(17.652.799)
EBITDA	22.291.313	33.047.236
Expenses related to amortisation and depreciation of assets	(24.039.032)	(16.333.297)
Operating result	(1.747.719)	16.713.939
Financial income	749.297	490.944
Financial expenses	(7.339.361)	(7.076.101)
Profit before taxation	(8.337.783)	10.128.782
Profit tax expense	(931.117)	(1.140.820)
Profit for the year	(9.268.900)	8.987.962
- Of the Parent-company's shareholders	(9.268.913)	8.986.655
- Of non-controlling interests	13	1.307
Other comprehensive income items		
Changes in the reserve from revaluation of tangible assets, net of deferred tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(9.268.900)	8.987.962
- Of the Parent-company's shareholders	(9.268.913)	8.986.655
- Of non-controlling interests	13	1.307

The financial statements have been approved by the Board of Directors.

General Manager
Nicu-Ciprian Fedor

Financial Manager
Monica Vasilica Arsene

Vrancart SA
Consolidated statement of changes in equity
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

	Attributable to the Parent-company's shareholders					Retained earnings	Non-controlling interests	Total equity
	Share capital	Revaluation reserves	Share premiums	Legal reserves	Other reserves			
Balance as at January 1st, 2024	169.121.665	100.969.137	775.497	13.646.880	64.601.130	8.432.683	(3.757)	357.543.235
Comprehensive income for the period								
Net profit/loss for the period	-	-	-	-	-	(9.268.913)	13	(9.268.900)
Other comprehensive income items								
Changes in the reserve from revaluation of tangible assets, net of deferred tax	-	86.782	-	-	-	-	-	86.782
Total comprehensive income for the period	-	86.782	-	-	-	(9.268.913)	13	(9.182.118)
Distribution of reserves	-	-	-	-	-	(248.325)	-	(248.325)
Transfer of the revaluation reserve to retained earnings following the sale/cassation of tangible assets, net of tax	-	(542.387)	-	-	-	542.387	-	-
Transactions with the shareholders								
Dividends	-	-	-	-	-	-	-	-
Share capital increase	31.920.075	-	-	-	-	-	-	31.920.075
Total transactions with the shareholders	31.920.075	-	-	-	-	-	-	31.920.075
Balance as at June 30th, 2024	201.041.740	100.513.532	775.497	13.646.880	64.601.130	(542.169)	(3.744)	380.032.866

General Manager
Nicu-Ciprian Fedor

Financial Manager
Monica Vasilica Arsene

Vrancart SA
Consolidated statement of cash flows
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

DIRECT METHOD

	June 30th, 2024	June 30th, 2023
Cash flows from operating activities		
Amounts collected from customers	261.642.599	322.001.639
Payments to suppliers	(159.405.999)	(207.364.072)
Payments to employees	(39.719.310)	(40.188.269)
Payments to the state budget	(29.697.490)	(40.367.668)
Profit tax paid	(907.324)	(1.406.433)
Net cash flows from operating activities	31.912.476	32.675.197
Cash flows from investment activities		
Payments for the purchase of tangible and intangible assets	(100.600.426)	(49.964.502)
Amounts collected from the sale of tangible assets	1.887.250	250.442
Amounts collected from investment subsidies	45.635.522	-
Interests collected	1.613	43.327
Net cash flows used for investment activities	(53.076.041)	(49.670.733)
Cash flows from financing activities		
Amounts collected from loans	119.804.248	43.385.796
Cash contribution to share capital	31.939.168	-
Bonds reimbursed	(38.250.000)	-
Payments made under leasing agreements	(6.387.357)	(5.243.811)
Loans reimbursed	(37.154.640)	(12.912.995)
Interests paid	(6.561.606)	(6.384.440)
Net cash flows from financing activities	63.389.813	18.844.550
	42.226.248	1.849.014
Net increase/(reduction) of cash and cash equivalents		
Cash and cash equivalents as at the financial year beginning	2.823.520	3.563.830
Cash and cash equivalents as at the financial year end	45.049.768	5.412.844

General Manager
Nicu-Ciprian Fedor

Financial Manager
Monica Vasilica Arsene

Vrancart SA
Notes to the consolidated financial statements
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

The reporting entity

Vrancart Group (“the Group”) includes the company Vrancart SA, having its registered office in Adjud, 17 Ecaterina Teodoroiu Street, Vrancea county and its branches Rom Paper SRL (“Branch 1”), based in Braşov locality, 30 Cristianului Road, Braşov county, Vrancart Recycling SRL (“Branch 2”), based in Adjud, 17 Ecaterina Teodoroiu Street, Vrancea county and Ecorep Group SA (“Branch 3”), based in Adjud, 17 Ecaterina Teodoroiu Street, Vrancea county.

The consolidated financial statements of the Group for the reporting period ended on June 30th, 2024 are formed of the financial statements of Vrancart SA and of its branches, that form together the Group.

Branch	Field of activity	Shareholding as at	
		Shareholding as at June 30th, 2024	December 31st, 2023
Rom Paper SRL	Production of napkins and tissue paper products	100%	100%
Vrancart Recycling SRL	Treatment and removal of non-hazardous waste	100%	100%
Ecorep Group SA	Business support services n.e.c.	99,6%	99,6%

The Group operates in the field of non-hazardous waste collection and recycling, in the paper, corrugated cardboard and tissue paper industry.

The end beneficiary of the Group is LION Capital SA (formerly called SIF Banat-Crisana).

VRANCART SA

Vrancart SA (“the Company”) is a joint-stock trade company operating in Romania under the provisions of Law no. 31/1990 on trade companies.

The company is based in Adjud, 17 Ecaterina Teodoroiu Street, Vrancea County.

The company has working points opened in the following localities: Bucharest, Călimăneşti, Ungheni, Iaşi, Focşani, Ploieşti, Botoşani, Sibiu, Constanţa, Arad, Braşov, Piteşti, Timişoara, Bacău, Cluj, Craiova, Baia Mare, Târgu Mureş, Brăila and Piatra Neamţ.

The company’s main object of activity is represented by the manufacture and trading of the following products:

- single-wall, double-wall and double-double wall corrugated cardboard, corrugated cardboard with micro-flutes;
- corrugated cardboard packaging;
- paperboards;
- tissue papers in various assortments.

The company’s shares are listed on the Bucharest Stock Exchange, Standard category, with the indicative VNC, starting from July 15th, 2005. The Group posts its consolidated financial statements on its website www.vrancart.ro. The record of shares and shareholders is kept according to law by Depozitarul Central SA Bucharest.

As at June 30th, 2024, the company is owned 76% by LION Capital SA (formerly called SIF Banat – Crişana SA), 17% by Paval Holding SRL and 7% by other shareholders.

ROM PAPER SRL

Rom Paper SRL (“Branch 1”) was established in 2002 and it is a Romanian privately-owned company, which produces tissue paper products made of recycled paper and cellulose, such as: napkins, folded paper towels, tissue paper, professional rolls, tissues for cosmetic use and facial tissues. Its products are traded on the territory of Romania and abroad in 6 other countries, by means of store chains (hypermarkets, supermarkets, cash and carry) and also by means of distributors.

On January 20th, 2017, the Company completed the acquisition of the majority stake (70%) in Rom Paper SRL.

As at June 30th, 2024, the Group held 100% of the company’s shares, following the acquisition in June 2017 of 15%, respectively in June 2018 of the last tranche of 15% of the shares in Rom Paper SRL.

VRANCART RECYCLING SRL

Vrancart Recycling SRL (“Branch 2”) was established in August 2020 and it is a Romanian privately-owned company, having a sole shareholder. The main activity of this branch consists of the treatment and disposal of non-hazardous waste. This company was founded with the purpose to develop the Group through a greenfield investment, amounting to over Euro 27 million, in recycling adjacent fields to cover a great diversity of recyclable resources that it will sell or use internally following the newly-created synergies.

ECOREP GROUP SA

Ecorep Group SA (“Branch 3”) was established in November 2020 and it is a Romanian privately-owned company. The main activity of this branch consists of the provision of services regarding the implementation of the obligations related to the producer’s extended liability for environmental targets. The company obtained the authorisation from the Ministry of Environment in 2021.

The Group performs a wide range of laborious and complex activities in fields such as non-hazardous waste collection and recycling, the paper and corrugated cardboard industry, corrugated cardboard packaging, the production of tissue paper products and equipment for paper and cardboard waste recycling. The overwhelming proportion of paper used in the various production processes is obtained from the recycling of paper and cardboard waste, the Group making an essential contribution to the Romanian circular economy.

Main investments in progress at Group level

At Vrancart S.A. we are building a 20 MW photovoltaic park worth RON 77 million, financed by investment loans, the Company’s own contribution and a grant received under the National Recovery and Resilience Plan, worth RON 29 million. The project is being built on a land plot of 39 ha, that was made viable and greened by the company in order to give it back to the economic circuit. Another major project is the implementation of a new state-of-the-art ERP system worth EUR 514 thousand financed by a bank loan and by the Company’s own contribution.

Vrancart SA
Notes to the consolidated financial statements
as at June 30th, 2024
(all amounts in RON, unless otherwise stated)

At Vrancart Recycling S.R.L. we are developing an integrated waste recycling project, representing a greenfield investment worth EUR 27 million, financed by investment loans, the Company's own contribution and a state aid of EUR 8,3 million, with the main purpose of developing new recycling capacities for waste paper, plastic and wood, as well as a cogeneration plant for the production of thermal energy (16,2 to/h) and electricity (1,2 MW/h) using waste and residues from the technological processes.

Accounting principles, policies and methods

The simplified interim consolidated financial statements for the first six months ended on June 30th, 2024 were drawn up in accordance with IAS 34 Interim Financial Statements.

The simplified interim consolidated financial statements do not include all the information and items presented in the annual report and shall be read together with the Company's annual financial statements, drawn up as at December 31st, 2023.

The accounting policies and the evaluation methods used for the preparation of the simplified interim consolidated financial statements are in accordance with those used for the preparation of the Company's annual financial statements for the year ended on December 31st, 2023.

Combinations of entities are accounted for through the acquisition method on the date when the Group obtains control over the purchased entity. The control requires exposure or rights onto the variable results of the entity invested in, as well as the capacity to influence those results by exerting authority on that entity.

Branches are entities controlled by the Group. The financial statements of the branches are included in the consolidated financial statements from the date when control starts to be exerted until the date when it ceases.

The interim consolidated financial statements for the first six months of 2024 have not been revised by an external financial auditor, as this is not a legal requirement.

Transactions in foreign currency

The operations expressed in foreign currencies are recorded in RON at the official exchange rate on the date of discounting of the transactions. The monetary assets and liabilities denominated in foreign currencies on the date of preparation of the accounting balance are converted into the functional currency at the exchange rate of that day.

The gains or losses from their discounting and from the conversion using the exchange rate as at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

The exchange rates of the main foreign currencies were as follows:

Currency	June 30th, 2024	December 31st, 2023	Variation
Euro (EUR)	4.9771	4.9746	+0,05%
American dollars (USD)	4.6489	4.4958	+3,41%

Other notes

The Group's management has set its medium and long-term strategy and the forecasts predict sales increases and cost reductions as a result of the effective use of resources, which will lead to increased operating profit.

As at June 30th, 2024, the Group recorded a positive cash balance of RON 45.049.768 and it has no outstanding liabilities to the public budgets or to its private partners.

The Group pays great importance to profitability indicators, by streamlining its operational processes, and liquidity, through the efficient use of resources.

On the basis of these analyses, the management believes that the Group will be able to continue its activities for the foreseeable future, but not limited to the next 12 months, and therefore, the application of the going concern principle in the preparation of the consolidated financial statements is justified.

Subsequent events

On **April 29th, 2024**, the Ordinary General Meeting of the Shareholders approved the individual and consolidated financial statements as at December 31st, 2023 and the Revenues and Expenses Budget of VRANCART SA for the financial year 2024, along with the Investment Plan for 2024.

On **July 4th, 2024**, the Company completed the share capital increase operation and the legal procedures for the registration of the new share capital amount with the competent authorities is currently in progress. 318.899.098 ordinary nominative shares, with a nominal value of RON 0,1/share and a total value of RON 31.956.862,07 have been subscribed, out of which RON 31.889.909,80 represents the total nominal value and RON 66.952,27 represents the share premium.

Management's statement

According to our best information available, we confirm that the simplified interim consolidated financial statements as at June 30th, 2024 and for the period then ended, drawn up in accordance with the International Financial Reporting Standards, provide a fair and accurate view of the Group's position and financial performances, as provided by the applicable accounting standards, and that the information presented in this report provides a fair and accurate view of the main events that took place during the first six months of the financial year and of their impact onto the simplified interim consolidated financial statements.

General Manager
Nicu-Ciprian Fedor

Financial Manager
Monica Vasilica Arsene



STATEMENT

The undersigned, Ionel - Marian CIUCIOI, as Chairman of the Board of Directors of VRANCART, and Vasilica - Monica ARSENE, as Financial Manager of VRANCART, with registered office in Adjud, 17th Ecaterina Teodoroiu Street, Vrancea County, registered at the Vrancea Trade Register under no. J39/239/1991, Unique Registration Code 1454846, being aware of the provisions of Article 326 of the Penal Code, concerning false statements, we declare on our own responsibility that, to the best of our knowledge, the Financial Reports for the first half of the financial year 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) (O.M.F.P. no. 881/2012 and O.M.F.P. no. 2844/2016, with subsequent additions and amendments), the provisions of Law no. 24/2017 and FSA Regulation no. 5/2018, and give a true and fair view of VRANCART's Statement of Financial Position and Statement of Comprehensive Income.

August 16st, 2024

Ionel – Marian CIUCIOI – Chairman of the BoD

Vasilica – Monica ARSENE – Financial Manager