



REMUNERATION REPORT

FOR THE DIRECTORS AND EXECUTIVE DIRECTORS OF VRANCART S.A.

RELATED TO 2025

1. INTRODUCTION

This Remuneration Report (hereinafter referred to as the "Report") for managers (directors and executive officers) and VRANCART S.A. (hereinafter referred to as the "Company"), prepared in accordance with the Company's Remuneration Policy, aims to present a clear and objective picture of the remuneration and/or benefits granted by the Company to its directors during the financial year 2025.

The remuneration report is prepared by the Company in accordance with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, republished, with subsequent amendments and completions, and will be put to a vote at the Ordinary General Meeting of Shareholders of the Company on 24th/25th April, 2026, , with the opinion of the shareholders having an advisory role.

Thereafter, the Report will be published and made available to the public for a period of 10 years on the Company's website – www.vrancart.ro.

2. REMUNERATION RATIO AND REMUNERATION POLICY

The Company's remuneration policy was approved by the Board of Directors on March 26th, 2021 and by the Ordinary General Meeting of Shareholders on April 27th, 2021 and entered into force on May 1th, 2021.

It describes the general framework for setting remuneration within the Company's management and sets out clear principles aimed at demonstrating the alignment of the interests of decision-makers in the Company with the interests of shareholders and other parties involved (e.g. employees or the general public).



By applying the Remuneration Policy, the Company aims to ensure consistency between the remuneration offered and its business strategy, risk policies, values and objectives of the different time frames, the complexity of the operations carried out, the dimensions and internal organizational structures or of the Affiliate Group that it controls.

The remuneration report highlights the applicability during the 2025 financial year of the guidelines of the Remuneration Policy.

3. LEADERS OF THE SOCIETY

The Company is managed on a unitary basis by a Board of Directors consisting of 5 (five) members, appointed for a period of 4 (four) years. The General Manager of the Company is appointed on the basis of a mandate contract.

The duties of the Board of Directors and the General Manager are provided for in the Company's Articles of Incorporation, as well as in the applicable general and special legal provisions.

During 2025, the members of the Company's Board of Directors were:

Crt. No.	First Name/Last Name	Function	Previous mandate	Current mandate
1.	Nicu-Ciprian FEDOR	General Manager Executive Administrator/ Chairman of the Board of Directors		April 1 th , 2024- November 5 th , 2025 December 12 th , 2024- November 5 th , 2025
2.	Adrian-Corneliu BECHEANU	Deputy Director General		November 1 th , 2024-July 1 th , 2025
3.	Ștefan-Viorel MOVILĂ	General Manager		November 6 th , 2025-November 5 th , 2029
4.	Bogdan-Alexandru DRĂGOI	Non-executive director	April 27 th , 2018- April 27 th , 2022	April 27 th , 2022- April 27 th , 2026
5.	Adrian FERCU	Non-executive director	April 27 th , 2020- April 27 th , 2022	April 27 th , 2022- April 27 th , 2026
6.	Rachid EL LAKIS	Non-executive director	April 27 th , 2021- April 27 th , 2022	April 27 th , 2022- April 27 th , 2026
7.	Sergiu MIHAILOV	Non-executive director	April 27 th , 2018- April 27 th , 2022	April 27 th , 2022- November 5 th , 2025



		Provisional Chairman of the Board of Directors		November 6 th , 2025-December 31 th , 2025
8.	Alexandru-Lucian MINEA	Provisional Non-Executive Director		November 6 th , 2025-December 31 th , 2025

Mr. Nicu – Ciprian FEDOR held the position of General Manager of the Company, with executive duties delegated by mandate contract, between April 1th, 2024 and November 5th, 2025.

Mr. Adrian-Corneliu BECHEANU held the position of Deputy General Manager of the Company, with powers delegated by mandate contract, between November 1th, 2024 and July 1th, 2025.

During 2025, Mr. Ștefan-Viorel MOVILĂ held the position of General Manager of the Company, with executive duties delegated by mandate contract, between November 6th, 2025 and December 31th, 2025. His mandate as General Manager is valid until November 5th, 2029.

4. REMUNERATION OF MANAGERS

In 2025, the remuneration of the Company's directors was fixed, variable and non-financial, as follows:

- 4.1. The members of the Board of Directors benefit from:
 - 4.1.1. a fixed monthly remuneration, established by the Ordinary General Meeting of Shareholders,
 - 4.1.2. of variable remuneration, within the maximum limit established by the Ordinary General Meeting of Shareholders,
 - 4.1.3. does not benefit from non-financial benefits,
- 4.2. The General Manager benefits:
 - 4.2.1. of a fixed monthly remuneration, based on the mandate contract,
 - 4.2.2. a variable annual remuneration, approved by the Board of Directors, depending on the Company's performance in the respective financial year, and within the maximum limit established by the Ordinary General Meeting of Shareholders,
 - 4.2.3. of non-financial benefits, as follows: company car, computer technology, telephone, medical insurance.
- 4.3. The Deputy Director General benefits:
 - 4.3.1. of a fixed monthly remuneration, based on the mandate contract,



- 4.3.2. a variable annual remuneration, approved by the Board of Directors, depending on the Company's performance in the respective financial year
- 4.3.3. of non-financial benefits, as follows: company car, computer technology, telephone, medical insurance.

Crt. No.	First Name/Last Name	Function	Fixed annual remuneration, net, Lei	Variable annual remuneration, net, Lei
1.	Nicu-Ciprian FEDOR	President of the Board of Directors	121,800	5,000
		General Manager	361,231	223,941
2.	Adian-Corneliu BECHEANU	Deputy Director General	180,056	24,500
3.	Ștefan-Viorel MOVILĂ	General Manager	46,989	20,000
4.	Bogdan-Alexandru DRĂGOI	Non-executive director	144,000	85,000
5.	Adrian FERCU	Non-executive director	144,000	85,000
6.	Rachid EL LAKIS	Non-executive director	144,000	85,000
7.	Sergiu MIHAILOV	Non-executive director	120,000	60,000
		Provisional Chairman of the Board of Directors	24,000	25,000
8.	Alexandru-Lucian MINEA	Provisional Non-Executive Director	22,199	4,167

In 2025, some of the members of the management received additional remuneration for the quality of directors at the Group's subsidiaries, as follows:

- Mr. Sergiu MIHAILOV also received net remuneration in the amount of 48,000 Lei from two other subsidiaries of the Company.
- Mr. Adrian FERCU also received net remuneration in the amount of 30,000 Lei from a subsidiary of the Company.
- Mr. Nicu-Ciprian FEDOR also received net remuneration in the amount of 68,750 Lei from three other subsidiaries of the Company.
- Mr. Alexandru-Lucian MINEA also received net remuneration in the amount of 18,000 Lei from a subsidiary of the Company.



- Mr. Ștefan-Viorel MOVILĂ also received net remuneration in the amount of 4.625 Lei from a subsidiary of the Company.

In 2025, there were no increases in the fixed remuneration of the members of the Company's Board of Directors.

With regard to **other directors' remuneration received from the Group companies**, these are detailed in the Report issued by the majority shareholder LION CAPITAL S.A., a Romanian legal entity, with registered office in Arad Municipality, Calea Victoriei no. 35A, Arad County, registered at the Trade Register Office attached to the Arad Tribunal under order no. J02/1898/1992, Unique registration code 2761040.

The Company's policy in relation to all its officers does not provide for benefits related to supplementary pension or early retirement schemes, with respect to the recovery of variable remuneration or in respect of shares or the granting of stock options.

In relation to the remuneration of managers in the last 5 years, the following can be observed:

- In the period 2021 – 2025, the fixed remuneration of the members of the Board of Directors did not change.
- In 2021, the fixed remuneration of the Director General did not change. In 2022, the fixed remuneration of the General Manager increased by 18.5% compared to the previous year, and during 2023 the fixed remuneration changed between September and December, when it decreased by 22%. In 2024, the fixed remuneration of the General Manager decreased by 5% compared to the previous year.
- In 2025, respectively January-October, the fixed remuneration of the General Manager was the same as in 2024. Between November and December 2025, the fixed remuneration of the General Manager decreased by 28%.

In the same period, the remuneration of the Company's employees, respectively the average gross monthly salary per Company increased according to the table below:

Indicator	2021	2022	2023	2024	2025
Value of average gross monthly salary (Lei)	4.958	5.666	6.383	7370	8298
Evolution of average gross salary ("%" vs. previous year)	+12%	+14%	+13%	15%	13%



Compared to what is presented in the Report, there were no derogations or deviations from the Remuneration Policy when it was implemented.

5. COMPANY PERFORMANCE

During 2025, the Company's evolution was influenced on the one hand by the increase in operating costs, and on the other hand by the decrease in sales volume. The decrease in domestic demand in 2025 was driven by the uncertainties generated by the unstable international context, the global crisis, the tense political climate in Romania and the presidential elections that dramatically affected consumption but also the evolution of the exchange rate, as well as consumer confidence and investment appetite.

Paper production was correlated with the level of market demand, with Vrancart S.A. adopting an order-based production-oriented approach. In this context, the costs and consumption of raw materials, utilities and operational resources have been adjusted accordingly. This alignment between the production achieved and the market demand will help to optimize the use of resources and to make costs more efficient, thus mitigating the risk of imbalances between the quantities of production obtained and sold. At the same time, the measure supported the maintenance of a sustainable operational flow and more rigorous trade discipline.

At the level of the cardboard industry and market, during 2025 fluctuations generated by the increase in the costs of purchasing raw materials were felt, so that, in order to mitigate some variations in the acquisition cost, Vrancart SA implemented an investment plan in order to improve the process of obtaining the production generated and used internally, starting with the second half of 2025.

Between July and August 2025, the Company's activity was interrupted as a result of the planned shutdown of the paperboard machine in order to connect the Drum-pulper to the production flow and put into operation – a new investment that led to the improvement of paper quality and the reduction of the norm of raw material consumption. At the same time, in August 2025, a new shutdown took place as a result of the connection of the photovoltaic park to the national grid.

In order to optimize utility costs (cogeneration plant and photovoltaic park) and to capitalize on the advantages of newer and more efficient production equipment in Adjud, Vrancart SA has decided to temporarily suspend the activity of the production center in Calimanesti, starting with September 2025, which currently operates as a logistics center for storage and delivery to neighboring areas. The production capacity available at Adjud will be used to ensure the fulfillment of orders to all customers, and the third shift will also be introduced.

Despite the increase in the minimum wage level by approx. +9% starting with January 2025, Vrancart SA implemented a series of measures to reduce operational costs of the labor nature in the context in which the decrease in domestic demand correlated with the production and sales strategy, so that starting with the 3rd quarter of 2024 personnel costs decreased by approx. 25%.



Moreover, during 2025, Vrancart SA analyzed and implemented a series of measures at the level of the collection centers, but also of the factory, located in the location in Călămanești de Jos, so it decided to close the collection centers in Cluj, Timisoara, Pitesti and Brașov, keeping operational the centers with superior strategic positioning and significantly higher collection volumes.

The pressure on sales prices caused by the customers' need to optimize their own costs, but also by the fierce competition in the market, made it impossible to fully take over all price increases, inevitably affecting the Company's profitability.

Although the financial context supported a significant reduction in profitability, the Company maintained a fully functional operational level throughout 2025, except for the period July – August 2025, carrying out its activity within normal parameters. Moreover, it managed to complete the investment programs undertaken, including some of the most important production lines (Drum-Pulper), but also of an administrative nature (ERP system).

The centralization with the changes in net profit are shown in the table below:

Indicator	2021	2022	2023	2024	2025
Turnover (thousands of Lei)	387.018	526.032	412.683	396.554	328.958
Turnover evolution (%)	+35%	+36%	-22%	-4%	-17%
EBITDA (thousand lei)	47.813	66.707	56.829	38.307	24.899
EBITDA evolution (%)	-17%	+40%	-15%	-33%	-35%
Company net profit (thousand lei)	9.869	23.689	5.629	-11.278	-30.851
Evolution of net profit Company (%)	-44%	+140%	-76%	-300%	-174%

6. FINAL PROVISIONS

This Remuneration Report has been prepared by the Company in accordance with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, and will be put to the vote at the Ordinary General Meeting of Shareholders of the Company on April 24th/25th, 2025, the shareholders' opinion having an advisory role.



In its next Remuneration Report, for 2026, the Company will specify how the shareholder vote was expressed and implemented.

The remuneration report for 2025 was approved by the shareholders at the Ordinary General Meeting of Shareholders of the Company on April 24th, 2026.

This Remuneration Report was endorsed by the Company's Board of Directors at its meeting on March 16th, 2026.

Alexandru-Lucian MINEA

CHAIRMAN OF THE BOARD OF DIRECTORS

DA.AI AUDIT & ACCOUNTING S.R.L.

Gabriel RADU

