

Approval of the Split of ROCA Industry Shares' Nominal Value

The Board of Directors of ROCA Industry submits for shareholders' approval the initiation of the process to split the nominal value of ROCA Industry shares, with a split ratio of 10 to 1. If the proposal is approved by the EGMS, each investor will hold 10 new shares for each share held before the process is completed.

a. Technical Details of the Nominal Value Split Plan

Currently, ROCA Industry's share capital consists of 24,867,222 shares with a nominal value of 10 RON/share. Over 800 shareholders, both individuals and legal entities, hold ROCA Industry shares, which are quoted at RON 8.3 per share on the main market of the Bucharest Stock Exchange.

In the case of a 10 to 1 split, ROCA Industry's share capital would consist of 248,672,220 shares with a nominal value of RON 1 RON per share, and the share price (considering the current price) would be RON 0.83 RON per share.

Each existing shareholder at the effective date of the split will receive 10 new shares for each share held, maintaining the proportionality of each shareholder's holdings. This split will not affect the market value of the company or the individual holdings of shareholders, as each shareholder will own more shares, but at a reduced price, so the total value of the holdings will remain unchanged.

b. Strategic Aspects

ROCA Industry's management aims to improve the company's specific capital market indicators, namely liquidity, yield, and accessibility. The main reasons for the proposal submitted for EGM approval are as follows:

- **Diversification of the Shareholder Base:** A lower share price makes investment in the Company's shares more accessible to retail investors, allowing ROCA Industry to attract a broader spectrum of investors, including those who may be reluctant to invest in a single high-priced share.
- **Improving Liquidity:** By reducing the price of ROCA Industry shares and increasing their accessibility, the number and volume of transactions are expected to rise, thereby enhancing market liquidity. Additionally, increased liquidity is expected to reduce the bid-ask spread, contributing to lower transaction costs for investors.
- **Greater Flexibility for Shareholders:** Lower-priced shares offer investors more flexibility in implementing various investment strategies, including making more frequent trades.
- **Increase in Share Price:** Based on the aforementioned effects, and since the Company's management believes that ROCA Industry shares are undervalued considering the market value of the entire holding and the growth and development potential of its subsidiaries, the management expects that demand and supply for ROCA Industry shares will increase, potentially leading to a higher market value of the company, closer to the value obtained through a fundamental analysis.