

Note for EGMS regarding the takeover by Nativerock1 S.R.L. of 100% of the shares issued by Dial S.R.L.

In view of the decision of Holdingrock1 S.A. ("Roca Industry" or the "Company") to operate in the field of construction materials and the intention to strengthen its position in the market for the production of construction materials, the Company has identified a new entity operating in this field, Dial S. R.L. ("Dial"). Established in 1994, based in Hârşova, Constanţa County, the company has over 25 years of experience in the manufacture of fence edging panels, wicker fence mesh, Rabitz mesh, rectangular poles and other products. With a turnover of around EUR 12 million at the end of 2021, the company has investment plans totalling around RON 40 million. They include the completion of a new production hall in Q2 2022, increasing production capacity, as well as the development of new business lines.

Dial is present at national level through DYI chains (do-it-yourself, home-improvement supplies), construction materials distributors and retailers. Around 10% of the turnout is generated by exports, but an increased presence on external markets is expected.

Following the analysis carried out, both with internal resources and with the support of consultants, the Company's management considers that the complete takeover of Dial is in line with Roca Industry's strategy and with the plans set out in the memorandum prepared for the admission of the Company's shares to trading. Thus, through the transaction, the Company takes a further step in fulfilling its expansion plans by consolidating and accelerating the development of the holding company through acquisitions of new entities and creating added value around them through common synergies and tools.

For the purpose of the transaction, Roca Industry established, as sole shareholder, NATIVEROCK1 S.R.L., a limited liability company, established and operating in accordance with the laws of Romania. This SPV aims to ensure the financing structure required for the transaction (own funds - approximately 40% of the total transaction price and bank loan - approximately 60% of the total price).

Nativerock1 intends to acquire 100% of the shares issued by Dial, meaning a number of 1,060 shares, each with an individual nominal value of RON 10 and a total nominal value of RON 10,600, for a purchase price of maximum EUR 14,000,000. Therefore, on 28 April 2022, the company signed the sale and purchase of shares agreement ("SPA") for the full takeover (100%) of Dial, with the transaction to be completed only after its authorization by the Competition Council and only if approved by Holdingrock1 EGMS. This takeover will ensure the succession of the Romanian producer who founded the company. The equity price is to be paid partly upon or immediately after the completion of the transaction according to the SPA and in part thereafter, no later than the first quarter of 2023.

For the purpose of the Transaction, Nativerock1 requires financing, which will be provided:

- in part by a credit facility agreement, inter alia, between Nativerock1 and a commercial bank in Romania, in maximum amount of EUR 11,400,000 (amount intended for the partial payment of the share price and the refinancing of loans previously contracted by Dial)ş
- partly through intra-group financing, in a maximum amount of EUR 6,500,000 and for a term not exceeding 5 years, under conditions similar to those existing on the Romanian credit market – thus requiring financial support from Roca Industry which has sufficient financial resources.

Also, after the completion of the transaction, Dial will access an additional loan of RON 37,120,000 in order to finance its further development plans, i.e. financing/refinancing the purchase of some equipment,

The guarantees to be provided to obtain bank financing are:

- first-class movable mortgage on all present and future bank accounts opened by Nativerock1 with a commercial bank in Romania;
- first-class movable mortgage on all present and future bank claims of Nativerock1 arising from the SPA;
- first-class movable mortgage on all present and future shares issued by Nativerock1 and held by the Company;
- after the transaction closing, first-class movable mortgage on all present and future shares issued by Dial and held by Nativerock1;
- after transaction closing, certain movable and immovable mortgages on movable and immovable property, respectively, owned by Dial, to be determined/individualized later. Such movable mortgage agreements will be subsequently agreed and will secure the obligations to be undertaken by Dial, as borrower and/or other obligors under the credit agreement, guaranteeing the amounts borrowed, i.e. guaranteeing all amounts borrowed under all credit agreements approved by the EGMS that will be used for the refinancing of loans previously contracted by Dial, for financing Dial's current activity, i.e. financing/refinancing the acquisition of equipment by Dial, as well as any interest, fees, costs, penalties and other amounts incidental thereto, as provided for in the credit agreement.

Holdingsrock1's liability in connection with guaranteeing the obligations of the obligors under or in connection with the credit agreement and the other ancillary documents shall be limited to the security provided under the mortgage on Nativerock1 shares.

In order to properly authorize all of the above at Nativerock1 level, Roca Industry, as sole shareholder of Nativerock1, will adopt a resolution of the sole shareholder of Nativerock1 approving the creation of the aforementioned guarantees, as well as the empowerment of one or more persons to carry out the appropriate actions to implement such resolution of the sole shareholder.

In order to properly authorize all of the above at Dial level, Nativerock1, as sole shareholder of Dial, will adopt a resolution of the sole shareholder of Dial approving the creation of the aforementioned guarantees, as well as the empowerment of one or more persons to carry out the appropriate actions to implement such resolution of the sole shareholder.

In connection with the credit agreement, it is intended that a subordination agreement will be concluded between the Company, Nativerock1 and, upon closing of the transaction, Dial, as well as the commercial bank, whereby any debts of Nativerock1 and/or Dial to any of the subordinated lenders (including Roca Industry) is to be subordinated to the reimbursement of any obligations of Nativerock1 and/or Dial to the commercial bank under the credit agreement.

In view of the above, the Board of Directors of Holdingsrock1 S.A. submits for approval to the Extraordinary General Meeting of Shareholders (EGMS) of the Company the proposal on:

1. **Approval** of Transaction, respectively the purchase by Nativerock1 of a number of 1,060 shares, each with an individual nominal value of RON 10 and a total nominal value of RON 10,600, representing all the shares issued by Dial, for a maximum purchase price of EUR 14,000,000 (EUR fourteen million).
2. **Approval** of the establishment by the Company of a first rank movable mortgage on all present and future shares issued by Nativerock1 and held by the Company, as well as the negotiation, signing, completion, implementation and execution by the Company, as mortgagee, of the Mortgage Agreement on the Shares of Nativerock1.

3. **Approval** of the subordination to the lending commercial bank of any and all rights and claims, present and future of the Company to each of Nativerock1 and Dial, as well as the negotiation, signing, completion, implementation and enforcement by the Company as a subordinate creditor, of the Subordination Agreement.

4. **Approval** of the adoption and signing by the Company, as sole shareholder of Nativerock1, of a decision of the sole shareholder of Nativerock1 approving, inter alia, the following:
 - a. contracting, negotiating, signing, completing, implementing and executing by Nativerock1, of the Credit Agreement, as a borrower;
 - b. the signing by Nativerock1, for acknowledgment, of the Mortgage Agreement on the Shares of Nativerock1, and the establishment by the Company of the mortgage that will be provided in this agreement, for the purposes mentioned in the preamble to this convening notice;
 - c. the establishment of a first-class mortgage on all bank accounts, present and future, opened by Nativerock1 with the commercial lending bank, as well as the negotiation, signing, completion, implementation and execution by Nativerock1, as mortgage guarantor, of the Mortgage Agreement on Nativerock1 accounts;
 - d. the establishment of a first rank movable mortgage on all present and future claims of Nativerock1 resulting from SPA, as well as the negotiation, signing, completion, implementation and execution by Nativerock1, as mortgage guarantor, of the Mortgage Agreement on Nativerock1 accounts;
 - e. the subordination to the lending commercial bank of any and all rights and claims, present and future of Nativerock1 to Dial, as well as the negotiation, signing, completion, implementation and enforcement by Nativerock1, as a subordinated creditor, of the Subordination Agreement;
 - f. subject to and after completion of the Transaction (according to the SPA):
 - i. the establishment of a first-class movable mortgage on all present and future shares issued by Dial and held by Nativerock1, as well as the negotiation, signing, completion, implementation and execution by Nativerock1, as mortgage guarantor, of a mortgage agreement on the shares of Dial - Mortgage on Dial Shares;
 - ii. the adoption and signing by Nativerock1, as the sole shareholder of Dial, of a decision of the sole shareholder of Dial approving the negotiation, signing, completion, implementation and execution by Dial of all documents related to the financing transaction envisaged by the Dial Credit Agreement, including but not limited to the following: (a) an Act of Accession by which Dial will acquire the status of Borrower in connection with the Credit Agreement; (b) the Mortgage Agreement on the Shares of Dial, including the establishment by Nativerock1 of the mortgage that will be provided in this contract, for the purposes mentioned in the preamble to this call; (c) any and all movable and immovable mortgages that are ancillary to the Credit Agreement, as may be determined thereafter, including the provision of collateral to be considered by them, for the purposes set out in the preamble to this judgment; (d) the Subordination Agreement; (e) authorize one or more persons to act in the name, on behalf of and in the interest of Dial to implement the judgment of Dial's sole shareholder in the matters referred to above, including, without limitation, the adoption of any and all necessary measures or recommended for this purpose, as well as the negotiation, handwritten signing, completion, implementation and execution, in the name and on behalf of Dial, of the documents to be mentioned in that decision; and (f) any other ancillary matters or in connection with the matters referred to above.

- iii. the adoption and signing by Nativerock1, as a sole shareholder of Dial, of a decision of the sole shareholder of Dial approving the establishment of a first rank mortgage on bank accounts, present and future, opened by Dial at the commercial lending bank and on movable and immovable property owned by Dial, which will be determined / individualized at a later date, including, but not limited to, receivables, stocks, trademarks or insurance policies), in order to guarantee the obligations to be assumed by Dial as a borrower, based on the Credit Agreement, approved by this Decision, which will be used to refinance the loans previously contracted by Dial, to finance Dial's current business, respectively to finance / refinance the purchase of equipment by Dial, as well as any interest, commissions, costs, penalties and other accessory amounts thereof, as they will be provided in the Credit Agreement, as well as the granting power of attorney to one or more persons, for carrying out the appropriate actions for the implementation of that decision of the sole partner of Dial.
 - g. granting power of attorney to Mr. Ioan Adrian Bindea, as sole manager of Nativerock1, with the possibility of sub-delegation, to act in the name, on behalf of and in the interest of Nativerock1 with full authority and powers for the implementation of the decision of the sole partner of Nativerock1 mentioned above, including, without limitation, the adoption of any and all necessary or recommended measures for this purpose, as well as the negotiation, handwriting, completion, implementation and enforcement, in the name and on behalf of Nativerock1, of all documents to be mentioned in that decision of the sole shareholder of Nativerock1, including, without limitation, the Credit Agreement, the Subordination Agreement, the guarantee documents to be entered into by Nativerock1, and, subject to and after the SPA), the adoption and signing, in the name and on behalf of Nativerock1, as sole shareholder, of the Dial's unique feature mentioned above. According to art. 2016 (3) of the Civil Code, the mandate thus to be granted will extend to all acts necessary for its fulfillment, even if they have not been expressly mentioned. This mandate will remain in force until the execution of all the actions provided for above or until its revocation, notified in writing to the agent.
- 5. Approval of (a) the granting by the Company of a loan to Nativerock1, in order to cover the difference between the Share Price and the amount borrowed under the Credit Agreement intended for the partial payment of the Share Price, in a maximum amount EUR 6,500,000, and for a term which may not exceed 5 years, under conditions similar to those existing on the Romanian lending market, for which purpose between the Company, as creditor, and Nativerock1, as debtor, the conclusion of the Intra-Group Loan Agreement is considered, as well as (b) negotiation, signing, completion, implementation and execution by the parties of the Intra-Group Loan Agreement.
- 6. Approval of the power of attorney of the Director General, Mr. Liviu-Ionel Stoleru (the "Representative"), with full powers and authority, to act in the name, on behalf of and in the interest of the Company, for the following:
 - a. the negotiation, handwritten signing, preparation, implementation and execution, in the name and on behalf of the Company, of the Mortgage Agreement on the Shares of Nativerock1, intended to be concluded by the Company, in any form that the Representative, at its discretion, will consider it to be in the interest of the Company;
 - b. the negotiation, handwritten signing, completion, implementation and execution, in the name and on behalf of the Company, of the Subordination Agreement, intended to be concluded by the Company, in any form that the Representative, at its discretion, will consider in the interest of the Company;
 - c. the negotiation, handwritten signing, preparation, implementation and execution, in the name and on behalf of the Company, of the Intra-group Loan Agreement, intended to be

concluded by the Company, in any form that the Representative, at its discretion, will consider it in the interest of the Company;

- d. handwritten signing, completion, implementation and execution, in the name and on behalf of the Company, of any other documents and / or contracts and performing any actions necessary to carry out the decisions taken, including, without limitation, any contracts, requests / requests, documents, certificates, notifications, letters, additional documents, powers of attorney, confirmations, waivers or formalities, which may be necessary on the basis of or in connection with the decisions taken and to carry out any and all actions provided above, which the Representative, at his discretion will consider them to be in the interest of the Company;
- e. the registration of the Mortgage Agreement on the Shares of Nativerock1 in all relevant registers (including, without limitation, the National Register of Mobile Advertising) and in any registers of the Company or Nativerock1 (including the register of associates, as applicable), according to the applicable legal provisions, and the completion of any formalities, the signing of any documents and the taking of any necessary or advisable measures for the mortgage constituted under the Mortgage Agreement on the Shares of Nativerock1 to produce legal effects;
- f. carrying out any formalities and taking any necessary or recommended measures for the above-mentioned documents, intended to be signed by the Company, to produce legal effects; and
- g. empowering any third party, at its discretion, to negotiate, amend and sign any other documents that may be necessary in connection with the implementation of the decisions taken.

According to art. 2016 (3) of the Civil Code, the mandate that will be thus granted to the Representative will be extended to all the acts necessary for its fulfillment, even if they were not expressly mentioned above. This mandate will remain in force until all the above actions have been carried out or until its revocation has been notified in writing to the Representative.

7. **Approval** of the empowerment of the General Manager, Mr. Liviu-Ionel Stoleru, for signing on behalf of the shareholders the EGMS decision, as well as all the documents to be adopted by the EGMS and the fulfillment of all the legal formalities for the enforcement and registration of the adopted decisions, with the possibility of sub-mandate to third parties. Within the mandate granted, Mr. Liviu-Ionel Stoleru, as well as any of his sub-agents, will be able, without being limited to such, to fulfill all the formalities necessary for signing in the name and on behalf of the shareholders of all the documents necessary for the implementation of the EGMS decision, as well as to carry out any steps and formalities necessary for the implementation and registration of the decisions adopted by the shareholders.

Ioan-Adrian Bindea

Chairman of the Board of Directors