



Behind the scenes of the largest Romanian company in the chemical industry.

Key statements of the Chimcomplex representatives during the Listing event on the Regulated Market of the Bucharest Stock Exchange

Ștefan Vuza – Chimcomplex Chairman

This year Chimcomplex launches its first international bond issue.

In the second half of the year, after the approvals of the extraordinary general meeting of shareholders, we intend to start the necessary steps for a share capital increase operation, which we hope will exceed the expectations of investors.

The two capital shares mentioned are aimed at starting strategic investments to relaunch the chemical lines in conservation. Both chemical platforms use only 20% of their capabilities. We are also considering building new product lines, which Romania is currently importing at inflated prices.

The Strategic Plan 2022-2030 foresees a total of 2.5 billion Euro in investments and represents the largest investment package in the chemical industry in the last 30 years, divided into three stages:

- The first package consists of the 350 million Euro bond issue (the largest international bond issue in Romania so far), followed by those on the capital market of 225 million Euro.
- These two financings, together with the EBITDA in the next 3 years, will provide the necessary financial resources for the first group of investments, i.e. the vertical one, which is 3.6 billion lei or 725 million Euro. We intend that these record investments to be made in the next 1000 days.

The second investment group will be announced to the public according to capital market regulations. We estimate that the CRC Group will exceed the first billion Euro in terms of value of freight production in just 3 years and that the turnover will reach 10 billion Euro only vertically, by the end of the decade.

Victor Avram – Chief Executive Officer (CEO)

We have demonstrated by the results of the last quarters that we have successfully integrated the assets acquired at the end of 2018 from Oltchim.



The synergies between the two plants, Borzești and Oltchim, have generated a growing EBITDA. The strong results have given us additional liquidity that we have used to make investments and early repayments of debt.

Our prospects are very good, we have our clients, business partners and you by your side.

Chimcomplex is of crucial importance, because Romania has significant assets in the field of chemical industry, which can be capitalized for national gain in the context of the Green Deal.

Dumitru Coman – Chief Technical Officer (CTO)

The Chimcomplex Development Strategy is based on the orientation towards technological and energy efficiency, but also on green and sustainable chemistry.

The performance in nanotechnology-based electrolysis has placed Chimcomplex in the top 5 most efficient companies in Europe in the field of energy consumption in recent years, out of a total of 97 Chlorosodics plants.

Innovation and research have been and will remain the engine of the continuous development of manufacturing processes. Over 50 patents of Chimcomplex specialists have ensured the difference from the competition.

The performance in energy efficiency at Chimcomplex is based on an innovative concept of integrating high-efficiency energy production with gas turbines and with energy recovery of electrolytic hydrogen from water that have a validated overall energy efficiency of over 90%. By comparison, in Romania, thermoelectric power plants have an average overall energy efficiency of maximum 50%.

Chimcomplex' s energy projects contribute to the achievement of CO₂ emission reduction targets through technical and technological solutions that ensure the lowest values, respectively below 235 g CO₂/kWh.

We have been producing hydrogen from water for over 60 years (over 6,000t/year), we capture CO₂ and we have been using it in green chemistry for about 50 years (over 10,000 t/year).

The investment package of over 725 million Euro will generate:

- Increasing the production capacity of polyols to 200,000 t / year (9% of the European polyols production);
- Electrolysis with state-of-the-art ion exchange membrane at Rm. Vâlcea and Onești (three installations x 122.500t/year NaOH);
- Cogeneration installations with high-efficiency gas turbines completed in three stages 49 + 33 + 85 MW ee > NB. The cogeneration project of 49 MW, of which 33MW will be operational in 2022 represents the largest high-efficiency cogeneration plant (>90%) put into operation in Romania. Brine desulfatation installations at Onești and Rm. Vâlcea (85,000t/year salt).



- Modernization of the Oxo Alcohols plant by increasing the consumption of green hydrogen and captured CO₂ for chemistry use.
- Installations of sodium silicates 45.000 t/year and derivatives (magnesium silicate and colloidal silica).
- The new plant of plasticizers based on the manufacture of DOTP 20,000 t / year that will integrate products resulting from the chemical recycling of PET plastic waste.
- Modernization of the logistics infrastructure to reduce related costs (chemical warehouses, wagons, ramps, etc.).

In addition to this investment package, up to 725 million Euro, Chimcomplex intends to promote the relaunch of the production of VCM / PVC, photovoltaic panels for renewable energy, PET and PUR polyurethane chemical recycling, green methanol through Syngas.

Adrian Dumitriu – Chief Financial Officer (CFO)

If you ask me how to explain the strong growth of Chimcomplex shares in the capital market, in 2021, I must remind you of some information:

- This growth represents a delayed recognition of the performance of the company that in 2018 bought Oltchim's assets. These assets were valued by the renowned expert Winterhill from England at 1.1 billion Euro. The market noticed this transaction, but forgot to react for more than 2 years, until last April.
- Chimcomplex has historically inherited a very small share capital of only 60 million Euro. Compared to this, the net accounting asset of the company, is more than 30 times higher and this is easy to notice. One plant of the more than 35, from both plants together, has an estimated value of between 40 and 65 million Euro. As a result, exponential growth was inevitable and even now in 2022 it does not reflect accounting reality.
- At the end of three quarters, in September 2021, the company already registered an EBITDA of over 140 million Euro. And now if we consider the indicators in our industry (chemical specialty) the value of the company is equal to x15.5 times EBITDA and applying this ratio to 140 million euros we get a result of over 2.1 billion Euro Enterprise Value. Or we even today at the value of market capitalization have only 1.7 billion Euro!

I also think the market has only looked at NBV, but few have understood the potential and synergies. Those who did, began to pay attention and interpret our figures correctly. Those are among the happy winners in the placements of 2021.

I challenge you to look at the company from the angle of production as well. We currently produce and sell 110 KTO of polyols per year, and 2021 has marked record historical productions. Another 14



reactors are in conservation, facilities that allow us after the completion of the investments to reach a production of 200 KTO / year. The value of such manufacturing today is over EUR 1.5 billion and it is only a matter of time and not of probability until we launch them into production.

- The Energy Division of the CRC Group is also in full development.
- We have informed investors that we have started the construction of a high-efficiency cogeneration plant, of 50 Mwe, in Rm. Valcea. This will be completed in 2022.
- Also, this week we expect to have our documentation approved for what will be the first trigeneration plant, of 7 Mwe, in Romania.
- We will become a growing energy producer. We consider the energy independence of our operations in chemistry, but also the supply of energy to the investment partners, from the three industrial parks of 52 hectares each, which we have in the development.
- In conclusion, we are confident that we will continue the good developments so far and confirm our growth potential fostered by the competitive advantages, the opportunities brought by the decarbonization process, green chemistry, hydrogen and energy."