



## Financial Results 1<sup>st</sup> Semester of 2022

### The adaptability and strategic positioning of Chimcomplex produces positive results in the uncertain macroeconomic and geopolitical context

**Bucharest, August 17, 2022.** The first 6 months of 2022 generated positive results for Chimcomplex, the main manufacturer and supplier of vital chemicals in the region, the company reporting a net profit of 165 million lei (33.5 million Euros), with a turnover of 1,222 billion lei (247 million Euros).

In the first semester of the year, the company carried out an intense commercial activity, polyols – polyethers had a share of 56% in total sales, these being products with a major impact in the decarbonisation process. Chlorosodic products had a share of 33% in total sales, followed by oxo – alcohols with 4%.

Sales on the foreign market, mostly aimed to the European Union markets, in the first half of the year, accounted for about 90.79% of the total sales.

Operating expenses increased in 2022 due to the purchase prices of raw materials and utilities, which had an upward trend during the period between January and June 2022. Their growth rate is higher than the increase in the selling price of Chimcomplex finished products.

The company's profitability thus decreased in the first 6 months of 2022, obtaining a net profit decreasing by 42% compared to the same period of 2021.

*"Our strategy delivers good results and shows operational performance. However, the financial results are decreasing compared to the same period of 2021, because of the alarming increase in electricity and natural gas prices. It is essential now that we have ensured the same economic environment as our great European and global competitors, who benefit from much better prices for basic resources. In this way their products are cheaper and invade the Romanian market and the surrounding countries. This leads to an even larger deficit of Romania's trade balance. In this context, the downward trend of our financial results will continue in the second half of 2022. Like other companies in the industry, we need state intervention to balance the increased prices of gas and electricity before considering reorganizing production and optimizing the organizational structure",* said the representatives of the company.

The impact of unprecedented inflationary pressures on margin development was limited by cost control and operational efficiency. At the same time, the investments behind the capital expenditures have significantly increased – the reintegration of the factories on the Oltchim platform (the acquisition of the Sistemplast and CET Govora shares), as well as those concerning sustainability.

In these conditions, in the first 6 months of this year, Chimcomplex registered a consistent level of EBITDA, respectively 232 million lei (47 million Euros and 19% of the turnover).

*"2022 continues to present a huge challenge for us, we remain under price pressure, and we will adapt our production according to the macroeconomic and geopolitical context. The volatile energy market is of major*



*concern to us, which is why we are using the financial strength we still have, to invest in energy independence. We have three ongoing investment projects: a 49Mw high-efficiency cogeneration plant, an 8 Mw high-efficiency trigeneration plant and energy consumption monitoring. At the same time, in line with the strategic values and priorities, Chimcomplex will continue to actively support the transition to circular green chemistry, hydrogen and technological and energy efficiency",* continued the company's representatives.

For the coming years, Chimcomplex has an extensive development program that targets new branches/technologies of the chemical and petrochemical industry as well as other supporting industries.

Chimcomplex is a pivotal company for the chemical industry, ensures the efficient capitalization of Romania's resources and achieves in a decisive proportion the need for chemical / petrochemical products of the country.

Starting with January 17, 2022, the shares of Chimcomplex SA Borzești are freely traded in the Standard category of the Bucharest Stock Exchange, under the symbol of the CRC market, continuing their course on the capital market started in 1996 on the Aero Market.

### **About Chimcomplex**

Chimcomplex is the leading manufacturer and supplier of vital chemicals in the region, specializing in polyols, Chlor alkali and Oxo-Alcohols. It is a strategic company for the Romanian economy, the largest chemical plant with 2 industrial platforms, one in Onești and another in Râmnicu Vâlcea. Chimcomplex is a chemical company with a tradition of almost 70 years, which develops quality products for a better life and a sustainable future. In 2021, Chimcomplex recorded a turnover of 2.244 billion lei.

\*The information in the attachment uses IFRS as accounting referees, financial data based on statutory reporting is published on the [www.bvb.ro](http://www.bvb.ro) website.