

CIECH Soda Romania

RON
443.7 m
revenue
(2018)



Steam
Electricity
Limestone
Brine

Soda ash
Sodium silicates
Water glass
Soda derivatives

Vâlcea
County

60 years
of continuous operations

more than
600 employees
(2018)

more than
500kt
of soda ash production
capacity per year

2nd
largest private company
in the Vâlcea region by
revenue

Top 5
private company in the
Vâlcea region in terms of
employment

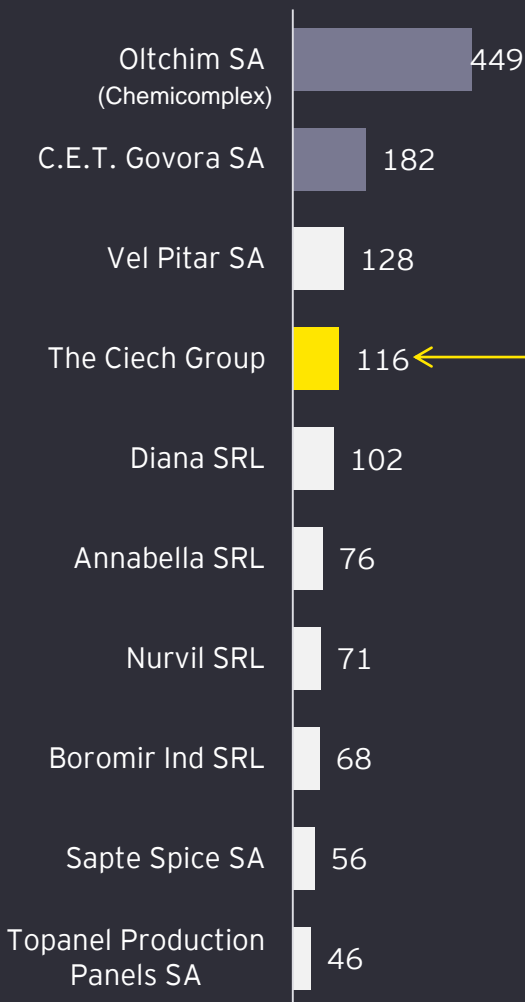
CIECH Group's

ranking in the economic landscape of the Vâlcea county in 2018

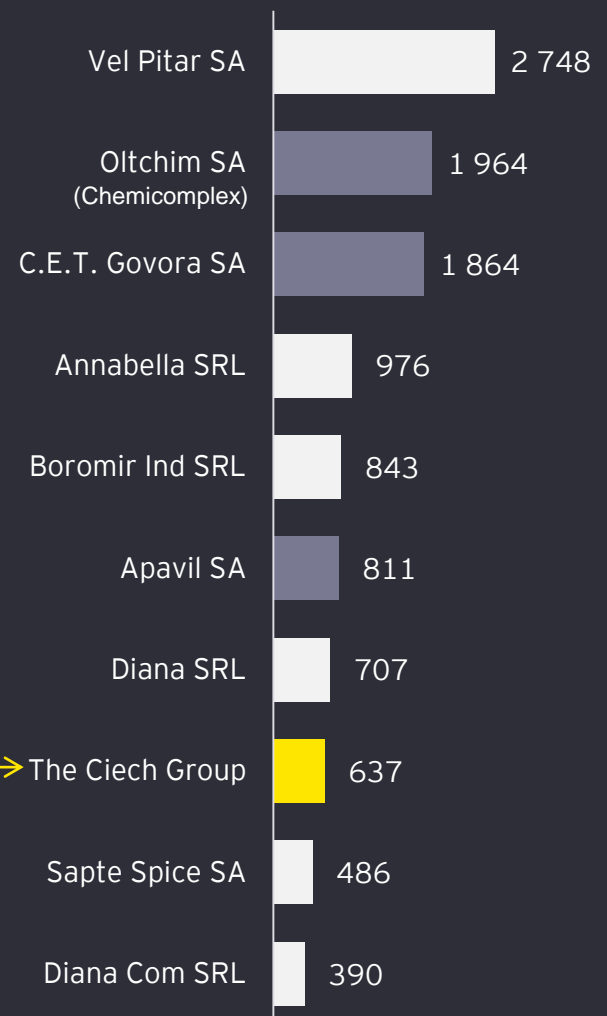


CIECH IS THE 2ND BIGGEST PRIVATE COMPANY BY REVENUE AND THE 5TH LARGEST PRIVATE EMPLOYER IN THE REGION¹

TOP 10 COMPANIES IN VÂLCEA COUNTY BY TOTAL OPERATING REVENUE (USD m, 2018)



TOP 10 COMPANIES IN VÂLCEA COUNTY BY NUMBER OF EMPLOYEES (2018)



Gap in ranking reflects high productivity of CSR factory

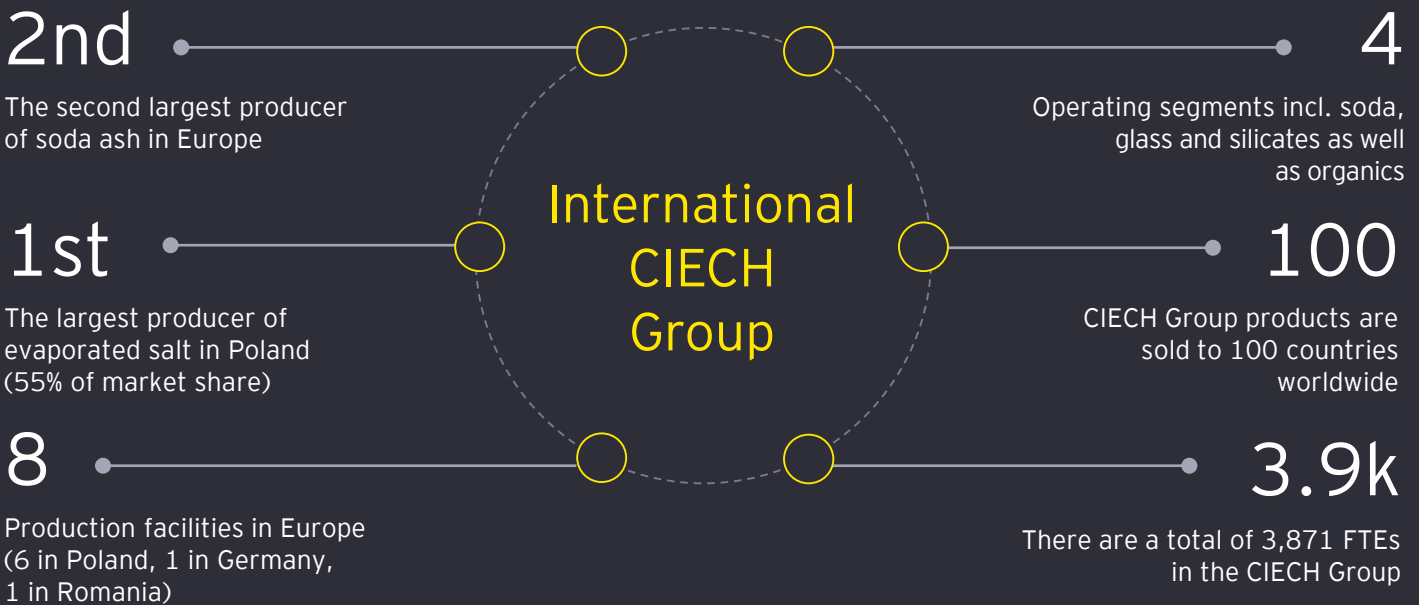
State-owned Private

State-owned Private

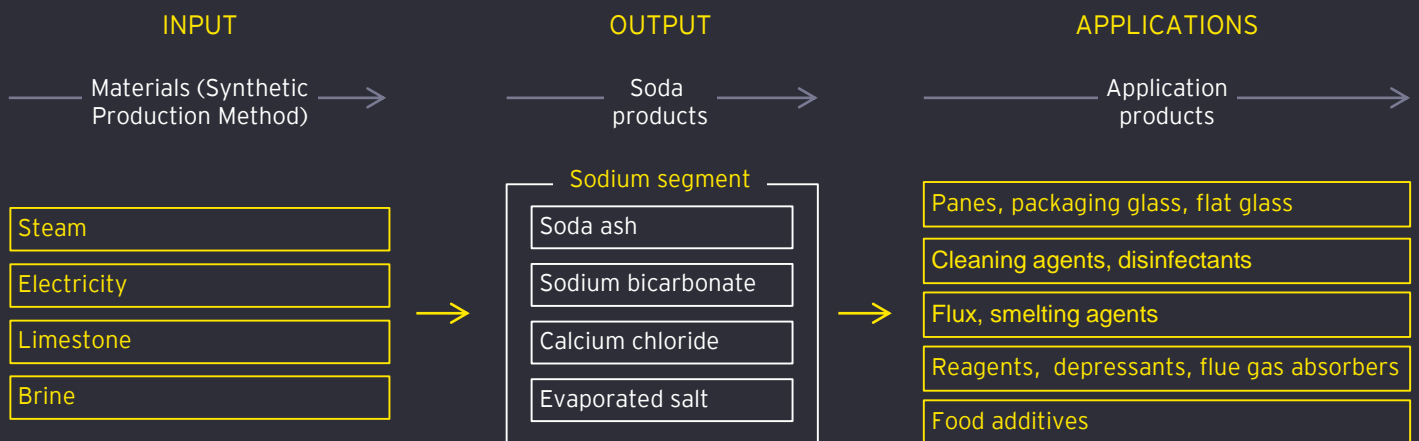
¹ Statistics represent both CIECH Group's companies in Romania: CIECH Soda Romania and CIECH Spółka Akcyjna Varsovia Sucursala Ramnicu Valcea

CIECH Group

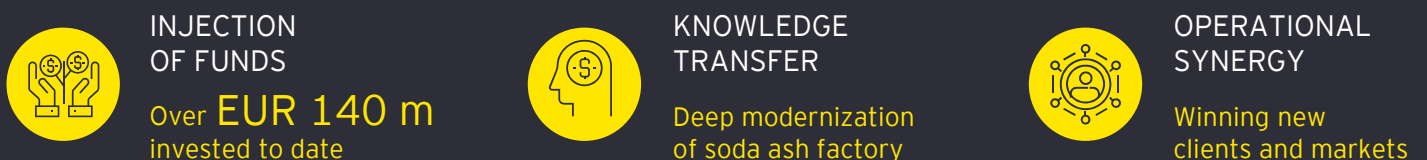
CSR IS A PART OF THE CIECH GROUP - AN INTERNATIONAL COMPANY WITH DIVERSIFIED PRODUCT PORTFOLIO



CIECH GROUP'S SODA AND SALT VALUE CHAIN¹



CIECH GROUP PRESENCE HAS A SUBSTANTIAL IMPACT ON CSR COMPETITIVENESS



¹ While CIECH Group manufactures a wide range of soda products, CSR's plant output is soda ash and its derivatives

CIECH Soda Romania

SUBSTANTIAL GROWTH OF SALES FROM 2014 TO 2018 IS A RESULT OF SUCCESSFUL REORGANIZATION OF SALES OPERATIONS

SALES REVENUES

RON 443.7 m ↑ **+50%** (since 2014)
(2018)

approx. CAGR of 10%.

SALES VOLUMES (2018 vs. 2014)

> 500,000 tones ↑ +30%

Almost doubled over last 10 years

MARKETS SERVED (2018 vs. 2014)

72 countries ↑ +#23

New markets in Asia, South America and Africa

DIRECT SALES (2018 vs. 2014)

> 50% ↑ +20p.p.

Bypassing traders positively impacts sales margins

An injection by the owner of funding of **EUR 140 m** into CSR allowed for deep asset modernization and removed long term liabilities

CAPEX

From 2014 to 2018 CSR invested nearly

RON 150 m

in plant optimization, modernization, replacements and other investments

LONG TERM LIABILITIES

While in 2014 CSR's long-term liabilities exceeded

RON 480 m, in 2018 this long-term

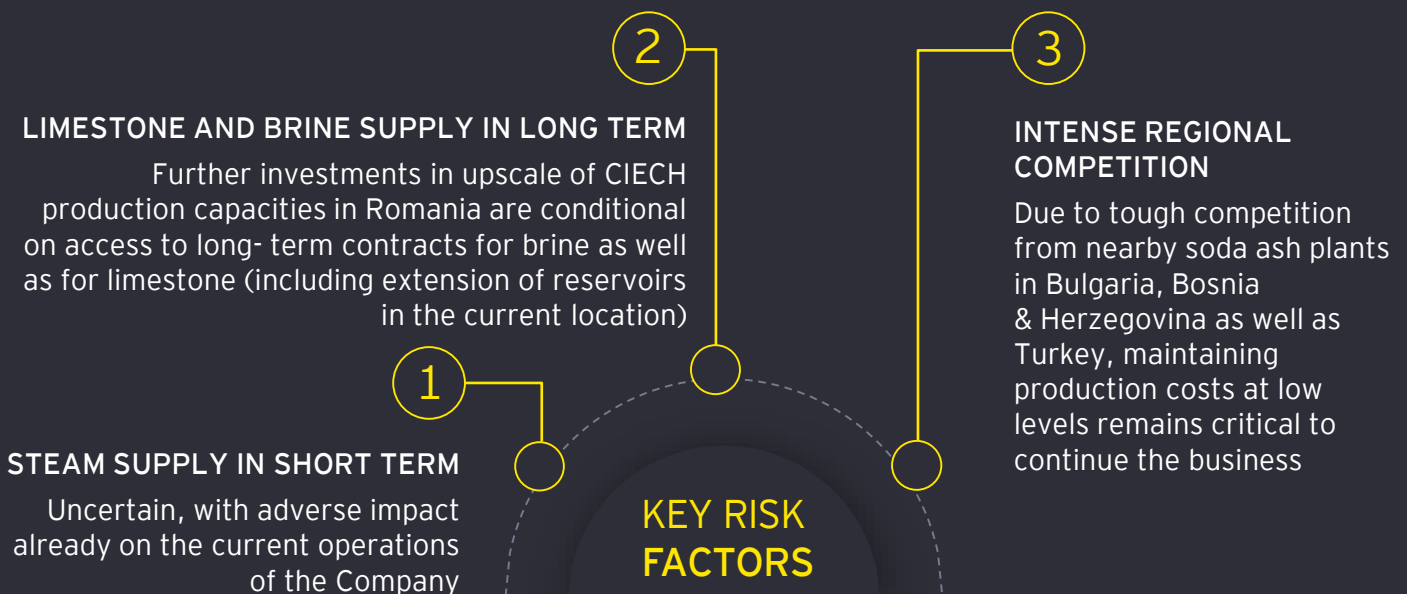
debt was reduced down to nearly **zero** as the long-term debt towards CIECH Group has been paid after equity increase done by CIECH

CIECH Soda Romania

KEY COMPETITIVE ADVANTAGES



BUSINESS ISSUES TO BE ADRESSED



CIECH Group's

contribution to the economy of Romania and the Vâlcea county in 2018



VÂLCEA COUNTY

RON **260** m
(EUR 56 m)

Value added (~GDP)

ROMANIA

RON **445** m
(EUR 96 m)

RON **1** m generated directly by the CIECH Group

MULTIPLIERS

RON **3.3** m in the rest of the economy

RON **869** m
(EUR 187 m)

Global output (~revenues)

RON **1.3** bn
(EUR 279 m)

ca. **2,160** jobs

Employment

ca. **4,400** jobs

1 job created directly by the CIECH Group

5.9 jobs in the rest of the economy

RON **4.5** m
(EUR 967 000 m)

Government revenues

RON **98** m
(EUR 21 m)

RON **1** m generated directly by the CIECH Group

RON **3.1** m in the rest of the economy

Trade surplus

RON **286** m
(EUR 61 m)