

***Societate în reorganizare judiciară, in judicial reorganisation, en redressement***

Registration no: 11877/15.05.2019

**Quarterly Report prepared in accordance with Article 13A of NSC Regulation No.5/2018**

Date of Report: 15.05.2019

Name of the company: Oltchim S.A. Rm. Vâlcea

The company headquarters: Rm. Vâlcea, 1 Uzinei str.

Fax: 0250/735030; telephone: 0250/701200

VAT no.: RO1475261

Trade Register no.: J38/219/1991

The European Unique Identifier (EUID): ROONRCJ38/219/1991

Legal Entity Identifier (LEI): 254900KXPD2OOC2LLX56

Capital subscribed and paid: 34,321,138.30 lei

The regulated market where the shares are traded: BSE, symbol OLT, Standard Category (suspended from trading)

**Economic&financial indicators on 31.03.2019 listed in Annex 13A of NSC Regulation No.5/2018**

Indicators	Calculation Formula	31.03.2019
<b>Current liquidity indicator</b>	$\frac{\text{Current assets}^*}{\text{Current liabilities}}$	9.05
<b>Indebtedness indicator</b>	$\frac{\text{Loan capital}}{\text{Equity}} \times 100$	negativ
	$\frac{\text{Loan capital}}{\text{Employed capital}} \times 100$	negativ
<b>Clients' debts rotation speed</b>	$\frac{\text{Clients' average balance}}{\text{Turnover}} \times 90$	56 days
<b>Non-current assets rotation speed</b>	$\frac{\text{Turnover}}{\text{Non-current assets}^*}$	-

\* Non-current assets that remained after the sale were reclassified to current assets.

Attached to this report are the unconsolidated financial statements and their explanatory notes, prepared in accordance with International Financial Reporting Standards (IFRS), on 31.03.2019, noting that they have not been audited.

**Special Administrator**  
**Stănescu Bogdan**

**Chief accountant**  
**Nicolae Stănciugel**

**OLTCHIM SA company in judicial reorganization**

**INDIVIDUAL FINANCIAL STATEMENTS  
FOR THE PERIOD ENDING ON  
MARCH 31, 2019**

**PREPARED IN ACCORDANCE WITH THE  
INTERNATIONAL FINANCIAL REPORTING  
STANDARDS ADOPTED BY THE EUROPEAN UNION  
ACCORDING TO THE ORDER OF THE MINISTER OF  
PUBLIC FINANCE NO. 2844/2016 WITH  
SUBSEQUENT AMENDMENTS**

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**SITUATION OF THE FINANCIAL POSITION ON 31.03.2019**

(All amounts are expressed in LEI, unless otherwise specified)

	<b>31 March 2019</b>	<b>December 31, 2018</b>
<b>ASSETS</b>		
<b>Long-term assets</b>		
Tangible assets	-	-
Real estate investments	-	-
Intangible assets	-	-
Financial assets	43,904	43,904
<b>Total long-term assets</b>	<b>43,904</b>	<b>43,904</b>
<b>Current assets</b>		
Assets held for sale	269,986,167	270,848,361
Inventories	14,709,732	22,208,546
Commercial receivables	16,948,704	51,089,973
Taxes to be recovered	2,501,453	14,591,355
Other assets	1,753,400	7,791,300
Cash and cash equivalents	172,732,027	336,176,273
<b>Total current assets</b>	<b>478,631,483</b>	<b>702,705,808</b>
<b>TOTAL ASSETS</b>	<b>478,675,387</b>	<b>702,749,712</b>
<b>OWN CAPITAL AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Social capital	1,018,299,809	1,018,299,809
Reserves	84,994,893	84,996,189
Reported result	(1,288,994,687)	(1,306,437,307)
<b>Total own capital</b>	<b>(185,699,985)</b>	<b>(203,141,309)</b>
<b>Log-term liabilities</b>		
Loans	335,499,999	335,499,999
Deferred tax liabilities	11,226,117	11,226,117
Provisions	2,374,252	30,591,721
Other long-term liabilities	11,612,183	11,612,183
Commercial debt	243,431,434	266,023,909
Taxes and duties payable	7,353,151	7,353,151
<b>Total long-term liabilities</b>	<b>611,497,136</b>	<b>662,307,079</b>
<b>Current liabilities</b>		
Commercial liabilities	8,147,993	64,257,415
Debts on taxes and fees	3,378,918	136,808,836
Other liabilities	41,351,325	42,517,691
<b>Total current liabilities</b>	<b>52,878,236</b>	<b>243,583,942</b>
<b>Total liabilities</b>	<b>664,375,372</b>	<b>905,891,021</b>
<b>TOTAL OWN CAPITAL AND LIABILITIES</b>	<b>478,675,387</b>	<b>702,749,712</b>

Special Administrator  
Stanescu Bogdan

Chief Accountant  
Stanciugel Nicolae

**OLTCHIM SA, in judicial reorganisation**  
**SITUATION OF THE GLOBAL RESULT ON 31.03.2019**

(All amounts are expressed in LEI, unless otherwise specified)

	<b>31 March 2019</b>	<b>March 31, 2018</b>
Net sales	55,288,394	297,597,298
Investment income	931,176	2,509,852
Other gains or losses	31,597,747	2,459,257
Stock variation	(5,632,869)	(13,646,017)
Expenses on raw materials and consumables	(24,694,180)	(121,919,609)
Expenses on energy and water	(918,773)	(52,590,194)
Expenses on amortization of fixed assets	-	(23,184,753)
Profit/(loss) from adjustments for depreciation of fixed assets	-	11,352,251
Wage costs	(35,127,093)	(27,372,318)
Net cost of financing	(25,473)	(35,283)
Income from subsidies	-	207,694
Other expenses	(3,820,770)	(19,177,294)
<b>Profit / (loss) before taxes</b>	<b>17,598,159</b>	<b>56,200,884</b>
Income tax	-	(9,870,680)
<b>Net profit / (loss)</b>	<b>17,598,159</b>	<b>46,330,204</b>
<b>Other elements of the global result</b>	-	-
<b>Total global result</b>	<b>17,598,159</b>	<b>46,330,204</b>
<b>Profit / (loss) per share</b>	<b>0.0513</b>	<b>0.1350</b>
Number of shares	343,211,383	343,211,383

Special Administrator  
Stanescu Bogdan

Chief Accountant  
Stanciugel Nicolae

**NOTES**  
**TO INDIVIDUAL FINANCIAL STATEMENTS, concluded on 31.03.2019**

**NOTE 1. GENERAL INFORMATION**

The company Oltchim S.A. is a Romanian legal person, having the legal form of a public limited company and was formed on the basis of Law 15/1990 through G.D. no. 1213/20.11.1990.

The headquarters of the company are in Romania, Valcea County, Rm. Valcea, Uzinei Street, no.1.

Starting with January 30, 2013, the insolvency procedure was initiated for Oltchim SA.

By Sentence no. 892/22.04.2015 pronounced in the insolvency file no. 887/90/2013, at the Valcea Tribunal, the reorganization plan of the debtor Oltchim SA was confirmed, proposed by the consortium of judicial administrators ROMINSOLV SPRL and BDO BUSINESS RESTRUCTURING SPRL.

The Sentence is final and irrevocable by rejecting as unfounded the appeals declared by Electrica Furnizare SA and ANAF, the ruling being pronounced by the Pitesti Court of Appeal on 24.09.2015. Oltchim SA is in judicial reorganization.

In the Creditors Meeting of August 22, 2016, the extension of the reorganization period was approved for another year, until April 2019.

In June 2018, the sale of the Ramplast Building Materials Division was completed. Thus, on June 12, 2018, the sale contract concluded between Oltchim SA as seller and Dynamic Selling Group SRL Galati as buyer was signed at the notary, and on June 13, 2018 the transaction price of 12,111,320 lei, without VAT, was received.

In December 2018, the transaction regarding the sale of assets on the Rm.Valcea industrial platform, was completed, respectively the functional assets (packages 1-5 and partially 7), to Chimcomplex SA Borzesti. Thus, on December 7, 2018, the assets (intellectual property, land, constructions, movable assets, investments in progress) related to chlorosodium, propenoxide, polyol polyethers, oxo-alcohols, monomer, PVC I, utilities, wagon park on Rm.Valcea industrial platform were sold on the basis of the asset sale contract. The transaction value was 589,328,986 lei, excluding VAT.

Oltchim's integrated quality management system (ISO 9001 and ISO 14001) was recertified in 2017 by the TUV Management Service, the certification being valid until 2020.

**Shareholding structure**

Oltchim is a company listed on the Bucharest Stock Exchange, the standard category, under the symbol OLT. The Romanian State, represented by the Ministry of Economy, is the main shareholder. The nominal subscribed and paid-up share capital both on March 31, 2019 and on December 31, 2018 is 34,321,383 lei divided into 343,211,383 shares, each with a nominal value of 0.10 lei. Each share entitles the holder to a single vote.

The shareholding structure is the following:

<b>Shareholders</b>	<b>March 31, 2019</b>	
	<b>No. of shares</b>	<b>%</b>
The Romanian State through the Ministry of Economy	188,100,976	54,8062
PCC SE	111,005,766	32,3433
Individuals	41,757,738	12,1668
Legal entities	2,346,903	0,6838
<b>TOTAL</b>	<b>343,211,383</b>	<b>100</b>

**Management structure**

By Sentence no. 617 of January 30, 2013, pronounced by the Valcea Court - Civil Department II, in the case file no. 887/90/2013 the consortium consisting of ROMINSOLV SPRL Bucharest, with headquarters in Bucharest, Splaiul Unirii no.223, 3rd floor, sector 3, registration number in the Register of Forms of Organization RFO 0122/2006, represented by Coordinating Partner Gheorghe Piperea, and BDO BUSINESS RESTRUCTURING SPRL, with headquarters in Bucharest, Invingatorilor Street, no. 24, Victory Business Center building, 3rd floor, Sector 3, registration number in the Register of Forms of Organization RFO 0239/2006, represented by Coordinating Partner Niculae Balan, was named judicial administrator.

**OLTCHIM SA, in judicial reorganisation**

(All amounts are expressed in LEI, unless otherwise specified)

In the Extraordinary General Meeting of Shareholders dated March 14, 2013, the shareholders appointed Mr. Stanescu Nicolae - Bogdan - Codrut as the special administrator of Oltchim SA, in the insolvency proceedings.

**NOTE 2. ASSETS HELD FOR SALE**

As at December 31, 2018, the Company reclassified the fixed assets remaining as a result of the sale to Chimcomplex Borzești and Dynamic Selling Group in the category *Assets held for sale*, as they will no longer be used in production.

On March 31, 2019, the Company holds the following asset categories:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Land and buildings	165,833,578	165,833,578
Technical installations and machines	103,792,787	104,635,780
Other systems, equipment and furniture	178,541	197,742
Investments in progress	179,138	179,138
Other assets	2,123	2,123
<b>Total</b>	<b>269,986,167</b>	<b>270,848,361</b>

**NOTE 3. INVENTORIES STRUCTURE**

In the "Financial position on 31.03.2019", the inventories are presented at net realizable value, by decreasing with depreciation adjustments, obtaining the following values:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Finished products	6,213,093	11,090,603
Raw materials	386,756	693,135
Materials	5,338,466	5,829,451
Packaging	23,470	95,146
Semi-products	71,692	147,229
Goods	1,231,491	994,241
Inventory items	41,602	41,397
Advances paid for stock purchases	1,403,162	3,317,344
<b>Total</b>	<b>14,709,732</b>	<b>22,208,546</b>

The depreciation adjustments recorded for each category of inventory are as follows:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Adjustments for finished products depreciation	35,238	35,238
Adjustments for raw materials depreciation	3,480,820	4,435,111
Adjustments for materials depreciation	45,478,385	46,029,117
Adjustments for semi-finished products depreciation	645,229	1,325,063
Adjustments for packaging depreciation	211,230	856,315
Adjustments for inventory objects depreciation	370,098	428,049
<b>Total</b>	<b>50,221,000</b>	<b>53,108,893</b>

**OLTCHIM SA, in judicial reorganisation**

(All amounts are expressed in LEI, unless otherwise specified)

**NOTE 4. SITUATION OF RECEIVABLES AND LIABILITIES**

<b>Receivables</b>	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Internal clients	47,361,639	61,807,310
External clients	25,431,606	44,523,744
Adjustments for internal clients depreciation	(30,096,296)	(30,112,961)
Adjustments for external clients depreciation	(25,748,245)	(25,128,120)
Advances paid for services	278,104	7,381,977
VAT to be recovered	2,590,129	13,673,787
Other liabilities	1,386,620	1,326,891
<b>TOTAL</b>	<b>21,203,557</b>	<b>73,472,628</b>
<b>LIABILITIES</b>	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Internal suppliers	209,076,048	282,931,757
External suppliers	31,488,495	32,032,926
Debt to AAAS	173,822,750	173,822,750
Credits	161,677,249	161,677,249
Interest loans	23,372,886	23,101,916
Pre-paid customers	11,226,117	15,316,641
Payroll payables	11,014,884	1,475,767
Taxes and taxes owed	10,732,069	144,161,987
Deferred taxes	1,222,942	11,226,117
Provisions for compensatory payments	592,010	28,809,479
Provisions for employee benefits	559,300	1,222,942
Provisions for unpaid leave	505,441	559,300
Other debts	29,085,181	29,552,190
<b>TOTAL</b>	<b>664,375,372</b>	<b>905,891,021</b>

On March 31, 2019, Oltchim registered total debts in the amount of 664 million lei, of which:

- 596 million lei debts registered in accordance with the Reorganization Plan;
- 32 million lei net debts accumulated after insolvency;
- 6 million lei debts and mutual liabilities and debts to the state budget that will be compensated with the VAT to be recovered;
- 30 million lei other debts, mainly deferred tax, this debt being not exigible.

OLTCHIM SA shall pay the taxes and fees related to the salaries by offsetting with negative VAT (VAT to be recovered registered by the company on 31.03.2019: 2,590,129 lei).

**NOTE 5. REPORTING THE TURNOVER ON OPERATIONAL SEGMENTS*****Presentation of turnover by types of sales markets:***

	<b>March 31, 2019</b>	<b>(%)</b>	<b>March 31, 2018</b>	<b>(%)</b>
Internal market	45,656,057	83	66,160,907	22
External market	9,632,337	17	231,436,391	78
	<b>55,288,394</b>	<b>100</b>	<b>297,597,298</b>	<b>100</b>

In the first quarter of 2019 sales of finished products were made from inventories registered on December 7, 2018, the date of the transfer of ownership of the assets sold to Chimcomplex SA Borzesti.



**OLTCHIM SA, in judicial reorganisation**

(All amounts are expressed in LEI, unless otherwise specified)

**NOTE 6. NET SALES**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Income from the sale of finished products	5,538,350	282,445,282
Income from sale of goods	25,484,604	5,653,972
Other income	24,265,440	9,498,044
<b>Total</b>	<b>55,288,394</b>	<b>297,597,298</b>

**NOTE 7. OTHER GAINS OR LOSSES**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Gain / (loss) from variation of provisions	28,217,469	-
Gain / (loss) from current assets depreciation adjustments	2,297,027	2,562,850
Gain / (loss) from exchange rate fluctuations	906,905	(267,935)
Gain / (loss) from sale of assets	103,329	(149,142)
Income from rent	63,112	347,438
Income from penalties applied	5,204	27,601
Venituri from services provided	2,521	228,667
Gain / (loss) from discounts	(354)	(294,012)
Other gain	2,534	3,790
<b>Total</b>	<b>31,597,747</b>	<b>2,459,257</b>

**NOTE 8. EXPENSES ON RAW MATERIALS AND SUPPLIES, ENERGY AND WATER**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Raw materials consumed	141	111,942,015
Cost of goods sold	24,625,860	4,951,969
Energy and water expenses	918,773	52,590,194
Expenses on consumables	68,179	5,025,625
<b>Total</b>	<b>25,612,953</b>	<b>174,509,803</b>

**NOTE 9. EXPENSES ON DEPRECIATION AND AMORTIZATION OF FIXED ASSETS**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Depreciation of tangible assets	-	23,091,996
Depreciation of intangible assets	-	92,757
(Gain) / loss from adjustments for depreciation of tangible assets	-	(11,352,251)
<b>Total related to functional assets</b>	<b>-</b>	<b>11,832,502</b>

In the first quarter of 2019, with the reclassification of assets, no depreciation is calculated.

**OLTCHIM SA, in judicial reorganisation**

(All amounts are expressed in LEI, unless otherwise specified)

**NOTE 10. NET COST OF FINANCING**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Bank charges and associated costs	25,473	35,283
<b>Total</b>	<b>25,473</b>	<b>35,283</b>

**NOTE 11. OTHER EXPENSES**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Other expenses on services provided by third parties	2,970,332	4,233,583
Expenses with taxes and fees	398,917	1,440,860
Transport and logistics expenses	96,483	4,422,543
Expenses on fines and penalties	95,725	1,533,091
Expenses on insurance	65,412	69,251
Repairs expenses	40,442	1,856,047
Postage and telecommunication expenses	23,357	46,304
Expenses on receivables	7,229	1,920,020
Protocol expenses	998	31,960
Travel expenses	448	61,945
Expenses on rents	219	13,145
ABA Olt Penalties - exceeded concentrations of pollutants in wastewater	-	3,303,680
Other expenses	121,208	244,865
<b>Total</b>	<b>3,820,770</b>	<b>19,177,294</b>

**NOTE 12. WAGE EXPENSES**

Expenses regarding staff related to the first quarter of 2019 and the first quarter of 2018:

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Gross wages and allowances	32,759,176	24,002,740
Employer social insurance expenditures	2,190,272	1,739,123
Meal tickets	177,645	1,630,455
<b>Total</b>	<b>35,127,093</b>	<b>27,372,318</b>

As far as the staff of Oltchim SA is concerned, about 70% was taken over on December 8, 2018 by Chimcomplex SA, the buyer of the Company's operating assets.

Expenditure on personnel in the first quarter of 2019 is mainly formed by the amount of compensatory payments paid to redundant personnel, in accordance with the provisions of the Collective Labor Agreement.

The average number of employees in the first quarter of 2019 was 281.

Social security is payable to all employees.

The employees of the company are included in the state pension plan.

**OLTCHIM SA, in judicial reorganisation**

(All amounts are expressed in LEI, unless otherwise specified)

**NOTE 13. TOTAL RESULT**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Gross total result	17,598,159	56,200,884
Income tax	-	(9,870,680)
<b>Net result</b>	<b>17,598,159</b>	<b>46,330,204</b>

In the first quarter of 2019, Oltchim's activity consisted of:

- sale of finished products in stock on December 7, 2018;
- sale of stock of materials, spare parts, inventory objects in the company's management;
- sale of greenhouse gas emission certificates;
- dismissal of surplus staff;
- guarding and preserving the assets on the industrial platform at Bradu Pitesti as well as the assets of the installations not covered by the sale contract concluded with Chimcomplex, namely the PVC II and Anhidrida ftalica plants.

<b>No.</b>	<b>Economic and financial indicators</b>	<b>Quarter I 2019 thousand lei</b>	<b>Quarter I 2018 thousand lei</b>	<b>Differences thousand lei</b>
<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4 = 2 - 3</b>
1	<b>Turnover</b>	<b>55,288</b>	<b>297,597</b>	<b>-242,309</b>
2	<b>Total income</b>	<b>52,842</b>	<b>289,779</b>	<b>-236,937</b>
	- operating income	50,694	289,188	-238,494
	- financial income	2,147	591	+1,556
3	<b>Gross result</b>	<b>17,598</b>	<b>56,201</b>	<b>-38,603</b>
	-operating result	15,760	56,677	-40,916
	-financial result	1,838	-476	+2,314
4	<b>Net result</b>	<b>17,598</b>	<b>46,330</b>	<b>-28,732</b>
5	<b>EBITDA from current activity</b>	<b>15,760</b>	<b>68,509</b>	<b>-52,749</b>

The profit for the first quarter of 2019 is determined by the sale of greenhouse gas emission certificates.

**NOTE 14. LATER EVENTS**

- On April 23, 2019, the consortium of judicial administrators of Oltchim SA submitted to the Valcea Court House, in case file no.887/90/2013, the Report on the implementation stage of the reorganization plan of Oltchim SA, requesting the court to note that the duration of the implementation of the reorganization plan expired on April 22, 2019, and to open the bankruptcy procedure against Oltchim SA.
- At the trial date set for May 8, 2019, the court ordered the bankruptcy procedure of Oltchim S.A.

**OLTCHIM SA, in judicial reorganisation**

(All amounts are expressed in LEI, unless otherwise specified)

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**NOTE 15. OTHER INFORMATION**

The Financial Statements on March 31, 2019 were prepared in accordance with International Financial Reporting Standards and are unaudited.

For the conversion into lei of foreign currency claims and debts, the exchange rates of March 31, 2019 issued by B.N.R. were used.

The closing price of an OLT share on March 29, 2019 was 0.064 lei, and the stock market capitalization recorded on that date was 21,965,529 lei.

Special Administrator  
Stanescu Bogdan

Chief Accountant  
Stanciugel Nicolae