

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

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To:  
**GENERAL MEETING OF SHAREHOLDERS**  
**Meeting on 24/25 April 2019**

### **NOTE**

**on the allocation of the company's profit achieved in 2018 to partially cover the accounting losses of previous years (item 3 of the agenda)**

At December 31, 2017 OLTCHIM recorded a cumulated accounting loss in the amount of 1,628,384,406 lei, consisting of:

- 965,104,775 lei, carried forward accounting loss from the adjustments required by IAS 29 "Financial Reporting in Hyperinflationary Economies"
- 663,279,631 lei, accounting loss.

In 2018 the company recorded a net profit amounting to 28,415,957 lei.

**In accordance with Art. 19, para. 3 and. 4 (chapter II) of the Accounting Law no. 82/1991, as amended and supplemented, respectively:**

**(Para. 3) Distribution of profit is registered in the accountancy by destination, after the approval of the annual financial statements;**

**(Para. 4) The accounting loss that has been carried forward will be covered from the profit for the year and the profit carried forward from reserves, share premium and share capital, according to the decision of the general meeting of shareholders or associates;**

**Given the above we submit for approval of the Ordinary General Meeting of Shareholders the distribution of Oltchim SA net profit for 2018 in amount of 28,415,957 lei, to partially cover the losses of previous years.**

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

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

**Adviser**  
**Alin Smeu**