

STRICTLY CONFIDENTIAL

To the Management Board of Ciech S.A.
Attention of Mr. Dawid Jakubowicz
President of the Management Board
Wspólna 62
00-684 Warszawa
Poland

22 March, 2023

Ladies and Gentlemen,

You have informed us that:

Pursuant to sec. 77a para. 4 of the Polish Act On Public Offering, Conditions Governing The Introduction Of Financial Instruments To Organised Trading, And Public Companies (the "**Act**") the KI Chemistry S.à r.l. with its seat in Luxembourg ("**KI Chemistry**" or the "**Bidder**") has announced on 13 February, 2023 that the Bidder, who already controls 51.14 % shares in Ciech S.A. ("**Ciech**", the "**Client**", or the "**Target**") intends to launch a public takeover offer to the shareholders of the Target to acquire all outstanding shares in the Client for a consideration of PLN 49 in cash per ordinary share (the "**Consideration**"). The respective offer has been published on 9 March, 2023 pursuant to sec. 72a para. 1 of the Act. The acceptance period has commenced on 10 March, 2023 and will expire on 12 April, 2023. The possible acquisition of all or part of the outstanding shares in the Target is hereinafter referred to as the "**Transaction**".

In connection with the Transaction, you have requested the opinion of Rothschild & Co Polska Sp. z o.o. ("**Rothschild & Co**" "**we**" or "**us**") as to the fairness of the Consideration for the shareholders of the Target (other than the Bidder and its affiliates) from a financial point of view (the "**Opinion**"). This Opinion is being provided for the purpose of the reasoned statement to be issued by the Management Board of the Target pursuant to sec. 80 of the Act.

We are acting as financial advisor to Ciech in connection with the Transaction and have agreed a customary advisory fee for our services, which has become due upon the delivery of this Opinion. Ciech has agreed to indemnify us against certain liabilities and obligations which may arise in connection with our engagement. Neither we nor our affiliates are currently acting for the Bidder in relation to the Transaction. Rothschild & Co and/or affiliates of Rothschild & Co may, however, currently and/or in the past and/or in the future have business relations with the Target, the Bidder and/or their respective affiliates in the context of which fees have or will be paid. Affiliates of Rothschild & Co may in the course of their normal business activities from time to time hold securities of the Bidder, the Target and/or other shareholders of the Bidder or the Target for their own account or for the account of the customers or effect transactions involving securities of the Bidder, the Target and/or other shareholders of the Bidder or the Target.

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This letter does not address the relative merits of the Transaction as compared to other business strategies or transactions that might be available with respect to the Client. As agreed with you, we have not been asked to, nor do we offer any opinion as to the material terms of the Transaction (other than as to the fairness of the Consideration from a financial point of view). We express no opinion as to the underlying business decision of the Bidder to effect or proceed with the Transaction.

In connection with this Opinion, we have after consultation with the Management Board of the Target, inter alia, used as a basis:

- i. The Offer Document by the Bidder dated 9 March, 2023;
- ii. The Business Plan of the Target for 2023-2027F confirmed by the Client as of 20 March, 2023;
- iii. Certain information regarding selected assumptions included in the Business Plan as confirmed by the Client as of 20 March, 2023;
- iv. Certain publicly available economic, business and financial information about the Target, its competitors and the markets in which they operate;
- v. Certain publicly available corporate filings and presentations of the Target and the Target's competitors and the markets in which they operate;
- vi. Information regarding certain transactions we considered as comparable with the Transaction;
- vii. Certain reports published by equity research analysts, containing, amongst other information, financial forecasts and analyses concerning the Target and Target's competitors (including operational divisions) and the markets in which they operate; and
- viii. Certain capital markets related data available from customary data providers.

In addition, we have:

- i. Compared the financial and operating performance of the Target and the development of the value of its shares with publicly available information concerning other companies we deemed relevant and reviewed the current and historical market price development of these companies' shares;
- ii. Held limited discussions with senior management of the Target regarding their assessment of the Target's past and current business performance, financial condition, future prospects and certain other circumstances, which we deemed appropriate in the context of arriving at our Opinion;
- iii. Performed discounted cash flow valuations for the Target, based on financial forecasts derived from the Business Plan of the Target;
- iv. Considered current and forecast trading multiples of Target relative to its peers;
- v. Reviewed historical transaction multiples for relevant chemical products manufacturers; and
- vi. Performed other studies and analyses as we deemed appropriate in this context.

We have, however, explicitly not obtained any data or information with regards to the Annual Report for 2022FY and Consolidated Annual Report for 2022FY scheduled to be published by the Client on 23 March, 2023.



This Opinion is based on a valuation of the Target as it is typically performed by financial advisors when providing fairness opinions in these types of transactions, including valuations based on current and historical multiples of comparable publicly listed companies, multiples observed in comparable transactions, and discounted cash flow analysis.

We have relied on the statements and views expressed by the Management Board of Ciech on the Business Plan and the relevant opportunities and/or risks implied therein and their respective feasibility and profitability. With your consent, we have not carried out an assessment of any of the measures relating to an operational improvement or any portfolio or refinancing measures. We have assumed that these have been prepared on the basis best currently available information, estimates and good faith judgements of the Management Board of Ciech and describe them as accurately as possible. This Opinion does not constitute a statement as to the achievability or reasonableness of any such estimates, judgements, or assumptions. In particular, we express no view to potential effects of the COVID-19 pandemic or the war in Ukraine and other macroeconomic events connected with them.

Our assessment is carried out using valuation methods commonly used by financial advisors and differs in a number of important aspects from a valuation performed by qualified auditors and/or from asset based valuations in general. This Opinion does not replace such valuations. We express no view on whether, in light of the nature of the Transaction, it may be required or appropriate for the Management Board of Ciech to obtain such valuations.

For the purpose of rendering this Opinion, at your direction, we have relied on the information and documentation provided by the Client and its advisors and publicly available information, subject to all qualifications and assumptions contained therein, whether express or implied. We have assumed and relied upon the accuracy and completeness of all of the financial, accounting, legal, tax and other information, reports and documents reviewed or used by us, and we do not assume any liability for these. This applies regardless of whether the information and documents were publicly available, have been provided to us by Ciech or its advisors, or were otherwise made available to us. Accordingly, at your direction, we have not undertaken an independent review or verification of the information and documents concerning their consistency, correctness, and completeness. We have not provided, obtained, or reviewed any specialist advice, including but not limited to, commercial, legal, accounting, actuarial, environmental, information technology or tax advice, and, accordingly, our Opinion does not take into account the possible implications of any such specialist advice. In addition, at your direction, we have not made an independent evaluation or appraisal of the Target's or its subsidiaries' or their subsidiaries' assets and liabilities (including any off-balance-sheet liabilities) and did not receive any corresponding valuations or reviews. At your direction, we have generally relied on publicly available information regarding the Target, and we have assumed that all of the respective information, including historical, projected and estimated financial and other data, that were available to us, have been prepared reasonably on a basis reflecting the best currently publicly available information, estimates and good faith judgements of the respective source concerning the expected future results of operations and financial condition of the Target or any other entity to which such analyses or forecasts relate.

With your consent we have not considered any potential tax consequences from the Transaction or any other direct or indirect costs associated with the Transaction. Furthermore, with your consent, we have also assumed that all governmental, regulatory, or other approvals and consents required in connection with the consummation of the Transaction will be obtained without any reduction of the benefits of the Transaction.

This Opinion and all information and views given herein are based on economic, monetary, market, regulatory and other conditions as in effect on, and the information and documents available to us as of, the date hereof. In particular we have relied upon the statements made by the Management Board of Ciech concerning their views on the Business Plan and their respective feasibility and profitability. It



should be understood that these as well as other assumptions underlying this Opinion may change in the future. We express no opinion as to how the capital markets will assess the Transaction or the impact of the Transaction on the share price of the Target. This Opinion and all information and views given herein are subject to all qualifications and assumptions contained in such information and documents, whether express or implied. Events occurring after the date hereof may affect this Opinion and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Opinion.

In addition, changes in the business of the Target and its subsidiaries and participations or in the environment these companies operate in, including the laws and regulations applicable to the companies' business as well as capital markets, the obtaining or not obtaining of certain licences or IP-rights could affect the financial forecasts for and the financial condition of these businesses.

As agreed with you, this Opinion is provided solely for the information and assistance of the Management Board of Ciech in connection with its evaluation of the Transaction. It is not meant to address or to operate for the benefit of any third party nor does it give rise to any rights of or obligations towards third parties. This Opinion is no recommendation to the shareholders of Ciech as to whether or not to tender shares in Ciech in connection with the Transaction.

This Opinion does not constitute a recommendation to the Management Board and/or Supervisory Board of Ciech to enter into the Transaction. The existence and the content of this Opinion are confidential and are subject to the engagement letter entered into between Ciech and Rothschild & Co dated as of 9 March, 2023. It may not be used for any purpose other than described herein. The Management Board of Ciech is entitled to disclose this Opinion on a confidential basis to the Supervisory Board of Ciech. Otherwise, this Opinion shall not be passed on, reproduced, published or otherwise used or referred to, nor shall any public reference to Rothschild & Co be made, without our prior written consent. The same shall apply for any references to the existence and the content of this Opinion.


This Opinion may be published as an annex to the Management Board's reasoned statement pursuant to sec. 80 of the Act, in which case this Opinion must be disclosed in its entirety (as opposed to the publication of excerpts only). We accept no responsibility to any person other than the Management Board of Ciech in connection with the Transaction and in relation to the contents of this Opinion, even if it has been disclosed with our consent.

This Opinion has been drafted in English language. Should a version become available in a different language, the English text shall prevail in the event of inconsistency between the two versions.

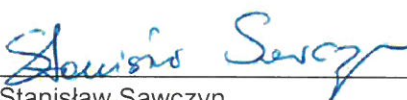
Based upon and subject to the foregoing, we are of the opinion that, as of the date hereof, the Consideration is fair, from a financial point of view, to the Client's shareholders (other than the Bidder and its affiliates).

Very truly yours,

Rothschild & Co Polska Sp. z o.o.



Jacek Chwedoruk



Stanisław Sawczyn