

**May 17, 2021****Contact: Paul Greavu****Tel: 0372 / 276 125****Rompetrol Refining results, improvement by six times in profit, in the first three months of 2021**

Consolidated indicator*		Q1 2021	Q1 2020
Gross turnover	USD	1,006,264,485	929,138,080
EBITDA	USD	29,454,593	(15,566,832)
Net result	USD	(14,733,140)	(87,782,021)

Note: The consolidated financial statements of Rompetrol Rafinare include the results of Rompetrol Rafinare S.A. and those of the subsidiaries Rompetrol Quality Control S.R.L., Rom Oil S.A., Rompetrol Downstream S.R.L., Rompetrol Logistics S.R.L., Rompetrol Gas S.R.L. and Rompetrol Petrochemicals S.R.L.

Rompetrol Rafinare, member company of the KMG International Group, managed, in the first three months of the year, a significant improvement of the financial indicators, compared to those recorded in the similar period of 2020 - the beginning of the COVID-19 pandemic in Romania and internationally. Furthermore, the company's results are influenced by the volatility in the market environment and the effects caused by the COVID-19 pandemic.

"We went through a very difficult year, from all points of view, in which we had an unprecedented pressure in the profile market. However, we have successfully completed the turnaround of the Petromidia refinery, which currently provides us with optimal operation, but also the possibility to adapt our production to the growing demand for petroleum products. Together with the retail divisions of the Group in Romania, Rep. Moldova, Bulgaria and Georgia we will continue to be a pillar of stability in ensuring quality oil products, but also support in the fight against the pandemic", said Felix Crudu Tesloveanu, General Manager of Rompetrol Rafinare.

Thus, the company reached, in Q1 2021, a gross turnover of over one billion dollars, 8% above the level of Q1 2020, due to a slight increase in sales, results which were also supported by the increase in gross refining margin, from 29.1 USD / ton in the first three months of 2020, to 34 USD / ton in the first three months of this year.

Operational profit (EBITDA) also rose from a negative value of approximately 15.5 million dollars in Q1 2020, to a positive level of almost 30 million dollars in Q1 2021. At the same time, the net loss contracted, from over 87 million USD in the first three months of the previous year, to less than 15 million USD in the first three months of 2021.

However, the global environment in the oil & gas industry remains volatile, with a first quarter of the year influenced by the rise of crude oil prices to a record level for the last 13 months. At the same time, in early March, OPEC + decided not to increase production, as it expects a



solid demand recovery, even though the start of COVID vaccination campaigns has strengthened the economic outlook.

Despite unfavorable market conditions, the total value of Rompetrol Rafinare's exports in January-March 2021 amounted to 245 million dollars, up 16% from January-March 2020. Over 40% (up with 4% compared to the previous period) of the fuels obtained were delivered for export, both to Group companies (Rompetrol Moldova, Rompetrol Bulgaria, Rompetrol Georgia) and to other traditional partners in the Central and Eastern European region (Turkey, Serbia or Greece).

Rompetrol Rafinare continued to be a major contributor to Romania's state budget, paying over 378 million USD in the first quarter of 2021.

The main shareholders of Rompetrol Rafinare SA are KMG International (54.63% - directly and indirectly) and the Romanian State, through the Ministry of Energy (44.7%).

Refining segment*

Financial indicator		Q1 2021	Q1 2020
Gross turnover	USD	839,019,396	766,214,400
EBITDA	USD	6,911,165	(11,148,723)
Net result	USD	(12,577,741)	(71,931,831)
Operational indicator			
Processed materials - Petromidia	kt	1,265	1,240
Processed materials - Vega	kt	69	72
Fuel sales - internal	kt	551	586
Fuel sales - export	kt	366	340

Note: The refining segment includes the results of the Petromidia Năvodari and Vega Ploiești refineries. Rompetrol Refining calculates the gross refining margin as follows - (Sales of petroleum products - Cost of raw material) / Sales volume. Net refining margin is operating profit (EBITDA) divided by sales volume.

In the first quarter of 2021, the Petromidia refinery processed a total of 1.26 million tons of raw materials, a level similar to the same period of last year. Also, the degree of utilization of the refining capacity amounted to 84%, higher by more than 10% compared to the same period of 2020.

This increase is correlated with the continuous operation of the refinery compared to last year, when the general turnaround took place in Petromidia, but also due to the increase in the refining margin and the need for petroleum products, after the crisis caused by the COVID-19 pandemic.

The financial results of the refining segment showed a positive evolution, compared to the first quarter of last year. Gross turnover was almost 840 million dollars, and the net loss was just over 12.5 million dollars, more than 5 times lower compared with Q1 2020.



In Q1 2021, the largest refinery in Romania achieved good operational performance in the yield of white products (85.51% wt), mechanical availability (97%), technological loss (0.87% wt) and the energy intensity index (101.5%).

Regarding the Vega Ploiești refinery, the longest-lived production unit in the country and the only domestic producer of bitumen and hexane, the processing of raw materials and semi-finished products amounted to 69 kt. The Prahova refinery obtained good operational indices in terms of technological loss (0.66%), energy consumption (3.00 GJ / t) and mechanical availability (98.7%).

The refinery in Ploiești is in perfect synergy with the Petromidia Năvodari refinery - the largest in Romania and one of the most modern in the Black Sea region. Thus, Petromidia provides the entire refinery in Ploiești with the raw materials / semi-finished products necessary to obtain special products with a high added value.

Petrochemicals segment*

Financial indicator		Q1 2021	Q1 2020
Gross turnover	USD	46,818,604	34,838,770
EBITDA	USD	2,897,612	(8,734,640)
Net result	USD	(4,189,759)	(14,534,688)
Operational indicator			
Processed polypropylene	kt	37	28
Processed ethylene	kt	5	14
Total polymer production	kt	28	33
Total sales	kt	34	37

Note: The petrochemical segment includes the petrochemical activity of Rompetrol Rafinare and the activity of Rompetrol Petrochemicals SRL.

In Q1 2021, the petrochemical division of Rompetrol Rafinare managed to process 37 kt of propylene, 31% more than in Q1 2020, and the total production of polymers was 28 kt.

The gross turnover of the petrochemical segment increased by approximately 34%, from 34.8 million USD in Q1 2020 to 46.8 million USD in Q1 2021. The operational profit (EBITDA) also reached almost 3 million dollars.

Once again in 2021, the company continued to produce the RMB30H grade, intended mainly for obtaining filter material, but also for other applications in the area of medical products (protective masks, disposable equipment) or the industrial area (professional filters with high absorption rate).

The Low Density Polyethylene (LDPE) plant of the petrochemical segment works with 100% imported ethylene, and the Polypropylene (PP) plant works with raw materials produced and delivered internally by the Petromidia refinery.



The petrochemical segment is the only producer of polypropylene and polyethylene in Romania, constantly managing to increase its market share, including on the secondary product categories.

Distribution segment*

Financial indicator		Q1 2021	Q1 2020
Gross turnover	USD	676,530,821	605,188,230
EBITDA	USD	20,080,561	4,150,811
Net result	USD	2,615,065	(2,970,994)
Operational indicator			
Fuel quantities - retail	kt	196	183
Fuel quantities - wholesale	kt	276	271
LPG quantities sold	kt	89	78

Note: The distribution segment includes the results of the subsidiaries Rompetrol Downstream, Rom Oil, Rompetrol Quality Control, Rompetrol Logistics and Rompetrol Gas.

Consolidated gross turnover for the distribution segment was over 676 million dollars in the first quarter of 2021, and in terms of the operational income (EBITDA), a level of 20 million dollars was reached, with almost 16 million dollars above the level reached in the first quarter of 2020.

In addition, the net result went from a loss of almost 3 million USD in Q1 2020, to a profit of about 2.6 million USD in Q1 2021.

The results were supported by an increase of over 5% in fuel sales, from 532 kt of petroleum products (petrol, diesel, LPG) in the first quarter of last year, to 560 kt in Q1 2021. The positive evolution was visible in both channels of distribution - retail and wholesale, in retail the increase being 7%.

In the first three months of the year, Rompetrol Downstream continued its program to expand its fuel distribution network. Thus, from 988 points of sale in Q1 2020, the company reached, at the end of March 2021, a network of 1,068 points of sale (network of own stations, partner stations, mobile stations: express, internal bases of 9 and 20 cubic meters).

Communication and PR Department

KMG International