

**November 15, 2021****Contact: Paul Greavu****Tel: 0372 /276 125****Rompetrol Rafinare's financial results in the first 9 months of 2021**

Consolidated indicators*		Q3 2021	Q3 2020	9 months 2021	9 months 2020
Gross turnover	USD	992,458,030	986,148,085	3,277,696,163	2,511,602,582
EBITDA	USD	18,121,388	22,015,783	86,944,665	(21,663,025)
Net result	USD	(34,971,953)	(29,717,254)	(57,796,460)	(156,188,365)

**Note: The consolidated and unaudited 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, a member company of the KMG International Group, recorded increasing financial results in the first nine months of 2021 compared to the same period last year, which was strongly impacted by the reduction in mobility caused by the imposition of traffic restrictions caused by the effects COVID-19 pandemic.

In the global business environment, the European refining margins stood, in the first nine months of 2021, at an average level of 13.5 USD / MT. Although the refining margins were lower compared to the average for the period January - September 2020, they had an increasing trend in January - September 2021, with a positive impact from gasoline margins, but also due to the low differential between Urals and Dated Brent crude oil.

Against the background of the factors that influenced the global environment, the gross turnover recorded by Rompetrol Rafinare was 3.27 billion dollars, while the consolidated operational result (EBITDA) registered an increase, from a negative of 21.6 million dollars, to a positive result of almost 87 million dollars. The consolidated net result recorded a negative value of 57.8 million USD, with a return of about three times compared to the level of the first months of 2020.

However, the company's consolidated results were impacted by the technical incident that occurred on July 2, at the Diesel Hydrotreating (HPM) plant. For this reason, for most of the third quarter of the year, production activity was stopped, which led to a significant decrease in the volume of raw materials processed.

"The event at the beginning of July had a significant negative impact, both operationally and organizationally. However, with the effort and involvement of colleagues and partners, we managed to put the refinery back into operation, in conditions of maximum safety. At this moment, the Petromidia refinery has reached the optimal operational parameters, with an average of 13.5 thousand tons of crude oil processed daily, a pace that will be responsibly maintained, both for employees and for the environment. Petromidia and Vega are vital production assets for the energy system and related industries, and our role is to provide stability", said Felix Crudu-Tesloveanu, General Manager of Rompetrol Rafinare.



The total value of exports made between January and September 2021 by the Petromidia, Vega refineries and the Petrochemical Division of Rompetrol Rafinare, amounted to approximately 656 million dollars, totaling 1.12 million tons of products sold.

Rompetrol Rafinare continued to be an important contributor to Romania's state budget in 2021, with a contribution of over 336 million dollars in the third quarter of the year and over 1.17 billion dollars in the first nine months 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*

		Q3 2021	Q3 2020	9 months 2021	9 months 2020
Gross turnover	USD	739,904,074	770,244,609	2,628,471,462	1,972,729,430
EBITDA	USD	(6,363,761)	1,783,370	5,898,779	(48,466,218)
Net result	USD	(39,583,395)	(40,811,501)	(81,903,501)	(151,116,639)
Operational					
Raw materials processed - Petromidia	Kt	600	1,389	3,326	3,504
Raw materials processed - Vega	Kt	38	110	227	265
Gasoline production	Kt	74	310	776	830
Diesel & Jet production	Kt	467	761	1,845	1,940
Fuel sales - internal	Kt	513	700	1,735	1,737
Fuel sales - export	Kt	77	324	818	908

*The refining activity includes the results of the Rompetrol Rafinare company regarding the Petromidia and Vega refineries. Rompetrol Rafinare calculates the gross refining margin as follows - (Sales of petroleum products - Raw material cost) / Sales volume. Net refining margin is operational profit (EBITDA) divided by sales volume.

The gross turnover of the refining segment reached almost 740 million USD in Q3 2021, slightly decreasing, respectively 2.6 billion dollars in the first 9 months of 2021, registering an increase of 33% compared to the same period in 2020 .

In the first 9 months of the year, the Petromidia Năvodari refinery processed over 3.3 million tons of raw materials, obtaining a production of 776 thousand tons of gasoline and 1.85 million tons of diesel and Jet A1 fuels.

The volumes of processed raw materials and obtained products decreased, as a result of the cessation of the operational processes in the Petromidia refinery, in the third quarter of the year.

Between July and September 2021, extensive works were carried out to restore the affected facilities. More than 20 companies were involved, together with the employees of Rompetrol Rafinare and Rominserv, in order to put back into operation the production facilities from the Petromidia refinery.

The work schedule involved a large volume of actions, with hundreds of pipes checked, repaired or replaced, static and dynamic equipment checked and repaired, where necessary.



At the same time, the instrumentation and electrical cables were replaced, in each installation all the elements and equipment related to operational safety were checked, and the operational staff of the refinery was retrained and recertified.

The main objective of all works performed was to improve technical performance and maintain a high standard of operational safety.

The production activities of the Petromidia refinery were resumed at the end of September 2021, the technological installations being gradually restarted, and at the end of October 2021 they reached the optimum operational efficiency.

In Q3 2021, Rompetrol Rafinare made substantial efforts to fill the need for fuel at the national level, but also in the region, by importing components to obtain gasoline, diesel and special aviation fuel. In the first nine months of 2021, Petromidia managed to achieve a white product yield of 85.7%wt.

Regarding the Vega Ploiesti refinery, the only domestic supplier of bitumen for the Romanian market and the only national producer of hexane, the total processing, in the first 9 months of the year, was 226.5 thousand tons.

The Ploiesti refinery is in perfect synergy with 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 Ploiesti with the raw materials / semi-finished products necessary to obtain special products with a high added value.

Petrochemicals segment*

		Q3 2021	Q3 2020	9 months 2021	9 months 2020
Gross turnover	USD	31,200,653	37,566,311	146,292,930	100,122,489
EBITDA	USD	(4,346,939)	(4,340,045)	9,961,551	(20,017,287)
Net result	USD	(9,892,600)	(5,492,682)	(5,481,550)	(29,679,108)
Operational					
Processed propylene	kt	2	32	74	80
Processed ethylene	kt	3	21	27	49
Polymer production	kt	5	42	73	102
Total sales	kt	18	39	89	111

*The petrochemical segment includes the petrochemical activity from Rompetrol Rafinare and the activity of Rompetrol Petrochemicals SRL.

In the first 9 months of 2021, the total polymer production of the Petrochemical Division was 73 thousand tons, down 28% compared to the same period last year. The decrease was mainly caused by the non-operation, between July and September 2021, of the polypropylene plant, which operates with raw materials produced and delivered internally by the Petromidia refinery.

Currently, the petrochemical activity is carried out in the Low Density Polyethylene (LDPE) and Polypropylene (PP) installations. In the last one mentioned, the specialists from the



Petrochemical Division managed, in 2020, to develop a grade of polymers that can be used in the production of protective masks, and the resulting filter material is constantly distributed to manufacturers across the country, specialized in sanitary protection equipment development.

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

Distribution segment*

		Q3 2021	Q3 2020	9 months 2021	9 months 2020
Gross turnover	USD	811,352,972	729,828,230	2,325,668,918	1,774,823,130
EBITDA	USD	28,386,607	24,954,841	70,687,078	44,593,962
Net result	USD	14,218,180	17,259,663	29,578,926	22,773,211
Operațional - vânzări					
Carburanți retail	Kt	276	241	700	587
Carburanți en-gros	Kt	246	361	856	864
Cantități GPL vândute	Kt	45	107	230	251

* 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 811 million USD in Q3 2021 and over 2.32 billion USD in the first 9 months of 2021. Operational profit (EBITDA) between January and September 2021 was 70.7 million USD, and the net profit achieved by the distribution segment was 29.6 million USD.

In the third quarter of 2021, the distribution segment was influenced by the technical incident that occurred on July 2, in the Petromidia refinery, so that the need for petroleum products was ensured through imports and purchases from the domestic market. Despite the unfavorable conditions, the company has made substantial efforts to ensure, constantly, fuels, both in its own stations and in the Partner and Express stations.

Thus, fuel sales (in the retail and wholesale area), for the first 9 months of 2021, amounted to 1.55 million tons, slightly higher than last year.

Wholesale fuel sales were impacted, in the third quarter of 2021, by a railway incident in the Fetesti area, which caused a cessation of the transfer of products to warehouses, for two weeks. Thus, in Q3 2021, a decrease of approximately 30% in wholesale sales was recorded.

In Q3 2021, compared to the same period in 2020, Platts quotations (FOB Med Italy-mean), expressed in the reference currency, USD, were, on average, about 70% higher for diesel and about 81% higher for gasoline.

Also, in the third quarter of 2021, the national currency (RON) depreciated, on average, by about 1% against the US dollar, compared to the third quarter of 2020 and resulted in an increase in the international price of diesel in the national currency, by about 71%, while the international price of petrol increased by about 83% in the national currency.



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At the end of September 2021, the distribution segment of Rompetrol Downstream comprised 1,179 points of sale (131 more compared to September 2020), including its own network of stations, partner stations and mobile stations (express, internal bases of 9 and 20 cube meters).

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